FACULTY OF MANAGEMENT SCIENCES
RIVERS STATE UNIVERSITY

International Academic Conference Proceedings

Theme:

Organizational Repositioning, Environmental Transformation and Post Oil Economy of Nigeria:
The Place Of Technology And Innovation

Date: 28th October 2020

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Maiden International Academic Conference, 2020

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Research and Publications Committee
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Preface

The maiden International Academic Conference 2020 is the first of the Annual Conferences to be organized by the Faculty of Management Sciences, Rivers State University, Port Harcourt, Nigeria. This year's Conference originally planned as a physical meeting had to be changed to a virtual meeting due to the Covid 19 Pandemic that disrupted academic activities in Nigerian Universities for the better part of 2020. While the negative impact of the pandemic has had a toll on socio-economic life globally, it has afforded academics the opportunities to engage the web cloud to achieve the objective of conducting research and disseminating research outcomes. The Conference Planning Committee was therefore delighted to host this all important Academic Conference using the Zoom Webinar platform.

The theme for this Conference, “Organizational Repositioning, Environmental Transformation and the Post Oil Economy of Nigeria: The place of Technology and Innovation” sought to address the prevailing economic challenges in Nigeria occasioned by the dwindling oil economy in a bid to setting a proactive agenda for the looming post oil economy through the use of technology and innovation.

The Keynote Address by Anayo D. Nkamnebe, Professor of Marketing at the Nnamdi Azikiwe University, Awka and the current President of The Academy of Management Nigeria (TAMN) bears the intellectual depth of a seasoned Management Scientist on the subject matter. Other scholars, equally addressed the theme of the conference from multidisciplinary perspectives including Accounting, Banking and Finance, Management, Marketing, Office and Information Management, etc. Some other scholars also seized the avenue to disseminate the outcome of studies addressing topical issues outside the theme of the conference notably the nature and effect of the Covid 19 pandemic on work activities in Nigeria.

This Book of Proceeding is thus a rich assemblage of review and empirical papers that will serve as a rich stock of resource materials for researchers and practitioners who may rely on the content to guide future research and advance practice in the industry.

Special appreciation goes to Prof. N. S.Okogbule, Vice Chancellor, Rivers State University who was the Special Guest of Honour at the Conference; Prof. Seth Accra Jaja, Vice Chancellor Federal University, Otuoke who served as Chairman of the Conference; Prof. Anayo D. Nkamnebe, the Keynote Speaker; Prof. G. N. Nwokah, the Dean of the Faculty of Management Sciences, Rivers State University and Chief Host of the Conference; the seasoned Professors who served as Track Chair for the various Conference Tracks; the very resourceful scholars and post graduate students who attended the Conference; and hardworking members of the Conference Planning Committee.

Dr. S. P. Asawo
Editor

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Organizational repositioning, Environmental Transformation and the Post Oil Economy of Nigeria: The Place of Technology and Innovation

Invited Paper at the Maiden International Conference of the Rivers State University
October 28, 2020

Prof Anayo D. Nkamnebe
President, The Academy of Management Nigeria
Nnamdi Azikiwe University, Awka

1. Protocol

I sincerely thank the Vice-Chancellor, Rivers State University Port-Harcourt, Prof N.S. Okogbule, who must have granted approvals to the Faculty of Management Sciences led by Prof Gladson Nkwokah to invite me as Keynote Speaker during this maiden conference. I congratulate the Dean for organizing this conference and thank him for the invitation to speak. I bring you greetings from The Academy of Management, Nigeria. The Academy is at the forefront of advancing and domesticating extant management sciences theories for optimum application in the Nigerian context. It also champions the formalization of Nigeria's indigenous management styles into a tastable hypothesis for theory building, replication, and communication. Through conferences, research, training, international collaborations and publications, the Academy is making modest progress.

Arguably, both the Academy and the Faculty of Management Sciences of this University share a lot in common. Gladly, some members of this Faculty are committed to the course of the Academy, and we are proud of you. While thanking the University leadership for the support extended to some members, we are requesting increased support, not only to engage in the Academy's activities but to equally engage in high-level research. We assure the University of our readiness to share our resourcefulness in supporting the management sciences education at the University.

2. Introduction

The theme for the maiden edition of this conference is *organizational repositioning, environmental transformation, and Nigeria's post-oil economy: the place of technology and innovation.* The overarching aim is to encourage healthy conversation in a post-oil Nigerian economy to ensure organizational renewal, environmental sustainability, and enhanced living conditions for Nigerians. Undoubtedly, the theme and objective are apt, futuristic, and pragmatic for several reasons. First, there is no doubt that ever since Nigeria choose the monolithic oil-dependent economic model for development in the late 1950s and the concomitant resource curse, the need to seek and revert to an alternative development model has become urgent and pertinent. Resource curse or paradox of plenty in this context refers to “the paradox that countries with an abundance of natural resources (such as fossil fuels and certain minerals), tend to have less economic growth, less democracy, and worse development outcomes than countries with fewer natural resources." The near-worthlessness of oil and decline in quality of life during COVID-19 attests to this assertion. Second, with the increasing global emphasis and protocol on environmental sustainability and the rise in alternative energy sources, the long-awaited post-oil economy is quietly but speedily dawning on us. Yet, oil still accounts for over 95% of Nigeria's foreign exchange earnings. For Nigerian wake from the long slumber, organizations and management science education in Nigeria must rejig through outside the box strategies. This paper proposes that technology and innovation can lead to prosperity if it creates marketable values. Such an approach is doable, and we hope to use a Nigerian case to demonstrate it.

3. Nigeria's Development Trajectory: Before and During Oil-Dominant Economy

Three phases are discernable in Nigeria's economic history; post-colonial economy, colonial economy, and post-colonial economy. In a sense, these three phases can roughly match the pre-oil economy, oil-exploration cum agricultural economy, and oil-led economy. There was a Prosperous trading economy was in place between what later became Nigeria and even among them and the outside world. The colonial-era brought significant transformation in the political economy of the economies that eventually metamorphosed into Nigeria. Trading in agricultural and primary commodities featured prominently as part of the significant sources of revenue. There was a substantial regional agrarian economy: groundnut pyramids in the North, flourishing cocoa economy in the West, and vibrant palm oil production and merchandising in Eastern Nigeria. Together, these and others earn the needed foreign exchange for the development of Nigeria.

Besides agricultural produce and commodities, the colonial government invested in exploring oil to deepen their exploitation of primary commodities to develop industries back home. The diversified economy eventually derailed into a monocultural economy that depends on oil export for foreign exchange earnings. Due to the apparent fluctuations in commodity prices and the resource curse accompanying oil economy, Nigeria's development trajectory became subject to global oil demand and decisions of national leadership. Soon, Nigeria's resource curse political economy became cancerous. The effect is continuing till date and still little hope of abetting. These have many consequences:

a) A free fall from the 'big brother – giant of Africa' status, which gave rays of hope for the emancipation of the black race (South Africa Apartheid, Namibia's Independence, just to name a few) to the poverty capital of the world.

b) In 1980 Naira exchanged 80k to 1$; today, Naira ? 450 exchanges to 1$. An anonymous author provides compelling reasons for this sorry state of the economy:

i. In 1980, Nigeria was a net exporter of refined petroleum products, but today, Nigeria imports all her refine petroleum products.

ii. Nigerians rode in locally assembled cars, buses, and trucks – Peugeot cars were built in Kaduna and Volkswagen cars in Lagos. Leyland in Ibadan and ANAMCO in Enugu produced our buses and trucks. Steyr at Bauchi producing our Agricultural tractors. They were not just Assembling, but were making many of the components:

a. Vono products in Lagos were producing the seats.

b. Exide in Ibadan producing the batteries, not just for Nigeria but for entire West Africa.

c. Isoglass and TSG in Ibadan producing the windshields.

d. Ferodo in Ibadan producing the brake pads and discs

e. Dunlop in Lagos and Michelin in Port-Harcourt were producing tyres. These tyres were produced from rubber plantations located in Rivers State.

iii. Sanyo in Ibadan was assembling producing the Radio and television sets.

iv. We were using refrigerators, freezers, and Airconditioners produced by Thermocool.

v. We were putting on clothes produced from the UNTL textile mills in Kaduna and Chellarams in Lagos - Not from imported cotton but cotton is grown in Nigeria.

vi. Our water was running through pipes produced by Kwalipipe in Kano.

vii. Our toilets were fitted with WC produced at Kano and Abeokuta.

viii. We were cooking with LPG gas stored inside gas cylinders produced at the NGC factory in Ibadan. Our electricity was flowing through cables produced by the Nigerian wire and Cable, Ibadan, and Kablemetal in Lagos and Portharcourt.

ix. We had Bata and Lennards producing the shoes we were putting on. Not from imported leather but locally tanned leather at Kaduna.

x. We were mainly flying our airways, the Nigeria Airways, to most places in the world - The Airways was about the biggest in Africa at that time.

xi. Most of the food we eat was being grown or produced in Nigeria.

xii. The papers we used were manufactured at Oku Ibokun paper mills.

xiii. In the 1980s and even years later, Universities are the truly ivory tower, today's students may not readily recall the last time that phrase was used express our university system; some of our individual and collective conducts account for this.

c) In summary, in 1980, life in Nigeria and Nigerians were a lot better; quality of life and human development indexes were the world's envy. Today, enterprises that are key to the wealth of nations are majorly dead, and the surviving ones struggle for breath! Today, we import everything! The physical environment in the 1980s was cleaner and healthier than the present with unprecedented pollution that is threatening life and the environment. All these are precursors to what cascaded into the horrendous exchange rate, which is the tip of the iceberg of the economic bleak facing us. This is the regime of resources curse!

4. What is the Way Forward? - The Place of Technology and Innovation

This conference provides us with ample space to reflect on the options of breaking new grounds by considering the role of technology and innovation. Each time we mention technology and innovation, we often think only about hybrid cyber-physical technology that rules today's world. For instance: rocket science, robotic engineering, artificial intelligence, and blockchain technology, among others. Without doubt, these could form part of the overarching theme considered in the mainstream technology and innovation narratives. However, to avoid the 'white-elephant' syndrome that characterizes Nigeria's development planning such as the Ajaokuta Steel Project, I choose to adopt a more practical approach in conceptualizing technological innovation that could serve as a point of departure in our discussion in this conference. Accordingly, we propose understanding technology innovation from the stage and level that make sense for our developmental level, that is, the technological innovation that is actionable and implementable.

Given this context, we define innovation in the context of business and management. Accordingly, the longstanding definition given by Peter Drucker, still make deep meaning. According to him, innovation refers to the "act that endows resources with a new capacity to create wealth." Another definition by *The Oslo Manual, OECD and European Commission* conceptualize innovations as the “*implementation of a new or significantly improved product (good or service), process, new marketing method or a new organizational method in business practices, workplace organization or external relations.” Stripped of all niceties and technicalities, we can say that innovation refers to doing anything that creates value. In this context, technology innovation could mean* using *technology* to create marketable value*!*

Using the above construction, we see that technological innovation is not necessarily a rocket science capable of being created only by the mega-knowledge-rich and highly capitalized organizations but can occur in any firm and country. Part of our theses in this paper is that Nigerian firms and Nigerians have all it takes to engage in technological innovation. Such can result in resoundingly successful organizational positioning. It can also *result in an environmental transformation in the current oil-led and post-oil economy! As will be demonstrated later with a case study of Innoson Motor Manufacturing Limited, a technological innovation that would work for Nigeria entails innovatively using existing technology, even at a relatively small scale, to trigger an*

industrial revolution of a sort!

Using the case of Innoson, we demonstrate *how* innovative application of existing *technological* repositioned a roadside enterprise into a global player. *We focus on technical innovation's potentials in fostering trade for organic capital formation and growth for global impact. Over the years, Nigeria fails to take advantage of her natural endowment, which is a large domestic market. As demonstrated above, rather than producing to meet the needs of the enormous domestic market and export for expansion, Nigeria's political, economical configuration turned into a consumer market that imports all her needs, even the ones they can produce seamlessly*. We even borrow to finance our consumption. *Arguably, such an arrangement facilitated easy money through illicit financial flow by trade*; of course, with long-term implications.

The United Nations Conference on Trade and Development recent statistics report that Nigeria accounted for 80 per cent capital flight from West Africa and 46 per cent from the entire continent (UNCTD, 2020). These are investment capital that would be put to local investment if only the investment environment is favourable and supportive. This paper demonstrates how technological innovation can transform *the agricultural and automobile manufacturing sectors in Nigeria* and make them the leading sectors for Nigeria's emergence as the next frontier of growth in Africa.

5. Technological Innovation in Nigeria's Agriculture and Automobile Sectors?

Nigeria's size as the largest market in Africa makes it a natural endowment that has been taken for granted. The diversity of its climate and natural resources are so rich that it could support nations with no other endowment. Technological innovations could help to awaken these and other sectors.

Nigeria's Agricultural Sector: A Deteriorating Oil Well

According to the Food and Agriculture Organization of the United Nations:

- Aside from oil, agriculture remains the Nigerian economy's base, providing the primary source of livelihood for most Nigerians.
- The sector faces many challenges, notably limited adoption of research findings and technologies and high postharvest losses and waste, among many other factors.
- Use of obsolete technology in agricultural production, which causes loss in productivity estimated at USD 10 billion in annual export opportunity from groundnut, palm oil, cocoa, and cotton alone.
- Food (crop) production increases have not kept pace with population growth, resulting in

rising food imports and declining levels of national food self-sufficiency (FMARD, 2008).

- Nigeria is the continent's leading consumer of rice, one of the largest rice producers in Africa, and simultaneously one of the world's largest rice importers.
- Nigeria is the largest cassava producer, mainly produced by smallholder farmers on small plots for family consumption and local sale. Large scale commercial plantations are rare. They are losing potentially high export opportunities.
- The livestock and fishery sectors are no different from the above. Nigeria still depends on the crude method for local production, thereby relying on imports with fiscal and food security implications.

Some questions are evident from the above:

- With all the technology and Agricultural Engineers in Nigeria, why is Nigeria still depending on local subsistence farmers and imports for her food?
- With the diversified food basket this country can afford, why do we still stick to known staple foods when technology in agriculture can help produce almost anything?
- Why do we have more food in some desert countries that use greenhouse farming technology, and we still depend on seasons for food production in Nigeria?
- Why do we have more advanced and sophisticated personal vehicles than advanced modern farming machines in Nigeria?
- How did we build pyramids with groundnuts, cultivated high yielding cocoa and palm plantations in the 1950s, but today with better technology, we borrow to import peanuts, vegetable oil, and chocolates?

Of course, few attempts are being made in this direction by agricultural entrepreneurs, but the domestic market is hugely untapped.

Nigeria's Mobile Young Population: A Diamond Field for Automobile Technology

Nigeria has one of the largest population of youthful and mobile demographics globally. Since they cannot ride on a donkey, horse, or camel, we don't need any feasibility study to know that the opportunity in mechanizing movement is like a diamond field, not just within Nigeria but along the entire continent.

- Nigeria is among world's largest importer of fairly used vehicle – take Nigerian importers of used vehicles from Benin Republic, that country will collapse overnight.

Earlier, we mentioned that in 1980, Nigerians rode in locally assembled cars, buses, and truck.

- Peugeot cars were assembled in Kaduna,
- Volkswagen cars in Lagos.

- Leyland in Ibadan and
- ANAMCO in Enugu produced buses and trucks.
- Steyr at Bauchi producing Agricultural tractors.
- And it was not just Assembly; Nigeria produced many of the components:

a. Vono products in Lagos are producing the seats.
b. Exide in Ibadan producing the batteries, not just for Nigeria but for entire West Africa.
c. Isoglass and TSG in Ibadan producing the windshields.
d. Ferodo in Ibadan producing the brake pads and discs
e. Tyres produced by Dunlop in Lagos and Mitchelin in Port-Harcourt - tyres produced from rubber plantations located in Rivers State.

Interestingly, then all these automobile companies and other companies supplying them with components were foreign-owned firms. Today, they are more of a history as almost all of them have left this country's shores. But that created ample space for Nigerians to demonstrate their capacity to fill the gap. Innoson Vehicle Manufacturing Limited proves this, in unambiguous terms. It shows how a micro-entrepreneur could become a globally renowned entrepreneur by innovatively deploying technology to solve problems that create economic prosperity.

The Case of Innoson Vehicle Manufacturing Limited

Mr. Innocent Chukwuma, described by a Nigerian national newspaper as "weather-beaten, straight from the streets," is reputed to have performed a wonder in Nigeria's long history of private entrepreneurship.

- Born in 1961
- Finished secondary school education 1978, certainly not the top-of-the-class type
- Dreamt of studying engineering at the University, but finally became an apprentice to learn motorcycle spare parts' trade.
- Upon graduation as a certified apprentice:
    - He started as small motorcycle spare parts trade with the sum of N3,000 (about US$5000 in the 1980s and US$18 2014).
    - The business grew and started importing used motorcycle.
    - Later started assembling its brand in Nigeria in 2002.
    - Established Innoson Tech and Industries, Enugu, the largest plastic manufacturing plant in Africa.
    - With stiff competition in the assembling affordable motorcycles in Nigeria and the Nigerian government ban on the commercial motorcycle, he ventured into motor assembly.

- o Today, what started as a petty, ignorant apprentice with a secondary school certificate now operate the only and largest indigenous motor assembly plant in Nigeria – a product of apprenticeship producing SUVs, mini-buses, shuttle buses, trucks, etc.

6. Essential Questions, Lessons, and Concluding Remarks

- • Back to our earlier question: why is Nigeria lagging in economic development:
- o Nigeria is under a resource curse!!! A phenomenon that …, which might cease in the post-oil economy when necessity will force us to apply technology to create sustainable wealth innovatively. But a proactive person need not wait till circumstance forces him to act.
- o With the innovative application of technology, Nigeria can turn from net-importer to net-exporter – Innoson is already exporting their vehicles, Dangote's cement is allover Africa, soon, hopefully soon, we may start to export rice, if only we can innovatively deploy technology in that direction.
- o Possession of technology may not yield the desired outcome; it must be mixed-up with the innovative application.
- ▪ Mr. Innocent Chukwuma, CEO of Innoson Motor Manufacturing, was asked the secret of his secret in the automobile industry as the first Nigerian automobile manufacturer. His response:
- • In business, you have to put your ideas in it (innovation), and when you do, the difference will be clear, and you can make more money than others. You can also drop the business when you think there isn't much interest in it again. To succeed in any industry, don't follow the crowd; always bring your initiatives (innovation). With that, you will be able to make profits.

PART A ACCOUNTANCY TRACK

PERSPECTIVE OF SOCIAL RESPONSIBILITY ACCOUNTING AND ORGANIZATIONAL REPOSITIONING OF BUSINESS ORGANIZATIONS IN NIGERIA

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ABSTRACT

This study is designed to ascertain the perspective of social responsibility accounting and organizational repositioning, regarding its standpoint in environmental transformation and the post oil economy of Nigeria; thereby, considering the place of technology and innovation in social responsibility accounting. In achieving this, the researchers used desk research and personal discussion by way of interacting with some oil companies staff on the measurement problems in social accounting reporting. However, the study reveals that corporate social reporting is seen as the provision of information to groups within society on the effects of organizational activity is grouped under government monitoring, voluntary disclosure of information by organization and social audits. We conclude that, social responsibility accounting emphasizes the extension of accounting reports to include information about product, employee interest, community activities and environmental impact.

INTRODUCTION

Environmental discussion on strategy and policy has largely taken into consideration the issue and concept of environmental transformation and social responsibility of the corporate organizations. The impetus for the existence of any business is the support the business gains from the society. Without the society, the demand for and / or supply of which is the panacea for any business activity will not be there. Classical economist have recognized society as an aim of the stockholders in the stakeholders society; thereby, providing stakeholdership to the environment in the society. This view is rooted in the idea that there is a social contract upon which basis the organization operates and the need to meet societal need arises. Howbeit, the growth in social and environmental accounting transformation interest in the last few years has been little short of phenomenal. For those with long-standing interest in such issues, it is easy to get swept along in the euphoria of seeing social and environmental issues brought to the center stage in business and accounting.

More so, little more than a decade ago in Nigeria; any scholar wishing to review literatures concerned with accounting and the natural environment would have been faced with relatively straightforward task. However, as oil and natural gas companies continue to impact on the

environment and the society; environmental (and latterly social) accounting appears to be occupying an increasingly central place in accounting studies (research) as accountants tend to evaluate the measurement policies of social and environmental impact on the society. Therefore, social responsibility occurs when a firm recognizes that it is not merely accountable to its stakeholders but to all of society (Andrew, 1971) in Anderson (1996). Also, by corporate social responsibility; we mean the intelligent and objective concern for the welfare of society that restrains individual and corporate behavior from ultimately destructive activities, no matter how immediately profitable; and leads in the direction of positive contributions to human betterment (Jones, 1999).

With regard to the foregoing, most society including Nigeria has been seriously affected by the actions of firms and thus, owes the public a duty of accountability. Media reports have equally made known the willingness of some companies especially large ones, to respond to public demands through their social responsibility programs. The recent changes in social attitudes in the society coupled with demands for additional information for corporate stakeholders worldwide, have engendered the need for organizational repositioning and restructuring of the accounting system of companies. In view of these facts, the call for social accountability on the part of the firms has resulted in the development of a new accounting concept known as “Social Responsibility Accounting”.

Social Responsibility Accounting means different things to different people. As Briston (1982) in Clifts (2009) observed, economists associate social responsibility accounting with the “National Income Accounting”. Here, the term refers to the measurement and communication of information about a firm's effect on employee welfare, the local community and the environment (MacComb, 1978) in Deegan and Rankin (1997). In other words, social responsibility accounting described the extension of accounting reports to include information about employee interest, products and community activities and environmental impact. It therefore, becomes imperative to pause and ponder on the place of environmental and social responsibility accounting in Nigeria; as a close observation shows that petroleum (oil) industries have given reasonable attention to social responsibility programs regarding organizational repositioning, environmental transformation and the post oil economy of Nigeria; with respect to the place of technology and innovation towards organizational structure.

LITERATURE REVIEW

Theoretical Review/Foundation

Ahiauzu (2007) observed, it is impossible that researchers address their mind to four important posers while developing their concept. He noted that, these posers to be addressed should include: (i) What is the baseline social theory on which concepts are found? (ii) What is the general statement of the theory? (iii) What is the underlying assumption behind it? (iv) What are the implications for the theoretical foundation of my study? In view of these facts, the theoretical formulations and / or foundation which divulge environmental or social responsibility accounting regarding organizational repositioning, environmental transformation and the post oil economy of Nigeria; considering the place of technology and innovation in their transformation point could be to such baseline social / organizational theories such as: resource dependency theory, upper echelon theory and agency theory.

Resource Dependency Theory
Pfeffer and Gerald (1982) in Ajetunmobi (2016) observed, resource dependency theory clarifies the extent to which organizations depend upon sources from an external resource; which impact its corporate governance framework in regards to the calculated management of external relationship along with applying control over such organization.

Upper Echelon Theory
Ibama (2016) observed, every existing firm is classified into groups of persons on the basis of their functions and decision level within the organization. Howbeit, the theoretical standpoint of environment or social responsibility accounting designs the strategic plans and decisions like corporate social responsibility strategy or policy made at this upper echelon of the organization.

Conceptual Review
The conceptual review of this (study) is discussed under the following headings:

i) Perspective of Social Responsibility Accounting and Organizational Repositioning.
ii) The Standpoint of Social Responsibility Accounting in Environmental Transformation.
iii) Social Responsibility Accounting and the Post Oil Economy of Nigeria.
iv) The place of Technology and Innovation in Social Responsibility Accounting.

i) Perspective of Social Responsibility Accounting and Organizational Repositioning.
Gray (1996) observed, the plan of social responsibility accounting is relatively concerned with two different perspective which includes: (a) management control process regarding organizational repositioning and (b) accounting or accountability process.

a. Management Control Process
As Digman (1996) observed, management of business organizations are said to be the directors and manager who have the necessary skills and knowledge to carry out some specific responsibility in order to make decision and oversee the business organization. He added, management is composed of individuals or group of individuals who carry out the administrative work in order to control and manage the organization. In this regard, social responsibility accounting brings about effective management control system because it is significantly configured to add value to the organization's set objectives through systematic self-reporting of organization's daily social economic activities.

b. Accountability Process

In attaining the process of accountability, social responsibility accounting is specially designed to support and facilitate the pursuit and realization of social objectives, especially in the areas of recognizing and honouring the stakeholders' right of information accessibility from the business organization, maintaining a balance between the powers that controls the organization; thereby, enhancing greater transparency in the activities and conduct of the organization as a way of organizational repositioning through the identification of social and environmental transformation cost of the business activities (Anderson, 1996).

ii) The Standpoint of Social Responsibility Accounting in Environmental Transformation
Ratnawati (2015) observed, social responsibility accounting is primarily concerned with the dissemination of information that can assist the business organization to evaluate the effect of their operations on the society in which they operate. More so, Randhony (2015) noted that, the essence of social responsibility accounting is geared towards “accountability” and “responsibility” to all stakeholders and a commitment to sustainable business environment and / or environmental transformation. Also, Maqbool and Zameer (2018) argued that, and eminent rationale as a standpoint of social responsibility accounting entails greater accountability and transparency from the management of the business organization with respect to organizational repositioning.

With regard to the foregoing, social responsibility accounting can be achieved when those managing and handling the resources or funds of the organization gives account of their operations (activities) to the society in which they operate (Gray, 1996).

iii) Social Responsibility Accounting and the post Oil Economy in Nigeria
The discovery of oil in commercial quantities in Oloibiri in Bayalsa State (Then Rivers State) at about 1956 created a panacea for the oil economy in Nigeria but the concept behind environmental transformation and protection is lacking. Environmental protection therefore, is the of preventing, protecting or safeguarding the natural ecosystem (environment) by the business organizations (Ojo, 2012). However, the exploration and exploitation of the oil and gas by these oil companies has lead to the increase of environmental degradation (Amanyie, 2011). He added, the oil exploration and production composition is a complex mixture that causes serious environmental damage to the ecosystem through land, air and water pollution by diverse outflow; thereby, causing damage to the environment. He maintained that, oil spillage is a major influence to environmental degradation. With regard to the foregoing, social responsibility accounting.

iv) The Place of Technology and Innovation in Social Responsibility Accounting
Glueck (1980) in Digman (1996) observed, another facet that can determine the structure and repositioning of an organization is technology. Although several attempts have been made to clarify the role technology plays in designing organizations, it is quite difficult to give a specific definition that will be generally acceptable to it because the word “Technology” is a widely used concept. This may have lead to the reason why Hunt (1992) that, the concept of technology is too broad for useful research, Howbeit, Robins (1990) noted that, the word technology refers to “the information, equipment, techniques and processes required to transform inputs into outputs in the organization”. Therefore, the concept of technology despite its mechanical, manufacturing or environmental connotation is applicable to all types of organization; as it is one of the most dramatic innovation forces shaping and influencing the people's live in the organization structure regarding to repositioning. More so, every new technology is a force emanating from innovation which leads to creation or destruction as the economy's growth rate is affected by how many major new technologies are discovered. In the meantime, minor innovations fill the gap as new technology creates major long-run consequences that are not always foreseeable.

However, Tamunomiebi and Hamilton, (2001) observed, the initial interest in technology as a determinant of structure to organizational repositioning can be traced to the works of Joan Woodward in the mid 1960's when a major attempt was made to view organization structure and repositioning from a technological perspective which focused on production technology. With regard to the foregoing, the panoply nature of environmental or social responsibility accounting displays organization's production activities that affects the society and / or environment in which the business organization operates; thereby, accounting for its activities to the society at large (Andrews, 1971) in Anderson (1996).

CONCLUSION

Social responsibility accounting emphasizes the extension of accounting reports to include information about product, employee interests, community activities and environmental impact. It had initial problem of definition as economists associated it with National Income. Here, it is defined as the measurement and communication of information about a firm's effects on employee welfare, the local community, and the environment.

Corporate social reporting which is defined as the provision of information to groups within society on the effects of organizational activity is grouped under government monitoring, voluntary disclosure of information by organization and social audits. It has the problem of measurement.

Finally, the emergence of social responsibility accounting imposes new information objectives for accountant and these require a new accounting methodology.

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TAX INCENTIVES AND MANUFACTURING SECTOR REPOSITIONING IN NIGERIA: ANALYSIS OF FINANCIAL PERFORMANCE CORRELATES

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ABSTRACT

This study examines the relationship between tax incentives and financial performance of quoted manufacturing firms in Nigeria; with the operational dimensions as investment incentive, return on equity and earnings per share. It anchors on the conceptual contributions of scholars, who submit that tax incentives have capacity to boost investments in an economy (Olaoye & Bamisaye, 2018; Twesige & Gasheja, 2019). Data are sourced from published annual reports and financial statements of 69 out of 81 manufacturing firms quoted on the Nigerian Stock Exchange; covering critical industrial blocs (sub-sectors) such Agriculture, Conglomerates, Consumer Goods, Healthcare, Industrial Goods, Natural Resources, as well as Oil & Gas. The initial data analysis process involves enumeration of descriptive statistics (including mean and standard deviation values); while correlation features in the explanatory analysis. The results reveal that tax incentive has significant relationship with return on equity ($p = 0.000 < 0.01$); and significant relationship with earnings per share ($p = 0.000 < 0.01$). These indications affirm that tax incentive has significant relationship with financial performance of quoted manufacturing firms in Nigeria, particularly over the study period 2006 - 2015. The study, therefore, recommends that manufacturing firms should effectively articulate all qualifying capital expenditure in order to attract tax incentives. Tax authorities should ensure seamless process for the firms to access available tax incentives. Ultimately, corporate objectivity is required from the quoted firms, especially to demonstrate commensurate reciprocity in the appropriation of tax incentives and contribute efficiently towards repositioning the manufacturing sector in Nigeria.

Keywords: Financial indicators, Investment incentive, Manufacturing firms, Nigerian

economy

Introduction

The essence of taxation is to drive a nation's growth, without the economy may grind to a halt. It represents a mandatory payment required of individuals and firms who earn income, out of which a portion is expected to be transferred to the government for development purposes (Chude & Chude, 2015). The main types of taxes tenable in Nigeria include Personal Income Tax (PIT), Corporate Income Tax (CIT), Value Added Tax (VAT), Petroleum Profits Tax (PPT), Capital Transfer Tax (CTT), Capital Gains Tax (CGT)), Education Tax (ET), Customs Duties (CD), Excise Duties (ED), and Stamp Duties. Although revenue accruing from these sources is expected to accelerate growth and development, the outcome is far from being the case in many economies. Moreover, many firms are facing hard times with increasing cost of doing business in recent times. This accounts for the demand for tax incentives in favour of firms, especially those operating in the manufacturing sector. Thus, tax incentives are granted with a view to repositioning firms towards higher productivity and financial performance. They include tax exemptions, investment allowances, investment reliefs in rural areas, tax-free interest, tax deductible, research and development, tax-free dividends, tax breaks, and capital allowances (Oriakhi & Ahuru, 2014).

Operationally, tax incentives in Nigeria pertain to pioneer companies (in the form of tax exemption), export-free zone, mining of solid minerals, hotel revenues, spare parts production, locally produced installation, replacement of out-dated factory, investment relief, rural investment relief, tax-free interest relief, deductible investment relief, research and development, tax-free dividends, tax agreements with other countries, incentives for the gas industry and rate for small businesses (Tennyson, 2014). Tax incentives attract investments towards repositioning firms and ultimately improving their financial fortunes amidst stiff strong global competition. In developing economies (including Nigeria), they have to grapple with challenges characterized by shrinking markets, which severely threaten corporate productivity and profitability. The Nigerian manufacturing sector, in particular, over the years had got a fair share of the attendant poor results arising from inadequate export incentives, lack of access to financial credit, technological backwardness and lack of inflow of foreign investment to the manufacturing sector (Ohaka, 2010; Oburota & Ifere, 2017). This made some stakeholders to harbour serious doubts regarding the efficacy of tax incentives. While some interest groups appear oblivious of the tax incentives granted by the relevant tax authorities, some investors who may be aware are encumbered with ambiguities associated with the affected tax incentives (Uwaoma & Ordu, 2016).

With investment allowance as tax incentives proxy; return on equity and earnings per share as dimensions of financial performance, this study examines the extent of relationship between tax incentives and financial performance of quoted manufacturing firms in Nigeria. The specific objectives, focusing on experience of manufacturing firms quoted on the Nigerian Stock Exchange (NSE), are to:

i. examine the extent of relationship between investment allowance and return on equity; and

ii. determine the extent of relationship between investment allowance and earnings per share.

The above targets are addressed with the following hypotheses:

HO_1: Investment allowance has no relationship with return on equity.

HO_2: Investment allowance has no relationship with earnings per share.

The above specifications capture a subsisting instrumentality gap in the analysis of financial performance manufacturing firms, especially amidst numerous tax incentives granted by the tax authorities in Nigeria. The study is expected to reveal the extent of relationship between tax incentives and the specified fundamental correlates (return on equity and earnings per share), with a view to repositioning the manufacturing sector in Nigeria.

LITERATURE REVIEW

One major concern of government in Nigeria is on how to reposition the manufacturing sector and grow the economy to higher levels of productivity and competitiveness. This intent, the relevant authorities seek to drive through the instrumentality of tax incentives. The fundamental correlates identified with tax incentives, in this study, are return on equity and earnings per share. The scholarly foundation of this study anchors mainly on submissions of Neo-Classical Investment Theory and Tax Discrimination Theory. The Neo-Classical Investment Theory is identified with Jorgenson (1963), who contends that firms have an intention to accumulate capital, provided the associated costs of capital acquisition are comparatively lower than the benefits accruing therefrom. Thus, investors tend to experience decline in expectations from incremental capital restrains, as present value of returns on capital attempts to match the present value of costs. It is corroborated that identifying before-tax rate of return on capital in relation to cost of capital indicates that lowering tax rates will result to cost of capital minimization, eventually appreciating investment in capital stock (Van Pares & James, 2010). In the submissions of the Tax Discrimination Theory, the essence of tax discrimination is hinged on the intention of government to impose different tax rates across segments in order to foster investments and boost development (Mason & Knoll, 2012).

Tax incentive is the outcome of an effective economic development – oriented process, manifesting in form of a special tax provision granted to qualifying investment projects (Zee, Stosky & Ley, 2002). It is geared towards reducing the weight of tax burden on the affected productive firms. It features as special grace granted a corporate entity, exempting it from not bearing certain burden of tax payment due to the engagement of that firm in value creation and demonstrating high potential for the growth of the economy. It is a window that comes in form of a relief, to the firm, in order to scale down or eliminate the encumbrance of tax. It is a systematic growth propeller designed to provide investment capital, employment opportunities, human capital formation and technology formation. It serves as instruments that mitigate the impact of tax burden of the target entity in order to induce investment of particular projects in a sector (UNCTAD, 2003). Further construed as exemptions to a general tax regime, tax incentives are brought into effect in forms which include reduction in tax rates on profits, tax holidays, accounting rules that sanction expedited depreciation and loss carry forwards for tax purposes, and minimized tariffs on imported equipment, components, and raw materials, or incremented tariffs to fortify the domestic market. Keen (2013) posits that tax incentives constitute strategic instrument that is employed to induce propitious tax treatment to categorical economic sector, thereby creating investment haven for economic turnaround.

Uwuigbe, Uwuigbe, Adeyemi and Anowai (2016) opine that tax incentive scheme is a framework designed to promote favourable tax treatment to foster performance of firms, regarding industrial activities strategically identified with the economic sector. The schemes represent a deduction, relaxation of or exemption from incurring tax liability, a way to incentivise and promote productive activities arising from the fiscal (enticement) grant (Harb & Shaqqour, 2016; Sheriff & Agrawwal, 2017). Biggs (2007) asserts that tax incentives, as fiscal instruments account for critical impact on the productivity of firms. In this vein, Morisset and Pirnia (2000) argue that tax exemptions are capable of influencing some investors on a marginal scale of time. Tax incentives are considered by developed, transitional and developing nations with a view to achieving industrial repositioning, international competitiveness, managing market challenges, recording result-oriented gains in regions and growth of income for distribution (OECD, 2001).

Ideally, tax-exempt policies are capable of industrializing and repositioning the economy, making the environment a safe haven for investing activities to thrive. Hence, government is expected to ascertain the workability of tax incentives before they are granted to firms. Further streamlining the various forms available to firms, tax incentives include tax holiday, tax payers' right of election, investment tax credit, export processing zones, accelerated depreciation or on interest subsidy, re-investment allowance, capital allowance, etc. Re-investment allowance created the window for firms that have been in business for upward of 12 calendar months and would have incurred capital expenditure on certain factory, plant or machinery in the event of purchasing and keeping such qualifying capital asset (Auerbach & Hines, 1988; Githaiga, 2013; Tirimba, Muturi & Sifunjo, 2016; Twesige & Gasheja, 2019). From the submissions, merits of tax incentives are enumerated as:

i. *Stimulating industrial development*, as they serve to reposition and stimulate industrial investment activities. They are intended to expand the frontiers of investment in the country, such that when granted, they serve as additional source of fund, ploughed back to the firm to grow the investment portfolio. In so doing, they are geared towards achieve six major targets, such employment creation, small business development, industrial development, export promotion, spatial development and empowerment of the disadvantaged;

ii. *Improving foreign direct investment*, as they account for enhanced inflow of such productive undertakings in an economy. They play a vital role in the attraction of foreign direct investment in developed economies, which should be purposefully replicated especially in developing economies;

iii. *Fostering economic growth,* as they contribute highly towards promoting economic growth. This expectation tends to be higher in countries having increased investment in capital equipment, as the workforce are inclined to acquiring better skills following opportunities available to harness diverse kinds of equipment and other productive facilities;

iv. *Intensifying employment creation,* with regular utilization as an economic development tool

spurs job growth in an economy. As they are granted to the investors, more opportunities are made available to engage more labour to involve in productive ventures, thereby driving expansion and greater competitiveness in the economy; and

v. *Promoting exports*, as they are designed to serve as a form of assistance granted by governments to firms in a national economy. The industrialists are essentially exposed to secure foreign markets, as the incentives are granted towards keeping domestic products competitive in the global market. As government collects less tax, prices of exported goods are reduced; thereby increasing competitiveness of the trade items in the global market and ensuring that domestic goods have wider reach.

International concerns on these realities, as underscored by Hadari (1990), Usher (1997), Kirsch (2010), as well as Sujatha & Dudeja (2015) feature the following:

i. *Incentives for Foreign Investors*: Incentive systems refer to performance-linked emolument paid to improve motivation and productivity of employees. They are designed to stimulate human efforts for better performance. Studies reveal that most developing countries use tax incentives as a means of attracting foreign direct investments. Thus, investment incentives are provided under the relevant Nigerian laws and regulations, which include tax holidays, tax credits, capital allowances, investment allowances, tax exemptions, duty drawback, subsidies, export expansion grants, export development funds, double taxation reliefs, and investment promotion and protection agreements, amongst others;

ii. *Cross-Border Withholding Tax Relief*: Relief from cross-border withholding taxes is borne out of tax treaties, which are bilateral agreements between countries, with the intent of facilitating cross-border flows in a manner that recognizes and upholds the taxing rights of the participating countries, while mitigating potential double taxation. Generally, tax treaties provide for withholding tax rates lower than domestic withholding tax rates on items of income such as dividends, interest and certain capital gains;

iii. *Double Taxation Relief*: Double taxation exists in an international context when both the taxpayer's country of residence (i.e., the residence country) and the country in which the income arises (i.e., the source country) tax the same item of income. Under internationally accepted practice, and in the absence of a tax treaty, the country exercising residence-based jurisdiction is expected to unilaterally alleviate the double taxation by some reasonable means;

iv. *Tax Treaties and Tax Sparing*: A tax treaty relates to an official agreement between two countries (*Contracting States*), the primary purpose, which is to avert the international double taxation that may arise when a specific transaction or taxpayer is subjected to tax under the domestic tax laws of both *Contracting States*. Such double taxation discourages the free flow of international trade and investment, as well as the transfer of technology, all of which play significant complementary roles in the economic development process. The essence of tax treaties is to prevent juridical double taxation while tax sparing provisions seek to contribute towards economic development in the State of source, as it ascertains and ensures that the income is not entirely taxed in any of the States. Thus, tax treaties allocate taxing rights over various types of income between the residence and the source countries;

v. *International Double Non taxation*: Double non taxation refers to a minimization (or elimination) of tax in the source country (typically created by tax treaty access) even where the income or gain is not subject to tax in the residence country (or elsewhere). Operationally, double non-taxation deprives Member States of important revenues, thereby engendering unfair competition between businesses in the single market. It occurs when cross-border companies tend to escape the payment of taxes due to mismatches between national tax systems. Aggressive tax planners tend to focus on possibilities to exploit loopholes between Member States' systems, with the intention to avoid payment of taxes;

vi. *Tax Treaty Network*: Tax treaty prevails when a business from one jurisdiction invests in another. It addresses the concern of which jurisdiction gets to tax what bits of the income that an investment formation generates. By this, countries sign double tax treaties or double tax agreements with each other, thereby ensuring that issues which border on tax treaty network are identified and addressed amicably. In essence, it seeks to avoid the same income getting taxed twice, which is called classified as *double taxation*. Furthermore, tax treaties are designed to restrict the right of states to tax foreign investors and foreign-owned companies. This is with a view to fostering international investment between the countries concerned; however, the developing countries which are known to be generally importers of capital, experience imbalances in the relationship with attendant unequal opportunities; and

vii. *Tax Competition*: This refers to the process by which countries, states, or cities use tax cuts, tax breaks, tax loopholes or tax subsidies to attract investments and related commitments. It is widely held among public finance analysts / economists that an ideal tax system is a function of low tax rates, zero double taxation, zero loopholes, and territoriality.

Resorting to the criterion variable, financial performance contextually relates an entity's capacity to earnings, profits, and growth in value of share price; which constitutes the indices for the measurement of the efficiency of a firm (Olaoye & Bamisaye, 2018; Omesi & Timah, 2018). Ai-Swidi and Bt-Fadzil (2014) submit that measures adopted in the analysis of financial performance include return on assets, return on equity, Tobin-Q, profit margin, earnings per share, dividend yield, price earnings ratio, return on sales, return on capital employed, market value added, return on investment, and return on fixed assets. The two dimensions of financial performance adopted in this study are return on equity and earnings per share. Return on equity, as a measure of profitability, determines how much profit a company earns with the shareholders' equity. Also referred to as return on net worth, it serves as measure of efficiency. A high measure suggests that a firm is displaying higher capacity to earn profit, which reveals how well a firm's management is deploying the shareholders' capital. The measure is equally popular among investors because it links the income statement to the statement of financial position, focusing on the shareholders' equity. It critically exposes the element of income earned from investments as well as the level of efficiency demonstrated in the utilization of financing opportunities through corporate strategic measures. When appraising companies' earnings potential, investors typically look for return on equity of 15% or higher (Ahsan, 2012; Libby, Libby & Short, 2001; Sartono, 2001).

Earnings per share represents a financial barometer with which investors and financial analysts

measure the profit accruable to a firm over a specified period predicated on the ownership stakes outstanding. It, therefore, represents a yardstick owner of capital adopt in assessing the performance of professionals who are entrusted with the management of shareholders fund. It is an index for analysing and making strategic decisions relative to share valuation, management performance, as well as merger and acquisition negotiations (Wet & Toit, 2007). Advancing with the above dispositions, this study focuses on tax incentives in relation to the fundamental correlates, herein specified as return on equity and earnings per share.

METHODOLOGY

Data for this study are drawn from published annual reports and financial statements of manufacturing firms. The population comprises 81 manufacturing firms quoted on the NSE over the period (2006-2015). In line with the framework of Yameni (1967), an enhanced sample of 69 is selected for this study. The industrial blocs constitute critical sub-sectors, delineated as follows:

i. Agriculture - 4 firms (5.80%),

ii. Conglomerates - 6 firms (8.70%),

iii. Consumer Goods - 21 firms (30.43%),

iv. Healthcare - 8 firms (11.59%),

v. Industrial Goods - 18 firms (26.09%),

vi. Natural Resources - 3 firms (4.35%), and

vii. Oil & Gas - 9 firms (13.04%).

The data analysis process involves tabulation and enumeration of the descriptive statistics. Thereafter, correlation tool features in the explanatory analysis, so as to determine the extent of relationship between investment allowance and the respective financial performance dimensions (return on equity and earnings per share). This is in line with the methodological submissions of Vohra (2014), Kothari (2014), Twesige and Gasheja (2019), as well as Sekaran and Bougie (2009).

DATA ANALYSIS & RESULTS

The data obtained from the audited financial statements of manufacturing companies quoted on the NSE are analysed with specified statistical tools to arrive at the results of the study. By this, the research process objectively determines the extent of relationship between tax incentives and financial performance of quoted manufacturing firms. Details of data analysis begin with descriptive statistics on Investment Allowance (IA), Return on Equity (ROE), and Earnings per Share (EPS) of the quoted manufacturing firms, as presented in Table 1:

Table 1: IA, ROE and EPS Descriptive Statistics

	IA	ROE	EPS
Mean	2080095.	25.29163	4.856910
Median	52490.07	14.07000	1.100000
Maximum	1.94000	2492.000	458.0000
Minimum	5.000000	0.050000	-432.2800
Std. Dev.	14170348	101.8782	33.26889
Observations	690	690	690

Source: E-Views Research Output (2020).

Table 1 indicates the average investment allowance granted the firms in the period is 2080095 in Naira, with a standard deviation of 14170348; while the maximum investment allowance received is 19400000000 in Naira. Regarding the first dimension of financial performance (return on equity), the average is 25.29 on average, with a standard deviation of 101.87; while the highest return on equity is 2492 in the period under review. For the second dimension of financial performance (earnings per share), average for the period (2006–2015) is 4.86, with a standard deviation of 33.26; while the maximum earnings per share received is 456. With standard investment allowance – complementing inputs, explanatory statistical details on the correlation between the variables are presented in Table 2 and 3:

Table 2: IA – ROE Explanatory Statistics

Dependent Variable: ROE				
Method: Pooled Least Squares				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.418377	0.125686	11.28505	0.0000
LOG(IA)	0.032014	0.007802	4.103080	0.0000
R-squared	0.853909	Mean dependent var		2.489880
Adjusted R-squared	0.853102	S.D. dependent var		1.251684
S.E. of regression	1.217997	Akaike info criterion		3.233358
Sum squared resid	6950.276	Schwarz criterion		3.240238
Log likelihood	-7577.225	Hannan-Quinn criter.		3.235777
F-statistic	66.73915	Durbin-Watson stat		1.945075
Prob(F-statistic)	0.000000			

Source: E-Views Research Output (2020).

Table 3: IA – EPS Explanatory Statistics

Dependent Variable: EPS				
Method: Pooled Least Squares				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	13.41250	3.395670	3.949885	0.0001
LOG(IA)	0.697315	0.210799	3.307956	0.0009
R-squared	0.621242	Mean dependent var.		4.856910
Adjusted R-squared	0.620407	S.D. dependent var.		33.24760
S.E. of regression	32.90661	Akaike info criterion		9.826290
Sum squared resid.	5073130.	Schwarz criterion		9.833170
Log likelihood	-23037.65	Hannan-Quinn criter.		9.828709
F-statistic	25.42007	Durbin-Watson stat		2.110270
Prob(F-statistic)	0.000000			

Source: E-Views Research Output (2020).

The results in Table 2 indicate a strong positive relationship between investment allowance and return on equity, with coefficient of determination (R^2) of 0.853909 (significant). This reveals that investment allowance accounts for 85% of variations in return on equity. In Table 4, the results indicate a strong positive relationship between investment allowance and earnings per share, with coefficient of determination (R^2) of 0.621242 (significant). This establishes that investment allowance accounts for 62% of variations in earnings per share. The overall model is significant at the 0.05 level. The results of the test of hypotheses are presented in Tables 4 and 5:

Table 4: Hypothesis - One Test Statistics

Direct relationship between	Coefficients	t-statistic	p-value	Sig. level
IA and ROE	0.032014	4.193080	0.0000	0.05
R^2 = 0.853909	R^2_{adj} = 0.853102	DW-Statistics = 1.95		

Source: E-Views Research Output (2020).

Table 5: Hypothesis - Two Test Statistics

Direct relationship between	Coefficients	t-statistic	p-value	Sig. level
IA and EPS	0.697315	3.307956	0.0009	0.05
R^2 = 0.621242	R^2_{adj} = 0.620407	DW-Statistics = 2.110270		

Source: E-Views Research Output (2020).

The results in Table 4 explain the relationship between investment allowance and return on equity at the specified confidence level of 0.05. They establish a significant relationship between the variables (p-value 0.0000 <0.05), thus, affirming that investment allowance has significant relationship with return on equity. In Table 5, the results explain the relationship between investment allowance and earnings per share at the specified confidence level of 0.05. They establish a significant relationship between the variables (p = 0.0009 < 0.05), thus affirming that investment allowance has significant relationship with earnings per share. Thus, the grant of investment is significantly potent in boosting financial performance of firms, which go a long way in repositioning the manufacturing sector. The findings are in line with the submissions of contemporary scholars, who majorly examined the extent to which capital relief serves as captivating incentive for higher investment in the Nigerian manufacturing sector. Their conclusion affirm that capital relief is significantly related to post-tax profit, return on total assets and return on equity (Oriakhi & Osemwengie, 2013; Olaoye & Bamisaye, 2018; Twesige & Gasheja, 2019).

DISCUSSION OF FINDINGS

This study sought to determine the extent of relationship between tax incentives and financial performance of quoted manufacturing firms in Nigeria. Using secondary data sourced from annual reports and statement of accounts of the quoted manufacturing companies, as published by the NSE, the research design utilized descriptive and explanatory statistical tools, with the aid of E-views software. With the high coefficients of determination of 85% and 62% for return on equity and earnings per share respectively, the study establishes that tax incentives (with investment allowance as proxy) significantly explain the variability magnitudes of financial performance of quoted manufacturing firms in Nigeria. This validates the submission that tax incentives are designed to attract and boost investments, which ultimately drives the target of repositioning the manufacturing sector. In the face of stiff global competition, many countries are grappling with the challenge of dwindling markets, culminating in severe reduction in corporate profitability.

To address this, government wades in with proactive measures, particularly in the form of business-friendly tax incentives to boost investments in these countries (Oburuota & Ifere, 2017; Timah, 2020). However, some analysts still sue for restraint in investment policy implementation to avoid the boomerang that characterizes the exhibit of indiscretion and maladministration (Oriakhi & Ahuru, 2014; Omesi & Timah, 2018). In studies on the operations of multinational companies in developed countries, the outcomes equally indicate a positive correlation between tax incentives and growth in investment activities. Nonetheless, some factors that may undermine tax incentives have been identified. Mayende (2013), on evaluating the effect of tax incentives on company performance in Uganda, indicated that the implementation of tax incentives may divert administrative resources away from the core industrial activities of the firms. In many jurisdictions, the benefits of tax incentives are widely exaggerated while costs are frequently underrated. Hence, the non-tax elements become a lot more superior to actual tax incentives in determining the financial performance of an organization.

The submissions of Keen (2002), Klemm (2004), as well as Ohaka and Ironkwe (2014) demonstrate

the imperativeness of the fiscal attractions of tax incentives in relation to the financial performance correlates. They specifically underscore that investment allowance enhances corporate financial performance by helping to boost the productivity of companies and upgrade their financial statuses. Essentially, investment allowance (as a major form of tax relief) is geared towards to boosting industrial financial performance, and in so doing drive macroeconomic fundamentals (growth and development) towards a more innovative and competitive Nigerian economy.

CONCLUSION & RECOMMENDATIONS

This study examined the extent of relationship between tax incentives and financial performance of quoted manufacturing companies in Nigeria. This was driven by the need to identify fiscal tools that would significantly incentivise investors and meaningfully reposition the Nigerian manufacturing sector towards sustainable enhanced industrial productivity. Where this macroeconomic target is afforded, it justifies government's resolve towards checking capital flight, unemployment, decline in gross domestic product (national income), which is generally traceable to under-utilization of installed capacity of productive systems in an economy. The study, therefore, recommends that:

i. Manufacturing firms should professionally articulate all qualifying capital expenditure, in order to be eligible for the grant of tax incentives. Also, they should be poised to do more in making maximum use of their productive facilities (assets) to produce and market high quality goods. It is in their interest to identify and dispose all idle assets to optimize their sizes, as measured by log of total assets; and

ii. Tax authorities charged with the responsibility of determining and granting tax incentives should streamline a seamless process for eligible firms to access available tax incentives. Although, tax incentives are quite potent in repositioning the manufacturing sector, corporate survival of the firms also depends on other factors, some of which are in the context of the external environment. In this case, there is need for government to enhance critical infrastructure development, promote good governance, and guarantee adequate security for the firms to thrive.

Corporate objectivity is equally required on the part of the firms, to demonstrate commensurate reciprocity in the appropriation of tax incentives. Economy watchers had observed that some manufacturing firms leave the scene of business when their tax holiday period is running out, so as to evade payment of taxes at the expiration of the tax relief. Given this tendency, it is necessary for government to make regulations that would check exit before expiration of the tax holiday, so that government would not incur costs in providing tax incentives which do not have long-term benefits on the economy. This will go a long way in shielding the economy from incurring costs without commensurate long-term benefits, resulting from the hopping tendencies of some firms. In all, insights from the study affirm the instrumentality of tax reliefs, in line with the targets of boosting investments, repositioning the manufacturing sector, redefining productivity, and causing favourable turn-around of the Nigerian economy.

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AN EVALUATION OF TAX LEAKAGES IN THE NIGERIA TAX SYSTEM

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ABSTRACT

Taxation has been identified as one of the sources of government revenue but from time to time, taxpayers have always sought for ways and means (both lawful and illegal) of reducing or minimizing the burden of tax. However tax avoidance and evasion (the twin devils) have been identified as the major leakages facing the Nigeria tax system. This theoretical paper critically reviews current literature on the various tax avoidance and evasion practices, and provisions in the Nigeria tax system against such practices and identified that there is a lack of a robust and an all inclusive database system that will keep a historic comprehensive record and track of eligible taxpayers tax liability. It consequently recommended that eligible taxpayers should be captured in a single database system with provision for periodical updates. Furthermore government should embrace and promote good governance so as to encourage voluntary compliance of tax liability by the citizenry.

Key words: Tax avoidance, Tax evasion, Tax System, Nigeria

INTRODUCTION

The importance of taxation in a society cannot be over-emphasized. It can be a means of achieving the goals of social progress and the objectives of economic development, in carrying out the various functions of government at different levels are largely dependent on financial resources and for every government system such financial resources mostly comes in form of taxes paid by individuals, organization etc. which are paid through the three tiers of government as proscribed in the law of Federal Republic of Nigeria. Tax payers who are rational beings would seek ways of paying the least amount of tax legally or illegally. The taxpayers in Nigeria are liable to tax on their income whether as employees or self employed. However tax avoidance and evasion (the twin devils) have been identified as the major leakages facing the Nigeria tax system. Companies and individuals often explore the loopholes in these crimes, although when it comes to tax avoidance it is viewed as a situation where the taxpayer arranges his evasion in an outright dishonest action whereby the taxpayer seeks to minimize his tax liabilities through illegal acts such as deliberate omission of some source of income from return, failure to submit returns, failure to pay tax, e.g. withholding tax, understating incomes, overstating expenses etc.

A tax is generally imposed by authorized legislation, otherwise it becomes illegal if it is imposed on citizenship" (Okafor, 2012). In addition, the Nigeria Public Accountants Institute (2006) and the Nigeria Collegiate Tax Institute (2002) have defined a tax as "a forced contribution of money to the government in accordance with a defined authorized legislature". The tax generates very substantial revenues for the government. The nature and level of taxes vary according to the economic policies adopted by the government of the time. As a result, the different laws in Nigeria allow the government to tax its citizens and increase tax revenues. These laws are the 2011 Personal Income Tax Amendment Act, the 2007 Corporate Income Tax Amendment Act, and the 2004 Oil Income Tax Amendment Act. Others they are "the amendment law. of the 2004 capital gains tax, the 2007 Value Added Tax Amendment Act, and the 2004 Education Tax Change Act. The federal government agency responsible for administering and collecting these taxes (except customs / special taxes) until April 2007 was the Federal Board of Internal Revenue (FBIR). In 2007, the board was discarded and replaced by Federal Internal Revenue Services (FIRS)" (Ofuegbu, Akwu & Oliver, 2016) hence there has been constant reviews of the policies to ensure efficient collection and administration so that tax leakages would be reduced or completely eliminated. Yet tax evasion and avoidance have continued and thus has served as serious avenues for revenue leakages in Nigeria tax system. As we go on we shall critically review current literature on the various tax avoidance and evasion practices, and provisions in the Nigeria tax system against such practices.

LITERATURE REVIEW

Theoretical Foundation

Theory of Taxation:

The concept of taxation has created a lot of dispute and severe political struggles over a long period of time. Considering its significance, various economic theories have been suggested to manage an effective and clear tax system. Taxation is therefore, generally categorised under three main different theories as follows: principle of taxpayer ability to pay, principle of benefit or utility approach and principle of equal distribution, However, in this paper we provide discussion about these theories in brief as they relate to the context of our discussion as follows:

Principle of Ability-to-Pay:

As clearly the name advocates, it means that the taxes should be imposed according to a person's ability to pay base on his or her earnings. It is widely known that public expenditure should be expected from those that have and not from those who have not. This principle originated since the sixteenth century. The principle was systematically stretched by the seventeenth century Swiss philosopher Jean Jacques Rousseau (1712-1778), and then the French political economist named Jean-Baptiste Say (1767-1832) and lastly the English economist John Stuart Mill (1806-1873). This is certainly the foundation of progressive tax, as the tax rate increases then the taxable amount is expected to increase also. This principle of ability to pay is definitely the best equitable tax system, and this has been widely practice in industrialized nations. The common and most maintained reasoning of ability to pay is on the bases of sacrifice by one party to another. The

disbursement of taxes is regarded as a dispossession to the taxpayer; this is because taxpayers submitted taken amount to the government which instead he may have utilise for another personals benefits. Conversely, there is no compacted method to the measure the fairness of sacrifice in this concept, as the case may be evaluating the absolute, marginal or proportional terms.

Principle of Benefit:

According to this theory about taxation, individual may be asked to summits their taxes in proportion to the utility they are enjoying from the services provided by the government. This should be based on the assumption that there is an interchange relationship between the taxpayer and the government. Government deliberates some benefits to the taxpayers by providing different services and others so-call social goods. Moreover, this theory profess and advocate that equity or fairness in taxation stresses that an individuals would be asked to submit a tax proportion to the welfares he receive in turn from the services provided by the government. Despite the theory is viewed as interchange relationship between taxpayer and the government, many difficulties was identified in applying the theory. The most serious problems confronting principle of utility or benefit approach is how to quantify and measure the received (enjoyed) benefit by taxpayer from the services provided by the government. For example, on which scale taxpayer benefit would be measured for enjoying national security and education, maintaining law and order and other social infrastructure-all provided by government. Furthermore, various expenditures incurred by government in providing services, there benefits are indivisible which course the expenditure also not possible to be divided.

This could only shows that people are always encourages by paying taxes to the government for the continuity of the community prosperity. However, the theory can only be really applied in a situation where the beneficiaries are easily and clearly traceable. For instant it can be applied to the road taxes collected from owners of vehicles. Also principle of benefit approach can be applied to the workers who have a network of social security program. Therefore, this principle can only rendered restricted solution to the issue of equity and fairness in the domain of taxation.

Principle of Equal Distribution:

According to this principle, tax liability should be so distributed between different persons that bordering cost of utility of each individual who are disbursing the tax should be the same. This method seeks to reduce the total sacrifice of the people as a whole. When many individuals pay ample tax that means their marginal sacrifice of benefit should be the same, as such the total utility loss of the society will be lowest. Therefore, the principle of equal distribution looks at the problem of apportioning the tax liability from the idea of view of benefit of the whole society. The social philosophy causal the principle is the entire sacrifice levied by taxation on the public have to be smallest. Thus, the equal distribution principle endorses a highly progressive tax structure. This taxation principle has been suggested among the scholars such as Edge worth, Musgrave and Pig-out who contemplate this as the crucial principle of taxation. It is said that Edge worth who is the elevator of this principle suggests that minimum submission is the supreme principle of taxation. The smaller the amount of the cumulative tax sacrifice, the more improved sharing of tax liability in the community. Then the more Government continues to exists and maximize human welfare.

Conceptual Review

The Concept of Tax Avoidance and Tax Evasion

Tax avoidance is a situation where the taxpayer arranges his financial affairs in a way that would make him pay the least amount of tax without infringing on the legal rules (Kiabel 2011). From the above, it may be argued that tax avoidance and tax planning are the same and are used interchangeably. What the tax authorities call avoidance is referred to by taxpayers and their consultants as tax planning (Abonika, 2012; Fowokan, 2009). Tax avoidance is, thus, a matter of being sensible and knowing how to apply inherent loopholes in the tax legislation and administration to the benefit of the tax payer. This may be true because as Bassey (2013) explains, whereas the tax authority will like to take every advantage available to it under the law to empty the tax payers pocket, the tax payer is in like manner entitled to be wise to adopt lawful means to prevent the depletion of his pocket by the tax authority. Clearly, tax avoidance is an act carried out within the limits permissible by the tax laws even though the law makers may not have originally intended to create the gaps, loopholes or ambiguities in the law. On the other hand, tax evasion evasion is an illegal act of intentionally reducing accrual taxes or completely skipping the payment of such taxes by under reporting income, overstating expenditures, deductions or exemptions (Bassey, 2013). It is argued that tax evasion is a serious problem in Nigeria which arises from many sources including outright ignorance of extent tax laws, lack of faith in the ability of government to utilize tax revenue well and high tax rates which make evasion very attractive and economical (Ordu & Anele, 2015). Consequently efforts are made towards elimination of tax evasion whilst allowing for tax avoidances since the means of avoidance are captured within the extant tax laws.

Avoidance Devices in Nigeria Tax System

According to Kiabel (2017), avoidance devices are measures adopted by taxable persons to reduce liability to tax without violating the legal provisions. Avoidance devices may come in the form of reliefs or allowances, provisions or legal loopholes arising from inadequate drafted tax legislation. Nigerian's Personal Income Tax Act contains a legion of devices often taken advantage of by taxable individuals, some of which are examined in the following paragraphs:
The sixth schedule to the Personal Income Tax (Amendment) Act, 2011 provides for the following allowance and tax exempt deductions. A consolidated Relief Allowance (CRA); Tax exempt deductions in the form of National Health Insurance Scheme (NHIS); Life Assurance Premium (LAP); National Pension Scheme (NPS); and gratuities. These tax-free allowances and reliefs which are intended to lighten the individual's tax burden maybe taken advantage of through the individual's involvement in or contribution to the schemes. They are deductions from the individual's gross emolument which means lower chargeable income and ultimately lower tax payable.

Secondly, the provisions in the fifth schedule to PITA, 2004 relating to capital allowances claim on qualifying capital expenditure is another avenue for tax avoidance. Where the taxable person had incurred capital expenditure in a basis period on items such as plant and machinery, furniture

and fittings, building, agricultural plants, motor vehicles etc he will be granted capital allowances on the assets, if he made a claim and satisfies the other conditions for the grant of the allowances. Theses allowances are a means of tax avoidance as they are allowed to be deducted from the business adjusted profits.

There are a number of other devices used to reduce or minimize an individual's potential tax liability. These other devices constitute loopholes in the act, which the law makers may not have intended. These revenues are regarded by some as illegitimate (Agbonike, 2012) include but are not limited to those discussed below.

An individual may avoid tax by opting to be paid for his services in shares. This is beneficial, tax wise, to the taxpayer since dividends attract 10% withholding tax. This is definitely lower than the personal income tax rate. Besides when the shares are eventually disposed of, capital gains thereon no longer attract tax, effective from 1st January, 1998.

Tax may also be avoided by an individual engaged in trade or business by him taking a mortgage loan for purchase of an owner occupied residential house. Interest on loan is deductible in arriving at the taxable profit of the business or trade. Benefits in-kind are generally taxable but the values at which such benefits are taxable are usually lower than what it costs the employer in providing such benefits. Consequently, the employee taxpayer could avoid tax where the employer provides him with living accommodation rather than cash allowance this is because the ratable value of the house is what constitutes taxable income in the hands of the employee and it is usually lower than the cash allowance.
Compensation for loss of office under the Act is tax exempt. Therefore, where an employer pays a lump sum to an employee who is leaving and tagged it "compensation for loss of office" such income will not attract tax in the hands of the recipient employee. These are few of the avenues available to reduce or minimize an individual's taxpayers liability.

Tax Evasion

As earlier mentioned , tax evasion is an outright dishonest action whereby the taxpayer seeks to minimize his tax liabilities through illegal acts such as deliberate omission of some source of income from returns, failure to submit returns, failure to pay tax etc (Kiabel, 2016). Tax evasion is an outright, dishonest action whereby the taxpayer endeavours to reduce his tax liability through the use of illegal means. Farayola (1987) asserts that tax evasion is the fraudulent, dishonest, intentional distortion or concealment of facts and figures with the intention of avoiding the payment of or reducing the amount of tax otherwise payable. Tax evasion is accomplished by deliberate act of omission or commission which in them constitutes criminal acts under the tax laws. These acts of omission or commission might include all or some of the following according to Aguolu (1999):

a) failure to pay tax e.g. withholding tax;
b) failure to submit returns;
c) omission or misstatement of items from returns;
d) claiming relief (in Personal Income Tax), for example, of children that do not exist;
e) understating income;
f) documenting fictitious transactions;
g) Overstating expenses;

h) failure to answer queries.

The most common form of tax evasion in Nigeria is through failure to render tax returns to the relevant tax authority. A tax evader may be charged to court for criminal offences with the consequent fines, penalties and at times imprisonment being levied on him for evading tax (Faseun, 2001). And as observed by Sosanya (1981): Tax evading has become the favorite crime of the Nigerian and it is so popular that it makes armed robbery seem like minority interest. It has become so widespread that there now exist a cash economy of vast proportions over which the taxman has no control and which is growing at several times the rate of the national economy. With this situation, revenue leakages would continue that undermines tax revenue generated for Nigeria.

Tax Evasion Schemes

The problem of evasion is much more glaring under the direct assessment method under which the self-employed are taxed than with the indirect assessment method under which employees are taxed. It is generally believed that the self-employed pay less than 10 percent of their personal income tax to the government yearly, while employees pay the remaining 90 percent. Even civil servants and the other salaried workers are equally guilty of this nefarious practice in the manner in which they abuse the personal allowances and relief statutorily provided by the law. Thus, almost every potential Nigerian civil servant, in their claim for personal allowances and reliefs, would claim falsely that he is married with four children. Tax evasion may be perpetrated in several ways, some of which comprise the following: False claims in respect of children, wife, capital allowances, dependent relatives, life assurance premiums etc; Understating or false declaration of income receipt 'from trade, business, professional, vocation or employment; Omission to state gross amount of dividends, rents etc, received in Nigeria from outside sources. False claims of contribution to a pension scheme also exist. Reduction of tax liabilities through fraudulent tax returns is another example, while giving incorrect information, in relation to any matter or thing suffering the liability to tax of any taxable person is a common practice.

Areas of Tax Evasion

Customs Duties:

A typical area of tax evasion in Nigeria is the attempt to evade customs duties. Typically importers try to evade customs duties by either under-invoicing or changing the product description to attract lower rates of duty. At other times they would also change the date of manufacture of products so as to attract lower duty or outright exemption of duty. It is would be of interest to note that a lot of goods are brought into the country through unauthorized routes. This is intended to evade the payment of customs duties.

Personal Income Tax:

Unscrupulous employers may try to evade paying employment taxes. Most often this is done by intentionally failing to remit to the tax authorities the employment taxes it collected from its employees. After a certain amount of time, the employer will then dissolve the company or claim bankruptcy, leaving the employment taxes unpaid. Other methods include paying the employees in cash; filing false payroll tax returns, or failing to file payroll tax returns.

VAT Evasion:

One of the simplest ways to evade VAT in Nigeria is to inflate the claims to deduct VAT paid at earlier stages or outright fabrication of fake invoices for purchases never made. Another means is to outrightly refuse to remit the VAT so deducted to the relevant authorities. At this point, without argument it can be said that both tax avoidance and tax evasion (twin devils) have an adverse effect on personal income tax and by extension had robbed the Nigerian government of substantial tax revenue. This is because under direct persona: taxation as practiced in Nigeria the major problem lies in the collection of the taxes especially from the self-employed such as the businessmen, contractors, professional practitioners like lawyers, doctors, accountants, architects and traders in shops among others.

As observed by Ayua (1999) these persons blatantly refuse to pay tax by reporting losses every year. According to him, many of these professionals live a lifestyle inconsistent with reported income / which is usually unrealistically low for the nature of their businesses. Civil Servants and their salaried workers are the only class of people that actually pay tax in Nigeria. However, even among the salaried workers, he added, many have turned the statutory personal allowances and relief into a fertile ground for tax evasion. Almost all Nigerian taxpayers are married with four children. Similarly, despite the tax provision meant to plug loopholes through which taxable persons can minimize tax liability the self-employed persons employ all kinds of avoidance schemes to minimize or escape tax liability and makes you wonder whether there are still any tax officials working in that capacity. Such scenarios, no doubt, say a lot about tax administration system in Nigeria both in its design and in the disposition of some taxpayers towards taxation.

While it immediately presupposes that there are legal framework put in place to punish tax evaders it perhaps raises a poser on the efficiency and effectiveness of tax laws and tax administration in Nigeria. Some state governments in an effort towards solving this problem had even gone to the extent of engaging the services of tax consultants. This government effort, notwithstanding, the problem of tax evasion and avoidance still persists (Alabi, 2001) as cited by Ayodele (2006). There is no doubt that revenue due any government will be reduced by the unpatriotic act of tax evaders thereby affecting economic growth.

Penalties for Evaders

With the signing into law of the Personal Income Tax (Amendment) Act, 2011, tax defaulters now pay stiffer penalties for different offences, as contained in the act. For example, a person who engaged in banking business but failed to render returns, books, documents and information on demand within seven days was now liable to pay a fine of N50,000, as against the old penalty of N500. The new tax regime, which took effect from April 1, 2012, also prescribes N10,000, as against the previous Nl,000 for offenders who make false statements in relation to tax payable or repayable. Also, a person who engages in banking business but fails to render information about new customers within seven days of the following month will pay N50,000, as against the previous N500. In the same vein, any corporate organisation that makes false statements and returns will be liable to pay N500,000 as penalty, compared to the previous N5,000 penalty, among others.

Causes of Tax Evasion and Tax Avoidance in Nigeria

The causes of tax evasion and avoidance are universal, as they are applicable in any country that tax is imposed. Some are peculiar to different areas, however in Nigeria some of these causes as identified by Onuigbo (1986) include:

The Absence of a "Quid Pro Quo"
The average human being abhors the payment of tax- He sees taxation as a discredited imposition and evidently obnoxious. This stems mainly from the absence of a "quid pro quo" i.e. something of value giver, in return by the Government for the taxes paid. It is commonly argued, taxes should not be paid as the authority does not provide amenities which are in any way commensurate with the taxes paid. There is no guaranteed compensatory benefit.

Inequitable Distribution of Amenities: In many parts of Nigeria citizens are opposed to the payment of any form of taxes and rates on the ground that government had been unfair in the distribution of amenities and other good things of life. This thinking is often a root cause of most civil disturbances in parts of the country.

Misuse or Mismanagement of Collections Made: More often than not there are reports in the news media of how government functionaries misuse taxpayer's money. Evidences of wastage of public funds abound in the form of inflated contract prices, in unexecuted but paid contracts or in the criminal acts of using diverse methods and loopholes to exhaust ᶠunds voted for ministries and governmental departments before the financial year run out. The cumulative effect thereby produced is the resolve of many honest taxpayers never to pay theft due taxes again, or at most pay under compulsion.

Remoteness of Taxpayers from the Government: There is this common belief which most taxpayers have about the nature of government. The average Nigerian has an inborn bias or hatred against most government functionaries who in most cases live apart from the taxpayers. It hurts, most taxpayers would reason, for one .to part with his hard earned resources for the upkeep of these (imagined) enemies. The creation of local government councils, which is supposed to bring government closer to the people, had not helped matters. As argues by Kiabel (2001), a solution to the problem probably lies in the proper education and orientation of the taxpayers towards government and its functionaries.

Absence of Spirit of Civic Responsibility: Most Nigerians probably due to illiteracy and ignorance fail to understand that they owe certain responsibilities to government, one of which is the payment of tax. Even when the government says it is poor they would rather argue that the government should print more money to solve her problems, this lack of spirit of civic responsibility amongst the majority of Nigerians is a major cause of tax evasion in Nigeria.

Some other authors have at one time or the other attributed the causes(s) of tax evasion and avoidance to various reasons. For example Orewa (1957) had earlier investigated the characteristics of evasion and found that complete evasion results from high degree of inter-district mobility on the part of the taxpayers. According to him, due to mobility, evasion is more pronounced on the part of self- employed taxpayers who move from compound to compound at frequent intervals than it is, with salary and wage earners with known and permanent address. He contended also that partial evasion may be due to inadequate accounting records maintained by traders, mistaken belief on the part of some illiterate taxpayers that only wages and salaries

represent taxable income.
Kiabel (2001) has argued that some businessmen do not see any reason why they should pay tax irrespective of the fabulous profits made- This is the direct display of the spirit of unpatriotic: Such people take the stand that no matter the income or revenue that was acquired during the year nothing will be paid as tax or they may prepare their accounts in such a way that a loss will be reflected. This study has identified the lack of a robust and an ail inclusive data based system that will keep a historic comprehensive record and track of eligible taxpayers that fall within the scope of tax laws, be it the; personal income tax, value added tax, company income tax, capital gains tax etc and also lack of application of modern technological innovations and equipments especially the use ot computer system and the internet particularly at the state level of administration which has created more and easier escape-route for defaulters.

Overview of Nigeria Tax System
The tax system in Nigeria is made up of tax policy and tax laws, stratified into tax assessment, tax collection and tax administration. According to the Presidential Committee on National tax policy (2008), the principal objective of the Nigerian tax system is to contribute directly to public finance and governance through improved policy formulation / collection and appropriate utilization of tax revenue for the benefit of the Nigerians. Besides, the Nigerian tax system is expected to (Federal Inland Revenue services (FIRS), 2015) encourage economic growth and development, generate stable revenue or resources needed by government to accomplish loadable projects and or investment for the benefit of the people, Provide economic stabilization, pursue fairness and distributive equity and Correction of market failure and imperfection, (Enahoro & Jayeola, 2012), taxation involves the three tiers of Government, each being legally spelt out under the constitution, appropriate laws and statutes.
Succinctly, the federal government tax corporate bodies (such as corporate income, withholding taxes, oil and gas production taxes and charges, value added tax (VAT) and import duties) while state and local governments' tax individuals like personal income tax, individual capital gains tax, stamp duties, urban land rentals, business premises and registration, development levy and road and gaming taxes). Specifically, local governments' collect taxes on persona!, social and commercial permit fees. Although the Nigerian tax system has undergone several reforms geared toward enhancing tax collection and administration with minimal enforcement cost, one of the major setbacks faced by the Nigerian economy is the tax system presently in operation. This also has contributed to the non-voluntary compliance of the taxpayers due to the meager nature of the system leading to an extensive practice of tax evasion and avoidance. It has been a major impediment to economic growth, where tax evasion and avoidance are now prevalent (Ezeoha and Ogamba, 2010). Some of the major tax reforms put in place by the government in addressing the problems of tax administration in Nigeria include: the introduction of Taxpayer's Identification Number (TIN) which became effective since February 2008. Automated Tax System (ATS) that facilitates tracking of tax positions and issues by individual taxpayer, E-payment System (EPS) which enhances smooth payment procedure and reduces the incidence of tax touts. Enforcement scheme (Special Purpose Tax Officers), this is a special tax officers scheme in collaboration with other security agencies to ensure strict compliance in payment of taxes (FIRS, 2009; Asada, 2005).

EMPIRICAL REVIEW

A number of studies as to the effect of tax avoidance and evasion in Nigeria have been conducted. For example, Boylan and Sprinkle (2001) conducted study in which he tried to explore the behavioral determinants of tax evasion. He used experiment technique in order to acquire desired objectives such as to identify the factors that motivate the tax compliance and characteristics of noncompliant taxpayers. Skinner and Slemrod (1985) conducted a study in order to investigate the determinants of tax evasion. In this study, only strict economic determinants proposed by seminal models were taken. Study found that considerable share of effective tax compliance cannot be explained by using these solely variables. Srinivasan (1973) also introduced seminal theoretical models and conducted study while exploring the determinants of tax evasion. In this study, he explained that the behavior of tax evasion was based on level of risk aversion, amount of penalty imposed and probability of being audited. Likewise, study found an ambiguous relationship between marginal tax rate or income and tax evasion. There is a clear cut difference between tax avoidance and tax evasion.

One is legally accepted and the other is an offence Skanda & Kumarasingam (2002) as cited by James & Nobes, (2008). Tax avoidance is the legal utilization of the tax regime to one's own advantage, to reduce the amount of tax that is payable by means that are within the law. By contrast, tax evasion is the general term for efforts not to pay taxes by illegal means (Sharrna & Dang 2011 as cited by Mohammed & Mohammed, 2012). It is also perceived that both tax avoidance and tax evasion are linked with shadow economy. According to Schneider & Enste (2000) cited by Faseun (2001) shadow economy is that economy in which people do not show their real income and taxable income that they have earned through legal activities including better and monitory activities in order to avoid paying tax.

Muhammed and Muhammed (2012) posit that government has protested against these two above mentioned evils for number of times but corporations and all other persons whose income is taxable, they make use of tax avoidance strategies to get away or curtail the taxes or they willfully employ fake techniques with the support of tax officials to evade the total tax. Pommerehne et al. (1994) conducted study in order to recognize the determinants of tax evasion. They used the presence of grievance in absolute terms in their study. Results indicated that as the sentiments of grievance increased in absolute terms, the level of tax evasion also increased and the level of tax moral belief decreased. Fisher et at (1989) also examined the behavior of taxpayers in order to explore the behavioral determinants of tax evasion. He used random survey technique in order to acquire desired objectives like to identify the factors that motivate the tax compliance and characteristics of noncompliant taxpayers.

DISCUSSION OF FINDINGS

From the empirical review above it can be said that the poor outcome of personal income tax is blamed on the twin devils of tax avoidance and tax evasion. In addition, increased level of tax evasion is accounted for by the level of risk aversion, amount of penalty imposed and probability of being audited. If the individuals or entities involved know that they would be audited, the level of evasion would be minimized. On the other hand, tax avoidance cannot be eliminated however there is a clear cut difference between tax avoidance and tax evasion. Studies have also shown that entities make use of tax avoidance strategies to get away or curtail the taxes they are liable to, and most times this is possible with the connivance or support of tax officials - makes tax evasion

strive

CONCLUSION

While tax is seen as a compulsory payment imposed on the income, profit, property, goods / services or transactions of individuals or corporate bodies by the government for its sustenance and for which there is no guaranteed compensatory benefit. However from time to time, taxpayers have always sought for ways and means (both lawful and illegal) of reducing or minimizing the burden of tax (Kiabel, 2017). Although tax avoidance is generally regarded as a lawful means of minimizing one's tax liability, same cannot be said of evasion which is an outright dishonest act to minimize tax liabilities through illegal acts. However, this twin devils have been identified as one of Nigeria's greatest impediment to government revenue generation through personal income taxation. So efforts must be put in by relevant authorities to deal with the twin devils.

RECOMMENDATION

1. Nigeria government should embark upon other means of awareness creation so that people will be conversant with the issue of tax evasion and avoidance and the consequence / penalties associated with it. Awareness could be in the form of radio messages, television advertisement, post bills as well as the use of town criers to inform taxpayers of changes in tax legislation and need for compliance.
2. Suitable personnel should be recruited and revenue personnel generally trained and retrained to cope with the demands of the job. Staff should also be motivated through good salary package to insulate them from fraud and other corrupt practices.
3. A total review of personal income tax act should be undertaken by the national assembly with a view to expunge from the status the loopholes arising from inadequate drafted legislation. Thankfully, the Finance Act 2020 has been able to deal with this to a large extent.
4. Essentially, since taxpayers are the single most important group of stakeholders in the tax system as they are the bedrock of the tax system and the source of all revenue generated by tax authorities, fund generated from tax revenue should be strictly employed to creation of employment opportunities to Nigerians.
5. Among others, however for this study having identified the lack of a robust and an all inclusive data based system that will keep a historic comprehensive record and track of eligible taxpayers that fall within the scope of tax laws, be it the; personal income tax, value added tax, company income tax, capital gains tax etc and also lack of application of modern technological innovations and equipments especially the use of computer system and the internet particularly at the state level of administration which has, created more and easier escape-route for defaulters. There should be reformed tax policy provisions that makes is necessary for database or system creation where all eligible taxpayers will be captured in a single data base system with prevision for periodical updates. Also professionals who are IT compliance should be considered first for employment. These recommendations if implemented will go a long way to minimize and possibly eliminate the incidence of tax avoidance and evasion in the Nigeria tax system.

