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Prof. Ilemona Adofu, *FCEnt, FCGPE*

Editor in Chief

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HUMAN RESOURCE MANAGEMENT AND STAFF PERFORMANCE IN BANKS IN DELTA STATE, NIGERIA.

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Abstract

The work investigated the correlation between Human Resource Management and Staff Performance in Banks in Delta state. Descriptive research design was used for this study within Delta State, Nigeria. The technique adopted to select the sample is a convenient sampling technique. The researcher selected a sample of 10 respondents each from Zenith Bank, Guarantee Trust Bank, Eco Bank, First Bank, and United Bank of Africa for convenience in relation to finance, ease of collection and timing of the study. Data was generated using the structured questionnaire instrument. The sample element was 50 management staff within the commercial bank industry. The hypotheses formulated for the study was subjected to empirical test using analysis of variance (ANOVA). The findings showed that there is a positive significant correlation between human resource management and staff performance in banks in Delta state. The work concluded that employee wellbeing, motivation, training and career development and staff relationship with organization had a strong influence on employee performance in the commercial banks in Delta state. It was recommended that management should improve on the productivity and efficiency of the workforce and general employees' performance.

Keywords: Human Resource Management, Staff Performance, Employee motivation, Training, and career development.

1. Introduction

Human Resource Management (HRM) establish the noticeable side of the managerial philosophy. These practices are stately as they are observed by the staff, prearranged that the recent tendency shows that observations of the practices are added and vital than the transcribed strategies themselves. (Alfes, Shantz, Truss, & Soane, 2013). Human resource management (HRM) are well-thought-out as a vital component such as Training, Reward, Work place and Staffs' Safety that aids the staff in addition to establishments to advance the performance and Efficiency (Lee and Lee, 2007). Lee and Heard (2000), suggested that Human capital development is an important instrument to change the staff Approach, Conduct, and Career Fulfilment, the more vital is a managerial obligation.

Agreeing to Epie (2011), the banking segment is well-known for its extensive-working period principles. This absence of labour suppleness, job burden and lengthier operational periods are heightening out countless employees, sinking their work productivity and efficiency in addition to affecting families. Similarly, individual concerns that staff of banks most especially commercial banks encountered outside the work place, also discourage them and sequentially dampen them to be enthusiastic in their service conveyance to clients. Personnel resolve and are continuously pleased as soon as they sense their immediate surroundings; both bodily ambiances and responsive statuses are in agreement with their compulsions (Farh, Seo, & Tesluk, 2012) and how well staff unite with their establishment's, impacts to a countless magnitude their fault proportion, competence and productivity, teamwork with other staffs, nonattendance and, eventually their retaining (Leblebici, 2012).

The transformation in the banking segment made it obligatory for commercial banks to have at least 25 billion naira investment base to remain in business. Accordingly, commercial banks had to go into tactical coalition with other banks, by acquisition and merger. This has transformed the concentration of First Bank of Nigeria Plc, Zenith Bank Plc, United Bank for Africa Plc., and Guarantee Trust Bank, etc. to have a new approach that necessitates growth, aggregate investment and client base. These have led to management devising advanced anticipation of staffs' efficiency.

However, absolute productivity of business rest on the zeal of its workforces, which hinge on various features. These features can be linked to exertion or family. The balance that an individual needs between time allocated for work and other aspects of life enriches proficiency and consequently, the output of a worker increases. The happiness or discontent of the staffs upsets the productivity of the business. Therefore, employees' productivity might be of little typical, in form of inadequate incentive, comfort, staff association and lack of training and career development. Most workers leave their work place, because of insufficient drive, training besides lack of good management-employee relationship. Some employees are eager to stay, since they recognize that what they get in terms of benefit and rewards are not regularly obtainable everywhere. Some of the key glitches threatening organization in any economy is the failure to efficiently accomplish its aims and purposes. The key problem is how to take care of the wellbeing of staff, adequate training and career development, staff relationship, and employee motivation in accomplishing productivity and performance in the Nigerian banking sector. Hence, the study of Human Resource Management and Staff Performance in commercial banks in Delta State, Nigeria is imperative. It is against this backdrop that this study will examine the Human Resource Management and staff Performance in commercial banks in Delta State, Nigeria and proffers solutions to the existing problems.

Therefore, the broad objectives of this study were to examine the effect of human resource management and staff performance in commercial banks in delta state, Nigeria. Specifically, the specific objectives of the study are: (i) ascertain the effect of wellbeing on staff performance in the Nigerian commercial banks, (ii) examine the outcome of staff correlation with management on staff performance in the Nigerian commercial banks, (iii) examine the outcome of training and career development on the proficiency of staff performance in the Nigerian commercial banks, (iv) ascertain the influence of motivation on employee performance in the Nigerian commercial banks. Accordingly, the hypotheses were formulated for the study; Ho1: there is no significant positive correlation between wellbeing and staff performance in the Nigerian commercial banks. Ho2: there is no significant positive correlation between employee relationship with management and staff performance in the Nigerian commercial banks, Ho3: there is no significant positive correlation between Training and career development and staff performance in the Nigerian commercial banks. Ho4: there is no significant

positive correlation between employee motivation and staff performance in the Nigerian commercial banks.

2. Literature Review

Human Resource Management (HRM) and staff Performance

Human Resource Management (HRM) discusses the design of strategic human capital dispositions and actions planned to assist a business entity to accomplish its objectives. HRM encompasses all of the undertakings that are executed by the business to have emotional impact on the behaviour of personalities and execute the tactical requirements of an industry (Nishii & Wright, 2008). HRM is a vital judge of business performance and has the prospective to stimulate business invention (Alsafadi, & Altahat, 2021). The staff's efficiency is measured as one of the attribute that have an impact and part on the business's productivity, as it adds to the achievement of the business growth through the comportment of the staff notwithstanding the existence of other features that help in its accomplishment (Saleh, Abu Afifa, & Alsufy, 2020). Staff's behaviour remains fashioned over distinctive but organized HRM. HRM is used determine the level of productivity of the workers inside the work place inspiring them and building healthy competition amongst them (Ahmad & Schroeder, 2003).

Businesses accomplishes well when all of these human capital management practices are directed accordingly. Organizations with operational human capital management, staff and clients incline to be more fulfilled, and the organization have a tendency to to be more advanced, have more output, and improve favourably on it community reputation (Cross, 2018).

Business growth hinge on the worker's efficiency. Hence, it is imperative for an administrator to fashion a methodology to handling and training its employees. The banks are service businesses and their core objective is to please their client. The services staff renders to the client and work efficiency is interconnected. When staff deliver outstanding client service, they are surpassing work anticipations. The reputation of a business service is centred on the degree of service acknowledged by the client. For service firm the business is centred exclusively on their workers' productivity. That is why organization must look for several methods in refining staff efficiency (Orogbu, Onyeizugbe & Chukwuemeke 2015).

Performance and efficiency is related with the amount of productivity, quality of production, timeliness of amount produced, appearance on the work, and proficiency of the job accomplished and efficiency of job completed (Mathis & Jackson, 2009). To accomplish this, business organization are require to make strategies that will inspire staff productivity. A workers job efficiency should be influenced by some mixture of capability, determination, and prospect. Nevertheless, the capacities can be done in terms of outcomes made (Ferris, Arthur, Berkson, Kaplan, Harrell-Cook, & Frink, 1998).

Empirical Review

Wellbeing and Staff Performance

Paul and Anantharaman (2003) establish that the bulk of Human Resources practices were connected with business productivity, but not with group practises. In a nutshell, the work show that human resource management is mostly positively connected with social characteristics of staff wellbeing and with business efficiency recognized.

Training & Career Development and Staff Performance

Aslam Khan (2013) requested that career training, training strategy and work delivery pattern are three of the most important features in managerial studies as they add to growing staff productivity. Staff training is vital and acceptable for the organization to have an economical improvement over others in the business environment (Armstrong, 2000). Cole (2002) revealed that the cornerstone for human resource management is training and it is of enormous advantage to the individuals and organization in the short and long term. Some of the paybacks from staff training are: initially, boosts and increases the value and capability of staff toward job related responsibilities, and eventually achieve managing the people side of change. Furthermore, training programme affords the opportunity for staff to increase their grants, together with improved wellbeing and safety at the place of work which can lead curtailing staff revenue. Lastly, one of benefits of training is the lower budget and period because a well-taught worker will be competent to accomplish responsibilities within a shorter time and with least charge. In conclusion, career development helps staff to improve their self-confidence and stimulate them to accomplish jobs effortlessly.

Work Motivation and Employee Performance

Samson and James (2015) revealed in the study carried out that motivation and employee Performance in the Nigerian Banking Industry. The work examined the place of motivation on employees' performance in the Nigerian Banking Industry. The main finding of the study plainly showed that motivation has an influence on employees' performance. The study validates that banks ought to contemplate the use of motivations and other incentives tactics for improved performance. Findings concluded that business owners are constantly reminded to improve wage strategies and techniques that will permit them to entice, keep, inspire and please their workers.

3. Research Methods

The research was based on assessing the Human Resource Management and staff performance of commercial banks in Delta state, Nigeria. Descriptive research design was adopted for this study. The descriptive research method primarily focuses on describing the nature of a demographic segment, without focusing on "why" a particular phenomenon occurs. This will provide for using survey method in gathering of information in determining the relationship between the study variables from respondents at one point.

Population of the Study

The population of the study was the branches of the selected commercial banks in Delta state. The study targets the management staff of the commercial banks in Nigeria.

Sample Size

The study makes use of a sample of 50 staff from selected commercial banks in Delta state. The technique adopted to select the sample is a Convenience sampling technique. Convenience sampling is a type of non-probability sampling that involves the sample being drawn from that part of the population that is close to hand. The researcher selected a sample of 10 respondents each from Zenith Bank, GTB, Eco Bank, First Bank, and United Bank of Africa for convenience in relation to finance, ease of collection and timing of the study.

Method of Data Collection and Instrument

The researcher used questionnaire to elicit responses from respondents. The questions was intended to make the aim of the work effective after the outcomes have been established. This give the scholar the expected information about the recruitment and selection practices. A typical survey was used in order to produce precise data. This enable the scholar to study the staff opinion on the impact of human resource policies on employee productivity. The scholar use the Likert scale type of questions.

Validity of the Research Instrument

The content validity was utilized in this work. Thus content validity is determined by how well the researcher creates objects that shield the content territory of the variable being measured. To validate the instrument for data collection, the questionnaire was given to renowned expert from the field of human resources management for certification. An instrument is effective if it measures what is proposed to measure and precisely accomplishes the aim for which it was intended (Patten, 2004; Wallen & Fraenkel, 2001). As stated by Patten (2004), validity is a matter of degree and no test instrument is flawlessly effective. The instrument used ought to result in precise inferences (Wallen and Fraenkel, 2001).

Methods of Data Analysis

The descriptive and inferential statistics which include frequency count, simple percentages, mean scores and standard deviation were used for the study. The hypotheses formulated for the study were subjected to empirical test using the analysis of variance (ANOVA).

4. Data Presentation and Analysis

Table 1 Summary of Questionnaire Administered.

	Number	Percentage %
Total Questionnaires Distributed	50	100
Total Questionnaires Retrieved	50	100
Total Questionnaires Rejected	0	0
Total Questionnaires Used	50	100

Source: Fieldwork, 2021.

Table 2 Gender of Respondents

Sex	Frequency	Percentage %
Male	32	64
Female	18	36
*Total	50	100

Source: Fieldwork, 2021.

The table shows the sex spreading of the respondents. From the table, 32 of the respondents represent 64 percent of male while 18 respondents are female.

Table 3 Job Cadre of Respondents

Cadre	Frequency	Percentage %
Junior	17	46
Senior	23	34
Management	10	20
Total	50	100

Source: Fieldwork, 2021.

Table above showed the cadre distribution of the respondents. From the table it can be observed that respondents in the junior cadre are 46 percent followed by senior staff cadre with 34 percent. The table also showed that 20 percent of the respondents are in the management staff cadre.

Table 4 Job Experience of Respondents

Years of Experience	Frequency	Percentage %
Below 5Years	26	52
6 to 15 Years	8	16
Above 16	16	32
Total	50	100

Source: Field work, 2021.

The table shows the job experience distribution of the respondents. From the table 26 of the respondents representing 52 percent are having below five years working experience while 8 respondents are staff with 6 to 15 years of experience.

Table 5 Highest Qualification obtained by Respondents

Highest Qualification Obtained	Frequency	Percentage %
Below BSc/HND (ND, NCE, WAEC etc.)	5	10
BSC/HND	37	54
Masters	8	16
Total	50	100

Source: Fieldwork, 2021.

The Table shows that most of the respondents have HND /BSc as their highest educational requirement with 54% of the respondents in this category. 10% of the respondents have qualifications below the BSc/HND degrees. However, 8 respondents representing 16% have a master's degree.

Table 6 Age of Respondents

Age in Years	Frequency	Percentage %
20-23	0	0
24-28	14	28
29-33	21	42
34 and above	15	30
Total	50	100

Source: Fieldwork, 2021.

The Table indicates that most of the respondents are above 34 years of age with 30 percent. 42% of the respondents are between 29 to 33 years of age while 28% are between 24 to 28 years of age. However, there was no respondent between 20-23 years of age.

Table 7 Descriptive Statistics for response on the effects of adoption of IPSAS on financial reporting

No.	Item	Respondents' Mean	SD	Decision
1	The organization I work for take care of me with adequate attention.	2.9472	1.02597	Agreed
2	Where I work, I get benefits such as promotions, awards, bonuses, etc.	3.0000	.77427	Agreed
3	My employer encourages my participation in staff training and career development	2.9472	.80598	Agreed
4	The organization I work for encourages good interpersonal relation with its employees	2.8015	.81442	Agreed
5	The organization I work for provide me with packages that is Well-suited with my Abilities, coaching, and qualification.	3.0477	.80629	Agreed
6	Productivity and efficiency in my organization is high.	3.1965	.64079	Agreed
7	The way I am treated in my workplace gives my extra motivation to put in my best	2.9975	.54749	Agreed
8	In my organization, staff are not given opportunity to express themselves	2.1457	.79283	Agreed
9.	I feel contented with the comfort at work I perform in the bank.	3.2990	.52140	Agreed
10.	increase in the wages or salaries of staff is the major motivating factor for improved employee job performance	1.9836	.42523	Disagreed

* The acceptance mean point for the items was 2.50, any mean (\bar{x}) that is 2.5 and above is agreed indicating a positive response and below 2.50 is disagreed regarded as a negative response

Source: Field Work (2021)

The Table above indicated the distribution of the respondents based on their reply to issues relating to human resources management practices of banks, with majority of the responses being positive except two as they were above the mean cut off of 2.5. The most positive response had a mean score of 3.29 which indicates that the employees are satisfied with the works they do at their respective banks and the least positive response was 2.80 which stated that the organization I work for encourages good interpersonal relation with

its employees. On the other hand, the most negative response had a mean of 2.14 stating that in my organization, staffs are not given opportunity to express themselves while the least negative indicating that increase in the wages or salaries of staff is the major motivating factor for improved employee job performance has a mean score of 1.9. Therefore, the result indicates that human resources management practices positively influence employee performance.

Hypotheses Testing

Hypothesis 1:

H₀₁: there is no significant positive correlation between wellbeing and staff performance in the Nigerian commercial banks.

Table 8 ANOVA Table on the effect of Wellbeing on Staff Performance in the commercial banks in Delta State, Nigeria.

Model		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
1	Regression	91.620	1	91.620	9.665	.000 ^b
	Residual	455.016	48	9.480		
	Total	546.636	49			

a. *Dependent Variable: Q6: Productivity and efficiency* b. *Predictors: (Constant), Q4: Wellbeing at work*

To test hypothesis 1, variables level of productivity and efficiency and wellbeing were subjected to empirical test. Given a degree of freedom of 1, 48, F-stat of 9.665; p=0.000, it can be observed that employee’s wellbeing significantly influences employees performance in the commercial banks in Delta State, Nigeria. This result provides enough evidence to reject the null hypothesis and accept the alternative which states that staff wellbeing has a significant positive correlation with performance of staff in the commercial banks in Delta State, Nigeria.

Hypothesis 2:

H₀₂: there is no significant positive correlation between employee relationship with management and staff performance in the Nigerian commercial banks.

Table 9 ANOVA Table on the effect of Employee Relationship with Employer on Staff Performance in the commercial banks in Delta State, Nigeria.

Model		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
1	Regression	78.505	1	78.505	1.635	.000 ^b
	Residual	368.131	48	7.669		
	Total	446.636	49			
<i>a. Dependent Variable: Q6: Productivity and efficiency b. Predictors: (Constant), Q4: Encourages management and Employees relationship</i>						

In testing hypothesis 2, we subject the variables encouraging communication and relationship between management and employees using the ANOVA. From the Table above, employees’ relationship with management has significant influence on productivity and efficiency. The F-stat is 1.635 with a p-value of 0.000. The study therefore have enough evidence to reject the null hypothesis and accept the alternative hypothesis. This means that a significant positive correlation exists between employee relationship with management and staff performance in the commercial banks in Delta State, Nigeria.

Hypothesis 3:

H₀₃: there is no significant positive correlation between Training and career development and staff performance in the Nigerian commercial banks.

Table 10 ANOVA Table on the outcome of Training and Career Development on staff performance in the commercial banks in Delta State, Nigeria.

Model		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
1	Regression	67.080	1	67.080	6.955	.000 ^b
	Residual	462.957	48	9.644		
	Total	530.037	49			
<i>a. Dependent Variable: Q6: Productivity and efficiency b. Predictors: (Constant), Q3: Participation in Staff Training and Development.</i>						

In testing hypothesis three, the study subjects the variables productivity and efficiency and participation in staff training and development to test using the ANOVA. From the table above, partaking in staff training and development has a significant positive correlation between staff performance in the commercial banks in Delta state. The F-stat 6.955 with a p-value of 0.000

showed that that is an evidence to reject the null hypothesis and accept the alternative. This shows that staff training and development will enhance staff performance in commercial banks in Delta State, Nigeria.

Hypothesis 4:

H₀₄: there is no significant positive correlation between employee motivation and staff performance in the Nigerian commercial banks

Table 11 ANOVA Table on the outcome of employee motivation on staff performance in the commercial banks in Delta State, Nigeria.

Model		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
1	Regression	71.020	1	71.020	7.427	.000 ^b
	Residual	459.017	48	9.562		
	Total	530.037	49			

a. Dependent Variable: Q6: Productivity and efficiency b. Predictors: (Constant), Q10: motivation

In testing hypothesis 4, the study subjects the variables productivity and efficiency and motivation using the ANOVA. From the table above, staff motivation has a significant positive effect on staff’ performance. The F-stat is 7.427 with a p-value of 0.000. There is enough evidence to reject the null hypothesis and accept the alternative. This means that employee motivation has significant positive effect on staff performance in the commercial banks in Delta State, Nigeria.

5. Discussion of Results

On the hypothesis tested, findings of the work revealed that employee well-being has a significant positive correlation on staff performance in the commercial banks. The findings is in alignment with previous studies such as Mbanefo; Chigbo and Michael (2019) and Mmakwe and Ojiabo (2018)

The study findings further indicated a significant positive relationship exists between employee relationship with management and staff performance in the commercial banks in Delta State, Nigeria. The implication of the finding is that as managers increase communication and interpersonal relationship with workers, job performance will improve. This result meets our apriori expectation and is consistent with Jedidah, Stephen and Michael (2014) and Mbah and Ikemefuna (2012).

The statistical estimates on the third hypothesis also shown a significant positive association concerning staff training and development and staff performance in commercial banks in Delta State. The implication of this result is that staff participation in career training and development will enhance work performance. This also meets our apriori expectation and conforms to prior studies such as Lawrence and Nneoma (2017) and Sair, Zahid and Mehboob (2013)

On hypothesis four tested, findings of the study revealed staff motivation has a significant impact on staff performance in the commercial banks in Delta State. The result also meets our expectation and is in agreement with previous studies such as Samson and James (2015), Mohsan (2012) and Orogbu, Onyeizugbe and Chukwumeke (2015).

6. Conclusion

The aim of the work was to ascertain the effect of Human Resource Management and staff' performance in the commercial banks in Delta State, Nigeria. Operative policy can be used by many organizations to drive employees towards noble performance. The factors this study focused on are employees' wellbeing, staff training and career development, connection between management and employees, and staffs motivation. The study as part of its findings discovered employees' wellbeing, relationship with managers, training and career development and motivation all have a significant positive outcome on employees' performance.

Finally, the work found out that good human resource management practices improve productivity and efficiency of the workforce and by extension the general employees' performance.

7. Recommendations

It is very vital for management to advance and encompass staff wellbeing, management-staff relationship, motivation etc. in decision making.

For staff' performance to be enhanced and unrelenting it is also suggested that organizations especially commercial banks should send their workers to training regularly for better and enhanced career development.

The study also established with other related studies that employee relationship between management are crucial to promote goal congruence in the work environment. In this respect, top management should guarantee a healthy relationship between and among staff and managers of the organization.

Organization should also focus on incentives that motivate staff of the organization. Promotions, bonuses, salary increment, sponsorship of holidays etc. can also motivate employees hence should be encouraged.

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POSITIONING VIRTUAL TRACE APPROACH AS A QUALITATIVE METHODOLOGY IN ENTREPRENEURSHIP RESEARCH: AN INNOVATIVE APPROACH

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Abstract

This paper reflects on the potential of Virtual Trace Approach (VTA) to provide new perspective into qualitative methodology in entrepreneurship research. The objective is to present another dimension to the existing strategies in carrying out entrepreneurship research and to discuss how VTA technique may be used as a qualitative methodology in entrepreneurship research. A description of searching under trace approach is provided in four phases namely: (1) selection of investigated event, case or phenomenon. (2) Strategy for data collection. (3) Data preparation processes. (4) Data analysis. In this study, data analysis capitalized on a research carried out on the Nigerian Government COVID-19 Survival Fund by presenting the likely contribution it will have on entrepreneurial research. It is concluded that VTA can be used within an entrepreneurial research context. Whilst, recommending that Virtual Trace Approach (VTA) should be implicitly deployed together with other qualitative research methodology in various fields of entrepreneurial research where complex information with wide coverage is required, most especially in this contemporary time.

Keywords: *Virtual Trace Approach, Physical Trace Approach, Entrepreneurship, Qualitative Research.*

1. Introduction

At the peak of COVID-19 pandemic, between August 2020 and April, 2021, a research was carried out on Swift Access to the Nigerian Government COVID-19 Survival Fund, with emphasis on payroll support using Virtual Trace Approach (VTA) for qualitative data collection by Shitu, 2021. It was an interesting study that made the researcher passed through the challenge of exploring a new methodological approach in the field of entrepreneurship. Perrini (2006) asserted that close-up insights are needed if we want to access what actually happens and matters within the entrepreneurial settings. Going by the fact that Virtual Trace Approach (VTA) has not been given adequate attention in entrepreneurship research, it is important to note that it is grounded on technological premise, as it has been touted to be ‘a non-verbal approach’ unlike the Physical Trace Approach (PTA). Research revealed that many entrepreneurship related studies with unrequited enquiries and many unanswered arguments have since been neglected due to thick data requirements (Naargaard & Ulhoi, 2007).

Undeniably, due to its complex nature, it is difficult to position it into many fields in the social sciences. That is not to say that it will not fit into fields outside science and technology. The categories of fields that can explore this approach include art and religious studies, management sciences and education. However, drawing from the work of Lambert (2017) this paper considers the Virtual Trace Approach (VTA) as an alternative to Physical Trace Approach (PTA) where the internet and its associated components can be major contributors in facilitating theory development by researchers whilst solving real-world research problems (Lambert, 2017). As research advances, the general notion is that most research tools can be tested virtually since application of analytical tools is more workable with the use of the internet. Interestingly, it is a research tool that can be usable in entrepreneurial research to bring about entrepreneurial innovations and social change.

The application of Virtual Trace Approach is explicitly different from physical trace approach as well as other types of qualitative methodology due to the fact that it is grounded on the premise of internet and technology i.e. it is done virtually and it does not really require physical presence (Lambert, 2017). Not so many researchers have delved into the use of Virtual Trace Approach in studying entrepreneurship research but some many have provided their views

on how to conduct trace research in clinical studies, library, information and communication research (Latzko-Toth & Bonneau, 2017; Lambert, 2017). In this study, the description of what Virtual Trace Approach entails will be aligned with the description provided by Lambert (2017). With excerpts from the guideline provided by Latzko-Toth and Bonneau (2017), the researchers are of the view that before the Virtual Trace Approach came into use by researchers, the Physical Trace Approach (PTA) had been used among communication, library and information researchers. However, due to the incongruent differences in PTA and VTA and the varied choices of other qualitative approaches to entrepreneurial research, the prevailing viewpoints of this innovative approach would allow collection of huge qualitative data, ranging from demographic data, processes, interactions, transactions, connections, narrations and exchanges. This is factual in the field of entrepreneurship.

2. The Concept of Virtual Trace Approach

In the last one decade as information technology began to follow a new dimension, the use of internet, particularly social media have shown a clear proposition that researchers in all fields of management sciences are given liberty to explore mass information and collect data through the use of electronic and virtual enablers such as World Wide Web for research purposes. This is so pragmatic for the purpose of juxtaposing both theoretical and practical knowledge to enable researchers to come up with result-oriented outcomes that would enable facilitation of smart decisions within the confines of the academia and professional sphere (Kelly & Cordeiro, 2020). One field of study which is likely to benefit from the use of the internet for data collection is Entrepreneurship, this is because extensive entrepreneurial information is available on the World Wide Web especially platforms grouped as social media (Tiago & Verissimo, 2014; Dana & Sclanzadel, 2021). Although there is the Impending possibility that ominous inspirations might abuse such data emanating from the internet in manners that may leave people feeling somewhat apprehensive and insecure, haven observed that, it is very pertinent to also explore the worthiness of the kind of information that may come from investigating entrepreneurial competencies and propensities in an online environment (Shazad et al., 2021).

Virtual trace data collection methods such as Web analytics might be labelled as a Cyber metric data collection technique. Antonakaki et al., (2021) suggest that Web analytics, or likewise referred to as web traffic tool, might lie within the Cyber metric sphere. The usefulness of data collection and serves as a mediator between how human and non-human actors and the virtual means of interaction makes it important that data collected possibly will include intercession skills which is an important part of entrepreneurship studies. It is important to note that the analysis of elements related to inquiring and searching on the World Wide Web might be apt for qualitative research approaches such as Virtual Trace Approach (VTA) within the procedural context of Cyber metrics. The dependence on rate of occurrences of themes generated to assist in the analysis of virtual data traces of human and non-human actor's activities on Web pages (Golf-Papez & Veer, 2022; Schops et al., 2022). It is apparent in both route-finding blog studies and research of blogs that shows data explorers inquiries are conveyed through the search engines by submitting search terms.

However, VTA also has important advantages. For instance, it can let slip and disclose real-life and imaginary comportment and state of mind of the internet users (Lambert, 2017). It allows academics to enhance their understanding of Web page and the package the Web page provides in terms of quality. Not only these, it can also be used to boost the efficiency of data services and information (Schops et al., 2022). Though, bearing in mind that the most important components of analysis in Web analytics is quite different from what is obtained within the context of physical trace approach and it is for this reason that the virtual trace approach has become well-regarded especially in the era of COVID-19 (O'Connor et al., 2020).

3. An Overview of Physical Trace Approach (PTA)

Giving credence to the work of Webb et al., (1999) a retracing of how research that involves reactive data collection approach was affecting outcome of research for the fact that “the research participant is stereotypically aware of being observed”. Because of these, Webb et al (1999) recommended that researchers think through the idea of changing the choice of the data variables and their pointers to decide their relevant research questions. This could be achieved through the use of data collection approaches that do not comprise any sort of interface with human research subjects but rather with non-human

instruments such as variable management typical in experimental research design (Lambert, 2017) measuring survey through a form of uninterrupted or unplanned questioning, or observation of the behavior of human beings within the confines of the natural environment through diverse levels of communication, collaboration and/or involvement in research study.

More so, there is a need for researchers to ponder on engaging in inconspicuous research as a way of studying entrepreneurial possibilities in relation to social behaviour so that it does not influence unfairness or have consequences on the social phenomenon under investigation (Wickert et al., 2021; Bacq et al., 2022). Just like other research methodologies, physical trace is not free from shortcomings. One such hindrances are in the aspect of ethical consideration in research, also discriminatory pattern and selective scrutinizing, of research topics that is applicable to other methods such as archival research.

An extensive range of theoretical frameworks, methodologies, and analytical modus operandi within the qualitative research arena have been Physical Trace Approach in nature (Hakala et al., 2020). Dwivedi et al., (2021) pointed out a major viewpoint relating to social sciences, encompassing a very broad and complementary research perspectives. Central to the importance of VTA as a qualitative research methodology is the recognition of the importance of internet in human capital development research such as that of entrepreneurship. The key postulation is that the analysis of themes on online platforms lets the researcher understand other people's reasoning representations. At its most uncomplicated, theme frequencies on world wide web has been measured to be a gauge of analytical centrality or standing. Scholars also have presumed that the transformation in the use of online themes reflects at least a modification in responsiveness of research, if not in physical trace approach (Cyron, 2022).

In addition, thematic analysis accepts that groups of online postings reveal underlying contents useful for analysis, and that, for example, co-occurrences of themes can be construed as replicating relationship flanked by the fundamental concepts in the research. Thematic analysis in this context, supporters have distinguished quite a lot of advantages of this type of methodology and analytical methods above contending sets. Primary to entrepreneurial research, thematic analysis makes available a replicable

procedure to access policies of government in relation to benefits such as in the case of COVID-19. Because of this, thematic analysis fits in both physical trace approach and virtual trace approach methodologies which is applicable to a comprehensive range of social phenomena. For instance, its applications in management of global pandemic, natural disasters, poverty and unemployment (Palinkas et al., 2021).

4. Virtual Trace Data Collection Methods

Virtual Trace Approach collection is a specific method of searching and collecting qualitative data using online participant's perception. Tracing usually respects sketching and searching method instead of the conventional linear approach to enquiry. The hodge-podge of collecting qualitative data online is an extremely new phenomenon as well as a somewhat an ongoing one. The beginning of VTA as a research methodology has been credited to Lambert (2017). In any case, it was the innovation social media applications in the long time following the need for networking and virtual interconnections that prompted the advancement of current Virtual Trace Approach assortment. The formation of groups and clusters at the glance of business opportunities also promoted Virtual Trace Approach as that is seen as a significant strategy for gathering significant verifiable information. The description of how qualitative data is collected using VTA is described in the following phases:

Phase I: Selection of Investigated Event, Case or Phenomenon.

In the tested phenomenon during the early stage of COVID-19 pandemic, the new-normal was for interactions and relationships to be done virtually, this by implication suggests that all stakeholders must be conversant or must have subscribed to various online platforms for interaction. In the case of the Nigerian Government COVID-19 Survival Fund, payroll support for instance, research investigations focused on various inter-related groups formed on Facebook, such as, National Association of Survival Fund CEOs, Survival Fund and SMEDAN Information Group, Official MSME Survival Fund-NYIF-NIRSAL Micro-Finance Bank Loan, The Survival Fund (Discussion, Information, share Ideas), NIRSAL Related Question, Survival Fund Official Group and lastly Survival Fund/Nigeria Youth Investment Fund Info HQ were adequately utilized. The logic behind selecting these six Facebook groups was to generate a vast understanding of the phenomenon under investigation. On

these platforms people talked and responded to discussions based on their thoughts and the opportunities at their disposal.

Unlike the Physical Trace Approach (PTA) where a researcher and the respondent need to see one-on-one. Note that, very sensitive topics can be widely discussed whilst using VTA as the researchers may use total covert method. It is less time consuming, and the researcher may choose to work at his/her own sequence without having to keep appointments or time schedule unlike what is obtained during interviews and observation of a phenomenon. One major disadvantage of the selection process is the likelihood of being biased as a researcher. Also due to lack of strict government regulations in participation on social media, the issue of privacy and disclosure of identity is not really a thing of confidentiality (Shitu, 2021).

Phase II: Strategy for Data Collection

After selection of investigated event, case or phenomenon, the next step is deploying and implementing the strategies for qualitative data collection (Cassell et al., 2006). Here, it is important to put some certain concerns into consideration due to the nature of the source of data which would emanate virtually without physical contact or communication.

Firstly, it is important to consider the authenticity of the online group where data is sourced for instance there are some groups created online by fraudsters or scammers to deceive subscribers. Secondly, what online platform is the information coming from i.e. Facebook, Instagram, LinkedIn, Twitter etc. Lastly there is a need to consider the temporality of time in which the information was sent online this is because some information come base on speculations and the poster may decide to delete or keep the post even when it is not certain that the information is the correct one, some come instantaneously at the immediate time while other information are shared at the time it is not really required.

Phase III: Data Preparation Process

The real preparation process comes before analysis where all qualitative data extracted from the online platform would be stored in a particular folder but with various reference codes. After doing that there is a need to consider which computer-assisted qualitative data analysis systems (CAQDAS) should be used, for instance, it could either be NVIVO or Atlas.ti. Usually this comes

from the decision of the researcher for some certain reasons for instance cost effectiveness, availability of software and the nature of data collected. There are a lot of benefits that come with the use of computer-assisted qualitative data analysis systems. Unlike the manual system, the use of CAQDAS is swift in nature and allows multifaceted capacity for fast coding and generation of themes. Qualitative data comes with somewhat loads of difficulties especially in the aspect of translation, grouping of data, coding and interpretation of data.

Phase IV: Data Analysis

Analyzing qualitative data using the VTA method is unique but not too different from how it is done using other qualitative research approaches. Depending on the philosophical paradigm deployed for the research. Pathirage et al., (2007), made it clear that, the ontology of a research may align with either deductive or inductive methodological approach. In essence, codes analysis, nodes analysis, source analysis, category analysis, video analysis, audio analysis and themes would allow the critical reasoning of the researcher to deduce the interpretation of data. For instance, Nvivo has two main parts that are central to data analysis i.e. Nodes analysis and sources analysis; sources contain the raw data collected, while nodes contain the coding of generated ideas emanating from the raw data. Different futures of qualitative research outcomes may emerge as a result of data analysis such world-cloud, word cruncher and query tools.

However, the use of software for analysis can be very complicated when using social media as a source of data as it was experienced during data collection for Nigerian Government COVID-19 Survival Fund research since many personal opinions were generated cyclically from Facebook groups to be specific. Consequently, the themes that will be recognized by the software may be too clumsy and may generally not represent the true picture of the phenomenon.

5. Conclusion and Recommendation

In this submission, this study, present how a new innovation, the Virtual Trace Approach can be used within an entrepreneurial research context. In particular, it pointed out the procedures involved and how difficult it is to carry out VTA when applied to a research during the peak of COVID-19 Pandemic. In this research, the approach not only showed motivation for its exploration but it presented a direction to innovative research methodology which is capable of

driving the needed change in how data is collected in a research. In the COVID-19 study, mentioned in this write-up, the researcher was exposed to a lot of new things within the process of putting VTA into test. For instance, there was clear understanding between the beneficiaries of the survival fund and the implementers. From the perspective of the beneficiaries, the opportunity to discuss their feelings about the government's new intervention was made possible through online interactions and connections especially with the formation of groups on Facebook, Twitter and Instagram. While on the part of the implementers, the outcome of the interactions of beneficiaries of the project gave insight to them on new strategies for decision making.

Although the deployment of Virtual Trace Approach (VTA) can be so tasking for the researcher to utilize but it is indeed a valuable methodology that can be used for collecting qualitative data and most importantly it can give new insights to where Physical Trace Approach has failed and it untied problematic situations relating to wider coverage. In particular, it enables the researcher to have access to more complex information with wider outreach. In Nicholls (2008), Perrini (2006) suggested, close-up insights are needed if we want to access what actually happens and matters within the entrepreneurial settings. In this context Virtual Trace Approach represents a potentially important methodological approach to be accepted within the entrepreneurship field of study as it allows a more complex and diverse perceptions of phenomenon. It is therefore recommended that Virtual Trace Approach (VTA) should be implicitly deployed together with other qualitative research methodology in various fields of entrepreneurial research where complex information with wide coverage is required, most especially in this contemporary time.

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EMPIRICAL INVESTIGATION BETWEEN IMPORT, EXPORT, GLOBALIZATION AND NIGERIAN ECONOMIC GROWTH, 1986-2020: AN APPLICATIONS GRANGER CAUSALITY

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Abstract

Over the past decades, world output has been expanding and many countries are benefiting from increased cross-border trade and investments through capacity increase to compete globally. To better understand the nexus between globalization and economic growth, this study investigates the impact of globalization on Nigerian economy covering the period of 34 years (1986-2020). Four macroeconomic variables were selected based on theoretical and empirical evidence. The study employed econometric techniques to capture the objectives for which the study is poised to achieve such as summary descriptive statistics, matrix correlations, unit root test and co-integration test and granger causality model. From the Granger causality test result, the study found the unidirectional (one-way) causal-link between globalization (proxied by FDI, import and export) and Nigerian economy (proxied by GDP). Therefore, the study recommends that, Nigerian government to provide enabling macro-economic policies to converge with development in her major trading partners' economies in particular and the global trend in general.

Keyword; Economic growth, Globalization, Import, Export & Granger causality

1. Introduction

Over the past two decades, world output has been expanding and many countries are benefiting from increased cross-border trade and investments. Many others suffer because economic regimes are inefficiently managed; these weaknesses reduce their capacity to successfully compete globally.

International mobility of capital, resulting from advances in communications technology and liberalization of financial markets has intensified as the world economy witnesses the unleashing of market forces. Deregulation of domestic markets, their opening to competition, privatization and the retreat of the state from economic management are also features of the current global order. However, this same process encourages rising inequality among nations. The liberalization of the world economy, for instance, has proceeded in such a way that the growth prospects of developing countries are being undermined. Thus, while restrictions have been lifted on the freedom of capital and skilled labor to move to areas of high returns, the restrictions on the mobility of unskilled labor remain. Moreover, as developing countries have increased their capacity to produce and export manufactures, the developed countries have become active in promoting tariff peaks and escalations. Such measures can neither solve the South's development problems nor allow for a narrowing of the North-South divide. This somehow have had ripples effect on Nigeria as the most populous black nation in the world with very vast, huge and large market potentials for the world to survive. Also, it could be viewed that globalization has been a mixed blessing to Nigeria, as a member of the less developed countries (LDCs) in the South. Therefore, the question of whether globalization brings development is debated among different economists. This research set out to investigate on how globalization has impacted on domestic Economic Development in Nigeria and how its impact can be looked upon. This paper seeks to investigate empirical investigation between import, export, globalization and Nigerian economic growth; taking economic growth as the dependent variable while the components of globalization are the predictor variables. This paper is unique because it enhanced the current understanding of the existing body of knowledge between globalization and economic growth in Nigeria.

2. Literature review

2.1 Conceptual frameworks

Concept of Globalization

Globalization is a complex process implying growing in international integration of economies with regard to markets for goods and factors of production affecting many aspects of people 's lives. According to Sklair (2002) globalization is a particular way of organizing social life across existing state borders. Oluabunwa, (1999) seen globalization as an evolution which is systematically restructuring interactive phases among nations by breaking

down barriers in the areas of culture, commerce, communication and several other fields of endeavor. This is evidenced from its push of free-market economies, liberal democracy, good governance, gender equality and environmental sustainability among other holistic values for the people of the member states.

Concept of Economic Growth

Bencivenga and Smith (1991) assert that economic growth will increase if more savings are channeled into the activity with high productivity while reducing the risk associated with liquidity needs. This will show that banks provide the benefits of eliminating unnecessary liquidation. According to Jhingan (1997) economic growth is related to a quantitative sustained increase in the country's per capita output or income accompanied by expansion in its labor force, consumption, capital and volume of trade. Todaro and Smith (2011) identified three components of economic growth that are of prime importance: (i) Capital accumulation: including all new investments in land, physical equipment and human resources through improvements in health, education, and job skills, (ii) Growth in population and hence eventual growth in the labour force, (iii) Technological progress-new ways of accomplishing tasks

2.2 Theoretical Review

Globalization Theory Defined

Globalization is a theory of development (Reyes, 2001a) that uses a global mechanism of greater integration with particular emphasis on the sphere of economic transactions. It is a US- and Europe-centric positive model of development whose feature is the spread of capitalism around the globe. The focus of Globalisation Theory is communications and international ties, with these ties directed at cultural and economic factors in communication systems. Globalisation Theory explains inequality by identifying cultural and economic factors in global connection. Reyes (2001, p. 2) claimed there are two major meanings of the word "Globalisation". One deals with the word as an event when a sense of interdependence occurs throughout different countries of the world in different aspects of communication, trade, and finance. The other meaning that has been applied to the concept of Globalisation considers it as a theory of economic development with the supposition of widespread unification among different countries. This integration is believed to have an

effective influence on the development of economies and on the improvement in social indicators.

As far as the term Globalisation is concerned, it includes degrees of change in theories. For example, as Zineldin (2002, p. 37) stated, Globalisation has transformed theory concerning development effort and its different definitions, which is specific to every developing country. It can therefore be considered a theory of economic development which provides constructive suggestions about the ways in which developing countries can achieve the positive, beneficial effects of developed countries. According to Zineldin (2002), however, one can witness the problems that have been produced by Globalisation in developing countries. He traces the origin of such problems to developing countries competing rather than cooperating with each other. Religion, he states (Zineldin 2002), can affect Globalisation in exactly the same way that culture can, as demonstrated by the instruction in the Quran that cooperation is based on piety and goodness and shuns malice and devilish deeds (Qur'an, verse 2 in sura 5; Zineldin 2002, p. 39). Zineldin (2002, p. 39) takes Arabic countries, as examples of places where, according to Islam, such an idea will help the sense of cooperation needed in implementing Globalisation Theory. Similarly, Hamid et al. (1993, p. 132) generalised the notion of religious cooperation to include not only Muslim but also non-Muslim countries.

2.3 Empirical Literature

Afzal (2007) studied the impact of globalization on economic growth in Pakistan using co integration model over the period of 1960 – 2006 using time series. The paper revealed that Pakistan economy remained heavily regulated and protected during three decades (1950s, 1960s and 1970s). The country used trade openness and financial integration measures to account for the impact of globalization on economic growth. The co integration results indicated a robust long-run relationship between economic growth, trade openness and financial integration. Pakistan's economic will certainly benefit from globalization, provided the country pursues sound policies.

Similarly, Magbool (2015) examine the impact of globalization on economic growth – evidence from selected south Asian countries. The studies employ the use of unit root test using time series data to test for the stationary of the model where by the data of three countries like Pakistan, India and Bangladesh were taken for the period from 1981 to 2011. The result shows that

globalization and GDP both influence each other and illustrate bidirectional causality in India while Pakistan and Bangladesh shows unidirectional causality between globalization and GDP. It is statistically found that overall index of globalization may affect the rate of growth. It has been recommended that authorities and government should realize the importance of globalization as factor of growth and concentrate on their weak component of globalization besides economic integration.

Ukpere. (2011) studied globalization and the challenges of unemployment, income, inequality and poverty in Africa using secondary data over the period of 1980 – 2010 by the use of exploratory method to investigate the foundation relationship between globalization, unemployment, income inequality and poverty in Africa. The study revealed that there is positive relationship between current globalization, unemployment, inequality and poverty in Africa. The study suggested that, African countries need to develop a comprehensive strategy to create jobs locally. Africa has more than 80% of its labor force engaged in small and medium enterprise (SMES). These enterprises could be nurtured through government and NGOs support to become vibrant growing businesses that could create additional job for the continent. In addition, there is a need for a global agreement to cancel the debt of poor nations. The study further suggested that, there should be a global commitment to alleviate and eradicate poverty particularly in Africa.

Similarly, Olanrewaju (2013) studied the effects of globalization on the Nigerian economy using secondary data between the periods 1986 -2011. For the purpose of this study, ordinary least square (OLS) multiple regression was used and the study revealed that there is a strong positive relationship between the Nigerian Gross Domestic Product (GDP) and Foreign Directed Investment (FDI) that is the FDI has impacted on the Nigerian Economy positively. However, the study further revealed that import has been growing over time, though not at the pace of the GDP whereas exports suggested that is has been significant over the period of study. The study therefore, recommended that efforts should be geared towards creating an enabling environment for FDI to thrive in the economy and that imported products that are produced locally should be discouraged from being imported to give room for local industry to thrive as well.

Okon, (2015), *Globalization and Economic Growth: The Nigerian Experience*. The research paper employed time series data over the period of 1970 – 2011 by the use of descriptive research method to analyze the impact of globalization on economic growth in terms of trade and capital flows. The research paper is of the view that increased trade and capital flows engendered by globalization can enhance the country's growth performance. However, if Nigeria is to benefit from the global integration, it has to address a number of challenges and implement appropriate strategies and policies in order to maximize the benefit of globalization and minimize the risk of destabilization and marginalization, as well as promote rapid economic growth and achieve substantial poverty reduction.

Similarly, Dogan (2016) investigated the effects of globalization on employment in Turkey using analytic series data over the period of 1970 – 2011. The study uses ARDL Band test approach and found that globalization affected employment positively in the long run and the deviation in the series in the short run are removed in the long run. Uchekwue, (2016) examines the impact of globalization on Nigerian economy using qualitative method of data collection over the period of 1986 – 2013. The study employed the use of multiple regression analysis to find out the kind of impact globalization has on the Nigerian economy. The research work found out that Nigerian economy is gaining from globalization mainly due to foreign direct investments (FDI) and trade openness. The study suggested that, for Nigeria to benefit more from globalization, we need to integrate further into international trade by diversifying our exports. A better business environment is also required to attract more foreign investment.

Similarly, Maduka, (2017), *Studied Globalization and Economic Growth: Evidence from Nigeria*. The study uses Annual Secondary Times Series Data over the period of 1970 – 2015 using cointegration and error correction mechanism Persaran et al (2001) ADRL Model to examine the impact of globalization on economic growth in Nigeria. The study revealed that trade openness; financial integration and foreign direct investment have significant positive impact on economic growth in Nigeria. Thus, adequate mechanism should be put in place to ensure that globalization brings about the desired pace of economic growth.

Contrarily, Loto, (2011), *Globalization and Economic Development: The Nigerian Experience*. Time series data over the period 1980 – 2008 was adopted by the use of ordinary least square (OLS) regression analysis to investigate the impacts of globalization in Nigeria's economic growth. The regression results showed that the inflation rate in negative exchange rate is negative and also is openness indicator. It has been established that the level of trade in Nigeria is low. The study suggested that Nigeria needs to improve on her trade with the rest of the world or the country to benefit from globalization. Also, sound macroeconomic policies are needed to reinforce the globalization exercise for better result fiscal discipline, coupled with good functioning financial framework are necessary tools for better results. Nigeria could also look beyond oil by getting out of mono-product type of business and research into types of products that could be effectively and competitively sold in international market.

Similarly, Ivoma (2012) *Examines Globalization on Nigerian experience* using time series data over the period of 1970 – 1999. The study examines the concepts of globalization and the place of Nigeria in the web of international relationships involving trade in goods and services and financial intermediation. The study found that Nigeria has not benefited enough from globalization owing to the undue dependence on crude oil exports, low manufacturing exports and the underdevelopment of domestic financial markets. The paper identifies a number of prospects and challenges of globalization. Some of the prospects includes, increased specialization and efficiency, economics of scale in production and increased global awareness. The challenges include: the design of appropriate framework to ensure that domestic monetary management is not impaired, and that the domestic economy is not unduly destabilized owing to adverse developments in other parts of the world. The study suggested that, for Nigeria to benefit maximally from globalization and escape from being marginalized. Accountability and transparency must be enthroned through good governance and the application of market friendly policies.

Omolade, Morakinyo, &Ifeacho, (2013) studied globalization and economic development in Nigeria through the use of secondary data over the period of 1980 – 2011. The study uses co-integration and causality test to investigate the nexus between globalization and economic development in Nigeria. The result shows that foreign direct investment is a component of globalization and

important factor influencing economic development of Nigeria. Trade openness shows a negative relationship. The causality test indicates that a unidirectional causality exists between economic development and globalization that is causality flows from economic development to globalization. In other words, it is the level of economic development that determines how a country like Nigeria can benefit from globalization. The study also reveals that trade partner of Nigeria appears to be gaining more than the country especially the developed trade partners. The study suggested that the Nigerian government should improve the inflow in the foreign direct investment, fractioning out appropriate level of trade openness, using appropriate policy mix that will increase gains from globalization and development of real sector of the economy.

Similarly, Peter and Elizabeth (2013) investigated economic growth and globalization in Nigeria using panel data over the period 1960 – 2010. The study employed causality analysis to critically examine the causal relationship between economic growth and globalization in Nigeria. The study showed that the null hypothesis of globalization not granger causing economic growth should be accepted at 5% level. This is in a way still confirms the negligent effect of globalization in the Nigerian economy and therefore calls for all necessary policy efforts at positioning the economy in a form that can make her maximize the advantages of globalization.

Shuaib, Keria. Augustine & Frank (2015) examines the impact of globalization on the growth of Nigerian economy covering the period of 1960-2010 through the use of time series data. The study considered secondary data by the use of error correction model analysis to empirically examine the impact of globalization on the growth of Nigerian economy. The result of the study reveals that growth of external debt ratio was an inversely related to economic growth in Nigeria. The paper recommended that government should link the domestic investors with world market to spur them into domestic production. Government should encourage grass root production through small and medium enterprises (SMEs). Government should spend more on infrastructural development. The study further suggested that government should encourage the import substitution initiative through the availability of short- and long-term credit facilities at a relative cheaper rate and strengthening both financial and capital markets in order to boost the confidence of potential investors on source of start-up capital.

However, mixed results were also identified in Abiodun, (2007), that examines the Effect of Economic Globalization on Employment Trends and Wages in Developing Countries: Lesson from Nigeria by the use of Secondary Data for the period 1970 – 2005. The study employed simple statistics such as average and percentage to analyze the effect of globalization on employment and wages in Nigeria. The results showed that globalization of the Nigerian economy through various economic reforms, deregulation and privatization has led to downsizing of employment in Civil Service thereby compounding the widespread job queuing in Nigeria. The study also revealed that there is the problem of increase in income inequality. On the positive side, globalization has led to high employment creation in the informal sector compared with the job lost in the formal sector due to the increasing number of private firms. Most of the jobs created in informal sectors are unsecured despite their higher pay compared to wages in the formal sector. The study suggested that, there is the need for training and re-training of employees in order to assist them in maintaining their jobs.

Similarly, Samimi, &Hasheem, (2014) examine globalization and economic growth: Empirical evidence on the role of complementarity' using panel data over the period 1980-2008 by the use of generalized method of moment (GMM) to investigate the effect of economic globalization on economic growth on OIC countries the study also examines the effect of complementary policies on the growth effect of globalization. It also investigated whether the growth effect of globalization depends on the income level of countries. The result of the study indicates that there is increased positive effect in the countries with better-educated workers and well-developed financial system. The study also showed that the effect of economic globalization depends on the country's level of income. High and middle-income countries benefit from globalization whereas low-income countries do not gain from it. The paper suggested that countries should receive the appropriate income level to be benefited from globalization. Economic globalization not only directly promotes growth but also indirectly does via complementary reforms.

Reesham and Hassan (2017) examine the impact of globalization on economic growth among 86 developing countries. The study considers the use of secondary data over the period 1981 – 2011 where by correction, descriptive statistics and standard deviation were used in the analyses. The study revealed

that overall globalization, political globalization and social globalization have negative and non-significant impact on economic growth. However, economic globalization has significant and positive impact on inward foreign direct investments though it has a negative and non-significant impact on gross domestic product suggesting a partial impact on economic growth. This means that more economic integration through globalization encourage foreign direct investment. Therefore, policy makers should emphasis on economic integration that enables foreign direct investment inflows to create more job opportunities and economic growth.

Similarly, Maqbool (2015) examines the impact of globalization on economic Growth-Evidence from selected south Asian countries. The study made use of time series data over the period 1981-2011 by the use of unit root test (ADF, PP, OLS and Granger Causality). The results revealed that globalization and GDP both influence each other and illustrates bidirectional causality in India while Pakistan and Bangaladash showed unidirectional causality between globalization and GDP. It is statistically found that overall index of globalization may affect the rate of growth. The paper recommended that authorities and government should realize the importance of globalization as factor of growth and concentrate on their weak component of globalization besides economic integration.

Bethania (2018) examines the impact of globalization on economic growth in Asia pacific. The study considers hausman test and reveal that fixed effect model is better than random effect model through the use of panel data for the period 2000 – 2014 to analyze the effect of economic, social and political globalization on economic growth of Asia – pacific countries. The study reveals that variables of economic globalization and political globalization have a significant positive influence on economic growth. Meanwhile, the variables of social globalization showed a negative and significant influence. The study further revealed that government should be more active in promoting international trade, encourage the foreign direct investment, and increase the participation of political decisions in international forum. However, government should overcome the negative impact of social globalization on economic growth.