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REPOSITIONING NON-OIL REVENUE FOR POST OIL ECONOMIC GROWTH OF NIGERIA

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ABSTRACT

It is obvious that Nigerian economy largely depend on oil, to the detriment of other sectors. This overdependence on oil revenue has adversely affected the economy, as other sectors have been abandoned, leaving the faith of the nation in the hands of the market forces that determine the price of oil. This study therefore, examined the effect non-oil revenue on Post oil economic growth of Nigerian for the period 1981 to 2019. Real Economic growth measured by Real Gross Domestic Product (RGDP) is the dependent variable while Non-oil revenue is the independent variables. The data collected was tested using the Ordinary Least Squares (OLS) technique involving simple regression analysis, the result show that non-oil revenue has positive and significant impacts on economic growth of Nigeria within the period covered by the study. Which is a clear indication of the fact that Non-oil revenue can grow Nigeria's economy after oil is gone. The paper therefore recommends that government should pay more attention to the agricultural, industrial and manufacturing sectors and come up with sustainable policies that will make than more attractive. The non-oil sector greatly depend on power, so the government should in earnest revamp the power sector, as the real sectors cannot function without power.

Keywords: Non- Oil Revenue, Economic Growth

INTRODUCTION

The primary responsibilities of every government (including Nigeria) is to protect it citizens and provides goods and services that individuals can't provide for themselves. However, for government to protect its citizens it needs money to fund, train and equip the military and the police force. Also for it to provide social goods and services for its citizens, it also needs money. The provision of infrastructure is a panaceas for meaningful development of any society. Governments, all over the world depend on revenue generation in other for them to successfully discharge their responsibilities. for Nigerian government revenue sources can be classify into two; oil revenue and non-oil revenue.

Before the discovery of oil in Nigeria, the country had depended on revenue from non-oil sector such as mineral resources and agriculture. According to the World Bank report (2013), prior to discovery of oil in Nigeria, agriculture accounted for 95% of Nigeria's foreign exchange earnings, 60% of employment generated were from agriculture and the sector contributed 56% to gross domestic earnings. (Salami, Amusa, & Ojoye, 2018). Non-oil export was responsible for more than 74% of total revenue generated by the nation while the remaining 26% was from the oil sector. However, following the discovery of oil in 1958, and the boom in 1970, Nigeria economy which was driven by non-oil sector saw a drastic change from non-oil to oil sector.

An analysis of the revenue trend of the nation from 1981-2017 as contain the appendix, shows that oil revenue account for 72% of the total revenue of the nation while non-oil sector contributed 28% to total revenue of the nation. Beside the oil sector export accounts for more than 98% of exports of federal government (Odularu, 2008), and 30% of real gross domestic product (GDP) in Nigeria (Onwe, 2012).

From the above it is obvious that Nigerian economy largely depend on oil, to the detriment of other sectors. This overdependence on oil revenue has adversely affected the economy, as other sectors have been abandoned, leaving the faith of the nation in the hands of the market forces that determine the price of oil.

Continuous dependence on oil revenue cannot bring about the desired economic prosperity, substantiating this point Lee, (2018), stated that "No government could deliver on its social and developmental agenda without it increasing total public spending". She added that mobilizing non-oil revenue is the only mechanism to increase government expenditure in a sustainable way. According to a World Bank report, nearly a quarter of Nigerian work force was unemployed in 2018; and another 20% under-employed. This situation is largely because the economy is driven by the oil sector which is not labor intensive and the non-oil sector is not strong. With a very high growth in labor force without a corresponding growth in the stock of job, unemployment will continue to rise with its associated problems. It is obvious that if Nigeria must survive after the oil boom then the non-oil sector must be repositioned as that is the only source of inexhaustible source of revenue generation. It is against this back drop that this study seeks to provide further evidence of the ability of non-oil revenue to grow and sustain the economy.

Objectives of the Study

The objectives of the study are to;

i. To determine the impact of non-oil revenue on total government revenue
ii. To examine the effect of non-oil revenue on economic growth.

Research Hypotheses

Ho_1: There is no significant relationship between non-oil revenue and total government revenue

Ho_2: There is no significant relationship between non-oil revenue and economic growth.

REVIEW OF RELATED LITERATURE

Conceptual Review

Government revenue refers to the "money which comes to government for spending. It has a capital component and a current component". (Asechemie, 1999). For Amed (2010), revenue refers to the total sum of money a government received from external sources. Government revenue can come from oil sector and from non-oil sectors. Non-oil revenue are revenue accruing to the government from economic activities outside the petroleum and gas sector, or those not directly related to them. (Okezie and Azubuike 2016). Non-oil revenue can also be seen as the

proceeds or income arising from the sales of commodities in the international market, except crude oil (Ogba, Park and Nakah 2018). The non-oil sector includes industries in the agricultural, financial, service, manufacturing solid mineral, telecommunication business.

Kromtit and Gukat (2016) stated that non-oil sector is made up of "those groups of activities that are beyond the petroleum and gas industries or those that are not directly linked to them. Revenue can be generated from the sales of products from these industries locally, or they can be taken to other countries where they are needed, that becomes non-oil exports". Just as the oil sector has potentials for generating revenue both locally and internationally, the rest of the other sectors (which are group together as non-oil sector) also have the potentials for generating revenue both locally and internationally. Showing the potential of non-oil sector in revenue generation, central bank of Nigeria (CBN) economic report for the first grater of the year revealed that the federal government made $1.136 billion from non-oil sector, the report added that this amount represent an increase 15.1% and 9.3% over the preceding and corresponding quarter. It is obvious that the non-oil sector has what it takes to generate revenue and spin the wheel of economic growth.

Economic Growth

Jhingan (2012) defined economic growth as the "process whereby the real per capital income of a country increases over a long period of time." An increase in the value of goods and services produced by a country in a given period of time is economic growth for Ofoegbu, Akwu and Oliver (2016). According to Ogba, Par and Nakah (2018) a countries economic growth can be seen in production level, volume of trade, investment in both human and physical capital. An economy that is growing should be able to produce more goods and services in every time period. So growth is said to take place when the productive capacity of an economy increases, which in turn is used to produce more goods and services. (Jhingan 2010). Economist and researchers have consistently measure economic growth by percentage rate of increase in a country's Gross Domestic Product (GDP). It is usually calculated in real terms, or inflation adjusted terms, in order to eliminate the possible effect of inflation on the price of goods and services (Ogba, Park and Nakah 2018).

The Need for Repositioning Nigerian's Revenue source

The external condition of the world in general and Nigeria in particular is rapidly fading away, as output in both developed and developing nations is dwindling and the price of commodity is falling. The world economy is also undergoing serious structural changes that will negatively affect the demand for Nigeria's oil, leaving a fossil fuel-dependent economy more vulnerable (Akintunde, 2020). The preferment of electricity as a substitute for oil in the transport sector, enhancement in global fuel efficiency, and the falling prices of renewables and storage technologies all lead to a reduction in demand for fossil fuel products. Added to this is the price war between Saudi Arabia and Russia. All of this have led to a sharp fall in oil price. Brent crude have for the first time since 2003 gone below $22 per barrel as a result of the economic impact of COVID -19 pandemic and the price war between Saudi Arabia and Russia. This dwindling oil price with rising domestic cost, calls for urgent repositioning of Nigeria's revenue source, as the government cannot fund its budget from oil revenue.

The increasing debt obligations and declining GDP gives renewed urgency to the issue of repositioning Nigerian's revenue source. The world output growth was 2.8% in 2019 but dropped to -4.4% as at October, 2020 (IMF2020). The urgency is heightened by the economic impact of COVID-19 pandemic, which adversely affected stronger economy and is threatening the survival of fragile economy like Nigeria, with more than one-quarter of its labour force jobless (Akintunde,2020). In clear term Buhari(2016) said that the "diversification of the Nigerian economy was long overdue as continued reliance on crude oil export had always made the economy vulnerable to shocks."

Theoretical Review
This study hinges on two theories:

The resource curse theory also known as the paradox of plenty. The resource curse theory introduced by Richard Auty in 1993 states that countries with plenty of natural resources (non-renewable resources) tend to have less economic growth, less democracy, and worse developmental outcome than countries with fewer natural resources. This situation arises as a country following the discovery of a natural resource focuses all attention on the production of that resource thereby abandoning other sectors. The resultant effect is that the nation becomes very dependent on the price of that product. This is exactly the Nigeria situation, following the discovery of oil, all production effort have been diverted to this sector of the economy. Diverting all means of production and economic resources to the oil industry alone have made the country vulnerable to any downturn in the oil industry.

The theory of comparative advantage

David Ricardo in 1817 came up with the theory of comparative advantage. This theory holds that it is possible for mutual beneficial trade to exist between countries even if one is absolutely disadvantaged in the production of both goods. The more efficient nation should concentrate on producing and exporting goods that its absolute merit is greatest, while the less efficient country should focus on goods that its absolute demerit is less. In the spirit of this theory Nigeria as a nation can actually focus on the production and exportation of goods from the non-oil sector where the absolute cost disadvantage is less, in this was the non-oil sector can attain its full potential.

Empirical review,

Ogba, Park and Nakah (2018) examined the impact of non-oil revenue on economic growth for a period of 36 years from 1981-20016. Using multiple regression to analyse the data for the given period, the finding of their study showed that a long run relationship exist between non-oil revenue and economic growth. They added that among the proxies for non-oil revenue agricultural revenue, manufacturing revenue, service revenue and company income tax contributed greatly to the growth of Nigeria economy within the period covered by the study.

Salami, Amusa and Oyoye (2018) in their paper, empirical analysis of the impact of non-oil revenue on economic growth: Nigeria experience, using inferential statistic simple regression analysis, the data collected were analyzed. Their findings reveal a significant relationship between non-oil revenue and economy growth at 1% level of significance, and a significant

relationship and impact of non-oil revenue and total revenue. They therefore concluded that government should invest revenue generated from petroleum in other sector.

Nwaeze, Uruakpa, Ogbodo and Chukwuma (2017) examined the impact of non-oil revenue on the growth of the Nigeria economy for the period of 1994 to 2015. Using agricultural revenue, manufacturing revenue and value added tax revenue as proxies for non-oil revenue, and real gross domestic product for economies growth. The data collected were analysed using the ordinary least square involving multiple regression. They found that three variables used as proxies for non-oil revenue has a positive and significant impact on economic growth in Nigeria within the period of the study.

Nwaiwu and Macgregor (2017) in their study titled "current issues of non-oil revenue and economic growth in Nigeria," assessed the impact of non-oil revenue contribution on economic growth in Nigeria. Using least square regression model, secondary data collected from central bank of Nigeria statistical bulletin between 1990 and 2014 was analysed. The finding shows that non-oil sales contributes substantially to the nation economic boost. They concluded that a strong relationship exist between economic growth and non-oil revenue, and that non-oil exports have the potential of grow the economy.

Okezie and Azubuike (2016) on their part evaluated the contribution of non-oil revenue to government revenue and economic growth in Nigeria from 1980-2014.They analysed the data collected from the statistical bulleting of central bank of Nigeria, using ordinary least square regression. They found that non-oil revenue contributes positively and significantly to economic growth. Their study also revealed a positive but slightly insignificant contribution of non-oil revenue to government revenue.

Olayungbo and Olayemi (2018) went ahead to investigate the dynamic relationships among non-oil revenue, government spending and economic growth in Nigeria for the period of 1981-2015. They established a long run relationship among the variables, the error correction model, estimated impulse response and tested granger causality among the variables. The result of their study revealed that government spending has negative effect on economic growth, while non-oil revenue has a positive effect on economic growth. Furthermore, non-oil revenue was found to have a negative shock on economic growth while government spending on the other hand has a positive shock. Their granger causality test brought to light that government spending granger caused both non-oil revenue and economic growth.

METHODOLOGY

Non experimental design was adopted for this study. Secondary data sourced from Central Bank of Nigeria (CBN) statistical bulletin for the period of 1981-2019 was used. The data collected were tested using simple regression of ordinary least square. The simple regression models were drawn to examine the relationship between the variables of this study. The general form of the model is specified as $y = a+bx + ei$ ……….(1)

When y = dependent variable, a = constant, b = coefficient of independent variable, x = independent and ei = the error term.

Adapting this model, for our study we posit that revenue generated from the non-oil sector will lead to an increase in Gross domestic product and total revenue, hence we state that a cross domestic producing and Total Revenue = f (non-oil revenue)

$GDP = f(NOR)$; $TRV = f(NOR)$

$GDP = a + b_1 NOR + ei$

$TRV = a + b_1 NOR + ei$

Where GDP = Gross Domestic Product

TRV = Total Revenue

NOR= Non-Oil Revenue

Data Presentation and Analysis

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.899[a]	.808	.802	1628.65932

a. Predictors: (Constant), NON_OIL_REV

Table 2: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	390148017.040	1	390148017.040	147.085	.000[b]
	Residual	92838590.853	35	2652531.167		
	Total	482986607.893	36			

a. Dependent Variable: TOTAL_REV

b. Predictors: (Constant), NON_OIL_REV

Table 3 : Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	597.293	338.555		1.764	.086
	NON_OIL_REV	2.928	.241	.899	12.128	.000

a. Dependent Variable: TOTAL_REV

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.978[a]	.957	.956	3962.08841

a. Predictors: (Constant), NON_OIL_REV

Table 5: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12295434598.422	1	12295434598.422	783.241	.000[b]
	Residual	549435060.179	35	15698144.577		
	Total	12844869658.600	36			

a. Dependent Variable: GDP

b. Predictors: (Constant), NON_OIL_REV

Table 6: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18643.499	823.612		22.636	.000
	NON_OIL_REV	16.438	.587	.978	27.986	.000

a. Dependent Variable: GDP

From the model summary in table 1 and 4, the correction coefficient (R) of 0.899 and 0.978 indicates that there is a strong correlation between non-oil revenue and total revenue and GDP. Again R^2 of 0.808 and 0.957 shows that non-oil revenue accounts for 80.8% variation in total revenue, and 95.7% variation in GDP.

From the coefficient tables 3 and 6, we can see that 1 unit increase in non-oil revenue will yield 2.9 unit increases in total revenue and 16.4 unit increase in GDP. Finally the result showed that there is a statistically significant relation between non-oil revenue and GDP, non-oil revenue and total revenue. This is gleaned from the probability value (p) for total revenue and GDP which is 0.000 and 0.000 respectively, which is lower than 0.05.

DISCUSSION OF FINDING

Here we provide a discussion of our finding from the analysis of the data used for the investigation. Our findings revealed that non-oil revenue is positively correlated with total revenue. This implies that when non-oil revenue increases total revenue will also increase. This agrees with Salami, Amusa and Ojoye (2018) whose study showed a significant relationship between non-oil revenue and total revenue. Policy implication of this is that if the government wants to increase its revenue base it should provide the enabling environment to boost the non-oil sector which has the potential of tripling its revenue. Additionally, we also found that non-oil revenue has a strong positive impact on the Nation's Gross Domestic (GDP). This is in tandem with the findings of Okezie and Azubuike (2016), Nwaeze et al (2017) and Likita, Part and Nakah (2018,) that a long run relationship exist between non-oil revenue and GDP, and such a relationship is positive and statistically significant.

CONCLUSION AND RECOMMENDATION

From the findings of the study and discussions made, we deduce that there is a strong positive relationship between non-oil revenue and Gross Domestic Product. (GDP). On the basis of this we conclude that non-oil revenue have great capacity to drive the nation economy without the oil. Over dependence in oil revenue spells doom for the nation considering the fluctuation in oil price and the gradual depletion of oil reserve.

As observed by World Bank senior economist, Lee (2018), that “Nigeria's revenue were very low due to contraction in oil revenue and the stagnancy in the non-oil sector revenue": she added that "mobilizing non-oil revenue is the only way to increase government expenditure in a sustainable way”. So to achieve economic buoyancy the government must avoid what we call a bird eye view of revenue generation and sincerely open its heart and mind to see the great potentially embedded in the non-oil sector.

Based on the conclusion reached we therefor recommend as follows;

i. The government should be sincere in its effort to diversify the economy for them to encourage revenue generation from other sectors
ii. The government should pay more attention to the agricultural, industrial and manufacturing sectors and come up with sustainable policies that will make than more attractive.
iii. The non-oil sector greatly depend on power, so the government should in earnest revamp the power sector, as the real sectors cannot function without power.
iv. Finally the government should have stable tax policy reforms, and they should strengthen tax administration, transparency and accountability.

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FRAUDULENT PRACTICES AND FINANCIAL PERFORMANCE OF LISTED MANUFACTURING COMPANIES IN RIVERS STATE

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ABSTRACT

This study determines the influence of Fraudulent Practices and Financial Performance of Manufacturing Companies in Rivers State. The objectives of the study amongst others include; to determine the relationship between Money Laundering and Net Profit Margin of listed Manufacturing companies in Rivers State and also the relationship between Forgeries/ Defalcation and Return on Investment of listed manufacturing companies in Rivers State. A lot of literatures were reviewed by the researcher. The Researcher used the Survey Design approach. The population of the study consists of 15 listed manufacturing companies in Rivers State, while a same size of 14 was derived from the target population using the Taro Yamene technique for sampling determination. The data for the study was Primary data. Primary Data were collected using questionnaires, personal interview and observations. The data were discussed as well; using tables, simple percentages, Mean score rating, variance, standard deviation and Pearson Product Moment Correlation (PPMC). The result of the findings revealed that there is a high positive significant relationship between Money Laundering and Net Profit Margin. It also revealed that there is high positive significant relationship between Forgeries/Defalcation and Return on Investment. Based on the findings, it was recommended that; Manufacturing companies in Nigeria should put more effort towards preventing fraud such as Money Laundering, Forgeries and Defalcation since it has an effect on their financial performance. Also, Government should establish more anti-graft agencies that will monitor the rate of fraud in manufacturing companies in Nigeria.

Keywords: Fraudulent practices, Fraud; Financial Performance

INTRODUCTION

Manufacturing companies have always been viewed as a profitable venture by many investors as they have a widecustomer base, high profitability margins and customer retention. However, just like anyother business, they are faced with a lot of challenges that always seem to slow them down e.g.competition, market forces of demand and supply, political stability, fraud and poor management of the organization. In recent times, fraud has been the major cause of manufacturing companies to collapse. Fraud if not checked might cause run-on in themanufacturing sector. The high turnover of frauds, theft, defalcations and forgeries in the manufacturing sector is capable of undermining the growth, development and stability of firms which at the moment seems to be doggedly affecting the financial sector of the economy (Nwanko, 2001).

Financial fraud can be broadly defined as an intentional act of deception involving financial transactions for purpose of personal gain. Many fraud cases involve complicated financial transactions conducted by 'white collar criminals' such as business professionals with specialized knowledge and criminal intent.

Finerty, Hedge & Malone (2016) argued that financial fraud forces the actors or the agents that are involved to act fraudulently in order to portray a good picture as far as the financial performance of the firm is concerned.
Manufacturing companies in Nigeria, especially Rivers State have equally been marred by incredible waves of fraud, involving misappropriation of funds, funds diversion, etc. As in the society at large, frauds has become one of the most intractable problems of modern day business in Nigeria.

Fraud is a serious problem of a modern business. Association of Certified Fraud Examiners (ACFE) every two years publishes a report on Occupational Fraud and Abuse. In 2012 ACFE analyzed 1388 fraud cases. The report states that one-fifth of the cases caused losses bigger than $1 million. The costliest ones are the financial statement frauds, causing a median loss of $1 million. Moreover, a typical organization loses on average 5% of its revenues to fraud each year and nearly half of the victim organizations never recover any perpetrator´s takings. Moreover, corporate frauds occur all over the world. In the previously mentioned report of ACFE, frauds occurred in almost 100 countries, what illustrates the scale of those illegal practices.

Statement of the Problem

The Nigeria society is bedeviled with the desire to get rich so as to feel important as Nigerian believed that wealth is the measure of power and importance. It is the realization of this fact that these "get rich quick" syndrome of people that made them to direct their attention on defrauding the companies.
Frequency occurrence of frauds untimely distracts the attention of the management and leads to increase running cost, time and energy that would have been spent in producing tangible goods. The reason why the manufacturing industries like any others, worries about fraud is that it varies widely in nature, character, and methodology.

Fraud has caused many companies to incur huge losses lowering their profitability and performance. In the light of the above, this study will examine how fraudulent practice can affect the performance of manufacturing companies in Rivers State.

Purpose of the Study

The main purpose of this study is to ascertain the impact of Fraudulent Practices on Financial Performance of Manufacturing Companies in Rivers State. With four specific objectives include:

Research Hypotheses

The following hypotheses are given in null form so as to arrive at a logical conclusion and to achieve its stated objectives.

Ho_1: There is no significant relationship between Money Laundering and Net Profit Margin of listed Manufacturing companies in Rivers State.

Ho_2: There is no significant relationship between Money Laundering and Return on Investment of listed manufacturing companies in Rivers State.

Ho_3: There is no significant relationship between Forgeries / Defalcation and Net Profit Margin of listed Manufacturing companies in Rivers State.

Ho_4: There is no significant relationship between Forgeries / Defalcation and Return on Investment of listed Manufacturing companies in Rivers State.

LITERATURE REVIEW

Fraud is an issue that has continued to generate much interest and discussions amongst the various stakeholders comprising the federal government, employers as well as the general public. Various scholars have written about this phenomenon, and some of which will be reviewed in this chapter.

Theoretical Review

This study is based on the following theories that seek to explain the origin or factors that led to fraud in organizations. Such as the theory of fraud triangle, fraud diamond theory, cultural transmission theory and job dissatisfaction theory. This study is therefore anhcored on the theory of fraud triangle.

The Theory of Fraud Triangle

The classical theory of fraud triangle was developed by Donald Cressey in 1973. According to Cressey (1973), fraud is likely to occur if a combination of these three factors exist, that is Pressure (Motivation), Opportunity and rationalization.

Categories of Frauds

According to Bartho O. Okezie (2009), there are three categories of fraud which include; corruption, asset misappropriation and financial statements fraud.

Reasons of Committing Frauds

It is important for one to understand what motivates peoples to commit fraud so they can better assess risk and assist employers or clients in implementing appropriate preventive and defective

measures. One element common to most occupational fraud offenders from the chief executive officer to the rank and file employee is that almost none of them took their jobs for the purpose of committing fraud, they are typically first time offenders. Facing that act, one must ask the logical questions. How do good people go bad? An obvious answer is greed. But many so called greedy people do not lie, cheat and steal to get what they want. There are two separate truth related theories about why employees commit fraud are as follows:

Wages in Kind, Financial Pressures, Unfair Treatment, Embarrassed Financial Difficulties.

Financial Performance

Financial Performance Management and Measurement is termed as one of the most popular terminology in the public sector management terminologies in today's world. The world all over has accepted widely and embraced the very idea of managing organizational performance. Performance can also be defined as the results of work since they provide a strong link to the strategic goals of a firm, economic contributions and customer satisfaction (Salem, 2003).

According to Pierre et al., (2008) there is a slight difference between organizational performance and effectiveness. Organizational performance entails three certain areas of organization outcomes: Financial performance, market performance and shareholder return. Financial performance includes profits, return on investment, return on assets etc.; market performance includes market share, sales, etc.; and the shareholder return includes total shareholder return, economic value added and among others.

Fraudulent Practices and Financial Performance

Fich& Anil (2005) assert that financial fraud has raised several concerns on the quality and level of corporate governance in a number of firms across the globe. They further argue that financial fraud has several effects on the firm ranging from the diminishing reputation of the directors to declining financial performance of the firm. According to Malone & Finerty (2010) the occurrence of fraud in any organization especially that of financial nature adversely affects the cash flows of the firm thus making it difficult for the firm to fulfill some of its obligations. Some important financial transactions that directly impact on the financial performance of the firm are also likely to be affected by financial fraud.

Finerty, Hedge & Malone (2016) also argue that financial fraud forces the actors or the agents that are involved to act fraudulently in order to portray a good picture as far as the financial performance of the firm is concerned.

Empirical Review

Several studies have been conducted on the relationship between fraud practices and firm financial performance.

Sadka (2006) carried out a study on the economic repercussions of accounting fraud in product markets. The main argument perpetuated by the researcher was that if a firm was behaving in a fraudulent manner and has manipulated its financials to paint a picture that it's operating efficiently, then it must act in some manner like it could try increase market share or even lower its prices.

A study was also conducted by Isa (2011) on the effects and losses brought about by the fraudulent and engineered financial information on economic decisions. The basic assumption of this study was that financial losses brought about by fraudulent or engineered financial information are phenomenal. The study examined cases from the United States of America and established that in situations where control mechanisms were weak and accounting standards were more flexible, manipulation of financial reports was inevitable thus leading to fraud. The study findings also revealed that financial fraud costs investors huge sums of losses and there is need to develop mechanisms of eradicating them.

METHODOLOGY

Research Design

The researcher adopted hypothetical survey research design in carrying out the research work, as it was generally concerned with examining the effect of Fraudulent Practice and Financial Performance of Manufacturing Companies in Rivers State.

Population of the Study

The Population of this study includes all manufacturing firms in Rivers State totaling 15 in number.

Sample Size/ Sampling Techniques

The sampling technique adopted in this research work is the probability sampling (i.e. simple random sampling technique). This technique is adopted because it gives all the respondents an equal chance of being selected for the study, i.e. there was no bias of developing special interest for particular respondent. The formula puts forward by Taro Yamane (1967) was used at 0.05 level significant by the researcher in conduct of the study, thus; the sample size base on the the population for this study is 14.

Method of Data Collection

The Data for this study were collected through primary source only with the management of the various selected manufacturing firms in Rivers State as the elements of the tje study. A total of 112 questionnaire were administered to 14 manufacturing firms in Rivers State. Secondary source of data were obtained from relevant journal, articles and review of research report. The internet was used in gathering the secondary data.

Validity of Instrument

The researcher achieved validity of the data collection instrument, by submitting a draft copy of the questionnaire to the supervisor who is an expert in the field of Accountancy.

Reliability Measure

To ensure reliability, the researcher used cronbach alpha in this study and only the item that returns an alpha value of 0.7 and above were considered.

Data Analysis Techniques

The data analysis techniques used by the researcher in conducting this study include; simple percentage, mean score rating, variance, standard deviation, tables, and Pearson Product Moment Correlation Coefficient through the aid of the Statistical Package for Social Science (SPSS).

Discussion of Findings

The primary data was tested using Pearson Product Moment Correlation (PPMCC) and the results of the findings are discussed as follows:

The result showed that there is a high positive significant relationship between Money Laundering and Net Profit Margin in listed manufacturing companies in Rivers State with PPMCC value of $.720^{**}$and P-value 0.001 at 0.05 level of significant. This result is in line with Uchenna & Agbo (2013) carried out a study on the effect of fraud and fraudulent activities on the performance of banks operating in Nigeria. The findings revealed that fraudulent practices and fraud imposed serious financial problems on the banks and their clients.

The result showed that there is a moderate significant relationship between Money Laundering and Return on Investment of listed manufacturing companies in Rivers State with PPMCC value of $.645^{**}$and P-value 0.001 at 0.05 level of significant. The result is in accordance with Gikiri (2012) influence of fraudulent practices in commercial banks and their effect on fraud risk exposure. The findings revealed that fraudulent practices have a significant influence on their performances.

The result showed that there is very strong positive significant relationship betweenForgeries / Defalcation and Net Profit Margin of listed manufacturing companies in Rivers State with PPMCC value of $.820^{**}$and P-value 0.001 at 0.05 level of significant. This result is in support of Abdulrasheed, Babaitu &Yinusa (2012) the impact of fraud on bank performance in Nigeria. The study revealed that Nigerian banks recorded the highest cases of fraud in 2008. Result of the study shows that, there is a significant relationship between banks profit and total amount of funds involved in fraud.

The result showed that there is high positive significant relationship between Forgeries / Defalcation and Return on Investment of listed manufacturing companies in Rivers State with PPMCC value of $.780^{**}$ and P-value 0.001 at 0.05 level of significant. The result in connection with Osuala, Opara & Okoro (2016) determined the impact of fraud on the risk assets of commercial banks in Nigeria from 1990 to 2013, by employing Johansen's approach to co-integration and error correction model. They found that fraudulent practiceshas significantly impacted on commercial bank loans and advances in Nigeria.

SUMMARY, CONCLUSION AND RECOMMENDATION

Summary

The study was aimed to determined "Fraudulent Practice and Financial Performance of Manufacturing Companies in Rivers State. The objective of the study was to investigate how Money Laundering, Forgeries / Defalcation affect the Net Profit Margin and Return on Investment respectively.

Conclusion

Based on the findings of this study, it is therefore concluded that; there is a high positive significant relationship between Money Launderingand Net Profit Margin, Return on Investment of quoted manufacturing companies in Rivers State. It is also concluded that there is very strong positive significant relationship betweenForgeries / Defalcation and Net Profit Margin, Return on Investment of quoted manufacturing companies in Rivers State.

Recommendations

Based on the findings and conclusions, it is therefore recommended that;

- Manufacturing companies in Nigeria should put more effort towards preventing fraud such as Money Laundering, Forgeries and Defalcation since it has an effect on their financial performance.
- There should be thorough orientation and moral education about the effect on fraud on the performance of manufacturing companies in Nigeria.
- Profit level of manufacturing companies in Nigeria should be checkmated and audited from fraud in order to boost the financial performance of the organization.
- Government should establish more anti-graft agencies that will monitor the rate of fraud in manufacturing companies in Nigeria.

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HUMAN ASSET EXPENDITURE AND RETURN ON ASSET OF OIL AND GAS COMPANIES IN PORT HARCOURT, RIVERS STATE.

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ABSTRACT

The study investigate the impact of human asset expenditure on return on asset. Two research questions and two hypotheses were drawn for the study. 400 questionnaire were distributed to the selected oil and gas companies in Port Harcourt. A statistical tools called SPSS ver. 21 was used for the statistical analysis (descriptive and linear regression). The findings showed that human capital expenditure be capitalized in the statement of financial position. Again, that human revenue expenditure be charged to profit or loss as management expenses. Therefore, there is statistical significant relationship between human asset expenditure and return on asset of oil and gas companies in Port Harcourt, Rivers State. In conclusion, a reasonable and additional profit is accrued when human asset is deployed in an organization, hence such profit should be treated as intangible asset. It is recommended, that oil and gas companies should minimize their cost of human capital development as to optimize return on asset for stakeholders; that International Financial Report Standard (IFRS) and other accounting bodies should regulate the treatment of human capital as intangible asset in the statement of financial positions; that wages and sales/other benefits should be disclosed as management expenses in the profit or loss account.

Keywords: Human asset expenditure, human capital expenditure, revenue expenditure, return on asset, statement of financial position, profit or loss account

BACKGROUND OF THE STUDY

The crux of every investment is to appropriate profit from the capital employed in the business otherwise known as return on investment, asset and equity. The business of oil and gas companies cannot be exonerated in this juncture. The economic growth, competiveness and sustainability of oil and gas companies lies on incessant manpower development (human asset expenditure). Therefore, the place of human resources accounting cannot be jeopardized.

Human asset is one of the greatest asset tooil and gas companies all over the world.

The classical economist approach uses 4-Ms in production, money, machine, material and men (Meng-ya, 2005). It is important to identify that human asset (men) is one of them. The most interesting thing is that employee (men or labour) is the major part of production which is usually ignored in the accounting treatment. However, the first three are recognized in the statement of financial position of an organization while the fourth 'M' (Men) is absent or omitted in the statement of financial position. The assets of an organization is classified into tangible and intangible assets (Brummet, 1970).

In the same vein, human asset is treated under human resource accounting, therefore, American Accounting Association (1973) defined Human Resource Accounting (HRA) as 'the process of identifying and measuring data about human resources and communicating this information to the interested parties'.

However, the classification of human capital expenditure is segmented into two parts: capital and revenue expenditures. Capital expenditure involves the cost of hiring, employment, education employee. Some organizations capitalize the essential part of expenditure like education costs because it will be an advantage for training for some years.

Human capital development cost treatment involves the treatment of cost incurred by the organization for all the personnel function. Hence the challenge is how to measure the economic value of the employee individually in production process. The two main components of human capital development cost treatment were investment related to employees and the value generated by them. Investment in human capital included all costs incurred in increasing and upgrading the employees' skill sets and knowledge. Again, the main setback for reporting human asset expenditure externally is that the information reported could be sensitive to the reporting companies and regarded as something that should not be shared externally because of the information may give important insight to competitors or could lead to a negative interpretation on the part of the stakeholders.

The accounting treatment of human asset is not captured (Chang &Hseih, 2011). Human asset is an integral part of non-current and currents assets that yield profitability. The success or failure of an organization depends on how best the scarce physical resources are utilized by the human asset. The shareholders' equity employee on human and physical assets are expected to generate revenue.

In the statement of financial position, physical assets are treatment as non-current and current assets while the consideration of human asset is eliminated. Employee facilitate the coordination, operation, and manning the other 3Ms (money, machine and material) in production which is an oversight in the accounting treatment. The tangible asset is physical assets while the intangible includes goodwill, patents, copyrights, etc. But human asset is not considered at all. Here physical assets include building, furniture and fitting, motor vehicles, generators and others like cash, inventories, bank balance, etc (Anuonye, 2015).

According to Brummet (1970), there should be capitalization of the firm's training and development of employee and they should be treated as assets for the purpose of human resource accounting. Brummet further posited that the amount so capitalized are to be shown on the statement of financial position under the heading human asset as distinguished from physical assets and that the human asset should be amortised and written off according to the conventional accounting method.

Companies do not attach first priority to the measurement of human assets; rather they face more urgent issues like human resource requirement and allocation. Another challenge of human capital development cost treatment is that the acceptance of human resource accounting lack of universal approach to its reporting thereby defining the standards that would allow for valuable and meaningful comparisons. Because there is a current absence of universal definition, the companies that are proactive enough to measure, do it their way.

The following objectives would be used for this study. They are:

1. To determine the relationship between human capital expenditure and return on asset.
2. To determine the relationship between human revenue expenditure and return on asset.

Research questions:

1. What is the relationship between human capital expenditure and return on asset?
2. What is the relationship between human revenue expenditure and return on asset?

Hypotheses

1. There is no significant relationship between human capital expenditure and return on asset.
2. There is no significant relationship between human revenue expenditure and return on asset.

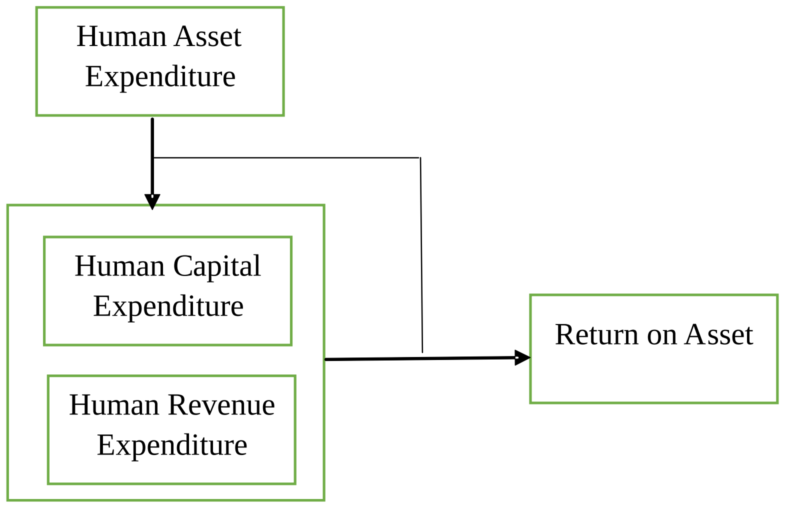

Figure 1: Researcher's conceptualization of Human Asset Expenditure and Return on Asset. Adopted and modified from Brummet (1970) &Ifurueze (2013).

THEORETICAL PERSPECTIVE

Human Capital Theory

Human capital refers to the productive abilities of employee of Becker in 1964. The theory surfaced from a branch of economics (labour economics) that draw attention on general workforce in quantitative condition. The theory infers that education or training increases productivity through productive application of knowledge and skills thus future revenue increases overtime.

The exhibition of skills through experiences and knowledge tends to have economic advantage to organization; thus, this makes up the organization's human capital. Like other assets, human capital has value in the market place, but unlike other assets, the potential worth of human capital can be fully identified only with the integration of the employee. Therefore, all costs associated with eliciting productive characters from employees including those in line with motivating, monitoring, and retaining them – constitute human capital investments made in anticipation of future returns (Flamholtz& Lacey, 1981). Organizations can use human resource management in a variety of ways to boost their human capital (Cascio, 1991; Flamholtz& Lacey, 1981). For example, they can “buy” human capital in the market, e.g. by offering widespread training and development opportunities. Investments of either type have related costs, which are quantifiable only to the extent the organization is able to productively use the accumulated capital (Tsang et al., 1991). In human capital theory, contextual factors such as market conditions, unions, business strategies, and technology are important because they can influence the worth of the organization's human capital and the worth of the anticipated returns, such as productivity gains (Boudreau & Berger, 1985; Russell et al., 1993).

LITERATURE PERSPECTIVE

Human Capital Expenditure

Classifying human asset expenditure in companies seems to have significant effect on its profitability. These can be analysed from the short run effect and the long run effect. Onafaluyo, Eke and Akinlabi (2011) cited in Anuonye (2015) restate the short run and long run effect of classifying human capital expenditure. Looking at the short run effect, if an organization is starting operation newly, the cost incurred to procure staff, train them and pay their salaries may not initially brings profit. In fact, it may end up with the organization incurring losses because there is tendency of expending up more cash in anticipation for profit. But the long run effect on the other hand, showsthat organization is growing with competitive edge over its competitor.

Human capital expenditure entails the hiring cost, selection cost, placement cost, formal training cost, on the job training cost, special training cost and development programmes cost.

- Recruitment Cost

This is cost associated with the identification of appropriate, qualify individual (labour) from within and outside the company. For instance, the cost of examining materials, administrative expenses, advertising expenses, consultancy fees and others miscellaneous expenses.

- Placement Cost

The successful employee are recruited and deployed, placed and posted a particular department or location outside the state of employment processes. The placement cost involves the traveling cost, communication cost (recharge card and data bundle) are necessary.

- Formal Training Cost

This refers to the cost associated with the conventional training orientation given to the employee from the superior overtime. The allowances and advances to the training staff and the fixed cost of training schools are particularly the work of human resource department.

- On the job training Cost:

Recruited employee must be trained to do the job expected while is on the job. In this process the cost mishandling and spoiling the job cost the company more than what he actually contributes

- Special training Cost

In achieving the best from the employee, sometimes special training arrangement programmes are made. Such training have a distinctive consultant who trains employee according to the organization operations and activities. A training fee is paid to the consultant at the end of the training exercise.

- Development Programmes Cost:

The need to time to time advance the knowledge of employee becomes the key-point to organizational growth and sustainability. An employee may be allowed to attend lectures at local and international conferences and seminars. Such associated cost such as delegates fees, travel and tours cost, loss of output during the development programmes.

Revenue Expenditure

Revenue expenditure are those cost that are incurred in day-to-day business affairs which will be utilized within the current accounting year in which they occurred. These costs are recurrent in nature and do not form part of the non-current asset cost. Revenue expenditure is a cost that are usually expense in the accounting period when the expenditure are in place which are usually deliberated in the context of fixed assets. The revenue expenditure takes place after a fixed asset had been put to use. The examples of revenue expenditure are maintenance of assets, wages and salaries, utility expenses, selling expenses, rent expenses. For the purpose of human asset accounting wages and salaries are associated in the production cost.

Revenue expenditure is usually charged to statement of profit or loss as management expenses. Mirvis and Macy (1976) quoted in Ifurueze (2013) analyzed the brain behind the treatment of development costs; which indicates that it offers benefits beyond the most recent accounting period. Odesa (2014) also acknowledged the consequence of classifying the cost of human assets in the books of account that require information about HC assets in the organization, such as investors and managers.Investors are the existing and potential shareholders of an organization that needs information about the value of human resources to help the organization make decisions. While managers are those who ensure the effective use of human capital to improve the future profits of the organization. Therefore, the charging of this investment cost in the statement of comprehensive income will cost as a cost to produce the relatively low net profit at the end of the accounting period.

Return on Asset

Return on assets (ROA) is a financial ratio that earns the percentage of the company's earnings in relation to total assets. It is generally defined as net income divided by total assets. The net result is derived from the company's income statement and is the result after tax. Assets are read from the balance sheet and comprise liquid assets, inventory, land, capital utilization depreciated and the value of intellectual property, such as patents. Businesses acquired may also have a category called "goodwill" which pays extraordinary money to the company over its own book value at the acquisition date. Because assets will tend to fluctuate over time, average assets must be used for the period to be measured. Thus, ROA for the quarter should be based on quarterly earnings divided by average assets in the quarter. ROA is a ratio, but usually presented as a percentage (Bernstein et al., 2000).

Empirical Review

Maimuna&Rashad (2013) analyzed the positive association between spending on human capital and profits in these expenditures on education, training and development, increasing productivity by twice the amount of the trainee's salary increase. In fact not all the production activities is inculcated in training are compensated by the increase in individual remuneration, as such investments remain beneficial for organizations (Gene, 2008).

He noted the positive impact of the new management initiative, examining the general turnover of supervisors in the twelve-month period that was trained, which resulted in savings of $ 2.3 million. He also stressed that the training also improved the audit performance in the company's smaller factory to 8.9 compared with 7.3 on a 10-year scale.

Recently, scientists such as Salman and Tayib (2013) studied the connection between spending on human capital and financial performance in 50 public companies in Nigeria and to provide evidence of connection between two variables that further demonstrated that human capital spending affects the efficiency of the sample of companies is positive.

Ahangar (2011) and Okwy&Christopher (2010) found that human capital is important both in the financial performance of the company and in future benefits, using cost models and economic approaches. However, Shrader and Siegal (2007) pointing that concept of human capital is like other assets, since they are acquired to generate future benefits, therefore, they should be treated as asset. They have a habit of destroying money, knowledge of skills and knowledge of human capital.

METHODOLOGY

The study is correlational design in nature. Correlation design is a quantitative approach of research where it contains multiple quantities (variables) from the same group and tries to determine the relationship between them. The population of the study revolves round oil and gas companies in Port Harcourt – AGIP, Shell, ExoonMobil .

This work was subjected to Taro Yamane formula with 95% confidence level at 5% significance level. The population of 1200 was adopted.

$$= \frac{N}{\left(1+N)(e)^2\right)}$$

Where：

n = sample size required
N = number of people in the population
e = allowable error (%)

Substituting the value of 1200 into the equation

$$= \frac{1200}{\left(1+1200)(0.05)^2\right)}$$

= 399.66 approximately 400 sample size.

Model specification
Return on Asset (ROA) = f(human asset expenditure)
Return on asset is the function of human asset expenditure /
Introducing the proxies variables
ROA – (CEXP; REXP) = F(HAE)
ROA = Do + β_1CEXP + β_2REXP
The model equation is thus;
ROA = Do + β_1.988 + β_2.016 + ? .µ
Data Analysis and Results
Answer to research question 1 and 2.
Research question 1: What is the relationship betweencapital expenditure and return on asset?
Table 1 Descriptive Analysis of research question 1

S/N	Question	Strongly Agree (SA)	Agree (A)	Disagree (D)	Strongly Disagree (SD)	Remark
1	Capital expenditure increases return on asset on long run.	171 (42.75%)	111 (27.75%)	27 (6.75%)	31 (7.75%)	Significant
2	Capital expenditure reduces return on asset at short run	48 (12%)	36 (9%)	151 (37.75%)	105 (26.25%)	Insignificant
3	Recruitment cost enhances return on asset at long run.	141 (35.25%)	117 (29.25%)	32 (8%)	50 (12.50%)	Significant
4	Amortization of capital expenditure helps to increase return on asset at long run.	128 (32%)	131 (32.75%)	54 (13.50%)	27 (6.75%)	Significant
5	Amortization of capital expenditure helps to increase return on asset at short run	33 (8.25%)	62 (15.50%)	121 (30.25%)	123 (30.75%)	Insignificant

Table 1 contained the descriptive analysis result of research question 1. Question item 1 shows that capital expenditure increases return on asset (ROA) on long run with respondent rate of 171(42.75%) and 111(27.75%) “SA” and “A” with the assertion. While 27(6.75%) and 31(7.75%) “D” and “SD” with the assertion. Question item 2 reveals that Capital expenditure reduces ROA on short run with respondent rate of 48(12%) and 36(9%) “SA” and “A” with the statement while the 151(37.75%) and 151(37.75%) “D” and “SD” with the assertion. Question item 3 reveals that recruitment cost enhances ROA at long run respondent rates of 141(35.25%) 117(29.25%) “SA” and “A” while 32(8%) and 50(12.50%) “D” and “SD” with the statement. Question item 4 posits that amortization of capital expenditure helps to increase ROA at short run with the respondent rate of 128(32%) and 131(32.75%) “SA” and “A” with the question statement while 54(13.50%) and 27(6.75%) “D” and “SA with the question statement it then implies that amortization of capital expenditure increases ROA at long run. Question no 5 shows that amortization of capital expenditure helps to increase ROA at short run with respondent rates of 33(8.25%) and 62(15.50%) “SA” and “A” with the statement while 121(30.25%) and 123(30.75%) “D” and “SD” with the statement. This connotes that amortization of capital expenditure does not helps increase ROA at short run.

Research question two:What is the relationship between revenue expenditure and return on asset?
Table 2 Descriptive analysis of research question 2

S/N	Question	Strongly Agree (SA)	Agree (A)	Disagree (D)	Strongly Disagree (SD)	Remark
6	Revenue expenditure distort return on investment.	66 (16.50%)	35 (8.75%)	135 (33.75%)	104 (26%)	Insignificant
7	Return on investment is affected by increase in employee package.	45 (11.25%)	39 (9.75%)	148 (37%)	108 (27%)	Insignificant
8	Wages and salaries affects return on investment.	138 (34.50%)	118 (29.50%)	34 8.50%	50 (12.50%)	Significant
9	Optimal employee commitment result to increase return on investment.	127 (31.75%)	132 (33%)	52 (13%)	29 (7.25%)	Significant
10	Revenue expenditure is seen at as intangible asset but expenses to the organization	27 (6.75%)	68 (17%)	119 (29.75%)	125 (31.25%)	Insignificant

Table 2 revealed descriptive result of research question four showing the relationship between revenue expenditure and return on asset. Question no. 6 shows that revenue expenditure distort return on investment with respondent rate of 66(16.50%) and 35(8.75%) "SA" and "A" with the statement while 135(33.75%) and 104(26%) "D" and "SD" with the statement. Question no. 7 reveals that ROE is affected by increase in employee package with respondent rate of 465(11.25%) and 39(9.75%) "SA" and "A" and 148(9.75%) and 108(27%) "D" and "SD" with the statement. Question no 8 reveals that wages and salaries affects ROE positively with respondent rate of 138(34.50%) and 118(29.50%) "SA" and "A" with the assertion while 34(8.50%) and 50(12.50%) "D" and "SD" with the statement. Question no. 9 opines that optimal employee commitment result to increase ROE with respondent rate of 127(31.75%) and 132(33%) "SA" and "A" with the statement while 52(13%) and 29(7.25%) "D" and "SD" with the statement. Question no. 10 reveals that revenue expenditure is seen at an intangible asset but expenses to the organization with respondent rate of 27(6.75%) and 68(17%) "SA" and "A" with the assertion while 119(29.75%) and 125(31.25%) "D" and "SD" with the statement.

Hypothesis 1: There is no significant relationship between capital expenditure and return on asset.

Table 3 Linear Regression Result of hypothesis 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.988[a]	.971	.918	152.42133	.918	922.006	7	4	.000	3.006

a. Predictors: (Constant), CEXP
b. Dependent Variable: ROA

Table 3 contained the result of hypothesis 1 revealed that there is significant relationship between capital expenditure and return on asset at correlation coefficient of r .988[a] and r^2 .971 at 5% level of significance. This implies that we accept the alternate hypothesis and reject the null hypothesis because r is greater than 0.05 level of significance, which states that there is significant relationship between capital expenditure and return on asset. The Durbin-Watson statistic of 3.006 is statistically significantly because it is greater than the criterion value of 2.0 for decision making, this illustrates the presence of autocorrelation in the model specification.

Research hypothesis 2: There is no significant relationship between revenue expenditure and return on asset.

Table 4 Linear Regression Result of hypothesis 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.016[a]	.045	.061	141.00819	.733	745.882	7	4	.000	1.008

a. Predictors: (Constant), REX
b. Dependent Variable: ROA

Table 4 expressed the result of hypothesis 2which revealed that there is no significant relationship between revenue expenditure and return on asset at correlation coefficient of r 0.16[a] and r^2 0.45 are greater than the decision criterion. From the decision rule, it implies that we reject the alternate hypothesis and accept the null hypothesis because r is less than 0.05 level of significance, which states that there is no significant relationship between revenue expenditure and return on investment. The Durbin-Watson statistic of 1.008 is not statistically significantly because it less than the criterion value of 2.0 for decision making, this illustrates the absence of autocorrelation in the model specification.

DISCUSSION OF FINDINGS

From the descriptive result of research questions 1 to 2 revealed that human capital expenditure has positive relationship with return on asset. The criterion used for decision making is at 5% level of significance. Hypothesis 1 result revealed capital expenditure influenced return on investment at r .988a. The result of hypothesis 2 reveals showed that revenue expenditure has not influence on return on investment at r.016a at 5% level of significance.

In summary, human asset expenditure has great role to play in return on asset of oil and gas companies. The sustainability of oil and gas production anchors on human resources unit. Capital expenditures should be transferred to statement of financial position as one of the intangible assets while revenue expenditures should be charged to profit or loss as management expenses. The present study is in agreement with the works of Maimuna&Rashed (2013) and Salman &Tayib (2013). Hence, Shrader and Siegal 92007) believed that human capital asset is like other intangible asset which improves the revenue of organization significantly.

CONCLUSION

Human asset is an important tool for human resources accounting which is gaining popularity in the accounting practice. The human capital expenditures is seen as asset and charged to statement of financial position as intangible assets and depreciated over the stated life span of the human asset. Revenue expenses consist of salaries, wages and welfare costs for employees. In the same vein, revenue expenditure should be posited to expenses in the statement of profit or loss. From the results point of view of data analysis human asset expenditure greatly influenced financial performance as argued by so many scholars, the study concluded that the accounting practice of expensing every expenditure on human asset does not present the correct and transparency view of statement of financial position.

RECOMMENDATIONS

From the results, the following were recommended;

i. That cost of training and development should be capitalized and charged to the statement of financial position and be disclosed as intangible asset.

ii. Wages and salaries / other benefits should be disclosed as management expenses in the statement of profit or loss.

iii. That oil and gas companies should minimize their cost of human asset expenditure in order to optimize profit.

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INTERNAL AUDIT PRACTICES AND VALUE-FOR-MONEY PERFORMANCE OF MINISTRIES OF RIVERS STATE GOVERNMENT

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ABSTRACT

There has been growing concern in recent times that despite the paradigm shift in internal audit from an emphasis on accountability about the past to improving future outcomes, value-for-money optimization in public expenditure management among successive governments in power have remained elusive in Rivers State. This study is therefore undertaken to investigate the relationship between internal audit practice and value-for-money performance in Rivers State Government Ministries. The study adopted empirical research design using parametric method of analysis. Questionnaire were distributed and relevant data obtained. Internal audit practice was viewed from the dimensions of size and experience, while value-for-money performance was measured using economy, effectiveness and efficiency constructs in line with extant literature. Ordinary Least Square was used to develop a theoretical equation model to test the formulated hypotheses. Together, both proxies of internal audit practice were jointly able to achieve a 52.6% value-for-money explanatory capacity. The findings of the study support the proposition that internal audit size, measured in terms of adequacy of internal audit personnel for the ministry, is significantly and positively related with value-for-money performance of Rivers State Government Ministries. Similarly, it was found out that internal audit experience, measured in terms of internal audit exposure level of personnel, is significantly and positively related with value-for-money performance of Rivers State Government Ministries. On the basis of these findings therefore, it was the recommendation of this study that more suitably qualified hands should be recruited to enhance the operational capacity of the internal audit units in the government ministries. Also, the Rivers State Civil Service Commission should organize periodic training and refresher course for internal audit staff.

Key words: Internal audit, value-for-money, Rivers State Government Ministries,

INTRODUCTION

Exposure to risk in day-to-day operational activities is an inevitable phenomenon for every organization, whether in the private or public sector. Such exposure to risk means that the possibility of attaining the strategic goals of the organization is subject to probability. It therefore becomes imperative for the initiation of deliberate actions, measures or control framework that are aimed at eliminating, avoiding or minimizing such risk exposures for the organization to achieve its objective. One tool which can be employed in this regard is institutionalized internal audit practice. The Institute of Internal Auditors (IIA, 1999) defined internal auditing as: "an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management control and governance processes".

This definition signifies that internal audit has undergone a paradigm shift from an emphasis on accountability about the past to improving future outcomes to help auditees operate more effectively and efficiently (Nagy &Cenker, 2002; Stern, 1994; Goodwin, 2004). Since, the definition equally serves both the private and the public sectors (Goodwin, 2004), it is used in this paper to operationalize public sector internal audit practice. It is therefore arguable that contemporary internal audit practice looks at key risk areas facing effectiveness of auditee's operations and comes up with mitigating factors to help in avoiding, eliminating or reducing the identified risks in order for the auditee to achieve set objectives (Adedokun, 2015). In this way, internal audit is undoubtedly a necessary precursor to the performance of social contract which is binding government and the governed. Subjectively speaking, governments at all levels, are supposed to provide public goods and services at reasonable cost, in such a way that will maximize the social utility function. In other words, when the desired level of welfare of the citizens are attained with as little resources as possible relative to the total resources at the disposal of those entrusted with the common wealth, the objective of internal audit in public sector can be said to have achieved its goal. Internal audit is effective if it meets the intended outcome it is supposed to bring about. According to Sawyer (1995), internal auditor's job is not done until defects are corrected and remain corrected .Expressing a similar view, Van Gansberghe (2005) explains that internal audit effectiveness in the public sector should be evaluated by the extent to which it contributes to the demonstration of effective and efficient service delivery. In fact, internal audit effectiveness or capacity to influence effective and efficient service delivery depends on a number of factors, including qualification level, size, experience level and degree of independence of internal audit staff. Accordingly for the purpose of this study, consistent with the IIA (1999) conceptualization, internal audit is viewed along the dimensions of size and experience level of internal audit staff.

Internal audit in the public sector has evolved over time. Before 1980s, internal audit existed in a rudimentary form in both private and public sectors. Vani (2010) states that even in the private sector, internal audit was largely confined to checking compliance with regulatory policies and procedures and verifying the existence of assets. In the public sector, the responsibility was essentially carried out by different strata of the bureaucracy, and thus the need for additional check through internal audit was never acutely felt. Vani (2010) argues that modern internal audit really evolved after the landmark 1987 report of the Committee of Sponsoring Organizations (COSO) on fraudulent financial reporting. He further states that the implementation of the 2002 Sarbanes – Oxley Act has further increased the scope of the professional work carried out by the Internal Audit (1A) community. He opines that the main objective of the modern Internal Audit function is to assist management in making decisions "*by bringing a systematic, disciplined approach to evaluate and improve the effect of risk management, control, and governance process*". In reality however, although the objectives of internal audit are multi-faceted, successive cycles of GIPs often set the tone at the top as to which of the various objective should be the overarching priority. This is why it is generally asserted that the effectiveness of internal audit can only be as good as the commitment of government to pursue these objectives(Udeh&Eugene, 2016).

In the light of the operationalized definition of internal audit, pundits wonder how effective it is

in the public sector domain, vis-à-vis the susceptibility of the civil service to administrative override in any State of the Nigerian federation. This paper is intent on empirically evaluating the effectiveness of the internal audit in Rivers State, along two theories, namely the legitimacy theory and stakeholders' theory.

Viewed from the perspective of legitimacy theory, the normative activity of public sector audit is based consciously on the principles of propriety or even morality. The audit institution in any State of Nigerian federation tends to be highly and constantly aware of the governor's duty to maintain, at all times, a high degree of justice, equity and fairness in dealing with citizenry, (Adedokun & Ogunwole, 2018). Depending on the tone set at that top level, the entire internal audit machinery tend to adopt and fall in line with the perceived body language of the "head". To them therefore, it is what the administration wants that they give. Thus the effectiveness or otherwise of the internal audit is merely a mirror reflection of what the government in power (GIP) expects of them. This therefore implies that, low value-for-money performance, which is a bye-product of seemingly ineffective internal audit, can result in maximisation of social utility function. Thus, a positive association between value-for-money performance and internal audit effectiveness is implicated.

Stakeholders' theory on the other hand is used in this paper to complement the legitimacy theory. In using the legitimacy theory, a lot depends on the tone-at-the-top in signaling the 'legitimate' direction for the internal audit department to follow in serving the GIP. It takes the stakeholders' theory to explain the psychological make-up and thought process that eventually defines the tone-at-the-top. Stakeholder theory attempts to articulate a fundamental question in a systematic way: which groups of stakeholders are deserving or requiring attention of the GIP, and which are not?(Mitchell et *al*, 1997). It acknowledges the dynamic and complex relationships between GIP and their stakeholders and that these relationships involve responsibility and accountability (Gray et al, 1996). Stakeholder analysis enables identification of those societal interest groups to whom the administration might be considered accountable, and therefore whose social utility it would seek to maximize (Woodward & Woodward, 2001). Stakeholder analysis therefore, involves initially identifying political stakeholders that have some 'right' to social goods and services, and ranking or prioritising their interests (Gray, 2001). This ranking or prioritization may not be overt, obvious or conscious, but more a heuristic for understanding why some of these groups have their social needs met and others do not. Considering the heterogeneity of political stakeholders, and subsequently the inability of generic social programmes to provide all social needs, execution of social programmes necessarily results in conflict between stakeholders. Resolution of this conflict is a reflection of how impactful the consideration of stakeholders' interests are in achieving value-for-money performance. This view is consistent with stakeholder theory which acknowledges that, a major objective of the GIP is to attain the ability to balance conflicting demands of various stakeholders in the government of the day. Therefore, an outcome of less-than-satisfactory value-for-money performance is inevitable even if there is an effective internal audit in the public sector domain, implicating a negative association between internal audit effectiveness and VFM performance.

Study seeking to investigate relationship between internal audit effectiveness and value-for-money performance has never been conceptualised before, to the best of the author's knowledge. What exist in literature are individual studies on the respective variables in isolation from one another. Not only that but also, value-for-money has never been conceptualized alongside performance but almost always along audit. In this study, there is a paradigm shift from associating value-for-money with audit to performance in public sector domain. Considering the novelty status of this study, the outcome of this study will contribute immensely to existing knowledge on the role of internal audit as a precursor to VFM-based performance in the society. Over time, there have not been adequate studies in explaining the seeming paradox of wastages in public expenditure and existence of internal audit in Rivers State Ministries. This has been observed to be highly precarious more so that the issue of accountability and extravagant spending on the parts of successive GIPs has become worrisome in the recent time. This paper therefore attempts to fill this vacuum by examining the roles of internal auditors in ensuring VFM in public expenditure management in Rivers State, using empirical research approach.

The rest of this paper is organized as follows: section two reviews literature on internal audit and value-for-money performance. The third section focuses on the research methodology, section four presents the results and section five provides the conclusion and recommendations.

LITERATURE REVIEW

According to learning theory, when an individual has many years of experience, he/she can make a right decision, decide fast and deal with any situation. Consistent with the stakeholders' theory, expert individuals possess the professional capacity to deliver as they have a clear insight about how to deal with process and accomplish their tasks with superior quality but for administrative override, which always undermine their efforts in that regard. Since the GIP always rely on political consideration, rather than relying on internal audit professionalism in public expenditure management, a negative relationship is likely to be detected between internal audit experience and VFM performance.

On the other hand, from the perspective of legitimacy theory, a positive association is expected since internal audit team who are members of the civil service, are susceptible to legitimation tendency of the GIP.Legitimation process overrides the professionalism of the internal audit team, just as the performance of the GIP, which is lacking professional input of internal audit, is likely to be suboptimal. Hence, a positive association is expected between internal audit experience and VFM performance.

There are no studies that have examined this relationship to be cited as references, leaving only a few studies as close substitutes. For instance, Kiabel (2012) examined the impact of internal audit practice on financial performance of government owned companies in Nigeria and found a weak relationship. Hutchinson & Zain (2009) explored the association between internal (audit experience and accounting qualification) audit and firm performance (ROA) in Malaysia. This study used multiple regression analysis to test the association between internal audit and firm performance and found a significant relationship between experience of internal audit quality and firm performance. Similarly, Prawitt, Smith & Wood (2009) examined the association between internal audit quality (experience and qualification) and earnings management. The finding shows that a negative relationship between experience of internal audit and earning management exists, meaning that internal audit quality has the capacity to constrain managerial opportunism. Therefore, this study proposes the following.

H_{01}: There is no significant relationship between the experience of internal audit and VFM performance of ministries of Rivers State.

Internal Audit Size (IAS), measured by the number of internal audit staff in the ministries, is

critical to the capacity enhancement of internal audit to improve VFM performance of ministries. Larger IAS are often characterized by responsibility diffusion, which encourages group fractionalization and minimizes group commitment to modifying strategy. From the perspective of stakeholders' theory, a negative relationship is expected since the GIP is unlikely to place reliance on the professionalism of internal audit in public expenditure management decisions but would rather rely on political considerations(Makoju, 1991; The MoFI, 2006). Hence despite the potential advantage (skill, experience and knowledge diversity) of large number of audit team, a suboptimal VFM performance will result.

Conversely, through the looking glass of legitimacy theory, the *a priori* expectation is a positive association between internal audit size and VFM performance. This expectation appears to be closer to reality as observed by Makoju (1991) where bureaucratic red-tapism and lethargy in the civil service are identified to coexist. The coexistence is a logical corollary of an override of legitimation process over internal audit professionalism. Therefore, the following hypothesis is proposed:

H_{02}: There is no significant relationship between the internal audit size and VFM performance of ministries of Rivers State.

Conceptual Framework

Based on the limited literature regarding the effect of the internal audit on VFM performance, this study proposed the following framework that is expected to explain a considerable amount of the variance in the VFM performance (figure 1).

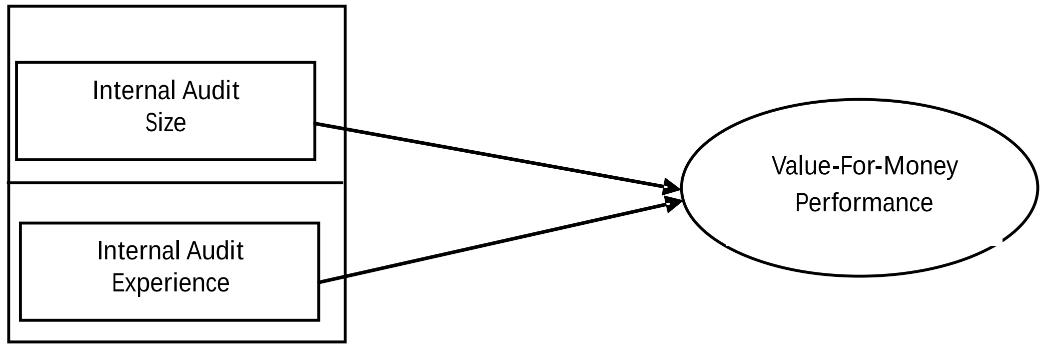

Figure 1: Conceptual Framework for the study
Source: Desk Research (2018)

METHODOLOGY

The population of the current study is Rivers State Government ministries. According to Wikipedia website page (https://en.wikipedia.org/wiki/List_of_government_ministries_of_Rivers_State) there are a total of twenty-six ministries in Rivers State, as at 14th April, 2018. Samples for the study were collected from among these twenty-six ministries, using convenience sampling technique in order to avoid accessibility difficulty. Such difficulty arose from non-cooperation by the some of the intended respondents. Due to their conservative nature, most internal auditors declined participation in the pilot survey exercise, hence the choice of convenience sampling, which allowed the researcher to select samples that are accessible and near (Saunders &Thornhill, 2003). This is why the entire twenty-six ministries were served copies of questionnaire and the returned copies of questionnaire served as the study sample.

Data was collected using the instrument that was developed by Barnett, Barr, Christie, Duff

&Hext (2010) with little modification. The questionnaire consisted of closed-ended questions, which was worded in plain and simple language to stimulate unambiguous and analyzable responses. The questionnaire was developed using the 5-point Likert scale to quantify responses and was without any leading questions. Respondents were approached at their offices where delivery was by hand so completion and return was mostly on the spot. In all 26 copies (i.e. one for each ministry) of the questionnaire was dispatched after a pilot study was carried out on some of the respondents which resulted in minor adjustments to the structure of the questionnaire. Parametric statistics was the major technique of statistical analysis. To analyze the impact of internal audit on value-for-money performance, multiple regression analysis was adopted. Regression analysis was used to build the working model, expressing the hypothesized relationship between the independent variables and the dependent variable. In formal terms, the research is quantitatively expressed in the following equation:

$$VFM = \beta_0 + \beta_1 IAS + \beta_2 IAE + U \text{-----------} (1)$$

whereβs are parameters of the regression equation, IAS (acronym for Internal Audit Size) and IAE(acronym for Internal Audit Experience) are dimensions of internal audit.

RESULTS

Covariance Analysis: Ordinary

Included observations: 26

Correlation Probability	VFM	IAS	IAE
VFM	1.000000		

IAS	0.549741	1.000000	
	(0.0036)	-----	
IAE	0.576610	0.125677	1.000000
	(0.0020)	(0.5407)	-----

Table above presents result from the multivariate analysis. With a coefficient of determination (adjusted-R^2) of 0.526, there appears to be a highly dependable relationship between VFM and the two proxies of internal audit practices. The standard error of 2.782 indicates that the fitness of the model is good. This is confirmed by the F-statistic (14.872) and F-significance of 0.000072. The model is stable and robust with no presence of autocorrelation as indicated by the Durbin-Watson statistic of 2.0155. Thus results of the regression analysis implies that about 52 per cent variability of VFM can be explained by changes in the combined independent variables of IAS and IAE.

Multivariate Result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
IAS	0.451192	0.129137	3.493892	0.0020
IAE	0.784146	0.211058	3.715305	0.0011
C	0.288107	0.546594	0.527095	0.6032

R-squared	0.563926	Mean dependent var	0.176724
Adjusted R-squared	0.526007	S.D. dependent var	4.041338
S.E. of regression	2.782347	Akaike info criterion	4.992634
Sum squared resid	178.0535	Schwarz criterion	5.137799
Log likelihood	-61.90424	Hannan-Quinn criter.	5.034436
F-statistic	14.87167	Durbin-Watson stat	2.015497
Prob(F-statistic)	0.000072		

Both IAS and IAE turned out to be positively significant as expected, with p-values of 0.0020 and 0.0011 respectively. Therefore at 5% level of significance, the null of zero coefficients for both variables are rejected, thereby confirming their respective statistical significances.
Thus results of the foregoing analyses have upheld the prevalence of legitimacy theory as postulated in section 2. The seeming ineffectiveness of internal audit units in Rivers State Government ministries could, after all, be an outcome of both the process of legitimation by successive GIPs and by the actions affecting relevant norms and values which define the internal audit profession in the public sector. Therefore, it is only logical that ineffective internal audit will give rise to less than ideal value-for-money performance on social projects undertaken by Rivers State Government ministries.

CONCLUSION AND RECOMMENDATION

This study has contributed a different perspective in explaining the seeming paradox of achieving poor value-for-money performance by government ministries despite having internal audit units in these ministries. The study has shown that internal audit practice in the government ministries are ineffectual in assisting these ministries to achieve value-for-money in public expenditure management. Two interrelated theoretical perspectives were employed to rationalize the underlying considerations that often characterize public resource allocation process, from a political economy perspective. Adaptations of stakeholder theory and legitimacy theory were found to be very insightful in explaining why government ministries always achieve value-for-money sub-optimality. Specifically, results from analysis upheld the prevalence of the legitimacy theory whereby, internal audit staff are caught up in the legitimation process which consequently undermine their effectiveness in discharging their functions. Hence, low value-for-money performance by government ministries is only a logical corollary of an ineffective internal audit practice in these ministries.

RECOMMENDATIONS

Following the findings of this study, we recommend as follows:

The Rivers State Civil Service Commission should organize periodic training and refresher course for internal audit staff. This is expected to safeguard their professional values and standard and effectively discharge their functions. It is believed that internal audit staff easily give in to the pressure of legitimation process because they are not deeply rooted in the values and code of professional standards of auditing.

More suitably qualified hands should be recruited to enhance the operational capacity of the internal audit units in the government ministries. This is expected to enhance the skill, experience and knowledge diversity of the internal audit units in the ministries.

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PART B
BANKING AND FINANCE/ECONOMICS TRACK

THE NEXUS OF MANAGERIAL EFFICIENCY AND PROFITABILITY AS DETERMINANTS OF STOCK PRICES IN NIGERIA

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ABSTRACT

This paper adopts a descriptive approach to examine two contending measures of efficiency in the management of Nigerian banks and the extent to which they determine stock prices in the sector of the country's capital market. The study is based on a sample of 11 listed banks and covers the period from 2010 to 2019. Contrary to technical analysts' assumption about stock prices, bank shares do not respond to previous price information. Rather, there is substantial statistical evidence showing that cost efficiency correlates with bank profitability and both can explain changes of stock prices in the sector. These results, which are consistent with signaling theory, provide evidence to assist shareholders in making informed decisions about their investment. Our findings also indicate that bank size has no relationship with performance and invariably not a significant factor that explains changes in stock prices in the banking sector of Nigeria's capital market.

Keywords: Cost efficiency, managerial efficiency, profitability and stock prices

INTRODUCTION

Since the recapitalization policy in 2004, the Nigerian banking sector has witnessed tremendous reforms with a number of far reaching measures put in place to reposition the sector to effectively play its key role in the development process. The regulatory and supervisory authorities led by the Central bank of Nigeria (CBN) moved to address the poor risk management attitude of bank managers by introducing strict prudential measures in 2010. These include raising the minimum capital adequacy ratio to 15%. In addition, Asset Management Corporation of Nigeria (AMCON) was setup in 2010 primarily to resolve the issue of high non-performing loans that were prevalent in the banking sector.

Ojukwu-Ogba (2009) and Akpansung & Gidigbi (2014) have mixed results on the performance of the post consolidation banks in the country especially in terms of risk management. It is generally believed that these far-reaching reforms have an enduring impact on banks' operations and efficiency. However, as observed by Ojong, et al (2014), despite these reforms, Nigerian banks are seriously still confronted with various problems including poor assets quality, technical insolvency, poor liquidity position and incompetent management. In other words, the banking

system still has challenges, hence the need to consider such measures relating to efficiency in bank management and the implication for shareholders' wealth in the country.

Empirically, several studies have examined various aspects of cost and profit efficiency in both developed and developing countries. They include Alhassan, Tetteh and Brobbey (2016) Ahmad and Noor (2011), Belkhaoui, Alsagr and Hemmen (2020), Chidozie and Ayadi (2017), Gunter, Krenn and Sigmund (2013), Busch and Memmel (2015), (Saunders & Schumacher, 2000; Sensarma, & Ghosh, (2004) using either CIR or NIM as indicator and none of these seems to have differentiated these two dimensions of efficiency.

The relative strength of this study is that it focuses on several measures of managerial efficiency such as cost of funds, cost to income ratio and net interest margin. Secondly, we also adopt both returns on average assets and returns on average equity being robust measures of bank profitability as well. These points are both novel in the Nigerian literature.

The remaining part of this study is organized into four sections. Literature review is presented in the next section. Section 3 describes both the data and the empirical strategy we employ. In section 4, we present the empirical results and findings, while the study is summarized and concluded in section 5.

LITERATURE REVIEW

Theoretical Framework

The link between managerial efficiency and bank market value can be examined in the context of signaling theory. The theory contends that due to asymmetric information between shareholders and managers, the former rely on publicly available information to assess the performance of their investment. Thus, bank shareholders take advantage of the published information on cost and profit performance provided by bank managers to determine the value of their investment. This implies a direct positive relationship between managerial efficiency and market value of banks. Therefore, lower cost and higher profitability all things being equal, lead to higher market value. Among the popular theoretical views that have appeared in the literature is the efficiency structure hypothesis by Demsetz, (1973). This hypothesis explains the causal link between bank efficiency and profitability by contending that because more efficient firms incur lower production costs, they have the incentive to lower their prices, which makes them more competitive through increase in sales and market share leading to higher profitability. Therefore, there is a causal direction from cost efficiency to profitability and by extension the market value of firms.

Empirical Review

Ioannidis, Molyneux and Pasiouras (2008) examine both cost and profit efficiency of selected Latin American and Asian banks over the period from 2000 to 2006 and how they affect stock returns. They find that while changes in profit efficiency lead to changes in stock returns, there is no evidence of causality running from cost efficiency to stock returns. They conclude that because shareholders' wealth (dividend payment and capital appreciation) depends on the ability of a bank to earn profit, they are more concerned with the profitability of the bank than its cost function.

Abuzayed, Molyneux and Al-Fayoumi (2009) use the panel data framework to investigate both whether banks' earnings can explain the difference between banks' book and market values, and whether bank efficiency is a significant factor for banks' valuation. The sample comprises 15 listed Jordanian commercial banks whose financial year ends on 31st December. The data consist of annual observations from 1993 to 2004. They find that while earnings and its components significantly explain the difference between banks' book and market values, efficiency has a significant explanatory power for market value.

In Australia, Shamsuddin and Xiang (2012) employ the stochastic frontier analysis to examine three dimensions of bank efficiency: namely, technical, cost and profit dimensions. Using an unbalanced panel data comprising 10 quoted banks covering from 1985 to 2008, they find that all the three bank efficiency dimensions show significant improvement over time, and bank size is an important explanatory factor for both cost and technical efficiency. They also find that market value of a bank largely depends on all the three efficiency dimensions.

Using the data envelopment approach (DEA) on a panel of 402 banks in 15 developing countries, Karray and Chichti (2013) examine whether bank size has a significant explanatory power for bank technical efficiency and its two dimensions; pure technical and scale efficiency. The panel sample comprises 1608 bank-date observations, while the panel period ranges from 2000 to 2003. The countries are Argentina, Brazil, Chile, India, Indonesia, Malaysia, Morocco, Lebanon, South Africa, Philippine, South Korea, Thailand, Tunisia, Turkey and UAE. The results generally suggest that bank size affects banks' technical efficiency.

Sumantyo and Tresna (2017) employ the fixed effect regression approach to consider the effect of bank efficiency on stock returns in Indonesia using a sample of 25 listed banks from 2009 to 2016. They find that bank efficiency using Data Envelopment Approach (DEA), has no significant effect on stock returns.

In Nigeria, Ebenezer, Islam, Yusoff and Shamsuddin (2018) use the panel data approach to examine banks' operational risk and its impact on profitability. Operational risk is measured by both cost to income ratio and operating expense ratio, while profitability is measured by net interest margin. The sample comprises a balanced panel for 16 listed commercial banks from 2009 to 2015. The results based on annual data show that the relationship between operational risk and bank profitability is well-described by a random effect process. The results also show that both cost to income ratio and operating expense ratio are significant determinants of bank profitability. However, bank size has no explanatory power for bank profitability.

Also, in Nigeria, Ayuba, Balago and Dagwom (2018) consider the effects of bank-specific factors on stock returns for selected quoted banks in Nigeria over the period from 2007 to 2016. Based on fixed effects method, they find, amongst others, that bank size is an important explanatory factor for stock returns.

Most recently, Siauwijaya (2020) employs the panel data framework to investigate the effects of bank efficiency and profitability on stock returns using a sample of 33 listed banks in Indonesia. The data used are annual observations covering from 2012 to 2016. While Data Envelopment Analysis (DEA) is used to obtain efficiency scores, profitability is measured by earnings per share and price-earnings ratio. The results show that bank profitability is a significant determinant of stock returns, bank efficiency is not. However, bank efficiency together with both earnings per share and price to earnings ratio significantly explain about 12% of the stock return variability.

Ahmad and Noor (2011) examine the link between bank efficiency and profitability in the context of Islamic Banks in 25 countries. They fit both the Tobin regression and the fixed effect models with data collected from 78 Islamic banks from 1992 to 2009, while examining the impact on profitability of efficiency components, measured using the non-parametric Data Enveloping Approach (DEA). Their results show that while bank profitability is positively correlated with technical efficiency, operating expenses ratio to total assets is among the significant determinants profit efficiency.

Olson and Zoubi (2011) compare accounting-based explanatory factors for bank profitability with economics-based factors for both cost and profit efficiency using data collected from 83 banks across 10 MENA (Middle East and North African) countries from 2000 to 2008. They find that while banks in the MENA region performs below optimal level, economics-based efficiency measures perform better than accounting-based measures in determining bank profitability. Their results also reveal that although, accounting variables can influence both cost and profit efficiency, cost efficiency, however, has low explanatory power for profit efficiency.

Francis (2013) employs the static panel framework to examine the factors that affect bank profitability focusing on sub-Saharan Africa. Both bank-specific factors; operational efficiency, capital adequacy, bank liquidity, growth in bank assets and deposits, and macroeconomic factors; economic growth and inflation, are considered in the analysis. The empirical analysis is based on unbalanced panel data obtained from 216 banks in 42 countries over the period from 1999 to 2006. The results based on the random effects method show that bank-level variables are significant determinants of bank profitability, with operational efficiency, measured by cost to income ratio, having a negative coefficient. They also find that both inflation and GDP growth have a negative and significant effect on bank profitability.

Using the dynamic panel GMM framework, Pervan, Pelivan and Arnerić (2015) examine both profit persistence and factors that determine bank profitability in Croatia using annual data. Their empirical analysis is based on unbalanced panel data consisting of all active banks in Croatia between 2002 and 2010. They find that banks with higher profits are less likely to record profit persistence, and that lagged profitability, bank size and operating expenses are among the significant determinants of bank profitability.

In Ghana, Alhassan, Tetteh and Brobbey (2016) employ the system dynamic panel framework to analyze the effects of market power and efficiency on bank profitability using annual data collected from 26 banks from 2003 to 2011. Three measures of bank profitability (ROE, ROA and NIM) are considered, while scores of both scale and technical efficiency are estimated using the Data Envelopment Approach (DEA framework). Further, market share is measured by market share of total assets while market structure is measured using the Herfindahl-Hirschman Index. They find evidence of low profitability persistence in the Ghanaian banking industry. Also, their results show that market power (market structure and market share) has no significant effect on profitability, while the two efficiency measures enter the profitability model with significant coefficients. However, the signs are mixed, with scale efficiency having a negative coefficient which is indicative of diseconomies of scale in the Ghanaian banking industry.

In Nigeria, Chidozie and Ayadi (2017) employ the random effects framework to examine both bank-specific and macroeconomic determinants of bank profitability between 2005 and 2014. Banks' profit function includes six bank-specific variables; namely, lagged profitability, cost to income ratio, loan to deposit ratio, bank size (total assets), loan to total assets ratio and market power, and three macroeconomic variables; real GDP growth, inflation and oil prices. They find that oil price is the only macro-factor affecting bank profitability, while efficiency, market power and total assets all are significant bank-specific factors explaining bank profitability, However, both cost to income ratio and market power have negative coefficients.

Also, in Nigeria, Innocent, Ademola and Teryima (2019) employ the random effects framework to investigate the effect of operational efficiency on bank performance, controlling for credit risk and capital adequacy. Using annual panel data collected from 14 listed commercial banks over the period from 2008 to 2017, they find that operating efficiency, measured by operating expense to total assets ratio, has a negative and highly significant impact on bank profitability.

More recently, Belkhaoui, Alsagr and van Hemmen (2020) empirically tests, amongst others, the hypothesis linking bank efficiency to profitability using data obtained from Islamic banks in GCC countries. Bank efficiency is measured by cost to income ratio while profitability is measured by both return on equity and return on assets. The sample includes 30 listed Islamic banks in five countries: Bahrain, Kuwait, Qatar, Oman UAE, and Saudi Arabia. The study period spans from 2001 to 2015. They find that efficiency indicator has a highly significant direct effect on bank profitability.

Although, efficiency of bank management is a well-researched concept, there is little available in terms of empirical studies within the Nigerian context. Thus, the empirical relationship between managerial efficiency and market value of banks is still an under-explored area in Nigeria. Also, most of the previous studies reviewed examine bank efficiency and its effect using the Data Envelopment approach with non-parametric analysis. To the best of my knowledge, only a few studies have considered bank efficiency from the perspective of the information contained in accounting ratios. It is therefore, a good motivation to consider how banks' shareholders in Nigeria respond to changes in both cost and profit dimensions of managerial efficiency using accounting ratios. This would fill an important gap in the literature.

METHODOLOGY

Our sample comprises unbalanced bank-level panel data for 11 quoted banks in Nigeria for 10 years from 2010 to 2019. The study period reflects the recent banking sector reforms in Nigeria. The banks are Access bank Plc, First City Merchant Bank (FCMB) Plc, Fidelity bank, First Bank of Nigeria Holdings (FBNH), Guaranty Trust Bank (GTB) Plc, Stanbic IBTC, Sterling bank Plc, United Bank for Africa Plc, Union Bank of Nigeria(UBN) Plc, Wema bank and Zenith International Bank Plc. All data are sourced from the published financial statements and annual reports of the individual banks. The bank sample reflects data availability and accessibility. The variables are described below:

- Market value per share (MVS): This is the yearly closing price of each ordinary bank share in the stock market. It is widely used as a proxy for firm market value. Higher MVS indicates higher firm value in the stock market.
- Cost of funds (COF): This is a measure of bank cost efficiency that focuses on the interest paid by banks on the funds they use. It is calculated by dividing interest expense by average interest-bearing liabilities. Lower cost of funds indicates greater efficiency in cost management which leads to higher profitability.

- Cost to income ratio (CIR): This is another measure of cost efficiency that shows the relationship between earnings and cost of earnings. It is calculated by dividing operating expenses by operating income. Lower ratio indicates greater efficiency in cost management relative to profitability.
- Return on Average Equity (ROAE): This measures bank efficiency in terms of how much profit a bank generates for its shareholders using its assets. It is the ratio of profit after tax to average equity. Higher ratio indicates higher profitability and greater efficiency in profit management.
- Return on Average Assets (ROAA): This is a good measure of managerial efficiency as it provides a basis to know how well the resources are employed to acquire assets that are capable of generating income. A higher ratio indicates better management with higher profitability.
- Total Assets (TA): This is a widely used proxy for bank size. It is the sum of current assets and non-current assets. Here, it is used as a control variable.

Table 1: Description of variables

Variables	Symbols	Definition
Dependent variables		
	MVS	Market Value of Shares
Explanatory variables	CIR	Cost to Income Ratio
	NIM	Net Interest Margin
	COF	Cost of Funds
	ROAA	Return on Average Assets
Control variable	ROAE	Return on Average Equity
	TA	Total Assets

Analysis and Discussion

In this section we provide a descriptive analysis with a view to showing the statistical relationship all the explanatory variables have on market value of shares using indicators such as mean, standard deviation and coefficient of variation in form of tables.

Furthermore, we present a graphic illustration to show how the managerial efficiency measures relate to profitability to be able to explain their overall influence on the movement of stock prices of the selected banks. Then our control variable will show whether size is a considerable factor of this relationship.

Table 2: Descriptive statistics of variables

Variable	x	Max	Min		CV	S	K
MVS	9.670	50.000	0.500	10.207	1.056	1.714	5.853
COF	4.559	9.300	1.800	1.515	0.332	0.548	2.896
CIR	68.257	183.000	36.100	19.635	0.288	2.682	15.169
ROAE	6.619	34.500	-428.000	48.487	7.325	-7.366	63.213

Source: Extract from E-views

Table 3: A matrix of Profitability, Managerial Efficiency and Size

Variable	x	Max	Min		CV	S	K
ROAE	6.62	34.50	-428.00	48.49	7.33	-7.37	63.21
ROAA	1.78	7.50	-12.30	2.15	1.21	-2.62	20.57
CIR	68.26	183.00	36.10	19.63	0.29	2.68	15.17
NIM	7.10	10.42	3.72	1.40	0.20	-0.04	2.41
ASSETS	2045.87	7147.00	199.35	1615.38	0.79	1.20	3.63

Source: Extract from E-views

Figure 1: Mean Plot for MVS, COF, CIR and ROAE

Figure 2: Mean Plot for Bank Profitability Measures

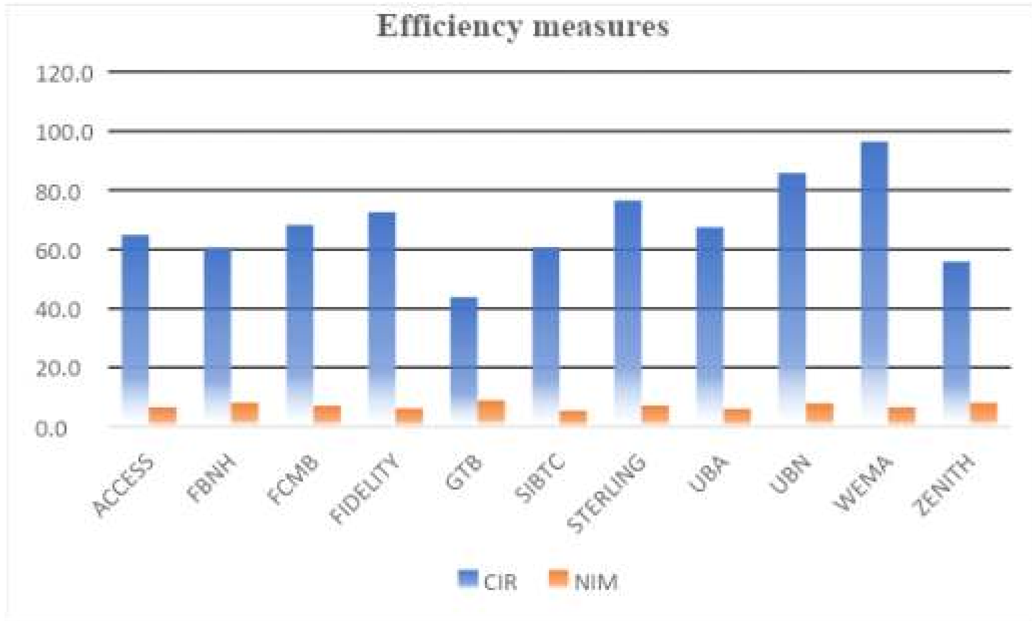

Figure 3: Mean Plot for Efficiency Measures

Figure 4: Mean Plot for Total Assets

Tables 1and 2 show the descriptive statistics for the variables, while Figures 1 and 2 show their cross-sectional mean plots. The results generally suggest that cross-sectional variation is quite substantial for all variables. As we can see, compared to ROAA, ROAE recorded high cross-sectional variability over the period from 2010 to 2010 with a large negative skewness coefficient and excess kurtosis. At the same time, the cross-sectional variability of CIR is much higher than the variability recorded by NIM. However, while NIM has a negative skewness coefficient and a platykurtic distribution, the distribution of CIR is characterized by positive skewness and large excess kurtosis. Also, over the same period, the total assets of the sampled bank averaged ? 2045.87billion with a standard deviation of ? 1615.38, which also indicates large cross-sectional variance.

Figure 1 shows the mean plots of MVS, ROAE, COF and CIR for the individual banks as well as the average mean for all the banks as the 12th item shown in the horizontal axis of the graph. The two bars indicate MVS and COF respectively while the two curves show the behavior of ROAE and CIR across the banks. The bank with the highest MVS bar is also associated with the first position in ROAE ranking as shown by the curve. In the same vein, it also has the least figure both in COF and CIR. Two other banks compete for the second position with their MVS and ROAE almost the same while in COF and CIR, one is slightly lower justifying second and third positions in the ranking.

On the other hand, the same bank that has the lowest MVS is also associated with the highest COF and CIR respectively; followed by another bank that also ranks second lowest in MVS. Above all, five banks passed the ROAE and CIR tests with their means either exceeding the benchmark or falling below it respectively. Invariably, except one of those five banks all others passed the MVS and COF tests too. Our analysis provides sufficient statistical evidence that the banks with higher MVS also have higher ROAE as well as with lower COF and CIR to a large extent. Similarly, those

with lower MVS and ROAE are also associated with higher COF and CIR. Our findings here agree substantially with a number of inferential studies reviewed in the literature. For instance, Ioannisdis, Molynex and Pasiouras (2008), Abuzayed, Molyneux and Al-Fayoumi (2009), Shamsuddin and Xing (2012) with such current studies as Siauwijaya (2020) and Belkhaoui, Alsagr and Hemmen (2020) provide strong statistical evidence that there is significant link between measures of bank profitability traced to managerial efficiency with market value of shares. Consistently, cost to income ratio (CIR) has negative relationship with both profitability and stock returns.

Figures 2 and 3 show the plots of profitability indicators and efficiency measures also for the individual banks. The graphs suggest that except for few cases, banks with high managerial efficiency are also associated with high profitability. Evidently, Francis (2013) also concluded that operational efficiency measured by cost to income ratio has significant negative effect on bank profitability and supported by Chidozie and Ayadi (2017), Ademola and Teryima (2019)

The observations from figure 4 show clearly that size is not a determinant of the performance of the banks. For instance, the bank with the biggest asset base is the fourth in the ranking while the fifth largest in size is the first in performance ranking. Again the eighth largest is consistently the second in performance. These findings agree with the empirical results in Ebenezer, et al (2018) but quite contrary to the conclusion by Ayuba, Balago and Dagwom (2018) that bank size is an important explanatory factor for stock returns.

CONCLUSION

In this paper, we examine the relationship between managerial efficiency measures such as cost of funds, cost to income ratio and net income margin and two measures of bank profitability: ROAE and ROAA to provide statistical evidence for explaining changes in market value of shares in the Nigerian banking sector using descriptive statistics. Based on the sample of 11 listed banks of different sizes, we find that cost of funds, cost to income ratio and net interest margin are negatively related to bank profitability with all measures of profit efficiency positively relating to market value of bank shares. We therefore conclude that both cost efficiency and profit efficiency contain significant information for market valuation in the Nigerian banking industry. In line with the principle in Shamsuddin and Xing (2012) that there are three dimensions of efficiency viz: technical, cost and profit, further studies should consider this relationship using technical efficiency.

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COVID-19 OUTBREAK, OIL PRICE SHOCK AND BANKING SYSTEM LIQUIDITY: THE NIGERIA EVIDENCE

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ABSTRACT

The study investigates impact of COVID-19 and oil price shock on banking system liquidity in Nigeria from the period dated 1st June, 2019 to 30th June, 2020. Using confirmed cases of COVID-19, global price of crude oil and deposit liabilities as variables of study. The results reveal that there is a positive significant impact between COVID-19 and changes in banking system liquidity in Nigeria. On the other hand, the results of the follows of oil price slump reveal that there is a negative significant relationship between oil price and banking system liquidity. Also the results of Johansen co-integration test reveal that the series are co-integrated that is exhibit a long run relationship. The results of the granger causality tests suggest evidence of bidirectional causality flowing from COVID-19 to banking system liquidity vice versa while there is no evidence of causality running from oil price shock to banking system liquidity vice versa. Based on this, the study concludes that COVID-19 and Oil price shocks impacted significant on banking system liquidity in Nigeria.

Keywords: COVID-19, Oil Price Shock, Liquidity, Banking System, Nigeria

INTRODUCTION

COVID-19 outbreak arrive the shore of Nigeria when the country was already recovery from economic recession. The health crisis gave rise to a number of challenges such as heightened

economic contraction, job losses, high inflationary pressure, increased unemployment rates, increase crime among others (Iwedi, Kocha and Oriakpono, 2020). As at last count oil price which account for bulk of the nation's revenue was as low as 15 USD per barrel and revenue accruing from oil funds the nation budget, this shocks led to spiraling of every other macroeconomic indices in Nigeria.

Thus, as the engine of the Nigeria economy, banking system was impacted and reacted to the double shocks of COVID-19 and oil price slump. The sector was heightened with the risk of reduction in fee and trading income including pressure on net-interest income, increased non performing loan and its attendant impact on overall asset quality, capital and liquidity, breaches in cyber security, operational constraints of meeting customers expectation and staff safety, reduction in domestic deposits level and increase deposits rates with interbank rates. The impact on the sector is so profound that cash inflow from net interest income and trading income have significantly decline while cash withdrawal by bank customers through various digital platform increased during this period of shocks.

Despite the impact, we still do not know much about how COVID-19 outbreak, oil price slump have empirically impacted on the banking system liquidity. Therefore, the goal of this study is to empirically test the impact of COVID-19 and oil price shock on banking system liquidity in Nigeria.

LITERATURE REVIEW

Tesfaye (2020) explore the impact of COVID-19 pandemic on the Ethiopia's private banking system. Ten (10) years historical data from 2010 to 2019 was used to found that the pandemic has effect on both balance sheet and income statement of banks.

Wakode (2020) studied the influence of COVID-19 on the credit exposure of a bank. The study employed the statistical tool of the multivariate analysis of variance to choose and found out that there is a significant impact between COVID-19 and bank risk metrics.

Denurjuc-Kunt, Pediaza and Ruiz (2020) assessed the impact of banking sector performance during the COVID-19 crisis. The study found that the crisis and the countercyclical lending role that banks are expected to play have put banking systems under significant stress with bank stocks underperforming in their domestic market than other non-banking financial firms.

Baret, Celner, O'Reilly and Shilling (2020) investigated the impact of the COVID-19 pandemic on the financial market and banks. The study found evidence of significant effects of COVID-19 on the general financial markets as recently the world experienced fall in share prices, oil prices, equities and bonds' prices.

Mert & Omer (2020) investigate the impact of COVID-19 on emerging stocks markets over the period March 10-April 30, 2020. The study found that there is a negative impact of COVID-19 on emerging stock markets, though this negative impact has gradually fallen and has begun to tape off since mid April.

Nuhu (2020) examined the impact of the COVID-19 on the financial market: Evidence from China and U.S.A. The study applied a regression model time series data from China COVID-19 statistics reports and trading economics from 1st of March 2020 to 25 March 2020. The study used the Shanghai Stock Exchange as a sample for China and the New York Dow Jones as a sample for the

U.S.A. The study found that there is a positive significant relationship between the COVID-19 confirmed cases and all the financial markets.

Xinhuao (2020) found that there is a significant impact between COVID-19 pandemic and the Chinese financial market such that the financial market in China have remained generally stable compared to overseas markets despite the spread of the corona virus.

Iwedi, et al (2020) assessed COVID-19 global pandemic trade and impact on the Nigerian economy. The study employed descriptive methodology to evaluate Covid-19 pandemic global trade wars and its impact on the Nigerian economy. The study revealed that coronavirus cripple the Nigerian economy in terms of social, religious and economic activities while the measures taken to contain the spread of COVID-19 impacted on Nigerian citizens in many ways including job losses, higher prices, and damage to healthcare and seriously on education services.

Zhang, Hu and Ji (2020) studied financial markets under the COVID-19 global pandemic. The study employed descriptive statistics to map the general patterns of country specific risks and systemic risks in the global financial markets. The researchers analyzed possible consequences of policy intervention like the US implementation of zero-percent interest rate and unlimited quantitative easing (QE) and the extent to which such policies may introduce further uncertainties into financial markets. They observed that the rapid spread of the pandemic has created an unprecedented level of risk causing investors to suffer huge losses within a short period of time. They observed that QE stopped investors panic but may create inconsistencies between investors' short-term and long-term expectations as well as further uncertainties to the global market and create trouble for developing economies as occurred in 2008 global financial crisis leading to greater systemic risk.

DATA AND METHODOLOGY

The descriptive and analytical techniques were used to investigate the impact of double shocks (COVID-19 pandemic, crude oil price) on the liquidity of Nigeria banking system. Time series data on Covid-19 confirmed cases for Nigeria, crude oil prices, bank deposits liabilities were use as variables for this study while ordinary least square (OLS) were use as tool for the analysis. Thus, the model for this study is specified as:

$$BLQ = f(COVID19, OILPRICE) \qquad 1$$

When equations 1 is transformed into econometric equation, we have equations 3

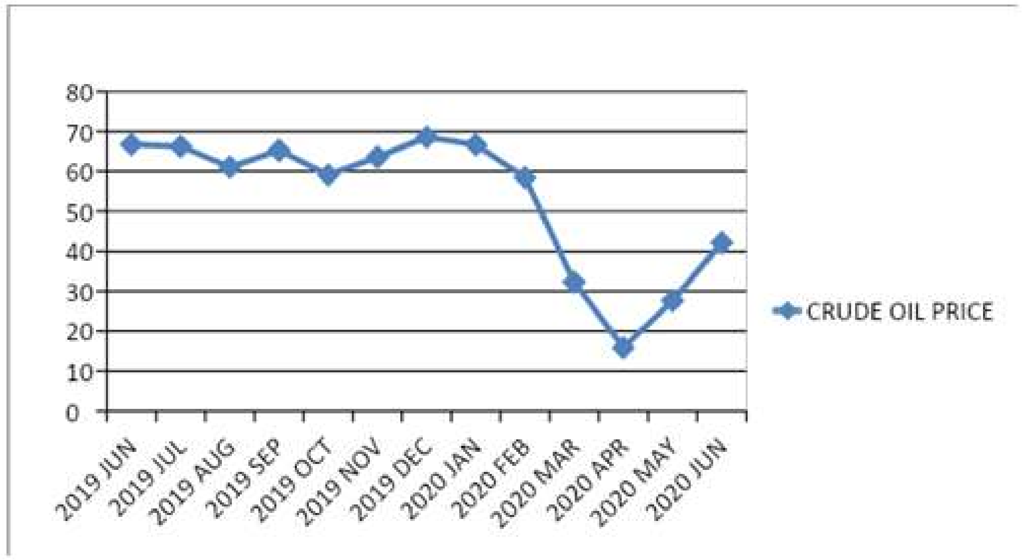
$$BLQ_t = \beta o + \beta_1 COVID19_t + \beta_2 OILPRICE_t + eit$$
3

Where BLQ_t is dependent variable. BLQ is banking sector liquidity proxy by bank deposits liabilities COVID-19 is confirmed cases of COVID-19 for Nigeria and OILPRICE is the crude oil price proxy by crude petroleum – bonny light.

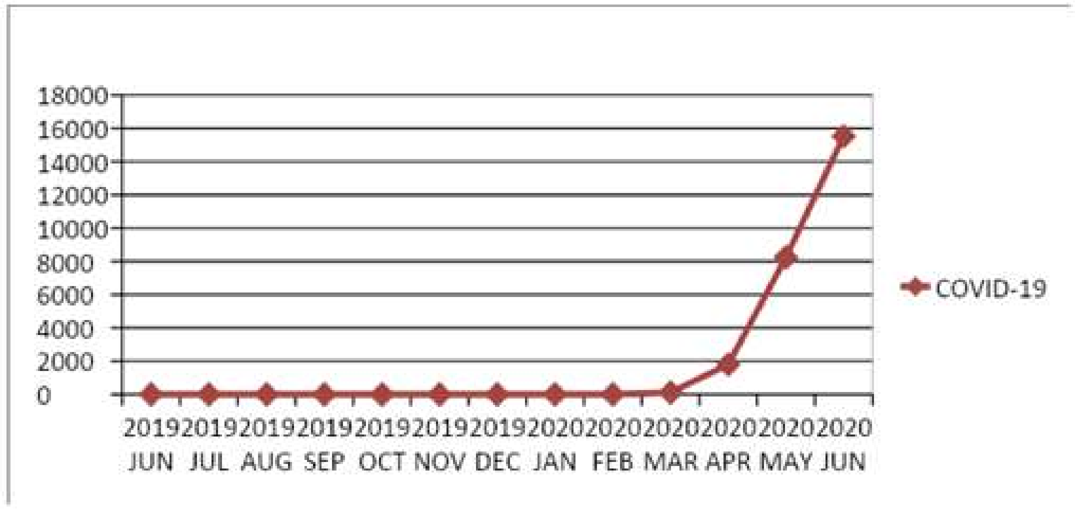
RESULTS AND INTERPRETATIONS

This section presents the descriptive and econometric results of the multiple regressions, Johansen co-integration test and the pairwise granger causality test. The first result is the

graphical analysis as label figure 1 and 2



Oil price maintained an irregular trend; it recorded a major in December, 2019 and major trough in April, 2020.



COVID-19 shows a rising trend and recorded major peaks in the month June 2020.

Table 1 Unit Root Test

	D(BANK LIQUIDITY)	D(COVID19)	D(OILPRICE)
ADF Statistics	-3.784051	-10.98561	-4.809839
1%	-3.324070	-4.200056	-3.523070
5%	-2.986225	-3.175352	-2.986225
Probability	0.0001	0.0000	0.0000

Source: Eview 9.0 output

The unit root test in table 1 shows that the variables of double shock COVID-19 pandemic, oil price, and the liquidity of the Nigeria banking system were stationary at first difference. The stationarity properties of these variables were further confirmed by its associated probability which is less than 0.05 level of confidence.

Table 2 Regression Analysis

Dependent Variable: BLQ
Method: Least Squares
Date: 09/25/20 Time: 22:25
Sample: 2019M06 2020M06
Included observations: 13

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	31032.51	953.2230	32.55535	0.0000
COVID19	0.178813	0.061024	2.930211	0.0150
OILPRICE	-75.81726	16.11813	-4.703849	0.0008

R-squared	0.846213	Mean dependent var	27340.98
Adjusted R-squared	0.815456	S.D. dependent var	2041.616
S.E. of regression	877.0504	Akaike info criterion	16.59018
Sum squared resid	7692174.	Schwarz criterion	16.72055
Log likelihood	-104.8362	Hannan-Quinn criter.	16.56338
F-statistic	27.51250	Durbin-Watson stat	1.915488
Prob(F-statistic)	0.000086		

Source: Eview 9.0 output

The regression result in table 2 shows that there is a positive significant impact between COVID-19 and changes in banking system liquidity in Nigeria. This means that the follows of COVID-19 increase the liquidity position of banks in Nigeria during these periods of crisis in a good way. On the other hand, the follows of oil price slump reveals that there is significant negative relationship between oil price and banking system liquidity. This is because the probability follow of OILPRICE (0.0008) is less than 0.05 percent, which is an indication that the oil price shock explains the liquidity position of banks in Nigeria in a bad way. This implies that, unit increase in oil price shock will lead to -75.81726 unit fall in banking system liquidity in Nigeria. The results of other important statistical tools applied in this study reveal that the coefficient of determination (R2), as used to measure the success of the regression in predicting the value of the dependent variables within the sample and test the goodness of fit, is considered high (over 81.54%). The adjusted R-square, the Durbin-Watson statistics and the entire regression test are statistically significant, including the f-test.

Table 3 Johansen Unrestricted Co-integration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.996242	74.49687	29.79707	0.0000
At most 1	0.634270	13.07432	15.49471	0.1121
At most 2	0.166994	2.009859	3.841466	0.1563

Table 4 Johansen Unrestricted Co-integration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None *	0.996242	61.42254	21.13162	0.0000
At most 1	0.634270	11.06446	14.26460	0.1510
At most 2	0.166994	2.009859	3.841466	0.1563

Max-eigenvalue test indicates 1 cointegrating eqn(s) at the 0.05 level

* denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Source: Eview 9.0 output

The result of the first hypothesis shows that the value of trace (74.49687) and max-eigen statistic (61.42254) is greater that the critical value (29.79707 and 21.13162) at 5 percent level of significance, therefore, we reject the null hypothesis of there is no co-integration equation in this model. The second and third null hypotheses say that there is at most 1 or 2 co-integrating equation. A look at the value of trace and max-eigen statistic shows that value of trace and max-eigen statistic are less than the critical value at 5 percent. Therefore, we fail to reject the null hypotheses, so we agree with the null hypotheses that in this model we have at most 1 or 2 co-integration equation. This implies the series are co-integrated that is exhibit a long run relationship.

Table 5 Pairwise Granger Causality Tests

Date: 09/25/20 Time: 22:35
Sample: 2019M06 2020M06
Lags: 1

Null Hypothesis:	Obs	F-Statistic	Prob.
COVID19 does not Granger Cause BLQ	12	3.73182	0.0454
BLQ does not Granger Cause COVID19		9.36875	0.0136
OILPRICE does not Granger Cause BLQ	12	0.26752	0.6175
BLQ does not Granger Cause OILPRICE		1.47504	0.2555
OILPRICE does not Granger Cause COVID19	12	44.8491	9.E-05
COVID19 does not Granger Cause OILPRICE		2.15840	0.1759

Source: Eview 9.0 output

The pairwise granger causality tests suggest evidence of bidirectional causality flowing from COVID-19 to banking system liquidity vice versa. This means that the follows of COVID-19 cause banking system liquidity to change. In other hand, there is no evidence of causality running from oil price shock to banking system liquidity vice versa. By implications it suggests that oil price shock does not cause changes in the banking system liquidity.

CONCLUSION

The study investigates impact of COVID-19, oil price shock on banking system liquidity in Nigeria from the period dated 1st June, 2019 to 30th June, 2020. Using confirmed cases of COVID-19, global price of crude oil and deposit liabilities as variables of study. The results reveal that there is a positive significant impact between COVID-19 and changes in banking system liquidity in Nigeria. This means that the follows of COVID-19 increase the liquidity position of banks in Nigeria during this period of crisis in a good way. On the other hand, the follows of oil price slump reveals that there is significant negative relationship between oil price and banking system liquidity. Also the results of Johansen co-integration test reveal that the series are co-integrated that is exhibit a long run relationship. The results of the granger causality tests suggest evidence of bidirectional causality flowing from COVID-19 to banking system liquidity vice versa while there is no evidence of causality running from oil price shock to banking system liquidity vice versa. Based on this, the study concludes that COVID-19 and Oil price shocks impacted significant on banking system liquidity in Nigeria.

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RELATIONSHIP BETWEEN FIRM SIZE, BOOK-TO-MARKET EQUITY AND STOCK RETURNS: EMPIRICAL EVIDENCE FROM NIGERIA STOCK MARKET

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ABSTRACT

The paper provides new evidence on the factors that explain stock returns on the Nigerian Stock Market. It employed Fama and French (1993) multifactor model to investigate the significance of firm size and book-to-market ratio in explaining variations in returns of stocks listed on the Nigerian equity market using monthly stock data of 59 randomly selected from Nigerian stocks from 2012 to 2015 collected from the Nigerian stock exchange. The empirical results of the classical Ordinary Least Square (OLS) regression analysis of the test in the multifactor model found that the market size and book - to – market factors are important for explaining returns on the Nigerian equity market. However, contrary to the expectations OLS confirms that both size and value effects, suggesting that investors are rewarded for taking both size and value risk.

Keywords: Capital Asset Pricing Model, Risk and Return and Covariance of stock return with return on the market portfolio

INTRODUCTION

There is an accepted norm in finance that firm specific variables and macroeconomic variables explain the behavior of expected stock returns. Even though previous studies e.g.: Gordon (1959); Friend & Puckett (1964); Bower and Bower (1969); Malkiel & Cragg (1970) and Zahir (1992) found that expected stock returns is highly sensitive to macroeconomic factors, there are number of firm specific factors such as earnings, dividends, risk, leverage, size, book-to-market ratio, right issue and bonus issues explain the behavior of expected stock returns.

There are different models developed to explain the relationship between risk and returns. Capital Asset Pricing Model (CAPM) of Sharpe (1964), Lintner and Mossin (1966) (SLM) or Sharpe (1964), Lintner (1965) and Black (1972) (SLB) is the first model to explain the relationship between risk and return. The developers of this model found that market beta is positively related to expected stack returns. Even though this finding is supported to earlier researchers such as Lintner (1965), Black, Jensen, and Scholes (1972) and Fama and MacBeth (1973), the limitation of this model is that it is employed market beta only as risk factor and not employ the macro and firm specific factors to explain the behavior of expected stock returns and also the most of recent researchers Stattman (1980), Reinganum (1981), Rosenberg et al. (1985), Lakonishok and Shapiro (1986), Chan et al. (1991), Fama and French (1992,1998) , Daniel et al. (1997), Patel (1998),Chui and Wei (1998), Rouwenhorst (1998) and Claessens et al. (1998) report that market beta has little or no ability in explaining the behavior of expected stock returns and firm size and book-to-market equity play significant role in explaining the behavior of expected stock returns. Therefore later Fama and French (1992) developed FF three-factor pricing model (TFPM) in which they added two supplementary risk factors which are firm size and B-M equity to the CAPM. FF is tested successfully in many markets around the world.

The financial interested parties such as investors, stock market analysts, policy makers, government and stock market regulators give more attention on macroeconomic variables by the reason of expected returns is highly sensitive to macroeconomic factors than firm specific variables. So that, they have lack of knowledge on behavior of firm specific variables on expected stock returns. Besides there have been a very few of studies in Sri Lankan context {except a few e.g., Samarakoon (1998); Mahawanniarachchi, (2006); Anuradha (2007) and Chaturika Seneviratne and Nimal) to explain the relationship between expected stock returns and firm specific variables. Therefore, to fill this gap, this study attempt to reinvestigate the behavior of expected stock returns with respect to two popularly known firm level characteristics: firm size and book-to-market equity in Nigerian context on selected companies listed in Nigerian Stock Exchange for the period span from 2006 – 2017 by applying the Fama and French (1993) procedure.

Statement of the Problem

Capital asset pricing model (CAPM) independently developed by Sharpe (1964), Lintner (1965) and Mossin (1966) postulates a linear relationship between a stock's expected return and its risk implying that no other factors are necessary to explain variation in expected returns. However, recent evidence has shown that other factors have a consistent and significant effect on return on common stock. For example, Basu (1971) showed that those stocks with high earnings / price ratios (or low price-earnings ratios) earn significantly higher returns than stocks with low earning / price ratios. Banz (1981) uncovered another apparent contradiction of the CAPM by

showing that stocks of firms with low market capitalization have higher average returns than large capitalization stocks. Rosenberg, Reid and Lanstein (1985) provide yet another piece of evidence against the CAPM by showing that stocks with high ratios of book-to-market equity have significantly higher returns than stocks with low book-to-market. Jegadeesh (1990) found that stock returns tend to exhibit short-term momentum; stocks that have done well will over the previous few months continue to have high returns over the next month. In contrast, stocks that have had low returns in recent months tend to continue the poor performance for another month. We therefore wish to examine whether the variations in stock returns can be explained by the firm size and book-to-market equity in Nigerian context on selected companies listed in the Nigerian Stock Exchange for the period from 2006 to 2017 by applying the Fama and French (1993) procedure.

Objective of the Study

The paper examines stock returns, with two goals. The first is to detail the size and value patterns in average returns. Our second goal is to examine how well (1) and (2) capture average returns for portfolios formed on size and value. That is, to examine whether the variation in stock return is explained by firm size and BE / ME in Nigerian context on selected companies listed in the Nigerian Stock Exchange for the period from 2006 to 2017 by applying the Fama and French (1993) procedure.

The rest of the paper is organized as follows. Section 2 reviews the related literature. Section 3 explains the data, hypotheses and methodology. Section 4 provides the empirical results and section 5 presented the conclusions.

LITERATURE REVIEW

Theoretical Review

The CAPM assumes that the expected return from an asset is a function of its price variance. This figure is usually reported as beta and is synonymous with risk. This relationship is thought to be linear and positive, hence the adage -high risk, high return. Several assumptions were made by Jack Treynor (1961, 1962), Sharpe (1964), Lintner (1965a,b) and Mossin (1966) when they independently developed the CAPM.

First they assume an investor's portfolios will maintain a constant proportion between risky and risk-free asset. A second assumption is that all investors can lend or borrow money at the risk-free rate. Assuming these things to be true, they devised the following equation:

ER- rf= βRm- rf, or (2.1)

μ j-r= m jm (2.2)

Where,

μ j = expected return on any asset

r = the risk free rate

jm = covariance of stock return with return on the market portfolio (β, beta)

m = measure of aggregate risk aversion.

The existence of the size effect and book-to-market equity has some specific implications for both the CAPM and the efficient market hypothesis.

This equation states that any return that exceeds the risk-free rate, also known as risk premium, will be proportional to the stock's beta. Since beta and risk aversion (risk-free rate) are the only variables on the right hand equation, any theory that suggests another factor consistently affects return would require the rejection of the CAPM. Banz (1981) opined that the size of a firm and the return on its common stock are inversely related. A more established theory known as the efficient market hypothesis (Fama, 1970, 1991) also conflicts with Banz (1981) findings.

The Efficient Market Hypothesis (EMH) has been the main starting point for many financial papers. The hypothesis was founded by Eugene Fama (1970). The main point of the EMH is that it will be impossible to beat the market, gaining a higher return on their stock than other people. This hypothesis is based on the idea that all available information is directly reflected in the stock price, therefore making it impossible to make a profit by having more information than other traders (about the size and value of the firm). When new information arises, the news spreads very quickly and the stock price will be adjusted to the news instantly. If this hypothesis is true, then it will be useless to study past stock returns or search for under valuated companies, because you will not be able to gain a higher return. If the news is unpredictable, then the stock returns of tomorrow will be random. The hypothesis was heavily criticized. People discarded the theory as a useless with no real information about how markets function in real life. Fama, the inventor of the EMH model, has not lost faith in the model by saying, - stating that the markets were a victim of the crisis and not the cause?. Further research might be needed, but it is unlikely that a trusted hypothesis like the EMH will be discarded so easily. When security prices at all times reflect all available, relevant information, the market in which they are traded is said to be efficient. Since the size of a company is public information, buying stocks on the basis of firm size should not lead to higher return. However, Banz's (1981) study indicated otherwise.

Fama and French (1993) Three-Factor Model

The Fama and French (1993) three-factor asset pricing model was developed as a result of increasing empirical evidence that the Capital Asset Pricing Model (CAPM) performed poorly in explaining realized returns. They find that this expanded model captures much of the cross-section of average returns among US stocks.

The Fama and French (1993) three-factor model augments the single-market risk factor in the capital asset pricing model (CAPM) with two mimicking portfolios designed to capture additional risk premiums relating to book-to-market equity and firm size as risk factors.

The model says that the expected return on a portfolio in excess of the risk-free rate is explained by the sensitivity of its return to three factors: (i) the excess return on a broad market portfolio; (ii) the difference between the return on a portfolio of small stocks and the return on a portfolio of large stocks (SMB); and, (iii) the difference between the return on a portfolio of high-book-to-market stocks and the return on a portfolio of low book-to-market (HML).

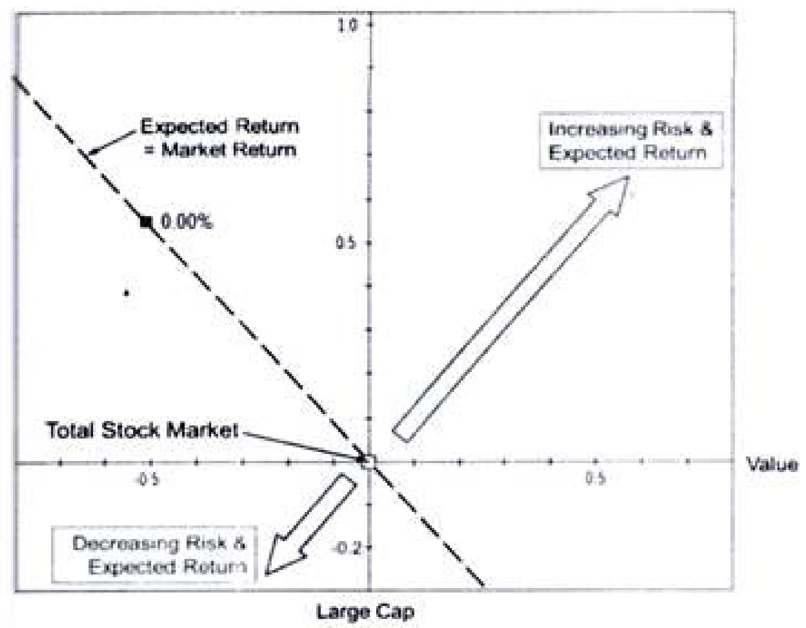

Figure 2.1: Three-Factor Pricing Model-Risk Axes

Source: bogleheads.org

Recent work of Fama and French (1996, 2006) questions the - real world application?of the CAPM theorem and its ability to explain stock returns as well as value premium effects.

In more detail, the Fama and French (1993) three-factor asset pricing model separates stock returns into three distinct risk factors:

Beta - a measure of volatility of a stock in comparison to the market; the risk of owning stocks in general; or an investment's sensitivity to the market. A beta of 1 means that the security will move with the market. If the beta of any investment is higher than the market, then the expected volatility is also higher, and vice versa.

Size — the extra risk in small company stocks. Small company stocks (small cap) tend to act very differently than large company stocks (large cap). In the long run, small-cap stocks have generated higher returns than large-cap stocks; however, the extra return is not free since they have higher risk.

The SMB Factor: Accounting for the size premium, SMB, which stands for Small minus Big, is designed to measure the additional return investors have historically received by investing in stocks of companies with relatively small market capitalization. This additional return is often referred to as the - size premium.

Value —is the value in owning out-of-favour stocks that have attractive valuations. Value stocks are companies that tend to have lower earnings growth rates, higher dividends and lower prices compared to their book value. In the long run, value stocks have generated higher returns than growth stocks, which have higher stock prices and earnings, albeit because value stocks have higher risk.

The HML Factor

HML, which is short for High Minus Low, is constructed to measure the - value premium? provided to investors for investing in companies with high book-to-values (essentially, the value placed on the company by accountants as a ratio relative to the value the public market placed on the company, commonly expressed as B / M).

2.3 Constructing the Three-Factor Model

By combining the original market-risk factor and the newly developed factors, we have the commonly used Fama and French (1993) Three-Factor Model. Analogous to the CAPM, this model describes the expected return on an asset as a result of its relationship to three risk factors: market risk, size risk and - "value" risk.

TA= rf+ A rm- rf+ SASMB+hAHML (2.3)

Return = α+ 1 Rm- Rf+ 2 RS- RB+ 3 RH- RL+ε (2.4)

The equilibrium relation of Fama and French (1993) TFPM is:

ERi- Rf= biRm- Rf+ SiSMB+ hi (HML) (2.5)

ri- rf= bi[μ(rm)- rf]+ Si*μSMB+ hi *μ(HML) (2.6)

This assumes that the excess return of security over the risk-free interest [(ri)- rf] rate is a linear function of three factors:

1. The excess return of a broad market index (as a proxy of the market portfolio) over the risk-free rate [(rm)- rf],
2. The difference between the expected returns on a portfolio of small and large stocks (SMB) ("small minus big"),
3. The difference between the expected returns on a portfolio of high and low book-to-market stocks μ(HML) ("high minus low").

The model states that the expected return on a risky asset *i*, [*E*(Ri)], in excess of risk-free rate (Rf) is explained by three factors: the market premium (Rm- Rf), the difference between the return on a portfolio of small stocks and the return on a portfolio of large-size stocks, SMB (small minus big) and the difference between the return on a portfolio of high B / M stocks and the return on a portfolio of, HML (high minus low). The sensitivities of the three factors or quantities of risk are the slopes of the following regression model:

ERi- Rf= i+biRm- Rf+ SiSMB+ hi HML+ei (2.7)

Where:

The coefficient bi measures the elasticity of the stock return in the market return. The coefficients Si and hi have substantially the same interpretation, except they are not normalized to "1", but to zero.

The coefficients in this model have similar interpretations to the CAPM above. A is a measure of the exposure an asset has to market risk (although the beta will have a different value from the beta in a CAPM model as a result of the added factors); SA measures the level of exposure to size risk and hA measures the level of exposure to value risk.

Notwithstanding the descriptive efficacy of the Fama-French (1993) model in accounting for the cross-sectional variation of U.S. stock prices ex post, a key concern remains the extent to which the

book-to-market equity ratio and firm size do in fact act as proxy for risk Unlike the CAPM which was derived from underlying assumptions, the Fama and French model was derived empirically. Chan and Chen (1991) offer support for a risk-based explanation for the book-to-market effect, arguing that high values of the ratio are likely to indicate firms that are financially distressed. Since the Fama and French (1993) study, there have been many studies using different sample periods on US data and samples in different countries confirming the existence of the size and book-to-market equity effects.

Empirical Review

In the 1980s the relationship between firm-level characteristics (size and book-to-market ratio) and stock returns is extensively investigated in developed, developing and group of countries. The findings of the literature suggest that there is a significant linkage between firm specific factors and stock returns in the countries examined.

The size effect was first documented by Banz (1981) and Reinganum (1981) who found a return premium on small stocks during the 1936-1975 period for the stocks quoted on the NYSE. The size effect or size premium was later confirmed by Blume and Stambough (1983) and Brown et al. (1983) in USA and Australia respectively.

Fama and French (1992) showed that a powerful predictor of returns across securities is the ratio of book value to the firm's equity to the market value of equity. They found that after controlling for the size and book-to-market effects beta seemed to have no power to explain average security returns. Bodie et al. (2009) opined that this finding is an important challenge to the notion of rational market because it seems to imply that a factor that should affect returns – systematic risk – seems not to matter, while a factor that should not matter – the book – to market ratio – seems capable of predicting future returns.

However, a study by Kothari, Shanken and Sloan (1995) finds that when betas are estimated using annual rather than monthly returns, securities with high beta values do in fact have higher average returns. Moreover, the authors find a book-to-market effect that ia attenuated compared to the results in Fama and French and furthermore is inconsistent across different samples of securities. They conclude that the empirical case for the importance of the book-to-market ratio may be somewhat weaker than the Fama and French study would suggest.

Developed Countries

Fama and French (1992) report that the market beta has little or no ability in explaining the variation in stock returns on US stock on selected non-financial firms and on the other hand they find that the variation of cross-sectional stock returns can be captured by two firm characteristics: firm size and book-to-market equity during the period of 1962 to 1989. According to Fama and French (1992), the associated risk premium of the size and book-to-market variables is easily measurable, significantly negative and positive, respectively.

Andreas and Eleni (2004) empirically examine the Fama and French (1993) three factor model using Japanese data over the period of 1992 to 2001. The findings reveal significant relationship between the three factors and the expected stock returns in the Japanese market. Further, it clearly shows that the market factor has the most explanatory power in explaining the variation of stock returns. The explanatory power of the size factor (SMB) dominates the explanatory power of the BE / ME factor (HML) when the testing portfolios consist of small stocks and the opposite occurs when the testing portfolios consist of big stocks.

Bryant and Eleswarapu (1997), for the period from 1971 to 1993 and Pinfold, et al. (2001), for the period from mid-1993 to March 2001, documented a BM effect but a weak size effect in US stocks. On the other hand, Vos and Pepper (1997) reported strong size and BM effects over the period 1991-1995, while Li and Pinfld (2000), replicating Vos and Pepper (1997) for the period starting at the end of 1995 to June 1999, did not find a book-to-market effect. Chui and Wei (1998) and Daniel *et al.*, (1997) find that book-to-market equity plays a significant role in explaining the cross-sectional variations of stock returns in the Japanese market.

Developing Markets

Drew and Veeraraghavan (2002) present evidence of the size and value premium for the case of Malaysia using multifactor model approach. They report that the factors identified by Fama and French (1993), better explain the variation in stock returns in Malaysia. Drew et al. (2003) also report a firm size effect and a less pervasive book-to-market effect in the Shanghai stock market. Senthilkumar (2009) employed Fama and MacBeth (1973) cross-sectional regression model in selected Indian industries in examining behaviour of stock return in size and book-to-market effect in the entire markets ratio. They find that no size effect in all the groups. When the test allow the both variables, the negative relationship between size and average return is less significant; the inclusion of market-to-book equity seems to absorb the role of size in selected Indian stock returns.

Anuradha (2007) investigates the above two most popular factors on stock returns in the CSE and reports the negative size to return relation and positive BE/ME to return relation. Mahawanniarachchi (2006) also reports that there is significant negative relationship between size and individual stock returns and positive relationship between BE/ME, market and individual stock returns. Further, it reports that size, market and BE / ME factors have significant explanatory powers in explaining the Sri Lanka stock returns.

Chaturika, Seneviratne and Nimal employed Fama and French (1995) three-factor model to investigate the size and book-to-market factors in explaining equity returns and earnings in CSE. Findings of the study suggest that the earnings (i.e., sales and earnings growth) of a firm are associated with three factors, but it doesn't provide any reliable link between the behaviour of three factors in earnings and stock returns in the CSE. Additionally, they recognize that market factor is capable in predicting the future stock returns of firms than the size and BE/ME in the CSE.

Samarakoon (1998) test the relation between stock returns and fundamental variables. This study employed two methodologies: the first is informal test which examine average returns and averages of fundamental variables for portfolios formed on the basis of size alone, beta alone and size and beta. The second is a formal asset pricing test which uses the Fama and MacBeth (1973) cross-sectional regression procedure. In the formal tests, returns are regressed on , size book-to-market equity, leverage and earnings-price ratio, both individually and jointly, in every month in the cross-section. The result show that, inconsistent with the central prediction of the Capital Asset Pricing Model, the relation between average returns and beta is strongly negative. From size and BE / ME are not related to average returns in any significant manner.

Group of Countries

Fama and French (1998) and Patel (1998) document a premium for small firms and value stocks in 17 emerging market countries. These results differ from Claessens et al. (1998) who reports a

premium for large firms and growth stocks in an earlier sample of 19 emerging markets.

Rouwenhorst (1998) shows that the return factors in 20 emerging markets are qualitatively similar to those documented. On the contrary, Chui and Wei (1998) show that book-to-market equity can explain the cross-sectional variation of expected stock returns in three out of five Pacific Basin Emerging markets, while the size effect is significant in all markets except Taiwan. Maroney and Protopapadakis (2002) test the three factor model (Fama and French, 1993) on different equity markets of Australia, Canada, Germany, France, UK and US. The size effect and the value premium survive for all the countries examined. They conclude that the size and BE / ME are international in character. The positive relationship of stock returns with BE / ME and the negative relationship with size remains in the model.

Mirela and Madhu (2002) investigate the robustness of the tree-factor model of Fama and French (1993) for equities listed in three main European markets, namely France, German and United Kingdom and provides evidence that the beta of the CAPM alone is not sufficient to describe the variation in average equity returns for the three of the markets concerned.

However, Kothari et al. (1995) rague that a substantial part of the premium is due to - survivor bias?, the data source for book equity contains a disproportionate number of high BE / ME firm that survive distress, so the average return for high-BE / ME firms is overstated. But a number of studies have weakened and even dismissed this survivorship argument. For example, Fama and French (1993) find that the relation between BE / ME and average return is strong for value-weight portfolios. As value-weight portfolios give most weight to larger stocks, any survivor bias in these portfolios is trivial.

Another argument is that the results of Fama and French (1993) are due to data snooping, where researchers' fixation with search for variables that are related to average return, will find variables, but only in the sample used to identify them (MacKinlay, 1995). This criticism of the three-factor model does not hold.

Some other recent Empirical Review

Since the Fama and French (1993) study, there have been many studies using different sample periods on the US data and samples in different countries confirming the existence of the size and book-to-market equity effects.

Maroney and Protopapadakis (2002) tested the Fama and French three-factor model on the stock exchange of Australia, Canada, France, Japan, the UK and the US. The size effect and the value premium survive for all the countries examined. They conclude that the size and BE / ME effects are international in character.

Faff (2001) uses Australian data over the period 1991 to 1999 to examine the power of the Fama and French three-factor model. He finds strong support for the Fama and French three-factor model, but also finds a significant negative rather than the expected positive premium to small size stocks. Faff (2001) concludes that his results appear to be consistent with other recent evidence of a reversal of the size effect.

Graunt (2004) studies the Fama and French three-factor model in the Australian setting and provide further out-of-sample (non US) tests of the model. The study covers the period 1991 to 2000 and investigates firms listed on the Australian Stock Exchange. The explained variation as measured by the adjusted is also much higher compared with the CAPM. The author concludes that the three-factor model provides a better explanation of observed Australian stock returns than the CAPM.

Drew and Veeraghavan (2002) present evidence of the size and value premium for the case of Malaysia. The report that the factors identified by Fama and French explain the variation in stock returns in Malaysia and are not sample specific. The analysis was restricted to firms with available returns data from December 1992 to December 1999. The findings show that small and high book-to-market equity stocks generate higher returns than big and low book-to-market equity stocks in Malaysia. Returns on SMB and HML are substantially higher than those of the market. Their results also show that the explanatory power of the variables is powerful throughout the sample period and not solely in January. They therefore reject the presence of the turn-of-the-year (TOY) effect.

Kamau (2013) applies the CAPM and Fama and French three-factor model on stocks listed in the Nairobi securities exchange over six year period from January 2008 to December 2013. The finding reveals the applicability of CAPM and is therefore recommended as a stock valuation model for stocks listed in the NSE. On the other hand, research finding reveals that Fama and French three-factor model has very limited potential in explaining variations on the return of portfolios. Statistical results show that there is a relationship between average return and the size of the portfolios. In other words, big size portfolio overwhelm small size portfolio on realized excess returns. The study recommends that cost of capital estimates would be more accurate using a multiple factor model such as the Carhart four-factor model rather than the Fama and French three-factor model.

Dimson et al. (2003) tested for the presence of value effect in the London Stock Exchange for the period of 1955 to 2000 using monthly stock data from the London Share Price Database (LSPD) maintained at the London Business School. To investigate value effect in the equity market, six portfolios were formed based on the intersection of two size sorted groups and three book-to-market sorted groups. Controlling for size the study examined the significance of the value premium (HML) among different groups of stocks in the equity market over the sample period. The results of the study revealed significant value premium among small market capitalization and big market capitalization stocks, indicating that stocks with high book-to-market ratio significantly explain the variations of excess returns of various groups of stocks in the equity market.

Malin and Veeraraghavan (2004) empirically investigated the multifactor model of Fama and French (1996) on the three major European equity markets: France, Germany and the UK. Using monthly stock data and accounting data on market size and book value from 1991 to 2001 collected from Data Stream, they formed six portfolios based on size and book-to-market equity ratio for each of the three European equity markets. The monthly returns of each of the six portfolios were regressed against three explanatory variables: Rm- Rf (excess market return), SMB (Small minus Big) for size effect and HML (High minus Low) for value effect. In both France and Germany, the results of the study recorded positive and high significant coefficient for only size effect (SMB) at 1% level of significance. For United Kingdom, the result shows the of big-size portfolios were significant, revealing a big firm effect in the London Stock Exchange during the sample period against the small-firm effect found by Fama and French (1992 study in US equity markets.

Morelli (2007) empirically examined the explanatory strength of beta, size and book-to-market

value in explaining cross-sectional returns of 300 randomly selected UK stocks from July 1980 to June 2000. Using monthly adjusted stock data collected from the London Share Price Database (LSPD) and accounting data on book and market value of stocks taken from Data Stream, 3-month UK Treasury Bill Rate as the risk free interest rate and a simple value weighted average of the selected 300 firms as a proxy for the market portfolio, the study examined the role of beta (as predicted by CAPM), firm size and book to market value (as predicted by Fama and French multifactor model) in explaining expected UK stock returns during the period. The results of the study show that beta and firm size are not significant risk factors in explaining stock returns over the sample period. The book-to-market ratio was found by the study to be significant at 1% level of significance. This identifies book-to-market ratio as the major risk factor explaining stock returns in the London stock Exchange from 1980 to 2000.

Bhatnagar and Ramlogan (2012) empirically compared the performance of the Capital Asset Pricing Model and the Fama and French three-factor model in explaining variations in returns of all stocks listed on the London Stock Exchange from April 2000 to June 2007 using monthly adjusted stock prices, market and book value of equity, 3-month UK Treasury bill rate as proxy for the risk-free interest rate and value-weighted portfolio of all stocks for the market portfolio. The empirical results of the Ordinary Least Square regression analysis found beta to be statistically insignificant at 5% level of significance. The study found both size effect (SMB) and value effect (HML) statistically significant, providing evidence that the Fama and French three-factor model explains UK stock returns during the period.

Cakici and Tan (2014) examine size, value and momentum effects in UK and 22 other developed equity markets from January 1990 to December 2012. The study estimated the following four non-market factors for each of the 23 developed equity markets: the market portfolio, the SMB (size) portfolio, the HML (value) portfolio and the WML (momentum) portfolio following Fama and French (2012) methodology. The results of the study failed to establish significant size premia in any of the 23 developed equity markets, indicating that over the period covered by the study the size factor (SMB) offered insignificant explanation to variations in stock returns in all the 23 equity markets. the results for value premium (HML) confirm positive relationship between the variable and stock returns in all the 23 equity markets and highly significant in nine of the sixteen European equity markets, all Asian Pacific equity markets, Japan and Canada. For the momentum factor (WML), the results show nine out of the sixteen European markets including UK equity market, returned significant momentum premia. In the Asian Pacific region and Japan, only two equity markets returned significant momentum premia. The results also show that the Canada momentum factor is positive and significant.

Liu et al. (1999) and Hon and Tonks (2003) reported the significance of momentum factor in explaining variations in returns of stocks listed on the London Stock Exchange. Liu et al. (1999) shows that over the period of 1977 to 1996 past winner stocks significantly offered future abnormal returns. The study shows that adjusting separately for systematic risk, size, book-to-market equity (BE / ME) ratio does not eliminate momentum abnormal returns.

Hon and Tonks (2003) extended the data on UK returns back to 1955. The results of the study confirmed the presence of momentum effect in the UK equity market over the entire period of 1955 to 1996. However, the study noted that momentum cannot be regarded a general feature of the UK equity market over the whole sample period. The results show insignificant momentum effect for 1955 to 1976 sub-period and significant momentum effect for 1977 to 1996 sub-period.

The study concluded that momentum effect is only apparent over certain time period in the UK equity market and as such cannot be regarded as a general feature of the equity market.

Suh (2009) opined that the Fama and French three-factor model has explanatory power in highly volatile markets, but where market volatility is low, the CAPM is just as effective as the Fama and French three-factor model. This may be an indication that the Fama and French three-factor model will be more effective in developing economies, where it is consistently found that markets are most volatile (Rouwenhorst, 1999).

South Africa may be classified into the group of developing economies (Bird and Vaillancourt, 2008). A study of the Fama and French three-factor model on the JSE by

Besiewicz and Auret (2010), finds that the model is a better predictor of actual share returns than the CAPM. It appears that the size and the value premiums of the model should at least be long standing on the JSE based on previous studies of what factors are able to explain the variability in share price return in South Africa (Van Renburg, 2003; Auret and Sndaire, 2008: Besiewicz and Auret, 2009).

Fama and French (1995) further investigate the size and B / M effects' relationships with earnings and find that small firms as well as high B / M firms generally exhibit lower earnings. The findings are consistent with the thesis that these stocks yield higher returns because they are riskier. In 2006, Fama and French published a paper connecting the factors of their model to financial theory.

METHODOLOGY

Sample and Data Collection

This paper aims to investigate the behaviour of expected stock returns with respect to two popularly known firm level characteristics: firm size and book-to-market ratio in Nigerian context. Firm size and book-to-market equity (BE / ME) as independent variables to examine the behaviour of stock returns in Nigeria. This study employs Fama and French (1993) cross-sectional regression procedure to individual securities. For the purpose of this study, data of 59 companies listed on the Nigerian stock market for the period 2012 to 2015 are selected randomly. And selected companies are most stocks traded frequently (at least for four years). Data of selected variables have been collected from annual reports of the 59 companies and Nigerian Stock Exchange Fact Book.

Hypothesis

In order to achieve the objective of the study, the following hypotheses have been generated:

H_1: There is no positive effect of firm size on stock returns.

H_2: There is a negative effect of book-to-market equity on stock returns.

Model Specification

This model is basically an expansion of the CAPM. As can be seen in the CAPM formula below, there is a market risk factor. The problem with the CAPM was that it seemed that two classes of stock did better than the market as a whole; small caps and value stocks. Because of this, Fama and French decided to add two more factors to the model, size and value. Because the first part of the

formula is nearly the same, I will mainly explain the SMB and the HML in this paragraph. The beta in the three factor model is analogous to the beta used in the CAPM, but they are not the same. Because there are two more factors explaining the return on the portfolio. SMB is short for Small market capitalization Minus Big. The SMB measures the (historical) excess returns of small caps over big caps. The HML, stands for High book-to-market ratio Minus Low. The HML, measures the (historical) excess returns of value stocks over growth stocks. Value stocks are stocks with a high book-value-to-price ratio.

Consequently, growth stocks are stocks with a low book-value-to-price ratio. This results in the following formula:

ER= Rf+ 3Rm- Rfbsmb* SMB+ bhml* HML+t (2.8)

Where:

E(R) = Expected return on assets

Rf = Risk free rate

3 = Beta of the assets

Rm = return of the stock market

bsmb = Coefficient *SMB*

SMB = Small (cap) Minus Big

bhml = Coefficient *HML*

HML = High (book / price) Minus Low

According to the model, the expected return on a portfolio in excess of the risk-free rate is explained by the sensitivity of its return o three factors: (i) The excess return on a broad market portfolio; (ii) the difference between the return on a portfolio of small stocks and the return on a portfolio of large stocks (SMB): and, (iii) the difference between the return on a portfolio of high book-to-market stocks and the return on a portfolio of low book-to=market stocks (HML).

3.4 Construction of variables

Returns	Ri,t= Rf+3 Rm- Rf+ bsmb*SMB+ bhml*HML+t
Market capitalization	MEi,t= Pi,t* SOi,t
Book-to-market	B / MEi,t= BEi,t / MEi,t

Figure 3.1: Construction of Variables.

First, we create the monthly return variable Ri,t for every constituent. Due to the use of monthly close prices in order to create returns, a number of return generating and price adjusting factors are missing, such as stock splits and dividend issues.

Second, we create the market capitalization variable MEi,t using market data by taking the product of the closing price and the amount of shares outstanding of each constituent at the end of every month *t*. This variable is proxy for the size of the firm and is used to create portfolios based on size.

Third, we create the book-to-market variable B / MEi,t using both the market and accounting data. The common and ordinary book value of equity is divided by the market capitalization variable, which represents the market value of equity. This ratio represents the value risk factor and firms with a higher book-to-market ratio are relatively undervalued by the market and firms with a low book-to-market ratio are relatively overvalued by the market.

3.5 Factors

The risk factors are created by assigning the returns of the stocks to a particular portfolios weighted by their market capitalization. Depending on the factor loading of the portfolio (whether it is a portfolio with stocks with the highest or lowest amount of a given variable) it will be chosen to either sell or buy the portfolio. The equally weighted combination of the bought and sold portfolios results in a risk factor.

We start with the value factor HMLt, which is created using six double-sorted portfolios using the book-to-market ratio and the market capitalization. The portfolios are created using the 30^{th} and 70^{th} percentile breakpoints for the book-to-market ratio and the median is used as a breakpoint for the market capitalization. The stocks with the highest and lowest 30 percent book-to-market values are used to create the H and L portfolios, respectively. These portfolios are once again sorted based on the market capitalization of the firms.

First, the size factor SMBB / M,t is created using double-sorted portfolios based on the market cap and the book-to-market ratio. This portfolio is created the same way as those used in the previously created risk factor by using the 30^{th} and 70^{th} percentile as a breakpoint for the portfolios based on the breakpoint for the portfolios based on the book-to-market ratio. The return of a size factor is then calculated by subtracting the equally weighted returns of the portfolios with the largest market cap BLt,SHt and BMt from the equally weighted returns of the portfolios with the smallest market cap SLt, SHt and SMt . The return of the size factors created are now combined using equal weights resulting to the total size factor SMBt.

Lastly, the market factor from the capital asset pricing model of Sharpe (1964), Lintner (1965) and Black, et al (1972) is created by taking the sum of the value-weighted returns from all the constituents every month. Including this factor in the model will ensure that the returns obtained as compensation for exposure to market risk are accounted for, so that these are not incorrectly explained for by one of the other risk factors or left unexplained.

RESULTS

The study first examines the time-series properties of size portfolio, value portfolio and sample returns using statistical values and line graphs. The graph for each of these variables including market return is presented below.

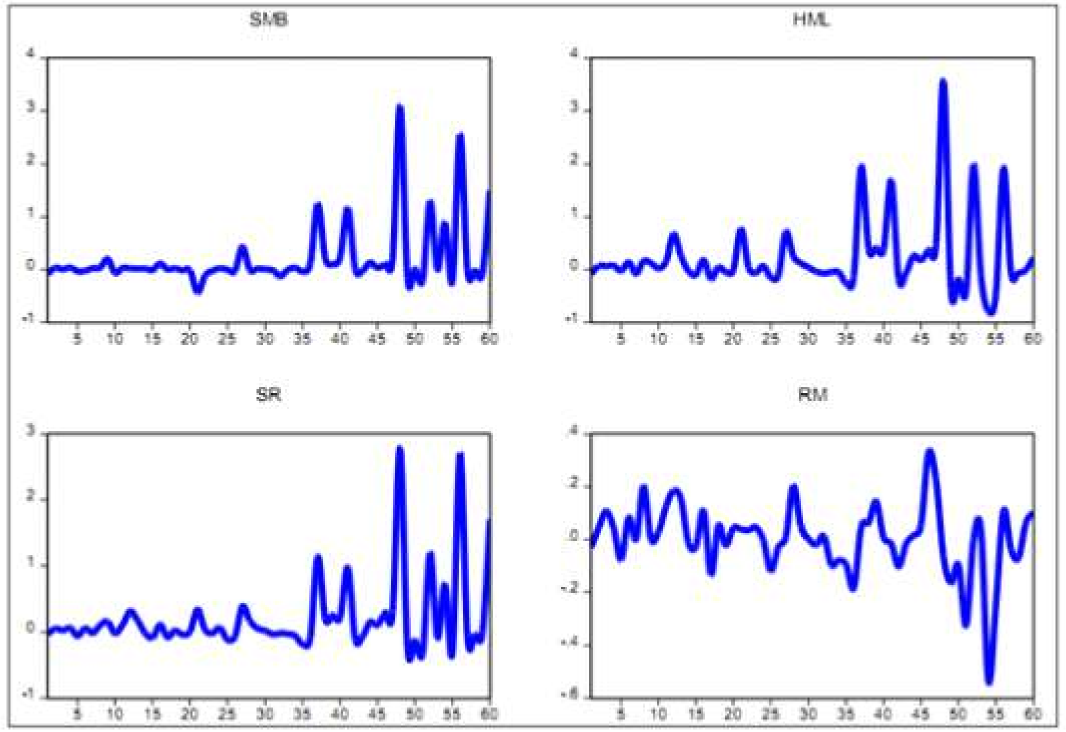

Figure 4.1: Monthly Evolution of Size, Value, Sample and Market Returns

As sighted above, the factor portfolios and the sample portfolio returns have similar characteristics. They all rise / fall at the same time periods. At the initial period they were apparently stable, while market return swig sharply. It is also observed that when the market return was falling in the middle of 2016, factor and sample portfolio returns were rising. There is evidence that value portfolio return has the highest value, and at the end of 2016 when the market return attempt to be declining, returns on factor and sample portfolios were rising. These can also be examined using the descriptive statistics, which are shown in table 1.

Table 4.1-Descriptive Statistics

Statistics	SMB	HML	SR	RM
Mean	0.202893	0.225363	0.213542	0.002567
Maximum	3.088508	3.565022	2.782066	0.329621
Minimum	-0.435278	-0.785469	-0.320570	-0.536821
Std. Dev.	0.610178	0.691657	0.592248	0.132281
Skewness	3.151203	2.766434	3.058101	-1.088172
Kurtosis	13.24671	11.89829	12.57689	6.929238

Source: Eview 9 Computation

Value portfolio has the largest average return followed by sample and size portfolios. This means factor portfolios have better return than market portfolios. In addition, value portfolio has the widest range, while market portfolio has the lowest range. By the value of standard deviation, value portfolio appears to be the most volatile portfolio. The factor and sample portfolios are positively skewed, but the market portfolio is negatively skewed. In this regard, rational investors should sort their portfolio by size and value rather than looking at the overall market. However, all the portfolios are leptokurtic in nature. There is a clear indication of future volatility of value. It is important; we look at the correlation between each peer of these variables. This is presented in table 2.

Table 4.2-Correlation Matrix

	SMB	HML	SB	RM
SMB	1.000000			
HML	0.602556	1.000000		
SR	0.704196	0.893804	1.000000	
RM	0.308752	0.710308	0.636066	1.000000

Source: Eview 9 Computation

The correlation coefficients between sample portfolio return and value portfolio return is close to 89 percent, while that of size and sample portfolio is approximately 70 percent. This means the factor portfolio returns increase with increase in sample portfolio return. Size portfolio has very weak correlation with market portfolio, but to the contrary, value has strong correlation coefficient. Sample and market has positive correlation. This means my selected sample size responds positively to the market. However, size and value have seemingly low correlation coefficient motivating a good stance for OLS estimation, which is reported in table 3.

Table 4.3-OLS Estimation of Size-Value-Sample Return Relationship

Variable	Coeff	Std-Error	T-stat	P-value
SIZE	0.196794	0.013024	15.11026	0.0000
VALUE	-0.001313	0.014842	-0.088463	0.9298
C	0.081669	0.041605	1.962945	0.0546

Source: Eview 9 Computation

Table 3 presents the cross-sectional pricing identification of size and value factors based on OLS estimation technique. As shown in the table, the coefficient of size is positive and significant at 1 percent level, while value factor is insignificant and inverse. This suggests that there are significant size-effects confirming the a-priori claims that size effects govern average return. The market pays premiums to investors who invest in size portfolio, but the investments in value

portfolio do not command significant risk premium. These results are contestable, since value risk in the study of Fama and French (1995) was significantly priced.

Thus, we employ robust OLS for further investigation, and the results are reported in table 4.

Table 4.4-Robust OLS Estimation of Size-Value-Sample Return Relationship

Variable	Coeff	Std-Error	T-stat	P-value
Size	0.139448	0.000700	199.0980	0.0000
Value	0.046207	0.000798	57.89057	0.0000
C	0.003028	0.002237	1.353519	0.1759

Source: Eview 9 Computation

The robust OLS results are more realistic than those of the classical OLS for the following reasons: (1) The coefficients of size and value factors are significant and positive. (2) The constant term is insignificant meaning that the size and value factors are sufficient to explain variations in average return. These findings are analogous to the position of Fama and French (1995). Therefore, my findings have confirmed that investments in size and value portfolios command significant risk premiums, and investors investing in these portfolios are rewarded for taking these non-diversifiable risks. It is clear that two OLS's give conflicting position.

While the traditional OLS reports that there are only size effects, robust OLS reveals that there, are both size and value effects. In view of this, I subject the models to post estimation tests serial correlation, root mean squared error and coefficient of determination. Table 5 provides the results of these tests.

Table 4.5-Test of Robust OLS against Traditional OLS

Test Type	Statistic	P-value
Robust OLS-Serial Correlation	0.0685	0.79
Tradition OLS- Serial Correlation	0.211510	0.81
Robust OLS-RMSE	0.505	
Tradition OLS- RMSE	0.304	
Robust OLS-R-Squared	0.81	
Tradition OLS- R-Squared	0.88	

Source: Eview 9 Computation

The serial correlation test with respect of each technique shows that there is absence of serial correlation. So the residuals obtained from either regression equation do not exhibit serial correlation. The coefficient of determination or R-squared value is larger in the traditional OLS than the robust OLS, meaning that the traditional OLS has the more explanatory power than the robust OLS. In the same veil, the traditional OLS has the smallest value of root mean squared error. The test indicates that in a relative term, the traditional OLS is better that the robust OLS.

CONCLUSION

The study provides an empirical investigation on the link between size factor, value factor and average return, with aim of identifying priced and non-priced risks. The test based on the classical OLS shows that value effects are not priced but size effects are significantly priced.

The implication of this is that diversification to the hold value stocks does not yield rewards. But market pays premiums to holders of size portfolio. To the contrary, robust OLS confirms both size and value effects, suggesting that investors are rewarded for taking both size and value risk. This is in tandem with the study of Fama and French (1995).

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COVID-19, OIL PRICE SHOCK AND BANKING SYSTEM FUNDING: IMPACT ANALYSIS OF THE NIGERIA ECONOMY

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ABSTRACT

The study investigates the impact of COVID-19 Pandemic, Oil Price Shock on the Nigeria Banking Sector from the period dated 1st February 2020 to 30th June, 2020. Monthly data were collected from National Bureau of statistics for a period of six months. Data on confirmed cases of COVID-19, global oil prices, and bank credit to private sector were use as variables for the study. The descriptive and analytical techniques were used to analyze the data. The results reveal that there is positive relationship between COVID-19 confirmed cases and the Nigeria banking sector funding of the economy. Contrarily, the result further reveals that there is a significant negative relationship between global oil price shock and banking sector funding of the Nigeria economy. This means that Nigeria banking sector funding of the economy was negatively impacted by the follows global oil price slump. The study concludes that cumulatively the follows of COVID-19 Pandemic and Oil price shock are determinant variables that have impacted on the ability of the banking sector to fund the Nigeria economy.

Keywords: COVID-19, Oil Price, Banking System & Nigeria.

INTRODUCTION

The corona virus is the most significant external shock on Nigeria economy. The emergence of this pandemic has virtually impacted on all the sectors of the economy including the banking and finance industry. To contain the spread, nations all over the world including Nigeria government took the option of locking down some sector of the economy, placing restrictions on movement of people and goods within and outside the country. The lockdown directives led the shutdown of many businesses especially those who cannot do their job from home, while people and corporate institution offering essential services are allowed to operate (Iwedi, Kocha and Oriakpona, 2020).
There is a growing concern over the state of Nigeria banks following the immediate effects of the Covic-19 on the industry. The issue of low interest rate, side by side with the significant impact of health emergency, is telling on core banking profitability such that banks have shifted from the likes of payments and technology businesses to commission-based income. Also, the contiguous impact of COVID-19 on the banking industry resolve around increase credit risk of corporate and retail customers of the banks. In first half of 2020, the industry witnessed a 14% rise in non-performing loans (NPLs), According to June 2020 report of the National Bureau of Statistics (NBS), non-performing loans in Nigeria banks increased to N1.218 trillion from N1.059 trillion

recorded in 2019 December.

The upward trend in deterioration of bank asset quality (NPLs) is attributed to non-payment of loans by bank obligors, the slump in global oil prices, plunging currency, foreign exchange shortage and dwindling economy of Nigeria as a result of the coronavirus shock which induced lockdown across the world. This impact has necessitated banks operating in Nigeria to restructure 35,639 credit facilities of business that were negatively impacted by the coronavirus pandemic. It is on this premise this paper is carried out to investigate the impact of COVID-19, pandemic, oil price slump on the banking sector funding of the Nigeria economy.

LITERATURE REVIEW

The literature review was done as follow:

COVID-19 Pandemic, Oil Price Shock and Bank Asset (Loan) Portfolio.

With the economic slowdown, banks are identifying significant increases in credit risk. The oil price slump coupled with the global health crises have negatively impacted on Nigerian banks credit profiles. According to Adesoji (2020) asset quality deteriorate significantly depending on the duration and severity of the oil price shock and Coronavirus turn oil. The National Bureau of Statistics (2020) reports showed that critical sectors like the Oil and gas sector contributed the largest share to non-performing loans in Nigeria banks, recording 22 percent increase, construction sectors recorded 93.4% increase and commerce and trade recorded 17.5% rise. However, other sectors like agriculture, transportation, power and energy and education recorded decline.

Table 1 Bank Lending Portfolio

Sector	Credit Allocation	% of NPL	Impact
Commerce, Trade	6.76%	17.5%	High Impact
Manufacturing	15.79%	9.12%	High Impact
Oil and Gas	20.84%	23.95%	High Impact
Real Estate	3.62%	5.13%	High Impact
ICT	4.99%	6.94%	Low Impact
Education	0.36%	0.7%	Moderate Impact
Financial Services	6.82%	0.55%	Moderate Impact
Health	N / A	1.22%	Moderate Impact
Agriculture	4.19%	4.53%	Moderate Impact

Source: KPMG COVID-19 Report 2020

COVID-19 Pandemic, Oil Price Shock and Bank Funding and Liquidity

When funding and liquidity of banks are mentioned, we are looking at frequency of intermediation function of bank within the period of lockdown and oil price slump. The twin shocks of COVID-19 and oil price slump have impacted on banking sector deposits and

borrowing (Iwedi et al, 2020). The worsening global financial conditions have influence availability of funding and credits lines, general reduction in domestic deposit level by the inability of banks to mobilize new deposit, increase in deposit rates with inter-banks rates and downgrading of country risk to B also increased cost of borrowing and trade lines. Also, the twin shock have impacted banks liquidity position such as that cash inflow from loan repayment have decline significantly and cash withdrawal by depositors to meet their funding needs have increased (KPMG, 2020)

Empirical Review

Nuhu (2020) examine the impact of the Covid-19 on the financial markets; evidence from China and USA. The study applied a regression model time series data from China COVID-19 Statistic Reports and Trading Economies from 1st March 2020 to 25th March 2020. The study used the Shanghai Stock Exchange as a sample for China and the New York Dow Jones as a sample for the USA. The study found that there is a positive significant relationship between the COVID-19 confirmed cases and all the financial markets.

Baret, Celner, O'Reilly and Shilling (2020) investigated the impact of the COVID-19 on the financial markets and banks. The study found evidence of significant effects of COVID-19 on the general financial markets as recently the world experienced fall in shares prices, oil prices equality and bound prices. Xinhuan (2020) study found that there is a significant impact between COVID-19 and China financial market such that the financial market in China have remain generally stable compared with Overseas market despite the spread of the Corona Virus. Tesfaye (2020) explore the impact of the Covid-19 pandemic on Ethiopia's Private Banking System. The study use ten years historical data from 2010 to 2019 to found that the pandemic has effect on both Balance Sheet and Income Statement of banks.

Wakode, (2020) studied the influence of Covid-19 on the credit exposure of a bank. The study employ the statistical tool of the multivariate analysis of variance to choose and find out that there is significant impact between Covid-19 and bank risk metrics. Demirguc-Kant, Pedraza and Ruiz (2020) assess the impact of Banking Sector performance during the Vovid-19 crisis. The study found that the crisis and the countercyclical lending role that banks are expected to play have put baking systems under significant stress, with bank stocks underperforming their domestic market and other non-bank financial firms. Erdem (2020) analyzes whether there is relationship between the freedom of countries and their stock market movements in response to COVID-19 announcements. The result reveals that markets are significantly negatively affected by the pandemic such that the index returns decrease and volatilities increase.

However, in Nigeria, Iwedi, Kocha and Onakpono (2020) studied Covid-19 pandemic, global trade war and impact on the Nigeria economy. The study employed the descriptive methodology to evaluate Covid-19 pandemic, global trade was and its impact on the Nigeria economy. The study found that coronavirus crippled the Nigeria economy in term of social, religious and economic activities while the measures taken to contain the spread of COVID-19 impacted on Nigeria citizens in many ways such as job loss, higher food prices, disruption, to health care and education services.

DATA AND METHODOLOGY

The descriptive and analytical techniques were used to investigate the impact of COVID-19 pandemic, crude oil price shock on Nigeria financial service sector. –time series data on Covid-19 confirmed cases for Nigeria, crude oil prices, bank deposits, bank credit, and banks earnings, use as variables for this study while multiple regression analysis with the application of Eview Software package were use for the analysis. Thus, the model for this study is specified as:

$$BFD = f(COVID19, OILPRICE) \qquad 1$$

When equations 1 is transformed into econometric equation, we have equations 2

$$BFD_t = \beta o + {}_1bCOVID19_t + {}_2bOILPRICE_t + eit \qquad 2$$

Where BFD_t is dependent variable, BFD is banking sector funding proxy for bank credit to private sector. COVID19 is confirmed cases of COVID-19 in Nigeria and OILPRICE is the crude oil price proxy by crude petroleum – bonny light.

RESULTS AND INTERPRETATIONS

This section presents the descriptive and econometric results of the ordinary least square regressions, Johansen co-integration test and the pairwise granger causality test. The first result is the graphical analysis as label figure 1, 2 and 3

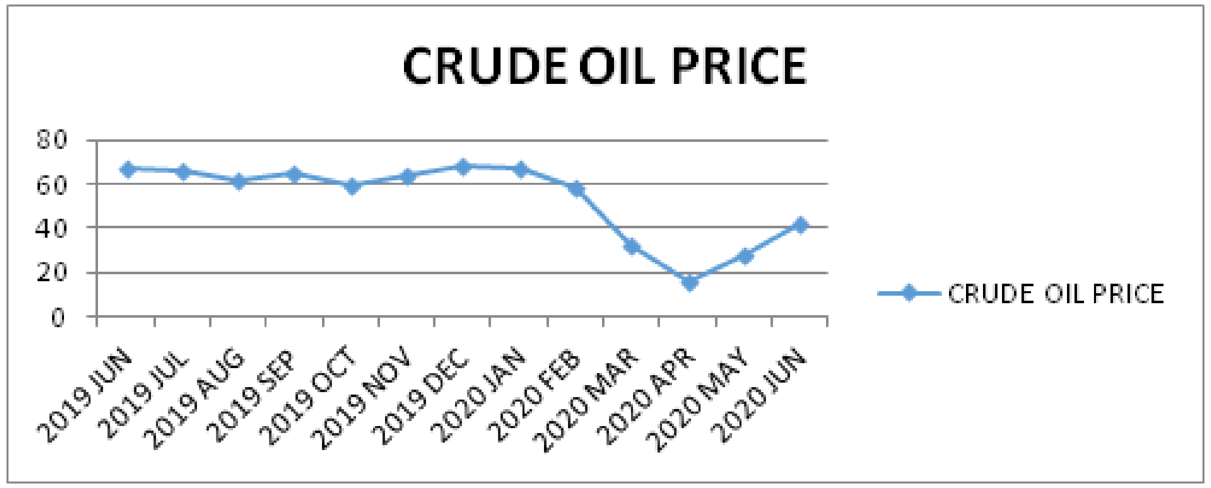

Figure 2 Global Crude oil Prices

The values of crude oil in the global market during the period of this pandemic evidently show that the prices maintained an irregular trend throughout the period under review. In January 2020 the prices was 66.68 USD per barrel, it decline to 58.45 USD per barrel in February 2020, it slump again to 32.29 USD per barrel in March 2020. In April 2020, drastically decline to 15.87 USD per barrel and increase again to 27.62 USD in May 2020 and in June 2020 it further increased to 42.15 USD in 2020.

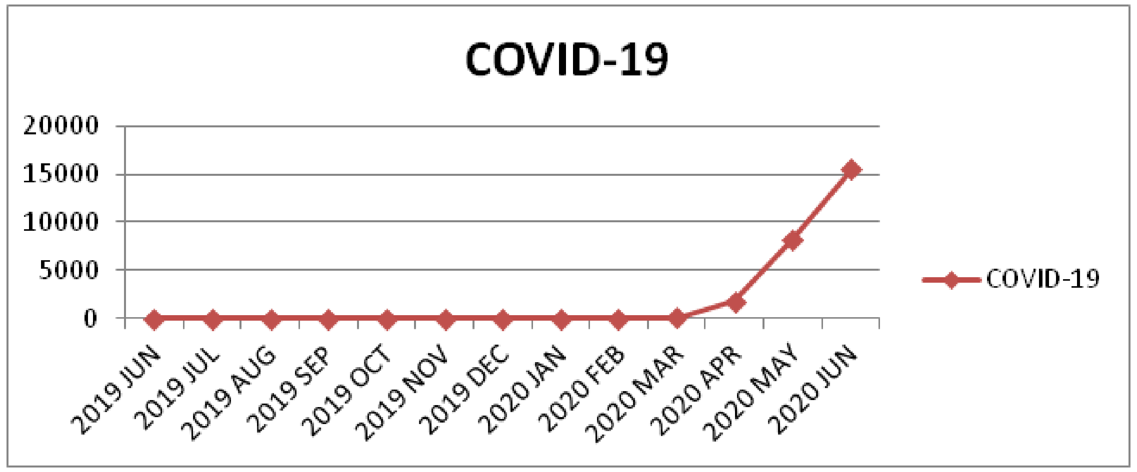

Figure 2 Confirmed Case of COVID-19 in Nigeria

Figure 2 shows that the figure of COVID-19 confirmed cases in Nigeria maintained an increasing trend during the period chosen for this study. In February 2020, the country recorded one (1) index case in Ogun state south west Nigeria. In March 2020 and April, the figure rose to 114 and 1797 confirmed cases across 35 states including Federal Capital Territory Abuja. In May and June 2020, the figure increased astronomically to 8248 and 15540 confirmed cases in Nigeria.

Table 1 Unit Root Test

	D(BANK FUNDING)	D(COVID19)	D(OILPRICE)
ADF Statistics	-3.675125	-10.98561	-4.809839
1%	-4.200056	-4.200056	-3.523070
5%	-3.175352	-3.175352	-2.986225
Probability	0.0228	0.0000	0.0000

Source: Eview 9.0 output

The unit root test in table 1 shows that the variables of COVID-19, oil price shock and banking sector funding of the economy during the pandemic were stationary at first difference. The stationarity properties of these variables were further confirmed by its associated probability which is less than 0.05 level of confidence. The result from the stationarity test therefore calls for long-term relationship.

Table 2 Johansen Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.995889	75.12503	29.79707	0.0000
At most 1	0.735059	14.69065	15.49471	0.0658
At most 2	0.007237	0.079897	3.841466	0.7774

Trace test indicates 1 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values
Source: Eview 9.0 output

Table 3 Johansen Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None *	0.995889	60.43439	21.13162	0.0000
At most 1 *	0.735059	14.61075	14.26460	0.0441
At most 2	0.007237	0.079897	3.841466	0.7774

Max-eigenvalue test indicates 2 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values
Source: Eview 9.0 output

The result of the co-integration test shows that the value of trace (75.12503) and max-eigen statistic (60.43439) is greater that the critical value (29.79707 and 21.13162) at 5 percent at none hypothesis, therefore, we reject the null hypothesis of there is no co-integration equation in this model. The second and third null hypotheses say that there is at most 1 or 2 co-integrating equation. A look at the value of trace and max-eigen statistic shows that value of trace statistic is less than the critical value at 5 percent while the value of max-eigen statistics is greater than the critical value at 5 percent. so we agree with the null hypotheses that in this model we have at most 1 or 2 co-integration equation. This implies the series are co-integrated that is exhibit a long run relationship.

Table 2 Ordinary Least Square Result

Dependent Variable: Banking Sector Funding (BFD)

Date: 09/25/20 Time: 22:24

Sample: 2019M06 2020M06

Included observations: 13

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	40615.22	1352.203	30.03634	0.0000
COVID19	0.091024	0.086566	1.051498	0.3178
OILPRICE	-89.23633	22.86451	-3.902831	0.0029

R-squared	0.718355	Mean dependent var	36034.20
Adjusted R-squared	0.662026	S.D. dependent var	2140.082
S.E. of regression	1244.147	Akaike info criterion	17.28946
Sum squared resid	15479025	Schwarz criterion	17.41984
Log likelihood	-109.3815	Hannan-Quinn criter.	17.26267
F-statistic	12.75286	Durbin-Watson stat	0.867864
Prob(F-statistic)	0.001772		

Source: Eview 9.0 output

From results of the regression in table 4 it was discovered that there is positive relationship between COVID-19 confirmed cases and the Nigeria banking sector funding of the economy. This relationship is statistically insignificant at 5% level of confidence. The coefficient for COVID-19 confirmed cases is 0.091% which implies that for every additional confirmed cases of COVID-19 in Nigeria, the banking sector credit to private sector of the economy was impacted for the same amount as well. Contrarily, the coefficient for oil price shock is -89.23% which means that for each additional slump in global oil price i.e the main stay of the economy, the Nigeria banking sector funding of the economy was impacted to the turn of -89.23% as well. The result further reveals that there is a significant negative relationship between global oil price shock and banking sector funding of the Nigeria economy. The results of other important statistical tools (Adjusted R-squared) reveal that the model is 66.20% fit, that is the model is a good one due to the fact that the independent variable (COVID-19 confirmed cases and slump in global oil price) cumulatively explain the changes in banking sector credit to the private sector in Nigeria.