Similarly, Stannia (2015) examines the impact of globalization on economic growth in ASEAN. The study considers fixed effect model by the use of panel

data over the period 2006 – 2012. The paper found that the overall index of globalization had positively and significantly impacted the economic growth in the region. Economic and political globalization also impacted the economic growth. However, the social globalization did not affect the growth, inflation. Infrastructure, quality of education, technological preparedness and government spending also had positive impact on economic growth.

3. Methodology

Model Specification

In order to examine the “Impact of Globalization on Nigerian Economic growth”, the study used Cobb-Douglas (1947) production function framework. However, the model used in this study followed the work Hassan, (2012). This study used domestic product (GDP) as dependent variable, while globalization is measured by foreign direct investment (FDI,) Import (M) and Export (X).

The general model is specified as:

$$GDP = (FDI, M, X) \dots\dots\dots (3.1)$$

The econometric specification of the above model can be written as:

$$GDP_t = \alpha + \beta_1 FDI_t + \beta_2 M_t + \beta_3 X_t + U_t \dots\dots\dots (3.2)$$

To linearize the above model, transform into log form as:

$$\text{Log} GDP_t = \alpha + \beta_1 \text{Log} FDI_t + \beta_2 \text{Log} M_t + \beta_3 \text{Log} X_t + U_t \dots\dots\dots (3.3)$$

Where, GDP = Gross Domestic Product, FDI = Foreign Direct Investment, M = Import, X = Export, and U = Stochastic error term

Granger Causality Test

To investigate the causality between globalization and economic growth, this work relies on the granger causality test. The choice of the test is based on the necessity to understand and identify the existence, nature of the direction of the causal relationship among the candidate’s variables. The test is very flexible for both an eases asymptotic (T>N) or semi-asymptotic (T<N) distributions. Granger-causality is normally tested in the context of linear regression models. For illustration, consider a bivariate linear autoregressive model of two variables X₁ and X₂:

The test equation takes the following form:

$$X_1(t) = \sum_{j=1}^p A_{11,j} X_1(t-j) + \sum_{j=1}^p A_{12,j} X_2(t-j) + E_1(t) \dots\dots\dots 3.8$$

$$X_2(t) = \sum_{j=1}^p A_{21,j} X_1(t-j) + \sum_{j=1}^p A_{22,j} X_2(t-j) + E_2(t) \dots\dots\dots 3.9$$

Where p is the maximum number of lagged observations included in the model (the model order), the matrix A contains the coefficients of the model (i.e., the contributions of each lagged observation to the predicted values of $X_1(t)$ and $X_2(t)$, and E_1 and E_2 are residuals (prediction errors) for each time series. If the variance of E_1 (or E_2) is reduced by the inclusion of the X_2 (or X_1) terms in the first (or second) equation, then it is said that X_2 (or X_1) Granger-(G)-causes X_1 (or X_2). In other words, X_2 G-causes X_1 if the coefficients in A_{12} are jointly significantly different from zero. This can be tested by performing an F-test of the null hypothesis that $A_{12} = 0$, given assumptions of covariance stationarity on X_1 and X_2 . The magnitude of a G-causality interaction can be estimated by the logarithm of the corresponding F-statistic (Geweke 1982).

The data for the study was collected from the World Bank, World Development Indicators (WDI) online databases covering the annual period of 33 years (1986-2018).

4. Results and Discussion

Pre-estimation Tests

This section entails preliminary analyses of data such as descriptive statistics and Pearson's correlation matrix of variables under study; the section also deals with unit root test and co-integration test to ensure that the variables are properly screened in order to obtain reliable results from the model estimation and interpretations.

Descriptive Statistics

Summary descriptive statistics for variables in a data set have a very important role in data evaluation and measurement of each variable for further advance statistical analysis. Table 4.1 presents the summary descriptive statistics for the variables under study.

For the mean and median statistics, all the series, Growth Domestic Product (GDP), Foreign Direct Investment (FDI), Import (M) and Export (X) display a high level of consistency as their mean and median values are within the expected range of maximum and minimum values of the series. For standard deviation, which measures the amount of variation of the data set values, all the series, Growth Domestic Product (GDP), Foreign Direct Investment (FDI), Import (M) and Export (X) deviations of actual data from their mean value are very small as expected. For skewness, all the variables Growth Domestic Product (GDP), Foreign Direct Investment (FDI), Import (M) and Export (X) are positively skewed as expected; this indicates that observed values of the

variables have a long tail to the right. For the Kurtosis statistics which measures the peakness or flatness of the distribution of the series; all the series as expected, Growth Domestic Product (GDP), Foreign Direct Investment (FDI), Import (M) and Export (X) are flat (platykurtic) relative to the normal. Finally, the Jarque-Bera statistics which factors in both the skewness and kurtosis for testing normality in the series, the null hypothesis of a normal distribution is accepted for all variables; it can be concluded that the series under study are normally distributed as expected.

Table 4.1 Summary Descriptive Statistics

	LOGGDP_t	LOGFDI_t	M_t	X_t
Mean	1.20E+10	9.358531	10.26639	10.35923
Median	2.805246	9.292083	10.19866	10.32222
Maximum	3.97E+11	9.946507	10.95809	11.00860
Minimum	1.414973	8.578258	9.547775	9.448706
Std. Dev.	6.92E+10	0.379751	0.484694	0.472417
Skewness	5.480078	0.123614	0.028908	0.209575
Kurtosis	3.03125	1.957445	1.524740	1.779639
Jarque-Bera	1.579245	1.578558	2.997137	2.289333

Source: Computed and Compiled by the Researcher using E-Views 10 (2020)

Correlation of Matrix

For matrix correlation, Pearson’s correlation coefficient was employed to examine the extent of relationship between the variables; the correlation matrix shows the magnitude and direction of the relationship between each pair of variables being analyzed. According to the technique, the nearer the correlation coefficient to one (1) the stronger the strength; a negative correlation shows that there is an inverse relationship between the two variables. The correlation matrix is symmetric about the diagonal and the values of the diagonal are 1.000000, since there is a perfect correlation of the variables with itself (Helwig, 2017).

Table 4.2 excavated that Foreign Direct Investment (FDI), Import (M) and Export (X) conjugates a positive relationship with dependent variable (GDP); therefore, it can be concluded that FDI, M and X has a conjugal and blissful agreement with GDP.

Table 4.2 Matrix Correlation

	LOGGDP _t	LOGFDI _t	M _t	X _t
LOGGDP _t	1.000000	-	-	-
LOGFDI _t	0.087546	1.000000	-	-
M _t	0.161498	0.851079	1.000000	-
X _t	0.130416	0.842252	0.972859	1.000000

Source: Computed and Compiled by the Researcher using E-Views 10 (20120)

Unit Root Test

ADF unit root test was conducted on the variables, to determine whether they are stationary or non-stationary. The tested null hypotheses for both unit root test is to determine the presence of a unit root. The decision rule is to reject the null hypothesis when the test-statistical value is less than the probability value or posits higher negative values (William, Hill, and Lim, 2008).

The unit root test was done at levels and at first difference as presented in Table 4.3. The result shows that none of the variables is stationary. This suggests the need to difference the variables to achieve stationarity. Upon taking their first difference, all variables became stationary. This means that all the variables GDP, FDI, M and X are integrated at 1(1). We can therefore conclude that the series is significantly reliable for further analyses.

Table 4.3 Unit Root Test Results

Variable	LEVELS		FIRST DIFFERENCE		Order of Integration
	ADF	Prob.	ADF	Prob.	
LOGGDP _t	-4.830310	0.4226	-9.100225	0.0000*	I (1)
LOGFDI _t	-2.620162	0.2745	-9.143684	0.0000*	I (1)
M _t	-1.669117	0.7415	-5.647674	0.0003*	I (1)
X _t	-1.770400	0.6953	-5.564149	0.0004*	I (1)

Source: Computed and Compiled by the Researcher using E-Views 10 (20120) * indicates rejection of null hypothesis at 1%

Cointegration Test

In order to examine the long-run relationship between globalization and economic growth as specified in objective two, the study employed Johansen (1991) cointegration model. The Johansen trace and maximal eigenvalue test statistics were utilized to determine the number of cointegrating equations. The

decision rule is to reject the null hypothesis if the probability value is less than 5% (0.05). Otherwise, we do not reject. The result is summarized in the table 4.7. Both the trace statistics and Eigen value statistics reveal the rejection of the first and second null hypotheses at 5% level of significance based on our decision rule. This implies that there are two cointegrating equations among the variables of interest. Therefore, there is a long run relationship between the variables. That is, the linear combination of these variables cancels out the stochastic trend in the series. This will prevent the generation of spurious (i.e., non-meaningful) regression results.

Table 4.4 Johansen Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue Prob-value	Trace Statistic	0.05 Critical	Value
None*	0.558099 0.0000*	59.58551	63.87610	
At most 1*	0.463814 0.0000*	34.26874	42.91525	
At most 2	0.322352 0.5789	14.94726	25.87211	
At most 3	0.088845 0.8900	2.884321	12.51798	

*Source: Computed and Compiled by the Researcher using E-Views 10 (20120) * indicate rejection of null hypothesis at 1%*

Granger Causality on the Direction between Globalization and Economic Growth in Nigeria

The choice of this test is to understand and identify the existence and nature of the direction of the causal link between globalization and economic growth as specified in the objective of this work; taking the economic growth as the dependent variable which was proxied by (GDP) while globalization was proxied by Foreign Direct Investment (FDI), Import (M) and Export (X); and equally, to indicate if the direction is uni-directional (one-way granger causal link) or bi-directional (two-way granger causal link). The decision rule is to reject the null hypothesis if the F-Statistical value is greater than the probability value. Otherwise do not reject (Wooldridge, 2009).

As envisaged in Table 4.5, result shows that there is uni-directional causality (one-way causal link) between FDI and GDP at 5% level of significant, as evident by their F-Statistic and Probability values. In the same vein, there is an evidence of uni-directional causality (one-way causal link) between M and GDP at 5% level of significant; similarly, a one-way causal link is found between X and GDP at 5%. The implication as regards to this finding is that globalization proxied by FDI, M and X is found to have granger-cause economic growth in Nigeria. The finding corroborates with respect to that of Maqbool 2015.

Table 4.5 Granger Causality Test Results

Null Hypothesis:	Obs	F-Statistic	Prob.
LOGFDI does not Granger Cause LOGGDP	31	6.31374	0.0058*
LOGGDP does not Granger Cause LOGFDI		0.17765	0.8382
M does not Granger Cause LOGGDP	31	4.62003	0.0192**
LOGGDP does not Granger Cause M		0.12287	0.8849
X does not Granger Cause LOGGDP	31	3.44079	0.0472**
LOGGDP does not Granger Cause X		0.10135	0.9040

*Source: Computed and Compiled by the Researcher using E-Views 10 (20120) *, ** indicate rejection of null hypothesis at 1% and 5% respectively*

5. Conclusion and Recommendation

The study employed econometrics analytical techniques including descriptive statistics and matrix correlation of variables, ADF unit root test, Johansen co-integration test and Granger Causality test. From the Granger Causality test result, the study has found the unidirectional (one-way) causal-link between globalization (proxied by FDI, import and export) and Nigerian economy (proxied by GDP). Therefore, the study recommends that, Nigerian government to provide enabling macro-economic policies to converge with development in her major trading partners` economies in particular and the global trend in general.

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**IMPACT OF KNOWLEDGE MANAGEMENT PRACTICES AND
PERFORMANCE OF SELECTED MULTINATIONAL
MANUFACTURING FIRMS IN SOUTH-WESTERN NIGERIA**

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Abstract

Knowledge management focus on extracting knowledge from technology, competitors and investment in Research and development that generate productivity in an organization. Knowledge management practice as a managerial function have not been that locates important data and process it into needed information. This study is designed to explore Knowledge Management Practices and Performance of Multinational Manufacturing Firms in South-western Nigeria. This study adopted quantitative, this method is used present the statistical data and to test hypotheses, standard multiple regression was used to test the hypotheses. The total population is 14,674 operational and management staff of the Eight (8) multinational manufacturing corporations which are listed on the Nigerian Stock Exchange. The findings shows that knowledge sharing does have significant influence on profitability of selected multinational manufacturing firms. Also, there is no significant impact of knowledge application on business sales of selected multinational manufacturing firms. The study concludes that knowledge sharing allows multinational manufacturing corporations face a strategic increasing revenue. Knowledge application is adopted to have a competitive edge over other multinational corporations. The study recommends that proper talent management for workers, customers' services, and branding should be put in

place in other to improve business profits. Multinational manufacturing corporations should set up different forms of applying knowledge to increase business sales.

Keywords: Knowledge Management Practices, Knowledge Sharing, Knowledge Application, Business Profitability, Sales, and Multinational Manufacturing Firms

1. Introduction

Knowledge management practices is a process of creating, capturing, organizing, storing, spreading and application of it, to create organizational benefits of the three variables: competitive advantages, innovation, and growth. Still, there is a dearth of research into knowledge management, its nature, and complexities, especially with respect to subsequent companies' outcomes (Wang & Wu, 2016). In one word, knowledge management, in all the definition above, is a process, though authors differ in the process of categorization. Knowledge management focus on extracting knowledge from technology, competitors and investment in Research and development that generate productivity in an organization (Lawal, Elizabeth, & Oludayo, 2015). Knowledge management practice is an umbrella term that captures any deliberate efforts to manage the knowledge of the employees which can be attained via various methods either directly such as use of Information Communication Technologies (ICT) or indirectly.

Knowledge management practices is thus a planned structure approach to managing, creating, sharing, harvesting and leverage of knowledge as an organizational asset to enhance a company ability, speed, and effectiveness in delivering products or services for the benefit of clients in line with its business strategy. Scholars, such as Zhang, (2016) and Wiig, & Kolstad, (2017) found that knowledge management has a significant influence on innovation but the influence on the level of performance of Small and Medium Enterprise (SMEs) is significant. Knowledge management practice is a systematic process to acquire, share and use productive knowledge in the process of improving the performance of organization. Knowledge management is of utmost importance for the value of the business (Battistella, De-Toni & Pillon, 2015). Knowledge management practice is a managerial function that locates important data and process it into needed information which is essential to the formulation and implementation of decisions.

Nigerian multinational manufacturing firms have not cultivated the culture of sharing information and strategic alliances with indigenous organizations. This is because the interaction between multinational corporations and host country institutions is not well understood (Wiig & Kolstad, 2017). Also, too much focus on IT-based knowledge management may impair a company's capacity for knowledge application. Solutions often tend to specify the minutiae of machinery ignoring the human psychology of how people in the organization acquire, share, and create knowledge. But still, managing knowledge is no easy task. As suggested by acquiring knowledge is not the real problem that organizations face, rather the main challenge is the lack of skills to manage such knowledge to ensure effective decisions. It is a major challenge to capture knowledge such as data, information and experiences from individuals that possess them and to use such ingredients and transform them into knowledge that would increase profits.

This study considers several aspects to develop these ideas to better understand the impart of knowledge management practices and performance of multinational manufacturing corporations in Nigeria. This serves as a gap in the conceptual model that the study aims to identify in the literature on knowledge management practices. The present study serves as a motivation to the current pattern of perpetual anguish that multinational manufacturing firms face in the lair of the country for government, citizens, and foreigners.

2. Literature Review

2.1 Knowledge Management Practices

The role of knowledge management practices is increasing enterprise's innovation among several other things, assert that knowledge management promotes and encourages knowledge-driven culture in which innovations are stimulated, as well as improves growth willingness, which has a positive influence on knowledge storage capability of an enterprise. Moreover, Omotayo (2015) concludes that knowledge management is critical for multinational manufacturing firms that seek to ensure sustainable strategic competitive advantage. Such innovation will enable enterprise secure and retain their competitive positions in the marketplace. During the last decade, the business world began to view and use knowledge as a weapon for competitive advantage. It was then the concept of knowledge management gained popularity.

Knowledge management in multinational firms provides a better use of knowledge and reduces the complexity of innovation process. Knowledge management is important to staff and organizational management in the information economy where data is treated as a factor of production. The multinational corporations that best manage her knowledge (people, technology, and process) will record sustainable growth and development. This corroborates the assertion of Dzunic, Boljanovic and Subotic, (2016) that to achieve a sustainable competitive advantage today means to achieve primacy in knowledge, while knowledge management helps generate the value of knowledge-based assets, an imperative of modern business.

2.2 Knowledge Sharing

Knowledge sharing is a process through which personal and organizational knowledge is exchanged, it contributes to the retention of organizational knowledge. Knowledge sharing is responsible for technological breakthrough, economic stability, and knowledge transfer to society, hence, contributing to national development. Knowledge sharing is conceptualized as a process where the person facilitates professional growth of an individual (mentee) by providing skilled and knowledge sharing learned through the years. Multinational manufacturing corporations which bring together the economic and non-economic realities of multinational manufacturing firms' life. Ibrahim and Ellis (2016) offer a particularly attractive site for understanding how the confluences of economic and non-economic considerations affect strategic decisions.

Multinational entrepreneurs are unique in that they seek to build businesses that are also most cases family corporations. Jackson, (2016), knowledge sharing is such a factor that promotes guidance on conference or seminar and role modelling which both contribute greatly to staff's development. Knowledge sharing is the fact or condition of processing in these mental grasp truths, facts, principles, or other objects of perception. Knowledge sharing according to DeLong and Fahey, (2014), is a key mechanism for organizational success. It is important to note that, in this century, all jobs are knowledge work and as such all staff or workers are knowledge worker or staff. Thus, the jobs of knowledge workers are assuredly, depend more on knowledge and not manual skills.

2.3 Knowledge Application

Knowledge application involves evaluation, which assesses and measures the result of the knowledge application process. Once knowledge is shared among people in the multinational firms' the shared knowledge should be applied to solve a problem. According to Dingsøyr (2020) if the gathered, stored, created, and shared knowledge will not be applied properly the whole process would be in vain and for proper knowledge application, knowledge management process should be communicated to users. That is, knowledge should be put to effective and efficient utilization to fill a gap or need. Studies have in fact shown that having an individualistic culture in universities leads to decreased research output, while a collectivist culture that promotes teamwork positively impacts increased research output (Moss, Kubacki, Hersh, & Gunn, 2017).

The leadership of multinational manufacturing firm can create a collaborative atmosphere encouraging knowledge application among employees. Also, manufacturer's multinational firm can employ technology, such as social media, email messages, text messages, and web portals, to ensure prompt dissemination of knowledge to the various areas of need. Similarly, Von Krogh, (2015) emphasizes the importance of knowledge sharing. For benefits to be derived from knowledge management initiatives, organizations must apply the acquired knowledge for the purpose of improving efficiency and innovation.

2.4 Performance of Multinational Manufacturing Firms

Multinational Manufacturing Firms performance describes how efficient a firm has been in its mission to attain specified goals, which includes how well its resources are deployed, how well goals fixed are achieved, how effective is the board of directors. High performing Multinational Manufacturing Firms use performance as source of Competitive advantage. Performance that is used in the Multinational Manufacturing Firms settings and compositions of companies around the world according to Orla (2018) has been as something that could predominantly land a business true competitive advantage with the aid of consciously building a repeatable brand.

2.4.1 Profitability

Manufacturing businesses like every other form of businesses seeks growth in terms of returns on their investment that could make them transcend into other forms of businesses sales revenue or growth, earnings per share, or return on assets. Choi, Poon, and Davis, (2018), reported that KM processes enhance

creativity and hence the overall performance with respect to success, market share, fast growth, profitability, and innovation. It is these indicators, number of employees and or rate of turnover that tend to define the context within which different countries and economics situate their understanding of small-scale enterprises. Businessmen and women that were pulled by opportunity recognition are more growth oriented than those who were pushed into entrepreneurship because high growth entrepreneurs are more focused on financial performance and profitability.

Multinational Corporations not only face the challenge of growth, innovation, and profitability, but sustainability and continuity of business entity remains an underlining challenge. Economic development is a direct result of Foreign Direct Investment, although the growth can be limited due to poor infrastructures in Nigeria (Ajuwon & Ogwumike, 2013). MNCs operating in the Nigerian business environment thrive with high profitability and growth, as compared to other economies of the world.

2.4.2 Business Sales

Nigerian businesses exhibit growth characteristics through the concern they have for quality and reputation, organizational design, earlier preparation for business growth, response to changes in technology and strong commitment to business success. According to Rodrik (2018) about business growth, manufacturing enterprises that were started out of necessity show a lower growth rate than businesses started out of choice. Women-owned businesses mostly present a low-development profile. As a result of population, Nigerian multinational manufacturing firms enhances business expansion which is a measure of business growth by ways of skills acquisition, mobile businesses, and home businesses. While the profitability of owned business shows customer service, innovation, and use of technology. In addition, MNCs from China and India have moved to capitalize on the opportunities presented by significant growth in Africa (Kshetri, 2013).

3. Methodology

This study adopted quantitative, this method is used present the statistical data and to test hypotheses, standard multiple regression was used to test the hypotheses. The population of the study consisted of all multinational manufacturing corporations in Nigeria listed on the Nigerian Stock Exchange.

The selected multinational manufacturing firms are listed below. The total population of the operational and management staff of the Eight (8) multinational manufacturing corporations which is 14,674 multinational manufacturing corporations were quoted on the Nigerian Stock Exchange. In determining the sample size of this study, Yamane formula (1967) was used to determine 403 sample size based on the estimates relating to staff strength of each of the multinational corporations.

4. Data Analysis

Test of Hypotheses One

H₀₁- Knowledge sharing does not have significant influence on profitability of selected multinational manufacturing firms.

Table 4 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.469 ^a	.220	.208	3.08574

a. Predictors: (Constant), Concepts of knowledge management, Opportunities for education and training as incentives, Organizational performance, Fast and easy exchange of opinions, Cooperative inter-departmental atmosphere, Personnel evaluation

Source: Field Survey, 2022

Model summary Table 4 shows that the coefficient of multiple determinations with R square is 0.220 which is 22% of the variation in knowledge sharing variable (concepts of knowledge management, opportunities for education and training as incentives, organizational performance, fast and easy exchange of opinions, cooperative inter-departmental atmosphere, personnel evaluation), is explained by the variables in the model. While the remaining 78% may be due to other variables that is not included in the model. Hence, this analytical result of the regression (model formulated) is found useful for making predictions since the value of R² is close to 1.

Table 5 ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig
1	Regression	1040.923	6	173.487	18.2	.00
	Residual	3694.455	388	9.522	20	0 ^b
	Total	4735.377	394			

a. Dependent Variable: Total Business Profit

b. Predictors: (Constant), Concepts of knowledge management, Opportunities for education and training as incentives, Organizational performance, Fast and easy exchange of opinions, Cooperative inter-departmental atmosphere, Personnel evaluation

Source: Field Survey, 2022

The regression results as contained in Table 5 ANOVA analysis variation in the dependent variable with large value of regression sum of squares (1040.923) in comparison to the residual sum of squares with value of 3694.455 (this value indicated that the model does not fail to explain a lot of the variation in the dependent variables. However, the estimated F-value (18.220) as given in the table with significance value of 0.000, which is less than p-value of 0.10 ($p < 0.10$) which means that the explanatory variable elements can jointly influence change in the dependent variable (Total business profit).

Table 6 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	14.350	1.056		13.593	.000
Cooperative inter-departmental atmosphere	1.086	.191	.285	5.678	.000
Opportunities for education and training as incentives	.202	.196	.052	1.035	.301
Fast and easy exchange of opinions	.607	.155	.195	3.924	.000
Organizational performance	.750	.162	.226	4.619	.000
Personnel evaluation	-.226	.180	-.065	-1.255	.210
Concepts of knowledge management	-.077	.190	-.021	-.406	.685

a. Dependent Variable: Total business Profit

Source: Field Survey, 2022

Specifically, the result of regression shown in Table 6 Regression Coefficients, the result show that knowledge sharing variable (cooperative inter-departmental atmosphere, fast and easy exchange of opinions and organizational performance) have positive effects on business profit. This is shown by their probability value (0.000, 0.000 and 0.000) which is less than the chosen 10% significance level. This means that impact of opportunities for education, training as incentives, personal evaluation and concepts of knowledge management does not influence business profit. This is shown by its p-value (0.210). This implies that null hypothesis was rejected, and alternate hypothesis was accepted. Thus, Knowledge sharing does have significant influence on profitability of selected multinational manufacturing firms.

Test of Hypotheses Two

H₀₂- There is no significant impact of knowledge application on business sales of selected multinational manufacturing firms.

Table 7 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.438 ^a	.192	.179	3.23224

a. Predictors: (Constant), Knowledge acquired, New information, Knowledge acquired, Business practices, New direction, Change in industry/markets

Source: Field Survey, 2022

Model summary Table 7 shows that the coefficient of multiple determinations with R square is 0.192 which is 19% of the variation in business sales variable (knowledge acquired, new information, knowledge acquired, business practices, new direction, change in industry/markets), is explained by the variables in the model. While the remaining 71% may be due to other variables that is not included in the model. Hence, this analytical result of the regression (model formulated) is found useful for making predictions since the value of R² is close to 1.

Table 8 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	962.094	6	160.349	15.348	.000 ^b
Residual	4053.592	388	10.447		
Total	5015.686	394			

a. Dependent Variable: Total Business Sales, b. Predictors: (Constant), Knowledge acquired, New information, Knowledge acquired, Business practices, New direction, Change in industry/markets

Source: Field Survey, 2022

The regression results as contained in Table 8 ANOVA analysis variation in the dependent variable with large value of regression sum of squares (962.094) in comparison to the residual sum of squares with value of 4053.592 this value indicated that the model does not fail to explain a lot of the variation in the dependent variables. However, the estimated F-value (15.348) as given in the table with significance value of 0.000, which is less than p-value of 0.10

($p < 0.10$) which means that the explanatory variable elements can jointly influence change in the dependent variable (Total Business Sales).

Table 9 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
(Constant)	14.733	1.263		11.663	.000
Perspectives on the execution	1.095	.186	.294	5.899	.000
New direction	.158	.169	.050	.932	.352
Business practices	.597	.181	.160	3.300	.001
New information	-.250	.213	-.058	-1.173	.242
Change in industry/markets	.453	.191	.132	2.364	.019
Knowledge acquired	.211	.196	.057	1.076	.282

a. Dependent Variable: Total Business Sales

Source: Field Survey, 2022

Regression coefficients Table 9 shows the model coefficient (that is, the intercept and the slope) which reveals the effect of application on the probability of increasing business sales. The result shows independent variable business sales (perspectives on the execution, business practices and change in industry/markets) have a significant effect on business sales. This is shown by their probability value (0.000, 0.001 and 0.019) being less than the chosen 10% significance level (0.10). While new direction, new information and knowledge acquired has a negative effect on business sales, this is shown by their p-value (0.352, 0.242 and 0.282) being more than the chosen 10% significance level (0.10). This implies that perspectives on the execution, business practices and change in industry/markets influence business sales. Therefore, null hypothesis was rejected that states there is no significant impact of knowledge application on business sales of selected multinational manufacturing firms. But alternate hypothesis was accepted which states There is a significant impact of knowledge application on business sales of selected multinational manufacturing firms.

4.1 Discussion of Findings

Hypothesis one states that knowledge sharing does not have significant influence on profitability of selected multinational manufacturing firms. Null hypothesis was rejected, and alternate was accepted. Therefore, knowledge sharing has significant influence on profitability of selected multinational manufacturing firms. So cooperative inter-departmental atmosphere, fast and easy exchange of opinions and organizational performance have positive effects on business profit. This in line with the findings of Tewodros (2021) showed that knowledge sharing in multinational corporations contributes to business profitability to sustain and improve the life standards of employees and the local community. However, impact of opportunities for education, training as incentives, personal evaluation and concepts of knowledge management does not influence business profit. It is obvious that multinationals companies need to give their employee the opportunity of furthering their education.

From the findings of the study, null hypothesis two was rejected which states that there is no significant impact of knowledge application on business sales of selected multinational manufacturing firms. But alternate hypothesis was accepted which states There is a significant impact of knowledge application on business sales of selected multinational manufacturing firms. Results shows that perspectives on the execution, business practices and change in industry/markets have a significant effect on business sales. This is in line with the study of Kharabsheh, Magableh and Sawadha (2012) their study reveals that firms that adopts knowledge generation as a valuable instrument in improving performance of business sales tends to surpass their rivals. However, new direction, new information and knowledge acquired has a negative effect on business sales. Multinational manufacturing firms need to have new information from their acquired knowledge to improve business sales.

5.0 Conclusions

Knowledge sharing allows multinational manufacturing corporations face a strategic increasing revenue. Knowledge sharing enables multinational manufacturing organizations face a strategic increasing revenue and decreasing costs to enhance profitability. In this situation, cost optimization is often thought to be a purely cost reduction exercise. Multinational

manufacturing corporations increases return on equity by improving their knowledge sharing to departments within the organization.

Knowledge application is adopted to have a competitive edge over other multinational corporations. However, the breakthrough in business sales comes from the design of new products. Knowledge application management influences business sales of companies through strategies, these techniques could be in form of acquisition of smaller similar firms. The multinational manufacturing firms' experiences business expansion by purchasing firms that can help them to increase productivity. Knowledge application in the company is adopted to have a competitive edge over other multinational corporations.

5.1 Recommendations

- i. Proper talent management for workers, customers' services, and branding should be put in place in other to improves business profits. The employee should be given opportunities to further their education, improving training as incentive. There need to be personal evaluation and enlightening them on the concepts of knowledge management to improve business profit.
- ii. Multinational manufacturing corporations should set up different forms of applying knowledge to increase business sales. They need to have new direction, new information and knowledge acquired to improve their business sales.

5.2 Contributions to Knowledge

This study has addressed the significance of knowledge sharing in handled in an effective and efficient manner for business profit. The purpose of strengthening knowledge application is to improve business sales. Information in study would also be noteworthy to several concerned parties, ranging from scholars, economic policy makers, entrepreneur, and different business organizations in enhancing the essence of knowledge management practices. Also, this study is of high importance to Manufacturers Association Nigerian (MAN) on knowledge storage of Nigerian employees. The empirical review reveals the practice of knowledge management techniques that focused on building trustworthiness with organizational capabilities.

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IMPACT OF CUSTOMER SATISFACTION ON CUSTOMER RETENTION IN THE HOSPITALITY INDUSTRY.

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Abstract

Customers happiness is essential for a business-oriented company to survive and continue to exist. However, the number of hotels in Nigeria has increased during the last 20 years. As a result, there is fierce competition in the market with little to no switching costs. Due to a decline in client loyalty, this has also resulted in a number of hotels in Nigeria losing significant market shares. Some hotel establishments innovated while adopting a more laid-back strategy (demand following) than others. Therefore, using Kwara Hotel as a case study, the study looked at how customer satisfaction affects customer retention in the hotel business. The study took into account the opinions of one hundred (100) chosen study participants. The study adopted a structured closed ended questionnaire. Multiple Linear Regression was adopted to test the stated hypotheses for this study. The results showed that service quality has a big impact on recurring business. Results also indicated that the value proposition has a big impact on repeat business. As a result, this study came to the conclusion that customer satisfaction is crucial. As a result, by encouraging repeat business, it is crucial in ensuring client loyalty. The report then makes a suggestion on how Kwara hotel management should attempt to enhance the

hotel's service quality. Customers highly appreciate comfort, thus they will want to reserve any hotel room that offers the essential comfort.

Keywords: Customer satisfaction, service quality, value proposition, repeated patronage, customer retention

1.0 Introduction

Meeting and satisfying the demands of each consumer is obviously one of the goals of every business-minded firm. In other words, the sustenance and existence of a business-oriented company depends on the happiness of its customers. Customers' level of satisfaction will determine their amount of loyalty, which will allow for customers' retention. This is a significant factor in determining customers' retention. In order to meet the challenges posed by the business world, organizations work hard to keep clients. A few examples of these issues include rising levels of company competition, information technology advancements, the introduction of the overall quality initiative, the growth of the network economy (Minna & Aino, 2005), the desire for product customization, and globalization. The importance of customers has been underlined by many academics and scholars. We rely significantly on our customers rather than having them rely on us since they are the reason we do what we do. We shouldn't want the customer to "go away" since that would imperil our future and security because they are not the root of the problem. For this reason, businesses increasingly give clients' satisfaction, loyalty, and retention top priority. These three elements made created a successful organization.

To put it another way, every functioning business must be able to increase effective customer satisfaction, establish a favorable environment for customer loyalty, and maintain a positive connection with the customers in order to keep a sizable client base. Any business that wants to keep its current customers must first focus on customer satisfaction. Therefore, it is important for businesses to develop ways to satisfy their clients. Furthermore, this will foster a long-lasting good relationship with the clients, which can foster client loyalty. Consistent customer satisfaction can help keep existing clients and create a welcoming environment for potential new ones. It is evident how important customer satisfaction is in today's dynamic and ever-changing market since it has a significant impact on and drives client loyalty. Unhappy customers are less likely to be brand loyal, which negatively impacts the

company's long-term sales, profitability, and viability. Therefore, it is crucial for businesses to focus on every aspect of customer satisfaction in order to foster client loyalty that will undoubtedly make it possible to realize corporate goals effectively.

As a result, a customer happiness strategy has emerged as a cutting-edge means of fostering client loyalty and boosting the sales of new goods in addition to retaining existing consumers. Despite the fact that the significant advantages of customer relations are generally known, there has only been a small amount of empirical study on how retention is really carried out by hospitality firms. By asking consumers about their satisfaction with customer retention in the hotel industry, the research hopes to advance our understanding of how it is achieved. In the hospitality sector, a hotel's ability to retain clients is significantly influenced by the rapport that exists between its personnel and guests. If a services team is inexperienced and poorly trained to meet consumers' expectations, retention levels are low. According to Bove and Johnson (2000), customer-care service workers are better able to identify client demands and may respond to them in a desirable way, resulting in effective customer retention management. Additionally, it has been stated that the important factors in defining the calibre of a relationship between clients and service providers are the employees.

The number of hotels in Nigeria has increased during the last 20 years. As a result, there is fierce competition in the market with little to no switching costs. Due to a decline in client loyalty, this has also resulted in a number of hotels in Nigeria losing significant market shares. Some hotel establishments innovated while adopting a more laid-back strategy (demand following) than others. It has also been observed that many hotels were struggling to inspire their customers' trust since they were unable to match the standards established by the clientele. Due to the limited influence the hotel sector has on macroeconomic conditions, business has declined. They are thus left with little choice but to make significant investments in the provision of high-quality services.

In the cutthroat industry, client retention has taken on greater importance than customer acquisition. Four important characteristics have been identified as influencing customer retention: contentment, good word-of-mouth, intention to make more purchases, and loyalty to the company. The review also shows that acquiring consumer trust as a metric of customer retention was disregarded by most studies, who instead concentrated on other factors

including switching obstacles, company image, and customer perceptions. Similar to this, few research have a broad theoretical view of customer satisfaction factors. Even when these customer satisfaction factors were taken into account, it was only done in a small number of economic sectors and with a more qualitative approach. Understanding the underlying logic linking service quality, value proposition, and service providers in the hotel business has received little to no research, if any. Investigating the connection between customer satisfaction and retention in the hospitality industry using the Kwara Hotel as a case study in Ilorin, Kwara State is the goal of the current study.

Research Questions

The research offers responses to the following questions:

- i. To what extent does service quality affect repeated patronage in Kwara hotel?
- ii. How does value proposition brings about repeated patronage in Kwara hotel?

Research Objectives

This study aims to ascertain how customer satisfaction affects customer retention in the hotel sector. Consequently, the key objectives of this study are to:

- i. determine the extent to which service quality affects repeated patronage in Kwara hotel
- ii. investigate the effect of value proposition on repeated patronage in Kwara hotel

Research Hypotheses

The following hypotheses have been formulated and tested in this research work in order to draw conclusion:

H₀₁: service quality has no significant effect on repeated patronage in Kwara hotel.

H₀₂: value proposition has no significant effect on repeated patronage in Kwara hotel.

Scope and Justification of the Study

The Kwara Hotel in Ilorin, Kwara State, is the subject of this research. The hotel was chosen because of its reputation and the significant impact it has on the environment and the overall economy. In this study, empirical research is done on how customer satisfaction initiatives affect customer retention. It also

identified theoretical approaches which can be used for customer satisfaction strategies, the impact and its relationship to customer retention. The reason for picking Kwara hotel was because it is a 4-star hotel located in the heart of Ilorin, the state capital. The hotel is situated away from the hustle and bustle of urban cities, thereby making it an ideal destination for retreats, vacations, business meetings and other events.

2.0 Literature Review

Customer Satisfaction

Customer satisfaction with products and services is linked to numerous circumstances (Gilaninia, Taleghani, & Talemi, 2013). After using a product or service, it might be claimed that you develop a certain attitude or emotion about it. Understanding client happiness within the company need to be prioritized. Customer satisfaction, according to Taghizadeh (2012), is the outcome of marketing initiatives that serve as a communication link between various phases of a consumer's buying behavior. Every service industry relies on customer pleasure to succeed. Customer satisfaction is widely recognized in the hospitality sector as being essential to corporate performance and also playing a critical role in increasing market value and keeping clients. As a result, at the beginning of any firm, the customers are always put "first," followed by the profit. Tao claimed in 2014 that when a consumer is pleased with the company's product or service, it might encourage regular purchases and referrals of the company's goods and services to other people.

Service Quality

The most important differentiation and competitive advantage that most service firms now have is service quality. Service quality is a achievement in customer service from a business administration perspective. It shows up every time you receive service. Based on previous experiences, suggestions, and marketing messages, customers create their service expectations. Customers frequently compare the perceived and anticipated standards of service, and when the former falls below the latter, they get unsatisfied.

The words "service" and "quality" together emphasize the importance of making high-quality services available to consumers. The standard or specification that a business offering services promises is at the center of the idea of quality. A business that offers excellent customer service will continue to do so while being economically competitive. Evidence from empirical

investigations indicates that increased customer loyalty is a result of better service quality. Customer satisfaction and other performance outcomes can be measured, operational procedures can be made better, issues can be found promptly and systematically, service performance measurements can be established that are valid and trustworthy, and operational processes can be improved. Service quality is often viewed as the outcome of the service delivery system, particularly in the case of pure service systems.

Value Proposition.

The advantage that a business promises to offer to customers who choose to buy its products is known as the value proposition. A value proposition is an essential part of any company's marketing plan. Consumers are introduced to a company's brand through the value proposition, which explains to them what the company stands for, how it functions, and why it merits their patronage. a succinct explanation given by a business as to why a customer should purchase a product or use a service. If this claim is well-written, it could persuade a potential customer that a certain product or service provided by the business would benefit them more or find a solution to their problem than similar alternatives will.

Consumers are informed of the key characteristics that make a product or service perfect for them by a company's value proposition. A value proposition should be communicated to customers right away via the company's website or other marketing or advertising materials. Value propositions may come in a wide variety of shapes and sizes as long as they are "on brand," distinctive, and specific to the firm at hand. A strong value proposition should convince a prospect to sign on as a paying customer. An organization's promise to a market or customer group is known as a value proposition. The argument is a convincing rationale for a customer to buy a product or service from that particular business.

Customer Retention

Customer retention is the ability of a business or product to keep customers for a predetermined amount of time. Customer retention refers to the continuation of interactions between the company and the customer, whilst customer satisfaction is defined in terms of closing the gap between customer expectation and customer experience (Ibojo & Asabi, 2015). High customer retention refers to a company's ability to maintain consumers by encouraging

them to use a product or service again, purchase it regularly, or completely forgo using it altogether in favor of another. Often, the aim of business sales is to lower client attrition. The complete customer lifecycle, which starts with the first engagement a firm has with a client and lasts over the course of a relationship, is taken into account by successful retention tactics. A company's ability to attract and retain customers depends on more than just its products or services; it also depends on how well it serves its present customers, how much value they truly see in the solutions they employ, and the reputation it establishes in the market.

Client happiness has been shown to have a direct impact on customer retention across a variety of industries. The overwhelming majority of the data is conclusive: there is a positive correlation between customer happiness and customer retention, while the degree of the correlation varies based on a wide range of criteria including customer, product, and industry characteristics. This is in contrast to the claims made by some one-off studies. Mathematical models have been developed by certain businesses and individuals to assess consumer happiness.

In order to overcome several obstacles, businesses work to keep clients. The demand for product personalization (Ashraf, Atonu, & Christopher, 2015; Kangu, Wanjau, & Kosimbei, 2017; Minna Aino, 2005), globalization, the expansion of the network economy, the rise of the whole quality initiative, and the growing levels of rivalry among firms are a few examples of these problems.

2.2 Theoretical Review

The Dissonance Theory

A person would be cognizant of the discrepancy and experience cognitive dissonance if they expected a high-value product but received a low-value product, according to the Dissonance Theory (Cardozzo, 1965). In other words, expectations that aren't satisfied cause cognitive dissonance or emotional distress. This theory holds that the presence of dissonance leads to requests for its elimination, which can be done by altering the apparent disagreement. This presumption states "Since recognizing disconfirmation is thought to be a psychologically uncomfortable task, post-exposure assessments are primarily a function of expectation level. Therefore, it is believed that customers perceptually alter expectation-discrepant performance

to match their prior expectation level " (Oliver, 1977). According to Cardozzo, consumers may give a product better evaluation if it is pricey for them. Imagine a situation when a customer walks into a restaurant anticipating a wonderful experience only to be disappointed by a bad dish. To allay the dissonance, the customer who traveled great distances and spent a lot of money on the lunch can claim that the food was not as horrible as it seemed or that she like food that is overdone.

The Expectancy Disconfirmation Paradigm

The Expectancy-Disconfirmation Paradigm (EDP) was offered by Oliver (1980), drawing on the limitations of the aforementioned early theories of customer satisfaction, as the most useful theoretical framework for evaluating consumer satisfaction. According to the paradigm, people buy products and services in expectation of how they would perform. The degree of anticipation then serves as a benchmark for evaluating the product. In other words, when a product or service has been utilized, results are compared against expectations. If the outcome matches the prediction, confirmation occurs. Disconfirmation occurs when outcomes don't meet expectations. A consumer is either satisfied or dissatisfied when expectations and perceptions diverge favorably or unfavorably. Since expectations and perceptions are confirmed when service performance exceeds the client's original expectations, this results in customer satisfaction, and when service performance is as predicted, this results in customer satisfaction. When service delivery is below what the customer anticipated, however, there is a negative disconfirmation between expectations and perceptions, which leads to dissatisfaction.

Empirical Review

Almohaimmed investigates the connections between five variables in 2019: customer relationship management, customer happiness, loyalty, profitability, and retention. The survey included 750 managers and staff members from various restaurants in Riyadh, Saudi Arabia's capital. Surveys were used in the study. According to the study's findings, customer relationship management significantly affects customer happiness, which in turn significantly affects customer loyalty and profitability. Since customer loyalty is thought to be a mediator of the link between customer pleasure and profitability, the evidence does not support this theory. Customer profitability and retention are significantly correlated with both customer profitability and customer satisfaction, although there is no significantly correlated link between

customer contentment and retention. Companies are obligated to implement strategies designed to entice lucrative clients and to seek ways to keep those customers.

Barusman and Susanto (2019) conducted a research to comprehend consumer behavior, particularly with regard to their happiness. This study gives insights for methods to draw in new customers and maintain existing ones. In the tourist sector in Lampung, Indonesia, they looked at the causes of consumer happiness and how that affected customer retention. The results showed that customer happiness and service quality had a substantial impact on customer retention.

Mushtaq and Suhail (2018) conducted research on the impact of employee skill and client satisfaction on client retention in the banking industry. It has also been investigated how the control variable (gender) affects customer retention and the impact of customer satisfaction as a mediating factor. In order to analyze data for a sample of 409 bank clients of a private bank in the Indian state of Jammu and Kashmir, the study employed structural equation modeling (SEM). Using a cluster sampling approach, questionnaires were given out and responders were chosen. Client happiness and employee competency have a considerable beneficial influence on customer retention, according to empirical research conducted using SEM. The impact of people competency on customer retention is partially mediated by customer satisfaction. The results of a moderation study showed that gender modifies the impact of employee capacity on customer satisfaction. It was also discovered that some relationships are unaffected by gender. Additionally, the study demonstrates that employee competency has a greater influence on customer retention than does customer pleasure. However, there is a considerable link between employee skill and consumer pleasure.

Ibojo and Asabi (2015) explored the relationship between customer satisfaction and customer retention. According to the survey, more than two thirds of the percentage change in customer retention may be directly attributed to customer happiness. In order to accomplish the stated organizational goals, the problem of customer satisfaction is a crucial one that requires ongoing attention. The results of this study allow us to draw the conclusion that overall customer satisfaction has significantly aided in keeping each individual client.

Similar to this, David, Christopher, HuaHua, and Esther (2006) investigated the effects of a number of retention-relevant factors on consumers' decisions to remain with or change banks in New Zealand. Customers ranked these factors as having a significant impact on their bank loyalty. Age, gender, educational attainment, and income were among the demographic factors that were evaluated for their impact on customers' intentions to remain with or switch banks. According to the findings, switching obstacles, business image, and customer happiness were the three most crucial factors.

3.0 Methodology

In order to investigate the effect of customer satisfaction on customer retention in the hotel industry, this study used a survey technique. A close-ended questionnaire was developed to capture the stated constructs and the studied variables used in the study to assess data from primary sources. The participants in this study are guests at Ilorin's Kwara Hotel plc. A theoretical sample was thus employed because it was virtually impossible to ascertain the real population of clients. In order to account for the possibility of an unlimited population of customer responders, Attewell and Rule (1991) recommended using a postulated sample size of 100. Additionally, multiple linear regression was used in the study to analyze the hypothesized claims. Last but not least, the study followed the principles of research ethics and accepted the content validity.

4.0 Discussion of Findings

Table 1 Distribution table for Demographic Information of Respondents

S/N	Factor	Factor Level	Frequency	Percentage (%)
1	Gender	Male	61	61.0
		Female	39	39.0
		Total	100	100.00
2	Age	18-27 years	21	21.0
		28-37 years	29	29.0
		38-47 years	48	48.0
		48 and above	2	2.0
		Total	100	100.00
3	Marital Status	Single	68	68.0
		Married	30	30.0
		Others	2	2.0
		Total	100	100.00
4	Educational Background	ND/NCE	11	11.0
		HND/B.Sc.	64	64.0
		MBA/M.sc	15	15.0
		Others	10	10.0
		Total	100	100.00

Source: Authors’ Field Survey, 2022

The Table above shows that male respondents accounted for 61.0% while female respondents accounted for 39.0%. The implication of this is that the participation was evenly distributed. Also, the table indicates that 21% were in the age bracket of 18-27years, people between the age brackets 28-37 years accounted for 29.0% 1 of the respondents, 48% were between the ages of 38-47years, while 2% were in the age bracket of 48 years and above. From this, most of the respondents sampled were in the age bracket 38-47 years that is matured enough to give accurate information as regards the study. Furthermore, the table above shows that 68.0% of the respondents were single while 30.0% of the respondents were married and 2.0% were either divorced or separated. The implication of this is that most of the respondents sampled were single.

Lastly, the table indicates that 11.0% of the respondents had ND/NCE certificate, 64.0% of them had HND/B.Sc certificate, while 15.0% held M.Sc/MBA certificate and 10.0% were having other unknown certificates. The implication of this is that majority of the respondents sampled were experienced enough academically to give relevant data as the study demanded.

Test of Hypotheses

H01: service quality has no significant effect on repeated patronage in Kwara hotel.

H02: value proposition has no significant effect on repeated patronage in Kwara hotel.

Table 4.2a: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.797 ^a	.635	.632	.860

a. Predictors: (Constant), service quality, value proposition

Source: Researcher’s Field Survey, 2022.

The model summary is presented in Table 4.2a. The correlation coefficient is 0.797 (or $r = 0.667$), indicating a very significant association between repeated patronage (the dependent variable, the variable being predicted), service quality, and value proposition (the predictors or independent variables). The data also shows that the r^2 , or coefficient of determination, is 0.635, or around 64%. This suggests that an increase in service quality and value can account for more than two-thirds of the change in the percentage of repeat business, or 64%.

Table 4.2b: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	320.739	2	160.3695	85.303	.000 ^b
	Residual	184.261	98	1.880		
	Total	505.000	100			

a. Dependent Variable: repeated patronage
b. Predictors: (Constant), service quality, value proposition

Source: Researcher’s Field Survey, 2022.

ANOVA is shown in Table 4.2b. Since the probability value of .000 is less than the alpha threshold of 0.05 and the model is fit, the F-statistic displayed in the table is significant.

Table 4.3c: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.092	.150		.616	.539
	service quality	.348	.062	.294	5.610	.000
	value proposition	.261	.073	.260	3.574	.000

a. Dependent Variable: Repeated Patronage

Source: Researcher’s Field Survey, 2022

The coefficient of the independent variable is shown in Table 4.3c. The service quality coefficient of 0.348 indicates a somewhat good link between service quality and repeated patronage. Since the alpha level of 0.05 is higher than the p-value, the probability and [t-statistics] value of .000 and [5.610] further imply that the link between service quality and recurring patronage is significant. The implication is that changing the quality of the service is a key factor in increasing recurring business. As a result, the alternative hypothesis is accepted and the null hypothesis is rejected. This suggests that customer satisfaction at the Kwara Hotel in Ilorin has a considerable impact on return business. By implication, the hotel's interior design and in-room facilities should be thoughtfully created to attract repeat business from guests. The claim made by Barusman and Susanto (2019) and Clarke (2001) supports this.

The value proposition coefficient is also included in Table 4.3c. Value proposition and repeated patronage appear to have a tenuous link, as indicated by the coefficient of value proposition of 0.261. Since the alpha level of 0.05 is higher than the p-value, the probability and [t-statistics] value of .000 and [3.574] further imply that the link between value proposition and recurring patronage is significant. Therefore, it may be concluded that a better value offer encourages recurring business. As a result, the alternative hypothesis is accepted and the null hypothesis is rejected. This suggests that the Kwara Hotel in Ilorin's value offer has a considerable impact on repeated patronage. Customer loyalty must be able to be fostered for satisfaction to be successful. This is in line with McIlroy and Barnett's results from 2000, who discovered that customer satisfaction should be taken into account when developing a customer loyalty program.

5.0 Conclusions

The effect of customer satisfaction on customer retention in the hotel business has been clarified by this study. Based on the information gathered from respondents within the company, the study draws the general conclusion that customer satisfaction has a big influence on customer retention. Additionally, to promote client loyalty and patronage, the quality of hotel services in Kwara must be raised. Furthermore, there is a strong correlation between value proposition and recurring business. Customer loyalty is also significantly impacted by value proposition.

It can therefore be concluded that client satisfaction is very important. As a result, it is crucial in ensuring consumer loyalty. Therefore, businesses should always work to make sure that their clients are completely satisfied. One of the most effective tools the 21st-century hospitality business can use to obtain a competitive edge and survive in today's highly competitive climate is service quality and value proposition.

6.0 Recommendations

The following recommendations were given in light of the study's findings:

1. The management of the Kwara Hotel should endeavor to enhance the hotel's level of service. Customers highly appreciate comfort, thus they will want to reserve any hotel room that offers the essential comfort.
2. Necessary steps should be taken by Kwara hotel in ensuring that varieties of service being sold are of good quality as this will bring about customer satisfaction and repeated patronage.
3. Value statement in Kwara hotel should be made easy and convenient for their customers. This is because when customers have enough information about the service being provided by a company, it makes them to refer people to patronize the company thereby leading to increase in their customer base and;
4. Lastly, necessary steps should also be taken in ensuring that there is an improvement in their service in order to gain more customers.

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EXTERNAL DEBT AND ECONOMIC GROWTH IN NIGERIA: A RE-EXAMINATION

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Abstract

This study investigated the impact of external debt on economic growth in Nigeria between 1988 and 2021. The study adopted ex post-facto research design and autoregressive distributed lag (ARDL) techniques to carry out the analysis. The research utilized secondary data on included variables and error correction mechanism (ECM) method to achieve the objectives of the study. The data were subjected to diagnostic tests including unit root, co-integration and granger causality as well as error correction mechanism before estimating the model. The results of the study revealed that while there was negative relationship between official public external debt, and external debt service payment, there was positive relationship between official private external debt and economic growth in Nigeria. The study recommends that government of Nigeria must ensure that debt collected are fully directed to finance capital projects especially in the areas of production, transportations, electricity, and education. This will enhanced and improved economic growth thereby reducing poverty and inequality in Nigeria.

KEY WORDS: External Debt, official Public External Debt, official Private External Debt, External Debt Service Payment, Economic Growth

1. INTRODUCION

The effect of external debt on a nation's economy has been a subject of controversy among academics. To meet national wants amidst limited resources, nations might resort to borrowing. Borrowing creates debt. Debt is the aggregate of all claims against the government held by the private sector of the economy or by foreigners, whether interest bearing or not less, any claim held by the government against private sectors and foreigners (Oyejide,

Soyede & Kayode, 1985). Shortfall in domestic savings to finance productive activities compels nations to borrow (Ezeabasili, 2006; Momodu, 2012). Debt could be from within a nation's boarder (Internal) or from outside (External).

There has been lack of consensus on the impact of external debt on economic growth. Some were of the view that external debt accelerates economic growth (Hameed, Ashraf & Chandhary, 2008). This view is in line with neoclassical model of economic growth –the Keynesian theory in which capital accumulation is viewed as a catalyst to economic growth. The opponents of external debt argued that it has negative impact on economic growth. This is due to the fact that at certain level, debt accumulation becomes a burden and will no longer stimulate the economic growth (Elbadawi, Ndulu & Ndungu, 1996). Furthermore, the liquidity constraint referred to as 'crowding out' effect of debt, that is, the need to service debt reduces funds available for investment and growth. Debt servicing is like the proboscis of mosquito for sucking out blood from its victim.

External debt is a major source of public receipts. The motive behind external debt is due to the fact that countries especially the developing ones lack sufficient internal financial resources and this calls for the need for external loans. The accumulation of external debt should not signify slow economic growth. It is a country's inability to meet its debt obligation compounded by the lack of information on the nature, structure and magnitude of external debt (Were, 2001). Soludo (2003) opined that countries borrow for two broad categories; macroeconomic reasons to either finance higher investment or higher consumption and to circumvent hard budget constraint. This implies that an economy borrow to boost economic growth and alleviate poverty. He argued that when debt reaches a certain level, it begins to have adverse effect, debt servicing becomes a huge burden and countries find themselves on the wrong side of the debt-laffer curve, with debt crowding out investment and growth. The debt service burden has militated against Nigeria's rapid economic development and worsened the social problems (Audu, 2004).

The dual-gap analysis provides the framework which shows that the development of a nation is a function of investment and that such investment which require borrowing to compliment inadequate domestic savings make development take place (Oloyede, 2002). Hence, the importance of external debt on the growth process of a nation cannot be overemphasized. Hameed,

Ashraf, and Chaudhary (2008) stated that external borrowing is ought to accelerate economic growth especially when domestic financial resources are inadequate and need to be supplemented with funds abroad.

According to Sulaiman and Azeez (2012), the genesis of Nigeria's external debt can be traced to 1958 when 28 million US dollars was contracted from the World Bank for railway construction. Between 1958 and 1977, the need for external debt was on the low side. However, due to the fall in oil prices in 1978 which exerted a negative influence on government finances, it became necessary to borrow to correct balance of payment difficulties and finance projects. The first major borrowing of 1 billion US dollars referred to as Jumbo loan was contracted from the international capital market (ICM) in 1978 increasing the total to 2.2 billion U.S dollars (Adesola, 2009).

The spate of borrowing increased thereafter with the entry of the state government into external loan contractual obligation. For instance, the Obasanjo's led administration in 1999-2007 strongly pursued debt cancellation which led to drastic reduction of external debt from over \$42 billion in previous years to about \$3.4 billion in 2007. The successive governments after Obasanjo have taken the path of debt attraction. For instance, the nation's debt have steadily increase from \$3.4 billion in 2007 to \$3.7 billion in 2008, \$3.9 billion in 2009, \$4.5 billion in 2010, \$5.7 billion in 2011, \$6.5 billion in 2012, \$9.0 billion in 2013, \$9.5 billion in January, 2015. However, between May 2015 and June, 2016, the country debt had increased by more than \$14 billion (NBS, 2016). The nation's high rising debt position was one of the key campaign issues in the 2015 general election, yet in just about a year in 2016, the nation's indebtedness has risen by about ₦4 trillion. Pioneer work on the Nigerian public debt can be traced to Ajayi (1991) who observed that the malfunctions of macroeconomic policies among others are the factors that make debt burdensome on growth. The increasing fiscal deficits driven by the higher level of external debt servicing is a major threat to growth of the nation.

Empirical evidence showed that economic growth as measured by Gross Domestic Product (GDP) has been on the increase since 1986 except for 1987 when there was a marginal decline of 0.3 percent (CBN, 2001). The growth rate of the Gross Domestic Product (GDP) on aggregate was 6.0 percent in 2008, 7.0 percent in 2009, and 8.6 percent in 2012 (CBN, 2017). The review

above showed that there is mismatch between external debt and economic growth in Nigeria.

The mismatch between external debt and economic growth in Nigeria raises critical questions on its role in promoting economic growth in the country. It has been argued by Orji and Mba (2013) that the persistently rising state of external debt in Nigeria has not gainfully contributed to economic growth in the country. The author alarmed that many Nigerians have continued to wallow in abject poverty, while more than 50 percent live on less than US \$1 (#365) per day. The resultant effect of large accumulation of debt exposed the nation to high debt burden. Nigeria is about the richest on the continent of Africa, yet due to the numerous problems, including corruption, inflation, unemployment, sole dependency on crude oil as a major source of revenue, and mounting external debt and debt service payment, majority of her citizens have fallen below the poverty line (Lawal, et al 2016). All these problems combined to hamper the performance of external debt in economic growth in Nigeria. It is in respect to address these problems that have affected the performance of external debt in economic growth in Nigeria that engenders this study.

2. LITERATURE REVIEW

Conceptual and Theoretical Review

The act of borrowing creates debt. Udoffia and Akpanah (2016) defined external debt as packages that consist of a combination of financial, technical, and managerial requirements emanating from outside the country, aimed at supporting economic growth and development and are repayable at determined future date in foreign currency. External debt is a major source of public revenue. The accumulation of external debt should not signify slow economic growth. It is a country's inability to meet its debt obligation compounded by the lack of information on the nature, structure and magnitude of external debt that determines the effectiveness of external debt.

Arnone, Bandiera and Presbitero (2005) described external debt as that part of a country's debt that was borrowed from foreign lenders including commercial banks, governments or international financial institutions. External debt becomes necessary when domestic financial resources become inadequate to finance public goods that increase welfare and engender economic growth. In Nigeria, the sources of External Debt include: (i) Paris Club of Creditors; (ii)

London Club of Creditors; (iii) Multilateral Creditors; (iv) Promissory Note Creditors, which are the refinanced uninsured trade arrears; and (v) Bilateral and Private Sector Creditors. Udoffia and Akpanah (2016) defined external debt as packages that consist of a combination of financial, technical vis-a-vis managerial requirements emanating from outside the country, aimed at supporting economic growth and development and are repayable at determined future date in foreign currency.

There are two ways of classifying external debt. One way is that external borrowing sourced from other countries are called bilateral loan while loans from institutions like World Bank, International Monetary Fund, Africa Development Bank, London Club, Paris Club etc. are called multilateral loan (Efuntade, Adegboyo & Efuntade, 2020). Another way is that external debt can be classified on the basis of the status of the donor, generally divided into official and private debts. Official debts are those obtained from national governments or their agencies or from International agencies like the World Bank and the IMF. Private debts consist of those obtained from private creditors which include the Euro-dollar loans, suppliers' credit, exports and loans from private commercial banks (Ajayi, 1991).

Official external debt is the type that is contracted to fund public investment. However, a high stock of external debt of the public sector determines a high level of payments to foreign institutions and a reduction of the primary income account (Checherita-Westphal and Rother 2012; Pattillo et al. 2011). This amount of interest payments decreases the fiscal space of the government budget to finance projects. Considering the objective of fiscal consolidation, the government may cut primary expenditure allocated for public investment, including the creation and maintenance of public infrastructure. Therefore, higher debt interest payments may reduce the fiscal space in the government budget and reduce social transfers and public investment.

In the private sector, external debt may finance investment and increase the stock of capital (Schclarek 2004; Pattillo et al. 2011). If the new investment is based on expensive high technology, there needs to be an improvement in productivity and in the rate of return on investment to pay interests on the external private debt. In addition, there is a decrease of the available income of families, which leads to less consumption and/ or saving. The external

amount of debt of the private sector may have a positive or negative impact on private investment (Schclarek 2004; Pattillo et al. 2011).

According to Tuovila (2019), debt service is the cash that is required to cover the repayment of interest and principal on a debt for a particular period. If an individual is taking out a mortgage or a student loan, the borrower needs to calculate the annual or monthly debt service required on each loan. In the same way, companies must meet debt service requirements for loans and bonds issued to the public. IMF (2017) defines public external debt service as the sum of principal repayments and interest actually paid in currency, goods, or services on long-term debt, interest paid on short-term debt, and repayments (repurchases and charges) to the IMF. Debt service is the amount of money required in a given period to pay for the interest expense and principal of an existing loan. To put it more simply, it is the amount of money a person agreed to pay for a number of periods during the lifetime of a loan. It is a term that is normally employed in the financial industry to define the amount of both principal and interest that a debtor country has to pay to their creditor, either a public or private bondholder. This concept also applies to individuals, since they are also exposed to loans such as auto loans, credit cards, home mortgages and many others.

Economic growth describes the increase in the country's national output or gross domestic product over time. It also represents an increase in the economic capacity to produce goods and services relative to their output in the previous years (Brini, Jemmali & Ferroukh 2016). A growth is caused in the economy whenever a unit of production is successfully inputted into the economic system. Hence we say that economic growth describes the amount of goods and services created, with less concern about how the products or services are produced (Blake, 2015). Economic growth can be estimated in nominal terms e.g. inflation or adjusted inflation by the percentage rate of increased in national output (GDP).

Several theories have been propounded by scholars in a bid to explain the issue of external debt as it relate to economic growth. One of the theories is the dual-gap theory propounded by Chenery (1966). Two gap model stated that development of less developed countries is constrained due to presence of two gaps namely: (1) gap between domestic savings and investment, where domestic savings are inadequate to support the level of growth. (2) Gap

between export revenues and imports, or foreign exchange gap, where import purchasing power (value of imports + capital transfers) is inadequate to support the level of growth. According to Hunt (2007), underdeveloped economies face low and weak growth rates because of the inherent nature of under savings which is unable to provide financial support for investment in both private and public sectors of their economies. In other words savings and investment support and sustain economic growth. The foregoing illustrates the concept of the dual gap theory. Thus, external borrowing becomes a necessity.

The dual gap analysis explained that development is a function of investment, and that investment is essentially a product of domestic savings, which more than often is not adequate to finance development. Given this scenario, government adopts strategies of collecting from abroad the sum that can be invested in the economy, which is usually equal with the sum that is saved. In addition, the domestic resources are to be augmented from abroad, such that we have excess of import over export (i.e. $M > E$).

$$I - S \dots\dots\dots (2.3)$$

$$M - E \dots\dots\dots (2.4)$$

$$\text{Hence, } I - S = M - E \dots\dots\dots (2.5)$$

In national income accounting, surplus of investment over domestic saving is equal to surplus of import over export.

$$\text{Income} = \text{Consumption} + \text{Import} + \text{Savings}$$

$$\text{Output} = \text{Consumption} + \text{Export} + \text{Investment}$$

$$\text{Income} = \text{Output}$$

$$\text{That is, } \text{Investment} - \text{Savings} = \text{Import} - \text{Export}.$$

This is the foundation of dual gap analysis. It explains that if the domestic saving available falls short of the level needed to realize the target rate of growth, a savings investment gap is thought to be in existent, and thus borrowing is induced. On a similar note, if the maximum import requirement necessary to realize the growth target is larger than the maximum possible level of export, then there is an export- import exchange gap (Lawal et al, 2016).

Empirical Review

Bamidele and Joseph (2013) examined the effect of financial crisis, external debt management on the economic growth of Nigeria using GDP as endogenous variable while exogenous variables measuring economic growth were Foreign Direct Investment, external debt, external reserve, inflating, and

exchange rate proxies. Annual time series of 1980-2010 were used. OLS, Augmented Dickey Fuller (ADF) unit root tests and the Granger causality test were employed in analysis. The result showed a positive relationship between FDI and economic growth while inverse relationship existed between external debt and economic growth.

For the Indian economy, Bal and Rath (2014) used the ARDL model to analyze data sourced from 1980 – 2011 so as to examine the effect of public debt on economic growth in India. The authors observed that in line with a priori expectation, in the short run the central government debt, total factor productivity (TFP) growth, and debt services significantly affects economic growth. The study recommends that policy makers should follow the objective of inter-generational equity in fiscal management over long run so as to stabilize debt-GDP ratio for the Indian economy.

Udeh Ugwu & Onwuka (2016) investigated the impact of external debt on economic growth in Nigeria. Ex-post facto research design was adopted for the study. The period of study was 1980-2013. Model was formulated and data were analyzed using Ordinary Least Square. Diagnostic tests were conducted using Augmented Dick Fuller Unit Root Test, Co-integration and Error Correction Model. The independent variable was GDP, while the explanatory variables were External Debt Stock, External Debt Service Payment and Exchange Rate. The study discovered that External Debt had a positive relationship with Gross Domestic Product at short run, but a negative relationship at long run. Also, while External Debt Service Payment had negative relationship with Gross Domestic Product, Exchange Rate had a positive relationship with it. The paper concluded that exchange rate fluctuation had positive impact on the Nigerian economy while external debt stock and debt service payment had negative impact on the same economy. The study recommended amongst others, that Debt Management Office should set mechanism in motion to ensure that loans were utilized for purposes for which they were acquired as well as set a ceiling for borrowing for states and federal governments based on well-defined criteria.

Lawal et al (2016) examined the impact of external debt on economic growth in Nigeria for the period 1981-2014 based on annual data sourced from the Central Bank of Nigeria (CBN) Statistical Bulletin (various issues) and abstract of National Bureau of Statistics (NBS). The researcher examined the

existence of Co-integration among the underlying variables using Auto-regressive Distributed Lag (ARDL) model after conducting preliminary statistical test to ascertain the normality of the variables as well as stationary of the data set using descriptive and unit root tests. The result of the ARDL test shows that a significant relationship exists between external debt and economic growth both at the long and short run. The study also examined the causality among the variables using Granger causality test and observed that no causality exist among the variables. The study therefore recommends that government should ensure that loans obtained are used to finance profitable projects that would generate reasonable amount of revenue to service the debts and also adequate record of debt payment obligations should be kept and debt should not be allowed to exceed a maximum limit in order to prevent debt overhang.

Elom-Obed et al. (2017) using the Vector Error Correction Model (VECM) and annual data from 1980 to 2015, analysed the relationship between public debt and economic growth in Nigeria. The variables used in the study included RGDP, foreign debt, domestic debt, and domestic private savings. The study findings revealed a significant negative impact of foreign and domestic debt on economic growth in Nigeria. The study suffered from significant variable omission bias and adopted an inadequate estimation technique that cannot generate reliable coefficient estimates about the study variables.

Odubuasi, Uzoka and Anichebe (2018), analyzed the effect of external debt on the economic growth of Nigeria from 1981 to 2017 using Granger Causality and Johansen Co-integration estimation technique. The study revealed that external debt stock and government capital expenditure have positive effect on Nigeria's economic growth while external debt service had no significant impact on economic growth.

Akhanolu et al. (2018) examined the effect of public debt on economic growth of Nigeria using annual data from 1982 to 2017 and two-stage least square regression technique. The study modelled GDP as a function of internal debt, external debt, savings and capital expenditure. The results revealed that external debt had a significant negative impact on growth while internal debt showed a positive impact. However, the study suffered from significant variable omission bias and the methodology used was inadequate in accounting for complex relationship between the study variables.

Mhlaba et al. (2019) employ the ARDL method and quarterly data from 2002 to 2016 to examine the long-run and short-run effects of public debt on economic growth for South Africa. The study modelled GDP as a function of gross and net debt, investment, inflation and terms of trade. The empirical results indicated a significant negative impact of public debt on economic growth. The study was based on South African data and provided a basis to examine the impact of government debt on economic growth from a Nigerian-specific perspective.

Saungweme and Odhiambo (2019) explored the causal relationship between government debt, debt servicing and economic growth in Zambia for the period 1979 to 2017 using a dynamic multivariate ARDL approach. To achieve this objective, RGDP was modelled as a function of stock of public debt, fiscal balance and savings as a share of GDP. The empirical results indicated a unidirectional causal relationship from economic growth to public debt in Zambia. The study findings supported the hypothesis that the pace of economic growth matters in defining the level of public sector indebtedness. The study setting was in Zambia thereby creating a geographic gap and the need for a Nigerian-specific study.

Efuntade, Adegboyo & Efuntade (2020) investigated the impact of external debt on economic growth in Nigeria between 1981 and 2018 using ARDL-ECM estimation technique. The variables used in the study were tested for stationarity using the Augmented Dickey Fuller. The result revealed that EDS, DDS, FDI and GOVE were stationary at first differencing while GDPGR was stationary at level. The study revealed that external debt and foreign direct investment positively affect economic growth while domestic debt and government expenditure hinders economic growth in Nigeria. The error correction model coefficient which is -0.969 means that nearly 96.9 percent of any disequilibrium in economic growth is corrected by the external debt, domestic debt, foreign direct investment and government expenditure within one period (one year). The study recommends that the country can borrow from external sources when the need arise, however, caution should be taken to avoid putting the country into debt crises. Also, government should reconsider her spending structure to favour infrastructure development which would motivate both local and foreign investors to invest and in turn enhance economic growth. Lastly, government and policy makers should formulate

policies that would attract foreign investors and provide enabling environment vis-à-vis security of lives and properties.

Gaps in the Literature

A number of researches have been conducted on impact of external debt on the nation's economic growth. On the impact of debt on economic growth, evidence from empirical literature from Nigeria are at best mixed and thus inconclusive. Again, it may be observed that none of the studies reviewed above used components of external debt as explanatory variables. It can also be observed that literature on the impact of external debt on economic growth in Nigeria that is available to the researcher is scanty. It can also be observed that none of the studies reviewed above was conducted in 2022. These observed shortcomings have created a knowledge gap in the literature, thus necessitating a more systematic examination of the phenomena of interest, that is, the analysis of the impact of aviation industry on economic growth in Nigeria. This is the gap this study intends to fill using Nigeria as a study.

METHODOLOGY AND DATA

The study adopted ex-post facto design to investigate the impact of public external debt service on economic growth in Nigeria between 1988 and 2021. To this end, the study employed autoregressive distributed lag (ARDL) method using secondary data based on variables of the study. The data on the included variables were collected from various sources including Central Bank of Nigeria (CBN) and National Bureau of statistics (NBS) as well as World Bank.

The model that was used in this study was adapted from the work by Lawal et al (2016) on External Debt and Economic Growth: Evidence from Nigeria.

The model is given as:

$$GDP = \beta_0 + \beta_1 OFD + \beta_2 EXC + \beta_3 CPI + \beta_4 TOP + U \dots \dots \dots (1)$$

Where:

GDP = Gross Domestic Product; OFD = Official public external debt; EXC = Exchange rate;

CPI = Consumer price index; β_0 = Intercept of the regression line; $\beta_1 \dots \beta_4$ are the slope coefficients; U = white noise error term.

The model (1) is modified by replacing exchange rate (EXC), and consumer price index (CPI), with official private debt (OPD) and external debt service

payment (EDS) respectively. Thus, the linear form of the model that was used in this study is:

$$GDP_t = \beta_0 + \beta_1 OFD_t + \beta_2 OPD_t + \beta_3 EDS_t + \beta_4 GDP_{t-1} + U_t \dots \dots \dots (2)$$

Where:

ln= Logarithm;

GDP = Gross Domestic Product;

OFD = Official Public External Debt;

OPD = Official private External Debt;

EDS = External Debt Service Payments;

GDP_{t-1} = Lagged value of Gross Domestic Product;

β_0 = Intercept of the regression model;

$\beta_1 - \beta_4$ = Coefficients of the explanatory variables; and

U = Error term.

Our a priori expectations are that: $\beta_0 = 0$; $\beta_1 - \beta_4 > 0$

Equation (2) was estimated by using the autoregressive distributed lag (ARDL) technique. In addition, the Johansen method of cointegration test was used to determine the order of integration.

The study employed augmented Dickey-Fuller (ADF) unit root test to detect the presence or otherwise, of unit root in the series. To carry out the ADF test, The null hypothesis of non-stationary is rejected if the t-statistic (i.e, the calculated value of t) is greater than critical (or tabular) t-value, or otherwise. Next, error correction mechanism was carried out to examine the speed of adjustment from the short-run equilibrium to the long-run equilibrium state

The use of ARDL method is justified on the ground that it is simple to understand, manipulate and modify. The method can be used to detect the presence of steady state equilibrium between variables. It is a reliable method of determining both short-run and long run relationships between time series that are stationary, as well as reparameterizing them to the Error Correction Model (ECM) which can be used even when cointegration of the data are in different order and different lag. It is used to carry out diagnostic check to avoid spurious results before estimation of the regression results. The consideration of the available degrees of freedom and type of data determine the decision on lag length. With annual data, two lags are appropriate and was applied in this study.

4. RESULTS AND DISCUSSION

The results of tests conducted are summarized, presented in tabular form and analysed below. The tests conducted are: unit root, cointegration, and error correction mechanism (ECM).

This study conducted unit root test for stationarity by using Augmented Dickey-Fuller (ADF) method. The results are presented on table 1.

Table 1: Augmented Dickey-Fuller (ADF) Test Results

Series	ADF Test Statistics	10% Critical Value	Order of Cointegration
GDP	-4.796938	-2.610263	I (1)
OFD	-3.894109	-2.610263	I (1)
OPD	-6.921891	-2.610263	I (1)
EDS	-5.341983	-2.610263	I (1)

Source: Author’s Computation 2022, using E-view 10.0 version

The results of unit root test shown on table 1 above revealed that all the values of ADF test statistics for variable are negative. They are respectively greater than their critical values at 1%, 5% and 10%, implying that the variables are stationary at 10%. They are also integrated (at first difference) of order 1, that is, I (1). Since all the variables were found to be integrated of order 1, the study can now perform cointegration test. The results of cointegration test are presented in table 2 below.

Table 2: Johansen Cointegration Test Results

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.805880	187.9272	159.5297	0.0001
At most 1 *	0.733805	136.2320	125.6154	0.0059
At most 2	0.547225	86.3518	95.75366	0.0671
At most 3	0.510614	62.28143	69.81889	0.1597

Source: Author’s Computation 2021 using E-view 10.0 version

The results on table 2 above showed that the Eigen value is less than 5% critical value at all levels (compare column 2 and column 4). It can also be observed that there are two unique co-integration equations (see rows 2 and 3) between gross domestic product (GDP), official public external debt stock (OFD), official private external debt (OPD) and external debt service payment (EDS) in Nigeria during the 1988-2021. Since there is at least one

cointegrating equation found in the model, the study concludes that significant long-run relationship exists among the variables. Also, since all the variables were found to be stationary and cointegrated, the study can now perform error correction mechanism (ECM) test. The results of error correction mechanism test are presented on table 3 below.

Table 3: Regression Results of Autoregressive Distributed Lag Model

Variable	Coefficient	Std Errors	t-statistics	5% critical value	Prob
C	0.038337	0.036630	1.046598	2.07	0.3049
GDP (-1)	0.479788	0.053840	0.4202347	2.07	0.0093
OFD (-1)	-27.2530	6.14244	-4.436847	2.07	0.6658
OPD (-1)	-0.229893	0.061925	-1.712456	2.07	0.0010
EDS (-1)	-2.076445	1.998426	-3.03904	2.07	0.0342
GDPt-1 (-1)	0.131724	0.132936	0.990885	2.07	0.3309
ECM (-1)	-0.628375	0.239250	-3.546480	2.07	0.0015
R-square = 0.81383			F-statistics =		
6.454298			Durbin-Watson stat = 2.201320		

Dependent Variable: GDP; Method: Least Squares
 Sample: 1988-2021

Author’s Computation 2022, using E-view 10.0 version

The ECM estimates on table 3 indicated that the estimated coefficient value of ECM (-0.628375) has an a priori (negative) sign. Furthermore, the results revealed that the ECM is significant, fractional and negative which justifies the above claims. This means that the stability condition required to conduct this type of investigation is satisfied. This is in line with the expectation, and is an indication of the fact that any short-run fluctuations between the dependent variable and the independent variables will adjust to a stable long-run relationship between them. The coefficient also means that the speed of adjustment is 62.8%. This is a fast speed of adjustment. The implication is that there is an existence of a long-run economic relationship between the dependent variable (GDP) and the explanatory variables (OFD, OPD, and EDS). The R-square of 0.81383 (81.4%) indicates that 81.4 percent of the

result is accounted for by the included explanatory variables meaning that the regression is not spurious.

The results on table 3 above revealed the following. It can be seen that coefficient of official public external debt (OFD) is negative (-27.2530), indicating negative relationship between official public external debt and gross domestic product in Nigeria, and this is in line with a priori expectation. The coefficient of official public external debt is statistically significant since its p-value (0.6658) is greater than 0.05. Thus, we reject the null hypothesis (H_0) and conclude that public external debt stock has significant effect on gross domestic product in Nigeria during the period under study. The finding implies that gross domestic product increases as official public external debt decreases. This means that official public external debt is significant in determining gross domestic product (economic growth) in Nigeria.

The coefficient of official private external debt (OPD) is negative (-0.229893), indicating negative relationship between official private external debt and gross domestic product in Nigeria, and this is in line with a priori expectation. The coefficient of official private external debt is statistically significant since its p-value (0.0010) is less than 0.05. Thus, we accept the null hypothesis (H_0) and conclude that private external debt stock has no significant effect on gross domestic product in Nigeria during the period under study. The finding implies that gross domestic product increases as official private external debt decreases. This means that official private external debt is not significant in determining gross domestic product (economic growth) in Nigeria.

The coefficient of external debt service payment (EDS) is negative (-2.076445), indicating negative relationship between external debt service payment and gross domestic product in Nigeria, and this is in line with a priori expectation. The coefficient of external debt service payment is statistically significant since its p-value (0.0342) is less than 0.05. Thus, we reject the null hypothesis (H_0) and conclude that external debt service payment has significant effect on gross domestic product in Nigeria during the period under study. The finding implies that gross domestic product increases as external debt service payment decreases. This means that external debt service payment is significant in determining gross domestic product (economic growth) in Nigeria.

5. CONCLUSION AND RECOMMENDATIONS

From the analysis of the results, it can be stated that external debt generally has negative effects on economic growth in Nigeria. The implication of the above findings is that the external debt does not play any important role in the development process of Nigeria and has been unproductive in terms of its contribution to the Nigerian economic development due to mismanagement and embezzlement of public funds, corruption and challenges of debt sustainability. The servicing of external debt is detrimental to Nigeria as funds that should have been put into investment in the economy are being used in servicing the debt.

Based on the findings of this study, the following recommendations are made:

(i) Nigerian government should reduce the level of official public external debt it accumulates overtime.

(ii) The accumulation of official private external debt contributes negatively to the development of the nation as it reduces the level of government expenditure in the economy leading to a fall in aggregate demand, output and employment. Government should discourage the level of official private external debt it accumulates overtime.

(iii) Given the negative relationship of economic growth and debt service, the study strongly recommends that Government must ensure that debt collected are fully directed to finance capital projects especially in the area of transportations, electricity, and education, this will be enhanced and proved private sectors development thereby reducing poverty and inequality. Similarly, it will minimize the negative effect of crowding out of private sector. In this regard, effective debt management policies, strategies and discipline aimed at reducing the corruption, cost and risks associated to public debt has to be developed both at federal and state level to ensure sustainable economic growth.

(iv) Government of Nigeria should adopt monetary policies like interest rate, and cash reserve ratio that will lead to increase in the demand for, and increase in foreign exchange value of naira. To this end, frantic efforts should be directed at creating enabling environment that will encourage foreign investors to come and invest especially in labour-intensive small and medium scale extractive industries in the economy. Besides, government should give incentives to producers of manufacturing goods (including new technologies) to enable them produce more quantity and quality of manufactured goods for foreigners to come and buy. This will assist in borrowing and debt and hence rise in economic growth.

(v) The government should as a matter of urgency begin the process of diversifying its economic base to avoid over reliance on external borrowing to finance its deficits since the servicing of external debt hinders the growth of the nation.

(vi) The Nigerian government should do everything in their power to limit external borrowing to financing of critical capital projects that require technology, such as for the Iron and Steel industry; construction of at least three to five Ultra-modern cities, with technological base for industries and factories to boom, thereby serving as an attraction of youthful populations that now suffer joblessness at alarming scale; and Hydro-electricity dams and promotion of irrigation, which often, most dams have neglected.

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ECONOMIC IMPLICATIONS OF COVID 19 PANDEMIC ON ENTREPRENEURSHIP DEVELOPMENT IN KWARA STATE

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Abstract

The impact of COVID 19 has touched every aspect of our economy; health systems, the global business, travel, supply chains, education, community and social ties and how we work. It is this economic implication of COVID 19 Pandemic on Entrepreneurship Development that was examined in this study. The study employed survey research design using primary data and obtained data through administration of structured questionnaire (5 points likert scale) to the small scale business owners in the selected areas of Kwara State. 495 entrepreneurs were randomly selected across Kwara North and Kwara Central Zones. The study was analysed with the aid of appropriate tables. Findings revealed the unfavorable effect of COVID-19 Pandemic on entrepreneurship development. The study also found that majority of the small scale businesses have been affected by the COVID-19 pandemics through the partial and total lockdown, borders closure and movement restrictions. The study recommended that Non-Governmental Organizations, Multinational Companies and Government at all levels should encourage and promote entrepreneurship through empowerment Programme, while Financial Institutions should make financial resources and technical expertise available to the government to help SMEs overcome the socio-economic impact of COVID-19.

Keywords: COVID-19 Pandemic, Economic Implications, Entrepreneurship Development

1. INTRODUCTION

The impact of COVID 19 pandemic has touched almost every aspect of our economy, health systems, the global business, travel, supply chains, education, community and social ties and how we work. Unemployment rate has risen, and the global economy shrank by 4.4% in 2020, according to International Monetary Fund (IMF) estimates. The vast majority of countries around the

world entered into recessions, having experienced negative Gross Domestic Product (GDP) growth.

The outbreak of COVID-19 pandemic presents an alarming health crisis that the world is grappling with. In addition to this, the findings revealed significant socio-economic impact being felt globally. As coronavirus knows no border, its impact continues to spread. In fact, businesses in Nigeria have been impacted and are already facing the aftermath of COVID-19 disruptions. After the first infections in China at the end of the year 2019, the Coronavirus disease (COVID-19) has continued to spread across the world. No continent has been able to escape this virus. Declared a pandemic by the World Health Organization on 11th of March 2020, COVID-19 has become a global emergency, given its impact on the entire world population and the entrepreneurship development. Before the outbreak of the Coronavirus pandemic, the Nigerian economy was unstable, as the country was already facing the challenges of insecurity, falling oil prices, trade restrictions, and public deficit issues, in addition to the long-standing development challenges like inadequate fiscal economic policies, unemployment and inflation. The government's regulatory attempted to prevent the spread of the virus exacerbated the country's already precarious economic situation. As a result, the GDP growth rate fell below 4% in early 2020, to 1.87 and -6.10 percent in the first and second quarters respectively, reflecting a drop by 0.23 and 8.22 percentage points below the 2.10 and 2.12 percent recorded in 2019, Q1 and Q2 (NBS 2020 - 2021)..

The outbreak of COVID-19 pandemic has severely affected national and global economies. Various businesses are facing different issues with a certain degree of losses. Particularly, entrepreneurs are facing a variety of problems such as a decrease in innovation in terms of technology, product and process innovation. Nevertheless, it is quite clear that entrepreneurs around the globe are experiencing the significant effect of COVID-19 outbreak on their businesses.

1.1 Purpose of the Study

Given the statement of problem outlined above, the overall objective of this study is to investigate the aftermath of COVID-19 pandemic on entrepreneurship development in Kwara State, Nigeria. In order to achieve

this, the study attempts to examine the economic implications of COVID-19 pandemic on entrepreneurship development in Kwara State.

2. REVIEW OF RELATED LITERATURE

2.1 COVID 2019 Outbreak and Response in Nigeria

COVID-19, which was declared a global pandemic by the World Health Organization (WHO, 2019), has infected more than 45 million persons and caused more than 1 million deaths as of the end of October 2020. ECDC, (2020). The first confirmed case of coronavirus outbreak in Nigeria, which was also the first in SSA, was detected in a traveler who arrived in Lagos from Europe on February 27 (NCDC, 2020).

In response to the COVID 19 pandemic, the Nigerian government invested in preparedness measures, which included a USD 27 million funding increase for the Nigeria Center for Disease Control to strengthen laboratory testing and isolation capacity (IMF, 2020a), public enlightenment campaigns that emphasized hand washing, maintaining physical distancing to avoid spread of infection, and avoiding large gatherings for religious purposes or entertainment. The government's COVID-19 response team is led by a high-level Presidential Task Force, established in early March to lead and coordinate the overall response to COVID-19 (Ameh, J. 2020). The Presidential Task Force on COVID- 19 works with the NCDC. The Nigeria Centre for Disease Control leads the public health campaigns, and is responsible for overall management of testing, isolation, and treatment of COVID-19 patients.

The government has also recognized the significance of the economic impacts of COVID-19 and has announced fiscal and stimulus measures to shore up the economy. These include reducing government spending in anticipation of lower revenues from crude oil exports and providing up to 50 billion Naira to support households and small and medium scale enterprises affected by COVID-19 (FMBNP, 2020). The government's economic response is led by the Economic Sustainability Committee, which is chaired by the Vice President, while the Minister of Finance chairs a committee developing fiscal stimulus measures. The Economic Sustainability Committee prepared an Economic Sustainability Plan that was published in June, 2020.

Businesses in certain sectors that were defined by the authorities as essential were allowed to continue their economic activities under restrictions like

maintaining distance between employees. Yet, it is unimaginable how things would have gone had the technologies currently in use by businesses during this global health pandemic not been as pervasive (Akpan et al., 2020b).

2.2 Entrepreneurship Development

Entrepreneurship has been fully recognized by government at all levels and development experts as a catalyst for economic growth and a major factor in promoting private sector development and partnership. The development of the entrepreneurship therefore represents an essential element in the growth strategy of every nation economy and holds particular significance in the case of Nigeria.

In Nigeria entrepreneurship development became significant only after the civil war. At the end of the Nigerian civil war the second National Development Plan in place focused on the development of the 3Rs objectives of Reconstruction, Re-development and Reconciliation with all Nigerians. The activities in the plan challenged the ingenuity and skills of the individuals. Added to this was the promulgation of the Nigerian Enterprise Promotion Decree of 1972 as amended in 1977 as indigenisation decree. This action further act as a catalyst to entrepreneurship development as businesses hitherto monopolized and reserved for the colonial entrepreneurs by the Royal Niger Charter were returned and reserve solely for the Nigerian entrepreneurs. This early period of history witnessed economic development ideology of industrialization as the bedrock of economic growth and industrialization. Technical progress or capital growth on the other hand is seen to be a function and the result of entrepreneurship effort. In particular evidence from the advanced world according to Joseph Schumpeter (Note 21) indicates that economic growth is entirely due to the quality and efficiency of the entrepreneurs.

Therefore, after independence in 1960 there was need by the government to promote indigenous entrepreneurs who were hitherto displaced and outlawed by the British Royal Niger company. The Government never loses sight of the tripartite relationship between Entrepreneurship, Industrialisation and Economic growth order of influence. Thus entrepreneurs are the key or important agent of economic development who has to be developed and supported by the government to effectively play this role. Amendment of the indigenization decree in 1987 and the introduction of privatization and commercialization decrees in 1988, 1989 and 1995 further boosted the

development of indigenous entrepreneurship. Individual interest and group awareness was aroused leading to venturing in mining, banking, knowledge industry, education, publishing, information technology et cetera. In addition to the above mentioned, there are some other government policies and programmes that spurred entrepreneurship development in Nigeria.

2.3 Economic Implications of COVID 19 Pandemic

As the world is currently being ravaged by the COVID-19 pandemic, nations are grappling with how to contain the spread and limit its effect within their borders (Obiakor, 2020). Nigerian government has used different measures to control the spread of the virus and these include the closure of airports, schools, market places, and worship centers among others. The closure by the Federal Government of Nigeria started on 30 March 2020 with Federal Capital Territory, Lagos, and Ogun States having the first share being the first states with the COVID-19 cases in the country (Presidential Task Force on COVID-19, 2020). These closures, while essential, are having negative ripple effects across all sectors and segments of the country (Obiakor, 2020).

Micro and small businesses experienced a larger decline in business activity compared to medium and large firms (Lakuma et al., 2020). This may be because a number of the micro and small business enterprises in the country stopped operations for a while due to their helplessness to take preventive health measures like ensuring physical distancing, providing sanitizers, water, and soap for customers' use. (Lakuma et al., 2020). The economic deceleration in Nigeria was caused by a mixture of falling oil prices in the world market and the ripple economic effect from the COVID-19 pandemic, which not only led to a fall in the demand for oil products but also stopped economic activities from taking place when social distancing policies were enforced (Ozili, 2020).

The work of Chukwuka and Ekeruche, (2020) on the impact of the COVID-19 pandemic on the Nigerian economy, shows that Nigeria economy that was projected to experience 2.5% GDP growth, has been truncated by the pandemic leading to a higher increase of the nation's debt servicing to revenue ratio at 60% amid the falling prices of oil. In the same vein, FATE Foundation (2020) studied the impact of COVID-19 on 1,943 Micro, Small, and Medium Enterprises (MSMEs) in Nigeria. The study revealed that 94.3% of the businesses recorded negative results during the pandemic principally in the areas of Cash flow, Sales, and Revenue.

AfDB's African Economic Outlook 2020 report revealed that real GDP in Africa will contract by 1.7 percent in 2020, plummeting by 5.6 percentage points from January 2020 pre-COVID-19 projection, if the corona virus has a significant impact but lasts for a brief period. If the spread of the virus continues till after the second quarter of 2020, a deeper GDP contraction of 3.4 percent is projected, down by 7.3 percentage points from the growth projected before the outbreak of COVID-19. (AfDB, 2020).

Nigerian economy has been severely hit by the spread of COVID-19 and the associated sharp decline in oil prices (IMF, 2020). According to World Bank 2020, the swift and massive shock of the coronavirus pandemic and shutdown measures to contain it have plunged the global economy into a severe economic contraction and the global economy is expected to shrink by 5.2% in 2020.

3. RESEARCH METHODOLOGY

The study adopted descriptive survey. The simple random sampling technique is used in order to ensure that all units or strata in the population have equal probability of being considered in the sampling process and these copies were randomly shared. The study employed primary data sourced through the use of questionnaire as an instrument for data collection and was analyzed with the aid of appropriate tables. The questionnaire was designed using 5-point Likert scale: "Strongly Agreed", "Agreed", "Undecided", "Disagree" and "Strongly Disagree".

The population of the study comprise of the selected small scale business owners (entrepreneurs) in Kwara North covering 5 local governments and Kwara Central Senatorial districts with 4 local governments. There are 9 local governments altogether; each with about 55 entrepreneurs and sample size of 495 was derived using a best-known formula. The sample size of the study is 495 and the researcher added additional 5% copies of questionnaire to enable successful return of the 495 copies of questionnaire from the respondents. The study used simple random sampling technique to consider its sample from the population.

4. PRESENTATION OF DATA AND ANALYSIS

Table 4.1 Classification of Respondents by Business Sector/Industry

Business Sector or Industry	Number of the Respondents	Percentage
Agriculture	96	19.4
Commercial/Retail	225	45.5
Education and Training	57	11.5
Manufacturing	43	8.7
Transportation	74	14.9
Total	495	100

Table 4.1 reveals that 96 (19.4%) of the respondents engage in agribusiness, 225 representing 45.5% are businessmen and petty traders, 57 (11.5%) involve in education and training, 43 (8.7%) of the respondents engage in production or manufacturing, while 74 which is 14.9% of the respondents are transporters. This shows that majority of the respondents are traders.

Table 4.2 Responses to the Importance of Entrepreneurship Development in Kwara State

The Need for Entrepreneurship Development Questionnaire	Strongly Agree	Agree	Undecided	Strongly Disagree	Disagree
Entrepreneurship is increasingly being recognized as a primary engine of economic growth.	240(48.5%)	210(42.4%)	5 (1.0%)	12(2.4%)	28(5.7%)
Entrepreneurship leads to more stability and a higher quality of community life.	190(38.4%)	245(49.5%)	10 (2.0%)	15(3.0%)	35(7.1%)
Small and Medium Scale Enterprises offer job opportunities to millions of people. Thus, entrepreneurship reduces unemployment rate in the country.	280(56.6%)	170(34.3%)	7 (1.4%)	15(3.0%)	23(4.7%)
Entrepreneurship as a catalyst for economic growth also has the ability to improve standards of living and create wealth.	160(32.3%)	280(56.6%)	5 (1.0%)	15(3.0%)	35(7.1%)

Field Survey, March 2022

Table 4.3 Responses to the Economic Implications of COVID 19 Pandemic in Kwara State

The Economic Implications of COVID 19 Pandemic Questionnaire	Strongly Agree	Agree	Undecided	Strongly Disagree	Disagree
Nigerian economy which was projected to experience GDP growth has been truncated by the COVID 19 Pandemic.	175(35.4%)	225(45.5%)	13 (2.6%)	30(6.0%)	52(10.5%)
There was a strain on the business income and savings as a result of movement restriction and stay at home orders.	130(26.3%)	300(60.6%)	10 (2.0%)	25(5.1%)	30(6.0%)
Many businesses were shut down and twenty percent of Nigerian workforce rendered jobless due to the COVID 19 Pandemic.	166(33.5%)	254(51.3%)	5 (1.0%)	27(5.5%)	43(8.7%)
Business Enterprises in Nigeria faced liquidity challenges due to secondary impacts of COVID-19 Pandemic.	180(36.4%)	290(58.6%)	2 (0.4%)	5 (1.0%)	18(3.6%)

Field Survey, March 2022

Table 4.2 reveals that 240 respondents representing 48.5% strongly agreed that entrepreneurship is increasingly being recognized as a primary engine of economic growth, 210 respondents (42.4%) agreed entrepreneurship is increasingly being recognized as a primary engine of economic growth, 12 respondents representing 2.4% strongly disagreed and 28 respondents (5.7%) disagreed with the statement. While 5 respondents representing 1% were undecided. The survey shows that majority of respondents agreed that entrepreneurship is increasingly being recognized as a primary engine or backbone of economic growth.

190 (38.4%) of respondents strongly agreed that entrepreneurship leads to more stability and a higher quality of community life, 245 representing 49.5% of the respondents agreed that entrepreneurship leads to more stability and a higher quality of community life, 10 respondents constituting 2.0% were not decided, 15 (3.0%) strongly disagreed with the statement and 35 respondents representing 7.1% disagreed with the statement which claimed that entrepreneurship leads to more stability and a higher quality of community life. The survey reveals that 87.9% of the respondents agreed that entrepreneurship brings about stability and a higher quality of community life.

280 (56.6%) respondents strongly agreed that Small and Medium Scale Enterprises offer job opportunities to millions of people, 170 representing 34.3% of the respondents agreed that Small and Medium Scale Enterprises offer job opportunities to millions of people, 7 respondents constituting 1.4% were not decided, 15 (3.0%) of the respondents strongly disagreed with the statement and 23 (4.7%) of the respondents disagreed with the statement. The survey shows that over 90 percent of the respondents agreed that Small and Medium Scale Enterprises offer job opportunities to millions of people and therefore entrepreneurship reduces unemployment rate in the country.

160 (32.3%) respondents strongly agreed that entrepreneurship as a catalyst for economic growth also has the ability to improve standards of living and create wealth, 280 respondents representing 56.6% agreed that entrepreneurship as a catalyst for economic growth also has the ability to improve standards of living and create wealth, 5 (1.0%) respondents were undecided, 15 respondents constituting 3.0% strongly disagreed with the statement while 35 (7.1%) respondents disagreed that entrepreneurship as a catalyst for economic growth also has the ability to improve standards of living and create wealth. The survey reveals that majority of the respondents agreed

that entrepreneurship has the ability to improve standard of living and create wealth.

Table 4.3 The table indicates that 175 (35.4%) of the respondents strongly agreed that Nigerian economy which was projected to experience GDP growth, has been truncated by the COVID 19 pandemic, 225 (45.5%) agreed that Nigerian economy which was projected to experience GDP growth, has been truncated by the COVID 19 pandemic, 13 respondents representing 2.6% were not decided, 30 (6.0%) of the respondents strongly disagreed with the statement, while 52 respondents constituting 10.5% disagreed that Nigerian economy which was projected to experience GDP growth, has been truncated by the COVID 19 pandemic. This implies that majority of the respondents agreed that Nigerian economy which was projected to experience GDP growth, has been truncated by the emergency of COVID 19 pandemic.

130 (26.3%) of the respondents strongly agreed that there was a strain on the business income and savings as a result of movement restriction and stay at home orders, 300 respondents representing 60.6% agreed, 10 (2.0%) of the respondents were not decided, 25 respondents representing 5.1% strongly disagreed with the statement while 30 respondents constituting 6.0% disagreed that there was a strain on the business income and savings as a result of movement restriction and stay at home orders. The survey reveals that over 86% of the respondents agreed that there was a strain on the business income and savings as a result of movement restriction and stay at home orders.

166 (33.5%) of the respondents strongly agreed that many businesses were shut down and twenty percent of Nigerian workforce rendered jobless due to the COVID 19 Pandemic, 254 respondents representing 51.3% agreed that many businesses were shut down and twenty percent of Nigerian workforce rendered jobless due to the COVID 19 Pandemic, 5 (1.0%) of the respondents were not decided, 27 respondents constituting 5.5% strongly disagreed with the statement, while 43 (8.7%) of the respondents disagreed that many businesses were shut down and twenty percent of Nigerian workforce rendered jobless due to the COVID 19 Pandemic. This implies that more than 84% of the respondents agreed that many businesses were shut down and twenty percent of Nigerian workforce rendered jobless due to the COVID 19 Pandemic.

180 (36.4%) of the respondents strongly agreed that business enterprises in Nigeria faced liquidity challenges due to secondary impacts of COVID-19 pandemic, 290 respondents constituting 58.6% agreed that business enterprises in Nigeria faced liquidity challenges due to secondary impacts of COVID-19 pandemic, 2 (0.4%) of the respondents were not decided, 5 respondents representing 1.0% strongly disagreed with the statement, while 18 (3.6%) of the respondents disagreed that business enterprises in Nigeria faced liquidity challenges due to secondary impacts of COVID-19 pandemic. The survey reveals that 470 out of 495 respondents agreed that business enterprises in Nigeria faced liquidity challenges due to secondary impacts of COVID-19 pandemic.

4.4 Discussion of Findings

The study found negative impact of COVID 19 pandemic on business enterprises in Kwara State. The finding was supported by the United Nations Development Programme (UNDP) and the National Bureau of Statistics (NBS) report that "said 20% (twenty per cent) of Nigeria's fulltime workforce lost employment during the COVID-19 pandemic in 2020". Both organisations said this in a report released on Tuesday September 21, 2021 in Abuja titled "The Impact of COVID-19 on Business Enterprises in Nigeria". The same report said that 81% (eighty one per cent) of enterprises interviewed experienced a decline in revenue and 73% (seventy three per cent) faced liquidity challenges due to secondary impacts of COVID-19 in 2020. Similar study by Inshan M, and Prakash P. (2020) also examined the impact of Covid-19 on entrepreneurship globally which revealed that there was a prodigious disruption economically to entrepreneurship at different levels, of which small scale enterprises and start-ups were among the most vulnerable.

The economic implications of COVID 19 pandemic was examined worldwide and most of the newly established businesses and start-ups were forced to dismiss their employees, leading to issues such as higher rate of unemployment, lack of productivity and economic recession. In this study, we have examined the economic implications of COVID 19 pandemic which entrepreneurs have experienced in the catastrophic time of COVID-19, and the measures taken by the Nigerian government to protect her citizens.

5. CONCLUSION AND RECOMMENDATIONS

Base on the study findings, it can be concluded that COVID-19 has significantly caused disruption to economies and entrepreneurship development, and has posed several unprecedented challenges. However, the absolute impact remains unclear, as further studies are required to better examine the socio-economic effect of COVID 19 pandemic on entrepreneurship development in Nigeria.110

The study recommended that Non-Governmental Organizations, Multinational Companies and Government at all levels should encourage and promote entrepreneurship through empowerment expertise available to the Federal and Kwara State Government to help SMEs overcome the socio-economic effects of COVID-19 Pandemic.

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ASSESSMENT OF BUSINESS ENVIRONMENTAL RISK AND CULTURAL EXPECTATIONS OF NIGERIA: LOOKOUT FOR ENTREPRENEURS.

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Abstract

The purpose of this paper is to examine how risky the Nigerian business environment is to entrepreneurs or business enterprises and examine Nigeria's cultural dimension. The report revealed that the Nigeria macro-business environment is quite risky for businesses. The political environment of Nigeria is characterized by high level of uncertainty as government can subtly change its policy to suit their political gains. Likewise, the economic environment is slumped by the poor macroeconomic framework that is chocking both businesses and individuals. The poor economic condition calls for concern for the policy makers in the country because poor economic condition is a discouragement for both investors (local and foreign). The social, technology and ecological factors are not as risky as the aforementioned factors in Nigeria. With the help of Hofstede's cultural dimension firms can mitigate the risk factors inherent in the Nigeria business space. Business organizations should embark on feasibility study before the commencement of operation in the Nigeria business environment so that they will not fold up within fleeting time. Nonetheless, Businesses must undertake frequent assessments of the macro environment frameworks to avoid any calamity.

Introduction

One of the indications of a healthy economy is a sound private sector. The private sector comprises all for-profit enterprises owned by private individuals. When private firms flourish, they complement government efforts in creating employment and income that can also be reinvested domestically (Doing Business, 2020). There is no doubt that doing business is risky in every part of the world which Nigeria is not exempted from the risk factors associated with business. Businesses do not operate in a vacuum, businesses operate in an environment (Ifeoma et al., 2019). The nature of Nigeria's business environment is quite unique from other countries of the world and its

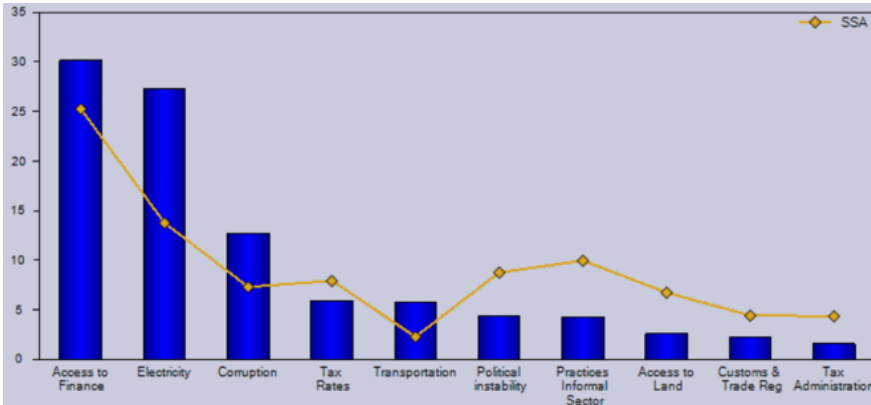
uniqueness varies from demographical composition to geographical and structural compositions.

The success of any business depends on entrepreneurs' strategic decisions on product selection, market targeting, positioning and the overall business environment. Invariably, every entrepreneur is trying to minimize cost and maximize greater profit (Kiseleya et al., 2018). Hence, it is imperative for every entrepreneur to understand the risk attached to its business environment and cultural orientation of the people in the environment they operate.

Research Motivation

Nigeria is a great country that has high potential for companies to thrive owing to its teeming population of over 216.7 million (worldpopulationreview, 2022). The rapid growth in population is an indication of large market and an indication of imminent supply shortage of goods and services. In recent times, business enterprises in Nigeria have recorded an unimpressive growth rate owing to lasting social, political and economic problems inherent in the business space of Nigeria (Ifeoma et al., 2019). It is no news that major business organizations (local and multinational companies) have wound up and while some have relocated to a more favorable business environment. For instance, companies like Osogbo Steel Rolling, Okin Biscuits, Nigeria Sugar Company, Nigeria Paper Mill Limited, Lyle Sugar Company and lots more ones existed in Nigeria but are no more existing in Nigeria. In a World Bank report 'The Enterprise Surveys' revealed that between the period of 2009 to 2014, 322 private businesses shut down in Nigeria owing to business obstacles like access to finance, electricity, corruption tax rates and more. While the major obstacles for the closed down was access to finance, electricity and corruption.

Figure 1: Percentage of Firms Major Obstacle in Nigeria



Source: Enterprise Surveys (2014).

The obstacles have remained unsolved till this moment. In 2019, Nigeria was ranked 146 among 190 countries in the ‘Ease of doing business ranking’ and climbed to 131st in 2020. The low doing business (DB) ranking could be ascribed to the country’s persistent structural problems which include insecurity, poor infrastructures, corruption, unfavorable economic environment, political/policy instability among others. In 2019, at the Austrian German-Swiss Business Outlook organised by the German Chamber of Commerce and Industry. The Deputy Consul-General, Federal Republic of Germany in Lagos, Ms Alexandra lamented on the structural inherent problems in Nigeria thereby increasing the cost of running business operations (Okon, 2019). Therefore, when these problems persist the country is likely to witness more massive business failure and poor ‘doing business’ ranking. Thus, this work will examine some of the risk involved in business operation in Nigeria by accessing the macro environment conditions that are beyond the influence of any entrepreneur and expectations from the Nigerian society using the Hofstede’s theory.