CONCLUSION

The study investigates the impact of COVID-19 Pandemic, Oil Price Shock on the Nigeria Banking Sector from the period dated 1st February 2020 to 30th June, 2020. Using confirmed cases of COVID-19, global oil prices, and bank credit to private sector as variables for the study. The results reveal that there is positive relationship between COVID-19 confirmed cases and the Nigeria banking sector funding of the economy. Contrarily, the result further reveals that there is a significant negative relationship between global oil price shock and banking sector funding of the Nigeria economy. This means that Nigeria banking sector funding of the economy was negatively impacted by the follows global oil price slump. The study concludes that cumulatively the follows of COVID-19 Pandemic and Oil price shock are determinant variables that have impacted on the ability of the banking sector to fund the Nigeria economy.

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DESCRIPTIVE ANALYSIS OF FINANCIAL LITERACY AS A PANACEA FOR FINANCIAL SUSTAINABILITY IN NIGERIA

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ABSTRACT

Financial literacy framework provides a roadmap for enhancing financial awareness cum financial inclusion to achieve financial sustainability in Nigeria and ultimately the attainment of the goal of Financial System Strategy (FSS). The objective of this study was to assess the level of Nigerian financial literacy. Time series data were sourced from Statistical Bulletin of Central Bank of Nigeria and World Bank Data Base. Financial inclusion measured by the account ownership at financial institutions or with mobile-money service provider, riches 60% of the population ages + 15, The level of household saving measured by the gross savings, Banking habit measured by number of account holding, Financial Exclusion, Level of Domestic Investment and Banking Density. The study found that there is low level of financial literacy in Nigeria. This actually accounts for a high increase in the amount of money outside the banking sector and can be traced to high inflation. The policy implication is that financial education should aim at creating awareness on the need to take responsibility for one's finances and the need for planning, budgeting and saving. Federal Ministry of Finance should monitor the implementation of the financial literacy framework and provide a knowledge base for financial literacy. Federal Ministry of Information should design and implement appropriate policies mix and strategies for dissemination of information on financial literacy and Deposit Money Banks and Other Financial Institutions should collaborate with the Central Bank of Nigeria and other stakeholders in the implementation of financial literacy initiatives so as to achieve financial sustainability in Nigeria.

Keynotes: Financial literacy, financial inclusion, Banking Habits, financial exclusion, financial sustainability, banking density, financial knowledge and financial education and financial information

INTRODUCTION

Nigeria is African country with estimated population of over 180 million people (EFlnA, 2019). The total adult population is 93.5 million, Nigeria has a large rural (63.9%) population but significant urbanization, 20.0 million adults (21.3% of the total adult population) get their main source of income from subsistence and commercial farming, 17.6 million adults (18.8% of the total adult population) get their main source of income from their own business (non-farming), 8.6 million adults (9.2% of the adult population) get their main source of income from the formal

sector, 58.7 million adults (62.8% of the adult population) own a mobile phone, 21.5 million adults (23.0% of the adult population) have no education, (EFInA, 2014).
The Nigerian financial system comprises of several financial institutions, instruments and operators. The financial system regulators include the Central Bank of Nigeria (CBN), the Federal Ministry of Finance (FMF) and the Securities and Exchange Commission (SEC). These are the major regulating agencies in Nigeria. Others are Commercial Banks, Development Banks, such as Federal Mortgage Bank of Nigeria (FMBN), the Nigeria Bank of Industry (BOI), the Nigeria Agriculture and Co-operative Bank (NACB), the Nigeria Industrial Development Bank (NIDB) and specialized banks. Other institutions and funds include the National Pension Commission (PENCOM), insurance companies, the National Economic Reconstruction Fund (NERFUN) finance houses, Bureau De Change and the Nigeria Deposit Insurance Corporation (NDIC) and the informal sector such as savings and loan association, local money lenders, (Onoh, 2002).

A sound financial system is critical to economic growth and it can enhances economic performance of the players by improving the overall welfare of the people. The financial system provides a platform for financial infrastructure to help allocate resources to individuals / units that are potentially more productive, to invest those resources (Nzota, 2008). The financial system gives room for more efficient transfer of resources / funds. Problems of inefficient allocation of financial resources and information asymmetry arise as one financial institution possesses superior information than the other parties. The financial system provides a balance between those who have funds to invest and those in need of funds, if the problem of information asymmetry is solved. The transfer of funds from surplus units (mainly household) to deficit units (mainly business, government and some households) can take place directly, while direct finance, as the process is called is inconvenient both for ultimate provider of funds and the ultimate user of funds. The above role of the financial sector can only be effectively undertaken in a financial system where there is over 98 percent financial literacy and financial inclusion.

Low financial literacy and lack of information affect the ability to save and to secure a comfortable retirement; ignorance about the basic financial concepts can be linked to lack of retirement planning and lack of wealth. Several initiatives have been undertaken to foster saving and financial security, such as educating workers to improve their financial literacy and knowledge about pension, automatically enrolling workers in pension plans, and simplifying workers' pension enrollment decisions.

Low financial literacy is associated with negative credit behaviors such as debt accumulation (Lusardi & Tufano, 2009), high-cost of borrowing (Lusardi&Tufano, 2009), poor mortgage choice (Moore 2003), and mortgage delinquency and home foreclosure (Gerardi et al. 2010). In Nigeria, according to EFINA Report, financial access by Gender shows that 21.4 million females (42.7% of the total female population) are financially excluded versus 15.6 million males (35.8% of the total male population). 4.0 million adults between 18 to 25 years (47.4% of that age bracket) are financially excluded.

Financial access by Geographical Distribution shows that urban areas 28.6 million adults (47.8% of the rural population) are financially excluded in rural areas versus 8.4 million adults (24.8% of the urban population) in urban areas. 55.9% of adult males are unbanked - 24.3 million, 70.6% of adult females are unbanked - 35.3 million, 75.0% of the rural population is unbanked - 44.8

million. 36.3% of the adult population currently have and / or use a bank account, which is equivalent to 33.9 million people 61.0% of the adult population has never been banked, which is equivalent to 57.1 million people 2.7% of the adult population were previously banked, which is equivalent to 2.5 million people. 46.3% of adults, who have a bank product, conduct transactions most frequently at the bank branch automated teller machines (ATMs) while 53.0% of adults who have a bank product, conduct transactions most frequently through automated teller machines (ATMs), ((EFInA, 2014).

5.8 million adults (6.2% of the total adult population) have indirect access to financial services / products, of which: - 5.3 million adults (91.1% of those who have indirect access) use deposit money banks, 0.1million adults (1.1% of those who have indirect access) use microfinance banks, and 0.1 million adults (1.0% of those who have indirect access) use non-interest banking providers. 59.6 million adults are unbanked of which - 34.6% are in the 18 to 25 age bracket, 59.2% are female, 33.7% have no education, and 27.8% are farmers while 68.6 million adults (73.4% of the total adult population) are not aware of bank agents. 2.6 million Adults (2.8% of the adult population) have a microfinance bank account, of which 53.9% are male and 46.1% are female while the most commonly used MFB product is a savings account. 14.3m adults (15.3% of those who are interested in micro insurance) say they would be interested in micro insurance products. Although 11.9 million adults are aware of mobile money, only 0.8 million adults (0.8% of the adult population) currently use mobile money services of the 0.8 million mobile money users 0.5 million are registered and 0.3 million are not registered (EFInA, 2014). The above implies that Nigeria financial literacy and financial inclusion is very low compared to other developed countries of the world. Therefore this study assesses the level of financial literacy in Nigeria using descriptive analysis.

LITERATURE REFLECTION

Financial Literacy

Financial literacy is the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being. it has been used to refer to knowledge of financial products (e.g., what is a stock vs. a bond; the difference between a fixed vs. an adjustable rate mortgage), knowledge of financial concepts (inflation, compounding, diversification, credit scores), having the mathematical skills or numeracy necessary for effective financial decision making, and being engaged in certain activities such as financial planning (Hastings et al, 2013).

Financial literacy is inherent with the human rights and considered as the basic and fundamental privilege of human beings (Egbu, 2018). Thilakam, (2012) stated that financial literacy is the ability to understand finance; more specifically, it refers to the set of skills and knowledge that allows an individual to make informed and effective decisions through their understanding of finances. Financially literate people can make sound financial decisions, so they are more inclined towards achieving their financial goals, have potentials to hedge themselves against economic shocks and associated risks and eventually contribute toward their economic development. Lack of financial knowledge is the main driver that pulls people away from financial markets (Bernheim& Garrett, 2001; Lusardi and Mitchell, 2007).

The terms financial literacy, financial knowledge and financial education often are used interchangeably in the literature and popular media. Few scholars have attempted to define or differentiate these terms. Unlike health literacy, which is typically measured using one of the three standardized tests, there are currently no standardized instruments to measure financial literacy. Marcolin and Abraham, (2006) identified the need for research focused specifically on measurement of financial literacy. Typically, financial literacy and / or financial knowledge indicators are used as inputs to model the need for financial education and explain variation in financial outcomes such as savings, investing and debt behavior. Far fewer studies specifically emphasize measurement of financial literacy as an objective.
The government of Nigeria recognized the need for improving the levels of financial inclusion and in 2012, launched the National Financial Inclusion Strategy, which aims to increase financial inclusion from 53.7 percent in 2010 to 80per cent in 2020. The Strategy sets as one of its goals client empowerment, defined as 'an increase in the bankability of the population through the increase of financial literacy and co-ordinated national financial literacy initiatives that are complemented by consumer protection. A financial literacy framework (FLF) was developed in 2013 to provide a blueprint for implementing financial literacy for the attainment of financial system stability and as a key component for the implementation of the National Financial Inclusion Strategy. The NFLF maintains a multi stakeholder approach to the implementation of Financial Literacy in Nigeria and provides a comprehensive blueprint for the development and implementation of financial literacy programs across the various sectors in the Nigerian financial system. It also incorporated key findings from EFInA Access to Finance Survey of 2014 and the National Baseline Survey on Financial Literacy, 2014 as well as extensive work done by other stakeholders.

Financial Sustainability

Sustainability is de? ned as meeting our needs today without compromising future generations' ability to meet theirs. Financial sustainability is about expanding the ? nancial bottom line into a triple bottom line, which includes environmental and social aspects of financial performance (Albertini (2013) cited in Ali, Haitham & Nilesh (2018). Corporate sustainability implies the creation of long-term shareholder wealth by adopting sustainable development into business strategy and operations (Przychodzen & Przychodzen , 2016). Firm's sustainability is guaranteed when some critical performance criteria are met, that is it is hinged on three key performance areas. This is what some authors refer to as the perception of the firm by three major stakeholders in the affair of the corporation (Mohamad & Saad (2012), and Singhal (2014). These areas include: Proper management of shareholders fund, Assets utilization (organization's ability to leverage existing assets efficiently to generate value) and perception of the firm by the market / investors. It is only when a company performs well in the proper and efficient management of investors fund, utilization of company's assets and increasing the market value (share price) of the firm that the company can be said to be sustained or going concern. For sustainable investment, the dominant driver of market growth is institutional investors, whereas retail investors encompass a small part of total sustainable investment.

Financial Inclusion

The principle of financial inclusion has assumed greater level of importance in recent times due to its perceived importance as a driver of economic growth. Giving access to the hundreds of millions of men and women (all over the world) who are presently excluded from financial services would provide the possibilities for the creation of a large depository of savings, investable funds, investment and therefore global wealth generation. In other words, access to financial services, that are well suited for low-income earners promote enormous capital accumulation, credit creation and investment boom. Usually the low-income earners constitute the largest proportion of the population and so control enormous chunk of the economies idle fund albeit held in small amounts in the hands of each of the several million members of this group. Harnessing and accumulating these resources provides a huge source of cheap long-term investable capital. Mehrotra et'al (2009) emphasized that access to financial services allows the poor to save money outside the house safety, and helps in mitigating the risks that the poor faces as a result of economic shocks. Hence, providing access to financial services is increasingly becoming an area of concern for every policymaker for the obvious reason that it has far reaching economic and social implications. Financial inclusion has therefore become an explicit strategy for accelerated economic growth and is considered to be critical for achieving inclusive growth in a country. This realization, in the recent past, was the major impetus for the adoption of policies and measures aimed at growing global financial inclusion as a means of promoting world economic prosperity.

Consequently, financial inclusion is defined as a process or situation which allows for ease of access to, or availability of and usage of formal financial systems by members of the economy. It describes a process where all members of the economy do not have difficulty in opening bank account; can afford to access credit; and can conveniently, easily and consistently use financial system products and facilities without difficulty. It is the process which ensures that a person's in-coming money is maximized; out-going is controlled and can exercise informed choices through access to basic financial services (PCC Financial Inclusion Strategy, 2009). In that regard, financial exclusion is the inability of individual, household or group to access particularly the formal financial products and services. To Mohan (2006), financial exclusion signifies lack of access by certain segments of the society to appropriate low cost, fair and safe financial products and services from mainstream providers.

Theoretically, greater access to deposit facilities enhances the ability of financial intermediaries to mobilize savings, while better access to finance facilitates economic growth by increasing the ability of households to undertake productive investments (Andrianaivo and Kpodar, 2011). Specifically, financial inclusion connects people to banks with the consequential benefits. Chong and Chan (2010), noted further that access to a well-functioning financial system, by creating equal opportunities, enables socially and economically excluded people to integrate into the economy and actively contribute to economic development.

However, this ensures that the financial system plays its role of inclusive growth which is one of the major challenges of emerging and developing economies. Mohan (2006) noted that, once access to financial services improves, inclusion affords several benefits to the consumer, regulator and the economy alike. The author noted that the establishment of an account relationship can pave the way for the customer to avail the benefits of a variety of financial products, which are not only standardized, but are also provided by institutions that are regulated and supervised by credible regulators that ensures safety of investment. In addition, bank accounts can also be used for multiple purposes, such as, making small value remittances at low cost and purchases on credit. In summary, access to a bank account does provide the account holder not only a safer means of keeping his / her fund but also provides access to use of other low cost and convenient means of transaction. For the regulator, the transparency in the flow of transactions makes

monitoring and compliance easier, while for the economy, increased financial inclusion makes capital accumulation easier and more transparent. Mohan (2006) concluded therefore that single gateway of a banking account can be used for several purposes and represents a beneficial situation for all the economic units in the country.

Financial Exclusion

The consequence of financial exclusion is to minimize the scale of economic activities that can be financed and hence, limiting the potentials for higher economic growth. Financial inclusion requires that attention is given to human and institutional issues, such as quality of access, affordability of products, provider sustainability, and outreach to the most excluded populations.

Muhammad, Dauda and Mamman (2018) noted that financial exclusion has become a Major challenge around the world more especially in the developing countries while Nigeria is not an exception. The concept of financial exclusion drastically attracted the interest of the world. World Bank effectively introduced several programs with the enthusiastic efforts to tackle the key barriers of financial exclusion by 2020. Moreover, the research has shown that, the barriers of financial exclusion are numerous, such as poverty, financial literacy, poor services, not trust, distance, and safety. Apparently, the empirical evidences have justified (Hogarth and Donnell, 2000) (Lee, 2002). The debate theoretical focus on a reason bear financial exclusion which is not a recent phenomenon rather than a situation whereby people are having difficulties in accessing the mainstream of financial services over the last few decades (Kunt and Klapper, 2012). According to Kempson and Wyhley (1999), financial exclusion appears to be first to have been utilized as more broad sense to elude individuals who have compelled access to the financial institution. Since from then, various authors have respectfully contributed on how financial exclusion should be pursued. These incorporate both scholastics for instance, (Sinclair, 2001), (Devlin, 2005), (Anderloni and Carluccio, 2006) share same taught (Carbo, Gardener and Molyneux, 2007). The general agreement suggests to an individual who is having difficulty getting access to a financial institution and its standard products services in a market.

According to Larry Elliott (2015) the economist editor, the economy growth for a country cannot be achieved while the vast percentages of the country financially excluded. David and Rea (2012) reported that a dream of a country would not be realistic if a massive number of its citizens are financially excluded. The economy of a country will not be determined while the huge percentages of revenue are not captured in the country's economy (Kempson, 2001). According to Central Bank of Nigeria (CBN, 2005), indicates that Nigeria has a huge percentage of unbanked more especially in the northern part of the country due to the poverty lack of trust to financial intermediaries and religious belief. Vividly, Chronic Poverty Advisory Network reports (2015) justified that the percentage of those formally banked in the North-east sub-region is 26.1 percent, and those financially excluded 68.4 percent. However, 5.4 percent are informal. Apparently, Empirical evidence shows that one of the essential ways to tackling financial exclusion is an establishment of microfinance in the local and remote areas. However, Microfinance has proven to the world in term of fighting poverty and promoting financial inclusion. But in the Nigerian context evidence indicates that as an ineffective system observed due to the banking activities claim to be based on the conventional practice especially regarding paying or receiving an interest (Aliyu, 2012).

Banking Habit

Commercial banking in Nigeria first of all started by the British colonial master and was then regarded as expatriate banks until Nigeria acquire a certain percentage of equity shares in all foreign owned banks during the 1972 indigenization policy exercise. This project is tended toward highlighting those role played by commercial banks in the capital formation in Nigeria. As these factors are discussed some viable recommendations will be suggested towards the effective accomplishment of these roles by commercial banks in Nigeria and some factors, which hinder the performance of these roles.

The Nigeria banking industry is characterized by varies poor banking habit. According to Osubor 2000 many Nigerian keep their money outside the banking system. This is partly due to the lack of awareness and good marketing activities by the banks and partly also due to the distress in the industry.

Ten years after the establishment of the Rural Banking Scheme (RBS) in Nigeria, there are clear indications that the problems and issues which led to the scheme are still prevalent. These include a low level of rural savings mobilization, inadequate use of banking services and the lack of credit for rural people (Ewulu, 1986; Okorie, 1986, 1988). Although many banks were established in rural areas to correct these problems, their failure to do so is indicative of flaws in the choice of policy variables for designing the scheme. The central assumptions of the RBS were that increasing the physical proximity of banks to rural people enhances rural savings mobilization and, in turn, increases the flow of funds to the rural sector. The frequency of use of the banking services would be expected to increase as well. This study used discriminant analysis to determine whether physical proximity of rural bank branches is an important factor in rural people's participation in the banking system. The results of this study would be very relevant to other developing countries embarking on rural banking schemes. The banking system in Nigeria dates back to the colonial period. A review of its origin shows that priority was given to urban centres in the establishment of banks.

The development of the banking system in Nigeria has continued to concentrate in the urban centres, neglecting the rural areas. By April 1977, there were 18 commercial banks in Nigeria, with 470 branches. Less than 20% of these branches were located in rural areas where more than 80% of the estimated 80 million Nigerians live (Central Bank of Nigeria, 1977). These statistics demonstrated a gross under-banking of the Nigerian economy at the time, especially in the rural sector. In recognition of the fundamental inadequacy of banking facilities in rural areas, the federal government developed the Rural Banking Scheme (RBS). The scheme was based on Okigbo's Financial Review Committee's Report which recommended that the government compel commercial banks to open branches in rural areas (Okigbo, 1976). The objectives of the scheme were to: mobilize savings from rural areas for development purposes, provide credit to small scale industries and encourage banking habits among the rural population (Central Bank of Nigeria, 1984). The rationale behind the development of rural banks is that capital is important as an instrument of development and must be mobilized for this purpose. The Nigerian government also assumed that the process of rural capitalization and monetization depends upon the availability of financial institutions and services in the rural areas.

Savings

Financial literacy is important at micro and macro level especially for households, financial system, national economy and monetary policy. Financial literacy directs the individuals and

households to make the budgeting right and savings, conduct their assets and debts well, and use their savings in a reasonable way in the financial market. Increasing financial inclusion leads the increases in the liquidity, trading size, and financial product range in the financial markets and in turn makes a contribution to the development of the financial system. Furthermore, financial literacy contributes to the households and small and medium sized enterprises to make their financial planning better. As a consequence, this improvement causes the increases in the stability and efficiency of financial sector. However, informed customers make a contribution to the financial institutions' working in a more reliable, reasonable, and efficient through affecting the behaviors of the financial institutions. So financial literacy encourages the individuals and households to use their money more reasonable and make savings at micro level. Also contributes to the economic growth through affecting the development of financial sector quantitatively and qualitatively. The expanding economy in turn makes contribution to the increases in national savings, financial development, and decreases in the unemployment and improvements in living standards. A wide range of empirical studies have been conducted on personal savings and financial literacy measurement separately.

Mahdzan and Tabiani (2013) analyzed the effect of financial literacy on the personal savings in a sample of 192 persons from master of business administration program students of Malaya University and Klang valley residents with probit regression and discovered that financial literacy was a significant positive determinant of personal savings. Jappelli and Padula (2013) also developed an inter-temporal consumption model about the investments in financial literacy and examined the effect of financial literacy on wealth and savings in a sample of 50 and over aged population and revealed that financial literacy raised the savings. Beckmann (2013) researched the effect of financial literacy on household saving with regression analysis and discovered that financial literacy affected the savings positively. Jamal et al. (2015) analyzed the interaction between financial literacy and savings in a sample of 1124 high school and undergraduate students from Sabah state of Malaysia structural equation modeling and found that financial literacy was a significant determinant of savings. In another study, Hidajat (2015) analyzed the effect of financial literacy on savings for a 258 fishermen in Indonesia and revealed that financial literacy was a significant component of savings. Barış (2016) analyzed the financial literacy level and budgeting behavior in a sample of 359 students from Gaziosmanpasa University Faculty of Economics and Administrative Sciences in Turkey and found that there was no significant relationship between financial literacy and budgeting. Murendo and Mutsonziwa (2017) researched the effect of financial literacy on personal saving decisions in a sample of 400 persons from Zimbabwe with probit regression analysis and revealed a positive relationship between financial literacy and personal savings.

Domestic Investment

Economic theory explains that growth is brought about by stock of both physical and human capital as well as progress in technology, Romer (2001). This implies that, firm and household level investment aids the accumulation of this stock directly. In fact, financial literacy leads households to make sound and informed investment decisions that lead to future income and consequently to economic growth. Claessens, et al., (2009) contends that financially literate households have greater opportunities of access to financial services that enable them to plan for the future and invest in education and health (contributing to human capital), start a new business, expand an existing business or invest in land and shelter, and to utilize productivity-enhancing assets such as fertilizer, better seeds, machinery, and other equipment (contributing to physical capital and subsequent technological progress). In general terms, financial decisions like savings, investment, the type of financial assets to deal in, and the type of financial institution to use; all require a certain degree of financial literacy if someone is to make viable decisions (Lusardi 2008; Miller et al., 2009).

There may be unrealized potential for gains in economic efficiency among the population, particularly in societies where a relatively large share of production takes place in informal home-based enterprises run by women. Low levels of female financial literacy and confidence may impede their more active participation in the economy. Financial literacy differences may affect relative economic power within the household. This has implications for well-being if men and women allocate household resources according to different preferences. Research in many countries suggests that households do not act as a single unitary decision maker. Instead, household resources in women's hands has been observed to be more likely spent on improving family well-being, particularly that of children (Rawlings and Rubio, 2005; Handa and Davis, 2006; Doepke and Tertilt, 2011). In situations where women are primarily responsible for the care of children and more likely to be single parents, this may obstruct the intergenerational transmission of financial literacy, affecting the early learning, behaviors and attitudes of next generation. Empirical evidence suggests financial literacy's positive impact on financial behavior and financial status in a number of behavioral domains. Financially-literate individuals do better at budgeting, saving money, and controlling spending (Moore, 2003; Perry and Morris, 2005); planning for retirement (Lusardi and Mitchell, 2007a; Lusardi and Mitchell, 2008); and ultimately, successfully accumulating wealth (Stango and Zinman, 2009).

International efforts to measure financial literacy (reviewed in more detail later) suggest that levels of financial literacy are low across countries. The typical individual and specially working women have limited objective as well as perceived subjective understanding of financial issues and many individuals express lack of ability / motivation to gain and understand financial information and knowledge. Individuals' ability to make appropriate financial decisions may be increasingly important to ensure positive outcomes as the external environment becomes more challenging. Evidence reveals that women tend to have lower levels of financial knowledge. Women are also shown to be relatively less financially skilled than men along several dimensions (Møller, Fincher et al., 2009).

There is considerable evidence that financial literacy predicts savings both at cross-country and individual levels. Jappelli and Padula (2011) are of the view find that financial literacy is a determinant for the level of national savings and that its impact is potential as it gives 3.6% increase in national savings. On the individual level most empirical studies are done for developed countries such as the United States, The United Kingdom, Italy and Netherlands. The only study conducted for developing countries is work by Klapper and Panos (2001). While analyzing households' behavior in developed countries numerous studies demonstrate that financial literacy may have important inferences for retirement planning and saving decisions. It has been shown by Lusardi and Mitchell (2006, 2007, and 2008) that less financial literate people are less likely to save for retirement. This argument was supported by Lusardi and Mi tchell (2009) and Banks et al. (2009) who observe that more financially sophisticated individuals are

more likely to be retirement ready and have higher retirement income.

Moreover, several studies reveal that low financial literacy translates into lack of retirement planning (Lusardi and Mitchell (2009), Alessie et al. (2008). This fact may be explained by several factors. First of all, it has been demonstrated that lack of numerical skills impacts perceived financial security (Banks and Oldfield (2007) and retirement expectations (Banks et al. (2009). Secondly, low financial literacy raises planning costs, meaning economic and psychological barriers to obtain information required for saving and investing (Alessie et al. (2008). Concerning the developing countries, Klapper and Panos (2011) are of the view that higher financial literacy is positively related to retirement planning and investing in private pension funds. However, while studying the impact of financial literacy on saving behavior one should be careful because of reverse causality issue since one can acquire financial knowledge in the process of developing and implementing a savings plan. Several researchers acknowledge the significance of financial literacy with respect to saving decisions (Lusardi and Mitchell (2008), Willis (2009), Delevande et al. (2008). However, only two studies of Jappelli and Padula (2011) and Lusardi and Mitchell (2009) explicitly address this issue with instrumental variable method. They argue that financial literacy is an applicable instrument for predicting the saving-investment behavior of individuals especially the working-women. According to Herd and Holden (2010) early-life financial education is a strong predictor of late-life financial knowledge. To sum up, the literature on factors explaining financial literacy and the effects it has for households' saving decisions is vast, however focusing mostly on developed countries.

Banking Density

Banking Density Ratio measures the number of commercial banks outlet to the population of the country. Despite the increased Licensing of Banks in the country, the number of banks is still inadequate to sustain the volume of trade in the economy. Delays and poor service rendered by such banks attest to the direct consequences of this low banking density. The total branch network of 5,470 as at 2015, evidence that significant proportion of Nigerian population cannot access bank services, Nigeria banking density increases over the period covered in this study despite various reforms aimed at reducing banking density. Empirical Evidence shows that Nigerian Banking density was 5.6million per bank in 2000 and 5.7 million people per bank branch in 2001, but reduced to 4.2 million people in 2002 which could be traced to the multiplier effect of the deregulation of the financial sector in the last quarter of the 1986 that increased number of Nigerian banks from 86 to 122. The further decreased to 3.8 million people in 2004 but later increased to 4.4 million people in 2006. The increase was traced to the banking sector consolidation that reduced the number of Nigerian Commercial Banks to 25 and some commercial banks were liquidated for not meeting the 25 billion naira capital base.. However, 2009 and 2010 Nigerian Banking Density reduced to 2.8 and 2.7 million people, the reduction could be traced to the multiplier effect of the banking sector consolidation and the policy of branch banking. In 2011-2015 Nigerian banking density increased to 3 million and above, (Akani and Lucky, 2018).

METHODOLOGY

The objective of this study is to examine financial literacy indicators in Nigeria. This study adopted descriptive method; this involves the use of graphs and bar charts to illustrate the level of financial literacy. The study described the following indicators of financial literacy:

1. Financial inclusion measured by the account ownership at financial institutions or with mobile-money service provider, riches 60% of the population ages + 15

2. The level of household saving measured by the gross savings

3. Banking habit measured by number of account holding

4. Financial Exclusion

5. Level of Domestic Investment

6. Banking Density

Descriptive Analysis of Data

1. Financial Inclusion

Table 1: Account ownership at financial institutions or with mobile-money service provider, riches 60% of the population ages + 15

Year	Rate
2011	13.957
2012	15.839
2013	21.738
2014	30.957
2015	21.083
2016	22.836
2017	24.529
2018	33.803
2019	38.932
Source: Word Bank Data Base	2020

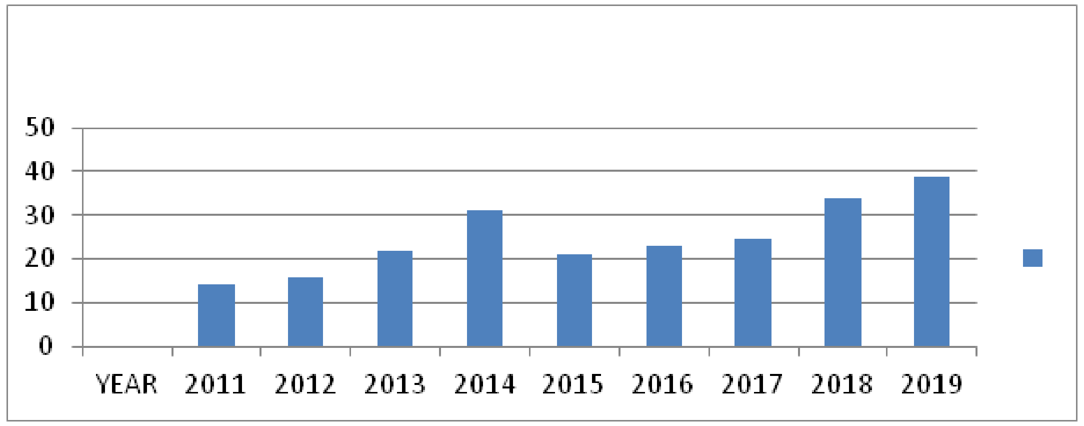

Figure 1: Bar chart showing Account ownership at financial institutions or with mobile-money service provider, riches 60% of the population ages + 15

Financial inclusion can also be refer to as financial access which means all adults who have access to or use a deposit money bank in addition to having / using a traditional banking product, including ATM card, credit card, savings account, current account, fixed deposit account, mortgage, overdraft, loan from a bank, or no-interest banking product; including indirect access. All adults who have access to or use other formal institutions and financial products not supplied by deposit money banks, including Insurance companies, microfinance banks, pension schemes or shares, it also includes remittances (through formal channels); including indirect access. All adults who do not have any banked or formal other products, but have access to or use only informal services and products. This includes savings clubs / pools, esusu, ajo, or money lenders; as well as remittances (through informal channels such as via a transport service or recharge card) and adults not in the banked, formal other or informal only categories, even though the person may be using or have access to any of the following: loan / gift from friends or family and loan from employers, as well as remittances via a friend / family member. The table below gives details.

Table 2: Number of Financially Excluded Persons

Year	% of financially excluded persons	% of financially included persons
2008	45.4 million Adults (52.5 %)	18.3 million Adults (21.1%)
2010	39.2 million adults (46.3 %	25.4 million Adults (30.0%)
2012	34.9 million (39.7%)	34.9 million Adults (39.7%)
2014	36.9 million Adults (39.5%)	33.9 million adults (36.3%)
2016	45.4 million adults	36.9 million adults (38.3%
2018	36.6 million adults, 36.8%	39.5 million adults (39.7%

Source: EFInA, 2018

The results of the EFInA Access to Financial Services in Nigeria 2008 survey showed that 45.4 million Nigerians representing 52.5% of the adult population were financially excluded. Only 18.3 million Nigerians were banked representing 21.1% of the adult population.

The results of the EFInA Access to Financial Services in Nigeria 2010 survey showed that 39.2 million Nigerians representing 46.3% of the adult population were financially excluded. Only 25.4 million Nigerians were banked representing 30.0% of the adult population. The results of the EFInA Access to Financial Services in Nigeria 2012 survey showed that 34.9 million adults representing 39.7% of the adult population were financially excluded. Only 28.6 million adults were banked representing 32.5% of the adult population. The results of the EFInA Access to Financial Services in Nigeria 2014 survey showed that 36.9 million adults, representing 39.5% of adult population, are financially excluded. Only 33.9 million adults are banked, representing 36.3% of adult population.

The results of the EFInA Access to Financial Services in Nigeria 2016 survey revealed that 36.9 million (38.3% of the adult population) have access to a bank account. This represents an increase of 3.0 million adults, from 33.9 million in 2014. In 2016, the formally included segment increased from 45.4 million adults in 2014 to 46.9 million adults in 2016. This represents an increase of 1.5 million adults who have access to Deposit Money Banks, MicroFinance Banks, Mobile Money, Insurance and Pensions. The findings also revealed that 40.1 million Nigerian adults, representing 41.6% of the adult population, are financially excluded. The results of the EFInA Access to Financial Services in Nigeria 2018 survey revealed that 39.5 million adults (39.7% of the adult population) have a deposit money bank account. This represents an increase of 2.6 million adults, from 36.9 million in 2016. In 2018, the formally included segment increased from 46.9 million adults in 2016 to 48.4 million adults in 2018. The number of adults relying on informal mechanism only increased significantly from 9.4 million in 2016 to 14.6 million in 2018. The findings also revealed that 36.6 million adults, representing 36.8% of the adult population, are financially excluded.

3. Household Savings

3. Table: Showing Household Savings

Year	GNS % GDP
2007	26.811
2008	31.995
2009	24.896
2010	24.321
2011	25.162
2012	33.117
2013	19.233
2014	22.308
2015	16.937
2016	15.846
2017	18.268
2018	19.248
2019	21.926

Source: Word Bank Data Base

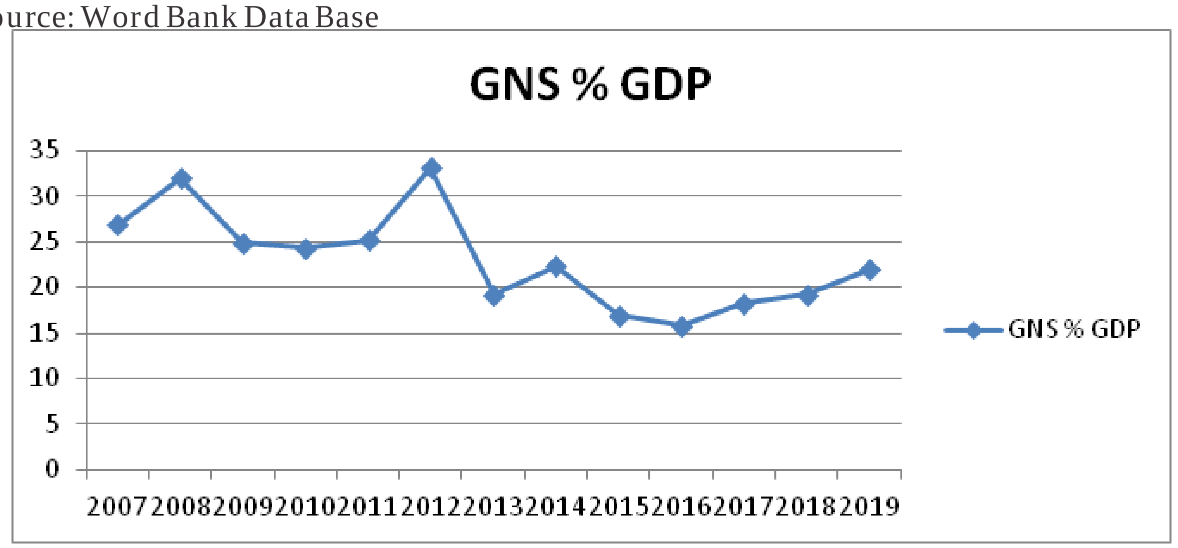

Figure 3: Trend showing the percentage of gross national savings to gross domestic products

The trend shows that gross domestic product fluctuate over the periods covered in this study. However, the ratio to GDP reveals low level of saving habit of the people. This also corresponds with the significant amount of money outside the banking system and the financially excluded adults with the periods of this study.

3. Banking Habit

Table 4: Banking Habit Proxy by Borrowers from Commercial Banks per 1000 Adults

Year	%
2007	296.15
2008	311.834
2009	464.447
2010	472.609
2011	504.556
2012	644.347
2013	650.556
2014	653.202
2015	667.276
2016	813.649
2017	922.873
2018	1,013.28
2019	1,368.63

SOURCE: Word Bank Data Base

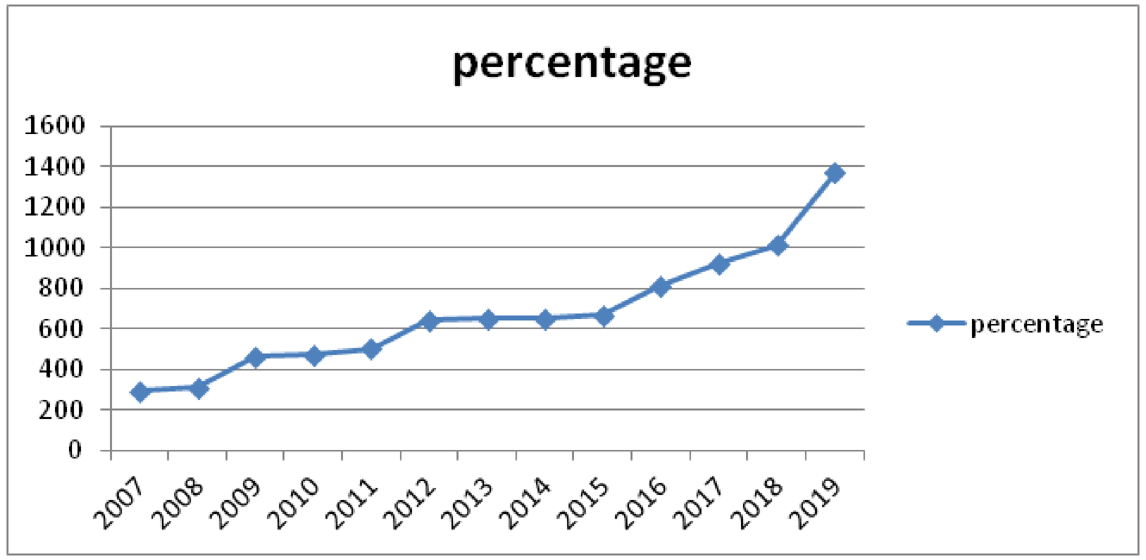

Figure 4: Trend Showing Percentage Borrowers from Commercial Banks Per 1000

The trend shows that commercial banks credit over the periods covered in this study. However, the trend shows a steady increase within the periods covered in this study.

Table 5: Banking Habit Proxy by Money outside the Banking Sector

Year	MOB
2007	737.87
2008	892.68
2009	927.24
2010	1,082.30
2011	1,245.14
2012	1,301.16
2013	1,446.66
2014	1,437.40
2015	1,456.10
2016	1,820.42
2017	1,661.02
2018	1,782.66
2019	1,912.98

Source: Word Bank Data Base

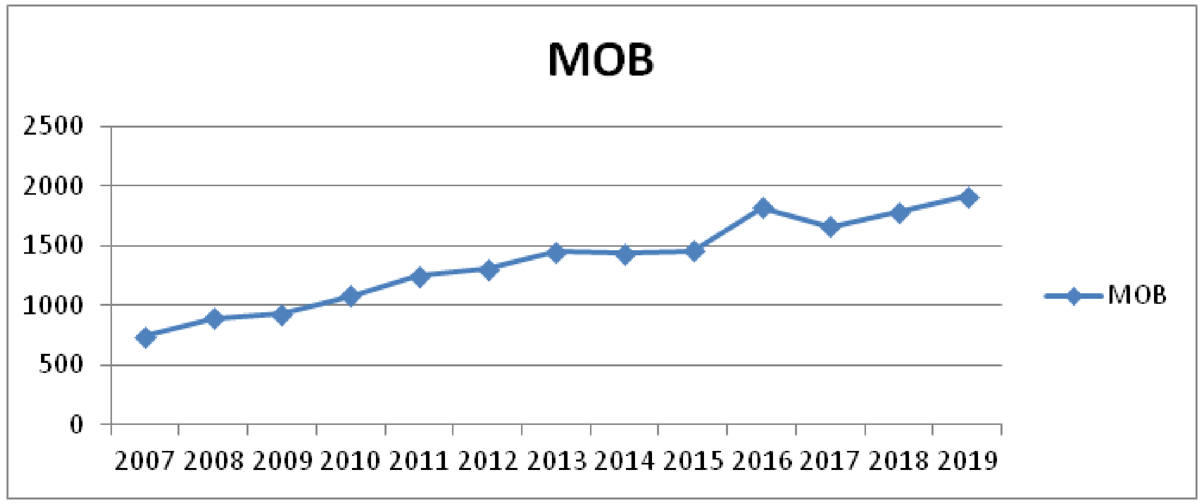

Figure 5: Trend Showing Money outside the Banking Sector in Millions of Naira

The trend shows a steady increase in the amount of money outside the banking system. The steady increase in the amount of money outside the banks shows the level of financially excluded adult and the level of financial literacy.

Table 6: Banking Habit Proxy by ATM per 1000

Year	ATM
2007	0.65
2008	1.78
2009	4.476
2010	8.641
2011	11.463
2012	11.225
2013	11.942
2014	11.491
2015	13.309
2016	16.185
2017	16.207
2018	16.322
2019	16.923

Figure 6: Trend showing the number of ATM per 1000 in Nigeria

3. Financial Exclusion

From table 3 it is evidence that significant proportion of adult Nigeria is financially excluded. The wealthiest 20 percent of households are at least 8 times more likely to have an account than the poorest households. It is no wonder that the poorest states in Nigeria are in the northern region of the country where banks have little to no presence. According to a long-standing poverty statistic, the poverty rate in Nigeria's south-west is 19.3%; south-south, 25.2%; north-east, 76.8%, and north-west, 81.1%

Nigeria is the most populated country in Africa which consists of above 170 million citizens living in the country. Its claim to be the faster's economic growth in African; Nigeria is divided geographically into the six geo-political zones and current status of their respective regions based on the financial status, according to EFInA survey (2014), indicates North-East formally included 26.1 percent, informally banked 5.4 percent and financially excluded 68.4 percent. In the North-West, 35.4 percent are financial included, 8.6 percent informally, and 56 percent are financially excluded. However, North Central the current percentage of formally included 48.9 percent whiles informally 18.5 percent and its hold the financially excluded 32.7 percent. For the South

East, 63.3 percent are financially included, 11.3 percent are informally, and 25.4 percent is financially excluded Meanwhile in the South-South having 52.3 percent inclusion 15 percent informal inclusion and exclusion 32.7 financially excluded. Lastly South West 62.6 percent formally included, 12.7 percent are informally, and 24.8 percent are financially excluded from the financial mainstream.

1. Banking Density

This Measures the 1000 Adult Nigeria per Bank

Table 5: Showing Banking Density

Year	BD
2007	5.21
2008	6.268
2009	6.482
2010	6.564
2011	6.408
2012	5.816
2013	5.903
2014	5.605
2015	4.976
2016	4.741
2017	4.436
2018	4.357
2019	4.185

Source: Word Bank Data Base

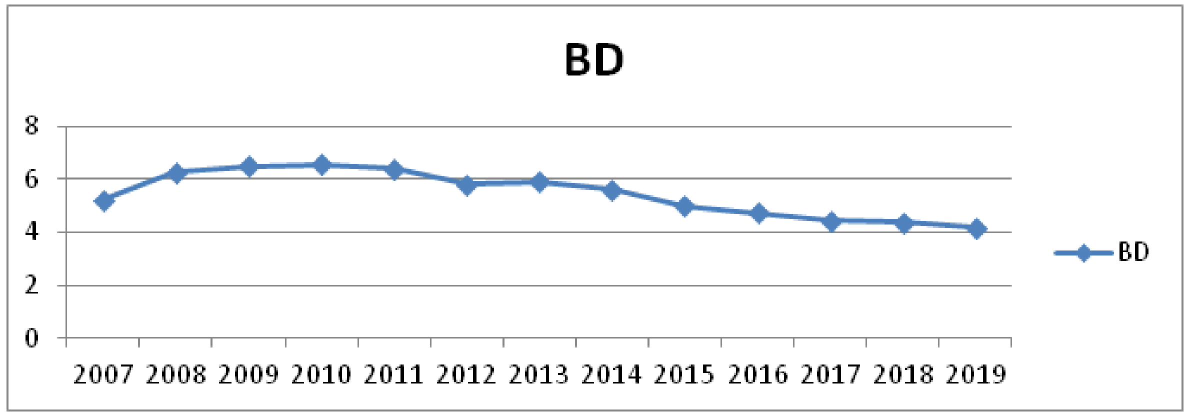

Figure 7: Trend Showing Money outside the Banking Sector in Millions of Naira

The trend shows steady decrease in the level of banking density with the periods covered in this study. The steady decrease in the level of banking density can be traced to banking sector reforms that encouraged branch banking.

CONCLUSION

The importance of financial education and financial literacy at all levels of the nation's socio-economic strata cannot be overemphasized in view of its enormous benefits. The Central Bank financial literacy framework is part of a comprehensive agenda for the implementation of the Nigerian Financial Inclusion Strategy. Its long term benefits cut across individuals, households, the society and the nation at large. The enhancing financial literacy requires multi-stakeholder approach involving all stakeholders in the Nigerian economy particularly relevant Ministries, Departments and Agencies of Government as well as all sectors of the Nigerian financial system including, but not limited to the banking, deposit insurance, capital market, money market, insurance and pensions subsectors. Effective financial literacy program guarantee the future economic and social well-being of Nigerians by reducing poverty, improving income and facilitating development which will in turn enhance financial sustainability in Nigeria. It enables Nigeria to take advantage of global financial dynamics, enhance efficiency in managing personal finances, promote entrepreneurship, banking culture and ultimately ensure financial sustainability.

Policy Implications

Financial education should aim at creating awareness on the need to take responsibility for one's finances and the need for planning, budgeting and saving. Information on terminologies, different types of financial institutions, products and services should be introduced in a structured manner. Ideally, financial education should be coupled with broader life skills such as entrepreneurship training and also with basic economic literacy. Special financial products should be introduced. The main focus should be on savings, the media needs to be trained on the concept and relevance of financial education so that they can give financial information initiatives with the required coverage and cover the events appropriately

Federal Ministry of Finance should monitor the implementation of the financial literacy framework and provide a knowledge base for financial sustainability. The participants in the review of the strategy on financial literacy should render technical and financial assistance for the implementation of the financial literacy framework. In collaboration with the Central Bank of Nigeria, convene an international conference on financial education. Federal Ministry of Education should provide policy direction for adoption of financial literacy as a compulsory module in educational institutions.

Federal Ministry of Information should design and implement appropriate policies and strategies for dissemination of information on financial literacy. Disseminate information on financial literacy through Government owned media and engage in sensitization and capacity building programs for media practitioners for Federal Ministry of Communication Technology. Central Bank of Nigeria should anchor the implementation of the financial literacy framework, design and ensure implementation of sensitization and capacity building programmes for financial institutions and regulators and collaborate with financial institutions and other stakeholders on financial literacy initiatives.

Deposit Money Banks and Other Financial Institutions should collaborate with the Central Bank of Nigeria and other stakeholders in the implementation of financial literacy initiatives, design in-house training programmes and capacity building for staff and educate consumers on products/services being offered especially terms and conditions, fees, charges and risks associated with such products if financial sustainability must be attained.

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MIDMARKET REPOSITIONING: DETERMINANTS OF PRIVATE EQUITY CAPITAL

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ABSTRACT

This study examined firm-specific factors that determine private equity financing of middle market firms in Nigeria. The study used panel least square regression model to analyse data extracted from annual reports and accounts of twenty middle market firms selected from NASD list from 2009 to 2018. Private equity capital was the dependent variable while assets tangibility, growth, earnings volatility, firm size and profitability are independent variables. The results of fixed effect model (FEM), which provided the best linear unbiased estimator, were interpreted. It was found that only asset tangibility and growth have coefficients that were only significant at fifteen and ten percent levels of significance respectively. Also, earnings volatility, firm size and profitability have negative relationship with private equity capital albeit not significant. We conclude that asset intangibility does not hinder midmarket firms' effort to receive private equity capital provided the result of diligence analysis sufficiently supports growth prospects, profitability and chances of receiving commensurate return on investment.

Keywords: Private equity capital, midmarket firm

INTRODUCTION

Generally, capital structure decision involves maintenance of an optimum mix of funding, bearing in mind its effect on risk and market value. But when Franco Modigliani and Merton Miller published their proposition of irrelevance in 1958, it shook the very foundation of both pure and applied theories of finance as well as the practice by many treasury and portfolio managers. Modigliani and Miller, (1958) showed that firms' value is independent of the capital structure under the strict assumptions of perfect and frictionless capital markets. In reality, market frictions exist, and scholars have devoted their time to study these market imperfections, the mutability of optimal capital structure, and the dynamism of market value. Four main theories have been proposed since then to further explain the levels of leverage: informational asymmetry, agency cost, transactions cost and bankruptcy costs theories. (Deloof & Verschueren, 1998).

Meanwhile, the foregoing theories are embedded in the workings and phenomena of large corporations where, for instance, adverse selection problems and moral hazards associated with informational asymmetry are convincingly less impactful than in midmarket firms; where robust but affordable corporate governance structure reduces agency cost far less than midmarket firms can contemplate; where economies of scale, network externalities, and expertise combine to slash transaction cost, and where individual investors have less appetite for risk than high risk midmarket investors. Our proposition, here, is that since large corporations constituted the focus of discourses in mainstream financial decisions – financing, investing, liquidity, dividend, and valuation, it must be altered and headed towards a paradigm shift in the annals of finance in order to accommodate emerging constructs of new asset classes. Given the scope of this study, we shall commit to deductive processes of intuiting statements of relativistic values around equity capitalization of midmarket enterprises, without pretending that they are fiats, self-evident truths, or flawless facts. They are simply upstart statements meant to direct our path as we explain the relationship between certain micro variables and acquisition of equity capital by midmarket firms. That done, we then commit to inductive processes of testing the generalizability of these propositions within the midmarket alternative asset class in spatial and temporal terms while discussing the differences that arise in comparison with the *a priori* expectations of the mainstream of financial decisions in large corporations.

Further, the choice of financing options may be depended on certain variables, which are nominally listed here: the business model, the firm's perceived financial strength, the stage of the firm in the enterprise life cycle, the current economic condition, institutional financing opportunities or supports available, the entrepreneurs' preferences, investors' preferences in the face of urgent cash call, time when financing is required, the volume of financial resources required, private cost of alternative capital, confidence in the potential profitability of the projects requiring new funds, tax incentives, provisions in the deal documents such as restrictive covenants or similar conditionality, professional or social networks, appetite for risk, agency induced preferences, signalling theories propelled preferences, and degree of control desired.

There have been extensive empirical studies investigating the theories of capital structure and the determinants of debt or equity preferences. Many of these studies have grouped or reduced the factors listed above into convenient or manageable numbers in line with existing approximate theories. Suffice to say that the study flagships or epicentres remain large corporations, and often without any baseline indicating pattern of growth from lower enterprise leading to structural mutation in finance. Not even the highly acclaimed pecking order theory of Myers & Majluf (1984) truly articulated or rounded up the tendency for small enterprises to differ in the choice of capital structure. The compelling reality, though, is that readers of this theory may innately conjecture that small enterprises are the necessary beginning for testing capital structure preferences. Pecking order's prescription of capital structure mutation was not aligned with transitory enterprise development continuum; it was in reference to a dead end corporation. The implicit transcendence might be an impression of the nominalist nature of human being, and not necessarily an assertion governed by any mechanistic allusion from the theory. At another end, Leach and Melicher (2012) provided a scheme for financing through the venture life cycle, which featured preponderance of equity financing at the early stages of enterprise life cycle but did not analyse the layering of financing preferences of the very mature firms which approximate large corporations.

Others (Yazdipour, 2011; Dunkelberg & Scott, 2011) have undermined the empirical examination of some nominal variables above by simply explaining them away as part of the 'ceteris paribus' assumptions, seeming too behavioural, therefore falling short of relevance in positive finance or in the application of nomothetic research methodologies. With respect to the first point of departure, this study promotes the determinants of private equity capital preferences of midmarket firms and compares same with those of large corporations in order to provide evidence for the argument of the transcendental nature of financial dualism in our economic system. With respect to the second departure, while it is not our intention to triangulate by letting an incursion of idiographic methodology into this study, we have contrived certain constructs whose proxies are quantifiable in spite of their seeming subjective values. Accordingly, the following key determinants of mid-market equity financing are used: assets tangibility, growth opportunities, earnings volatility, firm size, and profitability (Titman and Wessel, 1988; Rajan and Zingales, 1995).

Another source of departure is that previous studies and even text books have almost exclusively focused on the same stream of variables in the test for preference between debt and equity. This gave rise to uploading certain variables that might not explain changes in equity but are nevertheless studied because they might explain changes in debt. The lack of specificities arising from above means that no particular factor or variable could be pinned down solely for debt or equity of corporations, let alone to assume their efficacies in explaining private debt or private equity options. (Slee 2009). Consequently, our motivation for this paper draws from four ramifications. First is the need to focus on midmarket firms. Second is the introduction of model construct that accounted for erstwhile subjective values. Third is the spread of the preference factors across early stage through growth stage of the enterprise life cycle, and fourth is the concentration on equity finance preferences.

CONCEPTUAL FOUNDATION

The type of assets owned by a young firm may motivate the financing behaviour of firms. Myers and Majluf, (1984) propose a positive relation between the value of secured debt and leverage. They argue that firms may be better-off selling secured debt as means of reducing information asymmetries. It may be more costly for firms to sell a security for which external investors have little information. However, in entrepreneurial finance, this is remarkably different, as there might be more intangible assets than tangible ones. (Gompers & Sahlman, 2002; Fraser-Sampson, 2010). Also, firms may increase the value of their equity by issuing secured debt, and if debt is collateralized, borrowers are constrained to use the funds for specific project only. Since no such restriction can be enforced in the case of unsecured debt, lenders may negotiate more costly terms of debt financing.

More specifically, young firms with tangible assets obtain funds faster and in more favourable terms than firms with greater proportion of intangible assets. The chances of defrauding an investor or absconding with the firm's source of value are narrower with tangible assets. At the same time, the chances of finding an up-start firm with significant proportion of tangible assets are also narrower. When the most important assets are intangible, obtaining external funds may be difficult. This is where the preference for private equity financing becomes foremost, as it is absolutely difficult to securitize intellectual property and the likes. Accordingly, private equity firms are instruments of enterprise development to finance different stages of entrepreneurial activities in our economy.

Secondly, the relationship between growth and financial leverage is ambiguous. On the one hand, financing growth operations through debt commits the firms to servicing debt almost immediately, perhaps, at a time when the expected cash flow from growth investment is either not sufficient to amortise loan or is earnestly needed to finance additional growth opportunities. (Dagogo 2010; Myers & Majluf 1984). On the other hand, a high degree of combined leverage may be required, particularly at the early growth stage of an entrepreneurial firm, to expedite breaking even. However, the down side of combining operating and financial risks may be too devastating for young firms in the event of negative cash flow arising from changing systemic structures.

Midmarket firms are growth-bound and at the threshold of the small-large bifurcation. Therefore, a mix of financing options that draw from debt and equity in tandem with the enterprise life cycle is preferred (Dagogo, 2006). This proposition will undoubtedly differ if the enterprise in question is a large one, as noted by Deloof and Verschueren, (1998) who reported a positive relationship between leverage and growth. In all, the preference for private equity at this stage is anchored on two reasons: Jensen and Meckling (1976) observes that agency problem is more pronounced for growth firms that have significantly large investment opportunities. In order to avoid sub-optimal investment, firms in growing industries would prefer to use equity financing over debt financing. Myers & Majluf (1984) suggests that agency problem can be mitigated through the issue of short term debt and convertible debt rather than long term debt. For Dagogo (2020), it gives credence to the use of agency problem- reducing financial options such mezzanine equity. Next is the need to reduce the 'lemon' problem in external financing. Assume that in this case the transacting parties are the founders and growth investors. The more difficult it is for growth investors to verify outcomes in the founder's firm, the less attractive it will be for the investor to supply funds. But the structure of private equity deals permits active participation in the investee firm, a condition that reduces the difficulty in writing contracts that are contingent upon events.

Third, earnings volatility is usually a proxy for firm risk. The riskier the firm, the higher are the costs of financial distress and greater is the probability of default. The Trade-off theory predicts that riskier firms would then be less levered due to high bankruptcy costs. Also, firms having volatile earnings may not fully benefit from the tax advantage of debt. Similarly, Titman and Wessels, (1988) asserts that optimal debt level is a decreasing function of earnings volatility.

Fourthly, the relationship between profitability and leverage is the most critical means of testing the Pecking Order Theory proposed by Myers and Majluf, (1984). According to this theory, firms follow a financing hierarchy. In an environment characterized by informational asymmetry, it is costly to issue a security about which outside investors have little information. Thus, internal financing is the cheapest means of funding projects. As debtholders have prior claim on firm assets compared to equity-holders and receive regular streams of interest payments, debt suffers less from informational asymmetry as compared to equity. For entrepreneurial firms, the

incentive is different and tends to be more foundational in terms of the retention of earnings of the first couple of years and the utilisation of bootstrap strategies to reduce financing cost. Above all, profit potentials in an entrepreneurial firm suggest two things: first, lower price-to-earnings ratio, which is also an indication of rising market value. And second, availability of internal funds from retained earnings, which also reduce overall cost of capital.

Theoretical review

The Irrelevance theory of Modigliani & Miller (1958) states that under perfect capital market conditions and with investors acting rationally, firm's value depends on its operating profitability rather than its capital structure. In response to an argument against their proposition, Modigliani and Miller (1969) used arbitrage transaction to prove the same irrelevance of capital structure decision. However, in an addendum to their 1958 publication, regarded as a correction, they recognized that with taxes, cost of capital is lowered with leverage. (Modigliani & Miller, 1963; Van Horne, 2010).

Next is the Pecking order Theory, which was first suggested by Donaldson (1961) and modified by Myers and Majluf, (1984). It states that companies prioritize their sources of financing according to the principle of least effort or of least resistance, preferring to raise equity as a financing means of last resort. Internal funds are used first, and when that is depleted, debt is issued, and when it is no longer sensible to issue more debt, equity is issued.

Finally, middle market finance theory is a redefinition of Myer & Majluf's (1984) pecking order theory within a specific context. It finds a dividing line between small and medium market finance on the one hand and between medium and large enterprises on the other hand. In doing so, midmarket finance theory identifies a triadic integration of valuation, capitalization and transfer of ownership interest that explain capital market decisions of medium-sized firms. Slee (2011) argues that valuation forms the base of the interconnection, and maintains an input-feedback balance with the other two components, without which much of it will be done in isolation of the market and will amount to vanity. Absence of needed balance is a source of disequilibrium in the case of private securities that do not have access to active trading market. They must rely on point-in-time appraisal or discrete rather than continuous pricing and value determination. Next, capitalization rests on valuation to enable private capital markets price and allocate capital given their risk-return sensitivity. Every round of capitalization requires pre- and post-money valuation, but private capital markets are inefficient in access to market and information. Finally, transfer of ownership interest relies on capitalization and valuation. It takes different forms and involves parties from within and without the firm. The shortcomings of the earlier pillars inhibit the ease of transfers of ownership of private firms. Lack of liquidity hinders diversification, which increases the riskiness of private equity transfer markets. It is the coherent importance of all three concepts at any given time in exhibiting the same weakness of midmarket firms that inspired the thinking of constituting midmarket finance theory. (Dagogo, 2014; Slee 2011; Myer & Majluf 1984).

Empirical review

A panel study of 3175 SMEs for five years (2001-2005) in seven central and eastern European countries found strong support for Pecking Order theory. The study concluded that the level of leverage is a function of firm size and age, and that high probability of future cash flow is a strong determinant of the degree of leverage a firm assumes (Mateev, Poutziouris & Ivanov, 2013). Serrasqueiro and Caetano, (2015) tested capital structure decisions of a sample Portuguese SMEs between the trade-off and the pecking order theories using LSDVC dynamic estimator. The authors chose effective tax rate, non-debt tax shields, growth opportunities, assets tangibility, profitability, size, age, and risk as independent variables, while total debt level was the dependent variable. They concluded that both decisions are equally important because of the existence of capital structure mutation among SMEs and strong influence of firm size on the use of debt financing.

RESEARCH METHOD

Ex-post facto research design was adopted since the research relied on historical data generated from annual reports and accounts of firms as well as data from other publications. Besides, because of our limited ability to subject the study environment to an acceptable degree of control and our normative processes in the inclusion of independent variables, the study fits quasi-experimental research design. The study population consists of all midmarket firms in Nigeria whose total assets (excluding land and building) are above fifty million naira but not exceeding five hundred million naira and with a total workforce above fifty employees but not exceeding one hundred and ninety nine employees. (SMEDAN, 2012).

From an accessible population of 63 firms, listed under the emerging companies (formerly second-tier securities market) section of Nigerian Stock Exchange, and Nigerian Association of Stock Dealers (NASD), an over-the-counter securities market, a sample of 20 firms was selected randomly not without the following considerations, though: maintenance of balanced panel, ease of data collection, reliability of data, and completeness of requisite data. (CSCS, 2018). Time series data were collected covering 2009 to 2018 all-inclusive from a cross section of the sample firms. It may seem at first that ten years data were insufficient, nevertheless, the study remains robust on account of the cross sectional data from twenty firms, which sufficiently compensated for the limited time series, leaving us with a panel dataset of 200 data points.

Analytical and estimation procedure

We employed two-stage analytical process. The first stage examined the panel regression models in their three possibilities, having total equity capital as dependent variable and firm-specific determinants as independent variables. The second stage ensured that the best linear unbiased estimator was chosen among three possibilities: pooled, fixed effect and random effect models. However, we have assumed ab initio that the regression coefficients are not the same, that is, there are distinctions between firms and that intercepts of the cross sections of firms can either be fixed or random. These assumptions left us with fixed effect and random effect models. The fixed effect is of the form:

PECit= i + 2 D2i+ 3 D3i+ 4 D4i+5 D5i+…20 D20i+1ATit+2GRit+ 3PRit+4EVit+5FSit+it……………1

Where PEC equals total equity; AT equals asset tangibility; GR equals growth; PR equals profitability; EV equals earnings volatility; FS equals firm size; α_1 equals intercept value of firm 1; α_2 - α_{20} represent the differences of the other firms from firm 1, measured by the differences of their coefficients; D2i- D20i represent 19 dummy variables representing 19 firms; ? $_0$ equals constant term; ? $_1$ - ? $_5$ equal coefficients of predictors; and ? equals error term or stochastic variable representing other variables that are merely explained away.

Next is the random effect model, which focuses on the relationship with the study sample as a whole, thus the samples representation with intercepts are randomly selected. The total sample regression function of the random effect can be expressed as:

PECit= 0+1ATit+2GRit+3PRit+4EVit+5FSit+wit…………………2

If this is represented with random variables, then 0i = + , which indicates that the difference occurs randomly, and the expected value of 0i is 0, and wit=it+it , that is, the error term wit is a sum of two parts: it is the combined time series and cross section error component, and it is the cross section or firm-specific error component.

RESULTS

Table 1. Hausman test summary for random & fixed effect models

Test summary	Chi-Sq stat	Chi-Sq d.f.	Probability
Cross-section random	4.075210	5	0.5386
Period Random (Fixed)	1.447682	5	0.9190
Cross section and period random	5.271983	5	0.3836

Extract from Eview output 2020

Hausman's asymptotic X^2 distribution compares the estimated (?) and Variance (?) of fixed with random effects, that is, it compares the constant estimates and the standard errors of regression of both fixed and random effects to ascertain the extent of the difference. Accordingly, the null hypothesis is: Fixed effect model (FEM) and random effect model (REM) estimators do not differ significantly (Gujarati, Porter & Gunasekar, 2013). The results show that there is significant difference between FEM and REM, therefore the null hypothesis was rejected, and FEM was preferred. Accordingly, the regression results of fixed effect model are presented below.

Table 2: Regression results for fixed effect model dep var: PEC)

Variables	Coeff.	Std error	t-stat	Prob.
AT	0.299179	0.200694	1.490721	0.137
GR	1.092192	0.603958	1.808390	0.072
EV	-0.090166	0.157875	-0.571122	0.568
FS	-0.198771	0.272034	-0.730683	0.466
PR	-0.061036	0.177444	-0.343972	0.731
C	19.92791	7.926350	2.514135	0.013

Effect specifications

R-squared	0.33 0691	Mean dep var	34.187
Adj R Squared	0.197635	S.D dep var	7.769
S.E. of reg.	6.959631	Akaike info crit.	6.871
Sum squared res	8040,453	Shwarz crit.	7.432
Log likelihood	-653.1800	DW stat.	2.007
F-stat	2.485358	Prob of F-stat	0.000085

Source: Extract from Eview output 2020

The results in table 2 show that private equity capital maintains negative relationships with three independent variables: earnings volatility, firm size, and profitability. Unfortunately, none of these three variables contributed significantly to changes in aggregate private equity capitalization. Another disturbing outcome is that, none of the independent variables contributed towards changes in private equity financing at 5 percent level of significance. However, asset tangibility and growth were significant at 13.7 percent and 7.2 percent respectively. On account of the fairly acceptable level of significance, their degrees of elasticities are interpreted thus: for every unit increase in asset tangibility and growth, private equity capital had increased by 0.3 and 1.09 units respectively.

The difference in the values of R^2 (0.33 0691) and adjusted R^2 (0.197635) also points to a disturbing direction about the results. That is, since adjusted R^2 is the appropriate coefficient of determination for multiple regression models, the difference alludes to a significant drop in the overall explanatory power of the model without affecting the F-test statistic (2.485358), which was significant at less than 5 percent. The result is therefore inferable in spite of the lowered adjusted R^2. However, it is clear that majority of what made adjusted R^2 significant is traceable to the constant value C, which represents the intercept (i.e. value of Y when X is 0). This is an indication of missing variables problems, implying that certain critical independent variables with greater influence on the dependent variables have been left out. In this case, private equity capital proves to be exogenous to firm-specific factors studied. Finally, Durbin Watson (DW) test of (2.007) is a clear indication of absence of autocorrelation.

DISCUSSIONS

The results above are essentially in tandem with theoretical expectations in mainstream finance but there are departures because of the apparent nature of private equity target firms. Asset tangibility attracts lesser consideration in private equity asset class than in mainstream finance, as long as the investor is adequately compensated. Accordingly, its elasticity was expected to be less than one, as greater tolerance for intangible asset (intellectual property, sweat equity, etc.) is a hallmark of private equity asset class. (Gompers & Sahlman, 2002). This explains the lower degree of elasticity associated with asset tangibility as a determinant of private equity capital. Secondly, we found growth elasticity to be slightly greater than one, indicating that private equity investors are largely attracted to growth potentials in firms. Often, the imperatives of growth firms may range from growing at the same rate as growth in the industry to surpassing existing industry thresholds or from BCG's 'question-mark' to 'star' and 'cash cow'. This magnitude of investment is

better achieved by different options of equity-based growth capital. (Fraser-Sampson, 2010).

Thirdly, although earnings volatility, firm size, and profitability were not found to have significant effect on the demand for private equity capital, it is the direction of their relationship we discussed, here. Earnings volatility symbolizes risk and maintains an inverse relationship with risk-averse investor. But private equity fund is high risk capital invested in highly calculated risky projects that promise high returns. Other times, private equity investors intervene in firms with earnings volatility with a view to stabilize them using their wide array of connections, expertise, or scale economies. (Crowdfund Insiders, 2019; Lerner, Hardymon & Leamon, 2009). Accordingly, the negative result under discussion represents a mix grill symbolical of the reality at different stages of a firm. Similarly, as a firm grows along the enterprise development continuum, its desire for private equity capital rises from start-up through different rounds of growth stage. Thereafter it declines as it approaches initial public offer (IPO). (Abor, 2017; Leach & Melicher, 2012). Thus, firm size bears the same features as earnings volatility, though our results are not exactly the same as discussed above. Finally, the higher the prospect for profit, the less the firm yearns for outside capital as it can finance growth internally. However, this trend may change in the case of a transcendental growth firm, whose penchant for expansion may require huge mezzanine, buyout, or development capital. (Dagogo, 2020; Wilton, 2012).

CONCLUSION

Private equity capital is demanded for enterprise development purposes, from seed through start-up to growth stages. Asset intangibility does not constitute a major hindrance for midmarket firms in receiving private equity capital provided the results of diligence analysis sufficiently support growth prospects, profitability and chances of receiving commensurate return on investment. Private equity finance is very elastic with respect to growth. An indication of growth prospect in a given midmarket firm will arouse slightly more than proportional supply for private equity capital. On the demand side, private equity capital is the most preferred option after internal sources to finance growth because of convertibility prospects and other sweeteners attached to private equity deals. Finally, earnings volatility, firm size and profitability did not show any radical departure from mainstream financial decisions except to manifest a twist of convergence and divergence in no particular order. It is indeed an evidence of mix grill for these three variables in midmarket firms.

Policy implications

This study showed a strong evidence of missing variables that might be part of the intercept. Some of such variables conjectured (for future studies) are changes in private cost of equity and changes in price of interest rate (as close substitute). The overall study thus reflects factors that might cause a shift from one curve to another, not necessarily a movement along the same curve. That is, change in demand for private equity capital in response to factors other than price (cost). Price and other external factors such as inflation and foreign exchange rate do influence these internal variables. For instance, increase in foreign exchange rate will cause both operating and financial costs to rise, leading to a reduction in profit. This means there should be transformation of relevant systemic structure as well as strategic repositioning of individual midmarket firms in alignment with the reforms from the supply side of private equity capital. It will also involve application of financial technology in payment and settlement systems for midmarket firms in their transactions with private equity investors and other stakeholders. This will ensure speed in processing investment, low transaction cost, greater assurance for symmetric information, and reduction in agency problems.

The implications are numerous: creation of an attractive fiscal and legal framework for general and limited partners, incorporation of management or employee stock option plans to attract and retain talents, encourage competition by relaxing the conditions for registering private equity firms, encourage linkage between research institutes and entrepreneurs, establish industrial parks and clusters, strengthen intellectual property right regimes, and provide efficient exit strategies. All of these policies will ensure greater prospects and transformation of Nigeria's docile private equity industry while creating wider access to private equity funds and stimulating private sector participation.

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International Academic Conference Proceedings

PART C

MANAGEMENT/ HOSPITALITY MANAGEMENT TRACK

PROXIMITY AND PERFORMANCE OF HOTELS IN PORT HARCOURT: A CORPORATE OPERATIONS CHALLENGE

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ABSTRACT

The challenge of hotel proximity is is thought to be a major factor in its operations and eventually its performance. It is on this premise that this study sought to examine the relationship between proximity and performance of Hotels in Port Harcourt. The study was guided by six hypotheses stating that there is no significant relationship between proximity (dimensioned by proximity to customers and proximity to staff) and measures of performance (i.e. patronage, customer retention and employee turnover). A sample of ninety managers was drawn from hotels in Port Harcourt using the cluster sampling technique. Pearson's product moment correlation (r) was used in testing the hypotheses at 95% level of confidence. It was found that there is a moderate significant and direct relationship between proximity and patronage; there is a low significant and indirect relationship between proximity and employee turnover; and that there is a significant relationship between proximity and customer retention. Based on these, it was concluded that although some levels of relationship exist between the two constructs, care need to be taken in interpreting and implementing the findings. Hotel owners can use the location of their facility to improve on performance by paying attention to other factors that may influence their performance alongside proximity. Consequently, the study recommended that hotels should be properly located around tourist attraction centers, airports seaports, railways etc., as this will enhance the accessibility of such facilities and boost economic activities; hotel management should collaborate with transport service providers in the aspect of logistics so as to address the issue of proximity and easy access to and fro their facilities.

Keywords: Accessibility, Customer Retention, Employee Turnover and Profitability.

INTRODUCTION

The hotel industry which in recent times has become a significant contributor to national development is often confronted with locational challenges that clog its wheel of operations. These challenges are capable of impeding performance and ultimately, national development which is largely dependent on the growth and success of local businesses. This underscores the importance of business performance, making it one of the most investigated areas in the business and behavioral disciplines. In recent times, this importance of business performance has stimulated the interest of stakeholders like business strategists, product designers, facility managers and workplace consultants to become conscious of the location of their facilities; causing them to site and design physical environments that foster business success (Ndu, 2016). Though the advent and continued growth of electronic business (E-business) seems to downplay this reality; the fact that the hospitality industry mostly thrives on physical contact for service consummation underscores the location-performance correlation. A major consideration in hotel location is proximity; especially to customers and staff. This accounts for the reason why hotels are usually cited at accessible locations; close enough to customers and members of staff. Investigators have linked facility location to varying corporate measurement metrics. For instance, Tepavcevic, Blesic, Bradic, Ivkov and Stefanovic (2016) in their study “Importance of location and exterior of city hotels as elements of guest satisfaction” established that the location of city hotels as well as their exteriors are antecedents of guest satisfaction. Similarly, Manning, Rodriguez and Ghosh (1999) used their article “Devising a corporate facility location strategy to maximize shareholder wealth” to show that location decisions impact on corporate sales revenues. Other studies of similar correlational propositions include Rodriguez and Sirmans (1996); Chan, Gau and Wang (1995); Ghosh, Rodriguez and Sirmans (1995) etc. While these studies focused on the impact of facility location on identified performance metrics, none was found to have investigated the proximity – performance relationship; hence the need for this study.

The investigation of performance in the hospitality industry is so crucial that wherever success is lacking, it is easily noticed. For instance, Ndu (2016) noted that some hotels in Port Harcourt have become declining, with decaying buildings, defaced façade, rain-washed paints; and in extreme cases, rodents and messy environment are common features. Such hotels according to him rather than be centres for beehives of activities, have turned to solitary environments where friends and relatives of management/staff resort to for sleeping and relaxation just to maintain human presence. He further maintained that in such hotels, workers' salaries are unpaid; running cost is high as there is no commensurate revenue to break-even let alone make profits. Although a lot of investment has been made in setting up such facilities, which in the thinking of the researchers are not easily accessible to customers and staff by reason of their not being proximally located. Consequently, it becomes very difficult to quit; and the resultant effect can be best described in the words of Nwachukwu (2006) as escalation of commitment. The effect of location decisions on the performance of firms is so critical that it can have a major impact on future costs and revenues a firm will generate. The indication here is that while organizations expend much energy and resources in deciding where to locate their facilities, they often do not understand the implication of some of the choices they make. Apart from this, much of the findings on factors influencing corporate location decisions are limited to looking at current out-of-pocket costs that influence decisions without recourse to their long-run effects on performance. Since previous studies focused on the location – performance relationship, this study thought it wise to focus on an aspect of facility location (proximity) and how it may impact on the performance of hotels. Saale (2007) had listed a plethora of factors to be considered in locating facilities to among others include proximity; albeit to consumers. While Campbell cited in Hahn (2007) listed some of the measures for organizational outcome data to include profitability, employee turnover and customer retention. Borrowing from these two scholars, this study sought to investigate the relationship between proximity (as dimensioned by proximity to 'customers' and 'staff') and performance (as measured by patronage, customer retention and employee turnover) of hotels in Port Harcourt. This was in an attempt to explain and proffer lasting solution to some of the corporate operations challenge faced by some hotels in Port Harcourt. Specifically, the objectives of the study were to investigate if: 1) Proximity to customers influences patronage. 2) Proximity to customers influences customer retention. 3) Proximity to customers influences employee turnover. 4) Proximity to staff influences patronage. 5) Proximity to staff influences customer retention. 6) Proximity to staff influences employee turnover. These gave rise to six research hypotheses stated thus:

$H_0$1: There is no significant relationship between proximity to customers and patronage.

$H_0$2: There is no significant relationship between proximity to customers and customer retention

$H_0$3: There is no significant relationship between proximity to customers and employee turnover.

$H_0$4: There is no significant relationship between proximity to staff and patronage.

$H_0$5: There is no significant relationship between proximity to staff and customer retention

$H_0$6: There is no significant relationship between proximity to staff and employee turnover.

The apparent relationship between proximity and performance has been modelled in figure1.

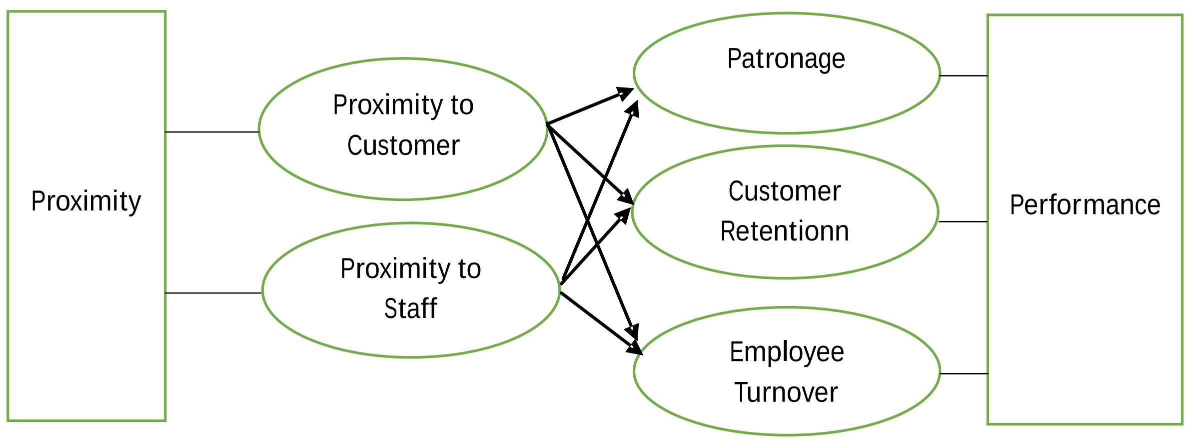

Fig.1: Model of the Relationship between Proximity and Performance

Source: Researchers' Conceptualization 2019, based on dimension of Proximity Adapted from Saale (2007) and Measures of Performance Adapted from Campbell (2005).

Figure 1 shows the flow of relationship between the predictor and criterion variables. The two dimensions of proximity (proximity to customers and proximity to staff) are anticipated to have direct of correlation with the three measures of performance (patronage, customer retention and employee turnover); subject to the test results.

The outcome of this study is expected to help hotel managers and other stakeholders in the hospitality and tourism industry in formulating corporate strategies. It will equally serve as a guide to critical investment decision-making for intending investors. By showing the long-range effects of facilities location decisions on performance, it will aid in proper site analysis and decision making. To the government, it will help in urban planning and development; assist in tackling logistics challenges and regulations that will promote activities in the industry. It will equally assist in determining relevant taxes and duties. To the general public, it will it will help in easy access to hotels and in the rating of hotels. It will equally increase the repertoire of knowledge in the subject matter.

The content scope of the study was limited to literature on facility location and the impact it may have on the performance of hotels. Geographically, the study was domiciled in the hospitality industry of Port Harcourt. Port Harcourt was chosen for the study because of its strategic ability to attract visitors both from within and outside Nigeria. Specifically, the study covered registered hotels in Port Harcourt with minimum staff strength of fifteen and at least twenty standard rooms. Since the study focused on performance thereby making it a macro level study, the unit of analysis was managers of the sampled hotels. The study was organized into major sections comprising introduction, literature review, methodology, data analysis, findings, conclusions and recommendations.

LITERATURE REVIEW

Theoretical Framework

The underpinning theory for this work is the stakeholders' theory. This theory focuses on the purpose of the firm which according to the theory, is to create wealth or value for its stakeholders via the conversion of their stakes into goods and services (Clarkson, 1995) or to serve as a vehicle for coordinating stakeholder interests (Evan & Freeman, 1988). This theory was first propounded as a managerial theory (Secchi, 2007). Accordingly, the organization ought to be managed for the stakeholders' benefit which comprises the owners, shareholders, customers, employees, suppliers and host communities, as well as maintaining the firm's survival (Evan & Freeman, 1988). The decision making structure is based on the discretion of the top management and corporate governance, and frequently it is stated that such governance should incorporate stakeholder representatives. Stakeholder theory is akin to the idea that organizations in addition to their stockholders owe certain obligations to constituent groups in the society beyond that which is prescribed by law or union contracts (Jones, 1995). Hence, stakeholder theory considers individuals and groups with a stake in the organization such as the shareholders, employees, customers, suppliers, host community as well as the natural environment.

Applying stakeholders' theory to this study explains the need for hotel owners to locate their facilities as close enough to the customers, employees and affected stakeholders as possible (Ndu, 2016). Since hotels are primarily built for customers' satisfaction and comfort, it is therefore important for them to be easily accessible to the customers and by extension, the employees.

Concept of Proximity

Facilities such as plants, machinery, and equipment used by organizations and businesses need to be properly sited for effective capacity utilization and optimum performance. It is against this backdrop that the concept of proximity derives its relevance. Consequently, one of the major decisions that need to be made whenever a new business is starting, or an existing one is being expanded, is where to site the major facilities for production/service. Usually, a lot of considerations are made before taking a final decision on where to locate a facility. Saale (2007), posited that "the moment the need for a new facility is apparent, *alternatives* sites must be identified; the cost of the sites must be evaluated and compared with the site with minimum total costs (tangible and intangible) selected". Once a facility is built, it will remain functional all the time (Bai, Li, Peng, Wang. & Ouyang, 2015). In determining the location of a facility, the management of the facility should be considered to ensure effectiveness of the organization Tranchard (2016).