Objectives

To identify the business environmental risk of Nigeria for entrepreneurs

To analyze Nigeria’s cultural dimensions in relation with entrepreneurs’ expectations

Conceptual meaning

Business environment

In the managerial parlance, environment does not literally mean physical surroundings, rather any component that influences the general operation of a

business (Eruemegbe, 2015). The concept of business environment is a little bit tricky, but it can be limited to the operational definitions (Agboli and Ukaegbu, 2006). According to Bird (1989), business environment consists of events, situations, circumstances and niches surrounding entrepreneurial activity. Likewise, business environment revolves around political, economic and socio-cultural factors that impel people's interest and ability to engage in entrepreneurial activities (Gnyawali & Fogel, 1994). In corroboration, business environment is an integral part of the success of any enterprise and a pivot to economic development of any country (Cherrunilam, 2003).

Business Risk

According to Van Home (1974) Business risk is the risk inherent in the firm, which is independent of the way it is financed. Also, business risk is the exposure of a business corporation to factors that can limit such business in achieving its goals or anything that reduces its profitability (Kenton et al., 2022).

Analysis of Nigeria Business Environment

Political Factor

According to Robert (2005), political environment is a "persistent pattern of human relationship that involves, to a significant extent, control, influence, power, or authority" (Hamiza et al., 2020). The political environment of Nigeria entails Nigeria's system of government, international affiliation, political stability and more. Nigeria operates a democratic federal system of government with exclusive power in the hands of the central government where each state has semi-autonomous power. Nigeria is a member of various international organizations within Africa and globally which influence both Nigeria's economic and political structures (Mustapha, 2019). For instance, Nigeria is a member of Africa Union and Ecowas in Africa and west Africa region respectively where member countries enjoy some privileges and rights in terms of economic, security and businesses (Union, 2012).

Likewise, in term of rule of law there is little respect for the constitution in Nigeria (Sklar, 2006). In Nigeria, the prevalent of bribery and corruption that has eaten deep into the fabric of the nation (Dike, 2005). According to the World Justice Project (WJP) rule of law index of 2021, Nigeria was ranked 121 out of 139 countries and ranked 26 out of 33 Sub-Saharan Africa region.

Nigeria political atmosphere is unstable as no administration enjoys longevity in power (Omotola, 2010); which make laws that even govern business to be reverted abruptly by any administration to suit their political agenda. For instance, the amendment of the companies allied matters bill accented by the Nigerian president, President Muhammadu Buhari in 2020 bringing notable changes in doing business in Nigeria (Odutola, 2020). On the other hand, the Muhammadu Buhari administration made a move to ban crypto currency trading on February 5th, 2021, in a circular released by the Central Bank of Nigeria (CBN) ordering all commercial banks and other banks to close all accounts and transactions relating to crypto trading. Likewise, the Twitter suspension in June 2021 based on the claim that the platform undermines the corporate existence of the government before the ban was lifted in January. Reports revealed that the ban cost Nigeria around \$366.9 million within two months (Onukwue, 2021). These are moves showing the capability of the government to make any decision without fair consideration of the spillover effects it may have on businesses. Thus, political environment of Nigeria quite risky and unfavorable for businesses.

Economic Factor

Economic factor is a crucial factor that determines the profitability of any business (Meagher & Cortis, 2009). Accessing Nigeria's economic environment can stem from economic growth, per capita income, standard of living of the people, inflation, unemployment and other macroeconomic frameworks.

The Nigerian economy is monolithic in nature because of its high dependence on crude oil exportation (Owan et al., 2020). Nigeria economy is a fragile and a vulnerable economy that that is prone to shocks by shocks due to inability to diversify. For instance, in 2020, Nigeria got into recession (growth rate plunged by – 1.8 percent) owing to the covid-19 pandemic restrictions and fall in oil price (World Bank, 2022). To judge by standard of living the GDP per capita income of Nigerians stands at \$2,396 which represents 19 percent of global average (Trading Economics, 2021). Likewise, in 2018, 83 million Nigerians (40 percent) lived below poverty line and between 2019 to 2023 it is expected to increase by 12 million (World Bank, 2020). Currently, Nigeria runs double digits inflation rate above 17 percent (NBS, 2022). The inflation rate indicates how goods, services and raw materials prices are tremendously expensive. All these economic indicators and variables are red flags of how

Nigeria economy poses a greater risk for entrepreneurs and their businesses. Judgmentally, entrepreneurs are at risk of not realizing their economic end (profit) due to soaring prices of inputs. The spontaneous effect is to transfer the cost to the buyers which the buyers are incapacitated to afford due to their low income.

Social Factors

Social environment is an environment that comprises the social class structure, attitudes, beliefs, literary of people, social mobility of the people etc. (Ile, 2001). Nigeria is a multicultural diverse country with over 200 million people dominated majorly by Hausa, Yoruba and Igbo tribe. Nigeria is the most populous country in Africa and seventh in the world. According to the UN, by 2050 Nigeria's population is expected to reach 401.31 million given the geometric projection of population (World Population Review, 2022). The level of adult literacy (15 years and above) is 62 percent which is quite above average. The literacy level indicates that Nigerians are well acquainted and as well follow global trends.

The social advantage of the Nigerian population is the creation of huge base market for business. It also indicates that there is an existing supply gap in the country as what goods and services available produced by firms cannot cater for the entire population. Entrepreneurs are at advantage by careful studying the market and fill the supply gap with their goods and services.

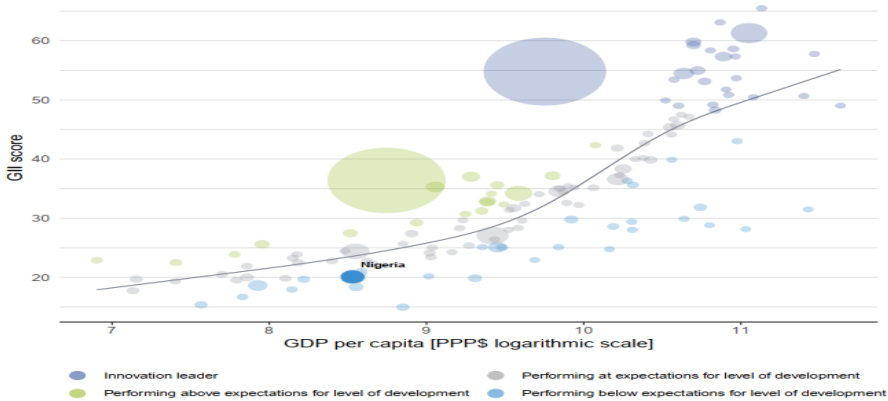
The social risk of Nigeria is minimal compared to political and economic risk that entrepreneurs might encounter. Though, Nigerians are culturally, religiously and religiously sensitive and entrepreneurs must be nonpartisan amidst issues that involve different factions in the country.

Technological Factor

Technology is the scientific way of doing things in the modern era. Technology is the backbone of the current era's business and economic performances (Pereira et al., 2022). In Nigeria, technology is not a missing infrastructure rather it is the bane of Nigeria's development (Ndukwe, 2021). Considering The World Economic Forum Report, 2011-2012, Nigeria was ranked 125 out of 142 countries regarding overall infrastructure behind countries like Cameroon 122nd and Ghana 90th. (Ndukwe, 2021). Similarly, in the Global Innovation Index (GII), 2021, Nigeria was ranked 118 out of 132 countries. Nigeria finds itself below the line of innovation and development

which is a testimony to how weak technology capacity has contributed to the development of the economy.

Figure 2: Nigeria below innovation and development



Source: Global Innovation Index (2021)

Quality infrastructures are key to technology and innovation building which are currently lacking in Nigeria. Infrastructures like roads, water, energy/power, ICT networks are pivotal to technological development of Nigeria. On the positive note, Nigeria technology is emerging rapidly, in 2020, communication and technology sector contributed 15 percent to the country's GDP despite the covid-19 pandemic. Interestingly, there are over ninety tech hubs (Sharpshak, 2019); and over 190 million telecom subscribers (NCC report, 2021).

Businesses that are high-end technology reliant are at higher risk compared to business with low or no ICT reliance. Thus, the technology environment is risky and can inhibit business enterprises from achieving their goals.

Ecological factor

Amidst the global campaign of having a sustainable environment Nigeria is far from being free from environmental pollution, degradation and other environmental hazardous activities (Nwozor, 2020). There are various peculiar environmental issues with each region in Nigeria. For instance, the southern part is challenged with environmental pollution varying from gas flaring, oil spills among others which affect both water and land habitats (Nwozor, 2020). In the west, deforestation and companies' co2 emission are rampant. Likewise, in the north the activities of various insurgents' groups (for instance, bombing) and floods have reduced the ecology to. Among the consequences of poor ecology is the congestion of the major cities of each region which has

notoriously bred crimes and criminalities in the area. Also, the poor ecological condition has contributed to the depletion of quality of life and deplorable state of renewable and non-renewable energy sources (Uyigwe & Agbo, 2007). Firms are at high risk regarding Nigeria's ecology as there are no strong ecological laws and punishment for eco-offenders in Nigeria (Ladan, 2007).

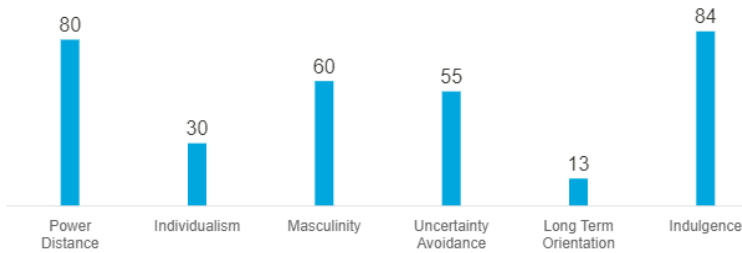
Legal Factor

The legal framework of Nigeria environment comprises rules and regulations that guides business operations in Nigeria. The major law regulating business operation is the Company and Allied Matters Act (CAMA) containing company structures, eligibility of business, procedure for registration and operational rules (Lawpadi, n.d). In Nigeria, it is mandated by the law that incorporated businesses must pay a 30 percent income tax on profit, 2 percent education tax and other taxes (Irglobal, 2011). There are other laws and regulations that dictate business operation like the labor law, contract of employment, safety of employees, discrimination property law in the country (Oxford Business Group, n.d). However, legal environment in Nigeria is less risky for business in as much as they know their ways around the law. It is pathetic and pitiable that through corruption and bribery businesses or entrepreneurs maneuver their ways out of any issue regarding punishment. For instance, some expatriates' companies and some local companies are being culpable of corporate manslaughter and are neither prosecuted nor sanctioned (Smaranda & Jacob, 2020)

Application of Hofstede Cultural dimensions

Geert Hofstede developed the six-dimension theory that helps businesses, firms or entrepreneurs to model and shape their businesses in relation to cultural diversities (Hofstede, 1984). The application of Hofstede theory will enable entrepreneurs to understand the cultural framework that affect their operations in the Nigeria business environment. The compositions of Hofstede Cultural dimensions are power distance, uncertainty avoidance, individualism, masculinity, long-term orientation and indulgence (Hofstede, 1991).

Figure 3: Hofstede Dimension Scores of Nigeria



Source: Hofstede Insights (2021)

This study will focus on four of the six dimensions (power distance, individualism, uncertainty avoidance and long-term orientation) because they best relate to how entrepreneurs can improve internal operation in Nigeria.

Power distance

Power distance deals with how unequal individuals are in the society. It measures the Power imbalances and how individuals with less power acknowledge the poor inequality (Chukwu et al., 2019). Nigeria scores 80 in this dimension which is high indicating that the less powerful individuals in the society or organizations succumb and accept power inequality in Nigeria. This is quite evident as the traditional, religious and political leaders in Nigeria are highly revered by their subordinates. Hence, Entrepreneurs can show and demonstrate some certain level of cohesion on the employee in order to get the best out of them.

Individualism

The index score of Nigeria in terms of individualism is 30 meaning that Nigeria is a collective society. Nigeria is a traditional society where kingship breeds collectivism among individuals in every organization they Nigerians found across the word. Entrepreneurs are at advantage in this regard as team building and harmonization of staffs can be seamlessly done. Entrepreneurs can get the best out of the personnel through efficient communication as it fosters strong employer-employee relationship in the organization. On the other side, unionism among staffs in the organization is inevitable as it might be an opposing force for the organization to make same decisions like pay cut, firing, sanctioning among others.

Uncertainty avoidance

Uncertainty avoidance describes how members of the society react to unknown situations (Hofstede & Minkov, 2005). It goes further how people are open to risky situations and a society that has a higher uncertainty avoidance are less open for innovations and changes (Gong et al., 2007). Nigeria scores 55 based on this dimension and it represents that the Nigerian society does not show a clear preference regarding risk. Though, Nigerians are a little adamant to changes unless there are immediate benefits of any change. Entrepreneurs need to take process with care when introducing new changes in the organization.

Long term orientation

Long term orientation deals with how the society tries to link it past to shape it present and future challenges (Hofstede Insights, 2021). Nigeria scores 30 in this dimension which is typical for a normative society. Nigerians are more concern about the short-term benefits of any idea. For instance, the introduction of technology in the business organization will be met by immediate perceived usefulness by the personnel (Chukwu et al., 2019).

Conclusion

It is quite clear that Nigeria business environment is risky and unfavorable considering the political, and economic factors. The poor state of the political environment which is consequential on the success of long-term success of business and the poor economy condition which is telling on business survival in Nigeria. The theory of Hofstede Cultural dimensions revealed how firms can achieve internal success despite the poor business space of Nigeria. Therefore, Entrepreneurs must ensure they embark on thorough operation research of the Nigeria business environment as it will give them a preemptive understanding of what they are going to encourage. Nigeria government and policy makers must find a way to ensure that the Nigeria business environment is safe for business.

This research gives room for further researchers to explore and use quantitative approach to examine the macro business environment of Nigeria.

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EVALUATION OF DETERMINANTS OF ISLAMIC BANKING PATRONAGE IN NIGERIA

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Abstract

Despite the worldwide acceptance of Islamic banking as an integral part of global financial system and key player in the global banking and finance industry, its patronage in Nigeria has been adjudged to be relatively low. Therefore, this study examines the determinants of patronage of Islamic banking in Nigeria. It explores the effect of macroeconomic fundamentals and religiosity on patronage of Islamic banking in the country. Monthly time series data over the period 2013-2018 was analysed using descriptive statistics, unit root tests and regression analysis. The results reveal that improvement in general well-being of the people in the country, increase in secondary school enrolment, improvement in the profit margin of the Islamic bank and rise in the proportion of Muslim population will bring about increase in the patronage of Islamic banks in the country. On the other hand, high rate of poverty and stiff competition with conventional commercial banks lowers the patronage of Islamic banking services in Nigeria. The study concludes that net profit margin, Proportion of Muslim population, financial value of sharia compliant products, poverty rate and patronage of conventional commercial banks are the significant determinants of the patronage of Islamic Banks in Nigeria. Therefore, the Islamic Bank must key into poverty alleviation programs, target states with high proportion of Muslim population for establishment of full-

fledged Islamic banks and advertisement of products such as Mushārah as well as develop viable competitive strategies to enhance patronage.

1. INTRODUCTION

Islamic banking (non-interest banking) has emerged about four decades ago and globally accepted as a viable system of financial mediation. Islamic banking is a system of financial intermediation that based on the principles of Shari'ah (Islamic law) which prohibits absolutely receipt or payment of interest (usury) in all financial dealings. It promotes risk-sharing, encourages entrepreneurship and promotes moral and ethical values as well as sound corporate governance. It is now practiced in over 70 countries across the world. Countries such as United Kingdom, United States of America, China, Singapore, Malaysia, Pakistan, South Africa, Kenya, Nigeria, Ghana et cetera have embraced the non-interest banking. Also, leading international banks such as Standard Chartered, Citibank, HSBC, Bank of America, Barclays, Deutsche Bank and Royal Bank of Canada have incorporated non-interest banking (Islamic banking) services in their products (Greuning & Iqbal, 2008). The system also gained recognition and support from World Bank and International Monetary Fund (IMF).

Thus, Islamic banking has spread across the globe and widely accepted by both Muslims and non-Muslims as an integral part of global financial system and key player in the global banking and finance industry. Since its debut in the 1960s as an alternative to the interest-based banking, Islamic banking has continued to grow and expand in both the number of institutions, assets size and countries in which its products and services are offered. For instance, Hasan and Dridi (2010) submit that Islamic banking has grown remarkably and remains resilient during and after the 2007 global financial crisis. Hence, the system has been considered a veritable and competitive mode of financial intermediation that plays a prominent role in the global financial system. By the end of 2012, the amount of assets held by Muslim investors worldwide was estimated at \$2.7 trillion with an annual growth rate of 12% to 15% over the past ten years. As at 2014, there are over 400 full-fledged and 190 windows of Islamic banking and non-bank financial institutions operating in about 75 countries including Bahrain, Sudan, Egypt, United Arab Emirate, Saudi Arabia, Malaysia, Brunei and Pakistan, and non-Muslim countries such as United States of America, United Kingdom, Canada, Switzerland, South

Africa and Australia (Hasan & Dridi, 2010). Currently, Islamic banks, world-wide, preferably operate markup-based financing arrangements largely on the basis of Murabahah (cost plus mark-up), Salam (forward sale), Istisna (financing for construction or goods to be manufactured) and Ijarah (lease) modes as well as Musharakah (joint partnership) and Mudarabah (a special type of partnership) financing.

The global recognition of the viability of the Islamic banking propelled its emergence in Nigeria. After series of frantic efforts over several years, Jaiz Bank got final approval in November 2011 to operate as regional full-fledged Islamic (non-interest) Bank in Nigeria. The bank started operations on 6th January, 2012. Also, Stanbic IBTC and Sterling bank obtained license to provide non-interest banking window in 2011 and 2013 respectively.

This development attracted the interest of researchers in the field of Islamic finance and economics to evaluate various issues regarding the newly emerged financial system. Several studies have examined the factors that affect the rate of customer patronage of both conventional and Islamic banking. As a result, many factors that affect bank customer patronage were identified in the literature. Selamat and Abdul-Kadir (2012) indicate that the factors significantly differ across market segments. Some of the common factors for both conventional and Islamic banks identified include number of branches (Okumus, 2005; Amin & Isa, 2008), rapid and efficient service (Rashid & Hassan, 2009), bank's reputation and image (Erol et al., 1990; Abduh & Omar, 2012), confidentiality with which a bank handles transactions (Erol et al., 1990), general awareness about products and services (Hidayat & Al-Bawardi, 2012), and reception by bank staff (Holstius & Kaynak, 1995). Other determinants observed in the literature include understanding of products (Hidayat & Al-Bawardi, 2012) and product pricing (Haron et al., 1992; Haron et al., 1994; Gerrard & Cunningham, 1997; Awan & Bukhari, 2011; Hidayat & Al-Bawardi, 2012). Further, Saini, Bick and Abdulla (2011) find efficiency, lower bank charges, availability of ATMs and extensive branch network to be the main drivers of customer patronage of banks.

Regarding the patronage of Islamic banks, Metawa and Al-Mossawi (1998), Okumus (2005) and Khattak and Kashif-Ur-Rehman (2010) submit that religious motivation is the dominant factor that affects customer patronage. Also, Abduh and Omar (2012) finds Shari'ah compliance of banks to be the

main motivating factor affecting the customer patronage of Islamic Banks. Nawi, Yazid and Mohammed (2013) identify six main reasons which account for patronage of Islamic banks namely: understanding of Islamic banking concept, Shari'ah compliance, religious contradiction, quality and attractiveness of offerings, willingness to deal with Islamic banks and prospects and potentials of Islamic banking.

Despite the plethora of studies therefore, little or nothing has been done on the factors that are responsible for low patronage of Islamic banking in Nigeria. There is paucity of empirical studies the determinants of the patronage of Islamic banking products in the country. Empirical assessment of the factors that determine the patronage of Islamic banking has not been explored. Equally, most of the studies conducted in the area generally ignore the role of macroeconomic fundamentals and religiosity in determining the patronage of Islamic banking. The previous studies also relied on survey data which only considered the perception of the individuals. While, this may be important, the relevance of national level indicators such as the level of income, the number of conventional banks and literacy level in determining Islamic bank patronage in a secular state like Nigeria cannot be ignored. Therefore, this study evaluates the determinants of Islamic banks patronage from national perspective in Nigeria. This study helps promoters of Islamic banking in the country to identify factors that are responsible for low patronage of Islamic banking and area they can establish full-fledged Islamic banks.

2. LITERATURE REVIEW

There are numerous studies across the world on various issues including those regarding the factors that determine the patronage of Islamic banking services. However, the studies, have submitted mixed findings. For example, Erol and El-Bdour (1989) established that service quality, bank's reputation and confidentiality are the major determinants of Islamic banks patronage. Also, Metawa and Al-Mossawi (1998) found that religion is the most important determinant of bank product patronage in Bahrain. Haron, Ahmad, and Planisek (1994) concludes that pricing of products is the most significant factor for customer patronage of Islamic banking. further, Yuserrie, Noresma and Ramayah (2004) identified attitude and social influence as the factors considered by individuals in accepting Islamic finance products. Karim (2012) on the other hand could not establish the argument that customers' product

knowledge affects patronage. Subhani, Hasan, Rafiq, Nayaz and Osman (2012) revealed that high profit and low service charges are the most important factors that influence selection of Islamic banking by customers.

Similarly, Yamirudeng (2013) found that religion, reputation, knowledge, attitude, convenience and service as the important determinants of customers' confidence in Thailand. The study, like most previous ones in this area, concentrated on factors that affect choice of bank. Amin, Hamid, Hamzah, Gazali, Sudin, Geoffrey and Raymond (2014) also investigated the factors that determine bank customers' behavioral intention to use Islamic credit card in Malaysia. Based on theory of reasoned action, the study revealed that attitude, subjective norm and perceived financial cost are the factors that have significant impact on customers' intention to use Islamic credit card. Soud and Sayılır, (2017) conclude that religion and level of awareness are the major factors which determines the patronage of islamic banking in Tanzania.

In Nigeria, with Muslims population of about 55% of the country's over 180 million people (Ahmed, 2009), it is expected that Islamic banking products would have gained significant patronage and great market advantage over the conventional banking system. Also, the large population is a ground for expectation of sizeable Islamic banking products' patronage not only among Muslims but also the non-Muslims. However, Islamic banks receives less patronage of customers in the country (Yahaya, Yusoff, Idris & Othman, 2014) and consequently Jaiz Bank records about 28% decrease in profit in 2017 (Jaiz Bank, 2018). Thus, it is imperative to empirically examine the factors that determine the patronage of the banking in the Nigeria.

Previous studies on Islamic banking in Nigeria such as Hussain (2010), Mobolaji (2012) and Ringim (2012) are mostly at the exploratory stage. Issues considered largely relate to prospects of Islamic banking, potentials of Islamic banking products, and Shari'ah compliant product development process. Few empirical studies exist mainly on factors that affect customers' decision to select a bank. Hussain (2010) examines the behaviour of Small and Medium Scale enterprises (SMEs) toward profit and loss sharing (PLS) financing in Kano metropolis. The study found that SMEs in Kano state consider interest rate as the main determinant of choosing financing source. Ringim (2012) revealed that awareness and understanding of Muslim account holders in conventional banks are significant in determining the intention to patronize

Islamic banks in Nigeria. Similarly, Yunusa and Nordin (2015) observed that most of the challenges facing Islamic banking in Nigeria are religious based. Meanwhile, Muhammad and Dauda (2018) argued that Islamic banking contributes tremendously to economic growth in Nigeria.

However, most of the studies relied on the perception of customers and fail to consider the effect of macroeconomic factors as the determinants of the Islamic banking in Nigeria. Further, the studies did not consider the effect of competition from the conventional banking on the Islamic banking. This study therefore, fills the research gap by examining the effect of macroeconomic fundamentals and religiosity on the patronage of Islamic banking in Nigeria.

3. DATA AND METHODS

Data

Monthly time series data over the period 2013-2018 was used in this study. The data on Net Profit Margin (NPM) of Nigerian Islamic Bank, time and savings deposit of Islamic bank (TSDIB), income per capita (GDPPC), proportion of Muslim population in Nigeria (ISM), poverty rate (POVRATE), secondary school enrolment (SSE), time and savings deposit of conventional banks (TSDCBS), financial value of Mushārah (FVMUS) was used for the analysis. The data was sourced from the statistics database of Central Bank of Nigeria (TSDIB and TSDCBS), Prudential and Structural Islamic Financial Indicators (PSIFIs) database (NPM and FVMUS), World Development Indicators (SSE) and Human Development Indicators (POVRATE). Quadratic Polynomial method was used to convert some of the variables (POVRATE, GDPPC, SSE, NPM and ISM) from low frequency (yearly and quarterly) to high frequency (monthly). This enhances the estimates of the regression. The choice of the variables is guided by submissions of theory and empirical literature to represent the patronage of the Islamic banking, image of the Islamic bank, religion and macroeconomic conditions of the country (see Fishbein & Ajzen, 1977; Reni & Ahmad, 2016).

Model specification

Following the work of Reni and Ahmad (2016), the Theory of Reasoned Action (TRA) was applied in this study. The theory predicts the behavior of people and posits that the attitude of individuals towards an object (such as Banking service) largely depends on their belief towards the object, implicit evaluation of the image of the object (products, prices and performance of the

bank) and perceived consequences of performing the intended behavior of interest (Fishbein & Ajzen, 1977). Applying TRA, Reni and Ahmad (2016) observed participation in Islamic banking services and specified their model as follows,

$$INT_i = \beta_0 + \beta_1ATD_i + \beta_2RLG_i + \beta_3KNL_i + \beta_4SN_i + \beta_5PRC_i + \beta_7GS_i + \varepsilon_t \quad (1)$$

Where, INT = Intention; ATD = Attitude; SN =Subject Norm; RLG=Religion; KNL=Knowledge; PRC=Pricing; GS=Government Support

However, in addition to the variables identified in the theory and operationalized by Reni and Ahmad (2016), the macroeconomic conditions under which the individual makes the intention to participate in an action and the availability of alternative options could shape the intention of an individual. Hence, the macroeconomic variables such as income per capita, poverty rate, deposits of conventional commercial banks and net profit margin of the Islamic Banks among others are included in the model in this study. Thus, the model is modified as specified below.

$$LNTSDIB_t = \beta_0 + \beta_1LNGDPPC_t + \beta_2NPM_t + \beta_3LNTSDCBS_t + \beta_4ISM_t + \beta_5POVRATE_t + \beta_6LNSSE_t + \beta_7LNFVMUS_t + \varepsilon_t \quad (2)$$

Where the variables are defined as follows.

Log of time and savings deposits of Islamic banks (LNTSDIB)

Log of income per capita (LNGDPPC), Net profit margin (NPM)

Log of time and savings deposits of conventional commercial banks (LNTSDCBS)

Proportion of Muslim population (ISM)

Poverty rate (POVRATE)

Log of Total Secondary School enrolment in number (LNSSE)

Log of financial value of Mushārah (LNFVMUS)

Some of the variables were logged to harmonize the unit of measurement and neutralize the effect of outliers in the data. Other variables (NPM, POVRATE and ISM) are originally measured in percentages and therefore not logged.

Methods of data analysis

To achieve the objectives of this study, descriptive statistics, unit root tests and regression analysis was used. The descriptive statistics, stationarity tests and Jarque-Bera test for Normality were used to examine the trend and distributional characteristics of the variable. This is essential for the choice of

appropriate techniques of the model estimation. Consequently, regression analysis was used for the evaluation of the determinants of the patronage of Islamic banking services in Nigeria.

4. RESULTS

Table 1 Descriptive statistics.

VARIABLES	STATISTICS					
	Obs	Mean	Standard deviation	Minimum	Maximum	Jarque-Bera
NPM	72	-0.0788	0.472	-1.175	0.352	40.55(0.00)
TSDIB	72	40,696	24,779	1,190	85,017	4.13 (0.13)
GDPPC	72	91,450	4,351	82,230	102,169	0.72 (0.70)
ISM	72	49.53	0.892	48.71	51.93	16.69(0.00)
POVRATE	72	70.87	0.859	69.73	72.17	6.59 (0.04)
SSE	72	11.06	0.845	10.25	14.24	93.40(0.00)
TSDCBS	72	11.34	1.717	8.036	14.74	2.42 (0.30)
FVMUS	72	0.863	0.327	0.443	1.219	9.78 (0.01)

Note: P-values of the Jarque-Bera statistic in parenthesis, Net Profit Margin (NPM), The average time and savings deposit of Islamic bank (TSDIB), income per capita (GDPPC), proportion of Muslim population (ISM), poverty rate (POVRATE), secondary school enrolment (SSE), time and savings deposit of conventional banks (TSDCBS), financial value of Musharakah (FVMUS).

The descriptive statistics of the variables is presented in table 1. It shows that, on the average, the Islamic bank in Nigeria (Jaiz Bank) recorded a negative Net Profit Margin (NPM) of about 0.0788 with 0.472 Standard deviation, -1.175 Minimum and 0.352 Maximum over the period considered. This is an indication that the Bank might have made profit and incur losses but it could not sustain its profit throughout the over the period due to certain challenges which include relatively low patronage. The average time and savings deposit of Islamic bank (TSDIB) over the period is about 40.696 billion Naira ($40,696 \times 1,000, 000$)¹ with 24.779 billion Naira ($24,779 \times 1,000, 000$), 1.190 billion Naira ($1,190 \times 1,000, 000$) 85,017 billion Naira ($85,017 \times 1, 000, 000$) as the standard deviation, minimum and maximum values respectively.

This wide range and the high standard deviation shows an enormous fluctuation of the bank’s deposits which is worth empirical assessment. The average income per capita (GDPPC), proportion of Muslim population (ISM),

¹ The values are multiplied by a million (1,000,000) because the original data was rescaled by dividing them by 1,000,000 to avoid presentation of the output scientific (standard) form which beclouds precise interpretation.

poverty rate (POVRATE), secondary school enrolment (SSE), and time and savings deposit of conventional banks (TSDCBS) and financial value of Mushārahah (FVMUS) are 91,450, 49.53%, 70.87%, 11.06% 11.34 billion Naira and 863,000 ($0.863 \times 1,000,000$) Naira respectively. The Jarque-Bera is presented for Normality test. The distribution of a variable is normally distributed when the P-value of its Jarque-Bera statistic is greater than a chosen level of significant (usually 5%). The result indicates that the Jarque-Bera of the dependent variable (TSDIB) is 4.13 with Probability value 0.13. This indicates that the dependent variable is normally distributed and satisfied the assumption of the Ordinary Least Square (OLS) estimator used in the estimation of the regression model.

Table 2 Result of Unit root (stationarity) Tests

Variables	Philips-Perron (PP) Statistics	P-value	Augmented Dickey-Fuller (ADF) Statistic	P-value	Order of integration	
					PP	ADF
ISM	-5.0710	0.0005	-3.391	0.0624	I(0)	I(0)
LNFVMUS1	-2.8987	0.0043	-3.59	0.0384	I(0)	I(0)
LNGDPPC	-3.612	0.0358	-7.833	0.0000	I(0)	I(0)
LNSSE	-3.3776	0.0626	-3.822	0.0221	I(0)	I(0)
LNTSDCBS1	-7.7641	0.0000	-7.761	0.0000	I(0)	I(0)
LNTSDIB	-3.9621	0.0144	-8.964	0.0000	I(0)	I(0)
NPM	-3.7294	0.0003	-3.108	0.1130	I(0)	I(0)
POVRATE	-3.7631	0.0244	-1.159	0.9106	I(0)	I(0)

Log of time and savings deposits of Islamic banks (LNTSDIB), Log of income per capita (LNGDPPC), Net profit margin (NPM), Log of time and savings deposits of conventional commercial banks (LNTSDCBS), Proportion of Muslim population (ISM), Poverty rate (POVRATE), Log of Total Secondary School enrolment in number (LNSSE), Log of financial value of Mushārahah (LNFVMUS)

Unit root (Stationarity) test is essential in order to examine the order of integration of time series variables. This is to avoid spurious (meaningless) regression results. Therefore, the Augmented Dickey-Fuller (ADF) and Philips-Perron (PP) unit root tests were applied in this study. The results are contained in Table 2. Both tests confirm that all the variables are stationary at levels. That is, all series are integrated of order zero $\sim I(0)$. This shows that the effect of any shock on the variables will be temporary. It implies that policies meant to shape any of these variables requires constant review at short interval of time. Also, the stationarity of the variables suggests that least square

estimator is appropriate for the estimation of the regression model specified in this study.

Table 3 Result of regression analysis

Dependent variable: Log of time and savings deposits of Islamic banks (LNTSDIB)	
Independent variables	Coefficients
Log of income per capita (LNGDPPC)	0.279 (1.567)
Net profit margin (NPM)	0.647* (0.328)
Log of time and savings deposits of conventional commercial banks (Intsdcb)	-4.160*** (1.510)
Proportion of Muslim population (ISM)	1.368*** (0.418)
Poverty rate (POVRATE)	-1.592*** (0.546)
Log of Total Secondary School enrolment in number (LNSSE)	2.851 (2.566)
Log of financial value of Mushārah (LNFVMUS)	3.489*** (0.805)
Constant	26.02 (33.45)
Observations	72
R-squared	0.814

*Standard errors in parentheses, *** and * denote 1% and 10% level of significance respectively*

Regression analysis was used to evaluate the determinants of Islamic bank patronage in Nigeria. The dependent variable used to proxy patronage is time and savings deposits of the non-interest banks in the country. The independent variables include per capita income (well-being of the people), net profit margin, time and savings deposits of commercial (conventional) banks, Proportion of Muslim population in the country, poverty rate, secondary school enrolment (indicator of awareness) and financial value of Mushārah (value product). The result presented in table 3 shows that per capita income, net profit margin, Proportion of Muslim population and financial value of Mushārah are positively related to the patronage measured by time and savings deposits of the Islamic banks in the Nigeria. On the other hand, poverty rate and time and savings deposits of commercial (conventional) banks are inversely related to the patronage of Islamic Banks. This means, high rate of poverty and stiff competition with conventional commercial banks lowers the patronage of Islamic banking services in Nigeria. However, the result indicates that income per capita and school enrolment are not statistically significant while other variables are highly significant at 1% except net profit margin which is significant at 10%. By the magnitude of impact, all other things

remain the same, 1% increase (decrease) in profit margin, a percentage point increase (decrease) in the proportion of Muslim population and 1% increase (decrease) in the financial value of Mushārahah brings about 0.647, 1.368 and 3.489 percent increase (decrease) in time and savings deposits of Islamic banks in the country respectively. Contrarily, a percentage point increase (decrease) in poverty rate and 1% increase (decrease) in deposits of the conventional banks result to -4.160 and -1.592 decrease (increase) in deposits of Islamic banks in the country respectively. Therefore, the result shows that net profit margin, Proportion of Muslim population, financial value of Mushārahah, poverty rate and time and savings deposits of commercial (conventional) banks are the significant determinants of the patronage of Islamic Banks in Nigeria.

5. CONCLUSION AND POLICY IMPLICATION

The study examines determinants of patronage of Islamic banking in Nigeria. The effect of macroeconomic fundamentals and religiosity on patronage of Islamic banking is explored in the current study. The results reveal that net profit margin, Proportion of Muslim population, financial value of Mushārahah, poverty rate and time and savings deposits of commercial (conventional) banks are the fundamental determinants of the patronage of Islamic Banks in Nigeria. It shows that improvement in general well-being of the people in the country will enhance the patronage of Islamic Banks. Also, increase in secondary school enrolment will result to rise in the patronage. Further, measures aimed at improving the profit margin will lead to increase in the patronage. Similarly, rise in the proportion of Muslim population will bring about increase in the increase in patronage of Islamic banks in the country. On the other hand, high rate of poverty and stiff competition with conventional commercial banks lowers the patronage of Islamic banking services in Nigeria.

This study concludes that net profit margin, Proportion of Muslim population, financial value of Mushārahah, poverty rate and patronage of conventional commercial banks are the significant determinants of the patronage of Islamic Banks in Nigeria. Therefore, the Islamic Bank must key into poverty alleviation programs, target states with high proportion of Muslim population for advertisement of products such as Mushārahah and develop viable competitive strategies to enhance patronage.

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HISTORICAL BACKGROUND OF IGALA WOMEN PARTICIPATION IN INFORMAL FINANCIAL INSTITUTIONS FROM 1991 - 2015

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Abstract

Occasioned by the patriarchal tendencies in Igala community with its attendant results on the socio-economic status of the Igala women, there is need to think out of the box and explore other means of economic emancipation. The idea of informal financial institutions in Igala land have provided alternative route which the women in this region resorted. The aim of this work is to examine the historical and cultural settings of the Igala and to see how that has influence their participation in informal financial institutions. This research relies both on primary and library sources of data. Narrative method was used to analyse the information gotten from the target sources. The study reveals that the patriarchal nature of the Igala society contribute to the disadvantaged position of women in terms of economic wellbeing. The study concludes therefore that in order to liberate themselves from the limitation imposed on them by the society, women found succor in informal financial institutions ability to empower them and subsequently improve their economic standing. The study therefore recommends that government at all levels should therefore give informal financial institutions the needed support it deserves considering its capacity to empower women and subsequently alleviate poverty.

Keywords: Igala, Culture, Financial Institutions, Informal, Empowerment

Introduction

Informal financial institutions have emerged as strong, vibrant and viable economic alternatives today in an era when people feel powerless to change their lives under suffocating poverty. These institutions are formed to fill the void created by the unavailability of the formal sector to provide succor for the increasing poor. They are based on the powerful idea that together a

group of people can achieve goals that none of them can achieve alone. For several years now, informal financial institutions have been an effective way for people to exert control over their economic livelihoods. They provide a unique tool for achieving one or more economic goals in an increasingly competitive global economy. As governments around the world cut services and withdraw from regulating markets, informal financial institutions are being considered useful mechanism to manage risk for members in agriculture or similar cooperatives, help salary/wage earners save for the future through a soft felt monthly contribution, own what might be difficult for individuals to own by their efforts and strengthening the communities in which they operate. Informal financial institutions generally provide an economic boost to the community.²

Starting from the Beijing conference of 1995, there have been ceaseless orchestrated campaigns for the economic empowerment of the female gender in order to effectively harness their potentials the more in the overall development process. These agitations which arise out of negligence factor, have made the women question an aspect of the broader national question. The benefits of the informal sector have become obvious to government, consequently government has encouraged the sector through the insistence of cooperative societies as prerequisite for accessing certain facilities., As a reaction to this development, the Nigerian government in the past and in the present have attempted to address the problem by actualizing programs and projects directed at improving the socio-economic status of females. In most cases women form themselves into informal groups like cooperative societies to be able to access or benefit from the programmes and projects of government.³

Informal financial institutions can be conceptualized as those financial institutions that embraced all financial transactions that take place beyond the functional scope of various countries' banking and other financial

² I. Adofu, *et'al*, Informal Savings Mobilization and Investment: A Case Study of Rotating Savings and Credit Association (ROSCA) in Kogi State, Nigeria. *Continental Journal of Social Sciences* 2010 , 3. 7-17.

³ I. Adofu, *et'al*, Informal Savings Mobilization and Investment: A Case Study of Rotating Savings and Credit Association (ROSCA) in Kogi State, Nigeria. *Continental Journal of Social Sciences* 2010, 3. 7-17. 2010

sector regulations.⁴ It can also be seen as financial institutions that are not directly amenable to control by key monetary and financial policy instruments. These institutions are usually created by organizations and individuals and with no formal legal status.⁵ Informal financial Institutions are normally classified into three. The first category is the proprietary financial entities, like, money lenders, smallholder farmers, self-help groups, traders, estate owners, grain millers and other businessmen. The second is the staff and social welfare schemes such as those run by employers, friends, relatives and neighbours; and the third is mutual aid entities, such as, Accumulating Saving and Credit Associations (ASCRA); and a Rotating Saving and Credit Associations (ROSCAs).⁶

The term women as used in this study embraces females of all ages. Women constitute half of the world's population and have contributed significantly to the well-being of the human race.⁷ Among the Igala, like in many parts of the world, women have played many key roles mothers, home managers, and socio-cultural activists. Despite their numbers and crucial functions, the division and roles between the male and female groups prescribed by most cultures, assign the subordinate positions to women. Consequently, women have for long suffered discrimination, inequality, exclusion and violence. As a matter of fact, poverty is wearing a familiar face in Nigeria and thus the dire need for empowerment through the informal sector.

Although the need to cooperate, in the etymological sense of the word "to work together", is almost as old as humanity itself. For without it, any form of civilization, however primitive would have been impossible. Our forebears learnt early to combine their strength and skills in order to do things, that none of them could do alone; hunting large animals, defending themselves against foes and engaging in one form of mutual co-operative or the other, either for social economic or community projects. For instance, the Yoruba of Nigeria

⁴ E. Aryeetey Informal Finance for Private Sector Development in Africa. *African Development Bank Economic Research Paper. No. 41* 1988

⁵ Chipeta, et'al The Informal Financial Sector, 13.

⁶ D. Aredo The Informal and Semi-formal Financial Sectors in Ethiopia - A Study of the Iqqub, Iddir, and Savings and Credit Cooperatives. *African Economic Research Consortium Paper No. 21, 1993, 15.*

⁷ S. Ibrahim. Women and Economic Empowerment in Kogi State, 1991-2007. A Case Study of Dekina Local Governemnt Area. Unpublished B.Sc Project, Department of History and International Studies, Kogi State University, Anyigba.,33, 2009.

are known to have traditional form of financial institution, like *Ajo*, which is still widely practiced.⁵ Among the Hausa it is called *Adashe, Isisie – Ego* among the Igbo speaking people of Nigeria.⁸ The Igala are not left out in this arrangement as they too have an informal financial institution generally known as *Oja*.

It is a fact that Nigeria suffers from pervasive and avoidable poverty. Nigeria has recently earned the ignoble rank of being the poverty capital of the world even though the country is abundantly blessed with vast human and natural resources. The inability of successive regimes in Nigeria to identify and address the poverty of majority of its citizens in spite of various interventions that gulped billions of naira has compelled the women, who constitute the poorest of the poor to embark on self-help initiatives that often are unregulated, prone to failures and crises due to several factors including market uncertainties and natural disaster.

This work examines the issue of Igala women participation in informal financial institutions by first giving the historical background of the Igala and by extension the Igala women. An attempt is made here to trace the historical background of the Igalas and document the contribution and involvement of Igala women in informal financial institutions. The work discusses the land, language, people and culture of the Igala, the historical background of the Igala, the socio-cultural settings of the Igala before delving into the discussion on the socio-economic life of the Igala. The work shall equally discuss informal financial institutions and women empowerment, informal financial institutions and poverty reduction among Igala women, motivation for membership of informal financial institutions in Igala land and conclude with the discussion on impact of informal financial institutions to the society.

The Geographical Location of Igala

Fig. 1. Map of Kogi State Showing Local Government Area of Igala Land

⁸ A. Allen, *et'al*, *The Co-operative Story*, Manchester, Co-operative Union Limited, 1954. 3.



Source: S. E. Atawodi et,al, 2014

The study area for this research “Historical Background of Igala Women and Participation in Informal Financial Institutions” is the present-day geographical location known as Kogi East Senatorial District in the present day Kogi State. The Senatorial District is made up of three (3) federal constituency (Ankpa, Olamaboro and Omala federal constituency, Idah, Ibaji, Igalamela and Ofu federal constituency and Dekina and Bassa federal constituency) and nine Local Government Areas (Ankpa, Olamaboro, Omala, Idah, Ibaji, Igalamela, Ofu, Dekina and Bassa). Kogi East Senatorial District is bounded by River Niger to the north, Benue state to the East and Enugu and Anambra to the south.

It occupies a large land of about 14,916 km square and a projected population of 1,725,978 as at 2020 based on the 2006 population. The inhabitant of the area are majorly Igala, however, there are some other ethnic group such as Bassa Kwomo, Bassa Nge, Kakanda, and Igbirra Mozum. Igala land has an average maximum temperature of 37.2⁰C and an average minimum temperature of 22.8⁰C, an average relative humidity of 6%. Rainfall starts in earnest around March and get to its peak in September before decreasing towards December every year⁹.

Research Methodology

⁹ I. Adofu, et'al, Informal Savings Mobilization in Nigeria: A Case Study of Rotating Savings and Credit Association (ROSCA) in Kogi State, Nigeria. *Continental Journal of Social Sciences* 2010. 3. 7-17

This research relies both on primary and secondary sources of data. The primary source involves interviews, person to person discussions and phone call interviews which was carried out with various stakeholders –officials and members of informal financial institutions, and government officials. Secondary sources include Textbooks, Journals, articles, Magazines, Bulletins, Government papers and Gazettes. The population for the study is informal financial institutions operating within Igala land. The list of informal financial institutions operating in Igala land was obtained from the office of the First Lady of Kogi State, Kogi State Ministry of Commerce and Industry and the Ministry of Women Affairs and Youth Development. The president of the informal financial institutions and two other members chosen at random were interviewed. Some prominent women whose experience with women leadership exposed them to the issue under investigation equally form part of the sample size.

Narrative method was used to analyse the information gotten from this target population. Data was solicited on challenges faced by members of the institutions, challenges faced by the institutions themselves, and measures that has been put in place to overcome those challenges. Data shall be analyse using qualitative method.

Historical Background of the Igala (Land, People, Language and Culture).

Igala is located on approximately between latitude 6⁰30.and 8⁰40 north and longitude 6⁰80 and 7⁰40 east. Igala practice a number of different religions, including African Traditional Religion, Christianity, and Islam. The Igala are ruled by a figure called the “Attah”. The word Attah means ‘Father’ and the full title of the ruler is ‘Attah Igala’, meaning, the Father of Igalas (the Igala word for King is Onu). Among the most revered Attahs of the Igala kingdom are Attah Ayegba Oma Idoko and Atta Ameh Oboni. According to oral tradition, Attah Ayegba Om’Idoko offered his most beloved daughter, Inikpi to ensure that the Igalas win a war of liberation from the Jukuns’ dominance. Attah Ameh Oboni is known to be very brave and resolute. He is revered for his stiff resistance of the British and his struggles to uphold some ancient traditions of the Igalas. When he got wind of a plan to depose and exile

him by the British, he committed suicide by hanging himself to forestall the plan, he is regarded by most Igalas as the most powerful Attah Igala¹⁰.

The traditional Igala society is largely agrarian, although fishing is also a mainstay of the people especially the Igalas of the riverine Idah area. The central geographical location of the Igala country has exposed them to a wide variety of linguistic as well as cultural influences from other ethnic groups in the country. Notable among these are the Igbira, the Bini, the Igbo, the Hausa, the Idoma and the Yoruba ethnic groups. However, the most significant relationship, by far, is that between the Igala and the Yoruba peoples. Contemporary historians believe that the Igala most likely shared a proto-Kwa ancestry with the modern Igbo and Yoruba people as well as most ethnic groups of Nigeria today. Thus, the ethnic family would include not only the prior two, but groups like the Idoma, and the Nupe to the north. The first “Ata”, the title given to the ruler of the kingdom, was Ebule- Jonu, a woman; she was succeeded by her brother Agana- Poje, the father of Idoko. Idoko who later succeeded him as Ata, and had two children Atiyele and Ayegba om’Idoko (Ayegba son of Idoko), Atiyele the first son of Idoko migrated eastward of the kingdom to establish Ankpa kingdom while Ayegba the second son of Idoko succeeded his father as Ata’Gala. He led a great war of liberation against the Jukun culminating in the sacrifice of his daughter, Inikpi to ensure victory. The Ata-ship of Igala rotated among four branches of the royal clan namely; Ocholi dynasty, Aju Akwu dynasty, Aju Amacho Dynasty and Aju Akogwu dynasty. Igala kingdom was founded by Abutu- Eje in the 7th century. The kingdom was ruled by nine high officials called the Igala Mela who are custodians of the sacred Earth shrine.¹¹

Socio-Cultural Settings of the Igala

Culture coordinates the activities of the Igala. The cultural norms in this area holds that women are meant to be seen and not to be heard¹². This belief stems from the ancestral worship known as “*Ibegwu*” worshipping

¹⁰ J.S. Boston, *Oral Tradition and the History of Igala*. JAH Vol. X, No. 1, Cambridge, 1969. 22-27

¹¹ J.S. Boston, *Oral Tradition and the History of Igala*. JAH X (1), Cambridge, 1969. 22-27

¹² J.S. Boston, *Oral Tradition and the History of Igala*. JAH X (1), Cambridge, 1969. 22-27

(worshipping of the dead).¹³ Women were forbidden from attending to the dead and in almost all of the ancestral worshipping. One may argue that Ebule-Jonu was the first Attah Igala and she was a woman. But a deeper look into her short reign in power and the consequent silence of history about her activities and why her successor was a man will attest

to the position that women are really impeded by culture in their participation in the affairs of governance generally in Igala land

One of the paramount cultures of the Igala is the ancestral worship. During this worship (festival), the men relate with the gods, believed to be the spirits of their dead ancestors and in turn, instruct the women on what the gods said, a form of socio-economic colonialism. The women prepare benniseed soup and pounded yam throughout the period of the festival. On the last's day of the festival, the gods will speak to the people and most instructions by the gods are discriminatory to the women folk¹⁴. For example, *Ibegwu* forbids women in politics and most of the social activities. This festival holds almost yearly and it last for about three days. Furthermore, the traditional practices of the Igala do not encourage girl-child education, a form of socio-economic imperialism. The belief is that women are meant to get married immediately they reach puberty which mostly ranges between twelve to sixteen years. Educating a girl-child is seen as a waste of resources and time because it is believed that as soon as a girl marries, she will end up in the kitchen and ultimately, the property of the man.¹⁵

The belief that a woman is the property of the man helps in deciding cultural condition for marriage. Usually, it is the man that is responsible for the bride price and all other expenses during the marriage rites, after which the woman becomes the property of the man. In other words, the women take instructions from the men and cannot do anything without or outside their husband's consent. The women therefore depend on their husband for almost everything, including economic decisions. In a situation where a woman cannot make economic decisions for herself, this limits her chances for economic empowerment.

¹³ S. Ibrahim, *Women and Economic Empowerment in Kogi State, 1991 – 2007: A Case Study of Dekina Local Government Area*. Unpublished B.A Project. Department of History and International Studies, Kogi State University Anyigba, .22.

¹⁴ A.E. Aliyu *et al*, *Studies in the History of Nigeria Area*. 1. 2002. 337

¹⁵ A.E. Aliyu *et al*, *Studies in the History of Nigeria Area*. 1. 2002. 337

Socio-Economic Activities of the Igala

Igala land is endowed with abundant natural resources spread across the Igala country. These natural resources dictate the pace of socio-economic activities in the area. The natural resources available in the area includes; large expanse of fertile agricultural land, mineral deposit like, coal at Okaba and its environs, Limestone at Itope and its environs, clay at Idah, iron ore at Agbaja plateau and Ajagbonika hill.¹⁶

Agriculture is indeed, the main economic activity of Igala with about 70% of the people engaged in it. There is wide stretch of arable land for farming, good grazing ground for livestock and large bodies of water for fishing and cash crop commonly grown in commercial quantities. The crops commonly grown in Igala land are; Yam, Cassava, Rice, Maize, Guinea corn, Cocoa, Coffee, Cashew and palm trees. The potential for fish farming and production is equally very high with over 2,000 fishing ponds and 200 major fishing villages sustained by the River Niger and Benue and other streams found in almost all the villages in the area. The potentials are very good sources of raw materials for agro-allied industries such as flour mills, fruit juice processing, starch companies, animal feeds, vegetable oil companies and soup industries among others.¹⁷

The Igala are very active in agricultural activities. The level of involvement of both sex is based on role differential. While the men are engaged in the tilling of the family farm land, planting of crops and harvesting, women are much more active in cultivating kitchen gardens within their settlements and helping their husbands in harvesting the crops planted. The Igala men do not depend on women labour in land preparation for farming, women only assist their men folk in harvesting what is planted. The most important contribution of women to farm work is the processing of the various harvest so as to bring them to a stage nearer to the point of ultimate consumption. Thus, they had for example, the exclusive duty of shelling beans, sorghum, millets and all other farm produce.⁶

¹⁶ S. Ibrahim, *Women and Economic Empowerment in Kogi State, 1991 – 2007: A Case Study of Dekina Local Government Area*. Unpublished B.A Project. Department of History and International Studies, Kogi State University Anyigba, p.22.

¹⁷ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

The division of labour between men and women was carried over to the disposal of farm produce. The wife is responsible for selling unprocessed and processed produce for other family demands/or needs. For this service, she usually receives commission in the form of a percentage of the amount sold. A farmer's wife also shares in the profit of the farm in other ways. If there are indigo plants in the farm, it was her duty to gather and convert them, after pounding them into ball which are sold to dyers. These was usually a superimposed patriarchal favouring agreement between husbands and wives as to the portion of the selling price that should go to them. On farm land where palm trees flourishes, the dangerous work of climbing the tall trees and cutting down (harvesting the palm fruits) is that of the man. In a situation that the husband cannot do that, the services of a specialist is engaged to help out in that regard.¹⁸

Indigenous industries were also economic activity in which the Igala are involved. Indigenous industries refer to those industries that made use of indigenous technology. The technology is so called because in most cases, the raw materials, the tools and the techniques that are used were locally available. The technology is based on local skills and techniques that rely heavily on the use of abundant indigenous resources both human and material. Furthermore, the most obvious characteristic was that, it is self-reliant technology which is capital saving rather than capital using; labour using rather than labour saving and one that though may be intricate in nature, is easily operated, repaired, maintained and replicated locally.¹⁹ The women are involved in some of these indigenous industries like hair plaiting, palm oil processing, broom making and black soap production. This has helped in empowering the women economically.

Socio Economic Status of Women in Igala Society

Women in Igala society have always been involved in indigenous industries like weaving, black soap making and dyeing as a means of earning a living. In the pursuit of economic activities within Igala society, although agricultural trade had formed the basis of human existence hitherto, the emergence of internal development that occurred within the communities by

¹⁸ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

¹⁹ R.A. Olaoye, The Concept of Science and Technology in (ed), *R.A. Olaoye, History of Indigenous Science and Technology in Nigeria*, Cesthill Publishers Limited, 2009. 8.

the 1840s²⁰, brought about a change in the production system of the society. This development was facilitated by two chief reasons, the production of surplus occasioned by large scale agriculture and the inter-dependency in the society as a result of specialization. The reason for increase in agricultural output can be traced to the increase in population in most countries of the world with the developing nations like Nigeria accounting for a substantial number in this increase. This invariably led to an impulse in the demand and hence division of labour among members of the community thereby culminating in the growth of commercial activities.²¹

Oral tradition indicates that trading activities were operated at various points within the community thereby establishing market systems.²² The classification of such markets into two; central and mini markets, was based on the frequency of trading activities that occurred within the community. Markets at this point simply involved places where transaction occurred frequently. Initially, trading activities had occurred frequently at various farmsteads and on the outskirts of the villages.

Despite the enviable position of men in farming activities and with development in the society, Igala women were also actively involved in the agricultural sector and had a profound impact on the economy of Igala land. Agriculture was common practice by virtually every individual including Igala women. Crops like Coco-Yam (*Ikachi*), Guinea corn (*Okoli*), Beans (*Egwa*), Maize (*Akpa*) etc were all cultivated by the women. Other area the women folk were prominent was in palm oil production. They produced palm oil and were also responsible for the marketing of the product. Most exchange of goods and especially food items, was done mostly by women in the market place with few exceptions of men operating in this area.²³

It is also important to note that Igala women were also into other indigenous industries like basket weaving and broom making. The weaving materials were gotten from palm fronds and the women process it to a level that it can be used to weave basket or making the broom. The weaved baskets are used in drying cassava, melon and some are used as a plate basket. It can

²⁰ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, Zaria, Kaduna, Nigeria. 2014. 43.

²¹ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, Zaria, Kaduna, Nigeria. 2014. 43.

²² Oral Interview with Obetule Danladi, Dekina C. 80, 2017.

²³ P.E. Okwoli, *Short History of Igala*, Illori Maitanmi and Sons Press 1973. 6

also be used in carrying loads like farm harvest from the farm to the house. This is a way to promote the socio-economic life of the people in Igala land. Some of the items produced were sold by the women to raise funds for themselves.²⁴

The Igala society can be likened to a patriarch society.²⁵ Patriarchy is a system of social structures and practices in which men dominate, oppress and exploit women. It implies that men hold power in all the important institutions of society and that women are deprived of access to such power. However, it does not imply that women are either totally powerless or totally deprived of rights, influence, and resources. Thus, patriarchy describes the institutionalized system of male dominance. So, we can usefully define patriarchy as a set of social relations between men and women, which have a material base, and which, though hierarchical, establish or create independence and solidarity among men that enable them to dominate women. Patriarchal ideology exaggerates biological differences between men and women, making certain that men always have the dominant, or masculine roles and women always have the subordinate or feminine ones. This ideology is so powerful that men are usually able to secure the apparent consent of the very women they oppress. This is done through institutions such as the academy, the church, the traditional institutions and the family, each of which justifies and reinforces women's subordination to men.²⁶

In Igala society, the men control the economy as the women have no property right. women's labour is expropriated by their husbands and others who live there. The back-breaking, endless and repetitive labour of housewives is not considered work at all and housewives are seen to be dependent on their husbands. Most property and other productive resources are controlled by men and they pass from one man to another, usually from father to son. Even where women have the legal right to inherit such assets, a whole array of customary practices, emotional pressures, social sanctions and sometimes, plain violence, prevent them from acquiring actual control over them. In other cases, personal laws curtail their rights, rather than enhance

²⁴ A.E. Abije, *Traditional Dyeing Industries in Igala Land: An Entro-Archeological Study*. B.A. Project A.B.U. Zaria, 1982. 27.

²⁵ J.S. Boston, *Oral Tradition and the History of Igala*. JAH Vol. X, No. 1, Cambridge, 1969. 22-27

²⁶ A. Sultana, *Patriarchy and Women's Subordination: A Theoretical Analysis*. *The Arts Faculty Journal*, 2010, 5 (2)..

them.²⁷ One may be tempted to conclude that what exists among the Igala is that of role differential, but the truth of the matter is that, the role allocation placed more in terms of economic control in the hands of the men. This to a large extent affects the economic stand of the women and hence the resort to self-help to be able to unturn the economic implications of the limitation imposed by the society

Although, records exist of the political role of women in Igala society in antiquity which saw ascendancy to the throne of Ata-Igala by *Ebulejonu* a female. One may wonder what must have gone wrong after the women produced the first ruler of the kingdom. The answers to this are still shredded in mystery. All that is known to history is that *Ebulejonu* died without a child and was succeeded by his brother *Aganapoje*. After this, successions to Atta's throne have become the exclusive preserve of the men. The position and role of women in Igala traditional political institution became non-existent.²⁸

Informal Financial Institutions and Women Empowerment for Poverty Alleviation

Most women in developing countries do not have access to education, productive resources and other services²⁹. Such discrimination limits their ability to earn incomes and not to actively participate in socioeconomic and political conditions.³⁰ In order to solve the problem, women empowerment becomes a global agenda. The term 'women empowerment' has become popular in the development field since 1980s. It is vividly recognized that women empowerment is essential for sustainable economic growth and poverty reduction in developing countries. Women empowerment is defined differently by different scholars. Mayoux³¹ defines women empowerment as a mechanism where women become strong through increasing their

²⁷ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, Zaria, Kaduna, Nigeria. 2014. 43.

²⁸ T.A. Miachi, *The Incarnate Being Phenomenon in African Culture: Anthropological Perspectives on Igala of North-Central Nigeria*. Kraft Books Ltd, Ibadan, Nigeria. 2012. 324 – 328

²⁹ ²⁹ A. Sultana, Patriarchy and Women's Subordination: A Theoretical Analysis. *The Arts Faculty Journal*, 2010, 5 (2)..

³⁰ N. Kabeer, Resources, agency, achievements: Reflections on the measurement of women's empowerment. *Development and Change*, Vol.30. Institute of Social Studies, Oxford, UK. 1999.

³¹ L. Mayoux, Women's empowerment through sustainable micro-finance: Rethinking best practice. 2005, Retrieved from: <http://www.genfinance.net>. 25th November, 2020.

confidence to make appropriate choice and control over resources. Naryaan³² on the other hand defines women empowerment as increasing control and ownership of assets to influence and bargain over any decision that affects their lives.

Although women empowerment is not a sufficient condition, it is still a necessary condition for development process. Thus, women empowerment has three dimensions. Social dimension signifies respectable and non-discriminatory positioning in the society. Political dimension signifies involvement in the governance of organization and administrative positions, and economic empowerment is enabling women members to have equal in employment, spending, ownership of production means and sharing benefits.³³

Although informal financial institutions are viewed as organizations for the promotion of economic interests of members, it does not confine itself only to the economic aspect. It also permeates the social aspect of life and as it aims at establishing a new democratic social order based on freedom and equality, where people live in harmony, caring and sharing like a family, where there is unity of spirit and common economic bond.³⁴ Informal financial institutions have a role to play in alleviating different shocks, and paving the way towards recovery that is socially and economically sound and sustainable. Ultimately, Informal financial institution can create a safe environment where women increase their self-confidence, identify their own challenges make decisions and manage risks. As a result, women are empowered and become active agents of change, entrepreneurs and promoters of social transformation who can improve their own lives and those of the community.³⁵ Informal financial institution are also effective points of entry for addressing a broad range of gender equality issues such as unpaid work, shared responsibilities and gender-based violence.

Empirical evidence depicts that 57.7% of women in informal financial

³² D. Naryaan, *Empowerment and poverty reduction*. World Bank, Washington, DC, 2002.

³³ R. Prakash, Indian women: Rights, economic position and empowerment. A paper presented on Socio-cultural Issues related to Women and Development in India: *A Case Study of War Widows in Rajasthan*, 2002. 31.

³⁴ R. Karunakaran, An assessment of social impact of cooperative movement in Dinchigul district. Unpublished PhD thesis. Gandhigram Rural University, India. 2004.77.

³⁵ E. Majurin, How women fare in east African cooperatives: The case of Kenya, Tanzania and Uganda. *The Cooperative Facility for Africa (CoopAfrica)*, International labor office-Daereselam, ILO. 2002, 28.

institution take initiatives to organize cultural programmes in their community as against only 10.7% of women in unorganized sector.³⁶ Informal financial institutions have been successful in not only increasing social participation of women but also in developing drives, initiatives and leadership qualities. Economic empowerment increases women's access to economic resources and opportunities and thereby alleviating poverty. If women's access to productive resources were the same as men's, women's contribution could reduce the total number of hungry people by 12 to 17 percent in support of Millennium Development Goal 1 of eradicating extreme poverty and hunger.³⁷ Global statistics show that women's participation in most types of institution is low. Participation in rural cooperatives is no exception. In the developing world, there are many social pressures that make difficult for women to play an active role in leadership and improve their living standards.³⁸

Despite the enviable status of informal financial institution in women empowerment and poverty alleviation, there is still much to be done to strengthen women's participation in informal financial institution. Women need encouragement from the government in this regard. Special attention should be given to informal financial institutions that are women based over their male counterpart since men already have an edge over them when it comes to obtaining funding from the formal financial institutions with land titles. As a matter of fact, numerous women-based informal financial institution demonstrate that women are capable of developing their own organizational self-help capacities.³⁹ Informal financial institutions provide to their members to involve in different income generating activities such as petty trade, the establishment of irrigation schemes, agricultural production and process.⁴⁰ The recent scenarios show that women are not born for reproductive work only, but they are also active entrepreneurs recording a rapid growth in their business.

³⁶ S. Gita, *Women's empowerment and human rights: The challenge to policy*. Paper presented at the Population Summit of the World's Scientific Academies. 1993.

³⁷ Food and Agricultural Organisation, *The state of food and agriculture, 2010 – 2011*. Rome, *FAO*, 2011. 37.

³⁸ Food and Agricultural Organisation, *Gender: The key to sustainability and food security*. Rome, *FAO*, 2007, .33.

³⁹ R. McKay, *Women entrepreneurs: Moving beyond family and flexibility*' India, 2001.

⁴⁰ K. Young, *Household resource management, gender and development: A practical guide*. Ostergaard L. (ed.). Routledge London and New York, 1992

In Africa, women are known to contribute substantially to the production of food in their complementary role to the men. However, they receive very limited inputs like only 7% of agricultural extension services, less than 10% of the credit offered to small-scale farmers, and own only 1% of the land.⁴¹ In this context, women are often found concentrated in subsistence agriculture and unpaid farm work. Self-help model can change this by enabling women and men farmers, or women only, to come together for purposes of acquiring inputs, production services, and marketing of their produce. Apart from being able to access economies of scale as providers of services or products or as consumers, participating in an informal financial institution as a member, elected leader also brings an enhanced status and voice.⁴² Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information and hence, poverty alleviation. Increasing the role of women in the economy is important for economic resilience and growth; however, their integration into the formal sector is still constrained by limited access to credit, property, technology and technical skills. Through informal financial institution millions of women have been able to change their lives - they have found a route towards self-empowerment and development that works for them informal financial institutions have contributed to improved livelihood and better economic decision making of women.⁴³

Nigerian women are perceived as household property that join hand in economic activities of their families with regard to exchange in marriage, participation in agricultural activities and other areas that yield money.⁴⁴ In sociological perspective, the modern-day Nigerian women take part in important economic activities to the benefit of their families and the entire nation. Family is a basic social group, united through bonds of kinship or marriage. It is present in all societies. Ideally, the family provides its members

⁴¹ Food and Agricultural Organisation, The state of food and agriculture, 2010 – 2011. Rome, *FAO*. 2011..41

⁴² F. Kumar *et al*, A new world through cooperatives, Rainbow publications, India, 2003.

⁴³ A.B. Nippier, Gender issues in cooperatives. *ILO Branch Geneva*, 2002.

⁴⁴ U. Azikiwe, *Women Education and Empowerment*. Fulladu Publishing Company, Nsukka, Enugu State, Nigeria, 1992.

with protection, companionship, security and socialization.⁴⁵ Women thus, manage the home and at the same time, participate with their male counterpart in developing the economy of the nation. In rural areas, women participate fully in food production, processing and distribution which they combine with their traditional role of procreation and home management. Standing and Shehan⁴⁶ in their studies on economic activities of women in Nigeria, reported a higher labour force participation rate for urban women than rural women. In rural areas, higher parity was positively associated with work force participation, which is contrary in the urban areas.

Women have limited access to socio-economic rights and privileges like title to land, independence of economic decision of what, when and how to produce which lower social status and are encumbered by harmful traditional practices to exhibit their potentials.⁴⁷ They still suffer discrimination and marginalization through denials of rights, land ownership, access to credit facilities and farm input. Women are isolated, abused and restricted at the community levels through traditional and religious practices which hamper development.

The major institutional constraints in women's participation in economic activities and development process in societies are inadequate access to factors of production and trade, lack of credit facilities, lack of training opportunities and skill acquisition, limited access to appropriate production technologies and social services.⁴⁸ Women in Nigeria are unable to secure credit facilities from financial institutions due to lack of collateral. In most of the developing countries, 30% of women receive less than 1% of the total credit given annually. This development has resulted to

⁴⁵ I. Ihimodu, *Cooperative Economics: A Concise Analysis in The Theory and Applications*, Ilorin, Unilorin Press, 1988. 27.

⁴⁶ H. Standing and K. Shehan, *Sustainable livelihoods environment and development: Putting poor rural people first*. Institute for development studies, Brighton, Sussex, U.K., Discussion Paper, 1978. 240.

⁴⁷ FGN Report, *Vision 2010 Report*. Federal Government of Nigeria, Abuja, Nigeria, 1996.39.

⁴⁸ N.M. Agwu, *Institutional Barriers on Women in Agricultural Production: Implications for food supply*. In C.V. & M.C. Aniekwe (Eds.). *Towards gender equality in Nigeria in the 21st Century. Proceedings of National Conference Organized by Federal College of Education (Technical) Umunze, Anambara State Nigeria*, 16(6): 84- 90. 2001.

the increasing insecurity in income on the part of women. Experience has shown that majority of women especially those in rural communities do not benefit the programmes of the various governments even when they are involved in economic activities that need support. Micro-credit facilities in some cases do not reach market and rural women for enhancement of their production and trade.⁴⁹

Women empowerment and their full participation on the basis of equality in all spheres of society, including participation in decision making process and access to power, land, bank loan, are fundamental for the achievement of equality, peace and societal development. Empowerment involves the transformation of patriarchal societies through a process of enlightenment, conscientization and collective organization. Empowerment in this context means assistance which may be in form of cash, materials or training provided to women to enable them influence changes in their socio-economic status and to use their capacities to harness the hidden potentials in material and human resources. Women can be empowered through provision of education and training opportunities to improve their skills and enhance their access to credit facilities. When women are given equal opportunity with men, they will be able to contribute to the overall development of their communities. Women need well packaged empowerment programmes to enable them participate fully in economic activities. However, cultural norms, religion, inadequate government policies for women upliftment are the hindrances to women empowerment.⁵⁰

Economic activities are concerned with production, distribution, exchange and consumption of food and services. It focuses on the way in which individuals, groups, business enterprises and government seek to achieve efficiency in any economic objective.⁵¹ Even though women are involved in these activities that constituted economic activities, the returns from these activities are usually controlled by the men. To achieve these

⁴⁹ N.G. Ikeduru, *Women Entrepreneurship and Development: The Gendering of Microfinance in Nigeria*. A paper presented at the 8th International Interdisciplinary Congress on Women, 21 - 26 July, 2002. Makerere University, Kampala, Uganda. 2002.

⁵⁰ E. Ocholi, *Empowering Nigerian Women for the 21st Century: Education a Significant Tool*. *Counselor*, 1999. 17(1): 270 –276.

⁵¹ R. Lekachman, "Economic Activity Microfinance Students" [DVD] Redmond, W.A: Corporation. 2007. Retrieved on 23rd March, 2021.

objective women should not be excluded. Several reports showed that in Africa, women constitute 52% of the total population, contribute 75% of the agricultural workforce, produce and market 60 to 80% of food.⁵² They do this through production, processing and marketing of food. They assist on family farm; fetch water, and fuel wood. Most importantly, they act as health workers to their children by providing health needs. They also provide food, clothing, and education to their children. Women have equal abilities with men and can compete favourably when given equal opportunities. Today, over 50% of the world's women still face gender discrimination in laws, policies and practices.⁵³ Their work and contributions have remained largely unnoticed and taken for granted. This remains the fact because societies have traditionally failed to recognize the contributions of women to the development of the nation.

The tenacity of the women to snap off the circle of poverty and increase their empowerment made them initiate traditional financial services such as the 'Oja', 'Ajo' and 'Esusu.' However, there is a high risk in these informal financial institutions because the sector is unregulated. In order to support the women in their attempts to alleviate poverty, successive governments in Nigeria have initiated a series of empowerment programmes. Some of these programmes include Peoples' Bank, Family Economic Advancement Programme (FEAP), Better Life for Rural Women and Poverty Alleviation Programme (PAP). Despite these laudable programmes, they have failed to address the empowerment and poverty reduction among the Nigerian women. The reason for the failure was that the target group which the programme was designed for were not the people that were benefitting from it.⁵⁴ The achievement of micro-finance in impacting on women in some Asian countries such as Indonesia and Bangladesh prompted the government in Nigeria to initiate a blueprint on the introduction of micro-finance in Nigeria to replicate some of the successful micro-finance institutions in Bangladesh.

⁵² Kwesiga J.C., Central yet peripheral: The Rural Women farmer and Issues of African development. Ibadan: *International Institute of Tropical Agriculture*. 1999.

⁵³ D.K. Flann and L. Oldham, Women's Economic Activities in Jordan; Research findings on Women's Participation in Micro Enterprise Agriculture, and the Formal Sector. A project report submitted to the office of Women in Development, Bureau for Global Programmes, Field Support and Research, U.S. Agency for International Development. 2007.

⁵⁴ N.O. Awojobi, Microfinance as a Strategy for Poverty Reduction: The Nigerian Experience. (Master Thesis) Berlin School of Economics and Law, Berlin, Germany. 2013.

Participation of Igala Women in Informal Financial Institutions

The women economic empowerment and poverty alleviation in Igala land and Nigeria at large has not been impressive. This is because of the belief that the women's place in the society is in the kitchen and nothing more. And in addition, poverty and selective activity of the formal financial institutions that require collateral to assess fund have limited the empowerment of women in this area. From the year 1991, the women in Igala land in particular started the agitation for the empowerment of the female folk both economically and politically.⁵⁵ To achieve this, women started encouraging the formation of informal financial institutions to serve as avenue to give the women folk a voice in the area of empowerment.⁵⁶

According to the Directorate of Cooperative in Kogi State Ministry of Commerce and Industry Lokoja, eleven women informal financial institutions from Igala land has been registered from 1991 till 2019. It is on record that there are many informal financial institutions operating in Igala land without any formal registration. Government at the national level has been working at bringing all self-help group under government coordination for effectiveness⁵⁷. In July 2003, the government in this regard constituted the National Economic Group as one of the programme of the National Economic Empowerment and Development Strategy (NEEDS) as a progressive attempt to build the capacity of Nigeria women to manage their own resources effectively and improve service delivery. The State Economic Empowerment and Development Strategy (SEEDS) was conceived to achieve the same goals as NEEDS and improve economic governance at the state level.⁵⁸

This platform gave birth to Kogi State Economic Empowerment and Development Strategy (KOSEEDS). It must be emphasized however that

⁵⁵ N.O. Awojobi, *Microfinance as a Strategy for Poverty Reduction: The Nigerian Experience*. (Master Thesis) Berlin School of Economics and Law, Berlin, Germany. 2013.

⁵⁶ I. Adofu *et al* "The Effect of National Poverty Eradication Programme (NAPEP) on the Level of Poverty Among Women in Kogi State, Nigeria," *Journal of Entrepreneurship Research and Development*, 1(2).

⁵⁷ Directorate of Cooperative, Kogi State Ministry of Commerce and Industry Lokoja, Cooperative Society Registration Document. 2021.

⁵⁸ Directorate of Cooperative, Kogi State Ministry of Commerce and Industry Lokoja, Cooperative Society Registration Document. 2021.

KOSEEDS does not offer entirely new ideas to change things in Kogi State and in Igala land. Rather, it brings together all the past efforts on development management in the state in more comprehensive, logical and chronological order to achieve results. The Kogi State Economic Empowerment and Development Strategy was aimed at economic growth, human development, gender development, women empowerment, youth empowerment, create wealth and reduce poverty in the state and in Igala land. To make the work of KOSEEDS easy, women self-help groups were identified and the women were empowered through it.

Some of the informal financial institutions identified and empowered by KOSEEDS in Igala land are; Ateko Women Society, Abocho in Dekina Local Government Area, Udama women Association, Idah, Idah Local Government Area, Garri Women Processing Association, Ikanekpo in Ankpa Local Government Area, Odeke Women Association Odeke in Ibaji Local Government Area, Omala Women Group Abejukolo, Omala Local Government Area and Unyogba Women Association, Ejule in Ofu Local Government Area. Others are Ejura Women Association Anyigba in Dekina Local Government Area, Aloko-Egbe Women Association Egume in Dekina Local Government Area, Aloko Women Association Dekina, Dekina Local Government Area, Ejilogwu Women Association Ankpa, Ankpa Local Government Area, Ega Women Association Idah, Idah Local Government Area⁵⁹.

In addition to this registered associations, there are other women informal financial institutions that are yet to be registered with the Ministry of Commerce and Industry in Kogi State but were identified by this study. Some of them are Rabi Omale Women Association Odenyi, Bassa Local Government Area, Fatima Okeme Association, Anyigba, Dekina Local Government Area, Ojochogwu Ameh Association, Anyigba, Dekina Local Government Area, Atule Adofu Association Dekina, Dekina Local Government Area, all in Dekina/Bassa federal constituency. We also have Rekiya Abu Association Idah, Idah Local Government Area, Awa Drisu thift and savings Association, Idah, Idah Local Government Area, Enemali Association Ajaka, Igalamela Local Government Area and Iga Women Association Idah, Idah Local Government Area, all in in Idah/Ibaji/Igalamela/Ofu Federal Constituency of Kogi East.

⁵⁹ Directorate of Coopertive, Kogi State Ministry of Commerce and Industry Lokoja, Cooperative Society Registration Document. 2021.

Ankpa/Omala/Olamaboro Federal Constituency of Kogi East is not left out in this equation, as Enjema Ofejiji Women Association, Enjema, Ankpa Local Government Area is there along with Olufofo Women thrift and credit Association, Olufofo, Ankpa Local Government Area, Ujache Women Association, Okpo, Olamaboro Local Government Area and Onobule Omemele Women Association Abejukolo, Omala Local Government Area.⁶⁰

Conclusion

The work has been able to established that the Igala as an ethnic group, live in a triangular territory east of the river Niger and Benue Confluence in north central Nigeria. It probes further to establish a fact that Nigeria suffers from pervasive and avoidable poverty which has recently earned the country an ignoble rank of being the poverty capital of the world even though the country is abundantly blessed with vast human and natural resources. This is because of the inability of successive regimes in Nigeria to identify and address the poverty of majority of its citizens in spite of various interventions that gulped billions of naira. This has compelled Igala women to embark on self-help initiatives that often are unregulated, prone to failures and crises due to several factors including market uncertainties and natural disaster. This is in their effort to salvage the limitation imposed on them by the society and the economy.

Another fact that has been so clear from our forgoing discussion is that, women are economically disadvantaged due to the patriarchal nature of the Igala society, and in this modern time where women are agitating to take control of their economic being, the formation and participation in informal financial institutions has become imperative. Bearing in mind the place of Nigeria on the poverty rating table and effort by government to turn the tide, government at all levels should therefore give informal financial institutions the needed support it deserves considering its capacity to empower women and subsequently alleviate poverty

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⁶⁰ The list of all unregistered associations was gotten from the women development offices of the various local government areas making up Igala land.

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ORGANIZATIONAL CLIMATE AND TRANSFORMATIONAL LEADERSHIP TOWARDS EMPLOYEE CREATIVITY IN THE IBADAN POLYETHYLENE INDUSTRY

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Abstract

There is a global shift from government employment to promoting entrepreneurship as a source of job creation and economic development. Thus, studies have continued to look into factors that will grow entrepreneurship in economies like Nigeria. One of the potential industries driving entrepreneurial development in Nigeria is the polyethylene industry. Unfortunately, there needs to be more literature on the polyethylene sector. Further, studies in creativity, transformational leadership and organisational climate are few in this sector. This study, therefore, investigated the degree of relationship between transformational leadership and organisational climate and employee creativity. Three standardised instruments were used to sample 210 employees in the Ibadan polythene industry. Regression analysis revealed a significant relationship between organisational climate, transformational leadership and employee creativity. The study found that transformational leadership has a significant relationship with employees' creativity, while organisational climate does not have a significant contribution. It was concluded that transformational leadership has the potential to facilitate employee creativity and that employers in the polyethylene industry of Ibadan should improve their organisation climate. The study recommends that stakeholders invest in leadership training and provide platforms to facilitate inclusive staff participation in decision-making.

Key Words: Transformational leadership; Organisational Climate; Employee Creativity; Ibadan Polyethylene industry; Creativity; Entrepreneurship

INTRODUCTION

The twentieth century witnessed tremendous advancement in the polythene industry in Nigeria. Babajide (2004) stressed that when the Babangida administration introduced the Structural Adjustment Programme (SAP), many Nigerians looked inwards for self-employment and wealth-generation opportunities. The Federal Government of Nigeria spearheaded a self-reliance culture in the country by setting up many agencies to either provide the platform for the actualisation of individual self-employment programmes or provide basic infrastructure in that direction. Chief among such agencies were the National Directorate of Employment (NDE) and the Directorate of Foods, Roads and Rural Infrastructure (DFRRI). Nigerians responded quickly and embraced these government policies. One area found fertile in entrepreneurship was the manufacturing of polythene, especially those used for packaging goods. Subsequently, success was recorded to the extent that food items such as eba, moi-moi and pounded yam wrapped in leaves were now wrapped in "plastic" (Gbasouzor, Ekwuozor & Owuama 2013). As a result, the business became completely stabilised and got an endorsement from the National Agency for Food and Drug Administration and Control (NAFDAC) (Gbasouzor, Ekwuozor & Owuama 2013) when it approved the use of polythene sheets to wrap food items.

Since then, the polythene industry has continued to provide job opportunities for many people in the country. Looking at the antecedents of the industry, it is clear that the employment of creative and innovative skills helped the stakeholders to identify entrepreneurial opportunities that could benefit not only those who took advantage of the opportunities inherent in the business but also the Nigerian economy in terms of job creation and value addition to the economy. Despite the immense contributions of this industry to national entrepreneurship and economic development, there is a dearth of research in this area on Nigerian entrepreneurial development. Extant literature seems to be concerned about pollution (Henderson & Dumbili, 2021), recycling (Solaja, Awobona & Omodehin, 2020) and public health (Alabi, Ologbonjaye, Awosolu, & Alalade, 2019; Gbadamosi, 2020) among others. There is little or

no interest, by researchers, in what has made the sector sustainable and prosperous after years of operation, especially with the myriads of challenges that have befallen the Nigerian economy in the past and currently. Factors such as the daily running of any business are germane to the success of any business concern. A business is a combination of the use of human capital facilitating material resources for the objective of making a profit. This human capital comes in the form of employers and employees. It is, therefore, necessary to research issues concerning them as they operate their businesses successfully to meet the goals of their establishment.

Regardless of industry, creativity and innovation are critical drivers for long-term business success (Hon, 2012; Obialo, 2020). Businesses that do not invest in creativity would not survive in any economy where creativity and innovation constantly shape the global economic space (Gautschi, 2001). Creativity, the generation of novel and valuable ideas, is intricately linked to innovation, which is the implementation of these ideas (Amabile, 1996; Obialo, 2020). Creativity for individuals and organisations is necessary for organisational effectiveness, innovativeness and survival (Woodman, Sawyer and Griffin, 1993). In order to research organisational creativity, it is necessary to understand the creative process, i.e., creative person, creative product, creative situation and how each is interwoven (Woodman, Sawyer and Griffin, 1993). It is, therefore, essential to interrogate creativity and the factors that may influence the relationship between creativity and its predictors (Obialo & Emeke, 2019). Given this, it is essential to study the factors that facilitate creativity within the workspace, especially in the flourishing Nigerian Polyethylene industry. Researchers believe creativity is complex, as it is the interaction between personal and situational factors (Amabile, 1988; Scott & Bruce, 1994). Observing creativity from this interactionist perspective, one can theorise that certain personality traits will lead to increased or lower creativity and are linked to creative behaviour to the extent that it affects the individual's predisposition (George & Zhou, 2001; Obialo, 2011; Obialo & Emeke, 2019). Employee creativity is vital to organisational success. It has been shown that when employees display creativity at work, they generate new ideas that help deal with the tasks (Amabile, 1983, 1996; Obialo & Akinjo, 2021). Creative employees take up fresh, valuable ideas and apply them to improve their work (Shalley & Gilson, 2004), which benefits the organisation's entire performance. Organisations that exhibit creative behaviours generate competitive advantages and better performances (Woodman et al., 1993).

Studies have shown that competitive advantage leads to improvements in financial performance, such as revenue growth (Barney, 1986; Porter, 1985; Obialo & Akinjo, 2021). For instance, Obialo and Akinjo (2021) and Von and Nordenflycht (2007) found empirical support for the impact of creativity on revenue growth. Hence, organisations that encourage creativity amongst their employees experience an increase in profit growth and efficiency.

The extent to which employees produce creative ideas depends not only on their characteristics but also on their work environment (Amabile, Conti, Coon, Lazenby & Herron, 1996; Obialo & Akinjo, 2021). Recent perspectives on creativity focus on how contextual factors can affect employee creativity. A host of these factors are of the objective type, such as the complexity of jobs (Oldham & Cummings, 1996), evaluative context (Shalley & Perry-Smith, 2001), and support from a group (George & Zhou, 2007). Others are more subjective, such as positive mood (George & Zhou, 2001), job dissatisfaction (Zhou & George, 2001), and intrinsic motivation (Amabile, 1996). Work support from a group is more important in non-western cultures than in western cultures (Osarumwense, 2009). In western cultures, people are independent and possess unique traits that distinguish them from others (Markus & Kitayama, 1994). In contrast, people in non-western cultures have been taught to view the self as inherently dependent on the group to which they belong. Thus, most researchers view non-western cultures (collectivism) as an impediment to creativity because individuals tend to maintain conformity in groups and hinder the generation of unique and novel ideas. However, creativity will be easily fostered if the group encourages and values new ideas and publicly recognises and rewards them. Further, work support can come from supervisors and co-workers.

Leadership is essential for organisational success. Leadership is the ability to influence a group of people for the achievement of a goal. The story of the polyethylene industry in Nigeria suggests that those running the business must have supplied a strong leadership style that has continued to initiate and support business and organisational success. In the 1980s, two elementary approaches were suggested to leadership: transformational leadership and transactional leadership. Burns (1978) was the first to adopt this distinction. Bass (1985) developed a Multifactor Leadership Questionnaire (MLQ) based on this approach (Alimo-Metcalfe & Alban-Metcalfe, 2001). Transformational leaders work hard to ensure effectiveness and productivity

(Wehrich, Cannice and Kootz, 2010). The basis of this effect can be both formal and informal since managerial power is delegated to a group of people. Organisational climate and transformational leadership are determining factors in any organisation and determine how creative employees are in an organisation (Alharbi, Alarifi and Mosbah,2018). The polyethylene industry in Nigeria might have survived to date due to the transformational leadership style of the business owners. For an organisation to thrive, it needs influential transformational leaders and strong management to ensure effectiveness (Robbins, 2005; Allen, Smith, & Da Silva, 2013). This and perceived organisational support (POS) (Amabile, Conti, Coon, Lazenby, & Herron, 1996) positively affect creativity. The leadership style of an employer influences employee creativity (Cohen, 2005). Hence, managers who want to encourage workplace creativity must proactively ensure that the organisational climate allows for employee creativity (Shalley & Gilson, 2004). Transformational leadership, which entails creating vision and inspiration, plays a huge role in employees' creativity. Leaders motivate employees, shape organisational culture and create the climate required for change (Wehrich, Cannice and Kootz, 2010). Therefore, the organisational climate would influence transformational leadership, inspiring employee creativity (Hofmann, Morgeson, and Gerras, 2003). Research on the factors that affect organisational creativity has yielded inconsistent results (Yesil & Sozbulir, 2013). In Nigeria, more must be done to investigate how transformational leadership and organisational climate, factors that determine an organisation's growth, correlate with employee creativity. This study, therefore, uses the Nigerian polyethylene industry to fill this gap.

1.1 Research Objectives

1. To examine the relationship between transformational leadership, organisational climate and employee creativity in the polyethylene industry in Oluyole local Government Ibadan, Nigeria.
2. Investigate the joint contribution of the predictors (transformational leadership and organisational climate) to the criterion (employee creativity) in the polyethylene industry in Oluyole local Government Ibadan, Nigeria.
3. To determine the relative contribution of the predictors (transformational leadership and organisational climate) to the criterion (employee creativity) in the polyethylene industry in Oluyole local Government Ibadan, Nigeria.

The above objectives gave rise to the following research hypotheses:

1.2 Research Hypotheses

H01: There is no significant correlation between the predictors (transformational leadership and organisational climate) and the criterion (employee creativity) in the polyethylene industry in Oluyole local Government Ibadan.

H02: There is no significant relative contribution between transformational leadership and organisational climate to employee creativity in the polyethylene industry in Oluyole Local Government, Ibadan.

H03: There is no significant joint contribution between transformational leadership and organisational climate to employee creativity in the polyethylene industry in Oluyole local Government Ibadan.

2. LITERATURE REVIEW

2.1 Ability-Motivation-Opportunity Theory

Studies highlighted innovation as one of the primary sources of competitive advantage where the chances of an organisation to survive, be successful and effective in challenging environments are becoming ever more dependent on innovation (Chi, Huang, & Lin, 2009; Obialo, 2020; Obialo, 2021a). Organisations seek to exploit the ideas and suggestions of their employees, which are a source of idea generation and implementation (Anderson, De Dreu, & Nijstad, 2004; Obialo & Akinjo, 2021). Nevertheless, innovation is a complex, multilevel, and emergent phenomenon requiring skilful leadership to maximise the benefits of new and improved ways of working (Anderson, Potocnik & Zhou, 2014). With business processes becoming more complex, organisations reorganised work around teams to provide faster and more flexible responses to environmental changes. Team environments can foster collaboration and form a desirable basis for implementing new ideas (Černe, Jaklič, & Škerlavaj, 2013), which is why the ability to function effectively as a team member has become vital. In addition, a proactive team personality was positively related to several crucial team-level outcomes (Crant, 2000; Kirkman & Rosen, 1999). A meta-analysis by Hulsheger, Anderson, and Salgado (2009) identified support for innovation as one of the strongest predictors of team innovative performance. As such, it is essential to understand different drivers and their interactions with team innovation across micro and meso-levels.

2.2 Employee Creativity

Employee creativity and innovation are the engine of change which provides the opportunity for organisations to create the future (Ahmad, 1998; Martins & Terblanche, 2003; Pitta, 2009; Gumusluoglu & Ilsev, 2009). Creative behaviour is the production of novel and valuable ideas by employees, which can be the starting point of innovation (George & Zhou, 2001). In management, creativity is defined as constructing or fostering a new idea that will produce a new product or travelling to a new road to make a new journey through a familiar road (Blanchard et al., 2001). Tierney, Farmer and Graen (1999) see creativity as employees' unique and useful solutions to work-related problems based on organisations' goals and visions. Today's business environment forces organisations to adapt rapidly to changing customer behaviours and demands. New ideas, approaches, and services are necessary for every organisation to maintain a competitive advantage. Regardless of industry, creativity and innovation are critical drivers for long-term business success (Hon, 2012; Obialo, 2020). Businesses that do not invest in creativity would not survive in economies where creativity and innovation constantly shape the global economic space (Gautschi, 2001).

After reviewing seven definitions of creativity given by authors contributing to the 1999 Handbook of Creativity (Sternberg et al., 1999), Mayer (1999) concludes that the overarching definition of creativity seems to favour the idea that creativity involves the creation of new and useful products, including ideas and concrete objects. According to these definitions, it follows that: creative people or employees are those who create new and useful products, and creative cognitive processes occur whenever a new and useful product is created. Similarly, Slatten, Svenssen and Svaeri (2011), based on interactional approaches, theorised that frontline employees in service industries who need to be more creative in their interactions with customers would produce ideas and solutions that are ordinary and routine. However, creative frontline employees will deliver more novel ideas. They explained that creativity allows frontline service employees to be innovative in their customer behaviour and interactions. This research showed a positive relationship between employees' creativity and innovative behaviour. Similarly, Obialo and Akinjo (2021) found a relationship between the creative ideational ability of employees and the profitability of SMEs in Nigeria.

2.3 Transformational Leadership

Transformational leadership theory was formulated by Burns (1978) from descriptive research on political leaders. Burns (1978) described transforming leadership as a process whereby leaders and followers raise one another to higher levels of morality and motivation. Transformational leaders raise the consciousness of their followers by appealing to particular ideals and moral values like liberty, equality, justice, peace, and humanitarianism, instead of baser emotions such as fear, greed, jealousy, or hatred. As a result, followers are elevated from their "everyday selves" to their "better selves." Bass (1985) builds on the ideas of Burns (1978). Transformational leadership is defined in terms of the leader's effect on followers. Followers feel trust, admiration, loyalty, and respect towards the leader and are motivated to do more than they originally planned. According to Bass, the leader transforms and motivates followers by making them more aware of the importance of task outcomes, inducing them to transcend their self-interest for the sake of the organisation or team, and activating their higher-order needs. The theory's central premise is that follower motivation and performance are enhanced more by transformational leadership than by transactional leadership.

Factor studies from Bass (1985) to Howell and Avolio (1993), Bycio, Hackett and Allen (1995), to Avolio, Bass and Jung (1999) identified the components of transformational leadership as Idealised influence (attributed) Idealised influence (behaviour), Inspirational motivation, Intellectual stimulation, Individualised consideration, Contingent reward, Management-by-exception (active), Management-by-exception (passive), and laissez-faire. The Multifactor Leadership Questionnaire (MLQ) can measure each of these components. Bass and Avolio (1995) categorised these subscales into three groups: (a) Idealised influence (attributed), idealised influence (behaviour), inspirational motivation, intellectual stimulation and individualised consideration are considered transformational leadership components, (b) Contingent reward, management-by-exception (active), and management-by-exception (passive) are considered as transactional leadership components and (c) Laissez-faire is considered as a non-leadership component.

Hater and Bass (1988) and Yammarino and Bass (1989) confirmed that those leaders who were described as transformational rather than transactional by their subordinates were judged to have a much higher leadership potential by the leaders' superiors. Waldman, Bass, and Einstein (1987) showed that the

performance appraisals of subordinates were higher if their leaders had been described as transformational. Clover (1989) reported that commanders who received higher ratings in transformational leadership led better-performing squadrons and were more likely to be seen as preferred role models by the cadets.

2.4. Transformational Leadership and Employee Creativity

Teymournejad and Elghaei (2017) examined the effect of transformational leadership on the Creativity of Employees among bank staff. Transformational leadership as a whole and each of its dimensions have a significant and positive effect on the creativity of the sample. Safdar and Shimin (2018) explored the effect of transformational leadership on worker creativity through Organizational Commitment. Result from the sample of commercial bank employees in Pakistan showed that transformational leadership is positively related to employee creativity. Furthermore, results indicate that employee organisational commitment mediated the relationship between transformational leadership and employee creativity. These results suggest that managers can enhance the creativity of employees by adopting a transformational leadership style. This style will help managers to increase the commitment of their subordinates within the organisation.

Jaithen et al. (2018) empirically examined the effect of transformational leadership on followers' inventiveness and organisational innovation. The final sample consisted of 503 individuals recruited using a random sampling technique. The results showed that transformational leadership positively correlates with followers' creativity and organisational innovation. Further, a significant positive relationship was found between followers' creativity and organisational innovation. Also, the relationship between transformational leadership and workers' creativity, through the mediating role of workers' support for innovation, psychological empowerment, workplace relationships and employee learning, was also found to be positive and significant. However, the results revealed that intrinsic motivation did not significantly influence the relationship between transformational leadership and creativity.

Mohsin et al. (2019) investigated the effect of transformational leadership in stimulating employee creativity leading to organisational innovation, and the moderating role of intrinsic motivation between transformational leadership and employee creativity. Information was elicited from 164 supervisor-

employee dyads working in 31 software firms in Pakistan. A three-step approach to SEM was used to investigate mediator and moderator variables. The findings indicate that idealised influence, intellectual stimulation, and intrinsic motivation significantly influence organisational innovation and employee creativity. However, individual consideration was not significantly related to organisational innovation and employee creativity. The outcomes further proved the positive and significant moderating effect of intrinsic motivation for transformational leadership and employee creativity. Thus, through a transformational leadership style, employee creativity can be facilitated with the interactive effect of intrinsic motivation by motivating employees to think outside the box leading to innovation in the organisation.

2.5 Organisational Climate and Employee Creativity

Obiukwu and Alaneme (2017) investigated the role of organisational climate as a determinant of employee productivity in the manufacturing sector in Osun state, Nigeria. A descriptive survey design was employed in the study to elicit responses from the respondents. This study's significant finding showed a significant relationship between organisational climate and employee productivity. The study also revealed that leadership has a significant effect on employee productivity. Li and Mahadevan (2017) analysed the impact of organisational climate on employee performance in a constituency in Malaysia. The independent variables in organisational climate in this research include role clarity, communication, career and development, reward system, relationship, teamwork and support and direction. The dependent factor is employee performance. The study found that all the selected organisational climate dimensions in this research positively and significantly impacted employee performance. Furthermore, the beta coefficients for all the dimensions of organisational climate in the study were positive and high, indicating a substantial impact on employee performance.

Further, Berberoglu (2018) analysed the impact of organisational climate on organisational commitment and perceived organisational performance from public hospitals using a quantitative approach. Results revealed that organisational climate is highly correlated with organisational commitment and perceived organisational performance. Furthermore, simple linear regression outcomes indicated that organisational climate is significant in predicting organisational commitment and perceived organisational performance. Okoli (2018), in his study conducted in Enugu State, Nigeria, on

organisational climate and job satisfaction among academic staff of selected private universities in Southeast Nigeria, sampling 182 academics. The data revealed a significant positive correlation between organisational climate and job satisfaction. The outcomes also showed a significant relationship between the organisational climate dimensions (leadership style and academic freedom) and job satisfaction dimensions (satisfaction with administrative support and working conditions). This implies that dissatisfaction among academic staff will affect the quality of their work and the organisational climate.

Okoseimiema and Continue (2019) analysed organisational climate and employee engagement in banks in Rivers State, Nigeria. The findings revealed a positive correlation between the dimensions of organisational climate and the measure of employee engagement. Furthermore, organisational culture significantly moderated the relationship between the dependent and independent variables. Thus, the study concluded that enhancing the organisational climate would positively improve the employees' level of engagement.

3. METHODOLOGY

3.1 Sampling

The SMEs in the polyethylene industry of Oluyole Local Government of Oyo state are in three major areas or clusters, namely Oni and Sons Area, Fodacis Area and DeRovans Area, all in Ibadan metropolis of Oyo State. However, the Oni and Sons Area and Fodacis Area are jointly busier than the third cluster. Therefore, the researchers purposively chose to sample Oni and Sons and Fodacis areas/clusters. The sample for this study comprises two hundred and ten (210) workers in the polyethylene industry in Oluyole Local Government of Oyo State, Ibadan. However, participants were selected from twenty (20) polyethylene companies in Oluyole Local Government of Ibadan through multi-stage and purposive sampling methods. The researchers got the number of SMEs from the secretary of the polyethylene industry association, who informed the researchers that the records of the association of polyethylene companies show that Oni and Sons Area had twenty-five polyethylene companies.

In contrast, Fodacis Area had twenty companies, and Derovans had only eight. Thus, Oni and Sons Area and Fodacis Area were deliberately picked with the

prospect of having more respondents from these two areas. Furthermore, the purposiveness was because the study took place during the Covid – 19 pandemic lockdowns. Therefore, it was determined that the possibility of getting more respondents from the three locations was higher in two locations, namely Oni and Sons Area and Fodacis Area, because of the confusion occasioned by the Covid-19 pandemic and its attendant problems. Therefore, the researchers decided to use a ratio of 4:5 to pick the sample.

3.2 Instrumentation

The study used structured questionnaires to gather information from the respondents. Two of them were adopted, while the researchers constructed the third.

3.2.1

Transformational Leadership Scale

Clark (2004) developed this scale which consists of 10 items measuring transformational leadership characteristics. Respondents are to rate by ticking the box that best describes their proficiency and comfort level from 1, 2, 3 to 4. Thus 1 is the least, and 4 is the most comfortable and proficiency level.

3.2.2 Employee Creativity Questionnaire

The researchers constructed this questionnaire. It is a ten-item questionnaire measuring the creative behaviours of employees. The response was in a 4-point Likert scale format. 1 = Mostly true about me (yes), 2 = Partly true or Untrue about me (maybe), 3 = Mostly Untrue (false) about me (no); 4 = Cannot really decide (don't know). The researchers gave it to creativity and organisational management experts for validation before the pilot study.

3.2.3 Organisational Creativity Scale

Ekvall, G. (1996) created this scale. It consists of 10 items measuring organisational creativity. The respondents are to rate each statement as it applies to them using the following rating: 0 = not at all applicable; 1= applicable to some extent; 2 = fairly applicable, and 3 = applicable to a high extent.

3.2.4 Validity and Reliability of Instruments

The developers standardised the organisational creativity and transformational leadership scales. They were, however, revalidated by the researchers through

a pilot study conducted among 30 workers in a cluster of polythene industry workers in Ibadan North West Local Government of Oyo State. The reliability indices of the instruments (using Cronbach Alpha and the Test-retest method) are detailed in the table below.

Table 3.1 Reliability alpha for constructs

S/N	Variables	Cronbach Alpha	Remarks
1	Transformational Leadership	0.819	Very Good
2	Organizational Climate	0.703	Very Good
3	Employee creativity	0.790	Very Good

3.2.5 Procedure for data collection

The researchers administered the questionnaires for this study to the respondents. In addition, the researchers attended to any difficulty encountered by the respondents while responding to the questions. All questionnaires were collected immediately after the exercise.

3.2.6 Data analysis

The researchers used both descriptive and inferential statistics. Data were analysed using Pearson Product Moment Correlation and Multiple Regression Analysis. The descriptive statistics included percentages. Multiple Regression analysis was used to test for the joint and relative effects of the independent variables on the dependent variable. In contrast, the Pearson Product Moment Correlation was used to test for a relationship at 0.05 level of significance.

RESULTS AND DISCUSSION

Table 4.1 Organizational Climate

Dimension	Not Applicable	Applicable to some extent	Fairly Applicable	Applicable to a High Extent
Challenge	57 (27.1)	80 (38.1)	46(21.9)	27(12.9)
Dynamism and Liveliness	88 (41.9)	53 (25.2)	34 (16.2)	35 (16.7)
Playfulness and Humour	59 (28.1)	53 (25.2)	65 (31.0)	33 (15.7)
Freedom	66 (31.4)	47 (22.4)	50 (23.8)	47 (22.4)
Risk Taking	64 (30.5)	44 (21.0)	68 (32.4)	34 (16.2)
Idea Time	49 (23.3)	39 (18.6)	71 (33.8)	51 (24.3)
Idea Support	66 (31.4)	51 (24.3)	54 (25.7)	39 (18.6)
Trust and Openness	45 (21.4)	38 (18.1)	34 (16.2)	93 (44.3)

Debate	63 (30.0)	53 (25.2)	58 (27.6)	36 (17.1)
Conflict	42 (20.0)	23 (11.0)	72 (34.3)	73 (34.8)

Table 4.1 shows that the item with the highest degree of agreeableness is conflict (80.1%). Trust and openness were rated 78.6%. The others are idea time (76.7%), challenge (72.9%), playfulness and humour (71.9%), debate (69.9%), risk-taking (69.6%), idea support (68.6%), freedom (68.6%) and dynamism and liveliness (58.1%).

4.2 Transformational Leadership

Table 4.2 Transformational Leadership

Transformational leadership	Strongly Disagree	Disagree	Undecided	Agree
My leader goes out of his way to make employees feel good to be around him.	40 (19.1)	31 (14.8)	55 (26.2)	84 (40.0)
My leader helps employees with their self-development.	38 (18.1)	58 (27.6)	34 (16.2)	80 (38.1)
My leader helps employees to understand their visions through the use of tools, such as images and models.	28 (13.3)	50 (23.8)	68 (32.4)	64 (30.5)
My leader ensures employees get recognition and/or rewards when they achieve difficult or complex goals	49 (23.3)	19 (9.1)	85 (40.5)	57 (27.1)
My leader is not intimidated when employees come up with new ideas that can boost the profit of the organization	38 (18.1)	38 (18.1)	26 (12.4)	108 (51.4)
My leader gets things done.	37 (17.6)	42 (20.0)	52 (24.8)	79 (37.6)
My leader has an ever-expanding network of people and employees who trust and rely upon him	30 (14.3)	25 (11.9)	59 (28.1)	96 (45.7)
My leader helps employees with their self-development	36 (17.1)	38 (18.1)	51 (24.3)	85 (40.5)
My leader uses simple words, images, and symbols to convey to employees what we should or could be doing.	18 (8.6)	46 (21.9)	59 (28.1)	87 (41.4)
My leader helps employees with new ways of looking at new and complex ideas or concepts	33 (15.7)	33 (15.7)	70 (33.3)	74 (35.2)

From **Table 4.2**, the construct with the highest degree of agreeableness is "My leader is not intimidated when employees come up with new ideas that can

boost the profit of the organisation" (51.4%). This is followed by the revelation that "My leader has an ever-expanding network of people and employees who trust and rely upon him" (45.7%). On the other hand, the least degree of agreeableness, "My leader ensures employees get recognition and/or rewards when they achieve difficult or complex goals" (27.1%).

4.3 Employee Creativity

Table 4.3 Employee Creativity

Employee creativity	Mostly True about me	Partly True	Mostly Untrue	Cannot Really Decide
I like to look at things more closely to find details I haven't seen before. 66.6	95 (45.2)	45 (21.4)	27 (12.9)	43 (20.5)
I like to find out if things are really true 67.2	103 (49.1)	38 (18.1)	38 (18.1)	31 (14.8)
If I can't do something the first time, I keep trying until I do it. 68.1	95 (45.2)	48 (22.9)	40 (19.1)	27 (12.9)
I usually ask questions when I don't know something. 72.4	80 (38.1)	72 (34.3)	18 (8.6)	40 (19.1)
I get nervous when I don't know what's going to happen next. -59.5	68 (32.4)	57 (27.1)	51 (24.3)	34 (16.2)
I usually keep quiet when things go wrong or when I make a mistake. -58.5	78 (37.1)	45 (21.4)	39 (18.6)	47 (22.4)
I like to solve problems even if I have no answer. 66.2	91 (43.3)	48 (22.9)	49 (23.3)	22 (10.5)
I think there is just one answer to problems. -67.1	70 (33.3)	71 (33.8)	24 (11.4)	45 (21.4)
I like to think about exciting things that no one has ever thought of 67.7	77 (36.7)	65 (31.0)	31 (14.8)	37 (17.6)
I like to try new things just to see what will happen 65.2	99 (47.1)	38 (18.1)	47 (22.4)	26 (12.4)

Table 4.3 reveals that the item with the highest total degree of agreeableness is "I usually ask questions when I don't know something" (72.4 %). This is followed by "If I can't do something the first time, I keep trying until I do it" (68.1 %). The third degree of total agreeableness says, "I like to think about exciting things that no one has ever thought of" (67.7). One may add a fourth response that asserts, "I like to find out if things are really true" (67.2).