Dimensions of Proximity

It was mentioned earlier that several factors are usually considered before making a decision on where to locate a facility. Although the factors vary significantly in terms of organization, industry and geographic location; Saale (2007), on a general note, has outlined some of the factors usually considered. These include: Integration with group companies, Availability of quality labor, Availability of housing and other amenities for staff, Closeness to source of raw materials, Availability of services, Proximity to consumers, Closeness of seaport and airport, Room for expansion, Construction cost, Political stability, Zoning regulations, Host community, Safety requirements, Free trade zone, Trading blocks, Environmental regulation, Government policies and taxes. However, for the purpose of this study, 'Proximity to customers and staff (employees) were chosen as the two dimensions of the predictor variable. It indicates the closeness of a facility the target customers and employees. In other words, it indicates the ease with which customers and employees access a facility. Its importance is underscored by the fact that there are many competitors; such that accessibility should not be a discouraging factor to customers and other stakeholders.

The Concept of Performance

Varying concepts are usually used in place of business performance. One of such is corporate corporate effectiveness which is a model that explains the effectiveness of an organization in realizing its predetermined objectives (Etzioni, 1964). Richard, Devinney, Yip & Johnson (2009) see it as comprising organizational performance and a plethora of internal performance results usually connected to a more efficient or effective operations. It as well captures other outward measures that relate to thoughts that are wider than those merely related to economic valuation (either by shareholders, managers, or customers), such as corporate social responsibility. Literature on *CE* is polarized in three schools. The first school believes in a single factor measure;

as Hahn (2007), observed that a number of investigators have adopted particular measures of organizational outcomes such as overall effectiveness, readiness, productivity, stability, absenteeism, and so on. Hahn pointed out that there are three difficulties associated with this methodology. Alternative measures adopted may comprise factors like; number of people served, types and sizes of population segments served, and the demand within those segments for the services the organization supplies. While the researcher respects the views of the various schools, this study is predicated on the views of the multi factor measures; in which case, only three of the possible measures – patronage, customer retention and employee turnover rate have been chosen for this study.

Patronage

Patronage is a crucial parameter for measuring the performance of hotels. This is because, the main reason for the existence of hotels is for customers to patronize the services provided. This in turn is expected to lead to positively affect the revenue generated. Hence the survival of any hotel business is largely dependent on the level of patronage it receives; and every other outcome measure is a function of the patronage level.

Customer Retention

In simple terms, this refers to rate at which businesses attract and retain the loyalty of customers to their brand. The goal of every organization, among other things should include customer retention. When customers are satisfied with a product or service, especially its quality, they tend to complain less. Consequently, their loyalty to the brand is almost guaranteed. Although Vonderembose (2011) argued that, customers in addition to product/service quality and/or price, make purchase decisions based on a growing list of factors that are affected by product/service design. According to him, safer and longer lasting products lead to enhanced warrantee provision, which, in turn, impact customer satisfaction (*sic*) retention and warrantee repair costs. The researcher agrees with Vonderembose but wonders why he did not show empirical evidence for his claims. Hence this work sought to establish empirical evidence for the relationships between the dimensions of the predictor variable and this measure of performance.

Employee Turnover

This is the rate at which employee enter and leave an organization. When this rate is high, it does not seem to speak well of the organization and this sends a negative signal about the organization. In a study carried out by Cosh, Hughes, Bullock and Potton (2003) on the relationship between training and business performance, it was found out that training lowered the rate at which employee (engineers) leave their company by 40%. This saved quite a lot of money for the companies. Thus employees tend to stay longer in their organizations if working conditions like pay, transportation, accommodation etc., are favourable.

The Relationship Proximity and Performance

Corporate location decisions can have a major influence on future costs and revenues (profitability) a firm will make (Manning *et al*, 1999). A lot of businesses, particularly those involved in manufacturing and distribution may find selection of the lowest cost operating site to be the most profitable, while others may not. For instance, retail enterprises and service organizations like banks, will find their most profitable site determined by the volume of units that can be sold and / or the possible number of customers / clients that can be reached from a prospective site. Literature tends to support that facility location impacts significantly on profitability (Erickson & Wasylenko, 1980; Manning *et al*, 1999).

The goal of every organization, among other things should include customer retention. When customers are satisfied with the service or product of an organization, they tend to complain less. Consequently, their loyalty to the organization or brand is almost guaranteed. It has been argued that one of the factors to be considered in locating a facility is accessibility (Harding, 1990; Manning *et al*, 1999; Saale, 2008). This is probably because customers will likely consider alternatives that are easily accessible to them than others. This appears to be more evident in the hospitality industry; where convenience, accessibility and quality of service and security are important to the customer.

METHODOLOGY

Since this study was based on hotels in Port Harcourt, the survey research design was adopted. In using this method, observations were made; and data generated from the study sample was analyzed and the result used to make inference upon the population. Hence, in delineating the study population, it is important to state that it consisted of all registered hotels in Port Harcourt. Available records from the Rivers State ministry of tourism and Culture showed that there are two hundred and eighty (280) registered hotels in the state. Out of this number, one hundred and twenty-four are located within the Port Harcourt metropolis, excluding fast food centers, eateries, restaurants, motels, guest houses, brothels, chalets etc. Consequently, the target population consisted of the managers of the 124 registered and functional hotels in Port Harcourt. By international standards and rating, some of these hotels would not pass for a one-star hotel; and could be best described as glorified restaurants. Hence, in delineating the accessible population, the researcher considered the number of rooms and staff in the hotels. As a benchmark, only hotels with at least twenty standard rooms and a minimum of fifteen employees were considered for the study. Out of the 124 hotels in Port Harcourt, only ninety-seven fell under this category. Consequently, the accessible population comprised the 97 managers of these hotels. In order to select the sampling units, the researcher used the cluster sampling technique to select hotels that are located within Aba road, Ikwerre road, Government Residential Areas, Diobu areas and Old Port Harcourt town that fell under the prescribed category. This procedure reduced the number of the sampling units to ninety hotels. Since this number is relatively small, all the sampling units were considered for the study. Consequently, the sample size consisted of the ninety managers of the sampled hotels.

An instrument titled 'Proximity and Performance' was developed for the study and used to generate data for the study. Its purpose was to examine the influence of proximity on performance. The response format was in a five point Likert scale; measured as follows: 4–Strongly Agree; 3–Agree; 2–Disagree; 1 – Strongly Disagree; 0–Undecided. The Pearson's product moment correlation (Rho), which is a non-parametric test, was used in testing the

hypotheses at 95% level of confidence; giving rise to a significant level of 0.05. This analysis was aided with the use of Statistical Package for Social Sciences (SPSS).

Results and Discussions

A total of ninety questionnaires were administered out of which seventy were responded and returned; giving rise to a 77.77% response rate. Out of this number, only fifty were found to be valid for the analyses. This resulted to a 55.56% valid response rate. Consequently, the number of responded questionnaires used for analysis was fifty. A summary of this has been presented in table 1.

Table 1: Questionnaire Response Rate

No of Copies Distributed	% of copies Distributed	No of Copies Returned	% of copies Returned	No of copies not Returned	% of copies not returned	No of Copies Used	% of copies Used	No of Copies Unused	% of Copies Unused
90	100	70	77.77	20	22.23	50	55.56	20	44.44

Source: Survey Data, 2018.

Table 2: Correlation between Proximity to Customers and Patronage

		Proximity to customers	Patronage
Proximity to customers	Pearson Correlation Coefficient	1.000	.431**
	Sig.(2-tailed)	.	.000
	N	50	50
Patronage	Correlation coefficient	.431**	1.000
	Sig. (2-tailed)	.000	.
	N	50	50

**. Correlation is significant at the 0.05 level (2-tailed).

In table 2, a correlation coefficient of 0.431 was recorded at 2-tailed and P-value of .000 < .05. The result of this test shows a moderate significant relationship, as the null hypothesis one was rejected. This further shows that there is a significant relationship between proximity to customers and profitability of hotels.

Table 3: Correlation between Proximity to Customers and Employee Turnover

	Proximity to customers	Employee turnover
Pearson Proximity to customers Correlation Coefficient	1.000	-.392**
Sig.(2-tailed)	.	.000
N	50	50
Employee turnover Correlation coefficient	-.392**	1.000
Sig. (2-tailed)	.000	.
N	50	50

**. Correlation is significant at the 0.05 level (2-tailed).

In table 3, a correlation coefficient of -0.392 was recorded at 2-tailed and P-value of .000 < .05. The result of this test shows a significant relationship, as the null hypothesis two was rejected. This further shows that there is a significant indirect relationship between proximity to customers and employee turnover of hotels.

Table 4: Correlation between Proximity to Customers and Customer Retention

	Proximity to customers	Customer retention
Pearson Proximity to customers Correlation Coefficient	1.000	.282**
Sig.(2-tailed)	.	.960
N	50	50
Customer retention Correlation coefficient	.282**	1.000
Sig. (2-tailed)	.960	.
N	50	50

**. Correlation is not significant at the 0.05 level (2-tailed).

In table 4, a correlation coefficient of 0.282 was recorded at 2-tailed and P-value of .960 > .05. The result of this test shows a no significant relationship, as the null hypothesis was accepted. This further shows that there is no significant relationship between proximity to customers and customer retention.

DISCUSSION OF FINDINGS

In the testing of hypothesis one, the finding showed a moderate significant and direct relationship between proximity to customers and profitability. Meaning that as proximity to customers increased, profitability increased moderately to the tune of 18.58% leaving 81.32% to other factors not captured in the model. This finding agrees with that of Manning *et al* (1999) and Wasylenko (1980) who used their works to associate facility location with profitability. As stated earlier, it is understandable that proximity to customers alone cannot guarantee high profitability. Other factors like total costs and overhead all contribute to determine profit.

In hypothesis two, the finding showed that there is a moderate significant but indirect relationship between proximity to customers and employee turnover. Meaning that as proximity to customers increased, employee turnover decreased moderately at the rate of 15.37% leaving the remaining 84.63% to other exogenous factors. The finding agrees with Harding (1990); Manning *et al*, (1999); Saale, (2008). The moderate relationship may be explained by the impact of distance covered, carrying cost and other extraneous variables. For instance, while Harding tried to forecast that, in the future, global business competition will push companies in capital-intensive manufacturing, service and distribution industries, with high service requirements, to locate closer to their markets, this is to ensure easy accessibility to customers which will give rise to a profitable organization and employees will be engaged further.

Lastly, the result from hypothesis three testing, showed the non-existence of a significant relationship between proximity to customers and customer retention. Meaning that no meaningful relationship can be established between the variables. This finding differs from the works of Manning *et al* (1999) and Wasylenko (1980) who tried to associate facility location with customer retention. As stated earlier, it is understandable that proximity to customers alone is not enough to guarantee customer retention; other factors like quality of service, price, availability of world class facilities etc., are the main factors that largely determine customer loyalty.

RECOMMENDATIONS

The essence of every scholarly work is to proffer lasting solutions to observed problems and challenges. Consequently, the following recommendations were made based on the findings of this work.

1. The government, regulatory agencies and hotel owners should ensure that our hotels are properly located around tourist attraction centers, airports seaports, railways etc. This will enhance the quality of such places and boost economic activities. It is believed that this will not only contribute to economic growth, but will add to the aesthetics of our cities in terms of urban planning and development.
2. Hotels should try as much as possible to provide and / or create a transport logistics arm in their operations portfolio. This can be achieved by partnering with transport companies so as to provide easy access and movement to and fro their hotel venues. This will not only aid customers and guarantee patronage; but will as well assist employees in movement to and fro their work places (i.e. the hotels).
3. Hotels should to engage facility location experts when carrying out their site analysis. This it is believed will help to integrate and factor in all possible considerations into the analysis so as to enhance the quality of the final location decision.

CONTRIBUTION TO KNOWLEDGE

This research work examined the relationship that exists between facility location and corporate effectiveness of hotels in Rivers State. The major premise and contribution to this study to the body of knowledge is its distinctive examination of the relationship between the study variables within a socio-economic context much unique and different from others within which the topic has previously been examined. Furthermore, the association of the dimension and measures established a connection between the predictor and the criterion variable; thereby extending the frontiers of knowledge and proffering practical solutions to organizational challenges.

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Performance Appraisal and Employee Commitment of Deposit Money Banks in Rivers State, Nigeria.

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ABSTRACT

This study empirically investigated the relationship between performance appraisal and employee commitment of deposit money banks in Rivers State. In a cross sectional survey of 1200 target population, a sample size of 300 employees were derived and copies of questionnaire were administered to gather data which were analyzed using Spearman Rank Correlation Coefficient from which the formulated hypotheses were tested. The outcome of the analysis shows that the dimensions of performance appraisal (performance feedback and performance reward) relates significantly with continuance and affective commitment. It was observed performance appraisal has a great linear relationship on the rate of commitment asserted by workers in banking firms. Consequently, it was recommended that managers should place more emphasis on celebrating employees' high performance to ignite their level of commitment.

Keywords: Affective Commitment, Continuance Commitment, Performance Appraisal, Performance Feedback, Performance Reward

INTRODUCTION

Nowadays, organizations are not just worried about their survival in the competitive market, but about the relationship between management with its employees and how devoted employees are in relation to job conditions (Ebikeseye & Dickson, 2018). In an organization that provides financial services like deposit money bank; top executives are keen to know the enthusiasm employees are asserting into performing their duties like attending to customers, opening of accounts, handling complaints, and various customer service activities. Supportively, Wainwright (2018) observed that employees that are committed to their business units usually feel more associated and connected with better sense of belongings than others who are

otherwise. The author added that committed employees are likely to be more enthusiastic, show greater degree of productivity and proactive in handling organizational matters. Similarly, Khan, Rehman, and Akram (2012) contended that employee commitment is always agreed by scholars as a tool that enhances organizational satisfaction thereby leading to success among individuals in the industry. Additionally, Epitropaki and Martin (2005) argued that good implementation of organizational task has a positive link with affective commitment. This implies that workers who have emotional bond with an organization has possible tendencies to get job well done for the benefit of the establishment. This thus necessitates a further investigation on what bothers on employee commitment. Similarly, Irefin and Mechani (2014) noted that organizations view commitment of their employees as an essential factor since it leads to reduced lateness, absenteeism and employee turnover. In addition, Owens (2006) observed that employee commitment which implies a psychological conditioning of an employee to be devoted in a specific job has a close link to performance of organizations and thus evaluating or appraising the performance of an organization become a necessity.

Furthermore, Lillian and Sitati (2011) noted that the idea behind evaluation or appraisal of workers' performance historically began as an upshot of time and motion studies of Frederick Taylor in the 20th century. Performance appraisal entails monitory measure set in place to oversee the job of employees and how well they are able to achieve organizational objectives over a period of time. In addition, Kateřina, Andrea, and Gabriela (2013) asserted that “performance appraisal” is among the crucial tools utilized by human resource managers. Kondrasuk (2011) noted that “performance appraisal” together combined with reward system represent a critical aspect of management. Senyah, Coffie, and Adu-Pakoh (2016) opined that appraisal of “employees' performance” assists to enhance workers' performance which cumulates to overall firm performance. For instance, in the banking sector where employees are guided by supervisors and managers, when sales team perform better based on appraisal measures put in place, it could have a positive effect on the returns on investment and the pay of the sales team as well.

Despite the crucial role of “performance appraisal,” very few studies have emphasized their study on the correlation amongst application of appraisal of staff and their commitment of deposit money banks in Port Harcourt. For instance, Ebikeseye and Dickson (2018) conducted a study on “Employee Commitment to Work as an Ingredient for Service Delivery of Selected Firms in Bayelsa State.” Findings showed a significant linear association amongst level of employees' commitment and job performed over time. Also, Senyah, Coffie, and Adu-Pakoh, (2016) conducted a study on “performance appraisal and work productivity with a focus on Kumasi” and observed that there are less empirical studies on performance appraisal effectiveness and productivity yet, the study paid less regard to how appraisal relates to employee commitment. Hence, the present study seeks to bridge this knowledge gap.

Statement of Problem

Observably, deposit money banks in Port Harcourt are meant to experience a total internal organizational success but such has not been fully achieved as majority of them still experience low employee commitment. Low commitment of employees could be as result of low remuneration, negative organizational policies, poor employee-organizational relations and lack of knowledge about employees' behavior. Evidently, Irefin and Mechani (2014) argued that poor commitment of workers could be very detrimental to the success of organizations. The study also observed that most managers lack understanding of reasons behind their employees' low commitment towards their job and have taking certain actions to boost commitment that did not yield better result. Inability of firms to know why an employee is not commitment may affect their capability to tackle the challenges of low commitment and such may result to low productivity and a gradually winding up of the business. Hence, it becomes critical for an empirical examination of the link between performance appraisal and employee commitment which the study seeks to address. This study intent to find possible solutions to the identified problem.

Objectives of the Study

The objectives of the study are to examine the relationship between:

i. Performance feedback and employee commitment.

ii. Performance reward and employee commitment.

Research Questions

i. What is the relationship between performance feedback and employee commitment?

ii. What is the relationship between performance reward and employee commitment?

Research Hypotheses

H_1: There is no significant relationship between performance feedback and Continuance commitment of deposit money banks in Rivers State, Nigeria.

H_2: There is no significant relationship between performance feedback and effective commitment of deposit money banks in Rivers State, Nigeria.

H_3: There is no significant relationship between performance reward and Continuance commitment of deposit money banks in Rivers State, Nigeria.

H_4: There is no significant relationship between performance reward and affective commitment of deposit money banks in Rivers State, Nigeria.

RELATED LITERATURE

This study is founded on resource-based view (RBV) and McGregor Theory X and Y. The resource based theory is anchored on the proposition that firm's performance is influenced by firm-specific resources and capabilities which connotes that resources are distributed differently (unevenly) within an industry. Therefore, businesses need to know more about their strength as they have to develop strategies used to stand the competitive business environment and enhance performance (Sauerhoff, 2014). The McGregor Theory X and Y was formulated by Douglas McGregor in his book, 'The Human side of Enterprise' published in 1960. The theory was born from critical examination of organizational behavior which gave rise to extreme assumptions known as X and Y. Theory X opined that workers inherently dislike work and will evade it if he / she can. The theory further opined that given their dislike for work; most people must be controlled and threatened before they will work hard enough in the organizational settings. The Theory Y, in other words postulates that spending physical effort in work is enjoyable. This angle of the theory posits that control and punishment are not only method used to enhance and stimulate humans' desire to work, rather, man will direct himself if he is committed to the aims of the organization (Senyah, Coffie, & Adu-Pakoh, 2016). Further, Mohamed and Nor (2013) noted that

McGregor's theory X and Y has been a general accepted basic principle adopted to development of positive management style. The theory X and Y exposes managers on the kind of strategies to put in place to ensure effective and efficient performance appraisal and actualization of set goals and objectives. Also, Kostopoulo, Spanos, Prastacos (2002) opined that the resource-based theory main focus on providing answers to the question of why organizations differs and what drives their achievement of greater performance and competitive advantage via utilization of resources; whereas the McGregor X and Y theory also provides insights on reason behind workers' commitment, motive and willingness to work. Hence, both theories are relevant to the study and serve as theoretical frameworks.

Research Model

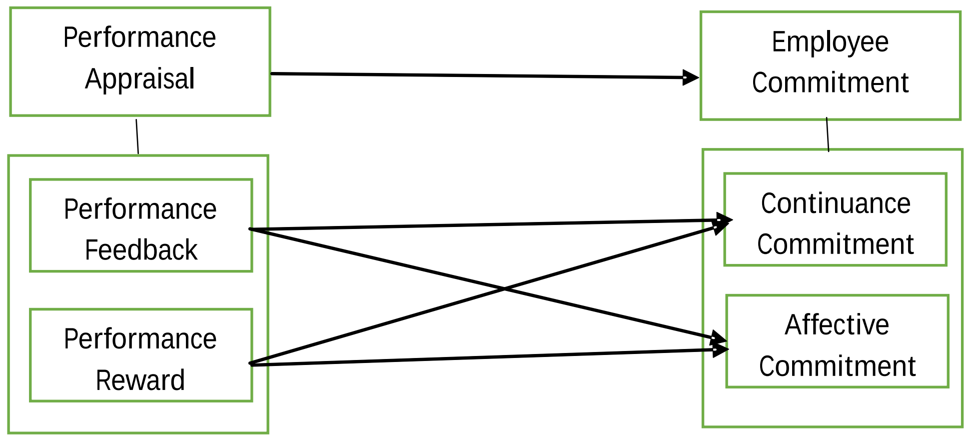

Figure 1 A conceptual framework for the study.

Source: Adapted from Radosavljević, Ćilerdžić, & Dragić (2017); Meyer and Allen (1991)

Concept of Performance Appraisal

The concept of performance appraisals refers to a systematic and periodic process of assessing a workers' job performance and productive capacity in terms of the organizational goals and objectives including the criteria for measurement or evaluation. Appraisal could be in different dimensions such as obtaining feedbacks, counselling and development of employees, analyzing compensation or reward system, job status and corrective measures (Senyah, Coffie, & Adu-Pakoh, 2016). The term “performance appraisal” is a system which offers organizations with a way of identifying not only what people's performance levels are but which areas those levels need to be enhanced and properly utilizing the resources already allocated. For it to be effective, management need to ensure that workers are given explicit instructions and be informed about their functions and responsibilities (Atiomo, 2000). More so, it is a process that concerns deliberate stock taking of the success that an individual or organization has achieved in performing assigned duty at a specified time frame. Performance appraisal is an intentional process conducted by management and it calls for thoughtful method of evaluating and comprehending the extent to which an individual undertakes his / her task (Alo, 1999).

Furthermore, the concept of “performance appraisal” can be traced back to the Frederick Taylor's time and motion studies which gave rise to scientific management principles in the 1940s. Taylors' studies added to the merit rating which was used as a method of justifying workers' wages (Lillian & Sitati, 2011). Performance appraisal of employees can be divided into two forms – formal (systematic) and informal (non-systematic) appraisal where the informal appraisal implies regular evaluation of a worker by the worker's head or supervisor during a working condition (Dědina & Cejthamr, 2005) whereas formal performance appraisal is an official organizational practice conducted by a systematic method to examine the difference between the expected personal or group performance and the actual performance (Giangreco, Carugati, Sabastino, & Al Tamini, 2012). Kateřina, Andrea, and Gabriela (2013) noted that different ways of appraisal exist and differs in terms of their laboriousness or difficulty, time factor and cost. Appraisals of how workers are performing are classified based on the area they are focused on, the situations on ground and purpose. Studies have classified performance appraisal into two; traditional methods and modern methods where the former methods of appraisal place prominence on performance but the modern approaches are similarly to procedures focusing on employee's development potential e.g. management by objectives (MBO), Assessment center and 360-degree feedback, (Deb, 2006; Khurana, Khurana, & Sharma, 2010).

Performance Feedback

Performance feedback relates to 360-degree feedback which involves feedback from different groups within the work condition that consist of peers, subordinates, bosses and consumers with the aim of gaining wider appraisal which captures all aspects of the employee (Senyah, Coffie, & Adu-Pakoh, 2016). The 360-degree feedback is a multiple facet kind of feedback that involves collation of information from all sources that come in contact with the individual employee under appraisal. Also, Kluger and DeNisi (1996) noted that generating feedbacks in regards to employees' performance is a known reality in most institutions.Furthermore, Ilgen and Davis (2000) noted that the most difficult aspect of performance appraisal is providing a negative feedback to an individual worker. Managers are not eager to give negative feedback, and employees ? nd it very dif? cult to condole negative feedbacks especially when it does not meet what they are expecting. Similarly, Aguinis, Gottfredson, and Joo (2012) noted that performance feedback is a vital aspect for employees as it has capability of enhancing the worker's zeal, engagement and satisfaction. The author stated that majority of top executives find it difficult to provide negative feedback that may result to more harm than good hence there is a shift from the usual weakness-based feedback that relies on negative occurrences to a strength-based feedback that focuses on encouraging the employee. Feedback in relation to how workers performed is an information about an individual worker's past events with regard to an established standard of behavior and outcomes with aim of enhancing the employee's engagement and satisfaction (Aguinis, 2009).

Performance Reward

Performance reward includes an organization's integrated policies, processes and initiatives for rewarding its workers in accordance with their contribution, expertise and capability with respect to the value of their market. Obisi (2003) noted that performance reward is a prize given to individual workers as an incentive for their performance of a task. Johnson, Houmanfar, and Smith (2010) noted that the aim of a reward system is for attraction, retention, and motivation of

employees which will in turn stimulate their zeal to support organizations to reach its short and long term goals with their skills, competence and commitment. Neckermann and Kosfeld (2008) differentiated between two major types of performance reward system to include intrinsic and extrinsic rewards. The intrinsic performance reward system is often denoted as non-financial reward packages that are inherent in an activity and not depending on the actions of any other person while extrinsic performance reward is directly related to the actions of an external body other than the individual such as money, retirement benefits, compensation, etc.

Employee Commitment

Grimsley and Allison (2019) viewed employee commitment as a workers' psychological connection to the establishment they work with over time. The authors opined that employee commitment can be traced to the three component model (TCM). The model identified the basic dimensions of commitment which includes affective, continuance and normative commitment. The affective commitment implies emotional feelings while continuance means being committed to an organization due to the belief that leaving will involve more cost whereas normative commitment deals with feeling of been obliged. Bin Dost, Ahmed, Shafi and Shaheen, (2011) noted that employee commitment could be considered to occur when an employee desires to spend more time working with a specific organization for a period of time. Owens (2006) noted that employee commitment leads to higher performance whereas none commitment employee causes more harm to the organization. Committed employees who are highly devoted towards contributing their time and energy to the accomplishment of organizational objectives are increasingly recognized to be the prime asset available to any establishment (Hunjra, 2010). Meyer and Allen (1991) noted that commitment is mirrored in three general subjects namely: active association, the foreseeable costs of exiting the establishment and the duty to stay put in the firm which are also known as affective, continual and normative respectively. Similarly, Indradevi and Veronic (2018) noted that worker's commitment is a psychological binding of individual to a particular nature of job and a specific organization. The study opined that commitment has general definition which cover most of the definitions provided by other authors which is the relative power of an employee's empathy with and connection to a precise organization's dealings.

Continuance Commitment

This is the commitment that occurs owing to considering the cost of exiting the establishment. These cost could include factors revolving around the threat of wasting time, loss of attractive benefits, relinquishment of privileges, and lack of alternative changes of employment (Radosavljević, Ćilerdžić, & Dragić, 2017). Beck and Wilson (2000) noted that continuance commitment is viewed as an instrumental attachment to the organization, where the individual's dedication towards working with an organization is backed up by an assessment of economic benefits. Indradevi and Veronic (2018) stated that continuance commitment happens when a worker prefers to continuously work with an organization with aim of satisfying his / her needs as there is no other available source of income or alternative job. It is viewed as a calculative form of commitment since individuals remain stable with the organization as a result of the money earned after spending much time with the organization. Ebikeseye and Dickson (2018) defined continuance commitment as the awareness of the cost related to leaving the current business institution. The study outlines some possible cost of leaving the firm to include: threat of wasting time to obtain a non-transferrable skill, fear of missing out from attractive benefits, disruption of personal relationships and loss of senior level work privileges.

Affective Commitment

Affective commitment denotes a worker's emotive attachment to an institution or organization, its empathy with the establishment and participation in its operation in meeting the objectives over time (Radosavljević, Ćilerdžić, & Dragić, 2017). Mowday (1982) observed that the concept "affective commitment" comes as a result of four basic factors which are (1) individual characteristics, (2) structural characteristics, (3) type of work and (4) work experience. The affective commitment of employees occurs when the values and goals of an establishment is in correspondence with the individual employee' perception. This could lead to development of pride and loyalty for the organizations and thus stimulates pledge towards ensuring the organization reaches its objectives (Mowday, Steers, & Porter, 1979).

Empirical Review

Similarly, Khan, Rehman, and Akram (2012) conducted a study on how staff commitment impact worker's satisfaction having employee performance as a moderating variable" with data collected from open-ended questionnaire administered to employees of different sectors in the cities of Lahore, Faisalabad and Karachi. Findings show that strong faith, recognition of goals, active participation and organizational norms has influence on organizational growth and serve as a source for employee commitment. Indradevi and Veronic (2018) conducted a study on "The outcome of employee commitment in health industry" with a sample of employees in hospitals in Vellore District, Tamilnadu. Data was analyzed using one-way analysis of variance (ANOVA) and structural equation modelling (SEM), findings shows that employee commitment results to certain behavioral outcomes which include job performance, job stress, and intention to quit job. Also, findings show that continuance commitment is significant to performance as reflects in employees' skills and devotion to perform duties. Further, Ebikeseye and Dickson (2018) conducted a study on "Employee Commitment to Work as a Constituent for Service Delivery of Selected Firms in Bayelsa State." Data was collected from 10 indigenous companies registered with Bayelsa State Ministry of Commerce and Industry and focus on the sample of 140 employees. Adapting Spearman' rank Correlation coefficient at 0.05 and result showed a positive link between "employee commitment and job performance" which implies that the level of job performed is determined by the level of an employees' commitment.

In addition, Kaymaz (2011) on "Performance Feedback: Individual Based Reflections and the Effect on Motivation" and sample was selected from manufacturers in the automotive sector in Bursa. Data was analyzed using multiple regression and five indicators were used to measure performance feedback in relation to motivation which includes 1) decrease in performance ambiguity, 2) development of manager-subordinate relationships, 3) facilitating the achievement

of goals, 4) supporting personal development, and 5) adaptation to change. The study made effort to compare previous studies which affirmed that performance feedback has positive influence on employee motivation. After a regression analysis, findings show that only decrease in performance ambiguity has positive effect on workers' motivation whereas other indicators such as development of manager-subordinate relationships, facilitating the achievement of goals, supporting personal development, and adaptation to change has negative effect on motivation.

Performance Appraisal and Employee Commitment

Robbins (2001) opined that situation where employees feel happy about their rewards; they are more motivated towards their work which affects the organizational performance positively. Similarly, Bashir and Ramay (2008) found that there is a direct association between employee performance and reward system practices which implies that a performance reward method of performance appraisal has a positive relationship with employee commitment. Peiperl (2001) asserted that performance feedback could serve as a significant inspirational source for employees if conducted effectively. Also, feedback as a part of performance appraisal could serve as a motivational factor to employees' commitment. Brett and Atwater (2001) opined that providing a negative feedback may have adverse effect on employees' commitment level as they may become less cooperative and their work performance may suffer, averting continuous work enhancement and behavioral modification which occurs as a result of difference in their personal characteristics. Further, Also, Johnson, Houmanfar, and Smith (2010) asserted that performance reward enhances employees' willingness to be committed with their skills and competence to ensure organization reaches their goals. Lawler (1981) asserted that performance rewards play a significant part in explaining the significant performance of task and that it is positively associated with stimulating workers to work better.

METHODOLOGY

The study adopted a survey design method which allowed the gathering of data from target population of the study at a stipulated time bound. The target population are employees of 23 deposit money banks enlisted in CBN Records. A total of 1200 managerial staff of the 15 deposit money banks was covered as the accessible population of the study. Adopting Yamane's sample size determination formula, a sample size of 300 employees were derived. The systematic sampling technique which gives a true representative of the whole population was utilized. The independent variable (performance appraisal) was operationalized in performance feedback and performance reward as adapted from Senyah, Coffie, & Adu-Pakoh, (2016). Performance feedback was measured with 7 items (e.g. my boss gives me information about my work, I get details of my performance quarterly). 7 items were used in measuring performance reward (e.g. I get paid based on my skills, I get compensated when I hit a target). Also, the dependent variable (employee commitment) was measured using continuance commitment and affective commitment. Continuance commitment was measured with 5 items (e.g. I am willing to remain in this firm because of lack of alternatives, i have something to loss if I leave this firm) while 5 items were used to measure affective commitment (e.g. I feel delighted working in this firm). Items were rated on a 4 point Likert scale ranging from 1-strongly disagree, 2-disagree, 3-agree, and 4-strongly agree. Spearman rank correlation coefficient was used to test hypotheses.

RESULTS

A total of 300 copies of questionnaire was distributed to the respondent, thus only 284 (94.7%) copies where returned. Among the total returned copies, only 280 copies were completely filled and found valid for analysis. 182 (65%) of the respondents were male while 92 (35%) of the respondents were female. This implies that bank employees in Rivers State are dominated by male folks. The hypotheses were undertaken at a 95% confidence interval implying a 0.05% level of significance and the decision rule set at a critical region of $p > 0.05$ for acceptance of the null hypotheses and < 0.05 for rejection of the null hypotheses.

Test of Hypothesis

Table 1: Performance feedback and Continuance Commitment

Correlations

			Performance Feedback	Continuance Commitment
Spearman's rho	Performance Feedback	Correlation Coefficient	1.000	.827
		Sig. (2-tailed)	.	.000
		N	280	280
	Continuance Commitment	Correlation Coefficient	.827	1.000
		Sig. (2-tailed)	.000	.
		N	280	280

**. Correlation is significant at the 0.05 level (2-tailed).

The outcome of the bivariate analysis in table 1 indicated that a significant link exists amongst the variables with a P-value of 000< 0.05 level of significance, and a rho value of .827. Thus, the stated hypothesis in null form was rejected and the alternate was accepted.

Table 2: Performance feedback and Continuance Commitment

Correlations

			Performance Feedback	affective Commitment
Spearman's rho	Performance Feedback	Correlation Coefficient	1.000	.611
		Sig. (2-tailed)	.	.000
		N	280	280
	Affective Commitment	Correlation Coefficient	.611	1.000
		Sig. (2-tailed)	.000	.
		N	280	280

**. Correlation is significant at the 0.05 level (2-tailed).

The outcome of the bivariate analysis in table 2 indicated that there is a substantial link between both variables with a P-value of 000< 0.05 level of significance, and a rho value of .611. Thus, the stated hypothesis in null form was rejected and the alternate was accepted.

Table 3: Performance Reward and Continuance Commitment

Correlations

			Performance Feedback	Continuance Commitment
Spearman's rho	Performance Reward	Correlation Coefficient	1.000	.814
		Sig. (2-tailed)	.	.000
		N	280	280
	Continuance Commitment	Correlation Coefficient	.814	1.000
		Sig. (2-tailed)	.000	.
		N	280	280

**. Correlation is significant at the 0.05 level (2-tailed).

The outcome of the bivariate analysis in table 3 indicated a noteworthy link amongst the variables with a P-value of 000< 0.05 level of significance, and a rho value of .814. Thus, the stated hypothesis in null form was rejected and the alternate was accepted.

Table 4: Performance Reward and Affective Commitment

Correlations

			Performance Feedback	Affective Commitment
Spearman's rho	Performance Reward	Correlation Coefficient	1.000	.776
		Sig. (2-tailed)	.	.000
		N	280	280
	Affective Commitment	Correlation Coefficient	.776	1.000
		Sig. (2-tailed)	.000	.
		N	280	280

**. Correlation is significant at the 0.05 level (2-tailed).

The outcome of the bivariate analysis in table 4 indicated is a substantial association amongst performance reward and affective commitment with a P-value of 000< 0.05 level of significance, and a rho value of .776. Thus, the stated hypothesis in null form was rejected and the alternate was accepted.

DISCUSSION OF FINDINGS

Appraisal of employees' performance have been found to play critical role towards the continuity of organizations. Based on the analysis, it was observed that performance appraisal has a linear correlation with employee commitment of deposit money banks. The result from the first hypotheses revealed that performance feedback has a linear notable correlation with continuance commitment based on the P-value less than 0.05 (P-value = 0.000 <0.05) and rho value of 0.827 implies that an increase in performance feedback activities in the deposit money banking sector will subsequently lead to an increment in the level of continuance commitment of the employees. The rho value of 0.827 indicates a very strong positive relationship amongst the variable and the coefficient of determination (r2) is 0.684. Implying that 68.4% total variation in continuance commitment of the deposit money banks can be accounted for by performance feedback in the organization. Also, the analysis of the second hypothesis show that performance feedback has a linear notable correlation with affective commitment based on the P-value less than 0.05 (P-value = 0.000 <0.05) and rho value of 0.611 implies that an increase in performance feedback activities in the deposit money banking firms will subsequently lead to an increment in the level affective commitment of the employees. The rho value of 0.611 shows a strong positive relationship amongst the variable and the coefficient of determination (r2) is 0.37.3. This shows that 37.7% total variation in affective commitment of the deposit money banks can be accounted for by performance feedback in the organization.

Further, performance reward has a linear notable correlation with continuance commitment

based on the P-value less than 0.05 (P-value = 0.000 <0.05) and rho value of 0.814 implies that an increase in performance reward activities in the deposit money banking firms will subsequently lead to an increment in the level of continuance commitment of the employees. The rho value of 0.827 indicates a very strong positive relationship amongst the variable and the coefficient of determination (r2) is 0.663. This shows that 63.3% total variation in continuance commitment of the deposit money banks can be accounted for by performance reward in the organization. In addition, performance reward has a linear notable correlation with affective commitment based on the P-value less than 0.05 (P-value = 0.000 <0.05) and rho value of 0.776 implies that an increase in performance reward activities in the deposit money banking sector will subsequently lead to an increment in the level of affective commitment of the employees. The rho value of 0.776 indicates a strong positive relationship amongst the variable and the coefficient of determination (r2) is 0.602. This shows that 60.2% total variation in affective commitment of the deposit money banks can be accounted for by performance reward in the organization. These positive correlations relate to several studies like Kathombe, Kipchumba, & Kirui (2018) who found a positive relationship between performance reward and employee commitment. Also, Kaymaz (2011) noted that only decrease in performance ambiguity positively influences worker's zeal to work.

CONCLUSION AND RECOMMENDATION

Appraising the works of employees is a matter of necessity for organizations that wish to maintain a stable organizational performance being that employees are the major drivers of success in organizations. Ensuring a favourable appraisal method goes far to define the success of appraisal strategies adopted by organizations; thus, management is charged with the obligation of carefully scrutinising the technique that works. Performance feedback entails ensuring employees get updates and information about their progress and performance level in their daily or monthly task. Most cases, the use of 360 feedback techniques could serve as a better option when the management tries to achieve a multiple feedback framework as the case may be. Furthermore, the performance reward works with certifying that workers are reinforced when they reach a specific set goals in order to boost their morale for higher performance. managers would need to know which performance reward that works either non-financial or financial based on the work condition and individual or social attributes. Conclusively, appraisal of staff's performance has a great positive effect on the level of commitment employees assert in a banking firm especially in Rivers State. Thus, following the findings and conclusion; the following recommendations are hereby proffered:

i. Human resource management should recognize employees that have performance higher than others and find other incentive to give them in order to reinforce their morals for higher commitment.

ii. Appraisal process should be bias free as such will help ensure high commitment level of the employees.

iii. Managers of deposit money banks should place more emphasis on celebrating employees' high performance to ignite their level of commitment.

iv. Heads of human resource department of deposit money banks in Rivers state should ensure a constant avenue to enhance worker's performance with in-house trainings and thus improve their level of commitment.

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INNOVATION MANAGEMENT CAPABILITIES AND ORGANIZATIONAL REPOSITIONING: EVIDENCE FROM FAST MOVING CONSUMER GOODS COMPANIES

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ABSTRACT

This paper assessed the relationship between innovation management capabilities and organizational repositioning in Nigeria. Questionnaire was the major instrument of data collection administered to one hundred and twenty-two (122) employees of selected fast moving consumer goods companies. Five (5) dimensions of innovation management capabilities (research and development capitals, research and development collaborations, patenting, business restructuring and acquisition and recruitment of skilled personnel) as well as three (3) organizational repositioning dimensions (growth, market share and competitive advantage) were regressed. Our empirical results demonstrate that fast moving consumer goods companies with innovation management capabilities such as research and development capitals, collaborations, patenting, business restructuring and acquisitions and recruitment of skilled personnel perform better and are well-positioned. Again, innovation management capabilities dimensions of recruiting skilled personnel, patenting and business restructuring and acquisition activities appeared to account for the increased market share, growth and competitive advantage of Nigerian fast moving goods companies. Given the results, it is recommended that for fast moving consumer goods companies to gain increased competitive advantage, market share and growth, they should advance their commitments in recruiting skilled personnel and engage in patenting and business restructuring and acquisition activities. More so, fast moving consumer goods companies should increase research and development capitals and collaborations as means of becoming innovative and in keeping organization repositioned.

Keywords: Innovation management capabilities; Organizational repositioning; Research and development capitals; Business restructuring and acquisition; Patenting; Research and development collaborations

JEL Classification: M0; M49; O31; O32

INTRODUCTION

In literature, innovation management capabilities have been widely acknowledged as a major source of competitive advantage, improved market share, growth and development of new products and processes. The culminating drives for which management seeks of innovation management capabilities is to reposition organizational processes, technology, infrastructure, strategy, and knowledge towards effective and efficient realization of business goals (OECD,

2007; Sueptaetrakun & Tangthong, 2018; Asim & Sorooshian, 2019; Zeineb & Aissi, 2020).

Rycroft and Kash (1999) contend that innovation management capabilities demand a process of consolidation between technology and cultural perspective. Perhaps, the reason why organizations experience stern problems in becoming innovative due to lacks of capital expenditure on technology and expertise to use technology effectively and efficiently (Alstrup, 2000). Accordingly, organizations that can fuse innovation capabilities with technology are perceived to have an increased prospect of being well-positioned in areas of market share, profitability and competitive advantage (Zemplinerová & Hromádková, 2012; Razavi & Attarnezhad, 2013; Kozioł, Kozioł, Wojtowicz & Pyrek 2015).

Innovation refers to improvement in an organization's processes, products, structures, and policies in order to add significant values either directly for the organization or directly for the customers or employees via the use of technology or knowledge management (Carnegie & Butlin, 2003). Similarly, innovation management capability is all about managing the competencies and skills of the organization strategically in order to adapt both internally and externally. Prior studies have empirically assessed the degree of organizations' innovative capabilities (Kim & Oh, 2002; Souitaris, 2003; Azar & Ciabuschi, 2016; Meroño-Cerdán & López-Nicolás, 2017; Sueptaetrakun & Tangthong, 2018).

To our knowledge, no empirical study has been carried out to ascertain the nexus between innovative management capabilities and organizational repositioning at company level, particularly for fast moving consumer goods (FMCG) companies in Nigeria. Again, there is inconclusive research on the relationship between innovation management capabilities and organizational repositioning dimensions like market share, growth and competitive advantage in Nigeria. In fact, the dearth of empirical studies on the relationship between innovation management capabilities and organizational repositioning has provoked researches, especially as FMCG companies are now becoming more efficient and well placed in local and global markets due to innovation management capabilities – process, infrastructure and strategic capabilities.

In Nigeria, FMCG companies are among the most domineering but an extremely competitive industry. FMCG companies entailed sorts of goods such as care products, electronics, foods, domestic goods, drinks, among others. Nadube and Oluwagbemiga (2020), Binuyo, Ekpe and Binuyo (2019); Buul and Omundi (2017); and Suh and Lee (2018) posited that FMCG companies face keen competition. The challenges faced by the FMCG companies have deepened due to government intervention in areas of exclusion of price and foreign exchange controls, and initiation of investment free market (Farayola & Adeleke, 2018).

FMCGs are multitrillion-dollar industry that cuts across the whole gamut of production value chain including wholesale, distribution and retail trade. FMCG industry has endured harsh global economic and financial crises, which propelled instability in prices of commodities and cramped lending activities of financial institutions among others (Cowry Industry Review, 2012). Therefore, to survive in the industry, FMCG companies have resorted to employ diverse strategies in order to keep their business operations; one of such strategies is innovative management capabilities.

Moreover, with the vital role played by innovation management capabilities in making FMCG companies efficient, there is thus the need to assess whether innovation management capabilities dimensions (particularly research and development capitals, research and development collaborations, patenting, business restructuring and acquisition, and recruitment of skilled personnel) are the major determinants of organizational repositioning among FMCG companies. The remaining parts of this paper are sectioned as follows: Review of Literature and Hypotheses Development, Research Methods, Results, Discussions, Conclusion and Recommendations.

REVIEW OF LITERATURE AND HYPOTHESES DEVELOPMENT

Innovation Management Capabilities

Innovation and technological advancement are widely acknowledged as critical fundamental sources of sustainable competitive advantage because they bring about process and product enhancements (Atalay, Anafarta & Sarvan, 2013), continuous advances that aid organizations to survive and make them grow more rapidly and efficiently (Sueptaetrakun & Tangthong, 2018), and ultimately repositioning them to gain robust market share and growth.

Innovation management capabilities refer to the management of organizational competencies and abilities strategically to adapt both internally and externally. According to Asim and Sorooshian (2019), there are nine innovation capabilities - knowledge process, technology process, knowledge infrastructure, knowledge strategic, knowledge management, technology management, technology strategic, innovation management and technology infrastructure capabilities.

This paper focuses on one innovation capabilities facet - innovation management capabilities, particularly innovation process and infrastructure capabilities. Innovation management capabilities entail research and development (R&D) collaborations, R&D capitals, business restructuring and acquisitions, knowledge sharing, initiation of new products, external networking, knowledge creation processes, patenting, and recruitments of skilled personnel among others (Asim & Sorooshian, 2019; Lehtoranta, 2005; Souitaris, 2003).

Again, we employ five innovative management capabilities dimensions, R&D capitals, R&D collaborations, patenting, business restructuring and acquisitions and recruitment of skilled personnel. Evidence from prior studies (Vangelis, 2003; Asim & Sorooshian, 2019; Zeineb & Aissi, 2020) strongly supports the viewpoint that innovation management capabilities are major determinants of organizational competitiveness, growth and performance and more recently, the emergence of a novel body of literature that tries to assess the relationship between management capabilities dimensions and organizational repositioning. This is what this study seeks to investigate.

Organizational Repositioning

Innovation capabilities has been widely acknowledged as a way of rethinking and reshaping and repositioning public and private organizations, and managing change process (Souitaris, 2003). The concept of organizational repositioning has been extended beyond strategies to contend

competition. Organizational repositioning according to Kapoor (2009) is all about how organizations acclimatize their perceptions and whether those perceptions are about the customers, industry competition or the organization itself.

Kapoor (2009) emphasizes that organizational repositioning is the readjustment of the perception of the organization and not changing those perceptions. Perhaps, their perceptions are those relating to growth, market share, competitive advantage, profitability, employee welfare, among others. Turner (2003) argues that organizational repositioning is propelled by divergence between market needs and the capabilities of business.

Furthermore, organizational repositioning decisions are based on firm's internal and external environments by unearthing a match between market needs with firm's capabilities to serve them better (Zook & Allen, 2001; Baghai, Coley & White, 1999; Mintzberg, 1997). A vital aspect of organizational repositioning decisions is that they are dynamic and possess considerable long-term outcomes for competitive market structure and potential profitability (Ellickson, Misra & Nair, 2012). This paper employs three (3) organizational repositioning dimensions at firm level – growth, market share and competitive advantage.

Hypotheses Development

Generally, the adoptions of innovation management capabilities are perceived to influence repositioning of the adopting organization. Researches carried out by Romijn and Albaladejo (2003); Chen and Yang (2009); and Wonglimpiyarat (2010) indicate that patenting activities contribute to organizational positioning. Given the views of extant literature, we therefore hypothesized that:

H_o1: Patenting activities has no significant effect on organizational repositioning

Again, research and development (R&D) are considered to strengthen goals of organizations, make them sustainable and thus reposition the adopting organization. R&D is both innovation process and infrastructure capabilities. One component pertains to innovation infrastructure capability (R&D capitals or investments) and the other, innovation process capability (R&D collaborations) (Zeineb & Aissi, 2020).

Prior researches (Asim & Sorooshian, 2019; Razavi & Attarnezhad, 2013; Zemplinerová & Hromádková, 2012; Zalewski & Skawinska, 2009; OECD, 2007) established that R&D significantly affect organizational growth, performance, competitive advantage and thus reposition the adopting organization. Based on the above submissions, we hypothesized that:

H_o2: Research and development capitals do not affect organizational repositioning
H_o3: Research and development collaborations do not affect organizational repositioning

In addition, Kozioł, Kozioł, Wojtowicz and Pyrek (2015); Mahmood, Amir, Javied and Zafar (2013); Lehtoranta, (2005); Souitaris (2003); Souitaris (2002); Chiesa, Coughlan and Voss (1996) provide evidence that restructuring and acquisition by organizations make them market-focus, and gain competitive advantage in the industry.

Moreover, Souitaris (2003) shows that recruitment of skilled personnel is a major challenge for organizations, although overwhelming; Lehtoranta (2005) demonstrates that recruitment of highly skilled personnel is a major determinant of growth, and thus reposition the adopting organization. Based on the above suggestions, we therefore hypothesized that:

H_o4: *Business restructuring and acquisition has no relationship with organizational repositioning*

H_o5: *Recruitment of skilled personnel has no positive and significant effects on organizational repositioning*

Theoretical Framework

The theoretical framework of this paper is anchored on the Chiesa, Coughlan and Voss(1996) Innovative Audit Model (IAM). IAM tests a set of innovation management capabilities in order to ascertain organizations' repositioning capabilities. The model explains innovation management capabilities as they relate to process, infrastructure and strategic capabilities and other 'support' activities such as market focus, leadership and culture, resource allocation and organizational systems (Sánchez, Lago, Ferràs & Ribera, 2011).

Remarkably, prior researchers (see Sánchez, Lago, Ferràs & Ribera, 2011; Adams, Bessant & Phelps, 2006; Yam, Guan, Pun & Tang, 2004) have used IAM in explaining innovation management capabilities and more importantly, the use of IAM in describing what constitutes innovation management capabilities dimensions. The relevance of IAM to this study is that IAM provides a basis supporting the link between innovation management capabilities and organizational repositioning in terms of growth, market share and competitive advantage.

Prior Studies

There are robust empirical studies on the associations between innovation, technological advancement and organizational performance and growth in developed nations (Lehtoranta, 2005; Sánchez, Lago, Ferràs & Ribera, 2011; Zemplinerová & Hromádková, 2012; Atalay, Anafarta & Sarvan, 2013; Iqbal, Ahmad, Ateeq & Javaid, 2013; Kozioł, Kozioł, Wojtowicz & Pyrek, 2015; Azar & Ciabuschi, 2016; Suhag, Solangi, Larik, Lakh, & Tagar, 2017; Meroño-Cerdán & López-Nicolás, 2017; Sueptaetrakun & Tangthong, 2018; Asim & Sorooshian, 2019; Zeineb & Aissi, 2020).

Evidently, dearth of empirical evidences abounds on whether innovation management capabilities are determinants of organizational repositioning, particularly in Nigeria. For instance, Lehtoranta (2005) ascertained the firm-level determinants of innovation in Finland using multivariate analysis. Findings showed that firm growth is not a pure random process; rather are affected by innovations, particularly by collaboration in research and development, recruitment of highly skilled employee, patenting, and restructuring and acquisition activities.

Sánchez, *et al* (2011) examined how diverse practices of innovation management are linked to mid-and long-term profitability and growths of small and medium enterprises (SMEs) in Spain. Findings showed that within a regional context, organizations similar in terms of size, position in value chain, and ownership structure follow similar innovative practices

Zemplinerová and Hromádková (2012) assessed the determinants of firm's innovation using large firm-level dataset during 2004-2007. The four-stage models of innovation activities indicated that innovation significantly increases growth and productivity of organization in Czech Republic. Interestingly, the result showed that larger organizations are less efficient in transforming innovation input into output.

Atalay, *et al* (2013) investigated the associations between innovation and firm performance in Turkey. Top-level managers of one hundred and thirteen (113) firms in automobile supplier industry were administered questionnaire and the hierarchical regression result revealed that technological innovation (process and product innovations) significantly affects performance of firm. Conversely, no significant evidence was established in the association between non-technological innovation and firm performance.

Iqbal, *et al* (2013) explored the role of innovation on organizational growth in Pakistan using questionnaires administered to one hundred (100) employees of Al-ghazi Tractor Factory Company; the innovation metrics were empowerment and proper training. The correlation and regression results showed significant link between empowerment and proper training and organization growth.

Kozioł, *et al* (2015) analyzed the relationship between the determinants of innovation created within the organization (such as employee competences, modern infrastructures, cooperation in knowledge management, protections of knowledge and organization of work) and level of innovative capacity in Poland. Results from survey indicated that determinants of innovation significantly affect innovation capacity, particularly cooperation in knowledge management and protection of knowledge.

Azar and Ciabuschi (2016) focused on organizational and technological innovations, export performance and mediating effects of innovation radicalness and extensiveness in Sweden. Using structural equation modeling comprising of two hundred and eighteen (218) Swedish export companies, it was found that organizational innovation augments export performance both directly and indirectly by sustaining technological innovation. Moreover, the mediating effect revealed that organizational innovation augments both radicalness and extensiveness of technological innovation; nevertheless, only extensiveness is valuable for export performance

Suhag, *et al* (2017) examined the link between innovation and organizational performance of telecommunication companies in Pakistan. Innovation dynamics used are process, product and organizational innovation while the moderating dynamic - organizational culture. The study used two hundred(200) questionnaires administered to personnel of telecommunication companies in Islamabad and Rawalpindi. Results revealed that product, process and organizational innovations have positive effect on organization performance. Moreover, a moderating effect of organizational culture on organizational performance exists.

Meroño-Cerdán and López-Nicolás (2017) analyzed innovation objectives as determinants of organizational innovations in Spain. Based on a community innovation survey, a canonical analysis was performed among sets of organizational innovations metrics (business practice, workplace organization and organization methods) and innovation objectives (innovation skills, response time, quality, cost and knowledge sharing). Result revealed that innovation in workplace organization reduces response time and costs while business processes are affected most by innovation skills and quality.

Sueptaetrakun and Tangthong (2018) examined the effects of innovation dynamics (service, process and product on organizational performance (employee retention, cost, satisfaction and growth) with the moderating role of collaboration. Using questionnaires administered to two hundred and fifth (250) companies in Thailand automobile parts industry, the SEM result showed that organizations with significant emphasis on customer collaborations are able to create service, process, and product and had significant impact on organizational performance in areas of customers retention, satisfaction, reduction of cost and growth.

Asim and Sorooshian (2019) explored the role of knowledge, innovation and technology management capabilities as it affects research and development in Malaysia. The results revealed that capabilities (knowledge process, technology process, knowledge infrastructure, knowledge strategic, knowledge management, technology management, technology strategic, innovation management and technology infrastructure capabilities) affects R&D.

Zeineb and Aissi (2020) assessed the determinants of innovation in Tunisha using internal, external and environmental dynamics of innovation. Questionnaire were administered to seventy (70) hotel employees and regression result showed that both internal and contextual (external and environmental) dynamics are fundamental for the innovation and performance. Given the review of literature and hypotheses development, the study conceptual model is given as:

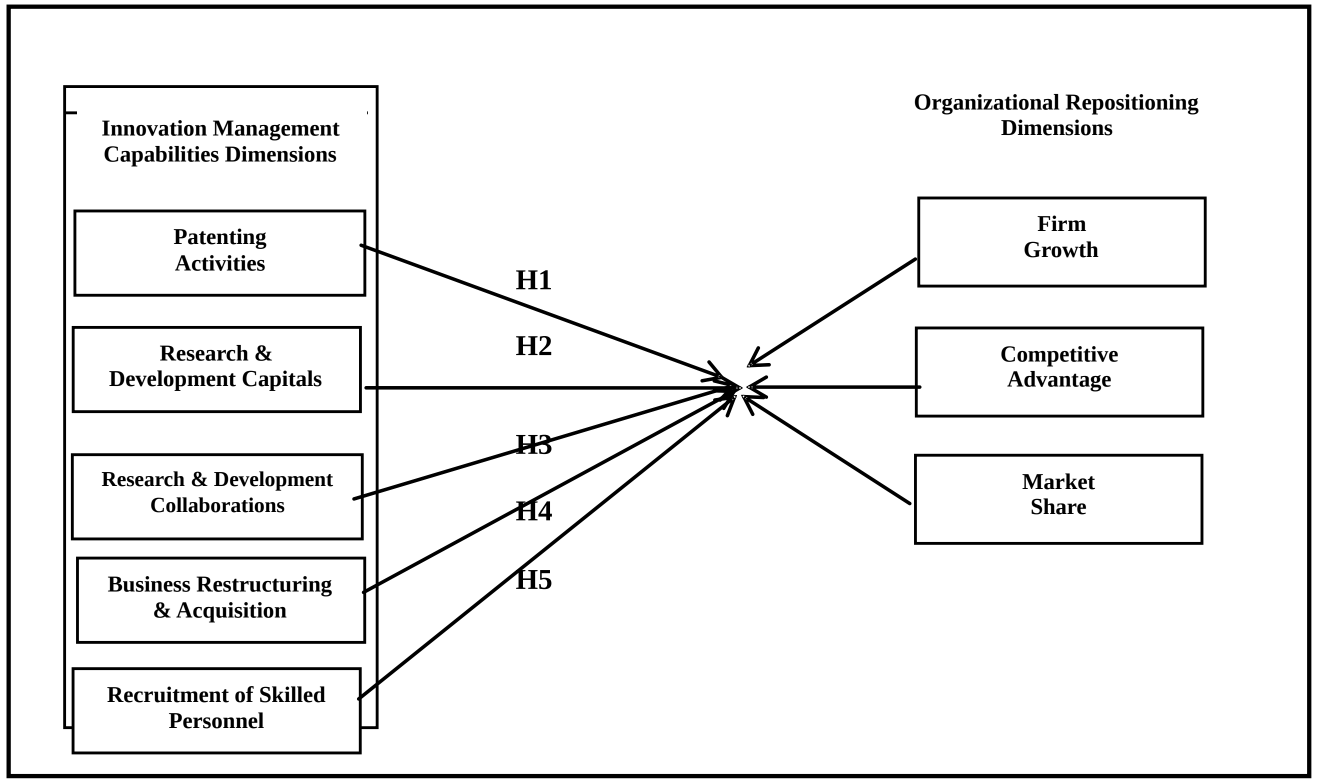

Figure 1: Conceptual Model of the Study

RESEARCH METHODS

Our dataset comes from questionnaire administered to one hundred and twenty-two (122) employees of selected fast moving consumer goods (FMCG) companies quoted on the Nigerian Stock Exchange. The questionnaire draws on a long tradition of innovation management capabilities research and those extensively used in prior researches (Lehtoranta, 2005; Atalay, *et al,* 2013; Iqbal, *et al,* 2013; Ganter & Hecker, 2013; Hervas-Oliver, Sempere-Ripoll, & Arribas, 2015; Zeineb & Aissi, 2020) to assess complementarities between diverse forms of innovation management capabilities

The sample size was limited due to COVID19 pandemic, which distorts an opportunity for reaching a wide-range of respondents. The survey was carried out to assess the relationship between innovation management capabilities dimensions (research and development capitals, research and development collaborations, patenting, business restructuring and acquisition and recruitment of skilled personnel) and organizational repositioning dimensions (growth, market share and competitive advantage).

Questionnaire was administered via online poll to the selected sample of FMCG companies in terms of their size and recent activities on organizational repositioning. The respondents had a deadline of 7days to complete the survey and were required to provide true and faithful information. An integrated data collection method was done consisting of recording and filtering of information obtained in the online poll.

The data obtained were analysed using both descriptive (Cronbach Alpha, mean and standard deviation) and inferential (regression) statistics. Thus, innovation management capabilities were regressed on organizational repositioning dimensions as indicated in the following models:

$$Orgrpos = f(rdcs, rdcl, patg, braq, rskp) \qquad – eq.\ 1$$

Eq. 1 is implicit form of functional relationships between innovation management capabilities and organizational repositioning dimensions. Eq. 2-7 is the explicit regression model of the study:

$$Orgrpos = \alpha_0 + \beta_1 rdcs + \beta_2 rdcl + \beta_3 patg + \beta_4 braq + \beta_5 rskp + \mu_t \qquad – eq.\ 2$$

Eq(s) 3-7 was used to validate the formulated hypotheses to ascertain how independently, innovation management capabilities interacts with organizational repositioning:

$$Orgrpos = \alpha_0 + \beta_1 rdcs + \mu_t \qquad – eq.\ 3$$
$$Orgrpos = \alpha_0 + \beta_2 rdcl + \mu_t \qquad – eq.\ 4$$
$$Orgrpos = \alpha_0 + \beta_3 patg + \mu_t \qquad – eq.\ 5$$
$$Orgrpos = \alpha_0 + \beta_4 braq + \mu_t \qquad – eq.\ 6$$
$$Orgrpos = \alpha_0 + \beta_5 rskp + \mu_t \qquad – eq.\ 7$$

Where *Orgrpos*= Organizational repositioning dimensions, *rdcs*=Research and development capitals; *rdcl*= Research and development collaborations; *patg*= Patenting; *braq*= Business restructuring and acquisition; *rskp*= Recruitment of skilled personnel; α_0 & β= Regression coefficients. The statistical analysis was performed via STATA 13.0.

RESULTS AND DISCUSSIONS

Table 1: Reliability Results

Variables	Cronbach's Alpha
Research and Development (R&D) capitals	0.87
Research and Development (R&D) collaborations	0.81
Patenting activities	0.81
Business restructuring and acquisitions	0.86
Recruitment of skilled personnel	0.81
Market share	0.90
Competitive advantage	0.86
Growth	0.87
Innovation Management Capabilities (Composite)	*0.83*
Organizational Repositioning (Composite)	*0.88*

Source: Researchers' Computation, 2020 via STATA 13.0

Cronbach's alpha values (Table 1) were all above 0.8; the composite reliability for innovation management capabilities (0.83) and organizational repositioning (0.88) also exceeded the minimum threshold, which is considered reliable (0.7) (Fornell & Larcker, 1981). Thus, the research instrument is considered reliable for the investigation.

Table 2: Correlations, Means and Standard Deviations

Variables	Mean	SD	1	2	3	4	5	6	7	8
1. R&D capitals	3.87	0.87	1							
2. R&D collaborations	3.83	0.81	.74	1						
3. Patenting activities	3.67	0.72	.68	.55	1					
4. Business restructuring & acquisitions	3.57	0.68	.65	.52	.52	1				
5. Recruitment of skilled personnel	3.66	0.72	.58	.49	.49	.54	1			
6. Market share	4.01	1.03	.78	.67	.67	.51	.73	1		
7. Competitive advantage	4.24	1.07	.61	.61	.61	.70	.66	.64	1	
8. Firm growth	4.31	1.12	.77	.70	.70	.64	.52	.53	.69	1

Source: Researchers' Computation, 2020 via STATA 13.0

The mean and standard deviation (Table 3) shows that the respondents' perception on innovation management capabilities and organizational repositioning are similar; maximum mean value (competitive advantage=4.24) and minimum mean value (business restructuring and acquisition = 3.57), which is below all the standard deviation values (4.24 – 3.57 = 0.67). The result shows that the relationship between innovation management capabilities and organizational repositioning dimensions were positive.

Consequently, a positive relationship between innovation management capabilities and organizational repositioning among FMCG companies in Nigeria exist. In addition, none of the correlation coefficients exceeded 0.8 threshold; hence, absence of multi-collinearity among pairs of independent variables of the study. Besides, the correlation, mean and standard deviation results suggest that the dataset are good enough in conducting further statistical analysis.

Table 3: Regression Model Summary of Innovation Management Capabilities and Organizational Repositioning Dimensions

Model	B	t	Sig.	Remark
orgrpos	0.56	8.75	0.000	Accept
rdcs	0.69	4.04	0.000	Accept
rdcl	0.57	4.31	0.000	Accept
patg	0.83	6.89	0.000	Accept
braq	0.82	8.02	0.000	Accept
rskp	0.87	7.65	0.000	Accept
Composite Innovation Management Capabilities and Organizational Repositioning				
R^2 Adjusted	0.79	*F-value*	17.30	*Significant*

Source: Researchers' Computation, 2020 via STATA 13.0

The result (Table 3) shows that innovation management capabilities account for about 79 per cent systematic variation in organizational repositioning (R^2 adjusted = 0.79); this is a good fit since the unexplained variation is just 21%. Moreover, the alternate hypotheses were all supported as indicated by their respective t-values (*rdcs: 4.04; rdcl:4.31; patg:6.89; braq: 8.02; and rskp: 7.65 < 0.005)*, which are significant at 0.05% level.

The t-values are carrying positive signs; a clear indication that innovation management capabilities positively affect organizational repositioning of FMGC companies. Given the results of t-values, the null hypothesis were rejected while the alternate hypotheses accepted for hypothesis 1-5, suggesting that patenting, business restructuring and acquisition, research and development capital, collaborations and recruitment of skilled personnel significantly and positively affect market share, growth and competitive advantage of FMGC companies in Nigeria.

DISCUSSION OF RESULTS

This paper assessed the link between innovation management capabilities and organizational repositioning among FMGC companies publicly quoted on the Nigerian Stock Exchange. Questionnaire was the major instrument of data collection; data obtained in the survey were analysed using both descriptive and inferential statistics. Descriptively, we found evidence that the best performing organizations have innovation management capabilities dimensions above average (Table 1). Nevertheless, we affirm that innovation management capabilities are positively related with organizational repositioning (Table 2). This means that important parts of innovation capabilities that can reposition organizations emanate from research and development capitals and collaborations, patenting, business restructuring and acquisition activities as well as recruitment of skilled personnel.

Evidence from the beta values (Table 3) indicate that an increase of one unit of the innovation management capabilities levels will result to 0.56 per cent increase in market share, growth and competitive advantage of FMGC companies in Nigeria. Specifically, recruitments of skilled personnel (*rskp:* 0.87), business restructuring and acquisition (*braq*: 0.82) and patenting (*patg*: 0.83) activities account more of the increase in organizational repositioning (market share, growth and competitive advantage).

The study results corroborate in part with prior studies conducted by Zeineb and Aissi (2020); Asim and Sorooshian (2019); Razavi and Attarnezhad (2013); Kozioł, *et al* (2015); and Zemplinerová and Hromádková (2012) that innovation management capabilities, particularly process and product innovation capabilities affect organizational growth, market share, and profitability.

CONCLUSION AND RECOMMENDATIONS

We found a statistical significant evidence of a relationship between innovation management dimensions and organizational repositioning. Innovation management capabilities dimensions of the study explain the reasons why some organizations are well-positioned than others. Our results demonstrate that organizations with innovation management capabilities (research and development capitals, collaborations, patenting, business restructuring and acquisitions and recruitment of skilled personnel) performs better and are thus well-positioned.

Again, innovation management capabilities dimensions, particularly recruitment of skilled personnel, patenting and business restructuring and acquisition activities appeared to account for the increased market share, growth and competitive advantage of organizations in Nigeria. Given the results, it is recommended that for organizations to gain increased competitive advantage, market share and growth, they should advance their commitments in recruiting skilled personnel and engage in patenting and business restructuring and acquisition activities. In fact, organizations should buildup research and development capitals and collaboration as means of becoming innovative and in keeping organization repositioned.

In addition, there is a conceivable sector-related effect in our results; thus, applying the same research process to another sector (financial services, manufacturing and telecommunication), could give diverse results due to dissimilar sector-dynamics, particularly those with more sensitive dimensions like R&D capitals, business restructuring and acquisitions, recruitment of skilled personnel. Consequently, further research are opened to assess our findings in a deeper manner by showing which relationship between innovation management capabilities dimensions and organizational repositioning is stronger within the sector.

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EFFECT OF DEBT FINANCING ON FIRM PERFORMANCE: A FOCUS ON LISTED MANUFACTURING COMPANIES IN NIGERIA

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ABSTRACT

Manufacturing companies in Nigeria over the years were being faced with decline in annual GDP rate that resulted in poor performance in the sector despite all government intervention to safe the sector from trouble water. This study examines the effect of debt financing on firm performance. The study covered forty firms as its sample size for a period of ten years from 2010-2019. Secondary source of data was adopted, sourcing the data from Nigeria stock exchange fact books for the period. The proxy for the dependent variable was returns on asset while short term debt, long term debt and retained earnings represented independent variables. The researcher used STATA 13 version software package, descriptive statistics, pooled OLS regression and hausman effect to test the hypotheses. The findings of the study revealed that, short term debt is negatively and statistically significant with ROA. While long term debt and retained earnings showed a positive relationship and highly significant with returns on asset. The overall model results confirmed that, debt financing has significant effect on firm performance of listed manufacturing companies in Nigeria. The study recommended that, the companies' decision makers to embark on heavy borrowing in short term basis to finance their businesses to achieve firm performance with less cost. And finally, the higher rate of undistributed earnings should be encouraged to serve as internal source of fund generation for business financing as it bears no cost on the firm.

Keywords: Debt Financing, Retained Earnings, Manufacturing Firms and Performance

INTRODUCTION

Background to the study

The economy of any nation worldwide needs manufacturing sector which is respected to be engine room of nation's growth and serves as a facilitator for maintainable transformation and national development. This is as a result of its numerous potentials as an instrument for creating wealth, employment generation, providing revenue to boost the nation's gross domestic products (GDP) as well as reducing poverty and raising the standard of living of the citizenry.

Manufacturing sector in Nigeria has thirteen activities with a GDP growth record of 36.45% which was 27.52% higher than 2018 of 8.93% which was also higher than the preceding year by 2.88%. The 2018 GDP of 33.57% contributed 10.11% to nominal GDP compare to 9.80% accounted for by the sector as contributed to real GDP in 2019, a decline of 0.31% was recorded in 2019 indicating a bad performance. In the first quarter of 2019 alone, the sector suffered a decline growth rate of -2.59% lower than the preceding year as it recorded 0.81% growth rate of 2019 (Nigerian GDP report, Q3. 2019). Upon all the government several intervention and economic policies in multiple measures such as infrastructure investment as well as fiscal and monetary stimulus, manufacturing sector's GDP growth rate continue to decline or grow at singular progression in Nigeria.

Organization, whether newly or existing one, needs fund for financing to drive expansion and provide working capital for daily operations. It is a well-known fact that a business cannot thrive without enough funds for working capital, fixed asset investment, financial needs, internal and external sources can be used to meet them. An internal source refers to funds generated by an entity, which is primarily revenue. External financing may be due to an increase in the number of business co-owners or direct loans in the form of a loan (Uremadu and Onyekachi, 2019).

Performance refers to the firm's ability to achieve the goals and objectives of its organization and to maximize its shareholders' wealth in form of profit and creating values. The manufacturing sector in Nigeria have not been performing well as their GDP growth rate, an indicator of performance fluctuates and shows decline and negative growth experienced in some quarters. The potential for the sector have been significantly hindered by declining performance despite introduction and implementation of business liberalization measures by government to assist the sector, some macroeconomic indicators still displayed poor economic performance (Ajudua and Okonkwo, 2014).

Debt is a mix of short-term and long-term borrowing of a firm. Short-term borrowing is to meet the short-term obligations of a firm and long-term borrowing to finance long-term projects. Firms prefer debt financing because the interest paid on the debt is not taxable, thereby improving the value of a firm (Iavorskyi, 2013). Nyor and Yunusa (2016) see financial performance as the level of performance of an organization over a given period of time, expressed in terms of overall return output during that period.

This study examines the effect of debt financing on firm performance. The researcher analysed whether short and long-term debt have impact on the overall performance of manufacturing companies in Nigeria and also the impact of debt ratio to the overall performance of manufacturing companies in Nigeria. After this introduction, the remaining part of the work is organized in four sections. Section 2 contains literature review and theoretical issues, methodology is in section 3 and results and discussions are presented in section 4. Summary, conclusion and recommendations sealed the study in section 5.

Objectives of the study

i, To determine whether long term debt (LTD) has significant relationship with firm performance of listed manufacturing companies in Nigeria.

ii, To examine whether short term debt (STD) has significant relationship with firm performance of listed manufacturing companies in Nigeria.

iii, To evaluate the extent to which retained earnings (R/E) has significant relationship with firm performance of listed manufacturing companies in Nigeria.

Research Hypotheses

Based on the research objectives, the researcher formulated the following hypothetical statements

to guide this study and will try to test them.

H_o1. Long term debt (LTD) has no significant relationship on the firm performance of listed manufacturing companies in Nigeria.

H_o2. Short term debt (STD) has no significant relationship on the firm performance of listed manufacturing companies in Nigeria.

H_o3. There is no significant relationship between retained earnings (R/E) and firm performance of listed manufacturing companies in Nigeria.

LITERATURE REVIEW

Introduction

This section dealt with review of literatures based on the research topic and objectives. The study aims to provide an insight of the debt financing on firm performance, the literatures related to debt financing was reviewed. Various concepts associated with the variables under the study were explained. They include long term debt, short term debt and retained earnings. Analysis of previous empirical studies conducted in relation to this research study was reviewed. The section contains theoretical, conceptual framework and empirical studies.

Conceptual framework

A conceptual framework refers to a group of concepts that are defined and organized to provide a focus, a rational, and a tool for the integration, presentation and interpretation of information (Cooper and Schindler, 2006). A well-constructed conceptual framework shows interconnectivity between variables.

Concept of performance

Performance is to embark on a series of actions that involves knowledge, experience and skills to produce an outcome result. Put in another form, performance is to come out with output result over a set down objectives. Performance is a result or consequence of individual action or behaviour. Performance refers to the firm's ability to achieve the goals and objectives of its organization and to maximize its shareholders' wealth in form of profit and creating values. Financial performance refers to the reference parameter used in determining the general well-being of a given entity. They added that the analysis of financial performance is aimed at assessing the feasibility, solidity and fertility of a company. Similarly, Nyor and Yunusa (2016) view financial performance as the level of performance of an enterprise over a given period of time, expressed in terms of overall profits or losses during that period. It is measuring the results of a firm's policies and operations in monetary terms. Performance is generally measured in terms of profitability. Financial indicators have been used extensively to measure business performance which they assumed reflected the achievement of the company's economic objectives. Financial performance, which demonstrates the maximization of shareholder wealth, can be measured by looking at the company's profitability. Financial performance is calculated using profitability ratios such as return on assets, return on equity, return on equity (earnings), earnings per share, return on investment, earnings per share, market value, etc. For the purpose of measurement, many researchers measure financial performance differently. Demstz and Lehn (2011) measured financial performance as a ratio of book profit, Uadiale (2010) measured return on equity in relation to after-tax share capital and return on capital employed (ROCE) on earnings after tax and ROCE on earnings after tax plus bookings.

Debt financing

Debt refers to both short-term and long-term borrowing to finance a business. Debt is the source class of the fund and that is, the owner is the creditor of a company but not the part of the owner. Debt can be divided into loans, bonds and debtors. They are usually demonstrated with the following characteristics: Debt holders are mere creditors of the firm and they are not part of decision makers. Debt returns are expected to be collected with the principal at the maturity. The source of the debt repayment is subject to tax, with the exception of the dividend of preference shares. Debt holders are settled first at the time of liquidation of companies. In addition, the analysis reveals some limiting factors of the debt owner, such as; voting right, level of interest, legal limit set by company statues, limit set by existing lenders, such as limiting the covenant, previous gear level, management perception on the best level of leverage, and type and quality of assets as loan collateral security (Alalade, Oguntodu and Adelaun, 2015).

Many organizations prefer debt financing for their businesses because the interest paid on the debt is not taxable, thereby increasing the value of a firm (Iavorskyi, 2013). Though, the option to consider debt financing is the last option after exhaustion of internal financing and equity options, is still considered the best when it comes to matter of business financing (Afrasiabishani, Ahmadinia and Hesami, 2012). Managers, when making decisions about financing companies, must be effective and efficient in deciding for companies. Debt financing must neither be too high nor too low to be used to finance businesses, which raises the question of optimal debt financing. The optimal debt ratio is generally defined as one that minimizes the cost of capital for the business, while maximizing the value of the business. In other words, the optimal debt ratio is one that maximizes the profitability of the business and the shareholders' wealth.

During this study, the researcher classified debt financing into; total debt, long-term debt and short-term debt financing that would be investigated to determine their relationship with the financial performance of the business.

Empirical review

Empirical studies related to this study of debt financing on firm performance conducted by various researchers across the universe at a different period were reviewed to exhibit how their findings and results related to this research work.

Maria and Udeh (2019) in their studies, "the effects of capital structure on the financial performance of food and beverage companies in Nigeria." Secondary data were collected from the published financial statements of five food and beverage companies in Nigeria for the ten years 2007 to 2016. The study adopted ex-post-facto research design for its methodology. Multiple regression analysis was used with the E-views statistical package. The study found that short-term debt (STD) has a significant and positive effect on return on equity, as a benchmark for company performance, among others.

Uremadu and Onyekachi (2019) examine 'the impact of capital structure on corporate Performance in Nigeria: a quantitative study of the consumer goods sector'. The study used E-views 9.0 software and multiple ordinary least-squares (OLS) analytical regressions were used to analyse the data. Variables studied were return on assets (ROA) and total debts (TD), long-term debt (LTD), and equity for dependent and independent variables. The results showed that the ratio of long-term debt to total assets had a negative and insignificant effect on the returns on

assets, while the ratio of total debt and ownership also had a negative and insignificant effect on the returns on assets. The findings of the study revealed the negative and insignificant impact of the capital structure on the corporate performance of Nigeria's merchandise sector.

Hossain, Khan and Khalid (2019) examine 'an empirical examination of the firm's capital structure and financial performance in a developing country'. The study covers the Dhaka stock market and lists all IT firms in Bangladesh over a five year period from the year 2013-2017. The study used return on equity; return on assets, and income per share as dependent variables, where capital structure proxies was considered, debt ratio (DR), equity ratio (ER), long-term debt ratio (LTDR) and short-term debt ratio (STDR) were used as independent variables. Descriptive statistics, correlations, pooled ordinary least squares analysis, fixed effects and random effects models were combined to analyse the data. The findings indicate that, long-term debt is statically insignificant in assets but short-term debt is statically significant in assets and also has a negative impact. Also, the OLS test indicates that the equity ratio has a significant and positive return on the asset and that the debt ratio negatively affects the asset with high significance.

In a study of the 'Capital Structure of Nigeria's Corporate Performance', Ganiyu, Adelopo, Rodionova, and Lukman (2019) used a dynamic panel model of panel data from 115 listed non-financial companies in Nigeria. Specifically, this paper used a two-stage method of moments (GMM) estimation that recognizes the persistence of the dependent variable by including lag values as explanatory variables in the regression model. The results showed a positive and significant relationship between debt as measured by short-term debt (STD) ratio and corporate performance (return on equity). The estimation result produced a coefficient of 0.61 (P value 0.000). The results showed that the short-term leverage ratio is statistically significant at the 1% significance level.

Ogbulu, Okanta and Turakpe (2018) conducted an empirical study to investigate “The impact of long-term debt on research results, capital structure and corporate financial performance: evidence from Nigerian cement companies”. The survey covered four Nigerian cement companies from 2006 to 2015. The information selected for the companies' financial performance brokerage firm, including return on assets (ROA), return on equity (ROE) and return on sales (ROS), was produced from the company's audited annual financial report. Total gearing (TDA), long-term debt ratio (LDA) and equity ratio (EQA) were selected from brokerage books for corporate capital structure. The results of the study revealed that the coefficients for TDA and EQA are positive and insignificant, while the coefficients for long-term assets (LDA) and ATO are negative and also insignificant. The results of the study revealed that all capital structure variables (TAD, LDA and EQA) have a mixed effect on the economic activity indicators used in the study (ROA, ROE and ROS).

A similar study was conducted by Ajibola, Wisdom and Qudus (2018) to investigate “the capital structure and financial performance of listed companies in Nigeria”. The study covered a ten-year period from 2005 to 2014. The panel method was used using OLS regression to analyse data using the E-Views software package. The panel's least squares findings showed a positive statistically significant relationship between total debt ratio (TD) (0.0065), long-term debt ratio (LTD) (0.0001) and return on equity (ROE), whereas a positive statistically insignificant ROE:

ratio (return on equity) to STD (short-term debt ratio). There was also a negative insignificant relationship between all the capital mandates (TD, LTD and STD) and ROA, which makes ROE a better measure of performance.

Fredrick and Osazemen (2018) found that the capital structure (long-term debt) has a negative impact on companies 'financial difficulties, while the age of the company on the quotations, profitability and asset delimitation have a positive impact on the companies' financial difficulties. The result further revealed that stable growth and company size have a negative impact on financial difficulties. Their study, "Nigerian Manufacturing Companies' Capital Structure and Corporate Financial Difficulties", used panel corrected error correction technology (PCSE) for data analysis.
Duru, Okpe and Ugwu (2017) examine the 'impact of capitalization on the financial performance of Nigerian food and beverage companies in 2007-2016'. The researcher used secondary sources of information; relevant information has been collected from Cadbury, Nestle and Unilever Plc's Annual Reports and Financial Statements. The researcher retrospectively introduced the design of an impressive study. The usual least square regression techniques were used to test hypotheses and determine causality among TD, LTD, STD, equity and equity variables. The results revealed that long-term debt has a positive and insignificant impact on after-tax earnings in Nigeria, short-term debt has a negative and insignificant after-tax effect, and total debt has a negative and insignificant impact on Nigerian food and beverage earnings after taxes.

In another related study, Agwan (2017) conducted a study on the empirical analysis of the 'impact of capital structure on the profitability of the automotive industry in India'. The study focuses on Bajaj Auto Limited, TVS Auto Limited, Hero Motors Limited and Atul Auto Limited. All four companies produce two- and three-wheeled cars. Profitability variables were ROCE and ROE, and the capital structure was approximate to debt, LTD, STD, liquidity and growth. The capital structure, which is a combination of long-term debts and equity securities, is usually used to finance long-term corporate assets. It consists of short-term fixed debt, preference shares and share capital. The results showed that there is a positive relationship between the capital structure (long and short term debts) and financial results (performance). According to the theory of pecking order, more profitable companies will prefer to use internal funds for debt, and as such there is a negative relationship between debt and profitability.