Furthermore, a cursory look at **Table 4.3** shows that out of the ten items, the majority of the respondents agreed with the statements (seven) that capture creative behaviours (Li, Liang & Crant, 2010; Obialo, 2011; Obialo & Emeke, 2020; Zhou, 2021). The other three do not suggest creativity in such respondents, namely, "I usually keep quiet when things go wrong or when I make a mistake" (58.5%), "I get nervous when I don't know what's going to happen next" (59.5) and "I think there is just one answer to problems" (67.1%). The study results imply that at least 67.2 % of the respondents are creative. In other words, the level of creativity of the respondents is high.

Table 4.4 Relationship Between Transformational leadership, Employee Creativity and Organisational Climate

Table 4.4 Relationship Between Transformational leadership, Employee Creativity and Organisational Climate

		Organizational Climate	Transformational Leadership	Employee Creativity
Organizational Climate	R	1		
	Sig			
Transformational Leadership	R	.304**	1	
	Sig	.000		
Employee Creativity	R	-.233**	-.415**	1
	Sig.	.001	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

For this study, three objectives were established, and three hypotheses were tested. Statistical tests were used to achieve these objectives and test the hypotheses. The decision rule for accepting or rejecting the hypotheses is the size of the significance (p) values. If the p-value is less or equal to 0.05 ($p \leq 0.05$), the null hypothesis stated is rejected, and we conclude that the test is significant. Otherwise, if $p \geq 0.05$, the null hypothesis is accepted (or it is said that we do not have sufficient evidence to reject it).

Objective one is to examine the relationship between transformational leadership, organisational climate and employee creativity. **From Table 4.4**, the relationship between the independent variables (transformational leadership and organisational climate) and dependent variable (employee

creativity) was first observed using the Pearson correlation analysis. There were no strong relationships between the independent variables. None of the correlation (r) values was as high as 0.5, either positive or negative. Therefore, we can safely assume there will be no multi-collinearity problem. However, a significant and positively weak relationship exists between transformational leadership and organisational climate ($r=0.304$, sig <0.05). Furthermore, a significant and positively weak relationship exists between employee creativity and organisational climate ($r=0.233$, sig <0.05). Finally, a positively weak but significant relationship exists between employee creativity and transformational leadership ($r=0.415$, sig <0.05). **The first hypothesis** is rejected because all variables' relationship is significant ($p<0.05$). Therefore, there is a significant relationship between transformational leadership, organisational climate and employee creativity in the polyethylene industry in Ibadan.

Objective two investigates the joint causal relationship between transformational leadership and organisational climate on employee creativity. The inferential statistical test of multiple regression analysis was used.

Table 4.5 Relative contributions of Organization Climate and Transformational Leadership to Employee Creativity

Table 4.5 Relative contributions of Organization Climate and Transformational Leadership to Employee Creativity

Model Parameters	Beta	T	Sig	F(Sig)	Adjusted Rsquare
(Constant)		8.611	.000		
<u>Control Variables</u>					
Gender	.079	1.322	.188		
Qualification	.239	3.944	.000		
Age	.032	.331	.741		
Working experience	.185	1.875	.062	14.767 (0.00)	0.283
<u>Independent Variables</u>					
Organizational Climate	.095	1.470	.143		
Transformational Leadership	.307	4.773	.000		

a. Dependent Variable: Employee Creativity

From Table 4.5, the F statistic value is significant ($F=14.767$, $p<0.05$). This indicates that the model is well fitted and the variables are good to determine employee creativity. The Adjusted-R2 provides a joint contribution estimate of the variables acting on the dependent variable. The adjusted R2 is 0.283 and implies that the independent variables in this model are responsible for about 28.3% of the variation in the dependent variable- employee creativity, as shown in **Table 4.5**. **The second hypothesis** is also rejected ($R^2 =0.283$, $F(\text{sig}) = 14.767$ ($p<0.05$)), and we can conclude that there is a significant joint contribution of transformational leadership, organisational climate and employee creativity in the polyethylene industry in Ibadan.

The third objective examines organisational climate and transformational leadership's relative contribution to employee creativity. The regression showed a small and insignificant impact of organisational climate on employee creativity at 9% ($B=0.095$, $p>0.05$). Therefore, the hypothesis that organisational climate has no significant causal relationship with employee creativity is accepted. Hence, the conclusion is that organisational climate has

no significant contribution to employee creativity. Also, the **third objective and hypothesis** concern the single contribution of transformational leadership to employee creativity. The regression analysis shows a significant contribution of transformational leadership, at 31% effect on employee creativity ($B=0.307$, $p<0.05$). Therefore, the hypothesis that transformational leadership has no significant relationship with employee creativity is rejected. Conclusively, transformational leadership contributes significantly to employee creativity in the polyethylene industry in Ibadan.

4.6 Discussion

The sampling exercise carried out revealed that transformational leadership has a large and significant impact on employee creativity in the polyethylene industry of Oluyole local government of Oyo State. Consequently, industry leaders show much interest in the affairs of the employees, encouraging and influencing their creativity and other factors that promote their productivity and efficiency. This revelation is in line with the position of Howell and Avolio (1993), who assert that transformational leaders are leaders who are interested in the individual development of employees and encourage them to look for opportunities where they can take on additional responsibility. Similarly, Burns (1978) described transformational leadership as a process in which leaders and followers advance one another to greater levels of morality and motivation. These leaders seek to raise the consciousness of followers by appealing to ideals and moral values such as liberty, justice, equality, peace, and humanitarianism, not to baser emotions such as fear, greed, jealousy, or hatred. As a result, followers are elevated from their "everyday selves" to their "better selves."

Further, this finding corroborates that of Azahari et al. (2006), who found that strategic leadership has a high predictive power on innovation within an organisation. Similar results from the study of Khan, Rehman and Fatima (2009) found transformational leadership's positive and significant contribution to organisational innovation. Expanding the influence of transformational leadership, Krishnan (2011) also found a positive relationship between transformational leadership and team performance, effectiveness, extra effort and employee satisfaction. No wonder Robbins (2005) argued that for an organisation to thrive, it needs influential transformational leaders and strong management to ensure effectiveness.

Studies have also shown that transformational leadership (Allen, Smith, & Da Silva, 2013; Jung, 2001; Jung & Avolio, 2000) and perceived organisational support (Amabile, Conti, Coon, Lazenby, & Herron, 1996) will positively influence creativity. This is exactly what was exposed in most companies surveyed in the polyethylene industry of Oluyole Local Government of Oyo State. Several studies on transformational leadership show that it is a significant and positive contribution to several performance indexes (Teymournejad & Elghaei, 2017), Safdar and Shimin (2018), Jaithen et al., (2018), and Shafi, Zoya and Lei (2019). For the relationship between organisational climate and employees' creativity, the study found that organisational climate has little contribution (9%) to the creativity of employees in the polythene industry of Oluyole local government area, Oyo State. Again, the little contribution is insignificant. This finding is rare among most previous results. For instance, Shally and Gilson (2004), Moghimi and Subramaniam (2013), Ndaliman et al. (2013), Saagnak et al. (2015), Obiukwu and Alaneme (2017), Li and Mahadevan (2017), Berberoglu (2018), Okoli (2018), and Okoseimiema and Continue (2019), all found that organisational climate is a significant contributor to the creativity of employees. One reason for this could be that Nigerians are globally known as survivors who thrive no matter the climate in which they operate, so they look for ways to ignore unfavourable climates to achieve their goals (Obialo, 2021). Surviving unfavourable climates thus becomes a creative expression.

However, this study's revelation that organisational climate is not a significant contributor to employee creativity is not novel. Noordin et al. (2010) years earlier found no significant relationship between organisational climate and the performance of staff. Rezaee's (2003) study also suggested no significant relationship between organisational climate and creativity. The implications of this negative correlation between organisational climate and employee creativity are that there might be some moderating variables which necessitate further findings.

Conclusion and Recommendations

This work studied if organisational climate and transformational leadership were correlates of employee creativity in the polyethylene industry in Oluyole Local Government of Oyo State. Results showed that transformational

leadership positively affected employee creativity, while organisational climate had no significant relationship with employee creativity. Leadership should be strategic and all-inclusive in any organisation or industry that depends on the creativity of her employees. Further studies should look at other intervening variables affecting the relationship between organisational climate and employee creativity. The results of this study suggest the need to develop transformational leadership traits in leaders through training programmes and knowledge processing services. Further, structured leadership intervention programmes designed to bring about positive changes in employee confidence, attitudes, and performance would help promote organisational objectives through deliberate employer/management-employee synergy. This is because the better the leadership gets, the better the innovativeness of the employees.

5.1 Recommendations

From the findings above, the following recommendations are made:

1. Leaders should be intentional in developing their employees, as this will spur them to be creative in their thinking and work-related activities.
2. Leaders are to create a greater sense of empowerment for the employees as this will have more positive effects on their levels of performance.
 1. Leaders should incorporate goal clarification and precise specifications of tasks, roles, and rewards to facilitate higher performance.
 2. Leaders must fully understand employee needs, create a supportive atmosphere and engage in confidence-building practices to enhance performance.

6. LIMITATIONS OF THE STUDY

The study occurred during the global COVID-19 pandemic when there was a lockdown for almost a year. However, in Nigeria, especially in Ibadan, the lockdown lasted only six months. COVID-19 safety protocols were strictly enforced to prevent danger to anyone. The researchers administered all 210 questionnaires and stood 4 meters from the respondents. The original intent was to sample all the polythene workers in Ibadan. These people are found in a few local governments of Ibadan. However, the reigning uncertainty in the world meant that people were not disposed to many things, including

participating in research. Thus, the researchers sampled only a local government with the possibility of getting more employees/respondents.

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**ASSESSMENT OF IMPLEMENTATION OF SAFETY MEASURES
BY SMALL AND MEDIUM SIZED CONSTRUCTION FIRMS IN
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Abstract

Studies have revealed that construction firms lack proper implementation of safety measures on construction projects in Abuja, Nigeria. Therefore, construction works all over the world pose serious threat to workers and non-workers on site in most developing countries such as Nigeria. This study assessed the level of implementation of safety measures by small and medium sized construction firms (construction SMEs) in Abuja with a view to improving the safety performance of construction firms. This was achieved through: identification of the effective safety measures required on construction sites; examination of barriers to the implementation of safety measures on construction sites; and suggesting strategies for improving the level of implementation of safety measures by construction SMEs. The use of structured questionnaire was employed for collecting data from selected construction SMEs in Abuja. Data were collected from 50 randomly selected construction SMEs with a response rate of 92%. Relative Importance Index (RII) and Mean Item Score (MIS) were employed for data analysis. It was revealed that the use of personal protective clothing (MIS = 4.54) was the most effective safety measure required on construction sites. It was also found that ineffective management commitment (MIS = 4.63) was the most severe barrier to the implementation of safety measures by construction SMEs. The study also found that provision of personal protective equipment (RII = 0.94) was the most effective strategy for improving the level of implementation of safety

measures on construction sites. It was however concluded that the level implementing safety measures by construction SMEs in Abuja is low. Therefore, this study recommended that construction stakeholders should encourage, ensure, and promote the proper implementation of safety measures in construction SMEs. This will assist to curb the challenges inhibiting safety measures implementation so as to improve the safety performance of construction SMEs.

Keywords: Construction Firms, Construction SMEs, Safety Measures, Small and Medium-sized Construction Firms.

INTRODUCTION

The construction industry is an important sector of the economy in many countries and it is often seen as a driver of economic growth by contributing to Gross Domestic Product (GDP), capital formation, and employment especially in developing countries (Phoya, 2012). Diugwu *et al.*, (2012) state that construction industry in developing countries have performed far below expectation in the area of health and safety (H&S), the situation in Nigeria is no exception. This is due to the fact that the existing legislation with regards to occupational H&S in Nigeria is not functional (Umeokafor *et al.*, 2014). According to Nzuve and Lawrence (2012), low level of inspection and examination of workplaces might determine the level of compliance with occupational safety and health (OSH) regulations as evident in workplaces in Nairobi. The same can be said of Nigeria, where lack of enforcement characterizes regulatory institutions (Idubor & Osiamoje, 2013), most laws appear to fulfil all righteousness or are used for political or victimization reasons, and the institutions alleged and proved to be corrupt and arbitrarily exercise its powers (Zou & Sunindijo, 2015). Koehn *et al.* (2013) also observed that framework for the implementation of safety measures applies mainly to the large-scale multinational construction firms. Therefore, little or no emphasis is laid on the small and medium sized construction firms in Nigeria.

Diugwu *et al.* (2013) opined that Nigeria is among the countries having none or little adaptive H&S measures and regulations where small and medium sized construction firms allocate little or no resources to H&S management. Bima *et al.* (2015) revealed that legislation on H&S are endorsed by the Nigerian government, including International Labour Organization (ILO)

conventions. However, their implementation by the relevant government bodies and workers is poor (Shittu *et al.*, 2015a; Shittu *et al.*, 2015b; Shittu *et al.*, 2016; David *et al.*, 2018). Awwad *et al.* (2016) added that safety practices lack necessary framework for the implementation of safety measures on construction projects with particular emphasis to the small and medium sized construction firms (construction SMEs) and thus leading to increase in accidents on construction sites and cost of compensation to injured workers. This brings about ineffective cost performance of projects.

Gurcanli *et al.* (2015) observed that studies on the cost of safety measures as a part of project costs during a construction project are very rare. This is a gap left by these studies from the global scene. The Nigerian construction industry researches carried out on health and safety include: application of H&S plan in Nigerian construction firms (Dodo, 2014); enforcement of OHS Regulation in Nigeria (Umeokafor *et al.*, 2014); influence of organizational characteristics on H&S practices of construction firms in Abuja; and evaluation of accidents and safety in the Nigerian construction industry (Aniekwu, 2017).

In summary, the previous studies on H&S appear to have been conducted to investigate on safety costs involved in the construction stage. But there exist limited studies on effective implementation of safety measures by construction SMEs in Nigeria as the existing ones are applied to larger construction firms and are particular to foreign and multi-national construction firms which are characterized with shortcomings of not capturing the peculiarities of SMEs in Nigeria. This paper will fill this research gap by assessing the level of implementation of safety measures by construction SMEs in Abuja with a view to improving the safety performance of construction firms.

The study covered data relating to safety measures required on site, current state of safety measures implementation, challenges to the implementation, effects of the safety measures implementation on the cost of accidents/compensation to injured workers on construction sites in Abuja, Nigeria. The rate of accidents and amount of compensation paid to victims were obtained from selected construction firms in the year 2021. The study focused on small and medium sized construction firms some of which are ISO certified and operate in Abuja. In this study, Health and Safety officers (HSO)/H&S representatives, safety experts and owners/managers were contacted to provide the required information on SMEs.

A larger study (Doctoral research) will then develop a model for effective implementation of safety measures by small and medium sized construction firms in Nigeria. This paper is therefore a part of this larger study. In order to achieve the aim of this paper, the following objectives were formulated to:

- i. Identify the effective safety measures required on construction sites by construction SMEs. Using relative importance index (RII).
- ii. Examine the barriers to the implementation of safety measures on construction sites by construction SMEs.
- iii. Suggest strategies for improving the level of implementation of safety measures on construction sites by construction SMEs.

REVIEW OF LITERATURE

The Construction Industry

The construction industry is considered as a leading driver of economic development in a country. Bebel and Mahmud (2012) state that the construction industry brings significant contribution and benefit in facilities production which initiates various economic activities and enhance the social and environmental needs of a nation. Thus, construction safety becomes one of the significant concerns. The construction industry is unique among all other sectors because it provides the necessary infrastructures that stimulate national development (Jackman, 2010). Nigeria being the most populous country in Africa and also the largest economy in Africa according to (World Bank, 2016) its construction industry plays an important role in the nation's economy. In 2012 the sector's contribution to national gross domestic product stood at 3.05% and in that same year the sector employed an estimated amount of 6.9 million workers (National Bureau of Statistics, 2015).

Occupational Health and Safety (OHS) is well recognised in the construction industry as one of the most important subjects. The implementation of OHS measures in the industry is critical for the protection of all project stakeholders (Lingard, *et al.*, 2015). Despite the persistent endeavours that have been made to improve and promote construction safety (Sherratt *et al.*, 2015) those accidents still plague the industry (Zhou *et al.*, 2015).

The Concept of Small and Medium-Sized Construction Firms

The Nigeria Bureau of Statistics (NBS) and (SMEDAN) (2012) categorised construction firms with 25 employees as small but this has been considered an unsuitable definition considering the high level of subcontracting in the

construction industry (Eyiah, 2004). The definition of SMEs in the Nigerian context, like in the UK and many other countries, varies between researchers and government institutions of the country. SMEs are broadly defined as business with turnover of less than 100 million per annum and/or less than 300 employees. Onugu (2005) . NBS and SMEDAN (2012) added that about 81% of construction SMEs in Nigeria is small-scale enterprises while about 19% are medium (NBS and SMEDAN, 2012). Majority of the Nigerian construction SMEs are sole proprietorship business enterprises; that is about 92% of the Nigerian construction SMEs are sole proprietorship mode. The highest number of the owners/managers of the Nigerian construction SMEs is of ages between 36 and 50 years and this constitutes about 42% of the total population of the Nigerian construction SMEs. The Nigerian construction SMEs have a great contribution to the Nigerian economy in terms of the building and construction investment; that is the Nigerian construction SMEs contribute to about 11% of the Nigeria's Gross Domestic Product (GDP) in 2010 (NBS and SMEDAN, 2012).

The regulations on OSH in Nigeria have received little attention, with little emphasis to strict adherence to safety in the construction industry and very minimal impact made by the inspection officers towards ensuring strict compliance. The accidents record in Nigeria indicate an alarming rate of injuries and fatalities on sites (Diugwu *et al.*, 2012). Hence, there is need to find a way of minimizing the rate of falls and injuries in Nigerian construction industry.

Effective Health and Safety Measures Required on Construction Sites

Construction industry is considered one of the most hazardous industries because of its unique nature (Fang & Wu, 2013). It comprises of a wide range of activities (both construction and repair) that rely intensively on labourers, heavy machinery and equipment. Construction workers engage in many activities that may expose them to serious hazards, such as falling from rooftops, encountering unguarded machinery, and being struck by heavy construction equipment (Popov *et al.*, 2016). Therefore, safety procedures related to the construction industry or project sites have been established in different countries (Muiruri & Mulinge, 2014) to ensure that construction sites or the industry are not the cause of immediate danger to the public or workers at a project site. Construction safety regulations are also useful for ensuring that every finished product meets the required safety standards.

Health and Safety Regulations

Research studies trace the origin of H&S regulations generally to the UK and US (Sunil& Hari, 2019). Nigeria as a former colony of Britain depended solely on standards and regulations of her colonial master before and even after independence. As a result, almost all existing regulations of reference on H&S in Nigeria originated from foreign countries (Kolawole 2014).

Chudley and Greeno (2016) defined construction regulations as statutory instruments setting out the minimum legal requirements for construction works and relate primarily to the health, safety and welfare of the workforce which must be taken into account when planning construction operations and during the actual construction period. Regulation cannot on its own be effective without enforcement. Idubor and Osiamoje (2013) opined those regulations without proper enforcement are tantamount to no laws.

Globally, health and safety regulations governing the construction industry and other work-related industries exist. In Nigeria a number of legislations on occupational health and safety exist. These include; Labour Act of 1974 modified to Labour Acts 1990, and updated to Labour Act, Cap L1, Laws of the Federation of Nigeria (LFN), 2004; the Factories Act of 1987 which became effective in 1990 and later updated to Factories Act, Cap. F1, LFN, 2004 Federal Government of Nigeria, “The Factory Act Of 1990”; the Workman’s Compensation Act of 1987 which became effective in 1990, modified to Workman’s Compensation Act, Cap W6, LFN, 2004 and repeal to Employee’s Compensation Act, No. 13, 2010 of the laws of the Federal Republic of Nigeria, “Factories Act 126 Cap. F1 LFN. 2004,” Federation of Nigeria (2010) the Insurance Act, 2003 and the Labour, Safety, Health and Welfare Bill of 2012 including the National Building Code Enforcement Bill which has suffered huge political setback over the years, and is yet to be passed into law by the National Assembly.

In spite of numerous statutory provisions and expectations in Nigeria, gap still exist in health and safety. This problem is linked to adopting almost all existing regulations of reference on health and safety in Nigeria from foreign countries, especially from the British legal system with little or no changes made. However, Dodo (2014) linked the problem to adopting almost all existing regulations of reference on health and safety in Nigeria from foreign countries, especially from the British legal system with little or no changes made. In

addition, Kolo (2015) observed that some provisions from these laws do not necessarily meet the conditions experienced in Nigeria. Nevertheless, the emergence of new regulations, laws, standards and codes has made many construction organisations to improve their safety performance.

Safety Code of Practice in the Construction Industry

The purpose of building codes and construction regulations cannot be over emphasized in project development and management; they ensure health and safety of workers, it provide habitable facilities, promotion of energy efficiency, it also facilitates sustainable development and contribute greatly to meeting the demands construction stakeholders. Muiruri (2014) asserted that code and regulations is not stand alone to improve construction safety at reduce cost, rather poor codes and regulations can only add to project cost without any solution to construction safety compliance. The cost arises from delays in construction progress include both direct and indirect cost on the employers and employees. The numerous numbers of codes and regulations that support management of health and safety practice includes: The provision and use of Equipment Regulation (1992), ILO code of practice-International Labour Office (1992), The Manual Handling Operations Regulations (1992), The Personal Protective Equipment at Work Regulations(1992), The occupational safety and health act of (2007), The Health and Safety (Display Screen Equipment) Regulations (1991), Health and Safety (First-Aid) Regulations (1981), Management of Health and Safety at Work Regulations (1999), Control of Substances Hazardous to Health Regulations (2002), Construction Design and Management Regulations 2015 (CDM 2015), Nigerian National Building Code (2007) (Bamisile, 2004; Muiruri , 2014).

The Provision of Nigerian National Building Code

The Nigerian National Building Code came on board after several debates and agitation by the representative of stakeholders in the built environment and government under the headship of the Minister of Housing and Urban Development. The code intended to serve as means of enhancing construction project, by disengagement of quacks and the use of ‘non-tested’ materials in the execution of building production. The objectives of the code are to provide solution to current challenges confronting the Nigerian building

industry. This includes: Inadequate town planning in Nigerian cities, occurrence of building collapse and accident-related issues, dearth of construction standards for regulating building designs and production, and the poor maintenance culture in the industry.

The code stated in Section 7 (49) stated the need to protect the general public and workers anytime a building production process, demolished and maintenance work are to be carried out. The following provisions were made in the code to ensure safety compliance of the operatives involved during production works on site: Section 7 (55) stated the requirement for the use of scaffolds and their components should provide support without failure at least four times the maximum intended loads. Section 7 (60) stated the requirement for managing health hazards, every construction or maintenance operation which results in the diffusion of noise, dust, stone and other small particles, toxic gases or other harmful substances in quantities hazardous to health shall be safeguarded by means of local ventilation or other protective wears to ensure the safety of the workers and the public as required by this code. Windapo and Jegede (2013) also noted that contractors (who are SMEs) prioritize savings cost to health and safety in the Nigerian construction industry.

Safety Policy

Health and Safety Policy is a written document which recognizes that health and safety is an integral part of the building and construction industry performance. It is a statement by the industry of its intentions and approach in relation to its overall health and safety performance and provides a framework for action, and for the setting of its health and safety objectives and targets. In every construction site or organization, Site managers should have a written safety policy for their organization setting out the safety and health standards which it is their objective to achieve. The policy should appoint a senior executive who is responsible for seeing that the standards are achieved, and who has authority to allocate responsibilities to management and supervisors at all levels and to see that they are carried out. Construction safety policy must therefore be developed by each site manager and operating company prior to starting any construction job. Once developed the development safety plan should be placed into a training program that's needed to be participated in by every site worker previous to partaking in any job found on the positioning

irrespective of the role's simplicity. The absence of site meetings as established in this survey implies that workers are not given a forum learn about various risks on the sites and Supervisors equally do not have opportunities to communicate important health and safety matters to the workers. Site meetings are one of the ways of sensitizing workers on their health and safety in the site and should therefore be held frequently. The policy should indicate the intention and purposes of the industry to operate a workplace, which is drug-free, specify the kind of substances to be banned; such as alcohol, explain the applied testing methods, state, and describe any assistance programs and penalties. Mandatory testing before hiring, testing for cause and continuous random testing should be addressed by the drug-testing program. Compulsory drug testing should be included in the employment application process.

Concept of Safety Culture in Construction Industry

Over the years, the construction industry has been labelled with a poor occupational safety and health culture. Efforts to improve occupational safety and health performance will not be effective until the occupational safety and health culture is improved (Misnan *et al.* 2012). It is a generally accepted wisdom that an organization that develops and maintains a strong safety culture is more effective at preventing individual and large-scale accidents (Agwu & Oledede, 2014). Agwu and Oledede (2014) in Mbuya and Lema (2016) opined that in most developing countries, safety consideration in construction project delivery is not given a priority and the employment of safety measures during construction is considered a burden. Enhassi *et al.* (2015) reported that in many developing countries, the legislation governing OHS is significantly limited when compared with UK. They further reported that there are rarely any special provisions for construction workers' safety and the general conditions of work are often not addressed. Agwu and Oledede (2014) reported that in many of the countries where safety legislation exists, the regulatory authority is weak and non-existent and employers 'pay lip service' to regulations.

Barriers to the Implementation of Health and Safety Measures on construction Sites

According to Nzuve and Lawrence (2012), low level of inspection and examination of workplaces might determine the level of compliance with occupational safety and health (OSH) regulations as evident in workplaces in

Nairobi. The same can be said of Nigeria, where lack of enforcement characterizes regulatory institutions (Idubor & Osiamoje, 2013). Furthermore, Okojie (2010) argued that insignificant penalties stipulated by the OSH laws do not guarantee compliance in any way, suggesting that penalties should serve as indirect instruments for enforcement of OSH regulations; that way, it can serve as deterrent to offenders. Diugwu *et al.* (2012) argued that lack of resources can hinder OSH management efforts. Conclusively, strict enforcement, weak national occupational health and safety standards, lack of adequate information, bribery and corruption, management commitment, weak legal structure, beliefs, lack of funding, and lack of awareness and improper medium for information dissemination are some of the challenges reviewed. Other challenges of H &S measures implementation for construction SMEs include the following:

- i. Poor Supervision and Monitoring
- ii. Inadequate training and retraining
- iii. Low capitalization
- iv. Poor policy implementation
- v. Poor budgetary provision and implementation
- vi. Lack of enabling environment (Social, Political, Legislative, macroeconomic and bureaucratic obstacles).

Strategies for Improving the Level of Implementation of Safety Measures on Construction Sites

Ghousi *et al.*, (2018) described a safety program as a fundamental and necessary basic program for building construction projects. Ghousi *et al.* (2018) further explained that a successful safety program must have three essential parts: Personal Protective Equipment (PPE), safety measures or Collective Protective Measures (CPM) and safety training. Construction sites are dangerous places, and as such first aid and rescue equipment should always be available. Work in the construction industry is tedious and involves much manual or physical activity. It is also hazardous and dirty and therefore good welfare facilities not only improve workers' welfare but also enhance efficiency. In order to reduce hazards and accidents in a construction site, health and safety risk assessment is an important measure (El-Mashaleh2010). Safety strategies reviewed include safety program, first aid kit and accident reporting, welfare facilities, safety promotion, safety personnel salary, health and safety file, health and safety risk assessment, site layout and planning, and working environment (Jannadi & Bu-Khasim, 2002). Other strategies for

improving the Level of Implementation of Safety Measures on construction Sites include

i. First aid kits and accident reporting

According to Nzuve and Lawrence (2012), construction sites are dangerous places, and as such first aid and rescue equipment should always be available. What is needed depends on the size of the site and the numbers employed, there should be a blanket and a stretcher. On large sites with more than 200 employees, there should be a properly equipped first aid room. On any construction site of that size, at least one person on every shift should have been trained in first aid to a nationally recognized standard. On day -to-day works procedures, an accident register book should be kept at the site, in which all types of minor injury such as bruises, to major accidents should be recorded (HSE 1998). Most of the construction sites that had first aid boxes were ill equipped with only spirit, bandage, paracetamol and cotton wool. First aid is a lifesaving exercise which is taken for granted on the sites visited and shows that workers are exposed to danger and risks when injured.

ii. Welfare facilities

Work in the construction industry is tedious and involves much manual or physical activity. It is also hazardous and dirty and therefore good welfare facilities not only improve workers' welfare but also enhance efficiency. Welfare facilities such as the provision of drinking-water, washing, sanitary and changing accommodation, rest-rooms and shelter, facilities for preparing and eating meals, temporary housing, assistance in transport from place of residence to the work site and back, all help to reduce fatigue and improve workers' health. Therefore, health and safety measures employed on construction sites are inadequate and fail to meet the required standards. The culture and attitude of construction workers and the site supervisors about health and safety often condone risk taking and unsafe work practices. Lack of proper information and ignorance are also to blame for the poor safety measures in construction sites. For instance, some workers felt that the safety equipment's such as hard helmets and reinforced boots are too cumbersome and uncomfortable.

iii. Health and safety risk assessment

In order to reduce hazards and accidents in a construction site, health and safety risk assessment is an important measure. In the context of health and safety, common definitions used for risk are that: risk is the likelihood of a substance to cause harm; and risk is a combination of the likelihood of an occurrence of a hazardous event or exposure(s) and the severity of injury or ill health that can be caused by the event or exposure. The Health and Safety Executive (HSE,1998) defined risk assessment as a process that identifies the hazards associated with particular activities/tasks, evaluates the effects of exposure to these hazards and implements the measure needed to control the risk of injury/ill health to as low a level as possible.

RESEARCH METHODOLOGY

This study adopted a quantitative research approach. This is due to high rate of accidents that occur in the construction SMEs. The study encompassed a review of literature survey from journals, conference papers and past projects to assess level of implementation of safety measures for small and medium sized construction firms. Data were collected from 50 randomly selected construction SMEs registered with the Federation of Construction Industry in Abuja with a response rate of 92%. The use of questionnaire was employed to gather data for this study. Descriptive statistics comprising of Relative Importance Index (RII) and Mean Item Score (MIS) were employed to analyse the data collected in order to achieve the research objectives. The use of RII and MIS for the analysis of data in this study is based on the formula depicted in Equations 1 and 2 respectively.

$$RII = \frac{\sum W}{A \times N} \dots\dots\dots (1)$$

Where;

Σ = Summation, W = the weights of every one of the factors given by respondents and it was in the range of (1 - 5), (A=5) the largest value of weight (i.e., highest factor) and finally N refers to the Total number respondents.

$$MIS = \frac{\sum W}{N} \dots\dots\dots (2)$$

Where;

Σ = Summation, W = Weight, and N = Total number respondents

The decision rule employed for the RII and MIS analysis is summarized in Table 1.

Table 1: Decision Rule for Analysis of Data

SCA LE	Cut-Off Point		Interpretations		
	RII	MIS	Level of Awareness	Level of Severity	Level of Effectiveness
5	0.81 - 1.00	4.51 - 5.00	Highly Aware	Very Severe	Very Effective
4	0.61 - 0.80	3.51 - 4.50	Aware	Severe	Effective
3	0.41 - 0.60	2.51 - 3.50	Fairly Aware	Fairly Severe	Fairly Effective
2	0.21 - 0.40	1.51 - 2.50	Unaware	Less Severe	Less Effective
1	0.00 - 0.20	1.00 - 1.50	Highly Unaware	Least Severe	Least Effective

Source: Adapted and Modified from Shittu *et al.* (2015a)

Cronbach’s Alpha Test was carried out to ascertain the reliability of the quantitative data collected for the study. Cronbach’s Alpha test was used to measure the internal consistency or reliability of a set of items and used when the multiple Likert’s scale is adopted in a questionnaire survey. Table 2 contains result of the reliability checks for the various sections of the questionnaire. The Cronbach’s Alpha value of the variables tested ranges between 0.299 - 0.802, with an average of 0.587.

Table 2: Results of Cronbach’s Alpha for Reliability Test

S/No.	Variables Tested	Cronbach's Alpha	No. of Items
1.	Identify and assess the effective safety measures required on construction sites by SMEs	0.661	15
2.	Examine the challenges affecting the implementation of safety measures on construction sites by SMEs	0.299	10
3.	Suggest strategies for improving the level of implementation of safety measures on construction sites by SMEs	0.802	15
Average		0.587	

Source: Researcher’s Field Survey (2022).

RESULTS AND DISCUSSIONS

This section describes and presents the analysis and interpretation of research data. The research which adopts a primarily sourced data using a well-structured questionnaire had been analysed. The results of the descriptive analysis are presented in Tables 1 – 3. The discussion for each Table thereafter follows below.

Result and Discussion for Effective Safety Measures Required on Construction Sites

Table 3 presents the MIS result of the analysis on the level of effectiveness of safety measures required on construction sites.

Table 3: Effective Safety Measures Required on the Site of an Organization

S/No.	Effective Safety Measures	MIS	SD	Rank
1.	Use of personal protective clothing (PPC)	4.54	0.504	1 st
2.	Safety policy	4.15	1.010	2 nd
3.	Use of first aid kits	4.11	0.849	3 rd
4.	Health and safety training	3.98	0.906	4 th
5.	Good working environment	3.96	0.965	5 th
6.	Safety personnel	3.80	0.934	6 th
7.	Health and safety risk assessment	3.76	0.822	7 th
8.	Welfare facilities	3.70	0.866	8 th
9.	Safety inductions	3.63	1.040	9 th
10.	Use of posters and other signs to give safety education	3.57	1.068	10 th
11.	Display of safety information clearly	3.50	0.888	11 th
12.	Keep safety procedures updated	3.41	0.956	12 th
13.	Safety meetings	3.37	1.082	13 th
14.	Alcohol-and substance-abuse programme	3.24	1.251	14 th
15.	Health and safety warning signs	3.22	0.917	15 th
	Average	3.73		

Source: Researcher’s Data Analysis (2022).

Table 3 revealed that the use of personal protective clothing (PPC) with MIS of 4.54 and standard deviation of 0.504, safety policy with MIS of 4.15, and standard deviation of 1.010, use of first aid kits with MIS of 4.11 and standard deviation of 0.849, health and safety training with MIS of 3.98 and standard deviation of 0.906, and good working environment with MIS of 3.96 and standard deviation of 0.965 are the effective safety measures required on construction sites. This is in line with the findings of El-Mashaleh *et al.* (2010) where they found that undertaking regular meeting on safety at the project level, ensuring adequate measures on safety, making available personal protection equipment (PPE), putting up safety signs and posters, undertaking regular safety inspections, establishing a system for acknowledging and awarding safe conduct are essential for safety performance on construction sites.

Result and Discussion for the Barriers to the Implementation of Safety Measures by Construction SMEs

Table 4 shows the RII result of the identified challenges affecting the implementation of safety measures by construction small and medium sized enterprises.

Table 4: Barriers to the Implementation of Safety Measures by Construction Small and Medium Sized Enterprises

S/No.	Barriers	RII	SD	Rank
1.	Management commitment	4.63	0.488	1 st
2.	Low level of compliance with occupational health and safety regulations	4.24	0.848	2 nd
3.	Weak national OHS standards	3.96	0.759	3 rd
4.	Lack of adequate information on OHS	3.59	1.166	4 th
5.	Weak legal structures	3.54	0.982	5 th
6.	Awareness and proper medium of information dissemination	3.39	0.930	6 th
7.	Provision of safety facilities	3.26	0.976	7 th
8.	Lack of funding for inspecting and H&S plan in a construction sites	3.04	0.868	8 th
9.	Bribery and Corruption	2.80	1.067	9 th
10.	Absence of safety representatives	2.74	1.104	10 th
	Average	3.52		

Source: Researcher’s Data Analysis (2022).

Table 4 revealed that the most severe barriers to the implementation of safety measures by construction SMEs are management commitment with MIS of 4.63 and standard deviation of 0.488, low level of compliance with occupational health and safety regulations with mean score of 4.24 and standard deviation of 0.848, Weak national OHS standards with mean score of 3.96 and standard deviation of 0.759, Lack of adequate information on OHS with mean score of 3.59 and standard deviation of 1.166, and Weak legal structures with mean score of 3.54 and standard deviation of 0.982. This agrees with the findings of Nzuve and Lawrence (2012) which revealed that low level of inspection and examination of workplaces might determine the level of compliance with occupational safety and health (OSH) regulations as evident in workplaces. However, the finding here contradicts the findings of Idubor and Osiamoje (2013) which assert that bribery and corruption are the biggest hindrances to

proper compliance with occupational safety and health (OSH) regulations in Nigeria.

Result and Discussion for Strategies for Improving the Level of Implementation of Safety Measures on Construction Sites

Table 5 shows the MIS result on the strategies for improving the level of implementation of safety measures on construction sites.

Table 5: Strategies for Improving the Level of Implementation of Safety Measures on Construction Sites

S/No.	Strategies	MIS	SD	Rank
1.	Provision of personal protective equipment	0.94	0.502	1 st
2.	Provide first aid supplies	0.88	0.774	2 nd
3.	Use of Building codes of practice	0.86	0.628	3 rd
4.	Training and Competence	0.85	0.801	4 th
5.	Communication of H&S policy and programs to staff	0.84	0.778	5 th
6.	Deal with any hazards promptly	0.83	0.957	6 th
7.	Training and Enforcement	0.81	0.759	7 th
8.	Risk Awareness, management and tolerance	0.80	0.989	8 th
9.	Safety inspection	0.79	0.904	9 th
10.	Keep safety procedures updated	0.78	0.948	10 th
11.	Meet fire safety standard	0.77	0.749	11 th
12.	Strategic safety communication	0.75	0.899	12 th
13.	Collective protective equipment such as scaffolding, safety nets fencing and accessibility	0.74	0.779	13 th
14.	Display safety information clearly	0.72	1.085	14 th
15.	Worksite organization	0.71	0.981	15 th
	Average	0.81		

Source: Researcher’s Data Analysis (2022).

Table 5 which highlights the strategies used for improving the level of implementation of safety measure identified provision of personal protective equipment (PPE) with the RII of 0.94 and standard deviation of 0.502, provide first aid supplies with the RII of 0.88 and standard deviation of 0.774, use of building codes of practice with the RII of 0.86 and standard deviation of 0.628, training and competence with the RII of 0.85 and standard deviation of 0.801, and communication of H&S policy and programs to staff with the RII of 0.84 and standard deviation of 0.778 as the most effective strategy to improve the level of implementation of safety measure. This corroborate with the findings of Ikpe (2010) where he asserted that provision of personal protective

equipment can be argued to be the most significant element in terms of improving the level of implementation of safety measure.

In view of the results presented and discussed, the following observations have been made:

- i. Analysis from Table 3 which highlighted the effective safety measures required on construction site revealed that the most effective safety measures implemented on their site(s) are: use of personal protective clothing (PPC), safety policy and use of first aid kits.
- ii. Table 4 which identified the barriers to the implementation of safety measures by construction SMEs revealed that the most severe challenge affecting such implementation is management commitment. Other severe challenges identified during the study include; is low level of compliance with occupational health and safety regulations., lack of adequate information on OHS, weak national OHS standards, weak legal structures, awareness and proper medium of information dissemination, provision of safety facilities, lack of funding for inspecting and H&S plan in a construction sites, bribery and corruption and absence of safety representatives.
- iii. Table 5 which highlighted the strategies used for improving the level of implementation of safety measure identified provision of personal protective equipment as the most effective strategy to improve the level of implementation of safety measure.

CONCLUSIONS AND RECOMMENDATIONS

Based on the analysis of data and findings from the analysis, vital conclusions were made and reported in this section. The use of personal protective clothing (PPC), safety policy, use of first aid kits, health and safety training and good working environment are the most required safety measures required on construction sites of SMEs. Management commitment, low level of compliance with occupational health and safety regulations, weak national occupational health and safety (OHS) standards, lack of adequate information on occupational health and safety (OHS), and weak legal structures are the most severe barriers to the implementation of safety measures by construction SMEs. Provision of personal protective equipment, provision of first aid supplies, use of building codes of practice, training and competence, and communication of H&S policy and programs to staff are the most effective strategies that can improve the level of implementation of safety measures on

construction sites by SMEs. It can finally be concluded that there is low level of implementation of safety measures on construction sites by construction SMEs in Abuja.

In view of the aforementioned conclusions and based on the findings from this study, the following recommendations were made:

- i. Construction firms should encourage and enhance the implementation/use of personal protective clothing (PPC), safety policy, use of first aid kits, health and safety training and good working environment so as to further reduce rate of accidents and unnecessary expenses that may amount as result of accidents.
- ii. This study recommends that firms should have a more stringent in-house rules by incorporating the ‘carrot and stick’ approach (that is, a combination of reward and punishment) to induce good behaviour. In addition, reduction in cost of safety training, adoption of seminars and workshops to engage SMEs to be part of OHS activities, and ensuring the right safety culture for professionals/site workers is crucial for the advancement of OHS and for the wellbeing of the workers.
- iii. This research recommend that construction firms should ensure provision of adequate personal protective equipment, provide first aid supplies, encourage the use of building codes of practice, facilitate staff training and competence, ensure proper communication of H&S policy and programs to staff, and conduct safety inspections at predetermined intervals so as to improve the level of implementation of safety measure on construction sites by SMEs.
- iv. Finally, organizations and construction stakeholders should encourage, ensure, and promote the proper implementation safety measures as it is intended to support small and medium sized construction firms as well as professionals in identifying safety issues, putting measures in place to curb the barriers inhibiting safety measures implementation and improving on the safety practices of small and medium sized construction firms in order to enhance firm’s competitive advantage and boost performance.

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CRITERIA FOR MEASURING ORGANISATIONAL PERFORMANCE IN NIGERIA CONSTRUCTION INDUSTRY

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Abstract

Performance criteria is a principle or standard by which the performance of an organisation may be judged or decided. All the models, frameworks and indices used in measuring organisation performance are based on one criterion or the other. Most of these frameworks have failed due to incomprehensive and non-consideration of criteria that suit the environment where an organisation is based. This study aimed at determining the criteria for measuring organisational performance concerning the Nigerian construction industry. In achieving this aim nine criteria were drawn out from the literature, and the effect of these criteria on organisational performance was determined using multiple regression analysis. Eighty organisations from the federation of the construction industry were used for this study. The targeted respondents were management members of these 85 organisations. 366 questionnaires were distributed and 301 questionnaires were retrieved making 82% of the response rate. The analysis showed a positive and significant effect of eight criteria. These showed that the criteria could be used as a measure of organisational performance. The study concluded that a framework for measuring organisational performance could be developed using the nine criteria. The study recommended a detailed focus on the nine criteria when measuring organisational performance.

Keywords: Construction, Criteria, Measuring, Organisation, Performance.

1.0 Introduction

Construction organisations must identify performance criteria that comprehensively cover all pertinent business model aspects. Some authors have proposed using the original criteria of the Basic Score Card BSC to evaluate the performance of construction organisations (Upadhaya, 2014). However, Lueg (2015) observed that the original BSC ignores developments in industry-specific, social, and natural environments. Some authors have added relevant criteria to the initial criteria of the BSC to evaluate the performance of construction organisations or have replaced existing criteria of the original BSC with new ones (Fonseca, 2022). EFQM Excellence model is structured around nine essential criteria, which can be divided into ‘enablers’ and ‘results. Five criteria are enablers, and the other four are results (Fonseca, 2022). Criteria like leadership, strategy, people, partnerships, resources, processes, products, and services are enablers, while the results are people, customers, society, and key results (EFQM, 2019). The Excellence Model provides nine weighted criteria and gives more details of weighted sub-criteria for each criterion (Fonseca, 2022). The five criteria under ‘enablers’ have five sub-criteria, while the criteria under ‘results’ have two sub-criteria. Details of all the nine criteria and their sub-criteria are shown in Table 1.

The enablers’ criteria cover what an organisation does (how the organisation is run and operated). At the same time, the results concentrate on what is seen to be achieved by all those who have an interest in the organisation and how achievement is measured and targeted (Akinradewo *et al*, 2019). Enablers generate results, and feedback helps improve enablers and the relationships between the enablers and the results criteria strengthen the model ((Aldarmaki & Yaakub, 2022; Fonseca, 2022). The model is based on the premise that excellent results concerning key results, customers, people and society are achieved through leadership-driving strategy, delivered through people, partnerships and resources and processes, products and services (Fonseca, 2022).

The model has 32 sub-criteria detailing the scope and application of the model, each sub-criterion includes several guiding areas, which are neither prescriptive nor exclusive. It is necessary to point out that several sub-criteria handles many of those areas in parallel (EFQM, 2019). The reason for this is the objective of analysing a reality (the organisation) from different points of view or reference perspectives, which compose the global existence of the

organisation (Castilla, 2002; Camileri, 2021). The principles of EFQM were one of the principles that underpinned this research, these criteria were developed and improved on using other researchers' views highlighted in the preceding sections.

This research adopted the criteria stated in the basic scorecard BSC and EFOM excellence. Based on the above criteria, the adoption is in line with Björklund and Forslund (2013), that observed that operational performance criteria should comprise the customer, people, processes and resources, financial and business results perspectives with a range of measures and sub-measures on each area as quality of work, achievement of time scales, the standard of communication, impact on society and good practice for customer view; employee satisfaction, employee involvement, training and development, safety for people view; target zero time delays, work won on value, criteria and waste efficiency for processes and resources view; Risk management, return on capital and profitability for financial perspective; market value, growth, project site contribution for business results view.

Akinmoladun (2015) has mentioned that business performance scorecards also should be comprised of other critical areas of success in construction. The vital areas like innovation, partnering, supply chain management, teamwork, and leadership would lead them to become a world-class construction organisation (Fonseca, 2022).

According to Baird (2017), most international construction organisations use performance indicators such as cost predictability, time predictability, defects, accidents, number of employee suggestions implemented, number of continuous improvement projects completed, number of ISO 9001 non-conformities, plant breakdown, number of customer complaints, energy consumption rate, number of reportable environmental incidents, in benchmarking the organisation's performance.

The report by Construction Task Force in London introduced five fundamentals to the construction process; namely, leadership, focus on customers, integration of the process and the team around the product, quality-driven agenda and commitment to people (Ercan and Koksall, 2016). It is also recommended that the industry put in place a means of measuring progress towards its objectives and targets (Lueg, 2015). Key performance

indicators (KPIs) currently being used in the UK construction industry can be effectively used by clients and supply chain organisations for benchmarking against best practices within or outside the construction industry (Ercan &Koksal, 2016; Bingol & Polat, 2019).

2.0 Constituents of Organisational Performance Criteria in The Construction Industry

Performance criteria are compilations of data measures used to assess the performance of a construction operation (Meharalian *et al.*, 2017). In consideration of criteria, there is a need to put the available frameworks into consideration. Each framework has its criteria for measuring performance; the summarised criteria commonly used by these frameworks are further explained below.

2.1 Leadership criteria (LDES)

According to Akinradewo *et al.* (2019), leadership is a crucial element in the organisational behaviour landscape, whereby it is one of the flexible impacts of individual and organisational interactions. Its role in generating the outcomes of any project is undeniably vital as different leadership styles, as identified in the research, will yield different results when subjected to various circumstances (Fonseca, 2022). For example, Ibrahim and Daniel (2019) have delineated leadership's role as an appropriate tool in motivating employees towards upgraded growth and development. In contrast, organisational performance describes an organisation's capacity to attain specific aims and goals, including excellent financial outcomes, high organisational profits, and quality product manufacturing via effective strategic methods (Longe 2008; Dastana 2020). In specific conditions, leadership styles can achieve accomplished organisational success despite followers getting fewer rights than those under the leadership (Aldarmaki & Yaakub, 2022).

In general, discourses on the correlation between leadership styles and performance are abundant by different researchers. Prior works have revealed the unique link between leadership styles and organisational performance (Dastane, 2020). Many pieces of literature have proved that leadership styles can improve organisational performance; also they have confirmed that there is a positive relationship between leadership styles and organisational

performance (Longe, 2014; Hamzah *et al.*, 2018; Alquadah *et al.*, 2018; Ibidunni *et al.*, 2022). Many have recommended leadership style as a criterion for measuring organisational performance.

Flexibility in leadership enables the organisation to anticipate and react promptly to ensure the ongoing success of the organisation (Akinradewo *et al.* 2019). Below are the fundamental roles of a leader in an organisation, as highlighted by Akinradewo *et al.* (2019);

- a. Leaders develop mission, vision, values, and ethics and act as role models.
- b. Leaders define, monitor, review and drive improvement of the organisation's management system and performance.
- c. Leaders engage with external stakeholders.
- d. Leaders reinforce the culture of excellence with the organisation's people.
- e. Leaders ensure the organisation is flexible and manages change effectively.

According to Ibrahim and Daniel (2019), leadership is one of the most critical and essential criteria for measuring organisation performance in the construction industry. Ibrahim and Daniel (2019) emphasised that achieving organisational performance depends mainly on the type of leadership style that organisations adopt. This is because leadership is one tool to attain organisational goals and objectives. Therefore, Ibrahim and Daniel (2019) recommended that every organisation should, as the issue of importance, ensure getting the right leader that will staff their organisation; to achieve their set goals/objectives, which is effective organisational performance.

2.2 Society, Customer And Stakeholders' Results and Focus (SCSF)

Stakeholders; Fonseca *et al.*, (2021) described stakeholders as "those entities that represent a part of the microenvironment of an organisation that could manifest certain interest's indirect relations with a publicly held company". Stakeholders, therefore, have something to gain or lose through the outcomes of some organisation's activities (Napitupulu, 2018). Hence they depend on organisations to fulfil their own goals, and, in turn, the organisation depends on them to achieve its objectives (Fonseca *et al.*, 2021). Stakeholders exist at various organisational levels, and the choice of the ones whose expectations are to be fulfilled depends significantly on the organisation's vision and mission, with the values of its management (Ibidunni *et al.*, 2022). Therefore,

each company could have its own unique set of stakeholders, as depicted in. Still, the typical ones for any organisation include the society wherein the organisation operates, with its customers, investors/shareholders, government, owners, suppliers, creditors and employees. Shareholders and owners can be said to have the most significant influence on any organisation's performance because they are the main financiers and can influence the success of any strategy adopted by the organisation (Baah et al., 2021).

Customer Results: Hanaysha and Mehmood (2022) recommended customer results as one of the criteria for determining a successful organisation, and organisations can only be said to perform if they achieve a positive relationship with their customers. Slogan 2022 argued that managers should make decisions to take account of the interests of all stakeholders in organisations (including not only financial claimants but also employees, customers, communities, governmental officials and, under some interpretations, the environment, terrorists and blackmailers). Sinng and Misra (2021) argued that an organisation could not maximise profit if it ignores the interest of its customer; this is why a Balanced Scorecard considers society, stakeholders, and customers when measuring the performance of an organisation.

2.3 Partnerships And Supplier Management Relation (PSMR)

Wang et al. (2021) recommended that there is a need for organisation managers to develop the capabilities of their people and promote fairness and equality. They are to care, communicate, reward, and be recognised in a way that motivates people, builds commitment, and enables them to use skills and knowledge for the organisation's benefit. Akin *et al.* (2022) emphasised that organisations seek to recruit the best human cadres to manage their resources effectively. Whether they are directly involved in the construction activities, for example, labourers, engineers, and project managers, or engaged in supporting activities, for example, senior managers, project coordinators, or contract administrators. Camilleri (2021) concluded that how a wish organisation plans and manages external partnerships, suppliers, and internal resources to support strategy and policies and the effective operation of processes is a strong determinant of how the organisation performs.

2.4 Processes Management (PRCM)

Organisation designs, manage and improve processes, products and services to generate increasing value for customers and stakeholders. This has been suggested as an essential criterion to measure organisation performance (Ghafoor *et al.* 2022; Harsanto *et al.* 2022).

2.5 Information and Analysis Criteria (IFAS)

Investment in information management has positively influenced organisational performance, various research has studied how information and analysis impact an organisation's performance Moradi *et al.*,2022; Rochmatullah *et al.*, 2022; Rangsungnoen 2022 and Ghafoor *et al.* 2022). Moradi *et al.*,2022 found that investment in information management has positively influenced organisational performance. The study by Lee *et al.* (2022) emphasizes that managing information as an essential resource will help to improve organisational performance by controlling the creation and growth of data, reducing operating costs, improving efficiency and productivity and safeguarding vital information. All these will eventually give organisations a competitive advantage (Alkarean *et al.*, 2022).

2.6 Strategic and Innovation Management (STIM)

An innovation strategy should align with an organisation's mission, vision, goals, and objectives (Harsanto *et al.*, 2022). According to Moradi *et al.*, 2022 innovation strategy is an organisation's guidelines about when and how it should selectively abandon the past and change its corporate strategy and objectives to focus on future business. Furthermore, Rochmatullah *et al.* (2022) opined that an organisation's philosophy and behaviour are directed towards comprehending the current and future needs of the market and responding to them. Ghafoor *et al.* (2022) argued that for better performance, distance should not be a barrier between organisations and their customers and competitors (Lee *et al.*, 2022). In supporting the above findings, Rochmatullah *et al.* (2022) also averred that organisations that intentionally concentrate on the market as the source of their innovation strategy will learn better and have the edge over their competitors which is the main focus and measure of organisational performance.

2.7 Learning And Knowledge Management (LKDM)

Several types of research present a positive relationship between knowledge management and innovation. For instance, Alkarean *et al.*, (2022) acknowledged that knowledge management strongly affects an organisation's innovation capacity. Organisations can internally acquire knowledge through explicit learning from existing documents or the tacit knowledge of their people confirming a positive relationship between knowledge acquisition and innovation. According to Byukusenge *et al.* (2017), there was a significant positive nexus between knowledge acquisition and technological innovation (i.e. product and process innovation). Furthermore, Moradi *et al.*, (2022) established an important positive relationship between knowledge acquisition and organisational performance. Another study by Ghafoor *et al.* (2022) also showed that knowledge management practices indirectly affect organisational performance via innovation. These above studies showed that learning and knowledge management has a significant effect on organisation performance but none has established this as a criterion that could be used to measure organisational performance this is what this study intends to do.

2.8 People and Resource Management (PRCM)

Literature has been published on the relationship between resources and capabilities and organisational performance in the construction industry. These studies demonstrated that resources and capabilities positively link organisational performance and offer competitive advantages (Oyewobi *et al.*, 2016; Tripathi & Jha, 2017; Igbal *et al.*, 2019). Resources and capabilities are found to positively impact organisational performance in various ways, such as improving internal performance, matching the base of help with the fluctuating environments, and creating changes in the market (Singh & Misra, 2021).

Tripathi and Jha, (2017) examine the relationship between learning orientation and organisational business performance and found that the focus on learning was positively and significantly related to the company's organisational performance. Furthermore, Mahmoud *et al.* (2016) show that learning orientation significantly impacts innovation that mediates business performance in a developing country's context. Learning-oriented companies tend to reduce administrative costs using high technology and new communication channels. The study used people resource and process management as one of the criteria based on the authors' views and findings above.

2.9 Project and Business Results Criteria (PJBR)

Project and business results are measures of the product and operational performance of an organisation, results demonstrate the quality and value of products and services that lead to customer satisfaction and engagement (Soewin & Chinda 2022). The performance of organisations is often judged on financial results, but these are outcomes rather than outputs. Financial measures are share price, dividends, gross margins, net profit, turnover, return on equity, and return on net assets. These are only part of the picture, and many standard ratios are used to evaluate an organisation's overall financial condition, if products and services satisfy customers in a manner that meets the other stakeholders' needs, it will have a positive effect on the financial results of an organisation (Soewin & Chinda 2022; Khalfan *et al.*, 2022; Moradi *et al.*, 2022).

2.10 Financial and non-financial performance criteria

Specific criteria must be examined when planning and choosing suitable criteria to measure an organisation's performance. These must be selected based on what organisations want to achieve as their objectives (Baird, 2017). They must make comparisons with other organisations in the same business and explain clearly the purpose of each performance criterion selected. The requirements should be established through discussions with people involved in the industry, for example, customers, employees and managers (Bakotic, 2016).

In earlier performance measurements, organisations tended to measure their performance by looking at financial aspects or measures, such as return on investment (ROI), sales per employee and profit per unit production, profit margins, turnover of stock, debt to equity ratio and cash flow (Moradi *et al.*, 2022). The aspect of finance has been described by Moulin (2017) and Baird (2016) as a traditional performance measurement. However, financial measures have been criticised for being short-term indicators, being too historical and backwards-looking, encouraging dysfunctional behaviours and considering the development of intangible assets such as employee capabilities and customer satisfaction (Moradi *et al.*, 2022). Being historically focused means they measured only what had happened and not what will happen in the future (Mehralian *et al.*, 2017).

Financial alone is unlikely to be the most efficient means to motivate employees. Financial information is lagging because it describes the outcome of managerial actions or decisions after they occur by at least one reporting period (Lueg, 2015). Md Asrul (2019) agreed that financial measures alone are no longer sufficient and suitable for understanding performance in a dynamic and challenging business environment. It does not reflect performance in the new economy, which is in the global economy. Organisations must move beyond financial performance indicators to consider non-financial measures contributing to long-term value creation (Baird, 2017). Quality, speed, flexibility, and cost have emerged as the three most competitive attributes (Nuru and Ibrahim, 2017). Managers need current and up-to-date non-financial information to take better actions or decisions (Nnadi, 2015).

Parmenter (2015) has listed the following reasons why financial measures have been criticised as a criterion for measuring the performance of an organisation:

- i. Encourages short-termism, for example, the delay of capital investment.
- ii. Lacks strategic focus and fails to provide quality, responsiveness and flexibility data.
- iii. Facilitates local optimisation, for example, ‘manufacturing’ inventory to keep people and machines busy.
- iv. Encourages managers to minimise the variances from standard rather than seek to improve continually.
- v. Fails to provide information on what customers want and how competitors are performing.
- vi. The financial measure is concerned with the cost of elements and tries to quantify performance solely in monetary terms. Still, many enhancements are difficult to quantify monetarily, such as lead-time reduction, quality improvements and customer service.
- vii. Financial reports are usually produced monthly and are the results of decisions made one or two months previously.
- viii. Financial measures have predetermined inflexible formats used across all departments, ignoring that a department may have unique characteristics and priorities.

Therefore, financial performance measures should be supplemented or replaced by non-financial measures because they are more informative of

employees' actions and can improve contracting. Yu *et al.* (2017) concluded that both financial and non-financial aspects are needed and are essential in identifying an organisation's performance. The need to adopt a balanced range of financial and non-financial performance measures is now widely accepted this is why this study evaluated the criteria that could be used to measure organisation in the construction industry.

3.0 Methodology

The study employed exploratory research and quantitative research, the is because the study was only interested in determining the organisational variables as a means of improvement to organisational performance. The population consists of all the management members of the Federation of Construction Industry in Nigeria FOCI. The purposive sampling technique was adopted and Eighty-five (85) organisations practising in Nigeria were sampled with a population of 625 management staff; the sampling size was calculated using the formula suggested by Yamane, 1973 sighted in Taherdoost (2017). Using the above formula, a sample size of 244 was obtained. 50% of the value was added following the recommendation of Taherdoost (2017) to cover the non-response number; therefore, the new adjusted sample size used for the research was 366 for the questionnaires.

The questionnaire was closed-ended and structured that was based on the questions generated from the literature; these questions were scaled using the 5 – point Likert scale of 1 – 5 (where: 1 Not Significant, 2 Low Significant, 3 Significant, 4 High Significant and 5 Very High Significant) this is concerning the research hypothesis.

Three hundred and sixty – six (366) questionnaires were distributed among the management members of eighty-five (85) construction organisational in the study area and 301 were retrieved making 82% of the response. The questionnaire was structured into 2 sections: section A covered respondents' profiles and questions related to the respondents' backgrounds and organisations while section B covered queries drawn out for the objective using the findings from the literature.

Section A of the questionnaire was analysed using percentiles while section B was analysed using Multiple Regression Analysis MRA, the existing literature provided strong evidence that certain variables could be expected to be strong predictors of organisational performance, and the data analysis

for regression was conducted using IBM SPSS statistics 26 and Microsoft excel.

4.0 Results and Discussion

The response rate is shown in figure 1. three hundred and sixty – six (366) questionnaires were distributed based on the sample size calculated. Out of this number, three hundred and (301) questionnaires were retrieved. This showed an 82% response rate which is high and adequate for the research.

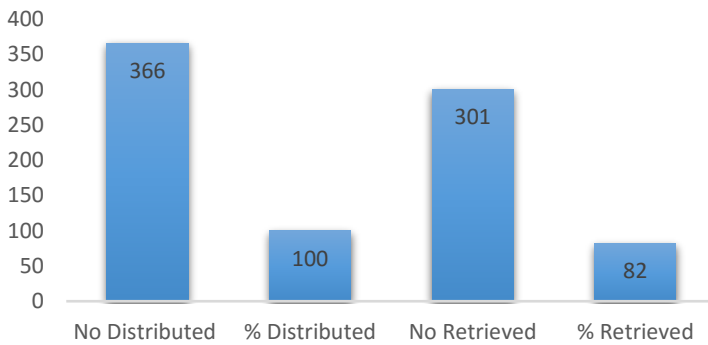


Figure 1. Response Rate

Source: Researcher’s Analysis of Data (2021)

Table 2 shows the presentation and analysis of Section A of the questionnaire; this was the profile of the respondents and some basic questions concerning the organisations practising performance measurement. The use of frequency distributions and percentile analysed this.

Table 1 shows that most of the respondents work in an organisation involved in contracting and consulting; the figure was as high as 66%, while those who are either for contracting and consulting were 28% and 5%, respectively. These findings are in line with Ibidunni *et al.* (2022), which found that most of the construction organisations practising in Nigeria are into both contracting and consulting. The respondents used for this research were of great experience; this is shown in Table 1; the respondents with twenty years above have a high percentage of 62%. This gave them confidence that most of the respondents were eligible because it was delivered from their wealth of experience of over 20 years.

Table 1. Demography of Respondents and Organisations

	Frequency	Percentage
Type of the Organisation of the Respondents		
Contracting	85	28
Consulting	16	5
Both	200	66
Total	301	100
Academic Qualification the Respondents		
HND/B.SC/B.TECH	198	66
M.SC/M.TECH/M.BA	98	33
PhD	5	2
Total	301	100
Professional Qualification of the Respondents		
QSRBN	23	8
CORBON	27	9
ARCON	43	14
CORREN	55	18
ICA/ANA	55	18
NIM	52	17
Others	46	15
Total	301	100
Respondents' Years of Experience in the Construction Industry		
≤ 5 Years	10	3
6 - 10 Years	53	18
11 - 15 Years	134	45
16 - 20 Years	42	14
Above 20 Years	62	21
Total	301	100

Source: Researcher's Analysis of Data (2021).

4.1 Testing of the hypothesis

H1: There is no significant relationship between organisational performance criteria and organisational performance

In testing the above hypothesis six (9) main constructs were used, and each main construct has sub-constructs which range from two to five. The total sub-constructs were thirty-two (32). This number was arrived at after factors loading has eliminated some of these sub-constructs. To determine the relationship between the nine criteria in the construct and performance criteria a multiple regression analysis was run using the data from the respondents. The output of these results was tabulated in Table 5.7. this multiple regression

was performed with the nine criteria as predictors and organisational performance as dependent factors in multiple regression analysis (appendix I). A predictive model was generated. The subsequent multiple linear regression (MLR) was fitted, and the related regression coefficients were statistically tested to see if they could be claimed to be significantly non-zero given the available information in the surveyed data.

$$\begin{aligned}
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{IFAS1}^{(OP)}(IFAS) + \beta_{IFAS2}^{(OP)}(IFAS) + \beta_{IFAS3}^O(IFAS) + \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{LDES1}^{(OP)}(LDES) + \beta_{LDES2}^{OP}(LDES) + \beta_{LDES3}^{(OP)}(LDES) + \\
 &\beta_{LDES4}^{(OP)}(LDES) + \beta_{LDES5}^{(OP)}(LDES) + \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{LKDM1}^{(OP)}(LKDM) + \beta_{LKDM2}^{(OP)}(LKDM) + \beta_{LKDM3}^{OP}(LKDM) + \\
 &\beta_{LKDM4}^{OP}(LKDM) + \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{PSMR1}^{(OP)}(PSMR) + \beta_{PSMR2}^{(OP)}(PSMR) + \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{PCRM1}^{(OP)}(PCRM) + \beta_{PCRM2}^{(OP)}(PCRM) + \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{PRCM1}^{(OP)}(PRCM) + \beta_{PRCM2}^{(OP)}(PRCM) + \beta_{PRCM3}^{(OP)}(PRCM) + \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{PJBR1}^{(OP)}(PJBR) + \beta_{PJBR2}^{(OP)}(PJBR) + \beta_{PJBR3}^{(OP)}(PJBR) + \beta_{PJBR4}^{(OP)}(PJBR) \\
 &+ \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{SCSF1}^{(OP)}(SCSF) + \beta_{SCSF2}^{(OP)}(SCSF) + \beta_{SCSF3}^{(OP)}(PJBR) + \beta_{SCSF4}^{(OP)}(SCSF) \\
 &+ \varepsilon \\
 Y_{(OP)} &= \beta_0^{(OP)} + \beta_{STIM1}^{(OP)}(STIM) + \beta_{STIM2}^{(OP)}(STIM) + \beta_{STIM3}^{(OP)}(STIM) + \beta_{STIM4}^{(OP)}(STIM) \\
 &+ \varepsilon
 \end{aligned}$$

Model	Regression Weight	Beta Coefficient	R Square	F	T Value	P-Value	Comment	Decision
H1₁	IFAS ↔ OP							
	IFAS 1 ↔ OP	0.383	0.310	68.615	8.864	0.000	SS	Accept
	IFAS 2 ↔ OP	0.105	0.310	68.615	2.170	0.000	SS	Accept
	IFAS 3 ↔ OP	0.212	0.310	68.615	4.634	0.000	SS	Accept
H1₂	LDES ↔ OP							
	LDES 1 ↔ OP	0.077	0.160	17.428	1.627	0.000	SS	Accept
	LDES 2 ↔ OP	0.108	0.160	17.428	2.750	0.000	SS	Accept
	LDES 3 ↔ OP	0.008	0.160	17.428	0.125	0.000	SS	Accept
	LDES 4 ↔ OP	0.130	0.160	17.428	2.159	0.000	SS	Accept
	LDES 5 ↔ OP	0.191	0.160	17.428	3.339	0.000	SS	Accept
H1₃	LKDM ↔ OP							
	LKDM 1 ↔ OP	0.208	0.391	71.905	5.015	0.000	SS	Accept
	LKDM 2 ↔ OP	0.223	0.391	71.905	4.956	0.000	SS	Accept
	LKDM 3 ↔ OP	0.120	0.391	71.905	2.473	0.000	SS	Accept
H1₄	LKDM 4 ↔ OP	0.283	0.391	71.905	6.281	0.000	SS	Accept
	PSMR ↔ OP							
	PSRM1 ↔ OP	0.170	0.091	23.085	3.144	0.000	SS	Accept
	PSRM 2 ↔ OP	0.170	0.091	23.085	3.150	0.000	SS	Accept
H1₅	PCRM ↔ OP							
	PCRM1 ↔ OP	0.288	0.163	42.411	6.098	0.000	SS	Accept
	PCRM2 ↔ OP	0.195	0.163	42.411	4.141	0.000	SS	Accept
H1₆	PRCM ↔ OP							
	PRCM 1 ↔ OP	0.304	0.321	71.493	6.562	0.000	SS	Accept
	PRCM 2 ↔ OP	0.136	0.321	71.493	2.706	0.000	SS	Accept
	PRCM 3 ↔ OP	0.251	0.321	71.493	5.201	0.000	SS	Accept
H1₇	PJBR ↔ OP							
	PJBR1 ↔ OP	0.022	0.012	1.375	0.310	0.241	NS	Rejected
	PJBR2 ↔ OP	0.054	0.012	1.375	0.815	0.241	NS	Rejected
	PJBR3 ↔ OP	0.058	0.012	1.375	0.779	0.241	NS	Rejected
	PJBR 4 ↔ OP	0.036	0.012	1.375	0.569	0.241	NS	Rejected
H1₈	SCSF ↔ OP							
	SCSF 1 ↔ OP	0.053	0.332	57.134	1.100	0.000	SS	Accept
	SCSF 2 ↔ OP	0.108	0.332	57.134	2.180	0.000	SS	Accept
	SCSF 3 ↔ OP	0.210	0.332	57.134	4.225	0.000	SS	Accept
	SCSF 4 ↔ OP	0.019	0.332	57.134	7.020	0.000	SS	Accept
H1₉	STIM ↔ OP							
	STIM 1 ↔ OP	0.134	0.402	74.344	3.014	0.000	SS	Accept
	STIM 2 ↔ OP	0.172	0.402	74.344	3.522	0.000	SS	Accept
	STIM 3 ↔ OP	0.229	0.402	74.344	4.681	0.000	SS	Accept
	STIM 4 ↔ OP	0.257	0.402	74.344	5.298	0.000	SS	Accept

It was deduced from model 1 that the degree to which the criteria predicted the organisational performance is Table 5.7. The first model information and analysis criteria (IFAS) had a high predictive power of 31% ($R^2 = 0.31$; F change = 68.61; T value of 8.864; with a P-value of 0.000). The result of the model showed that IFAS had a positive and highly statistically significant effect on organisational performance, with a beta coefficient of 0.383. Considering the MRA results, all eight criteria have a significant relationship with a p-value of 0.000. Project and Business Results and business results criteria have a predictive power of 0.1 % (R^2 0.01; F 57.13; T value 0.310 and the P value of 0.241). the beta value of the model ranges between 0.022 – 0.058. the variable was rejected. Using the result of the MRA eight variables that have significant effects on organisation performance were adopted as the criteria for measuring organizational performance in Nigeria's construction industry

Table 2. Regression Results On the Relationship Between Organisation Criteria and Organisational Performance

Researcher 's field survey, 2022

5.0 Conclusion

The regression analysis was conducted to determine the significant relationship and effect between the criteria Leadership criteria, Society, Customer And Stakeholders' Results, People Partnerships And Resources, Processes, Products and Services, Information And Analysis Criteria, Strategic and Innovation Management, Learning And Knowledge Management, People Resource and Process Management, Project and Business Results Criteria, and the performance of an organisation based on the respondents' views. There was a significant relationship between the eight out of the nine criteria and organisation performance. The project and business results has no significant effect but it has a relationship this was shown in the equation. By these findings all the nine criteria were retained. The analysis showed a positive and significant effect of eight criteria this showed that the criteria could be used as a measure of organisational performance. The study concluded that a framework for measuring organisational performance could be developed using the nine criteria. The findings are in line with in the findings of Dastane, 2020; Ghafoor *et al.* 2022 and Harsanto *et al.* 2022, they all recommended some more comprehensive criteria to measure organisational performance in Nigeria.

6.0 Recommendations

The study recommended a detailed focus on the nine criteria when measuring organisational performance. A comprehensive model that will include the nine criteria for Nigeria construction industry.

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E-PAYMENT AND FRAUD DETECTION IN ADAMAWA STATE CIVIL SERVICE

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Abstract

The study empirically examined the impact of E-payment on fraud detection in Adamawa state. The specific objectives focused on the impact of E-banking, E-data base of civil servants and political office holders on fraud detection in the office of the Accountant General of Adamawa state. In the course of this research work, data was collected both from primary and secondary sources. Respondents were asked based on the objectives of the study. One hundred (100) questionnaires were administered and eighty (80) were returned completed Likert style rating scale and simple percentage method of presentation was adopted in this study. Based on the analysis, the following findings revealed, thus; There was a positive effect of e-payment on fraud detection in the office of the Accountant General, the e-payment mode of payment is faster and convenient, civil servants are paid their salaries sometimes with delay, payroll fraud still occur even with the full implementation of e-payment system and transaction through e-banking is not risk free. Based on the findings, the study recommended that since the impact of e-payment is positive, effort should be made to sustain the policy.

Key words: E-payments, Fraud detection, and Adamawa state

INTRODUCTION

E-payment can be taken to mean a payment system by which one person pay to another by the medium of a computer system. Donga and Bello (2021) opine that e-payment system is a process of settlement for goods and services acquired between parties in business transactions and sending this money related value through information and communication technology (ICT) organizations. In this context, it is the ability of a government establishment to make payment to suppliers, vendors, staffers' salaries to staff members etc., electronically. It is

important for the following reasons, complete payment flexibility, get paid faster, lower operational costs, among others. The Nigerian government payment system has been predominantly manual and that has made room for manipulations of figures for personal gains by civil servants saddled with responsibility of payments (Asaolu, Ayoola & Akinkoye, 2011). Given the above situation, the federal government in 2009 formally allowed the operation of the electronic payment system to be introduced in management of all its funds. Furthermore, the Corruption Perception Index (CPI) 2020 report published by Transparency International indicates that Nigeria occupies the 149th position out of the 180 Countries surveyed and as well scored 25 out of 100 points.

Adamawa State Government adopted the e-payment system in other to ease transactions. The study examines the journey so far since the introduction of e-payment in 2011. Before the introduction of e-payment by the Adamawa State Government, almost all the financial transactions, obligation of Government are done manually. Payments are effected through issuance of cheques. Most times large sums or physical movement of cash are involved. The level of financial accountability which is in fraud detection was done manually, now this study is carried out purposely to assess the impact or the effects of transacting or discharging government obligation through e-payment.

LITERATURE REVIEW

With the development of the Internet in the 1990s and its subsequent evolution, electronic payment have given rise to a dynamic business environment where transactions take place without face to face interaction. The International Telecommunication Union reported that internet is quickly becoming the first stop for people for making decision about buying services and products over internet and that the number of internet users has reached 2.3 billion in 2011. The increase in the volume of transactions has given rise to numerous electronic payment (e-payments) systems. Electronic payment transactions have been in use for years, like automatic teller machines (ATM), credit and debit cards, direct deposit and direct payment.

An electronic payment is defined as a payment services that utilize information and communications technologies including integrated circuit (IC) card, cryptography, and telecommunications networks. The need for electronic

payment technologies is to respond to fundamental changes in socio-economic trends. An efficient payment system reduces the cost of exchanging goods and services, and is indispensable to the functioning of the inter-bank, money, and capital markets (Raja, Velmurgan and Seetharaman, 2008). E-payment is a subset of an e-commerce transaction to include electronic payment for buying and selling goods or services offered through the Internet.

Generally electronic payments are referred to online transactions on the internet. As technology is developing, the range of devices and processes to transact electronically continues to increase while the percentage of cash and cheque transactions continues to decrease.

E-payment is a form of direct payments and banking without physical appearance at the Ministries, Departments and Agencies (MDAs) or Bank through the means of electronic, interactive communication channels and other technology infrastructure.

In Nigeria, the modernization of the payment process started with the introduction of the Magnetic Ink Character Recognition (MICR). This was followed by the establishment of ATMs for cash dispensing, account balance enquiry and payment of utility cheques. Government had equally instituted a number of systems to facilitate interbank settlement and funds dispensation to individuals. The systems include: the Nigerian Interbank Settlements System (NIBSS); the Nigerian Electronic Funds Transfer (NEFT); the Nigerian Automated Clearing System (NACS); and the Society of Worldwide Interbank Financial Telecommunication (SWIFT), of which Nigeria is a member (Amedu, 2005).

An important risk associated with payments systems is the risk of fraud. Payments fraud takes on many forms. Dankwabo (2009) and Lekwauwa (2009) agree that the following are some of the effects of e-payment, easy tracking of payments to beneficiaries account hence it will assist audit trail, it reduce cases of corruption fighting agencies like EFCC and ICPC in cases of investigation, it is beginning of cashless society, overall increase in the efficiency operation by reducing transaction cost and enable transaction at a very low value, increase convenience of payment, accountants will appreciate Information Technology more and this will improve the quality of financial report generated, Economic Growth and Development as transparency and accountability improve, real time reporting, eliminates writing of cheque with

its attendant risk of cheque been stolen, forging signature and disparity between amount in words and in figures has been eliminated and end processing is the ultimate.

RESEACH METHODOLOGY

For the purpose of this study, survey research design will be used by adoption of questionnaire in gathering the data for the study. The questions are constructed with anticipated responses from respondents or target audience. The population of this study comprises of all members of staff of the office of the accountant general Adamawa State, in total there are 434 officers in the Office of the Accountant General Adamawa State. There are five major department in the parastatal of the Accountant-General Adamawa State. The Departments are; Treasury services, Inspectorate, Final Account, e-payment, Internal Audit and Ministry of Finance Incorporated (MOFI).

Furthermore, the Office of the Accountant-General Adamawa State manages all the six (6) Zonal Offices in the Local Government Areas of the State. In addition, the Office also has three (3) liaison offices which are situated in Kaduna, Abuja and Lagos respectively

The population can be seen from the table below:

Table 3.1 Population of study

S/NO	DEPATMENTS	NO. OF STAFF	PERCENTAGE
1	TREASURY	388	89.4%
2.	INSPECTORATE	2	0.46%
3.	FINAL ACCOUNT	25	5.76%
4.	E-PAYMENT	15	3.46%
5.	INTERNAL AUDIT	4	0.92%
	TOTAL	434	100%

Source; Staff Nominal Roll (2016)

Sample Size

For the purpose of this study, 100 respondents out the 434 are to be selected for the purpose of convenience as can be seen from the table below:

Table 3.2 Sample Size

S/NO	DEPATMENTS	NO. OF STAFF	PERCENTAGE
1	TREASURY	54	54%
2.	INSPECTORATE	2	2%
3.	FINAL ACCOUNT	25	25%
4.	E-PAYMENT	15	15%
5.	INTERNAL AUDIT	4	4%
	TOTAL	100	100%

Source: the study.

Purposive sampling will enable researcher to focus on particular characteristics of the population that are knowledgeable about the study which will best use to answer the research questions. The researcher selected staff that have put in five (5) years in the service and have minimum qualification of diploma. The primary data was obtain through the use of questionnaires. The questionnaires were administered both to the selected members of staff in the office of the accountant general of the Adamawa State and the selected staff from the State ministries. For the purpose of this study, Likert-style rating scale and simple percentage method of presentation will be use to analyse the data collected.

DATA PRESENTATION, ANALYSIS AND INTERPRETATION.

The analyzed data were presented based on the research questions which guides the study. Respondents were asked based on the objectives of the study. Out of the one hundred (100) questionnaires administered eighty (80) were duly completed and returned. From their responses, the following tables were drawn up.

Based on objective one: Assess the impact of e-banking on fraud detection in the office of the Accountant – General Adamawa State.

Table 4.1: There is high level awareness of e-banking system among the civil servant in Adamawa State.

Response	No of respondents	Percentage %
Strongly Agree	36	45
Agree	32	40
Undecided	4	5
Disagree	8	10
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 45% of the respondents strongly agree that every staff is aware of e-banking system, 40% agree, 10% disagree while the remaining 5% remain undecided. This implies that the staff are fully aware of the e-banking system.(Obaro,2009). The 10% disagree are not far from the point made by Ahmed 2009, that people confuse individual e-payment with corporate e-payment.

Table 4.2: The e-payment regime involves the use of e-banking system

Response	No of respondents	Percentage %
Strongly Agree	4	5
	2	2
		5
Agree	3	4
	2	0
Undecided	6	7
		5
Disagree	0	0
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 52.5% of the respondents strongly agree that the e-payment system involves the use of e-banking, 40% agree, 7.5% remain undecided. This implies that the e-payment regime involves the use of e-banking system. Olesin,A.(2006)

Table 4.3: The e-banking system is faster and convenience in operation

Response	No of respondents	Percentage %
Strongly Agree	40	50
Agree	36	45
Undecided	4	5
Disagree	0	0
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table it can be seen that 50% of the respondents, strongly agree that the e-banking system is faster and convenience in operation, 45% agree, while the remaining 5% are undecided. This shows that the e-banking system is faster and convenience in operation (Dankwambo, 2009)

Table 4.4: Transaction through e-banking system is risk free

Response	No of respondents	Percentage %
Strongly Agree	8	10
Agree	30	37.5
Undecided	4	5
Disagree	36	45
Strongly Disagree	2	2.5
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 45% of the respondents disagree that the transaction through e-banking system is risk free, 37.5% agree, 10% strongly agree, 5% undecided and the remaining 2.5% strongly disagree. This implies that the transaction through e-banking system is not risk free. Amedu, U.M(2005) domestic electronic payment in Nigeria: the challenges.

Table 4.5: The e-banking system assist in fraud detection

Response	No of respondents	Percentage %
Strongly Agree	20	25
Agree	46	57.5
Undecided	4	5
Disagree	2	2.5
Strongly Disagree	8	10
Total	80	100

Source: Questionnaire Administered, 2022

From the table shown above, 57.5% of the respondents agree that the e-banking system assist in fraud detection, 25% strongly agree, 10% strongly disagree, 5% undecided, while the remaining 2.5% disagree. This shows that the e-banking system assist in fraud detection.

Based on objective two: Assess the Impact of Integrated Payroll and Personnel Management System (IPPMS) on fraud detection in the office of the Accountant – General Adamawa State

Table 4.6: the personal data of employees are used for preparing payroll.

Response	No of respondents	Percentage %
Strongly Agree	54	67.5
Agree	24	30
Undecided	0	0
Disagree	0	0
Strongly Disagree	2	2.5
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 67.5% of the respondents strongly agree that the personal data of employees are used for preparing payroll, 30% agree, while the remaining 2.5% strongly disagree. This implies that the personal data of employees are used for preparing payroll of civil servant.

Table 4.7: employees are paid their salaries through e-payment timely

Response	No of respondents	Percentage %
Strongly Agree	40	50
Agree	22	27.5
Undecided	4	5
Disagree	14	17.5
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 50% of the respondents strongly agree that employees are paid their salaries through e-payment timely, 27.5% agree, 17.5% disagree while the remaining 5% remain undecided. This implies that the employees are paid their salaries through e-payment timely.

Table 4.10: Payroll fraud still occurs even with the full implementation of the e-payment system

Response	No of respondents	Percentage %
Strongly Agree	10	12.5
Agree	36	45
Undecided	8	10
Disagree	14	17.5
Strongly Disagree	12	15
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 45% of the respondents agree that payroll fraud still occurs even with the full implementation of the e-payment system, 17.5%

disagree, 15% strongly disagree, 12.5% strongly agree, while the remaining 10% remain undecided. This implies that payroll fraud still occurs even with the full implementation of the e-payment system.

Based on objective three: Assess the impact of e-database of civil servants and political office holders on fraud detection in the office of the Accountant – General Adamawa State.

Table 4.11: the e-payment system stores the data base of employees and political office holders

Response	No of respondents	Percentage %
Strongly Agree	30	37.5
Agree	44	55
Undecided	0	0
Disagree	6	7.5
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 55% of the respondents agree that the e-payment system stores the data base of employees and political office holders, 37.5% strongly agree, while the remaining 7.5% remain undecided. This implies that the e-payment system stores the data base of employees and political office holders.

Table 4.12: The data base can be used to detect employee who have retired from service and political office holders that their tenure of office elapsed.

Response	No of respondents	Percentage %
Strongly Agree	44	55
Agree	36	45
Undecided	0	0
Disagree	0	0
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 55% of the respondents strongly agree the data base can be used to detect employee who have retired from service and political office holders that their tenure of office elapse, 45% agree. This implies that the data base can be used to detect employee who have retired

from service and political office holders that their tenure of office elapsed.

Table 4.13: The data base makes it easier to detect fraud.

Response	No of respondents	Percentage %
Strongly Agree	16	20
Agree	48	60
Undecided	8	10
Disagree	8	10
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 60% of the respondents agree the data base makes it easier to detect fraud, 20% agree, 10% disagree, while the remaining 10% remain undecided. This implies that the data base makes it easier to detect fraud.

Table 4.14: The data base makes it easier to compute emolument of civil servant and political office holders.

Response	No of respondents	Percentage %
Strongly Agree	24	30
Agree	52	65
Undecided	4	5
Disagree	0	0
Strongly Disagree	0	0
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 65% of the respondents agree the data base makes it easier to compute emolument of civil servant and political office holders, 30% agree, while the remaining 5% remain undecided. This shows that the data base makes it easier to compute emolument of civil servant and political office holders.

Table 4.15: Data of non-staff are included in the data base.

Response	No of respondents	Percentage %
Strongly Agree	4	5
Agree	6	7.5
Undecided	12	15
Disagree	30	37.5
Strongly Disagree	28	35
Total	80	100

Source: Questionnaire Administered, 2022

From the above table, 37.5% of the respondents disagree that the data of non-staff are included in the data base, 35% strongly disagree, 15% undecided, 7.5% agree while the remaining 5% strongly agree. This shows that the data of non-staff are not included in the data base of civil servant and political office holders.

Likert-Style Rating Scale.

The section presents the summation of all the responses to the questions asked using the Likert-style rating scale. From the table (Appendix), the highest number that appears most falls under the agree option, in which it appears three times in the distribution and also the calculated mean falls under agree option. Therefore this implies that the e-payment system helps in fraud detection.

Hypotheses Testing

The formulated hypotheses are going to be tested based on the responses/opinions of the respondents on the questionnaires administered which were returned. Impact of e-banking on fraud detection in the office of the Accountant – General Adamawa State.

This section presents the results of the responses of the questionnaire administered, which is used to test hypothesis one of the study which states in null form that: e-banking does not have significant impact on fraud detection in the office of the Accountant General Adamawa State. Responses from questions/opinions 3 and 5 were used to test this hypothesis. Based on the results obtained, the researcher reject the null hypothesis. Therefore, the e-banking have significant impact on fraud detection in the office of the Accountant General Adamawa State.

Impact of e-data base of civil servants and political office holders on fraud detection in the office of the Accountant – General Adamawa State.

This section presents the results of the responses of the questionnaire administered, which is used to test hypothesis three of the study which states in null form that: E-data base of civil servants and political officer holders do not have significant impact on fraud detection in the office of the Accountant General Adamawa State. Responses from questions/opinion 12, 13 and 15 were used to test this hypothesis. Based on the results obtained, the researcher reject the null hypothesis. Therefore, e-data base of civil servants and political officer holders have significant impact on fraud detection in the office of the Accountant General Adamawa State.

Summary of Finding

The findings of the study based on the result from presentation and analysis of data are as follows;

- There is high level awareness of e-payment system in Adamawa State among the civil servant.
- The e-payment regime involves the use of e-banking for its effective operation.
- There is an agreement that e-payment system is faster and convenient in operation.
- From the data analyzed, transactions by e-banking system is not totally risk free.
- The use of e-payment systems assist in fraud detection.
- That personal data base of employees are used for preparing payroll of civil servant.
- Employees are paid salaries through e-payment sometimes with delay, notwithstanding.
- Payroll fraud still occurs even with the full implementation of the e-payment system.
- The e-payment system stores the data base of employees and political office holders.
- The stored data base are used to detect employees who have retired from service and political office holders that their tenure of office has elapsed.
- The updated data base makes it easier to detect payroll fraud.
- The database makes it easier to compute the emolument of civil servant and political office holders.

- The effect of e-payment on fraud detection is highly positive.

Conclusions and Recommendation

Therefore, from the findings of the study, the following conclusions are drawn:

- The effect of e-payment on fraud detection is positive.
- The e-payment mode of payment is faster and more convenient.
- The civil servants are paid their salaries sometimes with delay.
- Payroll fraud still occur even with the full implementation of e-payment system.
- Transaction through e-banking is not completely risk free.

Recommendations

Based on the findings of the study, the following recommendations are made:

- Since the impact of e-payment is positive, effort should be made to sustain the practice.
- Since the e-payment system is faster and more convenient, government should put all necessary ICT support equipment to sustain the policy.
- Since sometimes civil servants are paid their salaries with delay, all the MDAs should be integrated so that inputs could be generated easily.
- Measures should be taken to ensure that payroll should be prepared by senior officers and should be audited monthly before payment are made.

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ENTREPRENEURSHIP: A CAREER CHOICE FOR NIGERIAN YOUTH

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Abstract

The rising level of unemployment in Nigeria, with its consequences and the reality that government alone cannot provide job opportunities for the growing population. It became imperative for people particularly the youth to consider entrepreneurship as career choice and create employment opportunities to stimulate economic development. This study examined the need for entrepreneurship as career choice for Nigerian youth. Descriptive statistical analysis was used to compare data on number of enterprises and employment between 2013 and 2020. Data for the study were excerpted from National MSME survey report; previous researches and analyses of scholars; newspaper; magazines as well as journal articles that are related to the subject. The study involved extensive literature review which critically analyzed the present status and prospects of entrepreneurship development. The conceptual review focuses on definition of entrepreneurship and theoretical framework is guided by Schumpeter's Theory of Entrepreneurship. The study reveals that as the number of small and medium enterprises increase, so do employment rate also increases. The study recommended that government should make policies that would lower the cost of doing business in order to enable the startups and existing enterprises to remain in the business world and continue to add value to the economy.

KEYWORDS: Entrepreneurship; Career Choice; Nigerian youth; Employment Opportunities.

1.0 INTRODUCTION

The development and progress of a nation depends on the quality of its people. If they are creative, innovative, ambitious and courageous enough to take the calculated risk, society will develop quickly. Such people are identified as entrepreneurs and their character reflects entrepreneurship.

Entrepreneurship development is considered to be a viable solution to the problem of youth unemployment in Nigeria. One of the goals of economic development founded by successive governments particularly in developing economies has been the reduction of unemployment through entrepreneurial development. The report from the World Bank expressed concern about the country's rising unemployment situation was published by the Washington-based institution with support from the Korea World Bank Partnership Facility (KWPF) and the Rapid Social Response (RSR) trust fund.

In the report titled: "Of Roads Less Travelled: Assessing the Potential for Migration to Provide Overseas Jobs for Nigerian Youth". World Bank blamed a combination of rising unemployment, booming demographics, and unfulfilled aspirations as resulting in increasing pressure on young Nigerians to migrate in search of gainful employment overseas. Another report from the World Bank observed that Nigeria is facing one of the most acute jobless crises in recent times. Between 2014 and 2020, Nigeria's working age population grew from 102 million to 122 million, growing at an average rate of approximately 3 per cent per year.

Similarly, Nigeria's active labour force population, that is, those willing and able to work among the working age population, grew from 73 million in 2014 to 90 million in 2018, adding 17.5 million new entrants to Nigeria's active labour force. Since 2018, the active labour force population has dramatically decreased to around 70 million lower than the level in 2014 while the number of Nigerians who are in the working-age population but not active in the labour force has increased from 29 million to 52 million between 2014 and 2020.

"The expanding working-age population combined with scarce domestic employment opportunities is creating high rates of unemployment, particularly for Nigeria's youth," the World Bank report noted. Between 2010 and 2020, the international financial institution estimated that the unemployment rate rose five-fold, from 6.4 per cent in 2010 to 33.3 per cent in 2020, with the rates being particularly acute since the 2015/2016 economic recession and further worsened as COVID-19 led to the worst recession in four decades in 2020.

Increasingly, it noted that educated Nigerians were struggling to find employment opportunities in the country while unemployment rates increased substantially for Nigerians across all education levels over the years, becoming

progressively challenging for educated Nigerians to find employment opportunities. Combined with significant demographic changes and increased aspirations of the youth, Nigeria's unemployment crisis is creating migratory pressure in the economy. Thisday, (2021).

A report by the World Bank suggests that Nigeria's unemployment crisis in recent times is the worst in the nation's history. According to the research paper, "the nation's expanding working-age population combined with scarce domestic employment opportunities is creating high rates of unemployment, particularly for youth." Channels Television, (July 23, 2021).

World Bank data pinpoints the percentage of unemployed Nigerians with advanced education at 13.69% in 2016, and 15.3% in 2019. This is worrisome as it translates to a bulging youthful, energetic unemployed population with no contribution to the economic growth of the country. Each academic year, universities and polytechnics admit close to 2 million students and produce about 600,000 graduates. University World News, (November 24, 2021). On 10 November 2020, the National Youth Service Corps mobilized 66,000 Nigerian graduates for its mandatory one-year service to the country, Vanguard Media reported.

The paper is divided into four parts. In section two following this introduction, is a conceptual issues and review of related literature. While section three took a cursory look at entrepreneurship and job creation in Nigeria. Summary, recommendation and conclusion is examined in section four.

1.1 THE OBJECTIVE OF THE STUDY

The objective of this study is to examine the need for entrepreneurship as a career choice among Nigerian youth in attempt to address increasing rate of unemployment in the country.

2.0 REVIEW OF RELATED LITURATURE

In order to achieve the stated objective, theoretical framework is guided by Joseph Schumpeter's theory of entrepreneurship (1934) while the conceptual review of the study focuses on various definitions of entrepreneurship.

2.1 THEORETICAL REVIEW

This study is guided by Joseph A. Schumpeter's Theory of Entrepreneurship (1934). This theory introduces the entrepreneur from a neoclassical

perspective, viewing the entrepreneur as someone who is driven by profit and a capitalist, a risk bearer and a creative innovator. Thus, Schumpeter believes that when these innovations occur, the world economies develop and the entrepreneurs emerge to make changes in the institutional system, adding to the theory that the entrepreneur is a socially distinct individual.

According to Joseph A. Schumpeter, the effective function of an entrepreneur is to start innovation in venture. This theory is also called innovation theory or dynamic theory. According to this theory, the entrepreneurs emerges because of individuals having certain psychological elements i.e., will power, self-intuitions, tolerance capacity. The entrepreneur is a person who has creative nature. He regarded the entrepreneurship as a catalyst that checks the static conditions of the economy, there by initiates and thrusts a process of economic development. He carries economy to new height of development.

This innovation includes introduction of new goods, introduction of new methods of production, opening of a new market, discovering a new source of raw materials and carrying out a new source of an organisation. The process of entrepreneurship activities reducing unemployment situation in the economy is termed as “Schumpeter effect”.

Garofoli (1994) and Audretsch and Fritsch (1994) in their separate studies find that unemployment is negatively related to new-firm startups, that is, as new business is established, employability is stimulated and unemployment reduces substantially. Unemployment and entrepreneurship have been wrapped in an ambiguous relationship. It is generally recognized that there is a bi-directional causal link between changes in the level of entrepreneurship and unemployment, while doing business, a “Schumpeter Effect” helps to reduce unemployment, Ali, Hafiz and Umar, (2014).

In the same vein, Lucas (1978) and Jovanovic (1982) note that high unemployment in the society is associated with a low degree of entrepreneurial activities, that is, where propensity to set up enterprises is low, the rate of unemployment would be very high. The implication of the above assertion is that those who are unemployed tend to remain so because they possess lower endowment of human capital and entrepreneurial talents required to start and sustain new firms to keep them going. A low rate of entrepreneurial culture

and skills in any society may be a consequence of low economic growth, which also reflects higher level of unemployment (Oladele et al, 2011)

2.2 CONCEPTUAL REVIEW

The Concept of Entrepreneurship

There are many definitions of the concept “entrepreneurship”. For instance, Putari, Vijith (2006) observes that scholars had not been in agreement in their definitions of entrepreneurship and chronicled the definitions of entrepreneurship by various scholars (Brockhaus & Horwitz, 1986, Sexton & Smilor, Wortman, 1987; Gartner, 1988).

The concept of entrepreneurship as an organized knowledge came into being about hundred years ago. Though the economists from Adam Smith to Marshall were talking about it but without assigning the name of entrepreneurship. They used the terms as employer, the master, the merchant and the undertaker for carrying out different entrepreneurial activities now comprising of entrepreneurship. It was Cantillon, who first brought out the term entrepreneur (Murthy 1989) and entrepreneurship was recognized in economic literature.

Cantillon (circa 1730) views entrepreneurship as: “self-employment of any sort”. Schumpeter, J.A. (1934) equated entrepreneurship with the concept of innovation and applied it to a business context, while emphasizing the combination of resources. Penrose (1963) views entrepreneurship as the activity that involves identifying opportunities within the economic system. While Leibenstein, Harvey (1968, 1979) perceives entrepreneurship as involving activities necessary to create or carry on an enterprise where not all markets are well established or clearly defined and/or in which relevant parts of the production function are not completely known. Gartner (1988) conceives entrepreneurship as the creation of new organizations. Okpara (2000) defines entrepreneurship as the willingness and ability of an individual to seek out investment opportunities in an environment and be able to establish and run an enterprise successfully based on the identifiable opportunities.

Nwachukwu (1990) regards entrepreneurship as a process of seeing and evaluating business opportunities, gathering the necessary resources to take advantage of them and initiate appropriate action to ensure success. Aina and

Salako (2008) described entrepreneurship as the willingness and ability of an individual to seek out investment opportunities and takes advantage of scarce resources to exploits the opportunities profitably. Entrepreneurship is about the propensity to take risks, plan, organize and manage a new business idea in a dynamic global marketplace. Entrepreneurship is marked by job creation rather than job seeking. Entrepreneurs are independent minded, innovative people who are on a quest to create unique products and services. Entrepreneurship might be difficult, but it is a rewarding journey.

Entrepreneurship Development in Nigeria

Schumpeter in his book titled “Theory of Economic Development (1911)”, in the preface to the second edition (1926), Schumpeter (1987) explains that nothing solid could be said about modern economics without regarding the role of the entrepreneurs. Entrepreneurship has been recognized as an important aspect and functioning of organization and economies. Dickson et al, (2008). It contributes in an immeasurable ways toward creating new job, wealth creation, poverty reduction, and income generating for both government and individuals. Schumpeter in 1934 argued that entrepreneurship is very significant to the growth and development of economies (Keister, 2005, quoted in Garba, 2010).

According to Inegbenebor (2006). In the past, entrepreneur in Africa were men and women of modest education and little management skills. Nevertheless, through hard work, they surmounted hurdles placed on their path by colonial regimes and their collaborators in foreign owned banks. They escaped from being mere buying agents, representatives of manufacturers in Europe and distributors to foreign companies. He opined further, they competed successfully with Lebanese and Indian firms. Today young men and women are more educated, more familiar with modern technology and many have acquired respectable managerial experience. With democracy firmly in place and with a stable polity the economy is set for vibrant entrepreneurship.

Adah et al (2014), classified entrepreneurship in Nigeria into two stages. The early stage and modern stage. They argue that entrepreneurship in the early stage started when people produced more products than they needed; as such they had to exchange those surpluses. By this way producers came to realize that they can concentrate in their areas of production to produce more and then exchange with what they needed. Nigerian entrepreneur according to them is

a self-made man who might be said to have strong will to succeed. Early entrepreneurship by their assessment is characterized with production or manufacturing in which case the producer most often started with a small capital, most of it from his own savings. In the modern stage according to Adah, Apochi and Ekeh (2014), modern entrepreneurship in Nigeria started with the coming of the colonial masters, who brought in their wears and made Nigerians middle men. Most modern entrepreneurs were engaged in retail trade or sole proprietorship. One of the major factors of entrepreneurship development in Nigeria is the value system brought about by formal education. According to Osalor (2008), people of the Igbo community in Nigeria are considered one of the oldest entrepreneurs in history, their expertise stretching back to times before modern currency and trade models had developed elsewhere on the planet. In the more recent past, Nigerians adapted their natural talents to evolve traditional businesses and crafts that have sustained most of the country's rural and urban poor for the better part of the last half century. It is not as if Nigeria's hope of economic superiority rest on individual optimum and enterprise alone. Adah, Apochi and Ekeh (2014). Right after the reinstatement of democracy in 1999, the primary focus of Obasanjo's policies centered on accelerated development through entrepreneurial education (which he made mandatory for college students of all disciplines) and the creation of condition favourable to a new business regime built on innovation and adaptability. This period ushered in economic reforms and a renewed focus on entrepreneurs' development as the only viable means of sustained growth.

Nigerian government had since 1999 been injecting funds into different skills acquisition programs, small businesses, support for the informal sector through provision of credit facilities for economic activities at the rural community level. This is a decision in the right direction as majority of the population live in the rural areas and an improvement in the quality of life would prevent migration of the residents of the rural communities to the urban centres. The implication of this is that it will create employment opportunities and leading to greater reduction in social vices. The development of entrepreneurship would go a long way in providing the necessary impetus for economic growth and development. It will be crucial in boosting productivity, increasing competition and innovation, creating employment and prosperity and revitalizing economies.

According to National MSME survey report (2013), the growing importance of MSMEs in the economic growth and development of the nation, particularly as it relates to the role the sub-sector plays in employment generation is undeniable. Small and medium scale enterprises constitute essential ingredients in the lubrication development of any economy. In Nigeria, the story makes no remarkable difference as small and medium scale enterprises dominate the economy. Nigeria faces challenges of inclusive growth, poverty, unemployment and more importantly underemployment. Most of the poor and underemployed Nigerians, in order to better their lots, have resorted to the establishment of their own businesses.

Consequently, entrepreneurship and the setting up of micro businesses is fast becoming a household name in Nigeria. This is as a result of the fact that the so called “white collar” jobs that people clamoring for are no longer there in sufficient quantities to match the demand for them. Even those already with jobs are setting up other micro businesses to complement their incomes. Therefore, there is need for improved, timely information on the sub-sector for development and implementation of engaging policies and interventions to support the Nigerian entrepreneurial spirit.

Nigeria’s population of over 200 million people with over 65% of that figure being below the age of 35 makes a change of policy imperative. One of the few alternatives open to policy makers was to look inward and seek to develop the national economy through the MSME sector. Many efforts are going on concurrently to boost this sector. Starting from creation of SMEDAN, Implementation of NEDAP (National Enterprise Development Programme). (You win), the youth Enterprise with innovation in Nigeria and other funding access of Central Bank of Nigeria and other development banks.

3.0 RESEARCH METHODOLOGY

Descriptive statistical analysis was used to compare data on number of enterprises and employment between 2013 and 2020. Data for this study were excerpted from National MSME survey report; previous researches and analyses of scholars; government documents; newspaper; magazines as well as journal articles that are related to the subject. The study involved an extensive literature review which critically analyzed the present status and prospects of entrepreneurship development in attempt to address youth unemployment in Nigeria.

4.0 DATA PRESENTATION

TABLE 1.1 NUMBERS OF SMALL AND MEDIUM ENTERPRISES IN NIGERIA BY STATE 2013 AND 2020

State	2013 Number of Enterprises	2020 Number of Enterprises	Change	% Change
Abia	1,809	26,445	24,636	2.11
Adamawa		24,940	24,940	2.14
Akwa-Ibom	1,093	35,368	34,275	2.94
Anambra	1,737	20,613	18,876	1.62
Bauchi	2,066	34,685	32,619	2.80
Bayelsa	426	15,758	15,332	1.31
Benue	1,168	25,909	24,741	2.12
Borno		26,479	26,479	2.27
Cross-River	1,294	25,973	24,679	2.11
Delta	1,444	40,210	38,766	3.32
Ebonyi	1,210	22,892	21,682	1.85
Edo	1997	18,843	16,846	1.44
Ekiti	1,029	31,334	30,305	2.59
Enugu	911	24,432	23,521	2.01
Gombe	1,108	29,930	28,822	2.46
Imo	1,394	18,126	16,732	1.43
Jigawa	1,097	22,856	21,759	1.86
Kaduna	2882	38,908	36,026	3.08
Kano	8,286	79,328	71,042	6.08
Katsina	1,355	44,102	42,747	3.66
Kebbi	989	17,306	16,317	1.39
Kogi	844	22,400	21,556	1.84
Kwara	226	42,561	42,335	3.62
Lagos	11,663	91,097	79,434	6.80
Nasarawa	1,120	21,456	20,336	1.74
Niger	1,358	36,084	34,726	2.97
Ogun	1,794	49,813	48,019	4.11
Ondo	1,999	18,808	16,809	1.44
Osun	2,272	30,673	28,401	2.43
Oyo	7,987	55,545	47,558	4.07
Plateau	2,180	32,028	29,848	2.55
Rivers	4,022	84,613	80,591	6.90
Sokoto	841	28,991	28,150	2.41
Taraba	960	18,855	17,895	1.53
Yobe		22,425	22,425	1.92
Zamfara	593	23,177	22,584	1.93
FCT	2,690	38,003	35,313	3.02
Total	73,843	1,240,965	1,167,122	100

Source: National MSME survey Report, 2021

DATA ANALYSIS

From table 1.1 Lagos State had the highest number of increase in Enterprises between 2013 and 2020 from 11,663 to 91,097 showing an increase of 79,434 with a percentage change of 681.08 percent. This is followed by Kano State with 8,286 enterprises in 2013 increased to 79,328 in 2020 with an increase of 71,042, while the least state with increase in enterprise is Kwara State with 226 enterprises in 2013 increased to 42,561 in 2020 with a difference of 42,335.

There were insurgent prone states namely; Adamawa, Borno and Yobe state where the survey was not conducted in 2013. FCT witnessed increase in enterprise from 2,690 in 2013 to 38,003 in 2020 signifying an increase of 35,313. Summarily, it can be seen that small and medium enterprises grew from 73,843 in 2013 to 1,240,965 in 2020, an increase of 1,167,122 which implies a 100 percent increase.

TABLE 1.2 TOTAL EMPLOYMENT GENERATED BY SMALL AND MEDIUM ENTERPRISES IN NIGERIA BY STATE, 2013 AND 2020.