Researchers conducted studies to investigate the impact of short-term debt financing on corporate financial performance and presented, as in Edet, Uma and Udo (2017), the 'impact of capital structure selection on corporate organizations: a case of quoted agricultural companies in Nigeria'. Secondary data were collected from 20 quoted companies from 2007-2013 and analysed using conventional ordinary least square (OLS) regression techniques. The data was first examined for normality using an extended Dickey unit more advanced unit root test. ROA, ROE, STD, LTD, R / E and equity were used as respective and independent variables. The results revealed that among the variables that negatively influenced agricultural performance were total debt and the economy of short-term debt. The OLS result revealed that the main positive drivers were long-term debt, equity and retained earnings.

Another relevant study conducted by other researchers Foyeke, Olusola and Aderemi (2016)

found in their study, 'financial structure of profitability of manufacturing companies in Nigeria'. This study used the secondary data. Spearman rankings and regression relationships were used for the analysis, using the STATA package for a sample of 25 manufacturing companies quoted on Nigerian stock exchanges for the period 2008–2012. The study result showed that debt has a significant positive relationship with the profitability of manufacturing companies in Nigeria.

Theoretical framework
Many scholars have developed several theories of capital structure to study the financing of business organization. For the purposes of this study, the theories underpinning this study are pecking Order Theory and Upper Echelons Theory to examine the relationship between debt financing and firm performance.

Pecking order theory
Pecking order theory of financial structure was postulated by Myers and Majluf (1984). This assumption holds that, firms have a preferred hierarchy for financial decision making. What's most interesting is to use the cash flow (cash flow and results of the mortgage) that is, retained earnings before falling back to any form of external funds in making any kind of investment. Tascón and Tapia (2011) argue that this policy is necessary to reduce the cost of nominal deductions for security compliance due to the existence of sensitive information. This policy ensures that companies should pursue financial support measures to reduce asymmetry among others. By following the formula, money is first entered into it only when all of the internal finances are spent, and companies will opt for external funding. When following the order, retained earnings are preferred to debt and debt is preferred to new equity, short term debt is preferred to long-term debt if debt is to be used and preferred issuing preferred stocks to ordinary shares if to select equity financing. This order is aimed at minimizing the possible costs attributable to external financing.

Upper echelons theory
Hambrick and Mason, (1984), they propounded this theory and based it on that, organizational outcomes are partially predicted by top level management team managerial background characteristics, including past experience, values, and personalities, affect how they make strategic and organizational decisions.

The central premise of upper echelons theory is that executives' experiences, values, and personalities greatly influence their interpretations of the situations they face and, in turn, affect their choices of capital structure financing for firm better performance.

The understanding that the senior executives of a firm (the CEO and his / her selected team) are involve in strategic formation and enactment. In observing strategy, and in implementing strategic possibilities, teams of the organization's upper echelons inevitably do so with the help of the lens of their personal experiences, values, personalities, and other related human factors such as race and nationality.

RESEARCH METHODOLOGY

This section explains the procedure, technique and process that were employed in collection of relevant data required for the study and methods of analysing the data to produce the needed results. The methodology adopted include; research design, population of the study, sample and sampling techniques, procedure and sources of data collection, model specification and estimation techniques and lastly, data analysis and interpretation.

Sources of Data Collection.

The researcher makes use of secondary sources of data for this study. Descriptive research design and correlation matrix method were used for this study. The secondary sources are importance source of data collection and it referred to as documentary source. Data was collected from the Nigeria stock exchange (NSE) financial facts book covering 2010 – 2019. The basis for covering these periods is to show the extent of performance of manufacturing sector's GDP growth rate after employing capital structure for the last decade to date. Also, various firms audited annual reports and accounts books through their websites were collected for the analysis and presentation. A panel data of forty samples of listed manufacturing companies in Nigeria out of population of sixty one firms with the ten years period was used to create our two hundred (400) observations.

Variables measurement

To investigate the relationship between debt financing and firm performance, debt variables and firm performance variables were examined. Firm performance proxy was return on assets (ROA) and the variables indicators of debt used for this study are total debts (TD), long term debt (LTD), short term debt (STD) and retained earnings (R/E). Each variable was analysed against total assets and the profitability of the firms to determine their effects on the firm performance.

Model specification

The pooled regression models that were used for this study to test the hypotheses formulated are stated below.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon_{it}$$

$$ROA_{it} = \beta_0 + \beta_1 LTDTA_{it} + \beta_2 STDTA_{it} + \beta_4 RETA_{it} + \varepsilon_{it}$$

Where:

Y = Return on assets for each firm.

LTDTA = Long term debt to total assets

STDTA = Short term debt to total assets

RETA = Retained earnings to total assets

ε_{it} = Error term of uncovered variables

i t = Firm i at time t

$\beta_1 \dots \beta_3$ = regression coefficient.

PRESENTATION OF RESULTS AND DISCUSSION

This section has empirically and theoretically dealt with the data presentation, analysis and interpretation.

Model estimation techniques

The estimation techniques was employed to test the variables to determine the appropriate variable include the fixed effect estimation method and random effect estimation method using the Hausman test to determine the best fit model. Multiple regressions were used to determine the relationship between the ROA (dependent variable) and debts, and R/E (independent variables). Pooled ordinary least square (OLS) techniques were also adopted to test the regression

correlation with the aid of STATA 13 version software. The following diagnostic tests were analysed: Normality test, Heteroskedasticity test, Multicolinearity test, and Stationarity test.

Descriptive Statistics

Table 4.2 Descriptive Statistics

```
. summarize ROA std LTD RE
```

Variable	Obs	Mean	Std. Dev.	Min	Max
ROA	400	4.1404	6.421555	-9.87	41.46
std	400	1.417929	.8532913	-1.69897	2.828183
LTD	400	14.64415	14.24627	.04	148.65
RE	400	8.5577	31.8134	-216.41	73.74

Source: Researcher's computation. STATA 13 version, 2020.

Table 4.2 above presents the summary of the descriptive statistics of the dependent and independent variables of the sample study. Total number of the observations is 400 from the listed manufacturing companies in Nigeria. The mean of returns on asset (ROA) which is the dependent variable of the study for the period was 4.14%, minimum value of -9.87%, maximum of 41.46% and standard deviation of 6.42%. The mean of short term debt (STD) for the period was 1.42%, minimum value of -1.70%, maximum of 2.83% and standard deviation of 0.85%. Long term debt (LTD) showed a mean of 14.64%, minimum and maximum values of 0.04% and 148.65% and standard deviation of 14.25%. Retained earnings (RE) showed a mean of 8.56%, minimum and maximum values of -216.41% and 73.74% while its standard deviation of 31.81% showed how far the observation from the mean.

Correlation Matrix

Table 4.3 Correlation Matrix

```
. pwcorr ROA std LTD RE, sig
```

	ROA	std	LTD	RE
ROA	1.0000			
std	-0.1728	1.0000		
	0.0005			
LTD	0.2007	0.3254	1.0000	
	0.0001	0.0000		
RE	0.4954	-0.1802	-0.2784	1.0000
	0.0000	0.0003	0.0000	

Note: ROA; RETURNS -ON ASSET; STD;…
Source: Researcher's computation. STATA 13 version, 2020

Table 4.3 above is the correlation matrix reveals that, the both dependent and independent variables have both positive and negative correlations among one another. Long term debt (LTD) and Retained earnings (RE) were positively correlated with Return on asset (ROA) at weak and moderate values of 0.2007 and 0.4954 with their p-values of 0.0001 and 0,0000 significant levels respectively. Long term debt (LTD) is positively correlated with Short term debt (STD) at a weak value of 0.3254 when its p-value of 0.0000 was statistically significant.

On the other hand, the following variables were negatively correlated with one another. Short term debt (STD) was negatively very weak correlated with Return on asset (ROA) at -0.1728 with their p-values of 0.0005 statistically significant. Retained earnings (RE) were negatively very weak correlated with short term debt (STD) at -0.1802 with its p-value of 0.0003 statistically significant. And lastly, Retained earnings (RE) were negatively weak correlated with long term debt (LTD) at -0.2784 with p-value of 0.0000 indicating a statistically highly significant.

The overall relationship among the independent variables exhibited strong significant, this is enough to prove that multicollinearity does not exist among the esplanatory or exogenous variables of the study. This was also supported by variance inflation factor (VIF) and tolerance values rule that, vif and tolerance values must be smaller than ten and one respectively to indicate the absent of harmful multicollinearity and that the model is best fit for the study.

Table 4.4 VIF and Tolerance

. vif, uncentered

Variable	VIF	1/VIF
std	2.24	0.446936
LTD	2.20	0.455017
RE	1.04	0.961443
Mean VIF	1.83	

Source: Researcher's computation. STATA 13 version, 2020

Regression Results
Table 4.5 Pooled OLS Regression Results

ROA	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
std	-1.568871	.3091591	-5.07	0.000	-2.176669	-.9610727
LTD	.1935317	.0189642	10.21	0.000	.1562486	.2308148
RE	.116549	.0081638	14.28	0.000	.1004992	.1325989
_cons	2.533449	.5290746	4.79	0.000	1.493303	3.573596

Source: Researcher's computation. STATA 13 version, 2020

Table 4.5 above showed short term debt STD had negative coefficient of -1.57 that signifies a negative relationship with ROA with the p-value of 0.000 that indicated a statistically significant relationship with ROA. This result showed that listed manufacturing companies in Nigeria financed their assets in short term basis. This result was in line with Edet, Uma and Udo (2017), Hossan, Khan and Khalid (2019) whose findings stated that, short term debt is negatively and significant related with ROA. The result supports the preposition of pecking order theory of a relationship between debt and performance. However, the finding was inconsistency with Maria and Udeh (2019), Ganiyu, Adelopo, Rodionova and Lukman (2019), Agwan (2017) and Foyeke, Olusola and Aderemi (2016) that found that, short term debt is positive and statistically significant related with performance. The finding also contradict that of Duru, Okpe and Ugwu (2017) where their findings showed that, short term debt has a negative relationship and insignificant impact on performance.

Furthermore, the coefficient of long term debt LTD had a positive of 0.19 that indicates a positive relationship with ROA with the p-value of 0.000 that indicates a statistically significant relationship with ROA. This result showed that, fewer listed manufacturing companies in Nigeria financed their assets in long term basis. This result agree with Ajibola, Wisdom and Qudus (2018), Agwan (2017) and Edet, Uma and Udo (2017) findings concluded that, long term debt is positively related and has significant effect on performance. However, the long term debt findings contradict those of Uremadu and Onyekachi (2019), Hossan, Khan and Khalid (2019), Fredrick and Osazemen (2018) whose long term debt had a negative and insignificant relationship with ROA and Duru, Okpe and Ugwu (2017) results that has a positive relationship but insignificant impact on ROA.

Similarly, the coefficient of retained earnings RE was also a positive with 0.12 hence a positive relationship with ROA with the p-value of 0.000 that indicated a statistically significant relationship with ROA. The findings were consistent with Edet, Uma and Udo (2017) who concluded that, retained earnings had positive relationship and significantly influence on performance. The combined variables overall effect showed that the model is significant with a p-value greater than F of 0.0000 indicated that the model is best fitted with the variables of the study. Consequently, the coefficient of determination R^2 which stand at 40.82% indicates that the study independent variables altogether are able to explain total variation in dependent variable, while the remaining 59.18% left for other variables not captured in the model of the study.

Random effects estimate

Table 4.6 Random effects estimate model of ROA.

```
. xtreg ROA std LTD RE, re

Random-effects GLS regression                   Number of obs      =       400
Group variable: Company                         Number of groups   =        40

R-sq:  within  = 0.3413                         Obs per group: min =        10
       between = 0.4699                                        avg =      10.0
       overall = 0.4062                                        max =        10

                                                Wald chi2(3)       =    214.99
corr(u_i, X)   = 0 (assumed)                    Prob > chi2        =    0.0000

------------------------------------------------------------------------------
         ROA |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
         std |  -1.241272   .3108029    -3.99   0.000    -1.850434   -.6321093
         LTD |   .1790807   .0147301    12.16   0.000     .1502102    .2079512
          RE |   .0984318   .0091839    10.72   0.000     .0804316     .116432
       _cons |   2.435601   .7617538     3.20   0.001     .9425915    3.928611
-------------+----------------------------------------------------------------
     sigma_u |  3.6020344
     sigma_e |  3.5279897
         rho |  .51038379   (fraction of variance due to u_i)
```

Source: Researcher's computation. STATA 13 version, 2020

Table 4.6 showed that coefficient of short term debt STD was -1.24 hence a negative relationship with ROA and its p-value of 0.0000 which showed that STD is statistically highly significant relationship with ROA. The findings contradict those of Ganiyu, Adelopo, Rodionova and Lukman (2019), Maria and Udeh (2019), Agwan (2017) and Foyeke, Olusola and Aderemi (2016) that found that, short term debt is positive and statistically significant related with performance. Though, the findings of Duru, Okpe and Ugwu (2017) showed that, short term debt has a negative relationship but showed inconsistency p-value insignificant impact on performance. Notwithstanding, the findings agreed with Hossan, Khan and Khalid (2019) and Edet, Uma and Udo (2017) whose findings stated that, short term debt is negatively and significant related with ROA. The results support the pecking order theory of a relationship between debt and performance.

Subsequently, long term debt LTD coefficient of 0.18 showed a positive relationship with ROA. While the p-value of 0.0000 signifies a statistically significant relationship with ROA. The findings showed that, fewer listed manufacturing companies in Nigeria financed their assets in long term basis. The results support upper echelon theory of good decision making in capital structure effect on performance. This finding agree with Ajibola, Wisdom and Qudus (2018), Agwan (2017) and Edet, Uma and Udo (2017) findings concluded that, long term debt is positively related and has significant effect on performance. In other hand, the long term debt findings contradict those of Hossan, Khan and Khalid (2019), Uremadu and Onyekachi (2019), Fredrick and Osazemen

(2018) whose long term debt had a negative and insignificant relationship with ROA though, Duru, Okpe and Ugwu (2017) results had a positive relationship but reported insignificant impact on ROA.

Finally, the coefficient of retained earnings RE was also a positive with 0.098 hence a positive relationship with ROA with the p-value of 0.000 that indicated a statistically significant relationship with ROA. The findings were consistent with Edet, Uma and Udo (2017) who concluded that, retained earnings had positive relationship and significantly influence on performance. The combined variables overall effect showed that the model is significant with a p-value greater than chi2 of 0.0000 indicated that the model is best fitted with the variables of the study. Consequently, the coefficient of determination R^2 for the model independent variables altogether are able to explained total variation in dependent variable to 34.13% of the random within effect in the ROA regression model, 46.99% random between effect in the ROA and overall which stand at 40.62% indicates the other variables not captured in the model of the study.

4.7 Panel effects

```
Breusch and Pagan Lagrangian multiplier test for random effects

        ROA[Company,t] = Xb + u[Company] + e[Company,t]

        Estimated results:
                         |       Var     sd = sqrt(Var)
                ---------+-----------------------------
                     ROA |   41.23637       6.421555
                       e |   12.44671        3.52799
                       u |   12.97465       3.602034

        Test:   Var(u) = 0
                             chibar2(01) =   418.26
                          Prob > chibar2 =   0.0000
```

Source: Researcher's computation. STATA 13 version, 2020

Table 4.7 above showed a statistically significant panel effects result that supported the selection of random effects model adoption for this study.

SUMMARY AND CONCLUSION

The study investigates the effect of debt financing on firm performance, focusing on listed manufacturing companies in Nigeria. Forty firms were selected as our sample size. The findings showed that, short term debt had a negative and significant relationship with returns on assets, this support debt financing that; borrowing at short term have less cost implications on firm performance and this result supported the pecking order theory used for the study. Long term debt showed a positive relationship with returns on assets of the companies and a significant effect on the firm performance. Lastly, retained earnings findings also supported the pecking order theory in hierarchical debt financing. The results showed a positive and significant relationship with returns on assets. The overall model's findings showed a significant relationship of all the debt components with ROA that proxy firm performance. The study hence concluded that, debt financing has a positive effect on firm performance of the listed manufacturing companies in Nigeria.

RECOMMENDATIONS

In line with the findings of the study, some key policy recommendations were made. Manufacturing companies in Nigeria should embark on heavy borrowing in short term basis to finance their businesses as is the major source of funding to achieve firm performance with less cost.

Listed manufacturing companies in Nigeria should regulate their long term borrowing to finance their businesses to incur less cost on debt to pave way for best performance.

Higher rate of undistributed earnings should be encouraged to serve as internal source of fund generation for business financing by listed manufacturing companies in Nigeria as it bears no cost on the firm.

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Appendix

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  ___  ____  ____  ____  ____ (R)
 /__    /   ____/   /   ____/
___/   /   /___/   /   /___/   13.0   Copyright 1985-2013 StataCorp LP
  Statistics/Data Analysis            StataCorp
                                      4905 Lakeway Drive
     MP - Parallel Edition            College Station, Texas 77845 USA
                                      800-STATA-PC        http://www.stata.com
                                      979-696-4600        stata@stata.com
                                      979-696-4601 (fax)

3-user 8-core Stata network perpetual license:
       Serial number:  501306208483
         Licensed to:  Rufai Abdulrahman
                       FUGUS

Notes:
      1.  (/v# option or -set maxvar-) 5000 maximum variables

. import excel "C:\Users\RUFAI M. ABDULRAHMAN\Documents\my manuf variables2 400.xlsx", sheet("Sheet1") f
> irstrow
```

DESCRIPTIVE STATISTICS

. summarize ROA std LTD RE

Variable	Obs	Mean	Std. Dev.	Min	Max
ROA	400	4.1404	6.421555	-9.87	41.46
std	400	1.417929	.8532913	-1.69897	2.828183
LTD	400	14.64415	14.24627	.04	148.65
RE	400	8.5577	31.8134	-216.41	73.74

CORRELATION MATRIX

. pwcorr ROA std LTD RE, sig

	ROA	std	LTD	RE
ROA	1.0000			
std	-0.1728	1.0000		
	0.0005			
LTD	0.2007	0.3254	1.0000	
	0.0001	0.0000		
RE	0.4954	-0.1802	-0.2784	1.0000
	0.0000	0.0003	0.0000	

NORMALITY TEST

. swilk u

Shapiro-Wilk W test for normal data

Variable	Obs	W	V	z	Prob>z
u	400	0.86352	37.573	8.629	0.00000

POOLED OLS REGRESSION RESULTS

. regress ROA std LTD RE

Source	SS	df	MS
Model	6717.41035	3	2239.13678
Residual	9735.90279	396	24.5856131
Total	16453.3131	399	41.2363738

```
Number of obs =      400
F(  3,   396) =    91.08
Prob > F      =   0.0000
R-squared     =   0.4083
Adj R-squared =   0.4038
Root MSE      =   4.9584
```

ROA	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
std	-1.568871	.3091591	-5.07	0.000	-2.176669	-.9610727
LTD	.1935317	.0189642	10.21	0.000	.1562486	.2308148
RE	.116549	.0081638	14.28	0.000	.1004992	.1325989
_cons	2.533449	.5290746	4.79	0.000	1.493303	3.573596

VIF AND TOLERANCE TEST

. vif, uncentered

Variable	VIF	1/VIF
std	2.24	0.446936
LTD	2.20	0.455017
RE	1.04	0.961443
Mean VIF	1.83	

FIXED EFFECTS ESTIMATION

. xtreg ROA std LTD RE, fe

```
Fixed-effects (within) regression               Number of obs      =       400
Group variable: Company                         Number of groups   =        40

R-sq:  within  = 0.3416                         Obs per group: min =        10
       between = 0.4692                                        avg =      10.0
       overall = 0.4044                                        max =        10

                                                F(3,357)           =     61.74
corr(u_i, Xb)  = 0.1894                         Prob > F           =    0.0000
```

ROA	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
std	-1.172669	.3277752	-3.58	0.000	-1.817282	-.5280559
LTD	.1763926	.0149056	11.83	0.000	.1470787	.2057064
RE	.0932972	.0099353	9.39	0.000	.0737582	.1128362
_cons	2.421633	.5315194	4.56	0.000	1.37633	3.466935
sigma_u	3.7739118					
sigma_e	3.5279897					
rho	.53364102	(fraction of variance due to u_i)				

F test that all u_i=0:   F(39, 357) =   10.90   Prob > F = 0.0000

RANDOM EFFECTS ESTIMATION

```
. xtreg ROA std LTD RE, re

Random-effects GLS regression                   Number of obs      =       400
Group variable: Company                         Number of groups   =        40

R-sq:  within  = 0.3413                         Obs per group: min =        10
       between = 0.4699                                        avg =      10.0
       overall = 0.4062                                        max =        10

                                                Wald chi2(3)       =    214.99
corr(u_i, X)   = 0 (assumed)                    Prob > chi2        =    0.0000

------------------------------------------------------------------------------
         ROA |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
         std |  -1.241272   .3108029    -3.99   0.000    -1.850434   -.6321093
         LTD |   .1790807   .0147301    12.16   0.000     .1502102    .2079512
          RE |   .0984318   .0091839    10.72   0.000     .0804316     .116432
       _cons |   2.435601   .7617538     3.20   0.001     .9425915    3.928611
-------------+----------------------------------------------------------------
     sigma_u |  3.6020344
     sigma_e |  3.5279897
         rho |  .51038379   (fraction of variance due to u_i)
------------------------------------------------------------------------------
```

HAUSMAN TEST RESULTS

```
. hausman fe re, sigmamore

                 ---- Coefficients ----
             |      (b)          (B)            (b-B)     sqrt(diag(V_b-V_B))
             |       fe           re         Difference          S.E.
-------------+----------------------------------------------------------------
         std |   -1.172669    -1.241272        .0686029        .1036766
         LTD |    .1763926     .1790807       -.0026881        .0022396
          RE |    .0932972     .0984318       -.0051346        .0037792
------------------------------------------------------------------------------
                           b = consistent under Ho and Ha; obtained from xtreg
            B = inconsistent under Ha, efficient under Ho; obtained from xtreg

    Test:  Ho:  difference in coefficients not systematic

                  chi2(3) = (b-B)'[(V_b-V_B)^(-1)](b-B)
                          =        2.67
                Prob>chi2 =      0.4448
```


PANEL EFFECT TEST

```
. xttest0

Breusch and Pagan Lagrangian multiplier test for random effects

        ROA[Company,t] = Xb + u[Company] + e[Company,t]

        Estimated results:
                         |       Var     sd = sqrt(Var)
                ---------+-----------------------------
                     ROA |   41.23637       6.421555
                       e |   12.44671        3.52799
                       u |   12.97465       3.602034

        Test:   Var(u) = 0
                             chibar2(01) =   418.26
                          Prob > chibar2 =   0.0000
```

ROBUST OLS REGRESSION RESULTS

```
. xtreg ROA std LTD RE, fe robust

Fixed-effects (within) regression               Number of obs      =       400
Group variable: Company                         Number of groups   =        40

R-sq:  within  = 0.3416                         Obs per group: min =        10
       between = 0.4692                                        avg =      10.0
       overall = 0.4044                                        max =        10

                                                F(3,39)            =     20.89
corr(u_i, Xb)  = 0.1894                         Prob > F           =    0.0000

                             (Std. Err. adjusted for 40 clusters in Company)
------------------------------------------------------------------------------
             |               Robust
         ROA |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
         std |  -1.172669   .4622886    -2.54   0.015    -2.107736    -.237602
         LTD |   .1763926   .0411521     4.29   0.000     .0931546    .2596305
          RE |   .0932972   .0123816     7.54   0.000     .0682531    .1183414
       _cons |   2.421633   .9389933     2.58   0.014     .5223396    4.320926
-------------+----------------------------------------------------------------
     sigma_u |  3.7739118
     sigma_e |  3.5279897
         rho |  .53364102   (fraction of variance due to u_i)
------------------------------------------------------------------------------
```

HETEROSKADACITY TEST