State	2013			2020		
	Male	Female	Total	Male	Female	Total
Abia	28,851	11,062	39,913	66,931	73,182	140,112
Adamawa				103,370	43,444	146,813
Akwai-Ibom	11,226	33,069	44,295	106,524	96,419	202,944
Anambra	20,570	9,781	30,351	49,841	54,148	103,988
Bauchi	26,460	30,624	57,083	132,151	42,778	147,929
Bayelsa	4,451	10,829	15,279	69,840	45,703	115,543
Benue	22,961	466	23,427	126,499	93,638	220,136
Borno				110,500	30,044	140,544
Cross-River	12,156	30,973	43,129	123,567	122,386	245,953
Delta	21,013	10,884	31,897	157,959	150,555	308,514
Ebonyi	24,223	6,000	30,223	84,415	109,453	193,868
Edo	36,291	11,877	48,168	92,247	59,061	151,308
Ekiti	11,935	26,548	38,483	101,375	87,551	188,927
Enugu	12,687	15,603	28,290	75,140	97,728	172,869
Gombe	15,433	8,384	23,817	106,251	57,865	164,116
Imo	14,924	26,315	41,239	66,305	75,129	141,434
Jigawa	17,979	9,315	27,294	138,001	21,199	159,201
Kaduna	30,645	83,487	114,132	215,158	89,038	321,263
Kano	46,941	29,343	76,284	235,225	91,883	307,040
Katsina	23,404	11,993	35,397	146,074	49,835	195,909
Kebbi	17,492	3,027	20,520	77,706	33,254	110,960
Kogi	11,536	9,432	20,968	75,983	54,901	130,884
Kwara	1,572	10,596	12,168	80,949	74,517	155,466
Lagos	161,017	176,406	337,423	351,088	308,331	659,419
Nasarawa	19,219	20,144	39,363	95,705	61,827	157,533
Niger	17,559	1,397	18,956	93,966	72,477	166,443
Ogun	26,725	9,548	36,273	100,921	98,977	199,898
Ondo	27,500	20,144	47,644	94,414	80,386	174,800
Osun	39,059	16,534	55,593	115,426	74,755	190,184
Oyo	147,200	59,501	206,701	115,566	90,883	206,449
Plateau	33,855	39,822	73,677	107,759	83,848	191,606
Rivers	46,055	43,665	89,720	248,584	237,226	485,810
Sokoto	10,761	20,144	30,905	128,060	53,240	181,300
Taraba	14,990	3,493	18,483	103,170	47,672	150,842
Yobe				109,419	32,478	141,896
Zamfara	46,565	4,192	50,757	121,033	35,166	156,199
FCT	30,645	65,323	95,967	134,064	109,422	243,486
Total	1,033,900	869,920	1,903,820	4,458,187	3,040,399	7,498,586

Source: National MSME survey Report, 2021

DATA ANALYSIS

From table 1.2 shows that 869,920 females were employed in the year 2013 compared to 3,040,399 females in 2020 signifying an increase of 2,170,479 females employed in small and medium enterprises. 1,033,900 males were employed in the year 2013 as compared to 4,458,187 males in 2020.

In total 1,903,820 persons were employed in the small and medium establishment in the year 2013 while 7,498,586 were employed in 2020 signifying an increase of 5,594,766 persons. We, therefore conclude that as the number of small and medium enterprise increase, so do employment rate also increases. However, sustainability of this growth depends on the macro-economic policies and political stability of the country.

5.0 CONCLUSION

Entrepreneurship emerged as a subject of intensive research on how it affects employment and unemployment. Because the changes in entrepreneurship, which is an important component of total employment, naturally affect employment and unemployment. However, the main argument is whether entrepreneurship can be a career choice for the Nigerian youth in attempt to address unemployment in the country or not?

According to the findings obtained from the study, improvements in entrepreneurial activities create job opportunities for the youth, lead countries towards a decrease in unemployment rate and fast economic development. For this reason, the application and development of policies that encourage entrepreneurship as a career choice among Nigerian youths is important in attempt to address unemployment problem in the country.

6.0 RECOMMENDATIONS

Based on the study findings, the paper makes the following recommendations for a bright and prosperous entrepreneurship career among Nigerian youths:

1. It is imperative for the Nigerian government in order to empower the youth to make entrepreneurship education a compulsory course at all levels in our educational institutions. This sort of instruction will inculcate in the learners from an early stage in life the qualities and entrepreneurial skills required of them to manage business ventures successfully.

2. Nigerian Youths should be exposed to training in technology, especially new discoveries from time to time. This keeps them in tune with trends of the technological world.
3. The government should make policies that will lower the cost of doing business in order to enable both the startups and existing enterprises to remain in the business world and continue to add value to the economy.
4. Capital is a necessary requirement for any venture. Lack of capital or its inadequacy is usually a stumbling block to novel ideas and initiatives. This factor has proven a problem for young people with entrepreneurial ideas. To address this problem, the public and private sectors of the economy should create and implement policies through which young persons can access loans and other financial services at minimal charges.
5. There is also the need for the government to address the problem of multiple taxation and high lending rates and collaterals to make things easier for the business operators in Nigeria.

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CHALLENGES OF WOMEN PARTICIPATION IN INFORMAL FINANCIAL INSTITUTIONS AMONG THE IGALA IN KOGI STATE, NIGERIA 1991 - 2015

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Abstract

This paper discusses the challenges faced by Igala women in their participation in informal financial institutions, those financial institutions that embraced all financial transactions that take place beyond the functional scope of various countries' banking and other financial sector regulations, as well as the measures put in place to overcome them. This research relies both on primary and secondary sources of data. The population of the study are informal financial institutions operating within Igala land. Narrative method was used to analyse the information gotten from this target population. Some of the challenges faced by Igala women in their participation in informal financial institutions are; women's multiple roles in the society in addition to lack of formal education, lack of information and communication, poor or inadequate technology, and difficulties in enhancing human resources, getting support services and incentive. The following are measures identified by this study as an attempt by Igala women to overcome the challenges faced by them in informal financial institutions participation; enrollment in adult literacy class to solve the challenges of illiteracy, hiring of services of house maid to help with the women multiple roles, staying in constant touch with the cooperative office for relevant information, engaging veterans in the registrations process and the effect of civilization that has played down on the limiting factor of religion. It can be said that, Igala women have been able to overcome some of their challenges by putting in place measures that can help them overcome them.

Keywords: Challenges, Igala women, Participation, Informal Financial Institutions, Viable Economic Alternatives, Empowerment.

INTRODUCTION

Informal financial institutions have emerged as strong, vibrant and viable economic alternatives today in an era when people feel powerless to change their lives under suffocating poverty. These institutions are formed to fill the void created by the unavailability of the formal sector to provide succor for the increasing poor. They are based on the powerful idea that together a group of people can achieve goals that none of them can achieve alone. For several years now, informal financial institutions have been an effective way for people to exert control over their economic livelihoods. They provide a unique tool for achieving one or more economic goals in an increasingly competitive global economy. As governments around the world cut services and withdraw from regulating markets, informal financial institutions are being considered useful mechanism to manage risk for members in agriculture or similar cooperatives, help salary/wage earners save for the future through a soft felt monthly contribution, own what might be difficult for individuals to own by their efforts and strengthening the communities in which they operate. Informal financial institutions generally provide an economic boost to the community.⁶¹

Starting from the Beijing conference of 1995, there have been ceaseless orchestrated campaigns for the economic empowerment of the female gender in order to effectively harness their potentials the more in the overall development process. These agitations which arise out of negligence factor, have made the women question an aspect of the broader national question. The benefits of the informal sector have become obvious to government, consequently government has encouraged the sector through the insistence of cooperative societies as prerequisite for accessing certain facilities., As a reaction to this development, the Nigerian government in the past and in the present have attempted to address the problem by actualizing programs and projects directed at improving the socio-economic status of females. In most cases women form themselves into informal groups like cooperative societies

⁶¹ I. Adofu, *et'al*, Informal Savings Mobilization and Investment: A Case Study of Rotating Savings and Credit Association (ROSCA) in Kogi State, Nigeria. *Continental Journal of Social Sciences* 2010 , 3. 7-17.

to be able to access or benefit from the programmes and projects of government.⁶²

Informal financial institutions can be conceptualized as those financial institutions that embraced all financial transactions that take place beyond the functional scope of various countries' banking and other financial sector regulations.⁶³ It can also be seen as financial institutions that are not directly amenable to control by key monetary and financial policy instruments. These institutions are usually created by organizations and individuals and with no formal legal status.⁶⁴ Informal financial Institutions are normally classified into three. The first category is the proprietary financial entities, like, money lenders, smallholder farmers, self-help groups, traders, estate owners, grain millers and other businessmen. The second is the staff and social welfare schemes such as those run by employers, friends, relatives and neighbours; and the third is mutual aid entities, such as, Accumulating Saving and Credit Associations (ASCRA); and a Rotating Saving and Credit Associations (ROSCAs).⁶⁵

The term women as used in this study embraces females of all ages. Women constitute half of the world's population and have contributed significantly to the well-being of the human race.⁶⁶ Among the Igala, like in many parts of the world, women have played many key roles such as mothers, home managers, and socio-cultural activists. Despite their numbers and crucial functions, the division and roles between the male and female groups prescribed by most cultures, assign the subordinate positions to women. Consequently, women have for long suffered discrimination, inequality, exclusion and violence.

⁶² I. Adofu, *et'al*, Informal Savings Mobilization and Investment: A Case Study of Rotating Savings and Credit Association (ROSCA) in Kogi State, Nigeria. *Continental Journal of Social Sciences* 2010, 3. 7-17. 2010

⁶³ E. Aryeetey Informal Finance for Private Sector Development in Africa. *African Development Bank Economic Research Paper. No. 41* 1988

⁶⁴ Chipeta, *et'al* The Informal Financial Sector, 13.

⁶⁵ D. Aredo The Informal and Semi-formal Financial Sectors in Ethiopia - A Study of the Iqqub, Iddir, and Savings and Credit Cooperatives. *African Economic Research Consortium Paper No. 21, 1993, 15.*

⁶⁶ S. Ibrahim. Women and Economic Empowerment in Kogi State, 1991-2007. A Case Study of Dekina Local Governemnt Area. Unpublished B.Sc Project, Department of History and International Studies, Kogi State University, Anyigba.,33, 2009.

Although the need to cooperate, in the etymological sense of the word “to work together”, is almost as old as humanity itself. For without it, any form of civilization, however primitive would have been impossible. Our forebears learnt early to combine their strength and skills in order to do things, that none of them could do alone; hunting large animals, defending themselves against foes and engaging in one form of mutual co-operative or the other, either for social economic or community projects. For instance, the Yoruba of Nigeria are known to have traditional form of financial institution, like *Ajo*, which is still widely practiced.⁵ Among the Hausa it is called *Adashe, Isisie – Ego* among the Igbo speaking people of Nigeria.⁶⁷ The Igala are not left out in this arrangement as they too have an informal financial institution generally known as *Oja*.

It is a fact that Nigeria suffers from pervasive and avoidable poverty. Nigeria has in 2020 earned the ignoble rank of being the poverty capital of the world even though the country is abundantly blessed with vast human and natural resources. The inability of successive regimes in Nigeria to identify and address the poverty of majority of its citizens in spite of various interventions that gulped billions of naira has compelled the women, who constitute the poorest of the poor to embark on self-help initiatives that often are unregulated, prone to failures and crises due to several factors including market uncertainties and natural disaster.

This work examines the challenges women face in their participation in informal financial institutions by first giving the historical background of the Igala and by extension the Igala women. An attempt is made here to trace the historical background of the Igalas and document the contribution and involvement of Igala women in informal financial institutions. The work discusses the land, language, people and culture of the Igala, the historical background of the Igala, the socio-cultural settings of the Igala, the socio-economic life of the Igala before delving into the discussion on the challenges of women participation in informal financial institutions among the Igala. The study shall equally look at the measures put in place to overcome some of the challenges of women participation in informal financial institutions in Igala society.

The Geographical Location of Igala

⁶⁷ A. Allen, *et'al, The Co-operative Story*, Manchester, Co-operative Union Limited, 1954. 3.

Fig. 1. Map of Kogi State Showing Local Government Area of Igala Land



Source: S. E. Atawodi et,al, 2014

The study area for this research “Challenges of Women Participation in Informal Financial Institutions among the Igala of Kogi State” is the present-day geographical location known as Kogi East Senatorial District in the present day Kogi State. The Senatorial District is made up of three (3) federal constituency (Ankpa, Olamaboro and Omala federal constituency, Idah, Ibaji, Igalamela and Ofu federal constituency and Dekina and Bassa federal constituency) and nine Local Government Areas (Ankpa, Olamoboro, Omala, Idah, Ibaji, Igalamela, Ofu, Dekina and Bassa). Kogi East Senatorial District is bounded by River Niger to the north, Benue state to the East and Enugu and Anambra to the south.

It occupies a large land of about 14,916 km square and a projected population of 1,725,978 as at 2020 based on the 2006 population. The inhabitant of the area are majorly Igala, however, there are some other ethnic group such as Bassa Kwomo, Bassa Nge, Kakanda, and Igbirra Mozum. Igala land has an average maximum temperature of 37.2⁰C and an average minimum temperature of 22.8⁰C, an average relative humidity of 6%. Rainfall starts in earnest around March and get to its peak in September before decreasing towards December every year⁶⁸.

⁶⁸ I. Adofu, et’al, Informal Savings Mobilization in Nigeria: A Case Study of Rotating Savings and Credit Association (ROSCA) in Kogi State, Nigeria. *Continental Journal of Social Sciences* 2010. 3. 7-17

Historical Background of the Igala (Land, People, Language and Culture).

Igala is located on approximately between latitude 6⁰30.and 8⁰40 north and longitude 6⁰80 and 7⁰40 east. Igala practice a number of different religions, including African Traditional Religion, Christianity, and Islam. The Igala are ruled by a figure called the “Attah”. The word Attah means ‘Father’ and the full title of the ruler is ‘Attah Igala’, meaning, the Father of Igalas (the Igala word for King is Onu). Among the most revered Attahs of the Igala kingdom are Attah Ayegba Oma Idoko and Atta Ameh Oboni. According to oral tradition, Attah Ayegba Om’Idoko offered his most beloved daughter, Inikpi to ensure that the Igalas win a war of liberation from the Jukuns’ dominance. Attah Ameh Oboni is known to be very brave and resolute. He is revered for his stiff resistance of the British and his struggles to uphold some ancient traditions of the Igalas. When he got wind of a plan to depose and exile him by the British, he committed suicide by hanging himself to forestall the plan, he is regarded by most Igalas as the most powerful Attah Igala⁶⁹.

The traditional Igala society is largely agrarian, although fishing is also a mainstay of the people especially the Igalas of the riverine Idah area. The central geographical location of the Igala country has exposed them to a wide variety of linguistic as well as cultural influences from other ethnic groups in the country. Notable among these are the Igbira, the Bini, the Igbo, the Hausa, the Idoma and the Yoruba ethnic groups. However, the most significant relationship, by far, is that between the Igala and the Yoruba peoples. Contemporary historians believe that the Igala most likely shared a proto-Kwa ancestry with the modern Igbo and Yoruba people as well as most ethnic groups of Nigeria today. Thus, the ethnic family would include not only the prior two, but groups like the Idoma, and the Nupe to the north. The first “Ata”, the title given to the ruler of the kingdom, was Ebule- Jonu, a woman; she was succeeded by her brother Agana- Poje, the father of Idoko. Idoko who later succeeded him as Ata, and had two children Atiyele and Ayegba om’Idoko (Ayegba son of Idoko), Atiyele the first son of Idoko migrated eastward of the kingdom to establish Ankpa kingdom while Ayegba the second son of Idoko succeeded his father as Ata’Gala. He led a great war of liberation

⁶⁹ J.S. Boston, *Oral Tradition and the History of Igala*. JAH Vol. X, No. 1, Cambridge, 1969. 22-27

against the Jukun culminating in the sacrifice of his daughter, Inikpi to ensure victory. The Ata-ship of Igala rotated among four branches of the royal clan namely; Ocholi dynasty, Aju Akwu dynasty, Aju Amacho Dynasty and Aju Akogwu dynasty. Igala kingdom was founded by Abutu- Eje in the 7th century. The kingdom was ruled by nine high officials called the Igala Mela who are custodians of the sacred Earth shrine.⁷⁰

Socio-Cultural Settings of the Igala

Culture coordinates the activities of the Igala. The cultural norms in this area holds that women are meant to be seen and not to be heard⁷¹. This belief stems from the ancestral worship known as “*Ibegwu*” worshipping (worshipping of the dead).⁷² Women were forbidden from attending to the dead and in almost all of the ancestral worshipping. One may say that *Ebule-Jonu* was the first Attah Igala and she was a woman⁷³. But a deeper look into her short reign in power and the consequent silence of history about her activities and why her successor was a man will attest to the position that women are really impeded by culture in their participation in the affairs of governance generally in Igala land

One of the paramount cultures of the Igala is the ancestral worship. During this worship (festival), the men relate with the gods, believed to be the spirits of their dead ancestors and in turn, instruct the women on what the gods said, a form of socio-economic colonialism. The women prepare benniseed soup and pounded yam throughout the period of the festival. On the last’s day of the festival, the gods will speak to the people and most instructions by the gods are discriminatory to the women folk⁷⁴. For example, *Ibegwu* forbids women in politics and most of the social activities. This festival holds almost yearly and it lasts for about three days. Furthermore, the traditional practices of the Igala do not encourage girl-child education, a form of socio-economic

⁷⁰ J.S. Boston, *Oral Tradition and the History of Igala*. JAH X (1), Cambridge, 1969. 22-27

⁷¹ J.S. Boston, *Oral Tradition and the History of Igala*. JAH X (1), Cambridge, 1969. 22-27

⁷² S. Ibrahim, *Women and Economic Empowerment in Kogi State, 1991 – 2007: A Case Study of Dekina Local Government Area*. Unpublished B.A Project. Department of History and International Studies, Kogi State University Anyigba, .22.

⁷³ J.S. Boston. 1969. 36

⁷⁴ A.E. Aliyu *et’al*, *Studies in the History of Nigeria Area*. 1. 2002. 337

imperialism. The belief is that women are meant to get married immediately they reach puberty which mostly ranges between twelve to sixteen years.⁷⁵ Educating a girl-child is seen as a waste of resources and time because it is believed that as soon as a girl marries, she will end up in the kitchen and ultimately, the property of the man.⁷⁶

The belief that a woman is the property of the man helps in deciding cultural condition for marriage. Usually, it is the man that is responsible for the bride price and all other expenses during the marriage rites, after which the woman becomes the property of the man. In other words, the women take instructions from the men and cannot do anything without or outside their husband's consent. The women therefore depend on their husband for almost everything, including economic decisions. In a situation where a woman cannot make economic decisions for herself, this limits her chances for economic empowerment.

Socio-Economic Activities of the Igala

Igala land is endowed with abundant natural resources spread across the Igala country. These natural resources dictate the pace of socio-economic activities in the area. The natural resources available in the area includes; large expanse of fertile agricultural land, mineral deposit like, coal at Okaba and its environs, Limestone at Itobe and its environs, clay at Idah, iron ore at Agbaja plateau and Ajagbonika hill.⁷⁷

Agriculture is indeed, the main economic activity of Igala with about 70% of the people engaged in it. There is wide stretch of arable land for farming, good grazing ground for livestock and large bodies of water for fishing and cash crop commonly grown in commercial quantities. The crops commonly grown in Igala land are; Yam, Cassava, Rice, Maize, Guinea corn, Cocoa, Coffee, Cashew and palm trees. The potential for fish farming and production is

⁷⁵ J.S. Boston. 1969. 37

⁷⁶ A.E. Aliyu *et al*, 2002. 337

⁷⁷ S. Ibrahim, Women and Economic Empowerment in Kogi State, 1991 – 2007: A Case Study of Dekina Local Government Area. Unpublished B.A Project. Department of History and International Studies, Kogi State University Anyigba, p.22.

equally very high with over 2,000 fishing ponds and 200 major fishing villages sustained by the River Niger and Benue and other streams found in almost all the villages in the area. The potentials are very good sources of raw materials for agro-allied industries such as flour mills, fruit juice processing, starch companies, animal feeds, vegetable oil companies and soup industries among others.⁷⁸

The Igala are very active in agricultural activities. The level of involvement of both sex is based on role differential. While the men are engaged in the tilling of the family farm land, planting of crops and harvesting, women are much more active in cultivating kitchen gardens within their settlements and helping their husbands in harvesting the crops planted. The Igala men do not depend on women labour in land preparation for farming, women only assist their men folk in harvesting what is planted. The most important contribution of women to farm work is the processing of the various harvest so as to bring them to a stage nearer to the point of ultimate consumption. Thus, they had for example, the exclusive duty of shelling beans, sorghum, millets and all other farm produce.⁶

The division of labour between men and women was carried over to the disposal of farm produce. The wife is responsible for selling unprocessed and processed produce for other family demands/or needs. For this service, she usually receives commission in the form of a percentage of the amount sold. A farmer's wife also shares in the profit of the farm in other ways. If there are indigo plants in the farm, it was her duty to gather and convert them, after pounding them into ball which are sold to dyers. These was usually a superimposed patriarchal favouring agreement between husbands and wives as to the portion of the selling price that should go to them. On farm land where palm trees flourishes, the dangerous work of climbing the tall trees and cutting down (harvesting the palm fruits) is that of the man. In a situation that the husband cannot do that, the services of a specialist is engaged to help out in that regard.⁷⁹

⁷⁸ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

⁷⁹ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

Indigenous industries were also economic activity in which the Igala are involved. Indigenous industries refer to those industries that made use of indigenous technology. The technology is so called because in most cases, the raw materials, the tools and the techniques that are used were locally available. The technology is based on local skills and techniques that rely heavily on the use of abundant indigenous resources both human and material. Furthermore, the most obvious characteristic was that, it is self-reliant technology which is capital saving rather than capital using; labour using rather than labour saving and one that though may be intricate in nature, is easily operated, repaired, maintained and replicated locally.⁸⁰ The women are involved in some of these indigenous industries like hair plaiting, palm oil processing, broom making and black soap production. This has helped in empowering the women economically

Socio Economic Status of Women in Igala Society

Women in Igala society have always been involved in indigenous industries like weaving, black soap making and dyeing as a means of earning a living. In the pursuit of economic activities within Igala society, although agricultural trade had formed the basis of human existence hitherto, the emergence of internal development that occurred within the communities by the 1840s⁸¹, brought about a change in the production system of the society. This development was facilitated by two chief reasons, the production of surplus occasioned by large scale agriculture and the inter-dependency in the society as a result of specialization. The reason for increase in agricultural output can be traced to the increase in population in most countries of the world with the developing nations like Nigeria accounting for a substantial number in this increase. This invariably led to an impulse in the demand and hence division of labour among members of the community thereby culminating in the growth of commercial activities.⁸²

⁸⁰ R.A. Olaoye, The Concept of Science and Technology in (ed), *R.A. Olaoye, History of Indigenous Science and Technology in Nigeria*, Cesthill Publishers Limited, 2009. 8.

⁸¹ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

⁸² M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

Oral tradition indicates that trading activities were operated at various points within the community thereby establishing market systems.⁸³ The classification of such markets into two; central and mini markets, was based on the frequency of trading activities that occurred within the community. Markets at this point simply involved places where transaction occurred frequently. Initially, trading activities had occurred frequently at various farmsteads and on the outskirts of the villages.

Despite the enviable position of men in farming activities and with development in the society, Igala women were also actively involved in the agricultural sector and had a profound impact on the economy of Igala land. Agriculture was common practice by virtually every individual including Igala women. Crops like Coco-Yam (*Ikachi*), Guinea corn (*Okoli*), Beans (*Egwa*), Maize (*Akpa*) etc were all cultivated by the women. Other area the women folk were prominent was in palm oil production. They produced palm oil and were also responsible for the marketing of the product. Most exchange of goods and especially food items, was done mostly by women in the market place with few exceptions of men operating in this area.⁸⁴

It is also important to note that Igala women were also into other indigenous industries like basket weaving and broom making. The weaving materials were gotten from palm fronds and the women process it to a level that it can be used to weave basket or making the broom. The weaved baskets are used in drying cassava, melon and some are used as a plate basket. It can also be used in carrying loads like farm harvest from the farm to the house. This is a way to promote the socio-economic life of the people in Igala land. Some of the items produced were sold by the women to raise funds for themselves.⁸⁵

The Igala society can be likened to a patriarch society.⁸⁶ Patriarchy is a system of social structures and practices in which men dominate, oppress and exploit women. It implies that men hold power in all the important institutions of society and that women are deprived of access to such power. However, it does

⁸³ Oral Interview with Obetule Danladi, Dekina C. 80, 2021.

⁸⁴ P.E. Okwoli, *Short History of Igala*, Illori Maitanmi and Sons Press 1973. 6

⁸⁵ A.E. Abije, *Traditional Dyeing Industries in Igala Land: An Entthro-Archeological Study*. B.A. Project A.B.U. Zaria, 1982. 27.

⁸⁶ J.S. Boston, *Oral Tradition and the History of Igala*. JAH Vol. X, No. 1, Cambridge, 1969. 22-27

not imply that women are either totally powerless or totally deprived of rights, influence, and resources. Thus, patriarchy describes the institutionalized system of male dominance. So, we can usefully define patriarchy as a set of social relations between men and women, which have a material base, and which, though hierarchical, establish or create independence and solidarity among men that enable them to dominate women. Patriarchal ideology exaggerates biological differences between men and women, making certain that men always have the dominant, or masculine roles and women always have the subordinate or feminine ones. This ideology is so powerful that men are usually able to secure the apparent consent of the very women they oppress. This is done through institutions such as the academy, the church, the traditional institutions and the family, each of which justifies and reinforces women's subordination to men.⁸⁷

In Igala society, the men control the economy as the women has no property right. women's labour is expropriated by their husbands and others who live there. The back-breaking, endless and repetitive labour of housewives is not considered work at all and housewives are seen to be dependent on their husbands. Most property and other productive resources are controlled by men and they pass from one man to another, usually from father to son. Even where women have the legal right to inherit such assets, a whole array of customary practices, emotional pressures, social sanctions and sometimes, plain violence, prevent them from acquitting actual control over them. In other cases, personal laws curtail their rights, rather than enhance them.⁸⁸ One may be tempted to conclude that what exists among the Igala is that of role differential, but the truth of the matter is that, the role allocation placed more in terms of economic control in the hands of the men. This to a large extent affects the economic stand of the women and hence the resort to self-help to be able to unturn the economic implications of the limitation imposed by the society

Although, records exist of the political role of women in Igala society in antiquity which saw ascendancy to the throne of Ata-Igala by *Ebulejonu* a female. One may wonder what must have gone wrong after the women

⁸⁷ A. Sultana, *Patriarchy and Women's Subordination: A Theoretical Analysis. The Arts Faculty Journal*, 2010, 5 (2)..

⁸⁸ M.S. Abdulkadir, *An Economic History of Igalaland, Central Nigeria: 1896 – 1939*, Ahmadu Bello University Press Ltd, zaria, Kaduna, Nigeria. 2014. 43.

produced the first ruler of the kingdom. The answers to this are still shredded in mystery. All that is known to history is that *Ebulejonu* died without a child and was succeeded by his brother *Aganapoje*. After this, successions to the throne have become the exclusive preserve of the men. The position and role of women in Igala traditional political institution became non-existent.⁸⁹ This to a larger extent has affected women's control of economic activities.

Economic activities are concerned with production, distribution, exchange and consumption of food and services. It focuses on the way in which individuals, groups, business enterprises and government seek to achieve efficiency in any economic objective.⁹⁰ Even though women are involved in these activities that constituted economic activities, the returns from these activities are usually controlled by the men. To achieve these objectives women should not be excluded. Several reports showed that in Africa, women constitute 52% of the total population, contribute 75% of the agricultural workforce, produce and market 60 to 80% of food.⁹¹ They do this through production, processing and marketing of food. They assist on family farm; fetch water, and fuel wood. Most importantly, they act as health workers to their children by providing health needs. They also provide food, clothing, and education to their children. Women have equal abilities with men and can compete favourably when given equal opportunities. Today, over 50% of the world's women still face gender discrimination in laws, policies and practices.⁹² Their work and contributions have remained largely unnoticed and taken for granted. This remains the fact because societies have traditionally failed to recognize the contributions of women to the development of the nation.

⁸⁹ T.A. Miachi, *The Incarnate Being Phenomenon in African Culture: Anthropological Perspectives on Igala of North-Central Nigeria*. Kraft Books Ltd, Ibadan, Nigeria. 2012. 324 – 328

⁹⁰ R. Lekachman, "Economic Activity Microfinance Students" [DVD] Redmond, W.A: Corporation. 2007. Retrieved on 23rd March, 2021.

⁹¹ Kwesiga J.C., Central yet peripheral: The Rural Women farmer and Issues of African development. Ibadan: *International Institute of Tropical Agriculture*. 1999.

⁹² D.K. Flann and L. Oldham, Women's Economic Activities in Jordan; Research findings on Women's Participation in Micro Enterprise Agriculture, and the Formal Sector. A project report submitted to the office of Women in Development, Bureau for Global Programmes, Field Support and Research, U.S. Agency for International Development. 2007.

The tenacity of the women to snap off the circle of poverty and increase their empowerment made them initiate traditional financial services such as the ‘Oja’, ‘Ajo’ and ‘Esusu.’ However, there is a high risk in these informal financial institutions because the sector is unregulated. In order to support the women in their attempts to alleviate poverty, successive governments in Nigeria have initiated a series of empowerment programmes. Some of these programmes include Peoples’ Bank, Family Economic Advancement Programme (FEAP), Better Life for Rural Women and Poverty Alleviation Programme (PAP). Despite these laudable programmes, they have failed to address the empowerment and poverty reduction among the Nigerian women. The reason for the failure was that the target group which the programme was designed for were not the people that were benefitting from it.⁹³ As a fallout of the failures of these government programmes, women resorted to self-help organizations like the informal financial institutions to be able to enhance their control of economic activities and the subsequent benefits. But this is not without challenges as they have to surmount some hurdles to achieve their desired status.

Research Methodology

This research relies both on primary and secondary sources of data. The primary source involves interviews, person to person discussions and phone call interviews which was carried out with various stakeholders –officials and members of informal financial institutions, and government officials. Secondary sources include Textbooks, Journals, articles, Magazines, Bulletins, Government papers and Gazettes. The population for the study is informal financial institutions operating within Igala land. The list of informal financial institutions operating in Igala land was obtained from the office of the First Lady of Kogi State, Kogi State Ministry of Commerce and Industry and the Ministry of Women Affairs and Youth Development. The president of the informal financial institutions and two other members chosen at random were interviewed. Some prominent women whose experience with women leadership exposed them to the issue under investigation equally form part of the sample size.

⁹³ N.O. Awojobi, *Microfinance as a Strategy for Poverty Reduction: The Nigerian Experience*. (Master Thesis) Berlin School of Economics and Law, Berlin, Germany. 2013.

Narrative method was used to analyse the information gotten from this target population. Data was solicited on challenges faced by members of the institutions, challenges faced by the institutions themselves, and measures that has been put in place to overcome those challenges. Data shall be analyse using qualitative method.

Challenges of Women Participation in informal Financial Institutions among the Igala

The issue of women's economic empowerment through Informal Financial institutions in Igala land is yet to make any meaningful impact on empowering the women. According to Mrs. Ruth Eke Iyaji⁹⁴ this could be attributed to women's economic empowerment being first of all treated as a demand for equality, rivalry or competition with their male counterparts. The challenges of women's economic empowerment in this area include stem from woman's multiples roles in the society in addition to lack of education, lack of information and communication, poor or inadequate technology, and difficulties in enhancing human resources, getting support services and incentive.

According to Ojochogwu Ameh⁹⁵, the President of Ojochogwu Ameh Women thrift group, Woman's multiple roles of child bearing and rearing, household management and production activities and the ever-increasing pressures on their time and energy, to some extent retards the development of human resource, agricultural productivity and environmental sustainability. As the women agricultural work load grows, they face rising pressure in their roles as household managers and the child bearing and childcare burden remains as heavy as ever. Legal institution and technical development have added further constraints on women such as land tilling, access to credit and extension research orientation.

Although the variables that affect women capacity for survival and participation in informal financial institutions are highly diverse depending on

⁹⁴ Oral interview with Mrs. Ruth Eke Iyaji; Former Commissioner for Women Affairs Anyigba, C. 56, 2021

⁹⁵ Oral interview with Mrs. Ojochogwu Ameh; President, Ojochogwu Ameh Cooperative, Anyigba, C. 38, 2021.

their age, income and other socio-cultural features.⁹⁶ According to Rekiya Abu⁹⁷, the President of Rekiya Abu Women group Idah, the starting point for members has not always been easy. Informal financial institutions operation involves contributions of certain amount of money. Belonging to this group involve making the normal contribution. Most women cannot afford this contribution and this has become a major challenge to women in this area.

Women in African societies are known as “jack of all trades”. At the grass root level, she is the cook, the cleaner and the child incubator, she is also the farmer. She works in the farm along with her husband and sells the surplus product in the local or central markets. Women before civilization, were brought up to believe that they are to be behind the men and not to rule beside them. Hence, they have been the unheard majority, restricted, and marginalized on issues of economic and civil rights leadership, education and governance.⁹⁸ In the words of Grace Labija⁹⁹, the President of Olufofo Thrift Group, their women are over burdened with a lot of activities that limit their efficiency. Members of their group engage in many trading activities in an attempt to make ends meet, but findings from their activities and successes on the long run suggest that, they would have done better when they specialize in a particular trade. This is because few of them that restricted their involvement in many trades do better.

Women’s labour in the informal sector, both rural and urban remains high but largely unrecognized and no account is taken of their labour in the household. With regards to women’s multiple roles as farmer, community manager, trader and family caretakers, they are increasingly confronted with work overhead and fatigue. As Aladi Mustapha¹⁰⁰ of the Emere Women Thrift Society puts it, “we are happy performing our God given responsibilities as mothers and wife

⁹⁶ S. Ibrahim, “Women and Economic Empowerment in Kogi State, 1991-2007: A Case Study of Dekina Local Government Area” Unpublished B.Sc Project, Department of History, Kogi State University, Anyigba, 2011.

⁹⁷ Oral interview with Mrs. Rekiya Abu; President, Rekiya Abu Women Cooperative Idah, C. 61, 2021

⁹⁸ E.I, Alamveabee, *Gender Concept and Issues in Nigeria*. Makurdi Aboki Publisher 2005, .55.

⁹⁹ Oral interview with Mrs. Grace Labija; President, Olufofo Women Group Olofofo, Ankpa, C. 56, 2021.

¹⁰⁰ Oral interview with Mrs. Aladi Mustapha; Chairperson, Emere Women Group Emere, Ankpa, C. 43, 2021

in the society, but this responsibility, which most often are not rewarded and recognize limits their efforts at contributing meaningfully in areas that are recognize and rewarded". Her opinion approximate Deborah Adah's position, except that she added that women have to work extra hard to make any impact economically.

According to Ajifa Abu,¹⁰¹ the major challenge of the Inye Women Group is that of registration with the Ministry. She said, they made attempt at registering with the Ministry in 2015 but it was not successful as they observed the processes and conditions to be cumbersome. She agreed that the group has not been able to access any serious government empowerment programme due to non-registration and as such they are doing all that is possible to achieve that within the shortest possible time. The Inye Women Group is not alone in this regard of non-registration. Deborah Adah¹⁰², the President of Iga Women Credit and Thrift Society, equally informed the study of why they have not been able to register with the directorate of cooperative of the Ministry of Commerce and industry. According to her, they could not even understand most of the things they were asked to do to qualify for registration, although, they have engaged the services of an expert to help in facilitating their registration. One fact that has become clear from the submission of Deborah Adah is that of illiteracy. Illiteracy is identified as one of the reasons why most of the informal financial institutions do not understand the registration process.

In the effort to empower women through the informal financial institutions, illiteracy has been identified as a challenge.¹⁰³ In addition to physical constraints, recognition of the value and importance of educating women in Igalaland has not been well appreciated. Education of women in this area is still on a very low scale in most families in some rural communities. Boys receive more attention than the girls, in fact, girls are often married off quite early. This has limited the ability of most women to read and hence, limited them in their outlook. They are usually timid, suspicious, and tend to rely on others for the interpretation of even the most basic written instruction. High illiteracy and low level of enrolment rates in schools have implications that

¹⁰¹ Oral interview with Mrs. Ajifa Abu; Chairperson, Inye Women Group, Inye, Ankpa, C. 45, 2021

¹⁰² Oral interview with Mrs. Deborah Adah; Chairperson, Iga Women Credit and Thrift Society, Idah, C. 47, 2021

¹⁰³ Oral Interview with Mama Gbaji Opada Anyigba C.66, 2021.

last for generation. This position was alluded to by Rekiya Abu¹⁰⁴ When she said that “most women before now were not sent to school because of the notion that women’s education always ends up in the kitchen”. This illiteracy according to her has been observed as limiting force in the attempt at empowering them through the informal financial institutions. This is because modern business requires adequate information, most of this information are in prints, your ability at accessing this information can go a long way at transforming your business.

Some women have come to see themselves as inferior being due to their educational status.¹⁰⁵ It is on note that the girl child is valued not for who she is, her potential or achievement but for her services, submission and at best good looks. He stressed further that in any traditional Nigeria and precisely in Igala Community, it is believed that the place for a girl child and subsequently women is in the kitchen or home. Thus, in most part of Igala land, particularly the rural settings, the education of the girl child does not go beyond what she needs to bear and keep a home and this to a very large extent affect the economic empowerment of women.¹⁰⁶

Difficulty in enhancing human resources is also another challenge of empowering women economically through informal financial institutions in Igala land. This is because of the lack of data on women activities in various fields of endeavor and their circumstances. Other reasons are lack of training and the high level of immobility due to family commitment.¹⁰⁷ These difficulties in enhancing human resources could also be as a result of the poor or inadequate technological presence in most developing countries of which Igala land is not an exception.¹⁰⁸ The low capital base of Igala Women and their inability to access credit keep them tied to outdated tools. They cannot afford improved technologies and innovators of these technologies have paid less attention to the development affordable tools that will be appropriated to

¹⁰⁴ Oral interview with Mrs. Rekiya Abu; President, Rekiya Abu Women Cooperative Idah, C. 61, 2021

¹⁰⁵ M.S. Hay, Luo. *Women and Economic Change in Hafki and Bay (eds) Women in African Studies*; Social and Economic change, California; Sandford University Press. 1991 .139-143.

¹⁰⁶ A.E. Aliyu and A.O, Yakubu., *Studies in the History of Nigeria Area*. Vol.1 CSS Ltd, 2002. 337

¹⁰⁷ Oral interview with Mrs. Ruth Eke Iyaji; Former Commissioner for Women Affairs Anyigba, C. 56, 2021

¹⁰⁸ J.S. Boston, *The Igala Kingdom*, Oxford University Press, Ibadan 196 .3

their needs, in spite of the impressive contribution attributed to them in food production.

Another challenge is that of poor economic base. Most women in Kogi East Senatorial District are poor, this situation may be related to low level of education attainment, poverty is reflected in almost all aspect of an average Igala women's life. Atinmo¹⁰⁹ observed in his study that the mean daily energy intake of 2,250keals which is common among pregnant women in Kogi State (Igala women inclusive) is very low compared to report in other state of the country. This finding is a glaring indication of poverty among women In Igala land. As a matter of fact, lack of finance or inadequate finance hinder female participation in Informal financial institutions and it influence on economic empowerment.

Religious belief is also another factor that affect the economic empowerment of women through informal financial institutions in Igala land. The leaders of different religious group in Igala land have different views regarding the positions of women in global affairs. Some religious leaders and their adherent strongly believe that women should only be seen, not heard. Some view man as superior to women while few other see them as equal. The difference in believe system adversely affect the way women are treated and the opportunities provided to them in an attempt to build up their skills economically. According to Ojochogwu Ameh,¹¹⁰ some of their members have had course to withdraw their membership in the past because of the stance of their husband on their struggle for self-empowerment. The reason given by most of the men was that, when a women become economically independent, it becomes impossible to control them. This myopic view by some men has become a challenge in the participation of women in informal financial institutions.

Inactive participation of women in policy formulations is also another barrier to women's economic empowerment through informal financial institutions among Igala. The level of women's participation in Kogi State politics is very

¹⁰⁹ O.A. Okoro, *Women in Agriculture*, Paper Presented at the National Symposium on the Nigeria Food Question. University of Agriculture, Makurdi December, 1989, 11-12.

¹¹⁰ Oral interview with Mrs. Ojochogwu Ameh; President, Ojochogwu Ameh Women Group, Anyigba, C. 38, 2021

low. Ibrahim¹⁸ asserted that most women in Igala land do not usually contest elective post but limit their attitudes to voting during election. Although, this attitude may be related to their level of education and poor economic base which has adverse effects on women (struggle) for emancipation.

Rivalry among women is also another challenges to women's economic empowerment programme through cooperative in Kogi East Senatorial District. In many occasions, unhealthy rivalries among women usually lead to envy and jealousy. These prevent women from being team players and from supporting one another. In period of needs consequently, most women perceive men's domination as acceptable and preferable to women domination. Okoro ¹¹¹says that in as much as it is necessary for men to encourage women to get management position, it is equally important for women to re-examine themselves and resolutely aim for prime seats in the organization. This position was the same as that of Ajifa Abu, Chairperson, Inye Women Thrift society. Rivalry among them has been a major challenge for the informal institution. She observed a situation where some members team up to remove her as the Chairperson of the informal financial institution in 2014 because of her insistence on due process which was interpreted to be high headedness. She quoted one of the conspirators as saying that "even her husband does not control her the way I was controlling her"¹¹²

The central culture that permeates the Nigerian society is patriarchal in nature. This male-dominated culture accords women an inferior and secondary position in society. The patriarchal culture of male supremacy still remains embedded, obscured and protected within traditional institutions. A major challenge to the task of executing gender- sensitive and gender-parity policies in Nigeria, therefore, is the patriarchal cultural norms, attitudes and practices, which have been accepted as the natural order of things. This culture according to Awa Jato,¹¹³ is still in-grained in men and

¹¹¹ O.A. Okoro, *Women in Agriculture*, Paper Presented at the National Symposium on the Nigeria Food Question. University of Agriculture, Makurdi December, 1989, 11-12.

¹¹² Oral interview with Mrs. Ajifa Abu; Chairperson, Inye Women Cooperative, Inye, Ankpa, C. 45, 2021.

¹¹³ Oral interview with Mrs Awo Jato, President, Ega Women Cooperative Idah, C. 56, 2017.

it is demonstrated both consciously and unconsciously, despite the general drive for a meaningful change in gender relations through policy initiatives and actions as well as sundry international conventions and accords to which Nigeria is a signatory.¹¹⁴

In the view of Atule Adofu,¹¹⁵ Mismanagement of fund is one of the major challenges facing many informal financial institutions in the area of study. Some leaders handle the group fund as if is their personal money thereby misappropriating the common fund. She reported a case where in 2015 where the treasurer of their group tampered with fund kept under her care without due process which almost disintegrated the group.

Capacity building and utilization has been trenchantly argued as the missing link in Nigeria's development. The level of capacity building in any society can be measured or assessed using the financial, human, institutional and infrastructural criteria or indicators. Despite the huge financial resources in Nigeria, the quality of human, institutional and infrastructural capacity has been adjudged to be grossly inadequate¹¹⁶ The inadequate capacity has grossly affected the way public and private resources; programs, projects and activities like informal financial institutions are managed and coordinated in Nigeria. As a consequence, the ability to formulate, analyze and implement policies and programs for the accomplishment of national development goals, private successes and aspirations has been largely constrained. The poor capacity for dealing with socio-economic programs in Nigeria is therefore due to false public investment in institutions and processes for capacity-building and the gradual dismantling of the enabling environment for maintaining and enhancing the existing capacity. Central to the challenges women face in trying to empower themselves through informal financial institutions in Nigeria is arguably the existing inadequate capacity.

¹¹⁴ Daily time newspaper, November 1999, 12.

¹¹⁵ Oral interview with Mrs. Atule Adofu; Chairperson, Atule Adofu Women Cooperative Anyigba, C. 37, 2021.

¹¹⁶ E.O. Ojo, "Challenges of Sustainable Democracy in Nigeria," Ibadan: John Archers Publishers. 2010.

As Rekiya Abu¹¹⁷ observed, many of the women cannot access empowerment because they lack the capacity to develop themselves. She observed that in some informal financial institutions, leadership change in some sensitive post like Secretary, Financial Secretary, and Treasurer cannot be effected even though some persons seems to have over stayed, because others lack the capacity to carry out such act. On the part of infrastructural capacity, she said, women are restricted to some certain trade because of the limitation imposed by infrastructural capacity. As observed by Mrs. Ruth Iyaji,¹¹⁸ majority of the informal financial institutions in the study area are not registered with the ministry of commerce and industry. This is because most of them lack the capacity to do that. The associations see registration as allowing government undue interference in the activities of the groups, not knowing that it limits the extent to which they can easily assess government empowerment programmes. Alluding to this position, Grace Labija¹¹⁹ of the Olufoko women Thrift group opined that, they have not registered their society yet because they want to be in full control of the affairs of the cooperative. According to her, government may interfere with the running of the group against the rule they set up for themselves. When asked of whether she was aware that there are certain benefits, especially assessing government empowerment programme, of a registered informal financial group, she replied yes, but was quick to add that most time, some of the programmes are politicized and that their society is not ready for any of such politics.

Creating a gender friendly, responsive, equitable and egalitarian society demands the full-blown support from all levels or tiers of governance, particularly the Federal Government that formulates general or macro policies that are expected to provide the direction for the micro policies like informal financial insrtitutions at the lower levels of governance, particularly the states. There is a need for the presidency, the Federal Executive Council, the legislature and the Judiciary to accept, embrace and show commitment through clear-cut gender parity principles and practices. Such commitment

¹¹⁷ Oral interview with Mrs. Rekiya Abu; President, Rekiya Abu Women Group, Idah, C. 61, 2021

¹¹⁸ Oral interview with Mrs. Ruth Eke Iyaji; Former Commissioner for Women Affairs Anyigba, C. 56, 2022

¹¹⁹ Oral interview with Mrs. Grace Labija; President, Olufoko Women Thrift Society Olofofo, Ankpa, C. 56, 2021.

will be reflected in the level of participation, supportive climate and productive investment in terms of financial and time resources¹²⁰. Once the above is in place, the commitment will not only be discerned by other stakeholders like private and civil society organizations and individuals, it will also engender support and co-operation that are germane for the realization of the goal of gender equality and women empowerment in Nigeria through informal financial institutions. To this end, policies, partnerships and programme reforms through genuine commitment to gender concerns at all levels is needed. Although the Nigerian government has severally expressed its commitment to gender parity and women empowerment, the existing policy environment across sectors, inter- sectoral cooperation and programming priorities believe this commitment is more theoretical than pragmatic. In the real sense of it, the present relatively tolerant policy environment was preceded by a regime of resistance to gender equality. A possible explanation for the previous atmosphere of lackadaisical attitude to gender equality in Nigeria was the patent weak conception of the implications of gender balancing for sustainable national development. The truism of the above reasoning is evident in the fact that in the past twenty-nine years, there has been a shift away from looking at gender inequality as an issue that affects women alone¹²¹.

Measures to Overcome Challenges of Women Participation in Informal Financial Institutions in Igala Land

Women participation in informal financial institutions has faced so many challenges as presented in the preceding section. In an attempt to proffer solutions to some of the challenges raised, the study interacted with respondents to unravel how they have been able to surmount some of this problem which is believed to hamper their effective participation in their various groups. According to Grace Labija, the President of the Olufoto Women Thrift group, the society now organizes adult literacy classes for the members to solve the problem of illiteracy that has limited the performance and activities of most of the members of the group. She said

¹²⁰ Federal Ministry of Finance “National Capacity Assessment Report of Nigeria,” Abuja: Federal Ministry of Finance, 2012.

¹²¹ K.B.O. Ejumudo, “Management Training and Development in the Nigerian National Petroleum Corporation,” *An Unpublished Ph.D Thesis*. Ile-Ife Obafemi Awolowo University, 2005.

“we have adult literacy classes thrice a week to coach our members in the act of writing and reading in English Language. These classes are self-financing as each member is required to pay a certain amount monthly to cater for the honorarium of the instructor. The instructor, who is a retired primary school teacher, is doing this as his own contribution to uplift the literacy level of women within the community. The stipends given to him as honorarium is just to encourage him to continue his good gesture of educating the women in the community.”¹²²

In the same regard, Ojochogwu Ameh, President of Ojochogwu Ameh Women Group Anyigba informed the study that their Society has made it compulsory for all members who are not literate to enroll with the adult literacy class of the local government operating in their area to improve the literacy level. According to her “all our members have joyfully enrolled into the adult literacy classes and we are beginning to see improvement in their reading and writing ability.”¹²³ On the issue of woman’s multiple roles in the society she was quick to add that they have accepted that as their God given role but within improvement in their income, they are beginning to hire the services of house help for other activities of household management that can be delegated.

According to Mrs. Rekiya Abu,¹²⁴ the President of Rekiya Abu Women Group Idah, in trying to overcome the problem of lack of information and communication, the group is now constantly in touch with the Cooperative office of the Ministry of Commerce and Industry and Ministry of Women Affairs in Lokoja to ensure that they are abreast with current information that are related to cooperatives and Women empowerment. This action by the leadership of the Group has opened so many opportunities to member that ordinarily they would not have been aware of. Ejura Maji of the Ejura Women Group Anyigba also told the study that they make regular phone

¹²² Oral interview with Mrs. Grace Labija; President, Olufoto Women Thrift Society Olofofo, Ankpa, C. 56, 2022.

¹²³ Oral interview with Mrs. Ojochogwu Ameh; President, Ojochogwu Ameh Women Group, Anyigba, C. 38, 2021

¹²⁴ Oral interview with Mrs. Rekiya Abu; President, Rekiya Abu Women Group, Idah, C. 61, 2021

calls and visits to relevant agents and organs of government with a view to expanding their benefit of government empowerment programmes which to her, has yielded good results in the past two years.¹²⁵

In addressing the issue of registration with the cooperative office of the Ministry of Commerce and Industry, most of the informal financial institutions have taken initiative that has helped in overcoming some of the problem they had initially. The groups now engage the services of veteran to help in achieving the registrations. As Atule Adofu noted,¹²⁶ our society has fulfilled all registration requirement and will soon be issued our certificate of registration. Her position is not different from that of Mrs. Salome Richard¹²⁷ a member of Aloko Women group and Mrs Rebecca Gebi¹²⁸ of the Rabi Omale Women Credit and Thrift Society equally informed the study of similar move by the group in trying to get their organization registered.

In overcoming the problem of lack of data on women for government planning of empowerment programme, the formation of informal financial institutions by various women groups have succeeded in reducing that. Most women groups through government effort at assisting most group, now have their records in the Ministry of Women even without formal registration. This documentation is now a source of data for government planning. Mrs. Grace Ojoma¹²⁹ of the Odeke Women Thrift Society informed the study that due to their documentation with the Ministry of Women Affairs, they get invitations at interval to participate in government empowerment programme. One of such invitation earned their cooperative the sum of five hundred thousand naira. This position was collaborated by Mrs Fatuma Idris¹³⁰ of Ega Women Group.

¹²⁵ Oral interview with Mrs Ejura Maji, President, Ejura Women Group Anyigba, C. 57, 2021.

¹²⁶ Oral interview with Mrs. Atule Adofu; Chairperson, Atule Adofu Women Society, Dekina, C. 37, 2021.

¹²⁷ Oral interview with Mrs Salome Richard, Member, Aloko Women Credit and Thrift Society, Dekina, C. 49, 2021.

¹²⁸ Oral interview with Mrs. Rebecca Gebi, Member, Rabi Omale Women Cooperative Odenyi, C. 43, 2017

¹²⁹ Oral interview with Mrs Grace Ojoma, Memeber, Odeke Women Group Odeke, C. 43, 2021

¹³⁰ Oral interview with Mrs Fatuma Idris, Member, Ega Women Group Idah, C. 53,

The issue of religion has remained a fundamental challenge to participation of women in informal financial institutions in the study area. Although with the advent of civilization, the situation is beginning to improve. Some men are beginning to understand that the economic empowerment of women is a relieve to men in some aspect. According to Mrs. Omite Nwuchola¹³¹ of the Odeke Women Society, the success story of the various group members is now forcing the men to have a rethink. She cited a case of three of their members that withdrew their membership in 2017 due to pressure from their husband but have returned to join the group with the full permission of their husbands. This position is not peculiar to Odeke Women Society alone as Mrs. Halimat Okpeke¹³² of the Garri Processing Thrift Society, Ikanekpo collaborated the position. According to Okpeke, their husbands are now happy with them because of the valuable economic contributions to the running of the family which was made possible because of their involvement in the Credit and Thrift society.

The women have been able to overcome most of the challenges due to the opportunities that membership of informal financial institutions presents to members. Many women who are members of informal financial institutions have been able to uplift themselves out of poverty, unnecessary rivalry, inactive participation in politics and policy making. The success story now serves as a motivating force that encouraged others to equally join such groups to overcome the challenges.

Conclusion

The paper summarizes the challenges faced by women in their participation in informal financial institutions and equally put forward measures to overcome some of these challenges. Some of the challenges identified by this study are illiteracy, lack of information and communication, poor and inadequate technology and difficulties in enhancing human resources. Some of the measures put in place by the informal financial institutions like adult

2021.

¹³¹ Oral interview with Mrs Omite Nwuchola, President, Odeke Women Society, Odeke, C. 47, 2021.

¹³² Oral interview with Mrs Halimat Okpeke, Member, Garri Processing Women Credit and Thrift Society, Ikanekpo, C. 47, 2021.

literacy class, mutual help of members and the changing phase of civilization have helped in overcoming some of the challenges faced by women in these groups.

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