```
. estat hettest

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of ROA

         chi2(1)      =   199.28
         Prob > chi2  =   0.0000
```


BUILDING TRUST THROUGH QUANTUM DEPOSITS IN EMOTIONAL BANK ACCOUNTS

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ABSTRACT

This paper examined emotional bank account deposits as a trust- building behaviour in the context of interpersonal relationships at workplaces. From extant literature, trust was seen as the extent to which a person is confident in, and willing to act on the basis of the words, actions, and decisions of another even in the face of personal risks. Emotional bank account on the other hand represents a metaphorical expression of the implications of every action taken while transacting in a relationship which embodies deposits and withdrawals. The excess of withdrawal over deposit culminates in emotional bankruptcy which has its attendant negative consequences and the excess of deposits over withdrawals depicts a buoyant emotional tank which serves as reservoir in times of emergency needs for withdrawals. The paper concluded on the note that individuals must thrive towards enriching their emotional tanks in order to constantly maintain a positive emotional balance which in itself is a rudiment for any interpersonal relationship, and by extension a convivial work environment.

Keywords: Trust, Emotional Bank Account, Deposits, Withdrawals, Emotional Tank, Quantum Deposits

INTRODUCTION

Trust is the natural fruit of trustworthy individuals which smooths the way for effective interactions (Lester and Browser, 2003). Trust can be divided into different levels of interpersonal, team and organizational (Fulmer & Gelfand, 2012). The promotion and sustenance of social order in any organization depends largely on the degree of interpersonal trust amongst actors. McAllister (1995) defines interpersonal trust as “the extent to which a person is confident in and willing to act on the basis of the words, actions, and decisions of another”. It can equally be summarized as the perception one has that other people will not do anything that will harm one's interest; and encompasses the willingness to accept vulnerability or risk based on expectations regarding another person's behavior.

Because the workplace is ruled by communication and interactions, the absence of trust becomes an enigma and makes it difficult for individuals, groups or teams to function effectively. Since trust among interacting parties is the foundation of effective relationships, it stands right to reason that organizations can profit by strengthening it. As a matter of fact, high-trust environments can effectively correlate positively with high degrees of personnel involvement, commitment, and organizational success.

Generally, some people are quick to trust, whereas there are those that depend on convincing evidences before trusting. The high trusting individuals are otherwise described as gullible. It is stated that a gullible person trusts others until they have clear evidence that such others cannot be trusted. The act of trusting exposes one's vulnerabilities to others in the belief that they will not take advantage of these. The act of trusting involves assessing probabilities of profit and loss, calculating expected utility based on (past, current, and expected) performance, and concluding that the party in question will behave in a predictable manner. Interpersonal trust becomes a highly prized commodity due to the risk associated with its failure, especially to the party that trusted.

Having realized the importance of interpersonal trust in human relationship and in the life of organisations, it becomes worthy of attention to develop interpersonal trust as a way to foster cordial relationships and increase organizational outcomes. It is on the strength of this thought that this paper grows its wings to fly into the domain of emotional bank account deposits as an antecedent of interpersonal trust, especially in the context of interpersonal relationship. To achieve this, this paper shall review the concepts of interpersonal trust, emotional bank account; the nexus of both and draw conclusion.

LITERATURE

Interpersonal Trust

The presence of trust in the workplace is essential to organizational performance and competitiveness in an increasingly global economy (Lamsa & Pucetaite, 2006). In fact, trust is related to having confidence and faith in others when dealing with them. It includes some individual differences which may be due to the knowledge of person about trustee's personality and ethics, as well as to the trustee's behavior and interactions with others. Continual cooperation cannot rely on and be guaranteed by contracts alone. Trust-related elements are needed (Lee & Choi, 2011, p. 96-97). Lewicki et al. (2006, p. 996) defined trust: "As a psychological state, composed of two interrelated cognitive processes. The first entails a willingness to accept vulnerability to the actions of another party. The second is that, despite uncertainty about how the other will act, there are positive expectations regarding the other party's intentions, motivations, and behavior."

Mayer et al. (1995, p. 712) defined trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party." Trust process has two perceptions: cognition-based and relationship-based trust. The first perception is

fundamentally cognitive, while the second is emotional and reactive. Cognition-based trust perception is an evaluation of the manager's general trustworthy characteristics such as ability, integrity, and competence. Subordinates attempt to draw inferences about the leader's characteristics (Dirks and Ferrin, 2002). These inferences lay the foundation for building the trust in the leader (Mayer et al., 1995). Cognition-based trust perception refers to the same thing as these inferences, and is developed through the observation of the leader's behaviors and performance (Lei Kin, 2010).

Relationship-based trust perception represents a part of the hot affective process, and is associated with affective reaction toward trustees. The emotional ties individuals have with each other can provide the basis for trust (McAllister, 1995). Trust has often been described as the cement that holds people together and supports individual performance (Lewicki & Tomlinson, 2003) or as emotional glue (Savolainen, 2013). Lyon et al. (2012) have described trust as the most fascinating and fundamental phenomenon, but they highlight that trust has elusive and challenging aspects. Trust develops slowly, but it can be lost quickly. It is a very fragile area; it usually takes a long time to build but it can be broken very easily, and reviving trust is a complicated and long process.
Again, trust is not transferable and is fragile even in long-term relationships. Trust cannot be achieved through flattery (Ilmonen, 2001). Trust needs continual maintenance, and does not develop through words alone, but also requires actions; genuine actions indeed. One of the key corner stones for trust is that words and actions should be in parallel (Christopher et al., 2008), and also that trust starts to build through communication and cooperation (Harisalo & Miettinen, 2010). Trusted relations take time; trust develops over a long time (Barnett et al., 2010) and shared experiences support this development. Trust is also a two -way traffic. Reciprocal trust has its foundation in social exchange theory and theories based on the assumption that trust evolves over time through the interaction process. In the initial state of a relationship, individuals may not have the same level of trust but constant interaction enables them to obtain a reciprocal state of trust. Several actions can be suggested as trust builders, including quantum emotional deposits.

Emotional Bank Account (EBA)

The concept of emotional bank account is incontrovertibly credited to Stephen Covey was one of the first in 1987 to define the concept of an emotional bank account in his book "The Seven Habits of Highly Effective People". This said account is similar to a financial one, in that deposits and withdrawals can be made and a reserve can be built up. Stephen Covey uses this unusual metaphor to describe how trust is accumulated within any human relationship. Similarly, Aksoy (2017) averred that a "person can make deposits into an "emotional bank account" with another person by showing courtesy, kindness, honesty. These acts actually build up a "reserve" of good feelings and trust becomes higher. This trust can be called upon many times and this person can even makes mistakes and that trust level or the emotional reserve, providing it is high enough will compensate for them".

Accordingly, when the trust account is high, communication is easy, instant and effective. If a person has habits of showing discourtesy, disrespect, cutting you off, over-reacting, blaming, ignoring other one, being petty, gossiping, betraying other one's trust, making threats, that person's emotional bank account will quickly become overdrawn. The trust disappears, and the relationship can be hard going (Covey, 2004). This situation manifests even among spouses; hence you can find some previous love birds living in hostile atmospheres worse than those of cats and dogs. This is essentially because the emotional tanks of both parties have been completely drained out through unpleasant and abusive lifestyles.

Covey's (2004) concept of the emotional bank account focuses on developing, improving and maintaining personal relationships with family, friends and co-workers. Emotional Bank System works as regular bank account. In regular bank, we make deposits, save up money (Naira, USD, Euro, etc), and when we need that money later, we withdraw it. An Emotional Bank System can use Emotional Units (EU) or Emotional Quantum (EQ) based on trust instead money. Covey used "trust" as the currency we use to make deposits into and withdrawals from the emotional bank account. If we make a deposit into someone's bank account, their trust in us will grow. If we make regular deposits into the EBA, the balance will grow so that if we do make a mistake in the relationship, people will be more accepting and they will be able to continue their relationships. But if we do something that decreases someone's trust in us, we make a withdrawal from the emotional bank account and if there is not a positive balance, the relationship may get entropic. To regain a positive balance, one must make a deposit into the EBA by rebuilding their trust in us. Let's briefly discuss some ways we can make a deposit into the EBA:

Covey (2004) identified six ways to make deposits (or reduce withdrawals):
1) Understanding the Individual. This means listening intently to what the other person is saying and empathizing with how they may feel. It's important to care for others and act with kindness toward them. When we give the other party a listening ear that is laced with empathy, emotional connection will arise quickly than when we pay lackluster attention. This is the reason children seek their parent's attention just to be heard because they also have their story to tell.
2) Keeping Commitments. How do you feel when someone arrives right on time when you have a meeting? How about when people simply do what they say they will do? You build up an emotional reserve by keeping your commitments. Those who have mastered the art of keeping commitment have greater chances of being respected by others, and respect begets trust. Africans have deliberately created a concept called "African Man's time". If you have been a victim to an advocate of this phenomenon, you can relate easily with how painful it can be when the other party is not committed to agreements. Our words must be our bonds.
3) Clarifying Expectations. We are not mind readers, and yet we consistently expect others to know what we expect of them. Communicating our expectations can help create a higher level of trust. When we ask for what we want, and we get it, we can then trust a little more.
4) Attending to the Little Things. Do you not find that the little things given attention become the BIG things when they do not receive such attention? Doing the little things is how we honor and show respect for others. Small kindnesses, a smile, a little extra effort, a hug, doing something you did not "have" to: these are the things that build trust.

5) Showing Personal Integrity. Integrity is the moral floor upon which trusting relationships are built. When we operate with sound moral character, it makes it so easy for others to trust us. Integrity also includes being faithful even in little things. "People are expected to be "faithful, and give conscientious attention to the little things. When you make a promise, keep it, when you make a pledge, honor it; if you borrow money, pay it back. If you borrow church property for use at home, return it—intact" (Gabriel, 2019).
6) Apologizing When We Make a Withdrawal. We will make mistakes; it is part of life. But when

you see you have violated a trust, sincerely apologizing is how we make a deposit to counteract the damage we have done. Unfortunately, apologies are very scarce commodities in our everyday life, what is ubiquitous is "justification" rather than apology.

As long as the overall total, or "balance," of your account is positive over time, you will probably feel close, or connected, to the other person (ETR Associates, 2006).
On the other hand, persistent emotional withdrawals have the potentials to deplete one's emotional bank account and when unchecked can result in emotional bankruptcy overtime. Emotional bankruptcy (Aksoy, 2017) is a condition that results from an excessive amount of stress. In his argument, suffering from this condition, which may also be referred to as emotional depletion or burnout, a person tends to feel as if her inner resources have been drained. This condition can have psychological, physical, and social effects. Any relationship one is into starts with an account opening. This account starts with a neutral balance until the first deposit is made, table 1 depicts the possible credit and debit contents of an emotional bank account.

Table 1: Emotional Bank Account Showing Debit and Credit Contents

Debit (Withdrawals)	Credits (Deposits)
Sneers	Smiles
Sarcasms	Compliments
Indifference	Showing interest
Letting others down	Showing respect
Excessive control	Trusting
Greed	Generosity

Source: Author's idea

It is believed, however, that individuals with strong coping skills are more capable of enduring greater amounts of stress and therefore less likely to suffer from emotional bankruptcy (www.wisegeekhealth.com, 2017). Understanding when one is emotionally bankrupt is an important aspect of emotional intelligence. Reck (2016) suggested some useful tips in this regard. These are as follows:
1. Exhaustion, tired more than you feel rested
2. Irritable, easily frustrated or provoked
3. Easily offended
4. Discouraged and possibly depressed
5. Anxious and worried
6. Forgetful
7. Feel physically worn-down, and weakened immune system
8. Cannot settle down, mind is racing constantly
9. Difficulty sleeping at night or wanting to sleep more
10. Lack of peace and joy
11. Not interested in activities with others. May even isolate. It is important to notice these signs of

emotional bankruptcy to avoid further interpersonal, work, school or other problems. It is also important to notice these signs to prevent more physical or emotional dangers. We can empty our emotional tanks of negativity and begin filling them with the things that matter most starting with self-care (White, 2013).

CONCLUSION

Going by the espoused thoughts reflected earlier, all relationships have a kind of imaginary "emotional bank account." When you do something to make another person feel good about the relationship, you make a deposit in their emotional bank account. When there is conflict, the relationship feels less positive. At least one person, and sometimes both people, feel a little less connected to the other. Then we would say that you made a withdrawal from the emotional bank account. When your trust level is high, because you have made lots of deposits, communication is almost effortless. You can be yourself, and others understand and appreciate you. Then, when you make mistakes or offend someone unexpectedly, you draw on that reserve and the relationship still maintains a solid level of trust.

Conversely, when you are discourteous, disrespect others, interrupt others, speak sarcastically or ignore others, your emotional bank account becomes overdrawn because you have jeopardized the trust level. When the trust level is low, you have to be very careful of what you say; you tend to be more political. Our most precious relationships (with our spouse, kids, friends and boss) require constant deposits, because those relationships continue to grow and change, and with these changes come new expectations. If you have a teenager at home, you may make several withdrawals in just one day! As your marriage evolves, your roles and responsibilities may change, and your work and home lives may change over time because of career changes or kids moving out or back in. These relationships require constant investment.

Constantly checking up one's account balance in the emotional bank is a necessary habit for every social being as we are. It will enable one know the adjustments that must be made in order to boost the emotional tank. Doing this will build trust in every relationship at work, home, and other social circles. If I had to rate each one in terms of my emotional bank account, where did my investments stand? I encourage you to try this same exercise. It will help everyone identify or pinpoint where to be investing more. In the midst of this tough economy, we have to be discretionary about how we spend our emotions.

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COVID-19 AND THE EMERGING ROLE CHANGES FOR HUMAN RESOURCE MANAGERS

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ABSTRACT

Today's organizations have to remain alert and adaptive to unforeseen events, such as external crises, which create increased uncertainty among their workforce and pose immediate threats to the organizations' performance and viability. However, with the recent COVID-19 pandemic, organizations suddenly have to navigate the unprecedented and thereby find new solutions to challenges arising across many areas of their operations. Educational institutions, offices, factories and markets are closed. This is severely affecting the daily wagers and can lead to problems like hyper-inflation, unemployment and eventually a complete collapse of the economy. The COVID-19 pandemic is affecting the organizations as well and the changes that they are making because of the pandemic will be long lasting. To ensure that their business continues, a work from home policy is implemented by almost every other business. This will enable everyone to do their work while maintaining social distancing. Despite the changes, this pandemic is teaching the businesses as well as their HR managers a lot of lessons. The present, extreme cases of requisite physical distancing need not imply equivalent increases in psychological distance, and also offer firms some insight into the unanticipated benefits of a virtual workforce – a type of workforce that, quite possibly, will influence the 'new normal' of the post-COVID world. The purpose of this paper to examine the impact of COVID-19 on HRM practice and the role change of HR managers.

Keywords: COVID-19 Pandemic, Work from Home Policy, Virtual Work teams

INTRODUCTION

The global community woke up in December 2019 to an outbreak of a disease named Coronavirus disease 2019 (abbreviated as COVID-19). The disease was described as an infectious disease that is caused by severe acute respiratory syndrome coronavirus. The COVID-19 disease believed to have originated from Wuhan, China has spread to about 196 countries and territories in every continent across the globe. Since then, there has been concerted effort to contain and curtail the further spread of the infection which is believed to be transmitted by human-to-human. The disease has greatly slowed down economic activities across the world, with many countries coming under partial or total lockdown (Oruonye & Ahmed, 2020).

The current global crisis is in twofold: health care infrastructures are overwhelmed by the spread of the virus, while the locked-down has adverse effect on the economy. The key issue then, is not just with the recorded cases, but the economic disruption it has caused due to the widespread and lockdown. Undisputedly, the impact of the coronavirus outbreak and global lockdown would be heavy and devastating as it threatens a number of companies irrespective of the sector with a possibility of insolvency and liquidation. Howbeit, for companies who may survive the bottleneck, the possibility of a number of employees losing their positions exist (Kelly,2020). Although it may be too early to overstate the impact of the coronavirus outbreak but from all available indices, no event in the last century, save two World Wars and the Spanish Flu of 1918, that has disrupted the daily interactions that power business across all sectors. Thus, the scale of economic downturn may be in excess of what was experienced during the Global Financial Crisis experienced in 2008, indubitably, a recession is inevitable (Tooze, 2020).

The Covid-19 pandemic has resulted in mass production shutdowns and supply chain disruptions causing global ripple effects across all economic sectors in a manner that was never expected. It is projected that the spread of the disease will have serious humanitarian challenges to the countries of the world and especially Africa and Nigeria in particular. Economically, the effects have already been felt as demand for Africa's raw materials and commodities in global market has declined and Africa's access to industrial components and manufactured goods from other regions of the world has been hampered. This is causing further uncertainty in a continent already grappling with widespread geopolitical and economic instability (Morné *et al.*, cited in Oruonye & Ahmed, 2020).

The COVID-19 pandemic has created a particularly challenging environment for human resource management (HRM) – with managers having to quickly venture into the “unknown unknowns” as they strive to help their workforce adapt to and cope with radical changes occurring in the work and social environment. For example, employees who formerly spent all or most of their time working inside their organization's physical boundaries now have to quickly adjust to remote work environments. Due to shelter in place orders and the closure of nonessential businesses, even those who might be well adjusted to remote working conditions are now faced with their own unique challenges due to an inability to seek alternative workspaces (e.g., cafés, libraries, co-working-spaces) outside of the home itself. This has likely further limited the segmentation between work and private spheres leading to greater difficulties in “unplugging” from work demands (Chawla, MacGowan, Gabriel, & Podsakoff, 2020). Aside from the increased inability to separate work and private life, the closure of schools and childcare services has increased parental demands for employees, further blurring the lines between work and family spheres. While these work-family interconnections seem particularly demanding for employees with children, single and childless workers are not immune to the negative consequences of such altered working conditions, as they may be at greatest risk of loneliness, a felt lack of purpose, and associated negative effects on well-being (Achor, Kellerman, Reece, & Robichaux, 2018).

The purpose of this paper is to examine the impact of COVID-19 on HRM practice as well as the associated avenues for future research. The specific objectives of the paper are: to examine the challenges and the changing roles of HR managers due to COVID-19 pandemic.

LITERATURE REVIEW

COVID-19 Pandemic

The coronavirus (COVID-19) outbreak, which originated in China, has infected tens of thousands of people all over the world. Its spread has left businesses around the world counting costs. The virus is posing a growing threat to the economy of many nations as the pandemic is moving from travel restrictions of individuals to that of business organizations (Davidson, 2020). That extends the pandemic's reach into nearly every corner of commerce as many consumers avoid large gatherings of people in commercial places and beyond. The outbreak of the new coronavirus infection, COVID-19 was initiated from the Huanan seafood market in Wuhan city of China in December 2019, and within a couple of months it has turned out to be a global health emergency. Live animals like bat, frog, snake, bird, marmot and rabbit are frequently sold at the Hunan seafood market (Wang, Horby, Hayden & Gao, 2020b). Genomic analysis revealed that COVID-19 is phylogenetically related to Severe Acute Respiratory Syndrome-like (SARS-like) bat viruses, bats could therefore be the possible primary source. Although the intermediate source of origin and transfer to humans is not clearly known, the rapid human to human spreading capability of this virus has been established. As per the latest update of WHO on 1st July 2020, the outbreak of COVID-19 had spread in more than 200 countries. Approximately 519,953 people had died after contracting the respiratory virus out of nearly 10,848,916 confirmed cases, whereas more than 6,066,672 people have recovered from the disease. These numbers are rapidly changing upwards (website athttps: / / www.who.int / emergencies / diseases / novel-coronavirus-2019).

Coronaviruses may be carried among animals however this type of virus does not spread among humans, although with an exception to the SARS and Middle East Respiratory Syndrome (MERS) which usually spread through close contact with infected people. This is evident in the later discovery of cases among medical staffs with no linkage with the seafood market thus an indication that there is a human to human transmission of the virus (Liu,Hu, Kang, Lin , Zhong & Xiao, 2020).

Authorities of countries of the world resorted to lockdown strategy to prevent the spread of this virus. This is because of the routes for transmitting the COVID-19 that is, droplet transmission, contact transmission and aerosol transmission. These modes of transmission make the spread of the virus wild and the situation that accompanies it a pandemic. The transmission through droplets occurs when someone infected with the virus coughs or sneezes and a non-infected person in close environment inhales it. The transmission through contact is when an infected person touches a surface which is touched by a non-infected person or the infected person comes in contact with a non-infected person who ends up touching his or her mouth or nose. Aerosol transmission is when respiratory droplets mix with air is inhaled into the lungs of a non-infected person usually in a closed environment (National Health Commission of People's Republic of China, 2020).

COVID-19- Challenges and Changing Roles of HR Managers

The coronavirus pandemic has disrupted organizations and caused human resources managers to think differently about their role as they adjust to social distancing practices and a new work environment that they may never have imagined. To prevent the spread of the coronavirus, companies have switched to a remote work model at a rate and scale they have never experienced.

As face-to-face collaboration is replaced with e-mail and videoconferencing, HR managers have to do difficult work under difficult circumstances. Not only are HR professionals concerned about employees' health and well-being during the pandemic, they are also under the strain of processing the paperwork and providing solace to the millions of workers who have been laid off or furloughed. For employees still on the job, HR managers are trying to keep their workers productive, motivated, engaged and connected—all factors that are moving targets in the new normal. HR managers have to let employees know that they know they are at home with their family, that they are stressed because the kids are trying to get their attention while they are working, and that the company is there for them. HR managers' number one job right now is to keep people up-to-date, be reassuring and build trust.

The role change for HR managers in the post COVID-19 era is enumerated below:

Coping with Flexible work arrangements

Due to COVID-19, the whole world has shifted their workforce from ground to online (Working from home). Before this COVID-19, "Working from home sounds like a dream; however, like any job situation, there are many disadvantages to home employment that may become apparent over time. For some, this can mean making a few adjustments to make the situation more tolerable" (Smith, 2014). Due to this pandemic, these adjustments make the workforce more comfortable and safer by working at home.

Many managers will be familiar with flexible work arrangements (FWAs) that formalize where, when, and how employees do their work (Chen & Fulmer, 2018). FWAs, such as flexible scheduling of work and working from home, have been shown to deliver positive benefits for employees' health (e.g., Anderson, Kaplan & Vega, 2015). IHRM has unique insights into FWAs; for example, people working in global teams are accustomed to working from home and outside standard business hours. IHRM research has highlighted the importance of practices such as FWAs that help MNE employees to maintain their health and wellbeing to cope with the demands of working across geographical and temporal boundaries (Adamovic, 2018).

In response to the COVID-19 pandemic, many Multinational enterprises (MNEs) have been forced to rely on one type of FWA: employees working from home. This is a new challenge for many, including IHRM scholars and practitioners. A survey conducted with 800 global HR executives in March 2020 found that 88% of organizations had either encouraged or required employees to work from home during the COVID19 crisis (Gartner, 2020). Because this shift has been involuntary, continues over a lengthy period, and requires entire households to be house-bound, there is more potential for employees to experience increased work hours, as well as increased work-life conflict. For employees who were globally mobile, and now find themselves working from home during the pandemic, the shift is particularly significant and borders between work and family may require re-negotiation and re-organization. There are several specific ways by which managers and HR can help their employees to work from home in a safe and healthy manner.

There are many simple and cost-effective ways to encourage healthy lifestyle habits. For example, encouraging healthy work practices such as working within regular hours and taking regular work-breaks will help employees to switch off from work (Adamovic, 2018; Chen & Fulmer, 2018). Communicating clearly and managing work expectations will help employees to maintain their family responsibilities. The pandemic offers an opportunity for managers to explore how to implement flexible work arrangements that can enhance the health and safety of employees well

into the future, particularly that of globally mobile employees.

Global teams and virtual collaboration

For International Human Resource Management (IHRM), the COVID-19 pandemic has highlighted the importance of how employees can work effectively across borders while remaining at home. The focus on global teams has become particularly salient. With employees sharing the same global stressor, future studies should examine whether their experience of getting through it together has fostered greater cohesion and, if so, whether those MNEs that have spent time to train their employees on cross-cultural virtual collaboration now have global teams with greater expectations of reliability among the members. Working from home has exposed employees' full selves as conference calls are bringing colleagues into each other's homes, possibly seeing each other's pets, children, and home décor. Future studies should examine whether the COVID-19 pandemic has fostered greater global virtual team cohesion by providing visible evidence of each other's true selves.

The crisis also offers a new opportunity for Hr managers to look at the fundamentals of virtual collaboration. IHRM researchers could use the current situation of large scale virtual working as an 'extreme case scenario' to examine the extent to which virtual collaboration can be effective. They could ask whether the methods that we have derived from virtual collaborations amongst managers or technical experts (e.g., information systems engineers) suffice for achieving effective work in the types of collaborations that were previously not virtual, for example among administration staff inside the MNE.

Lessons from Remote Working

The current lockdown and social distancing due to COVID-19 compels businesses to shift to remote working. This is essential for the continuation of their work because this virus is here to stay and businesses have to learn to survive with this. Even after the crisis, there is a high chance that remote working will become the new normal. Therefore, it is an opportunity for the businesses to change their way of work so that they can benefit from the remote working in the long term as well. Some of the benefits include reduced cost of office space and business trips, an increase in employee retention and productivity, shorter breaks in between work and a greater focus of employees. On a larger scale, remote working will also help them to tackle unexpected events in the future. It is therefore important for the businesses to ensure that they are investing in a new operational model which is based on flexibility as well as remote ways of working, a corporate culture that supports the new business model, business goals that are aligned to the new cultural standard and a data driven method of analysis to get a much better and deeper insight into new learning patterns (Verbeemen, 2020).

It is also imperative for them to increase their investment in technology to ensure that they have the necessary infrastructure for remote working arrangements. Some of the measures that they must take include issuing laptops to employees so that they can work from home along with reviewing and upgrading the digital system to ensure stable and effective communication and productivity. However, the most important for the businesses right now is to ensure the security of their data as the reliance on the internet has given the hackers the opportunity for malware and phishing attacks. A lot of businesses use the Zoom application for business discussions however; the app has no end to end encryption and so is not safe at all. According to a Google report, there has been an increase of 350% in the phishing websites since the start of 2020 (Cohen, 2020). Thus, it is extremely important to ensure the privacy of business data and in this extreme crisis; Interpol has provided a cyber safety checklist to help businesses deal with such crimes.

Communication

Communication in this pandemic is very important for the survival of businesses. It is the key to employee engagement and productivity. Since workers are not working from their routine workplace, they often feel disconnected and disassociated with their colleagues and the management due to lack of social interactions. This can affect their work performance and motivation. Therefore, it is important to schedule regular meetings to increase the interaction and to ensure that everyone is on the same page. However only meeting does not suffice, it is imperative for management to build a virtual water cooler. This will help everyone in the meeting to get comfortable with each other through a virtual channel and they will feel that they are an important and integral part of the team. They will interact in a way that will reinforce the values and culture of their business and hence it will cultivate a sense of belonging in them. This will create a role change for the HR manager. The virtual water cooler will also be the basis of successful online meetings as it will connect and familiarize each other before the actual meeting takes place (Debara, 2020). Moreover, it will also give management the chance to communicate and build strong relationships with those employees with which they are unable to interact that much at the workplace. Such interactions will add a sense of normality and would eventually help everyone to stay focused and accountable.

Enhancing Relationship-Oriented HR Systems

Accordingly, the challenges brought on by COVID-19 beckons organizations and research to consider the unique challenges and demands childless and single employees face. Organizations may want to begin addressing this issue by adopting a more inclusive and thereby creative approach to supporting all employees, considering various forms of family status. For example, human resource managers may want to look toward enhancing relationship-oriented HR systems in order to combat the greater risk of isolation among childless and single employees and better prepare them for unanticipated events (such as our current crisis) that can lead to feelings of loneliness and social exclusion. Such relationship-oriented HR systems can help employees build ties both within and outside the organization (Kehoe & Collins, 2017) and thus develop a reservoir of resources needed to cope with possible social shocks like the one we currently face, such as by focusing on network-development, training and feedback. Further options include regularly sponsoring professional and social events, where the childless and singles can find meaning, strengthen purpose, and instituting formal mechanisms (such as regular team meetings) to encourage employees to connect with one another (Collins & Clark, 2003).

Building Virtual Collaboration Skills

HR Managers can further support effective virtual working through each stage of the human resource management process (Zimmermann, 2018). The requirement of working over distances should be included in job advertisement and assessment centers, not just for managers but also for technical staff, to attract and select employees who regard this as part of their professional identity (Zimmermann & Ravishankar, 2011). After recruitment, skills of virtual collaboration can be developed through formal training that covers ICT as well as intercultural knowledge and experiential exercises (Sit, Mak, & Heill, 2017). As mentioned, cross-cultural training is important for those who work virtually across countries, supporting cross-cultural relationship formation and team-working skills. On the job, new recruits can early on be given the opportunity to work

on virtual teams and visit remote offices to develop an awareness of different cultural and organizational contexts that may cause misunderstandings in the virtual collaboration. Rotational assignments and short-term projects abroad serve to enhance the collaboration in global virtual teams by allowing members to develop a better shared understanding of their tasks, goals, and social norms, and to build stronger social ties and a shared team identity (Zimmermann, 2018). For this purpose, the organizational design must allow for the movement of staff in all geographic directions.

Research on virtual collaboration also suggests what measures managers can take to alleviate obstacles to virtual work; to create a more positive work experience for employees; and to increase employees' motivation to make good on their commitments in the team and the firm. First, managers can facilitate perceived proximity, by allowing employees to communicate frequently and share personal information with remote colleagues, including social media, to help identify personal similarities and to develop stronger relationships (O'Leary, Wilson & Metiu, 2014). Shared understanding, in turn, must be supported by defining strong shared goals, a clear communication structure, interaction rules, and team member roles (e.g. Earley & Peterson, 2004). To give virtual working skills the attention they deserve, managers should also include employees' effort in virtual communication and teamwork as criteria for employee performance appraisals. The process of virtual working, not just its outcomes, should thus become relevant for rewards and promotion.

In sum, research on virtual collaborations can teach managers much on how to handle the challenges and reap the benefits of collaborating at a distance, which the COVID-19 crisis has brought to the fore. To cope with virtual collaboration on a large-scale during this crisis, managers must develop and reward employees' virtual collaboration skills, foster perceived proximity, and design ICT, work goals, and the communication structure in a way to foster collaboration. If managers now use the opportunity to take on these insights, they can build their firm's capability of virtual working for the future. In the long run, virtual collaboration skills will become a more important part of employees' professional identity. In an international setting, this also implies that HR managers in different organizations will need to collaborate to design career paths that balance the aspirations of employees at different sites and foster their motivation to work with each other.

Virtual Leadership and Management

The role of leaders to determine organizational outcomes that have a broad impact on employees at all levels is especially clear in the crucible of a crisis and certainly vital in fundamental ways (Antonakis & Day, 2017). With the COVID-19 crisis requiring millions of employees across different hierarchical levels to work from home, it is encouraging to note that leadership can also work well from a distance (Antonakis & Atwater, 2002). Prior research shows that successful leaders are those skilled to make the right decisions and provide reassurance through a balanced mix of optimism and realism regarding the future. In other words, effective leaders strive (in any time period) to project vision – a symbolic state of affairs with which the collective identifies (Antonakis, Bastardoz, Jacquart & Shamir, 2016). Additionally, research indicates that the absence of traditional physical cues of dominance and status in virtual settings (Antonakis & Atwater, 2002) can foster more participatory relationships

Research on the effectiveness of leaders during and after the COVID-19 crisis should examine an array of activities, including the degree to which remote leaders are persuasive if they (a) clearly state their values that will guide institutional actions; (b) understand and openly discuss the travails and hopes of their organizations; (c) clearly communicate an ambitious vision of the direction that the unit will head toward; and, (d) demonstrate confidence that strategic goals can be achieved. These skills are referred to as charisma (Antonakis, *et al.*, 2016) and require training and investment. Indeed, crises can bring about changes in leadership styles (Stoker, Garretsen, & Soudis, 2019); thus, firms can expect to be better prepared by ensuring they have adequately invested in professional development. In this respect, future research should estimate if and how organizational commitments to employees' professional development during the COVID-19 crisis pay later dividends.

Among the more specific leader-subordinate activities that will be important to consider in relation to COVID-19 is how assessment and appraisal systems will function. For example, without being able to directly monitor subordinates in the way that office settings allow, there may be a shift to results-focused assessment, which prior research shows to be generally effective (Pritchard, Harrell, DiazGranados, & Guzman, 2008). Over longer spans of time, though, working remotely may reduce the opportunities for subordinates to gain feedback from leaders and prior research suggests that a lack of learning opportunities is associated with lower organizational commitment and higher risk of turnover (Vandenberghe, Landry, Bentein, Anseel, Mignonac, & Roussel, 2019). In addition, future research should examine how trust can be built remotely with online interactions so that newcomers are not disadvantaged due to the lack of face-to-face interactions with their leaders (Dunbar, 2018).

CONCLUSION

There is a huge responsibility for Human Resource managers to maintain the motivation of all employees and make them more productive and efficient. Companies HR managers are still working on this transition of work from home. They have to consider the calmness and mental state of all employees because every employee would not be from the same cities. As mentioned by Joy: "The more you're able to find inner calm during this crisis, the better able you are to make decisions and lead your business" (Joy, 2020). Eventually, in this transition of work from home, HR managers are working on the priorities of their work because pressurizing the employees in their work would affect their well-being and efficiency as a manager doesn't know one's personal situation in this pandemic of COVID-19.

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ABOUT JONESY EDUCATION AND TEACHER EXPRESSION IN PORT HARCOURT MUNICIPALITY

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ABSTRACT

The paper evaluated ten privately owned schools in Port Harcourt Municipality. Fifty teachers, five each, were selected from the schools surveyed. Concern, with the use of Likert' s method of data analysis, was to find out the effect of Jonesy Education on teacher- expression. For one, the idea about child main-stream or dominance, the paper avers, now robs the teaching profession of its cottage relevance. There is need, no matter the paradigm, that the teacher exercises his license on the direction he wants the child to go. Jonesy Schools then must structure their policies not to rapine at the image of the teacher as this is not to the good nurture of the child and the society at large. Statutory boards, such as the various associations of teachers, the paper submits, must respond to the urgent need of the dying profession.

Keywords: Jonesy Education, Teacher Expression, Human Capital Relevance

INTRODUCTION

The demand to recast the modern day education system robs the teaching profession of its ancient relevance. And being a question of identity and image, it is not, altogether, to the good nurture of the child and the society at large. There is need to continually uphold its doctrines of essential character modeling no matter the necessity. The reason is simply. Teacher-expression as it was commonly witnessed in main stream education is fast on the decline. It is probably now the turn of child-dominance. But this sort of learning paradigm, no doubt, stems from lucre: the capitalist for one and his untamed appetite for profiteering. True, child essence and value must be allowed to express itself, but not to the devaluation of the teaching desk, such as the authority of the teacher, rewards and compensations, (John Mark 2016) above all, the culture of the past to remain relevant before guardians and the outside world. The modem day education, especially privately owned schools, is far from this practice.

The roam for capitalist interest shapes their mode of practice on the scale of child main streaming. But this is not in line with the planarian injunction on the teacher and the child. There can be no competent education without the license of the teacher to parent the child at will.

It then follows that teacher-expression or space is on the loss to Jonesy Education where affluence influences value. Such mega children are not to be tamed at will or dare receive rebukes that are likely to affect the management by way of losing the child or patronage to neighborhood schools. In other words, by reason of no-job-syndrome and the emergence of too many schools, labour contract formulation now protects the child more at the expense of the teacher as a human capital profession. In main-stream scholarship, the affluence of the noble was not allowed to meddle with teacher-relevance and the image of the instructor. The new age order is now about child main-stream and not the teaching. But again, the paper submits, the blame for the new wave fever is not meted on the affluent, but the capitalist whose private interest is to compromise value relevance for lucre. (Freeman, 2008; Cohen, 2008; Anna, 2017).

The consequence of this is that the teacher is no longer at his best or himself, as he is too often times mindful of his classroom activity with the pupils or students as he would not want to face his employer or guardians. If the child is to receive component education and the society living in behavioral truths, value relevance of the teacher must be shown in expression.

Statement of Problem

Part of city strife is for families to give their children competent education. The Capitalist knows well about this; that most humans are always on the move to meet up with the times. Especially in class zone areas and in the down town metropolis, city strife grows from career profiteering to moderate significance in competent education. The capitalist having well underscored this natural sway with society; that is the internal imperative with the rich to attain class, he continually creates a system that leaves some folks as misfits. (Horsfall & John Mark 2018). The tendency to silhouette the class-conscious has been brought into the education system such that it now leaves little or no value for the teaching profession as the social strata commended by the kids strips the teacher of his license and total expression. The paper then summits that Jonesy Education, beginning with the way it is formulated and structured, stresses more on the need for class main-streaming rather than the culture of value for the child.

Objectives of Study

The study intends to evaluate the following objectives;

1. To determine the ideology behind Jonesy Education.
2. To determine the effect of Jonesy Education on the human capital (teacher-expression).

3. To determine if the learning content of Jonesy schools are different from the state schools.

The following research questions then stem from the study

1. What is the ideology behind the practice of Jonesy education?
2. What effect does Jonesy Education have on human capital in the industry via teacher-expression.
3. How discrete is the learning content of Jonesy Education from the state schools?

CONCEPTUAL ISSUES OF JONESY EDUCATION

While the capitalist seeks surplus value and profit, he soon forms an imperial system of resource control. (John Mark 2019). In Gusky *et al* (2009) one mechanism with which he does this is the reduction-game. He reduces labour surplus so that there can be competition among job seekers. The consequence of this is that he does not only bit down their wages, but his inclination and private interest to make profit interferes with work ethics.

In other words, capital goals permeate every human society with the concern to create class-struggle and value exchange, (John Mark 2017). What this then implies is that the idea about the modern day education system for one and its demand to reposition learning is under the influence of surplus value. This claim about qualitative education as a paradigm shift from the traditional system is all a scheme. So long it is privately owned and managed, it influences work ethics and the value of labour as enshrined in industrial work practice.

In other words, Jonesy education is about child-mainstreaming. For scholars of this school, discovering the child's essence and value enhances learning. Nicole (2011) averred that the traditional system of learning was structured in such a mud that the teachers were so well powerful that child-distancing would create a brick between the learner and the instructor.

A follow up on this then is the need to create a social or learning system where the child can be encouraged or is individuality shown expression. In Judyth (2001) it is captured as knowing the background of the child first and much more before impacting lessons. In doing so. The instructor must keep with the record that most of his pupils or students are class associated children with comparable interest or socio-economic group.

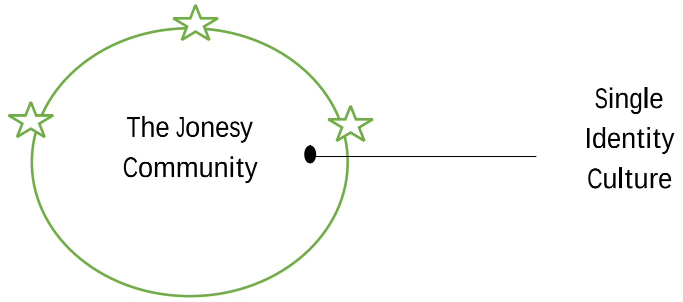
Thus, the idea about the Jonesy's' community began long ago as an idiom in many parts of the English speaking neighbourhood communities. Here, the next door neighbour was to keep up with the social class he found himself or be likened to the one who demonstrates or is below the class of his dream. This sort of class distinction then would visit the American soil where families in racial segregation were striving to be better and bigger in their content of wealth.

It then follows that this launch, beginning in 1913 and for over twenty-six years, entered the English world on the need to impress other people. However, the argument continues to make sway about the forces behind Jonesy drives. Some scholars posit that the media seem to be the major agent behind our social drive and demand to meet up with the Jonesies. While the late 1880's emerged, events emerged alongside with it that only the rich could pay for them. This sway would further usher in class discontent in most parts of the world and ever since then the “meeting up trouble” has continued to permeate every sector of human endeavour.

Kamau (2014) then posit that the Jonesies have a way of causing us not to feel good with ourselves or with our choice of life. This unseen ideology is probably what the capitalist has adopted in his running of business such as the school where the culture about the ordinary type is mocked.

The consequence of this is that humans soon fall snare to the capitalist's interest who, though may appear to be giving the ideal is on the other hand, guided by untamed appetite for gain. Jonesy Education then following suit, leaves the society with the impression of a learning environment with socio-economic identity. This probably aligns with Kamau (2014) about schools where class is extolled and contact reached for important portfolios. In other words, many parents who leave their teenagers and young ones in care of these schools do so under social durex. What then remains is that Jonesy, education, though seemingly appealing to human sense of colour, is not in any way better than state and community schools where the teaching profession is still relevant as the Instructor is not subject to managerial policing.

However, while it may be good to be sensational whether in structure or in branding, it must not be to the abuse of ethical issues or human dignity. The model below speaks:



Thus, is a community of Jonesies bound by a single identity culture with no room for foreign or external interference or forces outside the economic group. The mere fact that it is a circle makes it conversely for foreign non membership to come in.

Issues about Teacher expression

Competent education of the child depends largely on the command and identity of the teacher. Having been trained and licensed, his personality must be shown expression, especially in matters of common discretion. This is in respective of managerial policies or the personality of the student. In Judyth (2001) teaching itself, beside the demand to impact is, altogether, about parentage and mentorship of the child. To do this, the teacher must see himself as one who is in control. Douwe (2006), described this sort of license as that of the Physician's being in total control of his patient's physiology.

What this then implies, the scholar averred, is that there is a measure of folly in the child. It

requires the authority of the teacher and his socio-relevance to deliver. For where the parents or guardian has failed, the teacher is expected to perfect it, having for years acquainted himself for with human learning. In Raihan (2018) teacher expression then is one way the students or pupils receive competent education; for where the teacher is at the command of the socio strata of the student or managerial policies, he soon withdraws his skill if not resign from the job. And the consequence of this, that is the sudden withdrawal of the teacher is that the students are left half-baked in the middle of their studies as they would have acquainted themselves more with the personality of the teacher.

It then follows that teacher-expression is not being shown concern in most privately owned schools as this has a way of cutting down on the school's patronage from parents. Scholars like Anna (2017) then posits that essentially privately owned schools operate on the basis of capitalism and private interest. Concern for gain then shapes their tone of labour rules and structural operations. What then remains is that Jonesy schools strip the teacher of his social relevance and authority at the expense of profiteering. If teaching profession is to regain its ancient relevance, there is the need to reposition education in the state, especially the privately owned. To a large degree, this will help recast and shape the image of the dying sector as value discipline depends greatly on its social acceptance

The Theoretical Framework

The paper adopted the theory of the leisure class thereby postulating the about ostentatious display of wealth in order to gain social reputation. This theory as was advanced by an American economist and sociologist, Thorsten Veblen. goes on to abet the chase for modern society's obsession with mundane prosperity and worldly possession. The consequence of this drive is that the ostentatious minded go on to form a class of their own.

It then follows that the idea about Jonesy Education is for the called out and “The willing” to display material possession in order to give themselves a class. Concern for ethical values and competent learning is a mere shade of colour in order to vacillate patronage.

METHODOLOGY

The study adopted a quantitative approach for its scientific enquiries from fifty participant teachers from ten privately owned schools in Rivers State, precisely Port Harcourt municipality. Five teachers, each, were from a single school which cumulated into fifty teachers-participants. Following their response, the paper used simple percentage in the interpretation of result. This sort of statistics tool was adopted in that it would afford the participants to objectively express themselves in line with the purpose of the study.

Data presentation and Discussion

As said, data elicited was from fifty participants from ten privately owned schools in River State; precisely Port Harcourt Municipality.

RQ 1: *What is the ideology behind the practice of Jonesy Education*?

Response	Frequency	Percentage
To create a culture of the class-informed	35	70%
To give quality education	13	26%
Not necessarily	2	4%
Total	50	100

From the table above, the response shown by participants reveals the fact that Jonesy Education is essentially about class-structure and private purse of the capitalist. Hence the greater response on the scale of 70% of the total participants surveyed.

RQ 2: *What effect does Jonesy education have on teacher-expression*?

Response	Frequency	Percentage
It denies the teacher of the license to parent and direct the child at will due to the social strata	27	54%
The teacher gets to meet with the noble	16	32%
The teacher earns very high wages	7	14%
Total	50	100

As well, it may well be said from the responses of the participants that one effect with Jonesy Education is that it strips the teacher of his license due to class consciousness that the environment has been structured to benefit from. Hence, the greater response on the scale of 54%.

RQ 3: *How discrete is the learning content of Jonesy Education from the state schools?*

Response	Frequency	Percentage
Not quite different	13	26%
The usual	15	30%
To some degree different	2	4%
It is about colour coding	20	40%
Total	50	100

Again, the table reveals that Jonesy education is not in any where different from the state schools as, the larger populace is meant to believe from outside view. It is probably a thing of packaging leasing and colour coding as a means to create distinction and allure patronage.

CONCLUSION

The study then concludes that ideally; Jonesy Education is about class-concern for the noble. The consequence of this is that while it appears to address quality education for the mega child, on the other hand, conditions the teacher to play along with the person of the child rather than giving him an expression as he would want the child to go. The result of this again is that, the teacher's relevance and authority is undermined for gain-seeking by the owner of the school.

RECOMMENDATION

The paper then suggests the following recommendations.

1. Reposition education in the state by the continual evaluation of teacher relations and management policies in privately owned schools.
2. Constant enlightenment on the need to protect the teachers by the various associations concerned and above all, the industrial courts.

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REGIONAL CULTURE AND ITS IMPACT ON ENTREPRENEURSHIP IN THE NIGER DELTA: A CONCEPTUAL REVIEW

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ABSTRACT

This paper is a working paper that is the outcome of the first phase of a regional project that is aimed at understanding entrepreneurship within the Niger Delta region of Nigeria. The paper explores the impact of the region's culture on entrepreneurship within the region, using Hofstede and House dimensions to conceptually discuss the current cultural inclination of the region. It is further argued that while businesses have been established across the region over the years, very few of such have been innovative and sustainable. Hence, the paper concludes that if there is a change in the rating of the region along the dimensions of the two main studies used, then the region is likely to experience higher levels of entrepreneurial engagement. The paper recommends that these thoughts should be empirically tested in the next phase of the project.

Keywords: National culture, regional culture, entrepreneurship, innovation, development

INTRODUCTION

In every society, the easiest and fastest way to understand and explain why things are the way they are is to aim to understand the culture within that society. The reason for this is quite straightforward, which is the basic and universal agreement that culture underlines how things are done within the specific environment of interest. It has been deemed to manifest at different levels, such as national, regional, organizational, team and individual levels; buried in each of these levels are tangible and intangible sublevels of culture. This paper reviews the subject of regional culture, especially in terms of how it manifests via the marked differences that uniquely differentiates one group from another in the larger society. This paper focuses on theorising the impact of regional culture on entrepreneurship in the Niger Delta region of Nigeria.

It is important to clarify that while this paper addresses this concept focusing on a geographical environment, that may not always be the case. The interconnectedness of human existence in the 21st century means that while individuals may not be in a geographical location or environment, they may actually belong to the same society, as a result of certain homogenous factors that they share in come. For example, members of the academia all over the world have a culture to “publish or perish”, which defies geographical boundaries.

In this light, the rest of the paper involves the discussion of entrepreneurship in the Niger Delta region, the theoretical basis for this discourse, the definition of culture, the various national and regional cultural studies deemed relevant to it and the implications of such studies in the context of entrepreneurship in the Niger Delta region.

Brief on entrepreneurship in the Niger Delta

Considering the ecological and socio-political factors that influence a people's culture, this paper looks at the regional culture of the Niger Delta, part of which makes up the South-South geopolitical zone of Nigeria. The region which is regarded as one of the largest wetlands in the world as well as Africa's largest wetlands (Eweje, 2007) is situated along the coastal part of the country in the south. The region is made up of 9 states that are deemed to be oil producing states, which are Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo, and Rivers. According to the 2006 National Population Census, these states combined are home to over 31 million people (NPC, 2010), occupying approximately 112,110km square of land (NDDC, 2004).

The original occupations of the people of the region were subsistence farming and fishing, with fishermen undertaking fishing expeditions that sometimes lasted for weeks or months to communities deemed to be fishing ports, both within the country and outside of it. This has continued to be the major occupations of people of the region even till date, with the different phases of development and modernisation that the region has undergone. However, with the abolition of slave trade in 1807, the region led the trade in palm oil from West Africa to the Americas and Europe (Dike, 1956). The discovery of oil in commercial quantities at Oloibiri in present day Bayelsa State in 1956, with the first major production and export capacity put at 5,100 barrels per day in 1958 (NNPC, n.d.) changed a lot within the region. Since this discovery, the region has been credited as being responsible for 95% of the foreign exchange earnings and 80% of the budgetary revenues of the nation (CIA, 2012). This means that the region has been a major contributor to the economic fortunes of the country since the 1950s, though it does not seem to have gotten as much as it has given to the federation in foreign exchange earnings.

It was meant to be a blessing to the region by the creation and maximisation of wealth for people of the region, but it has also been regarded as a curse over the years because of the level of conflict that it has generated internally. It also seems to have quenched the entrepreneurial spirit within the region, as everyone dreams of an oil company job that pays fat salaries and this has resulted in waned interest in entrepreneurial undertakings across the region over the years. There have been businesses established in the region but most of these have been created to pursue government and oil company contracts, thereby not engendering sustainable enterprises that can be deemed strong enough to become global brands. It is thought by the authors that this is worth researching, to confirm what exactly the situation is in the region when it has to do with the entrepreneurial undertakings.

Theoretical basis for our position

There are several entrepreneurship theories that could have been used as basis for our discourse in this paper such as the traits theories, motivation theories, achievement theory and psychological theories, but we will just use Schumpeter's theory of innovation and the anthropological theories of entrepreneurship.

According to Schumpeter (1943; 1987), the concept of entrepreneurship is mainly defined by innovation even as he regarded an entrepreneur as anyone that creatively disrupts the status quo. He clarifies that such innovation could take the form of new goods, new processes, new markets, new methods of production or new methods of transportation. So long as there is an aspect of the venture that involves creating something new, then such a venture can qualify as an enterprise.

Some other authors (Drucker, 1985; Kirchhoff, 1991; Hornaday, 1992). They noted that a key characteristic of a firm that can be said to represent or reflect entrepreneurship is such a firm's ability to create new things or innovate. This is important for this paper, because while there have been businesses started in the Niger Delta over the years, not many of them have been innovative with their product and service offerings.

In terms of the anthropological theories and thoughts, it is posited that the decision by an individual to become an entrepreneur is one that is influenced by environmental and socio-cultural factors that tend to push or direct the individual towards becoming an entrepreneur. Johnson (1990) in his study emphasized the importance of the environmental context, because of the influence it has on shaping the views and thoughts of the individual, especially before consideration of achievement motivation perspectives. Interestingly, what a person regards as an achievement will be dependent on what the society in which he or she grew considers to be an accomplishment and this will further serve as a motivation for the individual. These theories are even deemed to be very useful as they make up for the inability of the trait theories to predict entrepreneurship, because of neglect for the role of the social context and culture (Reynolds, 1991).

Hence, this study will be hinged on the theories of innovation and anthropology, with a focus on creativity and innovation as well as cultural inclinations that influence entrepreneurial undertakings.

Defining the concept of culture

Culture by its nature is dynamic and not static, hence it can change as it comes in contact with other cultures through the different factors of globalisation (Erez & Gati, 2004). However, such acculturation depends highly on how attached the people concerned are to their culture as well as how attracted they are to the new cultures they encounter (Berry, 1980). It now becomes important to define the concept of culture from the lenses of various authors over time.

Culture has been mainly regarded as being about shared values, beliefs, or perceptions held by a group of people (Robbins & Coulter, 2005) for a long period of (Tsai, 2011). According to Daft (2003:118), culture is “the shared knowledge, beliefs, values, behaviors, and ways of thinking among members of a society”. Schein (1992) defined it as the lessons learnt by groups as they find solutions to their external and internal problems of survival and integration respectively. It could also be the various shared values of a people which are transmitted from one generation to another via social learning processes of modelling, observation as well as the outcomes of individual actions or decisions (Bandura, 1986). Hofstede (1980) defined it as the collective programming of a people's mind that differentiates their members from members of other groups.

Instrumental to the learning and transmission process that leads to the collective programming posited by Hofstede (1980) is what Kitayama (2002) referred to as the system view which emphasizes the individual's efforts to ensure that their behaviour is organised in tandem with acceptable societal practices and meanings. This indicates that every individual is a product of the society in which he or she is bred, which confirms the African adage that children belong to the societies in which they are born and not just their parents. Interestingly, Hannerz (1992) had earlier argued that there is a mutual relationship that exists between the people and their culture by positing that “culture is the meaning which people create, and which creates people, as members of societies” (p. 3). In other words, this can vary from one society or environment to the other as the meaning created by the people in such societies or environments will be influenced by both ecological and socio-political factors (Triandis, 1972; Berry et al., 1992).

Based on the different definitions of culture that have been highlighted above, values and beliefs are key components of what constitutes culture for any group of people. However, such values and beliefs must be transferred from one generation to the other for them to qualify as the people's culture. Hence, we can define culture as those shared beliefs and values of a people that inform their decisions and actions over time. This definition hinges on the fact that every belief of an individual leads to certain decisions, which then manifests in the form of actions and activities. Such actions and activities form the views and perceptions of everyone that encounters persons from such cultural backgrounds.

Application of relevant national and regional cultural studies

This section explores the different works of authors on national and regional cultures, especially in terms of how they can be deemed applicable to the Niger Delta regional culture. The works of Hofstede (1980) and the GLOBE research by House et al. (2004) are reviewed and applied here.

To understand what differentiates workers within the workplace, especially within multinational companies, Hofstede (1980) had undertaken the study of national cultures using IBM workers. This study which has been highly cited since publication proposed 4 main dimensions of national culture, which are collectivism-individualism, power distance, masculinity-femininity, and uncertainty avoidance. Two more dimensions were added later making these dimensions 6 in number, which are long-term orientation and indulgence-restraint dimensions.

- *Collectivism - individualism*: This reflects the extent to which people expect the group which they belong to show interest in their welfare or not. So in highly collectivistic societies, there is a preference for a tightly knit social setup where individuals look after themselves and organisations protect their members' interests. This may not mean there is closeness in such societies, but that the individual knows his or her place in life. In highly individualistic societies, the individual is left to look after themselves and their immediate family interests. In other words, people feel independent, as opposed to being interdependent as members of larger wholes. To further buttress the point, Hofstede (1980) further uses a metaphor from physics that, people in an individualistic society are more like atoms flying around in a gas while those in collectivist societies are more like atoms fixed in a crystal. In relating this to the Niger Delta, we could say that the region is more collectivist as derived from the African tradition where everyone is seen as the child of the society and looked after in same light.
- *Power distance*: This is the extent to which the less powerful members of groups or societies accept and expect that power is distributed unequally. In high power distance societies, the people are comfortable with power inequalities and so they accept the status quo and do not question it in any way. This makes them have a great deal of respect for those in authority. In low power distance societies, the people expect equality in power distribution which means they are not afraid of challenging the status quo to ask for power equality. The Niger Delta is what can be deemed a medium power distance society, because while the people have respect for constituted authority and power inequalities, they also do not shy away from asking questions about balancing power when necessary.
- *Masculinity/femininity*: This is summed up in the extent to which the use of force is endorsed socially. In a masculine society, there is preference for values such as

achievement, assertiveness, competitiveness, materials acquisition, and success. Such societies are represented by the idea that men are supposed to be tough, since they are supposed to be from Mars, while the women are from Venus. Quantity is important and big is beautiful. In a feminine society, there is a preference for relationships, cooperation, group decision making, quality of life and concern for others. Competing is not so openly endorsed, and there is sympathy for the underdog or those deemed to be less privileged in society. It is important to add that in these societies both men and women subscribe to whatever the dominant culture is, be it masculine or feminine. Masculine societies are much more openly gendered than feminine societies, meaning that there is a higher level of gender inequality in masculine societies. The Niger Delta was originally more feminine but is gradually becoming a more masculine society because of interaction with other cultures through globalisation and modernisation.
- *Uncertainty avoidance*: Uncertainty avoidance deals with a society's tolerance for uncertainty and ambiguity. It really has nothing to do with risk avoidance, nor with following rules. It has to do with anxiety and distrust in the face of the unknown, and conversely, with a wish to have fixed habits and rituals, and to know the truth. High uncertainty avoidance means that members of the society feel uncomfortable and uneasy with uncertainty and ambiguity which leads to anxiety, so they always want clarity, certainty, and conformity. Low uncertainty avoidance means that the people have high levels of tolerance for the unstructured, unclear, and unpredictable. This indicates that they are tolerant of different behaviour and opinions, while being more comfortable with venturing out. The Niger Delta region could be regarded as having high uncertainty avoidance as there is always a level of unease with uncertainty and ambiguity.
- *Long-term – short-term orientation*: This dimension deals with response to change and predicts life philosophies, religiosity, and educational achievement. In a long-term oriented culture, the basic notion about the world is that it is in flux and preparing for the future is always needed. As a result, people look more to the future and so believe in thrift and persistence as a route to success. In a short-term oriented culture, the world is essentially as it was created, so the people value tradition and the past as providing a moral compass and adhering to it is morally good. The Niger Delta region has a short-term orientation that means that the people want to live for today, which also affects the management of resources.
- *Indulgence – restraint*: This is about the good things in life, in terms of how each society perceives and reacts to them. So, in an indulgent culture it is good to be free, following your impulses and doing what you feel like doing. Friends are regarded as being very important and life makes sense. In a restrained culture, the feeling is that life is hard, and there is more emphasis on duty as being the normal state of being and not freedom. The Niger Delta region seems to have been more of a restrained environment over time where there is more emphasis on the difficulties of life, especially with the perceived long-term marginalisation of the region.

Hofstede et al. (2010) noted that while the above dimensions were for national cultures, same can be applied to regions within a country, as they did for the regions of Brazil in this article. This justifies the application of these different dimensions to the Niger Delta region, even as we try to have an initial understanding of the region's cultural inclination in the context of entrepreneurship.

The Global Leadership and Organizational Behaviour Effectiveness (GLOBE) research program by House et al. (2004) extended the Hofstede's (1980) work discussed above, by exploring leadership behaviours across cultural divides. They came up with 9 dimensions, two of which fit directly with Hofstede's while four were like the latter's work too. These dimensions are briefly discussed below.

- *Power distance*: This is the degree to which members of a society expect power to be unequally shared. The Niger Delta is what can be deemed a medium power distance society.
- *Uncertainty avoidance*: This reflects a society's reliance on social norms and procedures to alleviate the unpredictability of future events. The region should be rated high here.
- *Assertiveness*: This is the extent to which a society encourages the people to be tough, confrontational, assertive, and competitive rather than modest and tender. The Niger Delta region should be rated medium here because while the people are expected to be modest and tender to each other, they are also expected to be tough in the face of unpleasant situations.
- *Humane orientation*: The degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring and kind to others. The region should be rated as high on this dimension because the people are traditionally brought up to care for one another, though there is a gradual shift towards self-interest, because of acculturation.
- *Future orientation*: The extent to which a society encourages and rewards future-oriented behaviours such as planning, investing in the future and delaying gratification. The region would score low on this dimension.
- *Institutional collectivism*: The degree to which individuals are encouraged by societal institutions to be integrated into groups within organisations and society. The region can be rated as being highly collectivist institutionally, because of traditions that engender group cohesion.
- *Gender differentiation*: This is the extent to which a society maximises gender role differences as measured by how much status and decision-making responsibilities women have. The Niger Delta can be rated high here too as women are clearly given home keeping responsibilities.
- In-group collectivism: The extent to which members of a society take pride in membership in small groups, such as their family and circle of close friends, and the organizations in which they are employed. This is important as such collectivism could influence what the individual decides to do and the Niger Delta would be rated as high here, since the people are more inclined to belonging to small groups, such as age grades, committee of friends, etc.
- *Performance orientation*: This is the degree to which a society encourages and rewards group members for performance improvement and excellence. This seems to be more merit oriented and the Niger Delta would be rated as being low on this dimension.

The above two sets of dimensions show that a region can be assessed and placed where it is deemed to belong on the continuum for the various dimensions, ranging from low to high. It is important to add that while there are mainly two extremes from the works of the authors cited, within the context of the Niger Delta there should be a mid-point of medium which takes into consideration that there may be scenarios where the society in question has a blend of both extremes.

Implications for entrepreneurship in the Niger Delta region

From the above studies, we argue that the regional culture of the Niger Delta has been instrumental to the stunting of entrepreneurship in the region. The presence and dominance of the oil and gas industry in the region has further exacerbated the situation, even as more young people rely on white collar private sector and government jobs as opposed to aspiring to create new ventures. It is important to remind us here that in this context we are not necessarily talking about the start and establishment of businesses in the region but the start and sustainability of innovative businesses.

The above studies and their dimensions tend to situate the region along certain cultural points, though this is dynamic and not static because of changes in the external environment. Modernisation and globalisation as well as the advancement of information technology further means that there is the possibility of the current cultural ratings of the region on the various dimensions being changed. This can be attributed to the interaction of people from the region with others from other regions around the country and the rest of the world. people

The implications of this would then be that the region could experience more entrepreneurial activities and undertakings as the culture changes. For instance, when the region increases its performance orientation the people are more likely going to be driven to work harder which is a key attribute of successful entrepreneurs. Also, a higher long-term orientation which reflects delayed gratification and patience is likely to lead to more entrepreneurial activities in the region, as the people realise that higher returns in business take time.

CONCLUSION

This paper concludes that the culture of the Niger Delta region has had a huge impact on the reluctance of people within the region to engage in innovative business undertakings and this can change if there is proper acculturation with people from around the world. It is pertinent to add that this must be done in such a way that the region does not lose her unique cultural features, all to be culturally aligned to increase entrepreneurship in the region. This would lead to a loss of the core essence of the region, if allowed to happen.

On the basis of the above, the next phase of this study will be to empirically carry out this research by focusing on the following objectives.

- To understand the level of entrepreneurship in the Niger Delta.
- To understand the current culture prevalent in the region.
- To assess the impact of regional culture on how entrepreneurial activities have been undertaken in the region.

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DEVELOPING CRITICAL THINKING SKILL AND USE OF INITIATIVES IN COMMUNITY SECONDARY SCHOOL, ELELE ALIMINI

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ABSTRACT

This paper was to evaluate developing critical thinking skill and use of initiatives. No doubt, everyone thinks, and it is our nature to do so. However, thinking is often casual and informal. Most of our thinking if left to itself is biased, distorted, partial, uninformed or down-right prejudiced. Critical thinking includes identification of prejudice, bias, propaganda, self-deception, distortion, mis-information and so on. We live in a world of problems, and it is imperative for the individual, particularly students in the country to be equipped with the skills, abilities and capabilities to get their problems and those of the society solved. However, the following were the specific objectives: to examine analysis of thought on use of initiatives and, to evaluate assessment of thought on use of initiatives. This study involved hundreds of Community Secondary School students. It is practically impossible to study all secondary school students in Rivers State, so it was narrowed down to Community Secondary School, Elele Alimini, where a total of 250 students were gotten, and this inadvertently means that we will use questionnaires of equal number to get feedback for this study on determining the sample size. We shall rely on their feedbacks for statistical analysis. Hence a sample size of eighty one (81) was selected and considered adequate in representing the population under study, this cut across developing critical thinking skill. After collecting the questionnaire, the questionnaire was sorted appropriately and completed questions were analyzed using tables, and frequencies while in processing the data, statistical package for social science, the chi-square statistical test of hypothesis was used. In table 1, it was concluded that there is significant relationship between analysis of thought and use of initiatives. Also, from table 2, it was concluded that there is significant relationship between assessment of thought and use of initiatives. In conclusion, Critical thinking is a process involving a search for knowledge through reasoning skills, problem-solving and decision-making that will allow us to achieve the desired results more efficiently. And based on the findings, it was recommended that: students should be probed and asked to provide justification during observation, questioning, exploring, and associating activities to develop critical thinking skill and, daily situations should be used to develop students' critical thinking skill.

Keywords: Developing, Critical Thinking Skill, Initiatives, students.

INTRODUCTION

The drive of human beings to develop their critical thinking skill is as old as the first cultures in which initiatives played a role. Perhaps the place where this quest received the greatest attention, at least within Western tradition, was in Ancient Greece, with the first Pre-Socratic learned men. From these beginnings to the present day, important efforts have been made to develop our thinking skills, such as projects, involving Instrumental Enrichment or Project Intelligence (Nickerson, Perkins & Smith, 1985), among others. During the last two decades, ways of initiatives to think were developed, based on work addressing critical thinking, such as that of (Ennis, 1996). Currently, this line of critical thinking is probably the most fruitful as regards initiatives of this kind (for a review of the justification (Saiz, 2002a). Critical thinking is a still heterogeneous concept and there are an excessive number of ideas about it (Ennis, 1987; Lipman, 2003; McPeck, 1981, 1990).

Critical Thinking is a process involving a search for knowledge through reasoning skills, problem-solving and decision-making that will allow us to achieve the desired results more efficiently" (Saiz and Rivas, 2008a). Inference, or judgment, is what we essentially find behind the concept of thinking. However, is thinking only reasoning? Some authors believe so (Johnson, 2008), while others do not, assuming that solving problems and making decisions are activities that also form part of thought processes (Baron, 2005; Halpern, 1998, 2003; Mercier and Sperber, 2010). In this latter view, achieving goals do not depend solely on one intellectual dimension. All three are important: not only reasoning, but also decision making and problem solving. From the viewpoint of psychology, these skills form part of the most valuable cognitive tools, something that is not contemplated in the more philosophical traditions. The difference between these two approaches is epistemological. Each responds differently to the following question: Should we have a theory about reasoning or about action? From the point of view of philosophy, we should work on a theory about reasoning, while from the psychological perspective the focus should also be on a theory about action (Saiz, 2009).

Critical thinking consists of seeing both sides of an issue, being open to new evidence that disconfirms your ideas, reasoning dispassionately, demanding that claims be backed by evidence, deducing and inferring conclusions from available facts, solving problems, and so forth (Ennis, 1987). According to Encarta (2009), critical thinking is regarded as a type of critical analysis which has been described as "disciplined intellectual criticism that combines research, knowledge of historical context and balanced judgment. It is the ability to think logically and analytically. In other words, critical thinking is the purposeful and reflective judgment about what to believe or what to do in response to observation, experience, verbal or written expressions or arguments. Thus, critical thinking involves determining the meaning and significance of what is observed or expressed, or concerning a given inference or argument, determining whether there is adequate justification to accept the conclusion as true. This definition agrees with the one given by Fisher and Scriven (1997) as: "skilled and active interpretation and evaluation of observations, communications, information and argumentation".

Critical thinking therefore gives due consideration to the evidence, the context of judgment, the

relevant criteria for making the judgment well, the applicable methods or techniques for forming the judgment and the applicable theoretical construct for understanding the problem and the question at hand. Critical thinking employs not only logic but broad intellectual criteria such as clarity, accuracy, credibility, precision, relevance, depth, breath, fairness and significance. In contemporary usage, the word "critical" may connote expressing disapproval, which is not always true of critical thinking. A critical evaluation of an argument, for instance, might conclude that it is valid.

Similarly, foundation for critical thinking (2009) defined it as: "the intellectually disciplined process of actively and skillfully conceptualizing, synthesizing, applying, analyzing, and / or evaluating information gathered from, or generated by observation, experience, reflection, reasoning, or communication, as a guide to belief and action. In its exemplary form, the foundation claimed that it is based on universal intellectual values of clarity, accuracy, precision, consistency, sound evidence, relevance, good reasons, depth, breadth and fairness. In its simplest form, critical thinking may be conceived of as that mode of thinking about any subject, content or problem, in which the thinker improves the quality of his thinking by skillfully taking charge of the structures inherent in thinking, and imposing intellectual standards upon them. It may be observed from the above that critical thinking entails those structures or elements of thought implicit in all reasoning such as purpose, problem or question at issue, assumptions, concepts, empirical grounding, reasoning leading to conclusions, implications and consequences, objections from alternative viewpoints and frame of reference. Critical thinking, being responsive to various subject matters, issues and purposes, is incorporated in a family of interwoven modes of thinking which include: scientific thinking, mathematical thinking, historical thinking, economic thinking, anthropological thinking, philosophical thinking and moral thinking (Foundation for critical thinking, 2009).

Statement of The Problem

No doubt, everyone thinks, and it is our nature to do so. However, thinking is often casual and informal. Most of our thinking if left to itself is biased, distorted, partial, uninformed or down-right prejudiced. Yet the quality of our lives and that of what we produce, make or build depends precisely on the quality of our thought. However, even with knowledge of the method of logical inquiry and reasoning, mistakes can occur due to a thinker's inability to apply the methods or because of character traits such as egocentricism. Critical thinking includes identification of prejudice, bias, propaganda, self-deception, distortion, misinformation and so on. We live in a world of problems, and it is imperative for the individual, particularly students in the country to be equipped with the skills, abilities and capabilities to get their problems and those of the society solved.

Objectives of The Study

The general objective of the study was to evaluate developing critical thinking skill and use of initiatives. The following were the specific objectives:

1. To examine the effect of analysis of thought on use of initiatives
2. To evaluate the effect of assessment of thought on use of initiatives

Research Questions

The study was guided by the following research questions

1. What is the effect of analysis of thought on use of initiatives?
2. What is the effect of assessment of thought on use of initiatives?

Hypotheses

Two hypotheses were formulated to guide the study and will be tested at 0.05 level of significance.

Hypotheses 1

H_0 There is no significant relationship between analysis of thought and use of initiatives

H_1 There is significant relationship between analysis of thought and use of initiatives

Hypotheses 2

H_0 There is no significant relationship between assessment of thought and use of initiatives

H_1 There is significant relationship between assessment of thought and use of initiatives

METHODOLOGY

Research design is the power house of the entire research process. Since the research problem was well defined and all the variables related to the study are well established, the research fits well as a descriptive research design. The study attempts to confine its framework to developing critical thinking skill and use of initiatives. This study involves hundreds of Community Secondary School students. It is practically impossible to study all secondary school students in Rivers State, so it was narrowed down to Community Secondary School, Elele Alimini, where a total of 250 students were gotten, and this inadvertently means that we will use questionnaires of equal number to get feedback for this study on determining the sample size. We shall rely on their feedbacks for statistical analysis. Hence a sample size of eighty one (81) was selected and considered adequate in representing the population under study / this cut across developing critical thinking skill. The sources of data used for the study are primary and secondary. The primary resources of data collected for the study includes information from personal interviews and administration of questionnaire. While the secondary data for the study includes information from publications such as Periodical Journals, Articles, Textbooks, Bulletins, and Internet. After collecting the questionnaire, the questionnaire was sorted appropriately and completed questions were analyzed using tables, and frequencies while in processing the data, statistical package for social science, the chi-square statistical test of hypothesis was used. It is frequently used as a set of observed frequency of sample and corresponding set of expected or theoretical frequencies.

Data Presentation and Result

Having done with the analysis of response to the question in the research question, the hypotheses formulated was tested one after the other using test of statistics like chi-square (X2). This would then lead to the affirmation or otherwise of the hypothesis so that generalization can be made about the population of the study.

If the chi-square calculated (X^2) figures is less than chi-square table (X^2) figure, null hypothesis will be accepted and (Ho) alternative will be rejected.

Hypothesis 1

H_0 There is no significant relationship between analysis of thought and use of initiatives

H_1 There is significant relationship between analysis of thought and use of initiatives

Table 1 below describes the analysis of the hypotheses.

Table 1: Table of Observation for Hypotheses

Variables	Oi	Ei	Oi – Ei	(Oi- Ei)^2	(Oi- Ei)^2/Ei
Strongly Agreed	26	20.25	5.75	33.06	1.6326
Agreed	35	20.25	14.75	217.56	10.7437
Undecided	10	20.25	-13.25	175.56	8.6696
Disagree	10	20.25	-10.25	105.06	5.1881
Strongly disagree	-	-	-	-	-
Total	81	81	-	531.24	26.234

Expected frequency (Ei) = 81 / 4 = 20.25 for the observed frequency agreed, agreed and disagreed and undecided.

Chi-Square (X^2) critical value for 0.05 level of significance

Degree of freedom = (r-1) (c-1)

Where r = number of rows

C = number of columns

= (r-1) (c-1)

= (5-1))5-1)

= 16

Therefore, X^2 0.05, 16 d.f = 26.296

Hypotheses 2

H_0 There is no significant relationship between assessment of thought and use of initiatives

H_1 There is significant relationship between assessment of thought and use of initiatives

Table 2: Table of Observation for Hypothesis

Variables	Oi	Ei	Oi – Ei	(Oi- Ei)^2	(Oi- Ei)^2/Ei
Strongly Agreed	30	16.2	13.8	190.44	11.7555556
Agreed	40	16.2	23.8	566.44	34.9654321
Undecided	2	16.2	-14.2	201.64	12.4469136
Disagree	8	16.2	-8.2	67.24	4.15061728
Strongly Disagree	1	16.2	-15.2	231.04	14.2617284
Total	81	81		531.24	77.58024698

Expected frequency (Ei) = 81 / 5 = 16.2 for the observed frequency agreed, agreed and disagreed and undecided.

Chi-Square (X^2) critical value for 0.05 level of significance

Degree of freedom = (r-1) (c-1)

Where r = number of rows

C = number of columns

= (r-1) (c-1)

= (5-1) (5-1)

= 16

Therefore, X2 0.05, 16 d.f = 23.234

FINDINGS

In table 1, Since the X^2 cal> X^2tab, we accept the alternative hypothesis(Hi) at 0.05 level of significance, we then reject the null value, and conclude that there is significant relationship between analysis of thought and use of initiatives.

Also from table 2, Since the X^2 cal> X^2 tab, we accept the alternative hypothesis(Hi) at 0.05 level of significance, we then reject the null value, and conclude that there is significant relationship between assessment of thought and use of initiatives.

DISCUSSION OF FINDINGS

Analysis is an essential part of critical thinking, that is, the ability to carefully evaluate something, whether it is a problem, a text, or a set of data. People with analytical skills can evaluate information, understand what it means, and properly explain to others the implications of that information.

The objective of assessment in instruction is improvement. The objective of assessing instruction for critical thinking is improving the teaching of discipline based thinking (historical, biological, sociological, mathematical thinking). It is to improve students' abilities to think their way through content, using disciplined skill in reasoning.

CONCLUSION

The drive of human beings to develop their critical thinking skill is as old as the first cultures in which initiatives played a role. Critical Thinking is a process involving a search for knowledge through reasoning skills, problem-solving and decision-making that will allow us to achieve the desired results more efficiently. Critical thinking consists of seeing both sides of an issue, being open to new evidence that disconfirms your ideas, reasoning dispassionately, demanding that claims be backed by evidence, deducing and inferring conclusions from available facts, solving problems, and so forth. In other words, critical thinking is the purposeful and reflective judgment about what to believe or what to do in response to observation, experience, verbal or written expressions or arguments. Thus, critical thinking involves determining the meaning and significance of what is observed or expressed, or concerning a given inference or argument, determining whether there is adequate justification to accept the conclusion as true

RECOMMENDATIONS

This study has helped in proffering answers to the research problem and based on the findings, it was recommended that:

1. Teachers should model application of critical thinking skills in their daily life. Keep asking the students to provide reasons on why they decide to do or not to do something, what will happen with that decision, what other alternatives that may existence, what strengths and weaknesses of their claims, this will promote students to develop critical thinking skills.
2. Teachers should adopt suitable methods of teaching such as decision making method, analysis of thought method, assessment of thought method etc. that are consistent with the development of critical thinking skill in students.
3. It is not just enough to develop the skills and knowledge involved in critical thinking, learners should be encouraged to apply such skills in their daily activities.
4. Students should be probed and asked to provide justification during observation, questioning, exploring, and associating activities to develop critical thinking skill. And
5. Daily situations should be used to develop students' critical thinking skill

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MANAGING YOUR BOSS FOR ENHANCED PRODUCTIVITY OF NUEL MARK AND PARTNERS, PORT HARCOURT

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ABSTRACT

This paper examined the influence of managing your boss for enhanced productivity. Indeed, some managers who actively and effectively supervise subordinates, products, markets, and technologies assume an almost passively reactive stance vis-a-vis their bosses. Such a stance almost always hurts them and their organizations. However, the specific objectives were as follows: to examine the influence of managing your boss on innovation, to determine the influence of managing your boss on profitability and, to evaluate the influence of managing your boss on efficiency. The survey design was employed in carrying out this research. The survey method is usually used when a researcher is interested in the attitude, perception and behaviours of people towards a variable or phenomena. The population of the study was guided by a pilot survey, which is a total of three hundred (300) workers. For this study, a sample of 180 respondents is drawn out of the population of Nuel Mark and Partners, Port Harcourt. During the construction of the literature review, secondary data procedure was used. The secondary data sources are internet, books, reports, and journals while the primary data source is questionnaire which was used for the purpose of collecting data for examination and making findings. The instrument was face-validated by three experts, one from the department of Management, two from measurement and evaluation. To establish the reliability of the instrument, 300 copies of the questionnaires was administered on Nuel Mark and Partners, Port Harcourt. Hence this did not form part of the main population of the study. On the return of the instrument, correlation coefficient was used to determine the reliability of the instrument with the aid of SPSS. This gave the following reliability of 0.70, reliability index. In conclusion, effective managers take time and effort to manage not only relationships with their subordinates but also those with their bosses. However, it was recommended that management of every organization should train their staff on the purpose of enhanced productivity, so that they are clearly aware of development and, there is the need to pay more attention to skill training as an avenue for competence management for enhanced productivity.

Keyword: Management, Boss, Enhanced Productivity

INTRODUCTION

The fact is, bosses need cooperation, reliability, and honesty from their direct reports. Managers, for their part, rely on bosses for making connections with the rest of the organization, for setting priorities, and for obtaining critical resources (HBS Press, Managing People and Organizations 1992). If the relationship between you and your boss is rocky, then it is you who must begin to manage it. When you take the time to cultivate a productive working relationship by understanding your boss's strengths and weaknesses, priorities, and work style everyone wins. To many people, the phrase "managing your boss" may sound unusual or suspicious because of the traditional top-down emphasis in most organizations, it is not obvious why you need to manage relationships upward unless, of course, you would do so for personal or political reasons. But not referring to political maneuvering or to apple polishing. The term is used to mean the process of consciously working with your superior to obtain the best possible results for you, your boss, and the organization (Free Press, 1992).

Recent studies suggest that effective managers take time and effort to manage not only relationships with their subordinates but also those with their bosses. These studies also show that this essential aspect of management is sometimes ignored by otherwise talented and aggressive managers. Indeed, some managers who actively and effectively supervise subordinates, products, markets, and technologies assume an almost passively reactive stance vis-a-vis their bosses. Such a stance almost always hurts them and their organizations (Buckingham, 2005). Enhanced productivity is characterized by a change of the production function and a consequent change to the output relation and input relation (Jorgenson, & Griliches, 1967). Productivity is the ratio between output and input. It is quantitative relationship between what to produce and what have been spent to produce (Huselid, 1995). Productivity is nothing but reduction in wastage of resources like men, material, machine, time, space, capital etc. It can be expressed as human efforts to produce more and more with less and less inputs of resources so that there will be maximum distribution of benefits among maximum number of people. Productivity denotes relationship between output and one or all associated inputs. European Productivity Council states that, Productivity is an attitude of mind. It is a mentality of progress of the constant enhancement of that which exists. It is certainty of being able to do better than yesterday and continuously. It is constant adoption of economic and social life to changing conditions. It is continual effort to apply new techniques and methods. It is faith in human progress (Obadan, & Uga, 2000). In the words of Peter Drucker productivity means a balance between all factors of production that will give the maximum output with the smallest effort. On the other hand, according to International Labour Organization productivity is the ratio between the volume of output as measured by production indices and the corresponding volume of labour input as measured by production indices and the corresponding volume of labour input as measured by employment indices. This definition applies to an enterprise, industry or an economy as a whole.

The productivity of a certain set of resources (input) is therefore the amount of goods or services (output) which is produced by them. Land and building materials, machines, manpower (labour), technology etc. are the resources at the disposal of an organization. Therefore, enhanced productivity means that more is produced with the same expenditure of resource i.e. at the same

cost in terms of land, materials, machine, time or labour, alternatively, it means same amount is produced at less cost in terms of land, materials, machine time or labour that is utilized Callen, Morel, & Fader, 2005).

In organizations where capital and skill are short, while unskilled labour is plentiful and poorly paid, it is especially important that enhanced productivity should be looked for by increasing the output per machine or piece of plant or per skilled worker. Improving productivity means increasing or raising productivity with the help of using same amount of materials, machine time, land, labour or technology.

Statement of the Problem

Recent studies suggest that effective managers take time and effort to manage not only relationships with their subordinates but also those with their bosses. These studies also show that this essential aspect of management is sometimes ignored by otherwise talented and aggressive managers. Indeed, some managers who actively and effectively supervise subordinates, products, markets, and technologies assume an almost passively reactive stance vis-a-vis their bosses. Such a stance almost always hurts them and their organizations (Buckingham, 2005). In organizations where capital and skill are short, while unskilled labour is plentiful and poorly paid, it is especially important that enhanced productivity should be looked for by increasing the output per machine or piece of plant or per skilled worker.

Objectives of the Study

The general objective of the study was managing your boss for enhanced productivity, while the specific objectives were as follows:

1. To examine the influence of managing your boss on innovation
2. To determine the effect of managing your boss on profitability
3. To evaluate the effect of managing your boss on efficiency

Research Questions

This study was guided by the following research questions

1. What is the influence of managing your boss on innovation?
2. What is the influence of managing your boss on profitability?
3. What is the influence of managing your boss on efficiency?

Hypotheses

$H0_1$ There is no significant relationship between managing your boss and innovation

$H0_2$ There is no significant relationship between managing your boss and profitability

$H0_3$ There is no significant relationship between managing your boss and efficiency

METHODOLOGY

Research design

The survey design was employed in carrying out this research. The survey method is usually used when a researcher is interested in the attitude, perception and behaviours of people towards a variable or phenomena.

Population of study

The population of the study was guided by a pilot survey, which is a total of three hundred (300) workers. For this study, a sample of 180 respondents is drawn out of the population of Nuel Mark and Partners, Port Harcourt. And the sample size was derived from the population through the use of the formula for determining sample size for a given population by (Krejcie, Robert & Morgan, Daryle, 1970).

Source of data

During the construction of the literature review, secondary data procedure was used. The secondary data sources are internet, books, reports, and journals while the primary data source is questionnaire which was used for the purpose of collecting data for examination and making findings.

Validity of instrument

The instrument was face-validated by three experts, one from the department of Management, two from measurement and evaluation.

Reliability of instrument

To establish the reliability of the instrument, 300 copies of the questionnaires was administered on Nuel Mark and Partners, Port Harcourt. Hence this did not form part of the main population of the study.

Method of data collection

On the return of the instrument, correlation coefficient was used to determine the reliability of the instrument with the aid of SPSS. This gave the following reliability of 0.70, reliability index.

DATA PRESENTATION AND RESULTS INTERPRETATION

This study was guided by three questions

1. What is the influence of managing your boss on innovation?

$H0_1$ There is no significant relationship between managing your boss and innovation

Table 1a and 1b: testing the significance of standardized regression coefficient () for influence of managing your boss on innovation

Descriptive Statistics

	Mean	Std. Deviation	N
3.3	3.276	.4294	179
3.625	3.43575	.402842	179

Correlations

		3.3	3.625
3.3	Pearson Correlation	1	.500**
	Sig. (2-tailed)		.000
	N	179	179
3.625	Pearson Correlation	.500**	1
	Sig. (2-tailed)	.000	
	N	179	179

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

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

Results from the table 1a and 1b yielded an R of 0.500. The resulting R^2 means that only 50% of managing your boss is associated or explained by innovation as an aspect of enhanced productivity. Also, the result from table 1 reveals that 2-tailed test of 0.00 is significant at P? 0.05. The result is significant and the null hypothesis is rejected. This means that there is a significant relationship in the mean responses of employees and bosses on the influence of innovation on managing your boss.

2. What is the influence of managing your boss on profitability?

$H0_2$ There is no significant relationship between managing your boss and profitability

Table 2a and 2b: testing the significance of standardized regression coefficient () for influence of managing your boss on profitability.

Descriptive Statistics

	Mean	Std. Deviation	N
3.3	3.276	.4294	179
3.8	3.283	.4910	179

Correlations

		3.3	3.8
3.3	Pearson Correlation	1	.491**
	Sig. (2-tailed)		.000
	N	179	179
3.8	Pearson Correlation	.491**	1
	Sig. (2-tailed)	.000	
	N	179	179

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

Results from the table 2a and 2b yielded an R of 0.491. The resulting R^2 means that only 49% of managing your boss is associated or explained by profitability as an aspect of enhanced productivity. Also, the result from table 1 reveals that 2-tailed test of 0.00 is significant at P? 0.05. The result is significant and the null hypothesis is rejected. This means that there is a significant relationship in the mean responses of managers and bosses on the influence of profitability on managing your boss.

3. What is the influence of managing your boss on efficiency?

$H0_3$ There is no significant relationship between managing your boss and efficiency

Table 3a and 3b: testing the significance of standardized regression coefficient () for influence of managing your boss on efficiency

Descriptive Statistics

	Mean	Std. Deviation	N
3.3	3.276	.4294	179
3.6	3.474	.5144	179

Correlations

		3.3	3.6
3.3	Pearson Correlation	1	.540**
	Sig. (2-tailed)		.000
	N	179	179
3.6	Pearson Correlation	.540**	1
	Sig. (2-tailed)	.000	
	N	179	179

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

Results from the table 3a and 3b yielded an R of 0.540. The resulting R^2 means that only 54% of efficiency is associated or explained by managing your boss as an aspect of enhanced productivity. Also, the result from table 1 reveals that 2-tailed test of 0.00 is significant at P? 0.05. The result is significant and the null hypothesis is rejected. This means that there is a significant relationship in the mean responses of managers and bosses on the effect of efficiency on managing your boss.

FINDINGS

Results from the table 1a and 1b yielded an R of 0.500. The resulting R^2 means that only 50% of managing your boss is associated or explained by innovation as an aspect of enhanced productivity.

In table 2a and 2b, the result yielded an R of 0.491. The resulting R^2 means that only 49% of managing your boss is associated or explained by profitability as an aspect of enhanced productivity.

Also table 3a and 3b yielded an R of 0.540. The resulting R^2 means that only 54% of efficiency is associated or explained by managing your boss as an aspect of enhanced productivity.

CONCLUSION

Bosses need cooperation, reliability, and honesty from their direct reports. Managers, for their part, rely on bosses for making connections with the rest of the organization, for setting priorities, and for obtaining critical resources. Effective managers take time and effort to manage not only relationships with their subordinates but also those with their bosses. Enhanced productivity is characterized by a change of the production function and a consequent change to the output

relation and input relation. Productivity is an attitude of mind. It is a mentality of progress of the constant enhancement of that which exists. It is certainty of being able to do better than yesterday and continuously. It is constant adoption of economic and social life to changing conditions.

RECOMMENDATIONS

Based on the findings of this study, the following recommendations were put forward:

1. It is recommended that management of every organization should train their staff on the purpose of enhanced productivity, so that they are clearly aware of development.
2. There is the need to pay more attention to skill training as an avenue for competence management for innovation.
3. There is also the need to employ mentoring as a tool for managing the competences of employees if efficiency would be ultimately enhanced as often desired.
4. Motivation should be paid a serious attention by the management for efficient productivity.
5. Effective managers should take time and effort to manage not only relationships with their subordinates but also those with their bosses.
7. Employee should take time to cultivate a productive working relationship by understanding his boss's strengths and weaknesses, priorities, and work style for everyone to win.

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WORKPLACE ETHICS AND NATIONAL GROWTH IN SELECTED OIL EXPLORATORY FIRMS IN RIVERS STATE

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ABSTRACT

This study examined the relationship between workplace ethics and national growth in selected oil exploratory firms in Rivers State. The study adopted a survey design in the inquiry. A conceptual framework which encapsulated the dimensions and measures was developed. Multidimensional variables of workplace ethics and undimensional variable of National growth were conceptualized. A quandary (4) research objectives and question were developed. A concomitant four null hypotheses were postulated to provide guidance to this study. The population of the study is 180 respondents. The sample size for the study is 123 respondents. This was determined using the Krejice and Morgan sample determination (1970). Well worded and structured questionnaires were administered to respondents and the responses collated. The retrieved questionnaires were analyzed using the statistical package for social sciences (SPSS Version 21). The analysis of collated data indicated significance of multi-dimensions of workplace ethics on national growth. The policy purport of this paper is that organizational ethics can be utilized to galvanized national growth in the operations of organizations in the oil exploratory sector of the Nigerian economy.

Keywords: workplace ethics, integrity, civility, objectivity, national grow

INTRODUCTION

The affluence of a nation is pivotal in the consideration of government and organizations in any country. This has positive impact in living standard and wellbeing of nations and their citizenry. The attainment of the goal of national growth is paramount in the consideration and decision of government, industrialist and other varied stakeholders. It is therefore of monumental consideration to a hybrid of public organizations and private firms in the country. National growth purports the advancement of economic goods and services in a nation such as Nigeria.

The quest to prosper is attained through the audacious efforts of managers of an economy to increase their goods and services. It is through these strides of efforts that nations and organizations migrate from one echelon of prosperity to another. Hence, it is imperative that such efforts be concerted and incessant in order to attain steady prosperity in all its shield.

National growth connotes the aggregate growth measured in terms of gross national product (GNP) or gross domestic product (GNP).It entails the creation of more profit for organizations. It becomes expedient for managers to continuously strive for sustained and enhanced profitability in their various organizations. To ensure this laudable goals, the standard/quality of the product/services must be greatly enhanced and continuously improved upon to meet the aspirations of the customers. Customers' satisfaction is therefore key to the attainment of improved and sustained profitability in organizations. The improvement in standards of goods and services is hinged on upholding of ethical values that are expedient in this perspective. Workplace ethics pertains to the "dos and do not's" in an organizations.

Workplace ethics is a value based on hard work and diligence. It also purports the belief in the moral benefit of work and its ability in order to enhance work behaviour and character in organizations. It purports the set of values that are defined and made up of morals while working in organizations.

Workplace ethics is used as a managerial tool to attain improved growth in an economy. This is because the upholding of morals will assist the employees to confirm the standards set by their respective employers. Hence, enhanced goods produced and services rendered in an economy will aid in boosting an economy. This has the concomitant impact of improving national growth.

This paper therefore considers workplace ethics and national growth in the selected oil exploratory firms in Rivers State.

Statement of the Problem

National growth being a key and momentum issue for consideration by government and managers of economy is the predictor variable. It is worth enquiring into in order to ensure its boost the economy. Various strategies/managerial tools have been adopted to enhance and sustain it, yet the problem persist. Workplace ethics will therefore be employed in this study in order to attain a robust National Growth. Albeit there is a plentitude of scholarly on national growth (Diener, 2006; DiTella, Robert and Andrew, 2003; Eastern, 1974 and Eastern, 2001and Kenny, 1999)but there is none on workplace ethics and national growth in selected oil exploratory firms in Rivers State. This is the identified gap in literature which this study intends to fill.

Research Objectives

The main objective of the study is to ascertain the relationship between workplace ethics and national growth in selected oil exploratory companies in Rivers state. The specified objectives are to:

- Determine the relationship between integrity and national growth in selected oil exploratory firms in Rivers state.
- Investigate the relationship between civility and national growth in selected oil exploratory firms in Rivers state
- Examine the relationship between discipline and national Growth in selected oil exploratory firms in Rivers state
- Ascertain the relationship between objectivity and national growth in selected oil exploratory in Rivers state.

Research Questions

With the research objectives in perspective, the following research questions will guide this study:

- What is the relationship between integrity and national growth in the selected oil exploratory firms in Rivers state?
- How does civility affect national growth in selected oil exploratory firm in Rivers state?
- Does discipline affect national growth in selected oil exploratory firms in Rivers state?
- Does objectivity affect national growth in selected oil exploratory firms in Rivers state?

Research Hypotheses

The following research hypotheses will shape this study:

Ho1: There is no significant relationship between integrity and national growth in selected oil exploratory firms in Rivers state

Ho2: There is no significant relationship between and national growth in oil exploratory firms in Rivers state

Ho3: There is no significant relationship between discipline and national growth in oil exploratory firms in Rivers state

Ho4: There is no significant relationship between objectivity and national growth in oil exploratory firms in Rivers state

Significance of the Study

The essence of a study is underpinned in its significance to varied number of stakeholders. This study is significant to managers in the oil exploration firms the Rivers state. It will also be beneficial of the tackling the expansion and growth in the economy.

It will also be beneficial to planners of the nation's economy as they will imbibe ethics in their respective organizations

Limitations of the Study

This study is confined to managers in the top echelon of the oil exploration firms in Rivers state

It is also limited to these four dimensions of workplace ethics used in this study. It is limited undimensionally to national growth

Scope of the Study

The operational scope of this study is confined to: Geographical and content scopes as well as unit of analysis of the study.

Geographical scope: This study is confined to oil exploratory firms domicilized in Rivers State.

Content scope: This study covers the four dimensions of workplace ethics (criterion variable) and undimensionally, national growth (predictor variable).

Unit of analysis: The unit of analysis of this research investigation is corporate.

REVIEW OF EXTANT LITERATURE

Literature review is a comprehensive summary of previous research on a topic. Scholarly articles, books and other sources germane to a specific area of study (Aveyard,2010). The review should enumerate, describe, summarize objectively, evaluate and clarify the previous research (Macho and Mc Evoy, 2008).The theories that underpin this work are : The deontology and utilitarianism theories

Integrity and National Growth

Jeremiah (2020) posited that upholding integrity in the workplace affects the national productivity and growth. It is therefore imperative that stakeholders in various organizations should uphold integrity as it will galvanized national growth and productivity.

From the study of Hugh Jones (2016) on honesty, beliefs and economic growth in countries, it was geared towards evaluating the honesty of people in an online panel from 15 countries. The findings indicate that average honesty is positively correlated with per capita GDP. A country's average honesty correlates with the proportion of its population that is protestant. These facts are indicative of a long-run relationship that exist between honesty and economic development. The findings also elicited participant expectations about different countries levels of honesty. Expectations were not correlated with reality.

The importance of business integrity and its functional role in reversing the continuing sentiment of "business as usual". While integrity and its counterfeits have received little attention in the literature, we call for more interest from scholars, researchers, consultants and business practionners.

Civility and National Growth

Scholarly work of Osatuke, Moore, Ward, Dyrenforth and Belton, (2009) on civility, respect, engagement in the workforce (CREW): Nationwide organization Development intervention at Veterans Health Administration is pivotal in this review. The main feature of CREW intervention is its extreme flexibility, responsiveness to local needs and local- based civility definitions is thereby maximized and emphasized over any specific ingredient of intervention. This approach is typical of process consultation models (Reddy 1994; Ready and Philips, 1992, 2006). This was corroborated by process-outcome research findings in organizational development (OD) (Porras, 1979) and in other fields (Larson and Yao, 2005; Stiles, 1988; Stiles et al, 1988). The finding also indicated interpersonal relationship has been described as crucial in defining intervention outcomes, even in non-psychologically oriented treatments (Larson and Yao 2005).

The scholarly work on civility vs incivility in online social interactions: An evolutionary Approach indicate that the initial share of the population of polite users reaches a critical level, civility becomes generalized if its pay off increases more than that of incivility with the spreading of politeness in online interactions. It is also the finding of the experts that spreading of self-protective behaviour to cope with online incivility can lead the economy to non-socially optimal stationary (Antoci, Delfino, Paglieri, Panebian, Panebianco and Sabatini, 2016).

The scholarly work by Abid, Sajlad, Elahi, Farooqi and Nisar, 2018) on the influence of motivation and civility on work-engagement. The mediating role of thriving at work indicated that better understanding of the most emerging construct namely, thriving at work. This underscores the importance of civility in the workplace. It is therefore imperative that managers and other employees should embrace it.

Objectivity and National Growth

The concept of objectivity erupted as a reaction against partisan. There is a close relationship between impartiality and objectivity in all types of news analysis. (Roshco, 1975). The role and functions of objectivity in the practice of journalism are of great interest (Gauthier, 1993). According to (Peterson, 2001), objectivity has dual basic meanings for journalists. Firstly, as an epistemological concept pertains to the reality and the existence of objects in the world as opposed to the things which are merely believed or felt. Secondly, as operational concept that deals with the personal stance towards the world of objects. The study on contest analysis versus objectivity indicated that all four newspapers have given extensive coverage to the issue and that dawn newspaper had higher than the other three newspapers; that is Khabrain, the news and Naival-waqt. It is also the findings of this study that more inferences and judgments were used in

educatory in comparison to report sentences. The inclination towards judgments sentences contributed to a low level of objectivity. It was also found that articles also had proactivity towards inferences and judgments. This practice has led to a distortion in the coverage and this bias has declined the reliance of the coverage. This is despite the inconsistences in press freedom, Pakistan print media in generally assumed as the most "Outspoken, in south Asia (Siraji, 2009) and overall. It is inclined towards "objective journalism" (Archetti, 2009).Korp (2000) contended that objectivity in handling issues in the organization. Issues.This will aid in enhancing productivity and economic growth. It is therefore expedient for employees and managers to always consider objectivity in handling issues in their organizations and as it concerns customers' satisfaction.

Discipline and National Growth

Discipline is an essential part of a progressive and successful organizations.

Davis (2004) asserted in his paper on introduction to middle classes, discipline and development that discipline of employees aid in the development and growth of such organizations. Idris and Alegbeleye (2015) in their work" "Discipline and organizational effectiveness: A study of Nigeria customers' service contended that there is a need to keep high standard of discipline in an organization. The study also found that godfatherism and favoritism affect discipline and consequently productivity in organizations. It becomes imperative to state that managers should maintain discipline in organizations to ensure and enhance natural growth.

(Kupchik and Catlaw ,2014) posited that supervisors underlines the development of individuals and their capabilities necessary for a democratic society by substituting collaborative problem solving for the exclusion and physical removal of students. This implies that suspension as a form of discipline should not be.

RESEARCH METHODOLOGY

Research methodology is the procedures by which researchers go about their work of describing, explaining and predicting phenomena (Mishra and Aloty 2017). It is the study of methods by which knowledge is gained.

Research methodology is a logical and systematic search for new and useful information on a particular topic (Rakasekar, et al 2006).

It is an investigation of finding solutions to scientific and social problems through objective and systematic analysis. It is a search for knowledge that is, a discovery of hidden truths. (Akhtar, 2017).

Research Design

This is a conceptual blueprint within which research is conducted. "A research design is the arrangement of conditions for the collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy and procedure" (Manheim, 2018).

Study Population and Sampling Procedure

A purposive/convenience sampling technique was adopted in the selection of five (5) exploration companies in Rivers State. Purposive (convenience) sampling is the deliberate choice of an informant due to the qualities of informant processes.The population of this study 180 respondents. This population cut across five organizations in the oil exploration sector of the Nigeria economy.

Sample Size

The sample size for this study was determined by the Krejice and Morgan table of sample determination (1970). The sample size is 123 respondents.

Validity Test

Validity is imperative in the conduct of research. Validity expound "how well the collected data covers the actual area of investigation, "(Ghauri and Gironhaug, 2005)". Validity essentially, purports "measuring what is intended to be measured" (Field, 2005). The study was validated by experts in the field. A number of questionnaires were administered to experts, human resources managers, trade unionsts in the various organizations to pretest their responses on this subject.

Table 1: Reliability Result

S/No.	Variables	Not Fliers	Cronbach Alpha Result
1.	National growth	4	0.798
2.	Integrity	3	0.912
3.	Civility	4	0.813
4.	Discipline	4	0.892
5.	Objectivity	4	0.782

Hypothesis 1:

Ho1: There is no significant relationship between integrity and National growth in the selected oil exploration companies in Rivers State.

Correlations

	National Growth	Integrity
National growth	1.000	.875
Spearman's rho Correlation coefficient (i tailed)N	 123	.000 123
Integrity Correlation coefficient (i tailed)N	.872 .000 123	1.000 123

Correlation is significant at the 0.01 level (2 tailed)

A proper examination of the results indicated in the table above, shows that integrity established a positive significance on national growth (rho = 0.875, P< 0.01 = 0.000)

Hence, we reject the null hypothesis (because our P-value is less than 0.01). Integrity has a strong positive relationship with National growth.

Hypothesis 2

Ho2: There is no significant relationship between civility and National growth in the selected oil exploration firms in Rivers State.

Correlations

	National Growth	Civility
Spearman's rho Correlation coefficient (i tailed)N	1.000 123	.806 123
civility Correlation coefficient (i tailed)N	.806 .000 123	1.000 123

Correlation is significant at the 0.001 level (2 tailed)

A proper examination of the results indicated in the table above, shows that civility exhibited a positive significance on National growth (rho = 0.908, P< 0.01 = 0.000).

Hence, we reject the null hypothesis (because our P-value is less than 0.01). civility has a strong relationship with National growth.

Hypothesis 3

Ho3: There is no significant relationship between discipline and national growth in the selected oil exploration firms in Rivers State.

Correlations

	National Growth	Discipline
Spearman's rho National growth Correlation coefficient (i tailed) N	1.000 123	.902 123
Civility Correlation Coefficient (i tailed) N	-902 .000 123	1.000 123

Correlation is significant at the 0.001 level (2 tailed)

A proper examination of the results indicated in the table above, shows that discipline exhibited a positive significance on National growth (rho = 0.902, P< 0.01 = 0.000).

Hence, we reject the null hypothesis (because our P-value is less than 0.01). Discipline has a strong relationship with National growth.

Hypothesis 4

Ho4: There is no significant relationship between objectivity and national growth in the selected oil exploration firms in Rivers State.

Correlations

	National Growth	Discipline
Spearman's rho National growth Correlation coefficient (i tailed) N	1.000 123	.789 123
Objectivity Correlation Coefficient (i tailed) N	. 789 .000 123	1.000 123

Correlation is significant at the 0.001 level (2 tailed)
A proper examination of the results indicated in the table above, shows that objectivity exhibited a positive significance on National growth (rho = 0.908, P< 0.01 = 0.000).
Hence, we reject the null hypothesis (because our P-value is less than 0.01). Objectivity has a strong relationship with National growth.

THE FINDINGS OF THE STUDY

Drawing from the above analysis, the following are the findings of this study:
That integrity positively correlates with national growth in the selected exploration firms in Rivers State. This is in tandem with the scholarly works of (Porras,1979).The findings of the scholar indicates that when employees of an organization uphold integrity in the performance of their designated duties, it will lead to enhanced productivity, reputation and goodwill of organizations. This has the concomitant benefit of increased profitability and shareholders earnings and national growth. It is therefore imperative that organizations encourage employees to uphold integrity in the performance of their duties.
This study also found that civility in the selected organizations positively impacts on national growth. This is because customer satisfaction is key to organizational success. The civility of employees leads to increase patronage being up productivity, profitability and National growth in the selected organizations in Rivers State. This is in congruence with the scholarly works of(Schein,1988 and Reddy and Philips,1992).It is expedient for managers of these organizations to institutionalize civility in their respective firms.
The findings of this study also indicates that discipline among employees in the selected organizations culminate into increased National growth.
This entails that employees are adhering strictly to the tenets of organizational policies and directives in the operations and the activities of the firms. This is in consonance with the findings of (Gauthier,1993 and Peterson,2001) which shows that discipline in organizations have enormously contributed in enhanced productivity, profitability and National growth.
The findings of this study also shows that objectivity in organizations beefs up National growth. This purports that absence of bias, subjectivism in decision making in organizations. It is therefore essential that managers inculcate the virtue of objectivity in the discharge of their responsibility. The customers will not perceive the employees as biased and the effect is maltreatment and the accompanying retraction of these customers. This will have devastating consequences on the selected exploratory firms and National growth in Rivers State and the entire country. Since the four dimensions of workplace ethics correlated with National growth

then workplace ethics impacts positively on national growth in the selected exploratory firms in Rivers state.

CONCLUSION OF THE STUDY

Drawing from the findings above, this study deduce that:
Integrity positively correlates with national growth in the selected oil exploration firms in Rivers State.
Civility positively impacts on National growth in the selected oil exploration firms in Rivers State.
Discipline positively influence national growth in the selected oil exploration firms in Rivers State.
Objectivity positively affect National growth in the selected oil exploration firms in Rivers State.

RECOMMENDATIONS OF THE STUDY

From the foregoing, the following recommendations are proffered:
Integrity should be utilized to enhance national growth in the selected oil exploration firms in Rivers State.
Civility as a dimension of workplace ethics should be employed in order to enhance national growth in selected oil exploration firms in Rivers State.
Discipline should be employed as a managerial tool to enhance National growth in selected oil exploration firms in Rivers State.
Objectivity as a dimension of workplace ethics should be utilized to beef up national growth in selected oil exploration firm in Rivers State.
Since the dimensions of workplace ethics positively correlated with national growth, it follows that workplace ethics positively correlates with National growth in the selected oil exploration firms in Rivers State.

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ORGANIZATIONAL REPOSITIONING, ENVIRONMENTAL TRANSFORMATION AND THE POST OIL ECONOMY OF NIGERIA: THE PLACE OF THE COMPONENT TECHNOLOGIES OF ORGANIZATIONAL LEARNING

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ABSTRACT

In view of the rapid change in the management of organizations necessitated by increased global competition, economic crises and more recently, the impact of the Covid 19 pandemic, and the reality of the looming post oil economy in Nigeria, greater research attention is required to reposition organizations to cope with the new reality of the business environment. It has therefore become imperative for researchers to explore the contemporary themes of management to address current and future challenges of work organizations in the dynamic global economy. With the oil economy gradually giving way for the knowledge economy, this review paper thus examines the component technologies of organizational learning with a view to clarifying the path for organizational repositioning and transformation. The paper demonstrated that the 'component technologies' of organizational learning can be engaged by organizations to help organizations use their knowledge stock to create business value and competitive advantage in the post oil economy.

Keywords: Organizational Learning, Learning Organization, Mental Models, Personal Mastery, Shared Vision, Team Learning, Systems Thinking

INTRODUCTION

The looming reality of the end of the oil economy in Nigeria is no longer in doubt especially with the downward spiral of oil revenue occasioned by the recent fluctuations in the global oil market. In the knowledge economy that is fast ensuing, the place of innovativeness and technology (hard and soft), cannot be overemphasized as organizations seek to reposition themselves and effect internal environmental changes that can guarantee organizational competitiveness. As organizations continually search for ways to unleash the creative potential of employees in their bid to respond to environmental changes, metamorphosing into a learning organization has become an imperative strategic choice. Richardson (1995) argues that organizational learning is now a strategic issue that reinforces productivity improvements and innovatory activities. As a

result, organizations with the standard organization structures are challenged to rethink and improve their internal capacity to aid learning. This is important because knowledge of all forms, according to Holbeche (2001) exists in different parts of an organization and organizations need to have a 'map' of the available knowledge. This creates an advantage in the ever increasing competitive global market as organizations with records of their knowledge stock strategically position themselves to take full advantage of the vast potentials of their members as well as create new knowledge stock. For, competitive success according to Pemberton and Stonehouse (2000) is governed by an organization's ability to develop new knowledge assets that create core competences.

Gore and Gore (1999) share this view and consequently argued that knowledge is both the resource that leads to organizational uniqueness as well as the source of rapid growth for economies which makes it the new power base for the modern corporation. Instructively, Lopez et al. (2004: 94) argue that “learning processes define the quality of knowledge distributed across the organization as well as the effectiveness with which knowledge is put to use”. Organizational learning has therefore gain increased attention because according to Wang and Ahmed (2002) it involves knowledge acquisition, dissemination, refinement, creation and implementation. With the oil economy gradually giving way for the knowledge economy, this review paper examines the component technologies of organizational learning with a view to clarifying the path for organizational repositioning and transformation.

LITERATURE REVIEW

Theoretical Foundation

Organizational Learning draws substantially from the theory of Learning in psychology. Learning, according to Wang and Ahmed (2002) starts from individuals and as such a learning organization is founded on the learning process of individuals in the organization. Understanding how learning has been conceptualized over the years would be a good beginning in the attempt to understand the concept of Organizational Learning. For, Dixton (1994), according to Franklin *et al.* (1998) posits that learning and learning organizations are part of the same discourse because learning is invariably a part of work in the same measure that work involves learning.

Though the study of how people learn has fascinated mankind from the ancient Greeks to the present, the difficulty of a universally acceptable definition of learning persists (Cole, 2002). This is because the concept of learning is understood from various perspectives and has a long evolutionary history (Wang and Ahmed 2002). Over the years, several scholars (Maier *et al.* 2001, Wang and Ahmed 2002, Mullins1996, Rollinson *et al.* 1998) have made contributions and subscribed to the view that theories of learning have their roots in the history of psychology and have become an important issue in understanding human behaviour.

In the view of Thompson and McHugh's (1995) learning is normally defined as a relatively persistent change in an individual's possible behaviour and this according to them is due to experience. Experience in this context as Maier *et al.* (2001) point out is not the same as maturity. They argue that maturation involves genetically determined growth of the nervous system and this happens beyond the individual's cognitive frame. But, Thompson and McHugh (1990) argue that cognitive models are usually given as the main explanation of the learning process because one's perceptual organization leads to the comprehension of one's experience.

When learning occurs it is evident in a relatively permanent change in behaviour (Rollinson *et al.*, 1998 and Jones *et al.*, 2000). Thompson and McHugh (1995) corroborate this view in qualifying the change associated with learning as persistent. Consequently, Maier *et al.* (2001) succinctly point out that not every kind of behavioral change can be regarded as learning. Ivancevich *et al.* (1997) therefore define learning as the act by which individuals acquire skills, knowledge, and abilities that result in a relatively permanent change in their behaviour. Thus learning could only have occurred where the change in behaviour experienced is of an enduring and persistent nature (Mullins 1996). The key issue according to Rollinson *et al.* (1998) is whether behaviour has changed in a relatively permanent way and this informs the submission of Maier *et al.* (2001) that all forms of temporary behavioral change are excluded from the definition of a learned behaviour. Maier *et al.* (2001) argue that individuals can learn behaviour patterns in different ways. Thus over the years, several theories of learning have emerged to give understanding to the subject. These theories explain the different forms of learning and describe how people learn in general. These theories have largely been developed from the experimentation of early psychologists, which were geared toward the development of laws of learning (Mullins 1996). These theories include (1) behaviorism (notably classical and operant conditioning) that focuses on behaviour acquisition and retention (Wang and Ahmed 2002) as well as measurable and controllable behaviour rather than ideas and thoughts (Mullins, 1996), and predicts an individual's behavioural outcomes by analyzing environmental influences which includes both antecedents and consequences (Haleblian and Finkelstien 1999); (2) cognitive theory, which emphasizes internal mental activity (Rollinson *et al.* 1998) and presents learning as a complex process that is based on reasoning that draws on experience, experimentation, activity and analysis (Pemberton and Stonehouse 2000); (3) social learning theory, which is based on the individual learning principle that is enhanced by observation (Bandura, 1977) and focuses on the importance of social interaction or interpersonal skills in learning (Rollinson *et al.*, 1998); and (4) gestalt theory, which holds that humans do not perceive things in isolation (Wang and Ahmend, 2002) and thus argue that learning is a matter of assembling one's world into meaningful patterns (Cole, 2002). It has been argued (Fry and Matherly, 2006; Chamiec-Case and Sherr, 2005; Singhal and Chatterjee, 2005; Howard, 2002; Konz and Ryan, 1999; Milliman *et al.*, 1999) that the place of learning in organizational life is in recent times receiving increased attention in organizational studies. Since organizations are invariably made up of individuals, these individual learning theories underpin organizational learning.

Organizational Learning and the Learning Organization

The concept of the learning organization is not easy to define or describe (Stewart 1996) and the field of organizational learning is vague even as literature and research are under-specified and fragmented to the effect that there is no widely accepted model or theory (Fisher 2000). The origin of organizational learning can be traced back to the 1920's although it was not till the 1980's that serious consideration was given to it (Lee 1999; Hughes 2000; Wang and Ahmed 2002). The variegated nature of the concept has made its understanding difficult and Griggs and Hyland (2002) say this is evident in the light of the work of Argyris and Schon (1978) that identified six different ways of understanding the concept, each based on a different field of study. This view is corroborated by Magalhaes (1996) who stated that there are many different ways of approaching the concept of learning organization depending on the particular academic or intellectual leaning of the reviewer. According to Antal *et al.* (2001), it is symptomatic of the dynamics of the development of the field that there is no agreement of the definition of organizational learning. In large part, convergence in organizational learning frameworks has therefore not occurred because of the different applications of the concept in different domains (Crossan 1999).

Another conceptual difficulty identified in literature is the difference between organizational learning and learning organization. Though McHugh *et al.* (1998) acknowledge that Jones and Hendry (1994) made a distinction in which they postulated that organizational learning emphasized Human Resource Management (HRM), training and skills acquisition, while the learning organization is linked to the expansion and development of organizational capability, it has become commonplace that such a distinction is deficient in its articulation. Consequently, McHugh *et al.* (1998) posit that this hypothesized distinction is lacking in accuracy and can not be

operationally verified. The reason for the synonymous application of the two terms may be found in the views of Armstrong (2000) that the process of organizational learning is the basis for the concept of a learning organization and (Snell 2002) that a learning organization expresses normative commitment to organizational learning. Several author (Othman and Hashim 2003; Wang and Ahmed 2002; Fisher 2000) have in their definitions captured organizational learning as a process and learning organization as a state (i.e. an organization). To however make any conceptual distinctions between the two terms may not be necessary for this current study in line with the views of Gherardi (1999: 5) that,

> it would be naïve to create and represent a distinction between a heuristic organizational learning and a realistic learning organization, when both converge in the same social practice which legitimizes the managerial techniques based on their claims of scientific knowledge. They share the same bias and both contribute to the institutionalization of the field as a disciplinary discourse and to its overcoming through that process of constant reinterpretation of previous interpretation that is called institutional reflexivity.

This review therefore explicates the concept of organizational learning drawing from the literature on the learning organization.

Pedler *et al.* (1988, 1989, 1991) defines a learning organization as "one which facilitates the learning of all its members, and which continuously transforms itself" (Stewart 1996: 78; Armstrong 2000: 225; Hughes 2000: 4; Othman and Hashim 2003: 3). Similarly, Senge (1990: 14) posits that it is one that is "continuously expanding its capacity to create its future". The relevance of individual learning to organizational learning is made explicit in this definition. In this instance however it is the organization that champions the learning process by creating avenues for organizational members to improve their knowledge base which helps them accelerate organizational growth. The broad premise of this movement according to Buchanan (2000) is that an organization which lacks the capabilities for acquiring and utilizing existing knowledge, and for sourcing fresh insights, is likely to face extinction in the competitive economy. Consequently, the learning organization creates a clear vision about the future and through a coherent action plan of steady transformation, moves towards the envisioned business position. In this regard, organizational learning is conceived of as a principal means of achieving the strategic renewal of the organization (Crossan 1999). This is confirmed by Wheelen and Hunger's (2004) argument that strategic flexibility demands a long-term commitment to the development and nurturing of critical resources and consequently, a learning organization.

Senge (1990: 3) gave a more comprehensive definition of the learning organization in which he stated that it is one:

> Where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people continually learn to learn together.

Stewart (1996) is of the view that there are similarities between the definition of Pedler *et al.* (1991) and Senge (1990) as both emphasize continuous individual learning as well as the importance of collective goals. At the heart of the learning organization, according to Cole (2002) is the need for greater collaboration in problem / opportunity perception and its solution / exploitation. The resultant effect of such collaborative effort is usually greater than it would have if events were unconnected. Consequently, every individual member of the organization is required to engage in healthy exchanges that create new and alternative ways of undertaking their jobs committing themselves to work together to achieve results more effectively. This orientation to work is encapsulated in the philosophy of the learning organization which Cole (2002: 326) iterates, "is to enhance the achievement of collective goals by harnessing the reservoir of knowledge, skills and insights of all members of the organization." In this regard, Friedman *et al.* (2001) define organizational learning as a process of inquiry that enables organizational members to develop shared values and knowledge.

A classic definition of a learning organization is given by Garvin (1993) as one that is "skilled at creating, acquiring and transferring knowledge, and at modifying its behaviour to reflect new knowledge and insights" (Stewart 1996: 79; Armstrong 2000: 225). This definition is in consonance with our earlier submission that knowledge acquisition and utilization is a very important aspect of organizational learning. For, organizational learning is a process that provides organizational knowledge (Farr, 2000). Fisher (2000) argues that Learning organizations engage in knowledge accumulation by gathering information from both internal and external sources. This forms the major knowledge stock of the organization which facilitates the development of what Armstrong (2000) refers to as 'innovative climate'. The focus is not exclusively on acquiring new knowledge but rather on arriving at more fundamental shifts in organizational paradigms that encourage the evolution of learning capacity (Davies and Nutley, 2000).

The learning organization has often been viewed as one that is in a continuous process of improvement (Wang and Ahmed 2002). This is the emphasis of those who view the learning organization as an ideal state that is never attained. For instance, Franklin *et al.* (1998) believe that at its very best, the learning organization provides images and ideals about processes and behaviours, attitudes and aspirations. In this regard they argue that the learning organization is a metaphor that binds collectively held aspirations. Similarly, Reynolds and Ablett (1998) hold the position that what is available in the learning organization literature is prescription that provides an ideal to strive for. The learning organization is invariably a guiding vision for reaching out to, rather than an attainable state (Snell 2002). Based on this premise, Eskildsen *et al.* (1999) argue that building a learning organization is a prerequisite for the achievement of continuous improvement. This is because continuous improvement emphasizes learning which guarantees the continuous development of new skills and capabilities. This view not withstanding, Wheelen and Hunger (2004) opines that organizational learning is a critical component of competitiveness in a dynamic environment because it enables organizations avoid stagnation through a continuous self-examination, and is important for solving problems systematically, experimenting, learning from experience and transferring knowledge throughout the organization. Thus, organizational learning achieves for the organization the acquisition and useful deployment of information needed for effective performance and as posited by Phillips (2003: 98), "learning organization principles underlie improved performance and sustainable competitive advantage".

Levels of Organizational Learning

Organizational learning according to Lee (1999: 2) "builds on a firm's memory, which depends on such institutional mechanisms as policies and strategies" and as Griggs and Hyland (2002: 5) state, organizational learning "is the integration of learning into appropriate organizational systems, structures, routines and culture"'. In a sense, the ability of the workforce to learn faster than those in competing organizations is the major cutting edge and constitutes the prime competitive advantage available to the organization (Wang and Ahmed 2002) and every learning organization is positioned to engender action in this direction. This can be best achieved with the understanding that organization learning happens at different levels.

Organizational learning is multilevel (Crossan 1999) with learning taking place at the individual and organization levels (Pemberton and Stonehouse 2000). Organizational learning does not take place at these levels in isolation. Rather, it happens as an ongoing process involving knowledge sharing (Hughes 2000). Wang and Ahmed (2002) are however of the opinion that distinction between the organization and individual levels of organizational learning be made explicit to avoid an organizational learning model that obscures the actual learning process by ignoring the

role of the individual or become a simplistic extension of individual learning by glossing over organizational complexities. In this regard, Holmqvist (1993: 3) draws attention to Weick and Westley's (1996) assertion that,

> learning is not an inherent property of an individual or of an organization, but rather resides in the quality and nature of the relationship between levels of consciousness within the individual, between individuals, and between the organization and the environment.

This idea links the individual world of the worker with the world of the organization (Smith 2001).

Component Technologies of Organizational Learning

Certain practices have been associated with building learning capabilities in organizations. These practices which are regarded as the main features of organizational learning (Stewart 1996) are the "component technologies" that contribute towards developing learning organizations (Jackson 2002: 136). Senge (1990) who is the chief proponent of these practices is known to have classified them as 'learning disciplines' (Allan, 1998). Hughes (2000) explains that the use of 'disciplines' simultaneously refers to ways of understanding (i.e. bodies of theory or conceptual developments) and way of doing (i.e. the accompanying practical tools). Each of these five disciplines which include personal mastery, mental models, shared vision, team learning and systems thinking, represents a lifelong body of study and practice for individuals and teams in organizations (Senge *et al.* 1999). These five disciplines are shaping the thoughts of practitioners on the development of the learning organization and are examined in greater details.

Personal Mastery: Organizational members need to expand their knowledge, skills and abilities to create a competitive edge in the dynamic business arena. This is because, organizational learning cannot occur without individual learning. This is the view adduced by Senge (1990:139) that,

> organizations learn through individuals who learn. Individual learning does not guarantee organizational learning. But without it no organizational learning occurs.

This is the premise upon which personal mastery is advocated. Personal mastery refers to an ability to expand the personal skills and abilities of organizational members in creating an envisioned organization (Allan 1998). This idea according to Stewart (1996) is similar in intent to feature of self-developers who emphasize continuous improvement in learning skills and abilities, and continuous personal and professional development. Holbeche (2001) posits that personal mastery acknowledges that every organizational member is a significant part of the system and advocates a change in self-image through personal visioning. Iterating along the same line, Jackson (2002) state that this discipline involves a continuous clarification and deepening of personal vision, to maintain a fixed gaze on energies and a manifest objectivity about reality, all of which promotes mastery. These views are summarized in Senge's (1990) submission that personal mastery is the term used for the discipline of personal growth and learning. He argues further that it goes beyond competence and skill even though these are necessary ingredients for achieving this creative life as against a reactive life. The processes involved in the development of personal mastery as pointed out by Senge *et al.* (1999) include, personal visioning, appreciating reality and balancing of the vision and reality. All these are ingredients of organizational repositioning and transformation.

Mental Models: Mental models consist of the underlying assumptions that shape individual and corporate decisions and actions (Stewart, 1996). It is a discipline of reflection and inquiry (Senge *et* *al.*, 1999) that involves the ability to understand, clarify and develop one's mental framework of the world (Allan 1998), and the changing of shared mental models which are pervasive within the organization and which prevent change (Jackson 2002, 2004). The importance of mental models is captured by Stewart (1996) who iterates that an essential characteristic of a learning organization is its ability to reformulate and re-characterize it business and its world of operation, and Holbeche (2001) adds that having the ability to develop and test new mental models will be the driving force for learning and development that captures the future. These views corroborate Senge's (1990) position that mental models so powerfully affect what people do because they affect what they see (i.e. the internal pictures of how the world works). In other words, the mental models held within, has the capability to either lock or unlock creativity that would propel the organization towards organizational re-birth. This is because old dysfunctional views held of the world of business can result in cognitive inertia that impedes organizational learning. In the same breadth, Senge (1990) argues that mental models also have the ability to accelerate learning, and this is an imperative for innovativeness.

Shared Vision: One characteristic feature of organizational learning which is increasingly evolving as a veritable element in the achievement of corporate success in the modern world of business is shared vision. Hughes (2000) asserts that the importance of shared vision has become a pervasive theme in ideas concerning leadership. Reiterating this position, Jackson (2002) argued that shared vision goes beyond publishing a mission statement. According to Allan (1998), it involves creating and sharing a vision among group members, of the future and the means to get there. Unlike top – down vision statements that foster compliance, shared vision fosters commitment (Jackson 2004). For, as Hughes (2000) further argued, a genuine shared vision elicits willing and voluntary participation in corporate aspirations as against a mere adherence to imposed goals. A genuinely shared vision, which according to Holbeche (2001) provides clues as to the organization's deep purpose emanates from organizational members at all levels of the organization. Consequently, Stewart (1996) posits that the first requirement in building a shared vision is the creation of a participatory organizational climate where individuals envision and espouse their desired future. A second requirement for building shared vision can be deduced from the work of Senge (1990) that advocates the ability to learn new skills and implementing institutional innovations to regularizing the practice of the new skills. Senge (1990) is of the opinion that shared vision which connects people to an important organizational undertaking is vital for the learning organization because it provides the focus and energy for learning. The post oil economy success of business requires congruence between organizational and individual goals, which is the consequence of shared vision

Team Learning: An issue that has been of longstanding interest in organizational and management literature is the question of how groups of people work together (Procter and Mueller (2000). Through the results of empirical studies conducted in the US and UK, Procter and Mueller (2000) report that there has been a current wave of interest in team-working and as Akpeiyi (1996) add it is now a paramount vehicle for high business and governmental results. The reason is for its prominence in modern business is captured by Ivancevich *et al.* (1997) who argue that teamwork allows an employee to compensate with their strength for another employee's weakness. Whybrow and Parker (2000) thus believe that team-working has a positive impact on employees by promoting learning, better performance and strategic understanding. The idea of teamwork is no longer strange, but not so with team learning.

“Team learning is the process of aligning and developing the capacity of a team to create the results it members truly desires” (Senge 1990). Jackson (2002) says this begins with the capacity of organizational members to suspend judgment and start to think together and in so doing, recognizing the patterns of interaction that obstructs learning within the organization. Thinking together is the hallmark of team learning, which requires the ability of teams to develop learning

and knowledge generation skills greater than the sum of the individuals' talents (Allan 1998). It is in this vein that Hughes (2000) argues that team learning involves the central gestalt principle which holds that 'the whole is greater than the sum of its parts'. This principle evokes collective aspiration, which according to Holbeche (2001) offers team members a compelling reason to start learning how to learn together. Employing the technique of dialogue, team learning enlivens the organizational climate (internal environment) as it enables teams transform their collective thinking and mobilize their energies to achieve common goals (Senge *et al.* 1999).

Systems Thinking: Systems thinking which is also called the fifth discipline (Stewart 1996; Eskildsen 1999) illuminates and cements the four previously discussed disciplines into a coherent body of thought. Systems thinking which is all pervasive cascades all aspects of organizational life and is described by Stewart (1996) as the cornerstone of a learning organization. Speaking in this wise, Holbeche (2001) and Allan (1998) posit that systems thinking considers the interrelatedness of forces that shape systems both within and beyond the organization and views them as part of a common process. Eskildsen *et al* (1999: 525) puts it succinctly when he stated that a learning organization is one that has acquired 'systems thinking' by mastering the disciplines of 'shared values', 'personal mastery', 'mental models' and 'team learning'. This according Jackson (2002) is essentially an ability to see beyond the isolated parts of the system, and to consider their interconnectedness. This is how the knowledge economy operates and organizations that wish to survive beyond the oil economy in Nigeria have to develop systems thinking.

CONCLUSION

The imminent transition from the oil economy to the knowledge economy requires organizational repositioning and internal environmental transformation. With learning as a competence and knowledge a resource (Antal *et al.*, 2001), organizational learning, which ensures that individual learning leads to organizational knowledge (Pemberton and Stonehouse, 2000) appears to be a veritable vehicle for bringing about the innovation that organizations require to stay competitive. This review paper has demonstrated that the 'component technologies' of organizational learning can be engaged by organizations to help organizations use their knowledge stock to create business value and competitive advantage in the post oil economy.

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INDUSTRIAL DEMOCRACY AND ORGANIZATIONAL RESILENCE IN SELECTED OIL SERVICING FIRMS IN RIVERS STATE

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ABSTRACT

This study examined the relationship between industrial democracy and organizational resilience in selected oil servicing firms in Rivers State. The study adopted a cross sectional research design. A conceptual framework was developed to showcase the dimensions of the predictor variable and measures of the criterion variable. A quadripartite research objectives and questions were advanced. A corresponding four null hypotheses were developed to guide the study. The Population of the study is 140 respondents. The sample size for the study was ascertained using the Krejice and Morgan Table of sample determination (1970). The sample size is 103 respondents. Properly configured questionnaires were administered to respondents and the retrieved responses were collated. The collated questionnaires were analyzed using the statistical package for social sciences (SPSS Version 21). The analysis of collated data indicated significance of industrial competitiveness to dual measures of organizational resilience-situation awareness and resilience echo's in the selected oil servicing firms in Rivers State. It also showed positive significance of social justice to situation awareness and resilience ethos in the selected oil servicing firms in Rivers State. The policy thrust of this paper is that industrial democracy using defined dimensions should be employed in the quest to attain organizational resilience in the selected oil servicing firms in Rivers State.

Keywords: Industrial democracy, industrial competitiveness, social Justice, organizational resilience, resilience ethos

INTRODUCTION

Organizations exist and operate in a dynamic, turbulent and ever changing environments. These impactful factors can be locally based, national and globally orchestrated. The organizations must have the ability to adopt / adjust themselves in order to continue to achieve the purposes of their existence and continue to make progress and be sustained some of the emergent conditions may be novel and the managers of the organizations may not have ready solutions to it behooves on managers of these organizations to be proactive in other to innovate strategies that will assist them to grapple with the emergent turbulent conditions that threaten their existence. The oil sector is one of the sectors that is vulnerable to tumultuous factors. The organizations in this sector of the Nigerian economy must brace up to contend and surmount these factors. Organizational resilience is not confined to the oil sector alone but pervades the spectrum of all sectors of the Nigerian economy. Since the factors that impinge on organizations are continuous, the managers must be proactive on strategies that will guarantee their organizations' existence, profitability and sustainability. Issues that arise in organizations, often require the combination of intellectual, professional and managerial expertise to guarantee success. Organizations that permit / allow inputs / voices from the employees often have resounding successes in their operations. There is no doubt that managers at the whim of affairs are not encyclopedia of managerial / technical / professional / knowledge. Hence, it is imperative to draw from the affluent deposit of the employee's wisdom, know how managerially technically and professionally. Industrial democracy will also allow employees involvement in decision making in their organizations. This will make employees to be more committed to the advancement progress and success of their organizations. Industrial democracy is used in this paper as a managerial to tool in resolving the perennial problem of organizational resilience.

Statement of the Problem

It is pertinent for organizations to continue to survive in the face of turbulent situations and forces. This more imperative in the oil sector of the Nigerian economy. Many strategies may have be employed in contending with the problem of organization resilience. This may have yielded some individuals however problem or organizational resilience persist. It is resolution is imperative in ensuring enhanced production profitability expansion in market share, growth etc in organization. The oil sector which is the mainstay of the Nigerian economy is highly vulnerable to the resilient issues. An avalanche of studies have been done on organizational resilience (Shani, 2020, Imamoglu, Ince, 2020, Vogus and Sutcliffe, 2007 Naderpajouh, Lynn, Keeys and Linkoh, (Bhamra, Dani and Bernard, 2011, Walker and Cooper 2011, Powley, 2099; Weik, 1993; Gilbert, Eyring and Foster, 2012; Van Der Vegt, Essens, Wahlstrom and George, 2015 and Alessandre and Fabio 2016) but 2020 there is no study on industrial democracy and organizational resilience in selected oil servicing firms in Rivers State. This is the gap in literature which this study intends to fill.

Research Objectives

The main objective of this study is to investigate the relationship between industrial democracy and organizational resilience in selected oil servicing firms in Rivers State. The specific objectives of this study are to:

- Determine the relationship between industrial competitiveness and situation awareness in selected oil servicing firms in Rivers State.

- Ascertain the relationship between industrial competitiveness and resilience ethos in selected oil servicing firms in Rivers State.
- Investigate the relationship between social justice and situation awareness in selected oil servicing firms in Rivers State.
- Determine the relationship between social justice and resilience ethos in selected oil servicing firms in Rivers State.

Research Questions

With the research questions at the fore, the following research questions will tailor the research inquiry:

- What is the relationship between industrial competitiveness and situation awareness in selected oil servicing firms in Rivers State?
- Does industrial competitiveness affect resilience ethos in selected oil servicing firms in Rivers State?
- Does social justice affect situation awareness in selected oil servicing firms in Rivers State?
- How does social justice affect resilience ethos in the selected oil servicing firms in Rivers State?

Research Hypotheses

The following null hypotheses will underscore this study:

Ho1: There is no significant relationship between industrial competiveness and situation awareness

Ho2: There is no significant relationship between industrial competiveness and resilience ethos in selected oil serving firms in Rivers State.

Ho3: There is no significant relationship between social justice and situation awareness in selected oil serving firms in Rivers State.

Ho4: There is no significant relationship between social justice and resilience ethos in selected oil servicing firms in Rivers State.

Significance of the Study

This study is worth studying as a result of its relevance to a myriad of stakeholders. This study is relevant to managers in the oil servicing sector of the economy. This is because managers must work out strategies for their organization to be resilient in the face of turbulent and competitive forces from rival firms. The outcome of this study will be relevant to trade union leaders of the various union bodies in their organizations. It will also be significant to employees and groups in the organizations studied.

The outcome of this work will aid in enriching the literature on industrial relations in specificity and management sciences in general.

Limitations of the Study

This study is limited by content, geographically as well as in the sector in which the operations is domicilized.

Content: This study is limited to the dimensions of industrial democracy and measures of organizational resilience. Albeit, there are more dimensions of the criterion variable and measures of the predictor variable but the study is confined to the identified dimensions and measures.

Geographical: This study is limited to oil servicing companies in Rivers State. Although, there are other oil servicing companies outside Rivers State, this study did not stretch itself to those oil servicing firms outside Rivers State.

Scope of the Study

The scope of this study is considered from the trio of: content, geography and unit of analysis.

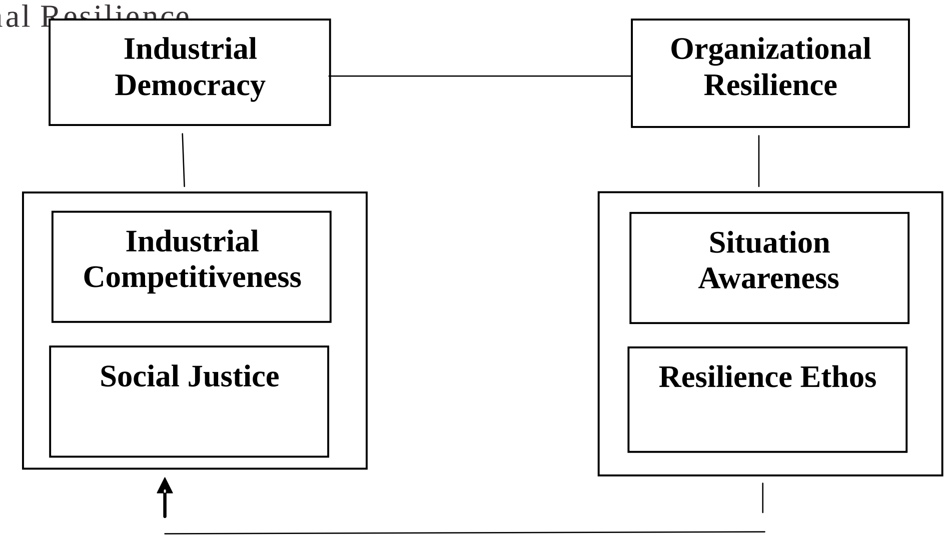
Content Scope: From the independent variable perspective, it is limited to: industrial competitiveness and social justice. From the dependent variable point of view, it is limited to situation awareness and resilience ethos.

Geographical Scope: This study is limited to oil servicing companies in Rivers State. This purports that this study will not extend to oil servicing firms beyond Rivers State.

Unit of Analysis: The unit of analysis of this study is organizational. This implies that this study is organizational based.

REVIEW OF EXTANT LITERATURE

Conceptual Framework on the Relationship between Industrial Democracy and Organizational Resilience



Source: Research Conceptual Model, 2020

Conceptual framework is a structure which a researcher believes can best the natural progression of a phenomenon to be studied (Camp, 2001). It is connected with the concepts, empirical research and crucial theories utilized in promoting and systemizing the knowledge espoused by the researcher (Peshkin, 1993).

A literature review is a comprehensive summary if previous research on a topic. The literature review surveys scholarly articles, books and other sources relevant to a particular area of research. A literature review is a compilation, classification and evaluation of what other researchers have written on a particular topic (Sanders and Horn, 1998).

The theories that underpin this study are the: Webbs theory of industrial democracy and Cole's theory of union control of industry.

Industrial Democracy and Organizational Resileince

Industrial democracy. This term was initially introduced by Sidney and Beatrice Webb (1877). The Webbs Published their joint work “industrial democracy” in 1897. Clegg (1960) defined industrial democracy as “must provide mechanisms for protecting mechanisms for protecting the rights and safe guarding the interests of industrial workers”.

Advocating a model of pure and simple trade unionism he asserted that “there is no effective alternative to collective bargaining as a means of protecting the interests and rights of workers” (Clegg, 1960).

Wager (1998) defined participatory management practices as the balances of the involvement of managers and their subordinates in information processing, decision making and problem solving endeavours.

International institute for labour (1966) defined workers participation in management as” the participation resulting from practices which increases the scope for employees share of influence in decision making at different tiers of organizational hierarchy with concomitant assumption of responsibility”.

Davis (1962) defined industrial democracy (workers participation) as “ a mental and emotional involvement of a person in a group situation which encourages him to contribute to goals and share responsibilities in them.

The aforementioned definitions of industrial democracy purports the involvement of workers in decision making in organizations. This will make the workplace more democratic and decisions reached- all involving. This approach will assist organizational managers to tap or source ideas from varied persons in order to keep their organizations resilient.

Organizational resilience is defined as a capability of the organization to deal with change and continue to develop such as fostering learning and adaptation (Carpenter, Walker, Scheffer, Chapin and Rockstrom, 2010) has dual dimensions such as operational resilience and strategic resilience (Lengnick-Hall et al, 2010; Valickangas and Romme, 2012). Operational resilience focuses on overcoming crisis and bounces back to a former conditions often associated with the ability to adaptive interpretation and action also called passive resilience (Pasteur, 2011; Somers, 2009).

Research effort by (Abolade, 2015) on impacts of industrial democracy on organizational performance (Case study of selected private and public sector organizations in Lagos state, Nigeria) indicate that there is significant relationship between industrial democracy and employee behaviour. It also showed that industrial democracy did not undermine management power but rather it strengthened it. This underscores the importance in employee behaviour and the managerial power authority to run their organizations.

Industrial Competitiveness and Organizational Resilience

The scholar work of Webb and Schlemmer (2006) on residence as a source of competitive advantage for small Information Technology Companies shows that continuous reconstruction is a source of competitive advantage. It was also found that since the resilience is new, the outcome of the resilience result will add to literature in the area of organizational resilience. The scholarly work of Umoh, Amah and Wokocha (2014) on Management Development and Organization resilience in selected manufacturing firms in Rivers State indicate that management development significantly relate to organizations within the ambit of the firms studied. This suggests that the development of staff of an organization equips the employees to easily reconstruct / adjust / adapt with the changes in the business environment and get the firms going (sustained). On the other hand, employees may be trained but the training does not guarantee an employee's ability to be resilient in his / her organization.

Social Justice and Organizational Resilience

Social resilience explains abilities within human societies to adjust to change, particularly “to absorb recurrent disturbances such as hurricanes and floods so as to retain essential structures, processes and feedbacks” (Adger et al, 2005). The social justice movement comes out of a slightly different perspective but shares a similar focus on the distribution of benefits and burdens (Foley, 2004).

In the scholarly work of Newkirk (2001), it was found that social justice adds in the resilience of organizations. It is therefore expedient for managers of organizations to be justiciable in the management of their organization. This is to ensure that all employees join forces to attain organizational resilience.

RESEARCH METHODOLOGY

Research methodology is the “systematic, theoretical analysis of the methods applied to a field of study”. It encapsulates the “theoretical methods and principles associated with a branch of knowledge” (Lrny and Rose, 2005).This is an essential part of investigation in paper development. It entails theoretical analysis of the methods and principles which will aid in expansion of knowledge in any field of stud

Research Design

According to Kothari (2004), research is making a research as efficient as possible. This is with the consequent yielding of maximum information and minimal expenditure in terms of effort, time and money. It is deemed as the “blueprint that facilitates smooth functioning of all research operations” (Babbie, 2002).

Sample Design

The sample design for this study is the cross sectional. This is because data for this study is collated at once. It is a snapshot survey of the research.

Population Of The Study And Sampling Technique

The population of the study is 140 respondents drawn from seven (7) oil servicing companies in Rivers State. The convenience sampling approach was employed in the selection of seven oil servicing companies in Rivers State. The choice is occasioned by some common strands that run through the septum of these organizations.

Sample Size

The sample size of this study was ascertained using the Krejice and Morgan table of sample determination (1970). The sample size for this study is 103 respondents.

Validity Test

Validity is means to “measure what is intended to be measured” (Field, 2005). The validity of this study instrument was determined by experts in this field of study. The human capital managers, managers of other functional units of the organizations, trade unions, and industrial relations managers were administered structured questionnaires in order to pretest the outcome of this study.

Table 1: Reliability Result

S/NO	VARIABLES	NO OF FLIERS	CRONBACH ALPHA RESULT
1.	Industrial Democracy	4	0.921
2.	Industrial competitiveness	4	0.825
3.	Social Justice	3	0.724
4.	Organizational resilience	4	0.931
5.	Situation Awareness	3	0.832
6.	Resilience ethos	4	0.798

Hypothesis 1

H01: There is no significant relationship between industrial competitiveness and situation awareness in selected oil servicing firms in Rivers State.

Correlations

	Industrial competitiveness	Resilience Ethos
Situation Awareness Spearman's rho Correlation's Coefficient Sig. (z-tailed) N	1.000 103	0.805 103
Industrial Competitiveness Correlation's Coefficient Sig. (z-tailed) N	0.805 .000 103	1.000 103

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

A proper evaluation of the results shown in the table above, indicates that industrial competitiveness showcases a positive significance on situation awareness (rho = 0.805, P< 0.01 = 0.000). Hence, we reject the null hypothesis (because our P-value is less than 0.01). Industrial competitiveness has a strong positive relationship with situation awareness.

Hypothesis 2:

H02: There is no significant relationship between industrial competitiveness and resilience ethos in the selected oil servicing firms in Rivers State.

Correlations

	Situation Awareness	Industrial Competitiveness
Spearman's rho Industrial Competitiveness Coefficient Sig. (z-tailed) N	1.000 103	0.742 103
Resilience Ethos Correlation's Coefficient Sig. (z-tailed) N	0.742 .000 103	1.000 103

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

A proper evaluation of the results depicted in the table above revealed that industrial competitiveness has a positive significance on resilience ethos (rho = 0.742, P< 0.01 = 0.000). Accordingly, we reject the null hypothesis (because our P-value is less than 0.01). Industrial competitiveness has a strong positive relationship with resilience ethos.

Hypothesis 3

H03: There is no significant relationship between social justice and situation awareness in the selected oil servicing firms in Rivers State.

Correlations

	Situation Awareness	Social Justice
Spearman's rho Situation Awareness Coefficient Sig. (z-tailed) N	1.000 103	0.817 103
Social Justice Correlation's Coefficient Sig. (z-tailed) N	0.817 103	1.000 103

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

A proper evaluation of the results depicted in the table above shows that "Social Justice" exhibited a positive significance on Social Awareness (rho = 0.817, P< 0.001 = 0.000). Consequently, we reject the null hypothesis (because our P-value is less than 0.01). Social Justice has a strong positive relationship with Social Awareness.

Hypothesis 4

H04: There is no significant relationship between Social Justice and Resilience ethos in selected oil servicing firms in Rivers State.

Correlations

	Resilience Ethos	Social Justice
Spearman's rho Resilience Ethos Correlation Coefficient Sig. (z-tailed) N	1.000 103	.785 103
Social Justice Correlation's Coefficient Sig. (z-tailed) N	.785 103	1.000 103

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

A proper evaluation of the results indicated in the table above indicates shows that "Social Justice" exhibited a positive significance on resilience ethos (rho = 0.785, P< 0.001= 0.000). Accordingly, we reject the null hypothesis (because our P-value is less than 0.01). Social Justice has a strong relationship with resilience ethos.

THE FINDINGS OF THE STUDY

On the basis of the above analysis, the following are the findings of this study:

Industrial competitiveness impacts on situation awareness in the selected oil servicing firms in Rivers State. This is because each organization operates a distinct industrial environment that portends its own competitiveness. This entails reaction to the situation generated by that industrial competitiveness and its uniqueness. This is in agreement with the works of (Alessandre and Fabio, 2016 and Bhamra, Dano and Eurnard, 2011)

Industrial competitiveness positively correlates with resilience ethos in the selected, oil servicing firms in Rivers State. The finding of this study congruent with the scholarly works of (Gilbert, Eyring and Foster,2012).

Social justice positively correlates with situation awareness in the selected oil servicing firms in Rivers State. This is in tandem with the scholarly endeavours of (Ince, 2012 and Lengnick-Hall and Lengrick-Hall,2010)

Social justice positively impacts with resilience ethos in the selected oil servicing firms in Rivers State. This is line with other research findings of (Van DerVegt,Essens ad George,2015 and Weick,1993)

Since the dimensions of industrial democracy positively correlate organizational resilience, industrial democracy then positively correlates with organizational resilience in the selected oil servicing firms in Rivers State.

CONCLUSION OF THE STUDY

From the above findings, this research inquiry draws the following conclusions:

That industrial competitiveness affects situation awareness in the selected oil servicing firms in Rivers State.

That industrial competitiveness affects resilience ethos in the selected oil servicing firms in Rivers State.

That social justice affects situation awareness in the selected oil servicing firms in Rivers State.

That social justice impacts on resilience ethos in the selected oil servicing firms in Rivers State.

Industrial democracy then positively correlates with organizational resilience in the selected oil servicing firms in Rivers State.

RECOMMENDATIONS OF THE STUDY

The following recommendations are proffered based on the conclusion drawn above: That industrial competitiveness should be employed as a managerial tool to enhance organizational resilience in the aspects of situation awareness and resilience in the selected oil servicing firms in Rivers State.

That social justice should be utilized to galvanize organizational resilience in the areas of situation awareness and resilience in the selected oil servicing firms in Rivers State.

It is then recommended that industrial democracy as a managerial tool should be employed to galvanize organizational resilience particularly in the face of the competitiveness and criticality of the sector as the oil sector.

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PART D

MARKETING/SUPPLY CHAIN MANAGEMENT TRACK

OPERATIONAL EXCELLENCE STRATEGY: A TOOL FOR ORGANIZATIONAL REPOSITIONING IN THE AUTOMOBILE SECTOR IN RIVERS STATE

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ABSTRACT

The aim of this study is to examine and evaluate the degree of the application of operational excellence strategy in performance of automobile marketing firms in Rivers State of Nigeria. The population of the study was 197 automobile marketing firms, from which a sample of 132 was drawn based on the Taro Yemen's formula. The simple random sampling technique was employed to select 264 respondents from 132 automobile marketing firms in Rivers State of Nigeria. The data were gathered by questionnaire survey on 264 respondents. 200 copies of questionnaires were received useful, obtaining a 79.4 percent response rate. The simple regression statistics and analysis of variance were used to test the hypothesis. The results illustrate that operational excellence strategy has a strong, positive and significant influence on customer satisfaction. The study therefore, concludes that operational excellence strategy significantly influences performance of automobile marketing firms in Rivers State. The study recommends automobile dealers should position strategically operational excellence strategies as driver of performance to enable organizations to be efficient and thus capable of delivering superior value and reliable products at reduced cost with minimal inconveniences.

Keywords: Automobile marketing firms, Customer satisfaction, Operational excellence, Performance.

INTRODUCTION

In recent times, a lot of studies have accumulated to distinguish the interactions between operational excellence strategies and performance (Cumano & Nebeoka, 2016, Curkovic *et al.,2016*, Asieh, 2016, Jianhan *et al.*, 2009*)*. Firms are sincerely knowledgeable of the effect of operational excellence on their performance and that it plays a far-reaching role to promote any business performance because it is a circular utensil which can assertively transform The way business operates in the highly competitive business arena. This is because; the accomplishment

of any organizational goal in the business world depends generally on the capacity of firms to deliberately outperform their rivals. Outsmarting rivals depends on the capacity of a firm to deliver superior offerings in the market, the capacity to ceaselessly enhance the quality of the product and also the ability to adopt strategies that will empower the firm to gain competitive advantage in the target market.
The automobile dealers in Nigeria engage in stiff competitive warfare in order to remain afloat and be relevant in the business world. Due to features and uniqueness that are identical to automobiles, customers rely on value, efficiency, excellent service, fuel economy, product leadership for their purchase decisions (Adefulu, 2015). Given the competitiveness of the business environment, achieving performance depends largely on the viability of key competitive weapons at the disposal of a firm in the automobile sector. The competitive weapons are often translated into operational excellence strategies. Operational excellence strategy is the means of providing customers with reliable products or services at competitive prices and delivered with minimal difficulty or inconveniences. Kotler and Armstrong (2014) posit that, operational excellence is a strategy used by firms to provide customers with superior value by leading its industry in price and convenience.

A handful of research has been carried out on the automobile marketing industry as this topical area of marketing has been investigated from distinct perspectives (Cumano & Nebeoka, 2016, Curkovic *et al.,2016,* Asieh, 2016, Jianhan *et al.*, 2009), it was discovered that firms in this industry grapple with grouse competition on how to outwit one another. This study is an extension of the scholarly inquiries on operational excellence strategies and performance. Against this background, this study assesses operational excellence strategies of automobile marketing firms in Rivers State of Nigeria to achieve positive performance using competitive advantage theory of competition (CATC).

LITERATURE REVIEW AND HYPOTHESES

Theoretical Foundation

This study is specifically anchored on Competitive Advantage Theory of competition.

Competitive Advantage Theory of Competition (CATC)

This theory was propounded by Barney in 1991. According to this theory when a firm has a resource or specific assortment of resources that are rare among competitors, it has the potential for producing a comparative advantage for that firm. A competitive advantage in resource assortment that is, its core competencies enables it to produce a market offering that, relative to entrant offering by competitors; is perceived by some segments to have superior value and or can be produced at lower cost. Sheth (2002) notes that, distinctiveness in the product offering or low cost are tied directly to the distinctiveness in the inputs and resources used to produce the product. The quality and cost of a product depend on the particular ingredients used and the way in which they are mixed. A comparative advantage in resources then, can translate into a position of competitive advantage in the marketplace and superior financial performance. Ideally, a firm prefers a competitive position where its competitive advantage in resources produces superior value at lower cost. For example the Japanese automobile companies had this position throughout the 1970s and into the 1980s in the United States because their more efficient and effective manufacturing processes produced higher quality products at lower cost. The role of management in the firm is to recognize and understand current strategies, create new strategies, select preferred strategies, implement and manage those selected and modify them through time. Strategies that yield results are maintained (Hunt and Morgan, 2001). The rationale for recognition and understanding of strategies is that sometimes a firm's strategies emerge or are implicit (Mintzberg, 2010). When such cases arise, it is important for firms to recognize and understand their emergent or implicit strategies.

Operational Excellence Strategies

Operational excellence entails having superior performance in one or more of the following operations: performance objectives; quality, cost, flexibility and speed. It is a marketing strategy employed by firms to offer cost effective and quality services to customers to remain a force in the industry. As explained by Treacy and Wiersema (2005) operational excellence is a strategy approach for the production and delivery of products and services. It takes place when every employee can see the flow of value to the customer and fixes it before it breaks down. It ensures reduction in costs and optimization of the processes to provide customers with reliable products or services at competitive prices delivered with minimal difficulty or inconvenience.

Operational excellence is the means of providing customers with reliable 6 products or services at competitive prices and delivered with minimal difficulty or inconvenience (French, 1995; Gubman, 1995; Treacy and Wiersema, 1995). Zineldin and Philipson (2007), opined that operational excellence is strategy used by firms to provide goods and services with zero defects. The idea behind the operational excellence is that the companies focus on the price and convenience where the companies normally fight the lowest price in the industry.

Kotter and Armstrong (2014) opined that the companies that apply this strategy provide customers with superior value by leading its industry in price and convenience. According to them, this strategy work to reduce costs and create a lean and efficient value-delivery system. It works to serve customers who need reliable and good-quality products or services, but who want the products or services easily and at reduced prices.

Process-based capabilities relate to the activities that transform inputs into outputs such as process selection or design, planning and control and project management. System-based capabilities involve a broad engagement of the entire operating system, for example supply chain management and quality management systems. Organization based capabilities are developed at the strategy formulation level and involve decisions such as new product or technology deployment, facility location and so on.

Operational excellence is driven by both process and system-based capabilities. Process-based capabilities transform inputs to outputs while system-based capabilities engage the entire operating system. The objective of a firm is to design and operate processes which give the firm an ability to produce at an advantage compared to competing firms thus enabling the firm to offer superior customer value (Dilworth, 1998). To create a cutting edge competence, process-based capabilities must be effectively and efficiently utilized.

Chase (2004), noted that, the quality of a product is directly related to the value created. Therefore, process-based capabilities enable a firm to achieve operations with competitive factors of both

quality and cost while system-based capabilities relate to the coordination of the process-based capabilities thereby enabling the firm to achieve operations with competitive factors such as flexibility and delivery speed. These capabilities must be galvanized to become more efficient and more effective than those of competitors for the firm to attain a competitive advantage. Kotler and Armstrong (2014) noted that, companies pursuing this strategy, focus on delivering their products or services to customers at competitive prices with less inconvenience, and they build their business around this objective while remaining distinct from other organizations with different goals.

Performance

Performance is central to success in today's fast moving competitive markets, and measuring organizational performance is critical to managing it effectively. Performance is a measure of how efficiently and effectively managers use, available resources to satisfy customer and achieve organizational goals. Performance increases in direct proportion to increase in efficiency and effectiveness. Performance focuses on the measurement of the aggregate effectiveness and efficiency of the organization. It is a recognized standard that ascertain operational efficiency and external performance of marketing activities as regards automobile dealers (Owonte, 2016). The goal of performance management is to achieve key outcomes and objectives to optimize individual, group or organizational performance. More specifically it focuses on measuring, managing and analyzing organizational performance to maximize effectiveness and optimize Return on Investment (ROI) of marketing. Three elements play a crucial role in managing organizational performance, these include data, analysis and metric (Hooley *et al.*,2012). This study adopts customer satisfaction as the measure of performance.

Customer Satisfaction

The success of any marketing program is the recognition of the sovereignty of the consumer. That the consumer is “King” is evident if we consider how marketing activities revolves around attempts to satisfy consumers needs and wants. it is as a matter of fact in the satisfaction of consumer needs that the marketer justifies his existence. If he is to meet these needs, he must find out all that there is to know about the consumers (Kalu, 2012). In a competitive marketplace where business competes for customers, customer satisfaction is seen as a major differentiator and an increasingly key element of company's strategy (Gitman & Mc Daniel, 2005). Kotler & Armstrong (2013) defined customer satisfaction as the extent to which customer perceived a product or service performance matches a buyers expectation. Hansemark and Albinson (2004) defined customer satisfaction “ as an overall attitude of customers towards a service provider or an overall emotional reaction to the difference between customers expectation and what they receive towards the fulfillment of some needs, desire or goals “ it is an evaluation of how products and services delivered by a company meet or surpass their anticipation. Customer satisfaction is the total percentage of customers who reported an experience with a, its products and service rating exceeds specified satisfaction needs or goals (Farri *et. al.*, 2010).

The objective of all marketing effort should be to maximize customer satisfaction. Satisfaction is a measure of difference between perceived service cost and expected service benefit. Fornnell (1992) said satisfaction is an overall retrospective judgment about how far expectation with regard to service has been fulfilled in used situation. Oliver (1997) defined it as the customer's fulfillment response. Satisfaction is conceptualized in the literature as an attitude like judgments after a purchase, or an interaction with a service provider (Gitman & Mc Daniel, 2005). Satisfaction is influenced by customer emotional response, their attribution, expectation, perception of quality and product and service features (Zeithaml & Bitmer, 2000).

European Integration studies (2011) defined customer satisfaction "as increasing clients" wish to purchase new items or repurchase the goods and services of the company". So, customer satisfaction measures is based on percentage of customers who, when surveyed was satisfied with the company's products and would highly recommend these products to friends, family or colleagues. Apart from being extremely important to the business in its own right, we believe that this measure indicates how the customer experience affects future sales and revenue. To retain a satisfied customer, companies must get it right in achieving a 100% satisfaction for every one of their customers.

However, in conducting research Company usually ask customers whether their products or services meet their expectations. Thus, the important factors behind satisfaction are the expectation of customers. In this vein, customers rate their experience as dissatisfying when their expectations are not met. The records of customers' satisfaction provide a leading indication of customers and loyalty data. The data are among the rottenly collected indicators of market perceptions in two fold;

i. The collection, analysis and dissemination of these data within the organization emits a message about the importance of tending to customers and ensuring that they have a positively experience with the products and services of the company (Farri*et al*., 2010).
ii. Market share and sales is an important indicator to measure how well a company is performing currently. Customer satisfaction is the best indicator to know how a company's customer will make future purchases. Therefore, for firms to effectively manage customer satisfaction, they need reliable and representative measures of customer satisfaction. Customer satisfaction is an ideal concept and the real manifestation of the level of satisfaction will vary from one customer to the other.

The level of satisfaction depends on a number of both physical and psychological variables which correlates with satisfaction behavior characteristics, such as referrals rate and repeat purchases. The state of satisfaction can also vary depending on other available options the customer may have and other goods and services against which the customer compares the organizations products or services (Horsfall, 2018).

Schiffman and Kanum (2014) defined customer satisfaction "as the individual's perception of the performance of a product or service in relation to his or her expectations. However, a well-developed competitive marketing strategies will enable automobile firms achieve and sustain their dominant leadership position by delivering "extraordinary levels of distinctive value to carefully selected customer group. According to Treacy and Wiersema (2006) to be success in distinguishing themselves from the competition, organizations must have a precise understanding of the products or services they deliver and a clear definition of the target market. These distinctive attribute, they say must be understood at all levels in the organization not only by executives, but also by frontline employees as to achieve customer satisfaction which will

impact on performance.

Operational Excellence Strategies and Performance.

The current business climate is very complex, with varying demands from different stakeholders thereby heightening firms' efforts to understand, respond and change to the various economic, social and ideological challenges in their environment (Seyed & Markus, 2013). Firms, are therefore, exploring all strategic parameters to exhibit high degree of efficiency, effectiveness and cost reduction and firms must seek continuous improvement in the objects that define their areas of operation to remain competitive in their environment (Ozumba, 2010; Edgeman & Eskildsen, 2014).

The excellence developed according to modern sustainability movements, refers to a significant increase in performance across various aspects including operations (Edgeman & Eskildsen, 2014). Today, this term describes approaches that are designed to achieve outstanding production and delivery systems with excellent technical and social aspect. Due to the current needs to respond to multiple market demands simultaneously, this concept has been shifted to exploit world-class production and delivery systems in which both technical aspects and social aspects are essential (Assen, 2011). As a result of this development, many scholars have delved into this area to unravel the relationship if any, between operational excellence and performance.

Sutton (2012) defined operational excellence as "focusing strategically on maximizing the value that organization delivers to customers, through strong leadership, the power of people, the use of industry best practice and the application of value-added technologies. This is the bedrock of excellence in service delivery and strategic customer-focused service delivery. Sutton (2012) observed that companies that leverage operational excellence as a strategic competitive advantage tool, recognizes that the effectiveness of their operation plays a central role in creating and sustaining customer satisfaction and loyalty.

Sheth (2002) posit that, operational excellence is the key to success in determining the loyalty of customer where most companies have forgotten while focusing too much on the IT. This is because the product line is standardized, and limited, with highly reliable products with emphasis on zero defects (Asiegbu (2009). Numerous studies have identified operational excellence to have a positive relationship with organizational performance. For example, Barney (1991) identified a positive link between firm's resources and sustained competitive advantage.

Ma (2000) in a study of service industries, revealed the existence of a relationship between competitive advantage and operational excellence. Some other studies by Lumpkin (2002) analyzed the relationship between the two variables. This study also found a positive association between operational excellence and organizational performance. On the other hand, the study of Sutton revealed the impact of operational excellence towards competitive advantage through the strategy development of an organization. Sutton (2012) observed that, operational excellence enables sustained delivery of high-quality, cost-effective services and capabilities that provide exceptional customer value. Companies that leverage operational excellence as a strategic competitive advantage tool recognize that the effectiveness of their operation plays a central role in creating and sustaining customer satisfaction and loyalty.

Day (1994) posit that, having superior operational capabilities increase the efficiency in the delivery system as well as reducing the operations cost to achieve competitive advantage (Prithwiraj, 2008). The reduction in operational cost has been found to have a direct positive impact on profit. Firms that strive towards reduction of operation cost have gained competitive advantage in their respective industries. The variability in service firms degrades the performance of service delivery system which also results in operation inefficiency (Assen, 2011; Seong & Junsuk, 2008).

Mei (2008) asserts that, operational performance using the dimensions of cost reduction, increased productivity, quality improvement; increased customer satisfaction, improved internal procedures, improved employee morale have shown to be positively associated with performance. Evans and Dean (2003) found that, operational excellence is used especially in improving new product development so that it can have positive association with organizational performance across industries.

Empirical Reviews

Cusumano and Nobeoka (2016) investigated the strategy structure and performance in product development in the automobile industry in Japan. The basic framework used to compare the studies examined variables related to product strategy, project structure of organization and project as well as product performance. The study adopted least square to analyze the data of 120 automobile producers. The evidence to date indicates that Japanese automobile producers have demonstrated the highest levels of productivity in development as well as overall sales growth, and have used particular structures and processes to achieve this. The evidence from the study does not clearly indicate what the precise relationships are between development productivity and quality or economic returns. The study concluded that more precise models as well as empirical research that connect a firms competitive positioning and product strategy with development structure management and technology be done with this performance measures.

Curkovic *et al.*(2016) studied the competitive dimensions of quality performance in the automotive supply industry, a theoretically relevant set of quality variables was identified from the literature. The result of a factor analyses shows that quality is two dimensional construct in the automotive supply industry. The core dimensions of quality are product quality: which is primarily focused on design superiority and performance of the physical product and service quality which comprises both pre and post-sale service? The study reveals that both product quality and service quality are related to overall firm performance, regardless of whether asset based, investment base, or market based measures are used.

Asieh (2016) examined the impact of competitive strategies on corporate innovation of automobile industries in Iran. The study involved a questionnaire-based survey of managers from two major automobile manufacturers SAIPA and Iran Khodo in Iran. A total of 286 useable copies of questionnaire were received from the two manufacturers. These were subjected to series of correlational and regression analyses. The results revealed that Porter's competitive strategies had a significant influence on corporate innovation.

Jianhan *et al.* (2009), examined the impact of competitive strategies on the performance of automobile industry in china. Data for the study were collected through primary source. The analytical tool used in the study was content analysis while regression was used to test the hypothesis. It was discovered that Chinese market has a great demand for foreign cars, and a great many automobile companies are competing for their market share there.

Based on the review of literature, the following research model was developed:

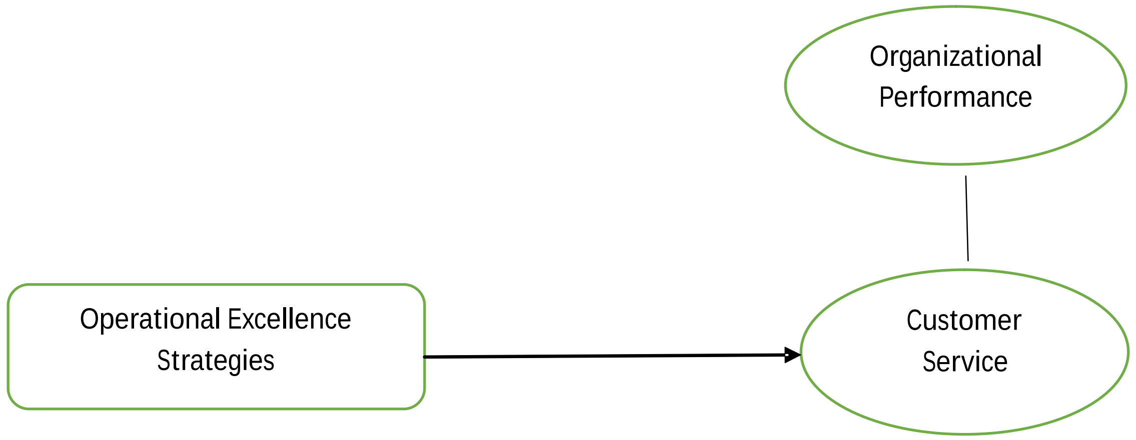

Figure 1: Conceptual Model of Operational Excellence Strategy and Performance
Source: Conceptualized by the researchers, 2020.

METHODOLOGY

The population of this study consists of customers of 197 automobile dealers registered with the Ministry of Commerce and Industry in Rivers State of Nigeria 2017 / 2018 edition. To extract a sample size from the entire population, a sample size determination formula by Taro Yamene was used because the total number of automobile firm is known. It is stated as follows:

		N1+Ne2
n	=	Sample Size
N	=	Population
e	=	Level of Significance
	=	N1+N0.052
	=	N1+197 (0.05)2
	=	1971+197 (0.0025)
	=	1971.49)
	=	132

This study focused on customers of 132 automobile dealers in Rivers State of Nigeria. Two customers who must have had a buying relationship with the automobile dealers for at least 15years were selected proportionately from each of the identified dealers because of their direct involvement in purchase related issues. On the whole, information from the customers of the 132 dealers showed a total of 264 customers of automobile organizations Rivers State of Nigeria. 264 copies of questionnaire were subsequently distributed to respondents. Of the 264 copies of questionnaire that were distributed to the respondents, 252 copies were returned, yielding a response rate of 95.4 percent. The remaining 12 copies produced and distributed were not returned and were unaccounted for. However, the return rate of 95.4% is considered high and outstanding considering a minimum return rate of 70% as suggested by Kothari (2011). Additionally, of the 252 copies of the questionnaire returned, the usable copies numbered 200 leading to a response rate of 79.4%. However, 20.6% (52copies) was not used due to wrong filling, missing and incomplete information in the demographic profile. The collected data were analyses with the regression analysis and one analysis of variance (Anova), with the aid of the Statistical Package for Social Sciences (SPSS) version 22.0.

Empirical Specification of Model

Operational excellence Strategies are estimated as a function of performance, such as operational excellence, customer service and product quality. This is expressed in the form of an equation as follows:

$y = f(X_1)$ - - - - - - equation (1.1)

Where

Y = Performance

X_1 = Operational excellence strategies

Therefore $y = a_o + b_1 x_1 + e_t$ - - - equation (1.2)

Where

y = Performance

a_o = Intercept (constant)

b_i = level of influence of operational excellence stategies on performance

The above estimated equation is a linear function which was used in testing the model separately and jointly.

ANALYSIS

Effect of Operational Excellence on Organizational Performance

Ho_1: There is no significant effect of operational excellence on customer satisfaction of automobile dealers in Rivers State of Nigeria.

Table 1: Effect of Operational Excellence on Customer Satisfaction (N=200).

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.872	.764	.703	45343

a. Predictors: (Constant), Operational excellence

b. Dependent Variable: Performance

Source: *Researcher's Computation (2020).*

The sum of performance was regressed with the sum of operational excellence strategies. The value of R is 0.872. The R value of 0.764% represents the correlation between operational excellence strategy and performance. It represents a very strong correlation between operational excellence strategy and performance. The R2 is 0.764. This means that 76% of the change in performance is spelt out by the independent variable. It shows that operational excellence strategy makes a contribution of 76% to every change in performance, while 24% of the changes are not spelt out. Since for hypothesis one, the significant is .000 which is less than 0.05; there is a significant, effect of operational excellence strategy on performance.

Table 2: One way ANOVA for the difference in mean between operational excellence and performance (N=200).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	77.074	1	77.074	374.879	.0000
With in Groups	23.849	199 206			
Total	100.94	200			

a. dependent variable: performance

b. Predictor: Operational excellence Strategy

Source: *Researcher's Computation (2020).*

The sufficiency of the model can also be explained by the value 374.879(F-ratio), at $p < 0.05$. This implies that there is proof to extrapolate that operational excellence strategy is linearly related to performance. This proposes that the model is measured to be fit and that operational excellence strategy has substantial influence on performance.

DISCUSSIONS

The statistical test on operational excellence strategy and customer satisfaction established that there is a significant relationship between operational excellence strategy and customer satisfaction. This implies that 92% of automobile dealers record excellent performance in quality, speed and flexibility, 71.5% adopts operational excellence strategy as a necessary technique for achieving competitive advantage, 77.5% provides customers with reliable products at competitive prices with minimal difficulty or inconveniences and 80.5% delivers value by efficiently and consistently providing standard offerings to customers. This is because operational excellence strategy, according to the respondents works to reduce costs and create a lean and efficient value delivery system.

The concept of operational excellence as measured in this study dealt with issues bordering on operational excellence as a positive driver of performance. It becomes clear that operational excellence makes organizations efficient and thus capable of delivering reliable outcome. From our findings, we understand that when operational excellence is properly regulated and positively handled, it rubs on positively on customer satisfaction. Our finding agrees and supports the findings of Lumpkin *et al.* (2002) who found a significant relationship between operational excellence and performance and Mahdi and Almsafir (2014) who also found a positive association between operational excellence and performance.

The researcher developed a business implication framework of marketing strategies which comprised operational excellence, customer service and product quality, and performance. This study contributed to this framework and the theory development in marketing strategies and performance through applying theory across operational excellence strategy and customer satisfaction. Thus, this study reinforced the establishment of competitive advantage theory of competition for exploring operational excellence strategy phenomenon

CONCLUSION AND RECOMMENDATION

The study was on the operational excellence strategy and performance of automobile dealers in Rivers State of Nigeria. The results of this study showed that operational excellence strategy influenced customer satisfaction of automobile dealers. The results implies that when operational excellence strategy is adequately implemented and improved upon, it will enhance customers satisfaction and more specifically, long term performance of the automobile dealers. Based on the findings of this study, it is therefore, concluded that operational excellence strategy significantly influence performance of automobile dealers in River State of Nigeria, and recommends that automobile dealers should position strategically operational excellence as a driver of performance to enable organizations to be efficient and thus capable of delivering superior value and reliable products at reduced cost with minimal inconveniences.

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INFORMATION SHARING AND MARKETING EFFECTIVENESS REPOSITIONING OF SMEs IN RIVERS STATE

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ABSTRACT

This study aimed at investigating the relationship between information sharing and marketing effectiveness in clearing and forwarding companies in Rivers State of Nigeria. The study adopted descriptive research design and the target population was 377 SMEs in Port Harcourt. The study used simple random sampling technique to select one respondent from each of the 377 SMEs. A pilot study was carried out to refine the instrument. The quality and consistency of the survey was further assessed using Cronbach's alpha. Data analysis was performed on a computer using Statistical Package for Social Science (SPSS Version 22). Analysis was executed by means of the Pearson's Product Moment Correlation Coefficient (PPMC) technique. The study revealed that information sharing positively and significantly relates with customer satisfaction. The study therefore concludes that, there is a significant relationship between information sharing and marketing effectiveness of SMES in Rivers State of Nigeria, and recommends amongst others that adoption and usage of information sharing that will enhance customer satisfaction in SMEs should be implemented by SMEs. That is, SMEs should be in position to continuously weigh the benefits that accrue from application of information sharing to ensure periodic redesign and improvement to attract customers' satisfaction.

Keywords: Customer satisfaction. Information sharing, Marketing effectiveness, Rivers State.

INTRODUCTION

Appraising the marketing effectiveness of business processes has become a central issue in both academia and business, since companies are face up to to realize valuable and resourceful outcomes. Applying marketing effectiveness feat to this purpose guarantee coalition with a business approach, which implies that marketing effectiveness is dependent on the effectiveness of information sharing in an organization.

Information is an important article of trade applied in the grasping of any goal positioned by an individual or group. Information furnishes an individual with the knowledge desirable to triumph over confrontations and take the proper step timely. Stanley (1990) in Mulauzi and Zulu (2012) conjectured that information is one of the fundamental requirements behind air, water, food, and shelter and for any action to enclose a down-to-earth probability of flourishing implementation; it depends for the most part on the accessibility and admittance to precise and steadfast information. Information is envisaged as an essential reserve that supplies immeasurably to the progress inventiveness of all countries in the globe. Information sharing is a useful asset for decision making, and it superlatively conveys acquaintance, and a well-informed group of people.

Information sharing has been made known to be one of the solutions to thriving supply chains (Whipple *et al.* 2002). Previous scholarly investigations hold up the significance of information sharing in the supply chain. This embrace studies by: Sanders and Premus (2005); and Knemeyer and Murphy (2005); Ellinger (2000); Lee (2001); Whipple *et al.* (2002). Broadly, information is essential to lend a hand to logistics management to make a multiplicity of decisions arrayed from choice of carriers to preferred inventory levels to the suitable quantity of warehouses (Deeter-Schmelz 1997). Information sharing incorporates, but is not restricted to, the transmition of information in shipment, tracing, billing transactions, and complaint decisions (Rhea & Shrock, 2000).

Some Scholarly inquiries on information sharing have built up. For instance, Bahtışen, Ayşegül and Oznur (2016) examined the effect of satisfaction on firm performance Ankara Turkey, Witell, Gustafsson and Johnson (2014) investigate the influence of customer information on profits from new offerings.

Previous studies have to a certain extent unobserved the affiliations between information sharing and marketing effectiveness, because empirical investigations on the linkages between the assumed variables are narrow. Consequently, this study aims to fill up the research gap and make accessible a realistic authentication of the association between information sharing and marketing effectiveness. In order to transport the intents of this study, the SMEs in Rivers State of Nigeria were selected. This is for the grounded on the fact that SMEs contributes substantially to the economy of the State.

Problem Statement

Ideally ought to be an indication of sizeable investigations concerning marketing effectiveness of SMEs. There has been, however, limited scope in researches to explore the relative merits or appropriateness of marketing effectiveness adopted by the firms within the context of a developing country like Nigeria. There is a growing concern for poor marketing effectiveness of Nigerian businesses and there is an increasing recognition of the need to integrate information sharing with marketing effectiveness. Furthermore, information sharing has been regarded as

having a pivotal role in enhancing marketing effectiveness and is reliant on industry policy; while customer satisfaction outlines the origin of any business's marketing plan since it determined general achievement (Sabir, Irfan, Akhtar, Pervez, & Rehman, 2014), seeing that customer satisfaction is anchored on the gratification a customer acquires following experience of a service or product consumption. Thus, this current study aims to concentrate on the matter of construing the suitability of information sharing espoused by SMEs and how it impacts on marketing effectiveness through customer satisfaction.

LITERATURE REVIEW AND HYPOTHESIS

The Concept of Information Sharing

Information sharing has numerous definitions. It is defined as the transmitting of information on the subject of inventory levels and arrangement, sales data and forecasts, order status, production and delivery programs and capability, and performance metrics (Lee & Whang, 2000). Information sharing is also, perceived as supplying firms with onward perceptibility, enhanced production scheduling, inventory management, and distribution (Sanders & Premus, 2005). Information Sharing: presages the accumulation of communication or intelligence torrent to compose faultless, useful and purposeful standard supply chain by sharing information between suppliers, manufacturers, distributors and retailers (Ikegwuru & Harcourt, 2019). Information sharing thus, refers to the harmonization of information flow crosswise the supply chain and it takes in, but is not restricted to, the conveyance of information in shipment tracing, billing transactions, and complaint decisions (Rhea & Shrock 2000).

Marketing Effectiveness

Marketing effectiveness describes the extent to which customer's necessities are convened whereas efficiency evaluates how cost-effectively a firm's resources are made use of to realize a prearranged intensity of customer satisfaction. Based on Neely et al.'s assertions; Neely, 2005), The possibility of having an excellent backdrop and acquaintance hinges on the evaluation of a phenomenon only when you can estimate and articulate it numerically (Neely, 1998). This study adopts customer satisfaction as the measure of marketing effectiveness

Customer Satisfaction

Satisfaction is described as a sensation, contentment or discontent experienced by an individual based on evaluation of product professed performance with anticipation (Kotler & Keller, 2009). It is based on assessment of incongruity in customer's anticipation and performance of product or service following utilization. Customer satisfaction is a function of the difference in the expectations of consumers for the product/service earlier than purchase and definite product/service acquired following purchase (Low, Lee & Cheng, 2013). Hence, customer satisfaction is reliant on the product's professed performance comparative to a buyer's anticipations. The customer is exceedingly satisfied and enchanted if the performance of product surpasses expectations. (Armstrong & Kotler, 2005).

Empirical Review

Bahtışen, Ayşegül and Oznur (2016) examined the effect of satisfaction on firm performance in Ankara Turkey. The study employed measurement items from dissimilar investigations and conducted CFA to test discriminant and convergent validity. The hypotheses were tested by means of LISREL 8.3. The results divulge that conflict and trust explain 76% of the satisfaction; and satisfaction itself explains 44% of the firm performance. The study also, established significant positive effect of satisfaction on firm performance, and the interaction of satisfaction and dyadic knowledge transfer revealed negative, insignificant effect on firm performance. Further, the effect of satisfaction on firm performance is found to be significant barely when the dyadic knowledge transfer between firms is low, while the effect of is still insignificant when the level of knowledge transfer is high.

Witell, Gustafsson and Johnson (2014) investigated the influence of customer on profits from new offerings by means of survey carried out in the context of NPD in goods and services. The study assembled a distinctive database combined with key informant assessment answers with financial data for 244 firms. The findings demonstrate that getting hold of customer information during NPD influences the profits from new offerings, which shows a discrepancy depending on the stage of the NPD process. The financial rewards from getting hold of customer information for goods are uppermost in the early stages of the NPD process and turns down in later stages. However, the financial rewards for services are lofty in the early and late stages of the NPD process.

Lewis (2006) studied effects of information sharing, organizational capabilities and relationship characteristics on outsourcing performance in the supply chain. Data were drawn from logistics executives in the United States. Analysis was carried out with moderated multiple regression analysis to ascertain the connection between information sharing and perceived outsourcing performance, including the interaction effects of organizational capabilities and relationship characteristics. The findings designate that a significant relationship exist between information sharing and outsourcing performance. The study also found a significant relationship between moderator relationship variables of communication and perceived satisfaction with a previous outcome.

Based on the review of literature, the following research model was developed:

Figure 1: Research Model of Information Sharing and Marketing Effectiveness

Source: Designed by the Researchers (2020).

From the research model, the study raised the following hypothesis:

Ho_1: There is no significant relationship between information sharing and customer satisfaction of SMEs in Rivers State.

METHODOLOGY

The study adopted a cross-sectional study on all the SMEs registered with the Rivers State Chamber of Commerce and Industry, Port Harcourt. There are approximately 2000 SMEs that are registered with the Rivers State Chamber of Commerce and Industry, Port Harcourt. The sample size for this study was obtained from the guideline developed by Krejcie & Morgan (1970) on the determination of size from a given population. The application of this model, gave the study a minimum sample size of 377. The study adopted the purposive sampling technique. The key informants approach was used to evaluate Chief Executive Officers (CEOs) or branch managers of the firms studied. The study was therefore, a macro analysis, and 377 SMEs were administered with a questionnaire. The number of completed and usable response is 215 out of 377 responses, with a response rate of 57%. The employed the Pearson's Product Moment Coefficient Correlation analysis to illustrate the relationship between the independent variable and the dependent variable.

Analysis

In this section, the hypothesis proposed for the study was subjected to statistical tests using the Pearson's Product Moment Correlation Coefficient statistical tool.

Table 1: Description of the Degree of Association between Variables

Correlation Coefficient (r)	Description/Interpretation
± 0.80 – 1.0	Very Strong
± 0.60 – 0.79	Strong
± 0.40 – 0.59	Moderate
± 0.20 – 0.39	Weak
± 0.00 – 0.19	Very Weak

The positive ($_+$) sign in the value of r indicates a direct / positive relationship while negative (-) sign in value of r indicates an indirect / negative or inverse relationship. Therefore, the sign of the r value explains the direction of association or nature of relationship between the variables.

Decision Rule

Reject the null hypothesis (H0) if PV < 0.05 for 2-tailed test and conclude that significant relationship exists.

Table 2: Correlation Analysis on Information Sharing and Customer Satisfaction Correlations

Correlations

			Information Sharing	Customer Satisfaction
Pearson's r	Information Sharing	Correlation Coefficient	1.000	.656**
		Sig. (2-tailed)	.	.000
		N	215	215
	Customer Satisfaction	Correlation Coefficient	.656**	1.000
		Sig. (2-tailed)	.000	.
		N	215	215

**. Correlation is significant at the 0.01 level (2-tailed).
Source: (SPSS Output 2020)

Table 2 shows that the Pearson's correlation coefficient (r) = 0.656**, this value is high, implying that a strong relationship exists between information sharing and customer satisfaction. The positive sign of the correlation coefficient means that positive relationships exist between them. That is to say that an increase in customers' satisfaction is associated with the embracing of information sharing in the SMEs studied. The probability value is (0.000) < (0.05) level of significance; hence the researcher rejects the null hypothesis and concludes that there is a significant relationship between information sharing and customer satisfaction.

Discussion

This study provides an empirical explanation for a formation that investigates the relationship between information sharing and marketing effectiveness in SMEs in Rivers State of Nigeria. The hypothesis tested depicts that the sample of SMEs studies distinctly demonstrate that information sharing explained a strong relationship with customer satisfaction in SMEs in Rivers State. The significant results of the investigation anchored on the PPMC technique can be underscored that information sharing input to illuminating SMEs customers' satisfaction in Rivers State was as a result of the customer being exceedingly satisfied and enchanted as a result of the performance of products as detailed in the information sharing process of SMEs. This finding is in harmony with Witell *et al.* (2014) whose findings demonstrate that getting hold of customer information during new product development influences the profits from new offerings.

CONCLUSION

The general objective of this study is to evaluate information sharing and marketing effectiveness

with focus on SMEs in Rivers State of Nigeria. It was found that, the relationship between the between information sharing and customer satisfaction is good. In reference to the research objectives set, the researchers assert that information sharing plays a very important role especially with respect to the SMEs industry because, if information is not accessible on time consumers will switch on to other brands and the firm will lose its market share and for this reason, a robust marketing effectiveness is the requirement of this industry. The study therefore concludes that there is a significant relationship between information sharing and marketing effectiveness of SMEs in Rivers State of Nigeria.

Recommendations of the study

Below are practical recommendations that will yield substantial results in boosting SMEs marketing effectiveness:

1. Adoption and usage of information sharing that will enhance customer satisfaction in SMEs should be implemented by SMEs. That is, SMEs should be in position to continuously weigh the benefits that accrue from application of information sharing to ensure periodic redesign and improvement to attract customers' satisfaction.

2. SMEs should ensure strict adherence to their policies and guideline regarding the application of information sharing. That is the responsible SMEs should execute their duties in accordance with their policies to ensure marketing effectiveness.

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ENTREPRENEURIAL RESPONSIVE STRATEGIES AND SMEs SURVIVAL POSITIONING IN COVID 19 PANDEMIC ERA

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ABSTRACT

The main aim of this study was to examine the effect of entrepreneurial responsive strategies on SMEs survival in COVID-19 pandemic era in Rivers State, Nigeria. The population for this study is 377 registered SMEs in Rivers State of Nigeria. The simple random technique was used to select one respondent each from the 377 firms studied. Data for the study was collected using structured questionnaire. Inferential statistics was used to analyze data. The regression analysis technique was used to realize the effect of entrepreneurial responsive strategies on SMEs survival in COVID-19 pandemic era in Rivers State. A total of 377 questionnaires were sent-out. Of the 377 respondents contacted, 261 participated in the study. After careful scrutiny, a total of 209 usable response sets was generated while, 52 were rejected, because they were despoiled and indecently filled. This guaranteed a response rate of 58 percent. Findings showed that, the influence of entrepreneurial innovativeness, entrepreneurial proactiveness and entrepreneurial risk-taking on SMEs survival were statistically positive and significant at 0.05 significant level. This implies that a well articulated entrepreneurial responsive strategies can increase the chance of SMEs survival during COVID-19 pandemic era. Entrepreneurs can boost getting hold of innovativeness, proactiveness and risk-taking and acclimatize accessible knowledge to up-to-the-minute ones for continual survival in the existing tumultuous business setting. The study concludes that, there is certainly an effect of entrepreneurial responsive strategies on SMEs survival in COVID-19 pandemic era in Rivers State of Nigeria. SMEs should adopt proactiveness traits in their business dealings for survival during and after the COVID-19 era. SMEs should adopt innovations as means of unrelenting production by focusing progressively more on the implementation of e-commerce platforms.

Keywords: COVID-19 pandemic era, Entrepreneurial responsive strategies, SMEs survival

INTRODUCTION

The recent coronavirus (COVID-19) has forced immediate, far-reaching lifestyle shifts for consumers around the world, and these changes are likely to stay beyond the period of pandemic itself. The global retail industry is experiencing an unprecedented crisis in the wake of the COVID-19 lockdown and its economic recession (ER). France's economy, together with several other countries, is expected to experience an ER as it may shrink by 8 percent in 2020 due to COVID-19 (Statistica 2020). U.S. retail sales also dropped by a historic 8.7% in March, and are expected to drop by (at least) 20% moving forward, according to the National Retail Federation. Faced with uncertainty about the future, many firms are responding to recession by adapting their marketing strategy to changing consumer behavior (The Nielsen 2020). Google, among many other firms, has recently announced a cut in marketing budgets by as much as half, while before the pandemic, they expected to increase marketing spending from the previous year (CNBC 2020), as they did after the ER of 2008.

Small and medium scale enterprise (SMEs) survival is one of the few topics in the marketing field that has been the subject of concentrated academic research for over three decades. This may be linked to economic opulence, lifestyle transformations and the quantity and intricacies of goods and services which have all stimulated intensification in product economies as engineered by the entrepreneur. The importance of entrepreneur in the Nigerian economy, as well as in the global economy, is increasing, with so many engaged in the small and medium enterprises (SMEs) sector. In SMEs, the idea of entrepreneurship is greatly additionally manifest given that habitually the same person embraces the roles of the owner-entrepreneur and the general manager (Bridge & O'Neill, 2013). According to Wally and Baum (1994), entrepreneurs' traits have effects on strategic decision-making, Halikias and Panayotopoulou (2003) highlighted its effects on the formulation of strategies and on marketing performance. Also, the role of entrepreneurs in the growth direction of small firms has investigated (Moran, 1998). Thus, entrepreneurs have a tough entrepreneurial strength of mind, and collectively with pulling their immense business knowledge, motivation and comprehensive set of connections, are well situated to alleviate the economic challenges faced by COVID-19 (Backman, Karlsson & Kekezi, 2020; Steffens & Omarun, 2018). It gives the impression possibly that post Covid-19 entrepreneurs will figure a new standard. From a sustainability standpoint, research of these durable responses may observe how entrepreneurs and their meticulous contexts re-establish their socioeconomic communities by holding fast to or shifting their behaviour, business models, and influence on sustainability route (Folke *et al.*, 2020). It is the businesses that are resilient, with the aptitude to respond, get a feel for and renovate, that will survive and blossom in these vague times (Ford, Steen & Verreynne, 2016).

Entrepreneurs are identified for managing trade-offs, that is, balancing opposed requirements in order to reach their goals, but COVID-19 inflicts a fresh bunch of constraints, as well as disruption of supply chains, work activities, products and service delivery methods. This has unfolded serious crises in global economies and crises itself are developments or trends that emanates from a company's internal or external environments and are professed to have the latent to affect a company's performance (Drennan, McConnell & Stark, 2015; King & McGrath, 2002). All company's roles are projected to prioritize and optimize expenses or delay

responsibilities that will not fetch worth in the present situation. Companies, especially startups, have implemented an imprecise hire freeze. At the same time, online communication, online entertainment, and online shopping are seeing unparalleled growth (Donthu & Gustafsson, 2020). Many markets, especially in SMEs, no longer exist, but industries that are doing well are those associated to healthcare and medication as well as herbs and vitamins.(Adim & Emumena, 2020).

Small and medium scale businesses have been believed to be one of the building blocks of all flourishing economy. The requisite role of SMEs in all economies have been adequately acknowledged by several researchers (Oshi *et al.*, 2018:2019; John, 2015; Muhammad *et al.*, 2015), therefore the need to look at the strategies that fosters SMEs survival, principally in COVID-19 pandemic era. persons and companies currently have to stomach the burden of rise in unemployment rate owing to job losses, supply chain disruptions, insolvency, etc., brought by the COVID-19 pandemic (KMPG, 2020; Ganaie *et al.*, 2020).

However, while a handful of studies have been carried out on covid-19 and SMEs (Dex & Scheibl, 2001; Kotey & Sharma, 2015; Maxwell *et al.*, 2007; Terziovsk, 2010); there comes into sight to be no effort at investigating whether the adoption of entrepreneurial responsive strategies could have proved valuable for SMEs survival in COVID-19 pandemic eras. Entrepreneurs are therefore, needed to better manage the fresh constraints to value creation, and magnetize resources to nurture, by improving profitability simultaneously. An innovative drive from a vigorous entrepreneurial network is imperative to cultivate the start-ups, to make them, once more, the locomotive for trade and industry growth, and more outstandingly, the input to post pandemic recuperation (PWC, 2020; IBIS World, 2020; Spigel, 2017), because SMEs working under extremely unfavorable circumstances need to develop substitute approaches in order to appropriately meet head-on with the hard times. This study therefore investigates entrepreneurial responsive strategies and SMEs survival in COVID-19 pandemic era in Rivers State of Nigeria.

Statement of the Problem

Ideally, SMEs are established for survival based on their performance, but in crisis period they are faced with broken down admittance to financial inducement which is sufficient as the central motivational parcel energizing the apparently immense policies and ideal management owned by SMEs managers (Akintemi, 2020). Indeed, the COVID-19 pandemic forced SMEs to face high volatile business environment loaded with doubtful financial inducement, towering operating costs, and deficient stimulus package that strangles and impinges on the survival of countless SMEs that are profoundly depended on increased performance of their services and products in a COVID-19 pandemic situation. The restricted and closed work directives during COVID-19 crisis saw family circles and micro, small and medium sized enterprises as the hardest hit by the effect of the covid-19 pandemic.

Previous scholarly inquiries on covid-19 and SMEs survival report that Nkwor-Azariah & Nkwor, 2016) focused on the performance standing of small and medium scale enterprises in Rivers State, Omowunmi and Idowu (2020) investigated the marketing perspectives for reinventing businesses in a post COVID-19. Conversely, there exists paucity of studies channeled in the direction of amalgamating entrepreneurial responsive strategies for SMEs survival. Undoubtedly, entrepreneurs require an appraisal of their practices in order to persist as business entity due to the crucial responsibility they execute in improving and sustaining growth of the economy. They are required to reprioritize and discern fascinating entrepreneurial responsive strategies such as innovativeness, proactiveness and risk-taking that can profitably and competitively position them in the market place during and beyond the COVID-19 pandemic era. It is based on this premise that this study examined entrepreneurial responsive strategies and SMEs survival in COVID-19 pandemic era in Rivers State of Nigeria.

Research Question

Does the entrepreneurial responsive strategies adopted influence SMEs survival in COVID-19 pandemic era?

LITERATURE REVIEW AND HYPOTHESES

Entrepreneurial Responsive Strategies

The expression entrepreneurial has been applied for decades and a lot of viewpoints can be found in literature regarding its meaning, but "the most themes includes creation of wealth, creation of enterprise, and creation of innovation" (Izagah & Ikegwuru, 2016:218-231). Stevenson and Jarillo-Mosh (1986) sees entrepreneurship as a practice of generating value by putting together an inimitable package or wherewithal to obtain benefit of opportunity. Grounded in its nucleus dimensions of innovativeness, proactiveness, and risk taking, entrepreneurial responsive strategies have been indicated to necessitate a positive influence on firm performance (Rauch & Frese, 2008). It brings to bear a physically powerful influence on marketing performance in crisis situation. In particular, entrepreneurial responsive strategies such as those of innovativeness and proactiveness help in making safe firm's profitability at the same time as assuaging the negative effect of the crisis on the firm's processes (Soininen, Puumalainen, Sjogren & Syrja, 2012). This study adopts innovativeness, proactiveness and risk taking as the dimensions of entrepreneurial responsive strategies.

Innovativeness: Innovativeness originates from a nexus of persons and openings (Shane 2003). Innovativeness is more prone to transpire with some source of openings than with others: openings that constitutes knowledge-based, technology, or research-determined is tough precursors of innovativeness (Acs *et al.* 2009). Innovativeness is more prone to transpire if entrepreneurs have power over some socio-economic and personality distinctiveness such as academic education and technical milieu (Shane 2000; Koellinger 2008).

Proactiveness: This is the route of foreseeing and acting on upcoming requirements by hunting for fresh prospects (Venkatraman, 1989). As a breadth of entrepreneurial responsive strategies it is looked upon as a futuristic perspective reproduced in actions taken by businesses in looking forward to upcoming demand (Covin & Slavin, 1988; Miller, 1983). The entrepreneur by being proactive attempted to keep his business going despite the raging COVID-19 pandemic. Thus

SMEs survival can be enhanced though entrepreneurial proactiveness.

Risk-Taking: Risk-taking is an instinctive attribute of resourcefulness, stern or forethoughtfulness exhibited by entrepreneurs in the face of insecurity (Izagah & Ikegwuru, 2016). Risk-taking confined the height of risk mirrored in decision on resource allotment as well as on the market and product choices, revealing in a convinced mode, the standard and the decisive factor of decision taking at firms' level (Izagah & Ikegwuru, 2016). A well articulated risk-taking activities is capable of guaranteeing a well deserved survival instinct for SMEs

Survival of Small and Medium-Sized Enterprises

Small and medium-sized enterprises (SMEs) constitutes businesses such as logistics, services, trading, processing etc) with controlled capital base, petite workforce, and minute or no share base apart from with the propensity to make available jobs, goods and services that contend with foreign products in the market (Rijkers, 2014). The Central Bank of Nigeria delineates SMEs based on standards as asset base (between 5 to 500 million naira) and staff strength (between 11 and 100 employees) (CBN, 2010). This positioned SMEs with trifling share and inclined capital base businesses frequently calling for Governments intercession programmes as financing, trainings, and internship for getting hold of the desirable facility and knowledge for expansion and survival (Petrakis & Kostis, 2012). SMEs are factually affianced in a capital and capacity survival tragedy, and as such the COVID-19 crisis distorted the operational schedules of SMEs throwing up more extreme confrontation that worsen their survival and ultimately led to their shutting out of businesses (Onyinyechukwu, 2020). Clearly noticed, funds constrained SMEs from meeting her objectives due to the high impulsive business setting loaded with doubtful financial inducement, high operating costs, and lack of motivational package that strangled and affects survival of countless SMEs that are heavily depending on improved marketing performance of their services and products in a COVID-19 pandemic era.

Empirical Reviews

Ikegwuru and Harcourt (2020) investigated the impact of COVID-19 pandemic on logistics practices in clearing and forwarding companies in Rivers State of Nigeria. The study adopted descriptive research design. The target population was 55 clearing and forwarding companies in Port Harcourt and the study adopted simple random sampling technique to select 275 respondents. A pilot study was carried out to filter the instrument. The quality and consistency of the survey was additionally evaluated by means of Cronbach's alpha. Data analysis was executed using regression analysis and analysis of variance. Findings exposed that COVID-19 pandemic negatively impacted on logistics practices (transportation, warehousing and inventory management) and conclude that, there is a negative impact of COVID-19 pandemic on logistics practices of clearing and forwarding companies in Rivers State of Nigeria. The study recommends amongst others that governments and management of clearing and forwarding companies should take steps to sustain this crucial sector during the period of Covid-19 pandemic, to ensure they remain in a position to perform transportation, warehousing and inventory management activities in the future

Arikekpar (2020) examined the impact of Covid-19 on Businesses in Nigeria. The study used secondary data derived from the Nigerian Stock Exchange (NSE) weekly reports from the period before the lockdown (Pre-Covid-19) ranging from 17th January, 2020 to 20th March 2020 and compared with the Period during the COVID-19 lockdowns from3rd April, 2020 to 5th of June 2020 and analyzed using ordinary least squares regression technique. The results exposed that consumer goods index and industrial goods index had a significant impact on the stock market All-share Index during the COVID-19 period while banking sector index and Oil / Gas index did not significantly impact on the NSE all share Index during the lockdown in Nigeria. The study recommends that businesses should take advantage of the Federal Government intervention on loan moratoriums and other measures to assist financial position of companies to cushion the effect of the COVID-19 pandemic on businesses in Nigeria.

Okey-Colbert and Chinakwe, P.C. (2020) determined the challenges of Covid-19 pandemic on Small and Medium Scale Enterprises in Nigeria and classified the up-and-coming opportunities occurring as an outcome of the pandemic. Findings demonstrate that amidst the catastrophe originated by Covid-19, several opportunities have also materialized for innovative entrepreneurs to discover. The study recommended that SMEs should appraise the damages their firms may face and endeavor to tone down the negative effect of the pandemic while taking full advantage of the new opportunities.

Nwuche and Oshi (2020) investigated flexible work patterns: An empirical inquiry into survival of SMEs in Nigeria amidst COVID-19 Pandemic by means of an online survey method. Nine hundred and fifty-two (952) business owners participated in the online survey and two null hypotheses were raised and analyzed through spearman rank order correlation coefficient at a 0.05 level of significance. The study found a significant positive relationship between flexible work patterns and the survival of SMEs in Nigeria and concludes that it is practical for small businesses in Nigeria to hold close flexible work patterns as a genuine strategy to endure and prevail over the confrontation posed by the COVID19 pandemic.

Bako and Olapade (2020) examined the effect of global pandemic virus (COVID19) on small

businesses in Abeokuta South L.G.A. in Ogun State by means of a survey design. Data were analyzed through regression technique and results showed that the lockdown policy by the government has considerably condensed the sales volume of the MSMEs due to weak purchasing power of their customers, reduced buying behavior has also affected the supply chain of businesses. The study recommends that government should assess the lockdown policy and return the economy to normal following health safety policies.

While the potential effects of entrepreneur's traits on strategic decision-making (Wally & Baum, 1994), strategy formulation including marketing performance (Poon *et al.*, 2006; Lee & Tsang, 2001) can show the way to the establishment of competitive advantage, it is also possible that, when the external environment is tumultuous, uncontainable, and intimidating, it is projected that entrepreneurial response strategies play a decisive role for survival of SMEs. Based on the preceding discussion, the study originated the following research model:

Based on the review of literature, the following research model was developed:

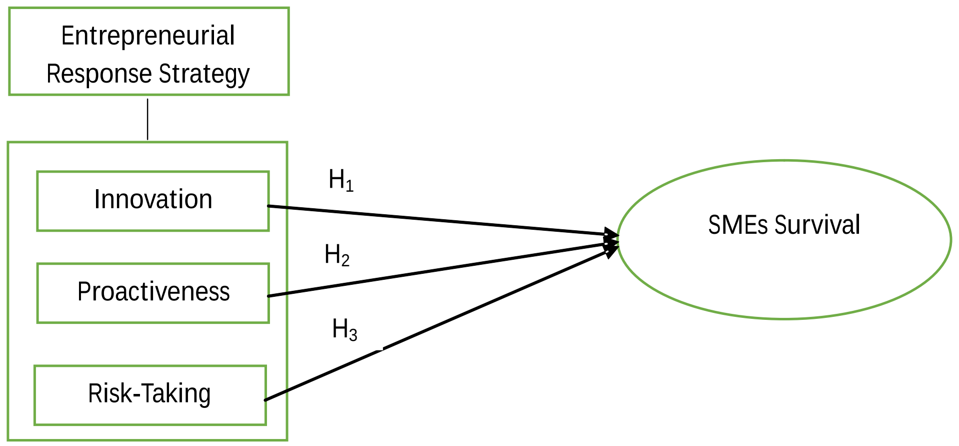

Figure 1: Research Model of Entrepreneurial Responsive Strategies and SMEs Survival

Source: Rauch A. & Frese M. (2008). Entrepreneurial orientation. In: Bausch A., Schwenker B., editors. *Handbook utility management*. Springer; Berlin, Heidelberg: 2008, 89–103.

From the research model the following hypotheses were formulated:

$Ho_{1.}$ Entrepreneurial innovativeness does not significantly influence SMEs Survival in COVID-19 Pandemic Era.

$Ho_{2.}$ Entrepreneurial proactiveness does not significantly influence SMEs Survival in COVID-19 Pandemic Era.

$Ho_{3.}$ Entrepreneurial Risk-Taking does not significantly influence SMEs Survival in COVID-19 Pandemic Era.

METHODOLOGY

The study adopted a cross-sectional study on all the SMEs registered with the Rivers State Chamber of Commerce and Industry, Port Harcourt. There are just about 2000 SMEs that are registered with the Rivers State Chamber of Commerce and Industry, Port Harcourt. The sample size for this study was acquired from the guideline developed by Krejcie & Morgan (1970) on the determination of size from a given population. The study has a minimum sample size of 377. The study adopted the purposive sampling technique. The key informants approach was used to evaluate Chief Executive Officers (CEOs) or branch managers of the firms studied.

Of the 377 respondents contacted, 261 participated in the study, ensuing a response rate of 69 percent and it has been long-established in literature that a response rate greater than 30 percent is a fine and tolerable point when the study adopts survey questionnaire (Moser & Kalton, 1971). The 261 respondents generated a total of 209 usable response sets and of these 120(57 percent) were male while 89 (43 percent) were female. Data were subjected to reression analysis using the statistical package for social sciences (SPSS Version 22.0).

RESULTS

Answer to Research Question

Entrepreneurial Responsive Strategies adopted by SMEs for Survival I COVID-19 Era

This section reports the results of the different entrepreneurial responsive strategies adopted by SMEs for survival in the COVID-19 pandemic era. The numbers mirrors the strategies deployed by SMEs for survival, as reported in the transcribed study.

Table 1: Entrepreneurial Responsive Strategies adopted for SMEs Survival in COVID-19 Pandemic Era.

Entrepreneurial Responsive Strategies	Mean	St.D	Variance
1. Our firm adopted innovativeness.	14.78	2.780	7.730
2. Our firm adopted proactiveness.	18.04	3.486	12.149
3. Our firm adopted Risk-taking.	16.60	3.597	12.939

Table 1 illustrates that SMEs followed a strategy of innovativeness, proactiveness and risk-taking for their survival in COVID-19 pandemic era. This discovery is fascinating because the profound and long-drawn-out pandemic led to significant turn down in purchasing power of customers. The transcribed study put forward that SMEs, even though confronted with an exceptionally inauspicious and ominous economic atmosphere adopted innovativeness, proactiveness and risk-taking rather than sightlessly allow the ruthless external environment emanating from COVID-19 pandemic scourge and disengage them from business. This shows that entrepreneurs, who had high levels of innovativeness, proactiveness and risk-taking aptitude, had a preference for surviving in their business during the COVID-19 pandemic era.

Table 2: Combine Effects of Entrepreneurial Responsive Strategies Components on SMEs Survival in COVID-19 Era (n=209)
Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistic			
				R Square Change	F Change	Sig. F Chang	Durbin Watson
0.861	0.741	0.692	0.60080	0.741	4.375	0.002	1.609

a. Predictors (constant), Innovativeness, Proactiveness and Risk-taking
Source: SPSS Window Output, Version 22.0 (based on 2020 field survey data).

The Coefficient of correlation (R) can be considered as a measure of the quality of the prediction of the dependent variable. The value of 0.861 indicates a good level prediction. The Coefficient of determination (R-square) is the proportion of variation in the dependent variable (performance) that is explained by the independent variables. Hence, 74.1 percent of the variation in performance can be explained by independent variables in the model. The adjusted R-square is used to test the overestimation of R square. The estimates show an error of 0.060080, which cannot be considered as very large. The Durbin Watson statistic d = 1.609 lies between the two critical values of $1.5 < d < 2.5$, and therefore it can be assumed that there is no first order linear autocorrelation data of multiple linear regression model. Hence, it can be concluded that the overall model is statistically significant, or that the variables have a significant combined effect on the dependent variable. The innovativeness, proactiveness and risk-taking variables exact significant influence on survival of SMEs since the significant value (or p-value) is .002 which is below the 0.05 level of significance. Table 4.3 shows the effects of the individual predictor or independent variables.

Table 3: Individual Effects of Entrepreneurial Responsive Strategies Components on SMEs Survival in COVID-19 Era (n=209)
Model

Summary

Model R	R square	Adjusted Square	R std error of the Estimate
1. .774[a]	.601	.551	.08877
2. .983[a]	.969	.963	2.6751
3. .809[a]	.655	.651	.50668

a. Predictors (constant), Innovativeness, Proactiveness and Risk-taking
Dependent Variable: SMEs Survival
Source: SPSS Window Output, Version 22.0 (based on 2020 field survey data).

Three models were tested indicating three predictors besides constant to determine the dependent variable that assemble opening necessity in the ultimate equation (IN, PA, RT, SS).

Multiple correlation coefficient R=0.774, 0.983 and 0.809 measures the degree of relationship between the actual values and predicted values. Predicted values are obtained as a linear combination of X1 (Innovativeness), X2 (Proactiveness) and X3(Risk-taking). R^2 represents percentage of the variance in the dependent variable. Table 3. shows that 60.1% of the variation (model 1) in SMEs survival is explained by innovativeness single-handedly, 96.9% of the variation (model 2) is explained by Proactiveness and 65.5% of the variation (model 3) is explained by Risk-taking. Table 3 indicates that entrepreneurial responsive strategies are statistically significant and account for SMEs survival in COVID-19 pandemic era in Rivers State of Nigeria.

4.6 Multi-collinearity Test

More sophisticated correlations in data than just the pairwise correlations allow the use of tolerance and variance inflation factors (VIF) associated with Xh. The tolerance explains the statistics used to disclose the degree to which the independent variables have linear (straight line) relationships with one another. Tolerance values heading towards zero and values of VIF exceeding 10 are cardinal signs of multi-collinearity. This decision rule enables the study to conclude that there is no threat of multi-collinearity amongst the dimensions of the independent variables.

Table 4: Multi-collinearity Test (n=209)

Model Dimension	Eigen value	Condition Index	Unstandardized Coefficient B	Unstandardized Coefficient Std error	Standardized Coefficient Beta	T	Sig	Collinearity statistics Tolerance	Collinearity statistics VIF
Constant	.065	29.294	2.643	0.17	-	2.197	0.000	-	-
Innovativeness	.015	11.444	.900	.022	.452	,945	0.000	1.000	1.000
Proactiveness	.022	9.439	1.103	.059	.946	18.840	0.000	1.000	1.000
Risk-taking	.028	8.411	0.640	.089	.800	7.171	0.000	1.000	1.000

Source: SPSS Window Output, Version 22.0 (based on 2020 field survey data).

Table 4 presents β values, t values and significance values of independent variables. All the independent variables viz. Innovativeness (t=.945, p=0.000), Proactiveness (t=18.840, p=0.000), and Risk-taking (t=7.171, p=0.000) are statistically significant at 5% significance level and therefore the alternate hypotheses are accepted. It implies that independent variables have significant effect on SMEs survival. Innovativeness, Proactiveness and Risk-taking have positive effect on SMEs survival. The β coefficients give a measure of the contribution of each variable to the model. The higher the β value, the greater is the effect of independent variable on dependent variable. Proactiveness has the highest coefficient (β= 0.945) and therefore it has greater effect on SMEs survival, followed by Risk-taking (0.800) and Innovativeness (0.452).

Test of Model Utility

The serviceability of the general regression statistics was tested earlier to the testing of the individual

hypotheses for their levels of significance. The suitability of the model can be explained by F-ratio in Table 5. The F-ratio in the model is 1245.193, which is very significant at $p < 0.05$. This implies that there is significant evidence to extrapolate that entrepreneurial responsive strategies are linearly related to SMEs survival. The study wrap up that, the regression model is valuable to the degree that the predictor variables significantly predict the behaviour of the of dependent variables investigated. The implication is that at least one of the independent variables has none zero coefficient. This put forward that the model is calculated to be fit and that entrepreneurial responsive strategies have sizeable influence on SMEs survival.

Table 6: F-ratio Test

	Model	Sum of squares	Df	Mean square	F	Sig. 000[b]
1	Regression	2725.276	1	862.244	I245.193	
	Residual	163.474	208	736		
	Total	2888750	209			

a. Dependent Variable: SMEs Survival

b. Predictors: (Constant): Entrepreneurial Responsive Strategies.

Source: SPSS Window Output, Version 22.0 (based on 2020 field survey data).

Table 4 presents β values, t values and significance values of independent variables. All the independent variables viz. Innovativeness (t=.945, p=0.000), Proactiveness (t=18.840, p=0.000), and Risk-taking (t=7.171, p=0.000) are statistically significant at 5% significance level and therefore the alternate hypotheses are accepted. It implies that independent variables have significant effect on SMEs survival. Innovativeness, Proactiveness and Risk-taking have positive effect on SMEs survival. The β coefficients give a measure of the contribution of each variable to the model. The higher the β value, the greater is the effect of independent variable on dependent variable. Proactiveness has the highest coefficient (β= 0.945) and therefore it has greater effect on SMEs survival, followed by Risk-taking (0.800) and Innovativeness (0.452).

Test of Model Utility

The serviceability of the general regression statistics was tested earlier to the testing of the individual hypotheses for their levels of significance. The suitability of the model can be explained by F-ratio in Table 5. The F-ratio in the model is 1245.193, which is very significant at p < 0.05. This implies that there is significant evidence to extrapolate that entrepreneurial responsive strategies are linearly related to SMEs survival. The study wrap up that, the regression model is valuable to the degree that the predictor variables significantly predict the behaviour of the of dependent variables investigated. The implication is that at least one of the independent variables has none zero coefficient. This put forward that the model is calculated to be fit and that entrepreneurial responsive strategies have sizeable influence on SMEs survival.

Table 6: F-ratio Test

ModelSum of squaresDfMean squareFSig.

000b1Regression2725.2761862.244I245.193Residual 163.474208 736Total2888750209a. Dependent Variable: SMEs Survivalb. Predictors: (Constant): Entrepreneurial Responsive Strategies. Source: SPSS Window Output, Version 22.0 (based on 2020 field survey data).

DISCUSSION

A closer look to these findings reveals that the reasons of SMEs survival in the COVID-19 era was as a result of their regarding proactiveness, risk-taking and innovativeness as the the ways of survival. The results show that entrepreneurial proactiveness traits have positive effects on SMEs survival. This confirms Covin and Slevin (1988) assertion that the entrepreneur should be in the spotlight of all business behavior models. Our findings substantiate previous research indicating that entrepreneurial proactiveness traits influence tactical decision-making that borders on well being of a business entity. For instance Carson and Gilmore (2000) found that SMEs has habits that start off from the entrepreneur-owner-manager which is an observable fact that is supported by the current findings. Further, our findings is not consistent with Doyle and Armenakyan (2014) findings that in period of crisis, entrepreneurs might not be enthusiastic to place prominence on proactiveness or innovativeness even if their conviction that they preside over their in attendance is physically powerful.

Moreover, our results confirm that risk-taking as an entrepreneurial responsive strategy has a positive and significant influence on SMEs survival, substantiating the alternative hypothesis. Thus, the greater the heights of risk taking, the more the focus on SMEs survival. This finding corroborates Doole and Lowe (2008) finding that SMEs are so subjugated by the charisma of their owners that they end up becoming their embodiment, as the entrepreneurs' views and mind-set verifies the assumed tactics. Thus, nurturing innovativeness, engaging in proactiveness and taking premeditated risks are solutions to SMEs survival in COVID-19 pandemic era.

CONCLUSION AND RECOMMENDATIONS

The study explains the extent of the influence of entrepreneurial responsive strategies on SMEs survival in COVID-19 pandemic era. It is unmistakable that entrepreneurs with an appropriate set of traits as innovativeness, proactiveness and risk-taking can significantly improve the chances of SMEs survival. Findings showed that, the influence of entrepreneurial innovativeness, entrepreneurial proactiveness and entrepreneurial risk-taking on SMEs survival were statistically positive and significant at 0.05 significant level. This implies that a well articulated entrepreneurial responsive strategies can increase the chance of SMEs survival during COVID-19 pandemic era. Entrepreneurs can boost getting hold of innovativeness, proactiveness and risk-taking and acclimatize accessible knowledge to up-to-the-minute ones for continual survival in the existing tumultuous business setting. The study concludes that, there is certainly an effect of

entrepreneurial responsive strategies on SMEs survival in COVID-19 pandemic era in Rivers State, Nigeria and recommends that, SMEs should adopt proactiveness traits in their business dealings for survival during and after the COVID-19 era. SMEs should adopt innovations as means of unrelenting production by focusing progressively more on the implementation of e-commerce platforms.

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Environmental Advertising among University Lectures in South-South, Nigeria: An exploratory Analysis

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ABSTRACT

This article is an exploratory analysis of environmental advertising among university Lecturers in south-south Nigeria. This analysis involves three environmental advertising constructs; eco-label advertising, celebrity advertising and consumer orientation advertising. We administered the questionnaires to a sample of 383 respondents and 323 copies were found useable. We used stratified random sampling and quota sampling methods to select the participants drawn from three categories of Lecturers - professors, associate professors, and senior lecturers from federal government-owned universities in the south-south Nigeria. The statistical packages of SPSS version (20.0), Lisreal version 9.3 and structural equation modelling were applied to test the descriptive statistic and measurement model respectively. Cronbach Alpha reliability and validity tests were carried out and they all met their thresholds. Out of 15 statement items on the Green Advertising scale, three factors were extracted which were in consonance with our apriori expectations where three factors were initially proposed. All the constructs psychometric properties attained their threshold except eco-label advertising which average variance (AV) fell below 0.5. We therefore conclude that ecolabel construct does not qualify as an environmental advertising construct and cannot be subjected to confirmatory and structural analysis, and therefore recommend that additional statement items be added to eco-label constructs to beef up its average variance.

Key Words: Environment advertising, Eco-label advertising, Celebrity advertising and Consumer orientation advertising

INTRODUCTION

Background to the Study

No matter the numerous voyages man embarks on to outer planets; the earth still remains his natural habitat. Therefore, the earth just like the human system must be consciously managed and catered for by all stakeholders; including, producers, government institutions, not for profit organizations and even the consumer segment. Marketing as a discipline has been variously indicted over the issue of environmental deterioration in recent times (Peattie, K. (1995; Van Dam & Apeldoorn, 1996). Environmental degradation, green house gas emission, climate change, global warming, ozone depletion, energy and resource depletion, air and water pollution, soil erosion and the likes have all been triggered by industrial and consumption activities (Banerjee, 2002; Liobikiene et al., 2016).

Obviously, environmental responsible consumption stemmed from the criticism that the marketing concept gives no consideration of the societal impact of individual consumption (Kotler, 1972 as cited in Follows and Jobber, 2000). Various stakeholders, including; advocacy groups, policy makers, business firms, have all voiced their concern on environmental deterioration through advocacy campaigns, advertisement, protest, legislative enactment, legal framework etc (Kalafatis et al., 1999). Thus the environmental concern gradually made organizations adopt green philosophy into their operations (Ginsberg and Bloom, 2004). Marketing researcher gave this new line of research various labels, such as ecological marketing (Fisk 1974), enviropreneurial marketing (Varadarajan 1992), environmental marketing (Coddington 1993), green marketing (Peattie, 1995), sustainable marketing (Fuller, 1999) and greener marketing (Charter and Polonsky, 1999) and most recently, sustainable marketing (Kim & Schellhase 2015).

Statement of Problem

Prior research on environmental advertising alternatvely known as green advertising focused on the following; (Ahmad, 2009), factors in environmental advertising influencing consumer's purchase intention in Pakistan, (D'Souza & Taghian, 2005), green advertising effects on attitude and choice of advertising themes, (Carlson, Grove, Kangun, & Polonsky,1996), an international comparison of environmental advertising: substantive versus associative claims (Carlso et al., 1996a), does environmental advertising reflect integrated marketing communications? an empirical investigation (Chan, 2004), consumer responses to environmental advertising in China (Chan, 2000). Evidently, actual translation of green consumption behaviour is less visible in some climes (Carrington et al., 2010). The Nigerian society in particular has little or no knowledge of green issues (Quick pulse, 2011).

A careful perusal of our literature gleanings uncovered some visible gaps that were yet to receive adequate empirical coverage in scholarly literature (Joshi, 2015). One visible gap identified in our predictor variable - environmental advertising. Few empirical studies carried out on environmental advertising have positioned it as a uni-dimensional construct, while some others have investigated its multi-dimensionality, but no scholarly study based on our search of scholarly literature has used the sets of constructs conceptualized in this study; namely, Eco-label Advertising, Celebrity Advertising, and Consumer Orientation Advertising. Furthermore, because of the fact that two of our constructs namely; Eco-label Advertising, and Consumer Orientation Advertising are newly evolved, we are interested in the exploratory factor analysis In EFA our primary focus is on building a theory of construct measurement. Thus we are interested in uncovering the theoretical constructs underlying a particular set of variable. Here we are analyzing patterns of correlations to uncover empirically distinct latent or unobserved constructs to improve their psychometric properties (Sakaluk & Short, 2017). Consequently, this study attempts an exploratory analysis of environmental advertising among Federal University Lecturers who are assumed to be familiar with green issues in Nigeria.

Environmental Advertising

Amongst the green marketing agenda promotion is seen as one of the areas that is very controversial (Peattie, Charter as cited in Baker, 2003). Green promotion is an activity of

promoting products which characteristics do not in any way constitute harm to the natural environment (Polonsky et al, 1997). Green promotion programs reflect communications designed to inform stakeholders about the firm's efforts, commitment, and achievements toward environmental preservation (Lenionedu 2013).

Advertising is one of the corporate communication strategies. Green advertising can be viewed as the marketing that highlights the environmental friendliness of a product attributes such as degradability, recyclability, lower pollution etc. Advertising any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor via print media, broadcast media, network media, electronic media, and display media (Kotler & Keller, 2012). Environmental advertising or green advertising can be traced back to the rising environmental awareness in the late 80s and 1990s (Carlson et al., 1996). This decade is witnessing a lot of environmental advertisement (Thakur & Gupta, 2012). The increasing attention in the nature of green advertising (Banerjee et al., 1995) is placing greater emphasis on the 'green consumers' by organizations (Stafford & Hartman, 1996) and this has made firms to increase their target of the green consumer segment (Carlson et al., 1996a).

METHODOLOGY

A survey research design was applied in this study. Out of our population size of 2870, 383 copies of a structured self-administered questionnaires representing our sample size were conveniently administered on a five (5) point Likert scale to our respondents comprising of three categories of our unit of analysis – professors, associate professors and senior lecturers from six federal – government owned universities in south-south, Nigeria. Out of this number, only 323copies were found useable. We carried out a pilot study where we selected 30 participants among the three categories of our unit of analysis who would otherwise not participate in the main study and administered the instrument on them. While some copies of the instruments were allowed for experts' examination to ascertain face validity (Mokkink, et al., 2010). The Cronbach's Alpha reliability measure was applied using 'SPSS' version 20.0 to ensure reliability. The alpha values for the various scale items passed the 0.7 threshold (Nunnaly, 1978). Further validation of our measurement instruments were adhered to by applying construct validity, convergent and discriminant validity tests.

Construct Operationalization

Constructs are measured in different scales and the widely used measurement scale in marketing research is the Likert scale was applied in the study because of its simplicity in applying statistical tests (Jackson, 2009). The green advertising (GA) scale has three factors, namely, Eco-label, celebrity advertising and consumer orientation advertising. Eco-label advertising was operationalized using consumer cognitive behaviour awareness perception, recall, concern and adoption from (Rashid 2007; Thøgersen & Haugaard, 2010). Celebrity advertising was operationalized with trustworthiness, attractiveness, awareness, expertise and quality assurance (Ohanian, 1991). Consumer orientation advertising items were operationalized with customer attitude from Haytko and Matulich (2008) and green product values (Kong, et al., 2014).

3.3 Model specification for EFA

$$ELA1 = \alpha + \beta_1 ELA + \beta_2 CEA + \beta_3 COA + \varepsilon_t \quad (3.1)$$
$$ELA2 = \alpha + \beta_1 ELA + \beta_2 CEA + \beta_3 COA + \varepsilon_t \quad (3.2)$$
$$ELA3 = \alpha + \beta_1 ELA + \beta_2 CEA + \beta_3 COA + \varepsilon_t \quad (3.3)$$
$$ELA4 = \alpha + \beta_1 ELA + \beta_2 CEA + \beta_3 COA + \varepsilon_t \quad (3.4)$$
$$ELA5 = \alpha + \beta_1 ELA + \beta_2 CEA + \beta_3 COA + \varepsilon_t \quad (3.5)$$
$$CEA1 = \phi + \theta_1 ELA + \theta_2 CEA + \theta_3 COA + \epsilon_t \quad (3.6)$$
$$CEA2 = \phi + \theta_1 ELA + \theta_2 CEA + \theta_3 COA + \epsilon_t \quad (3.7)$$
$$CEA3 = \phi + \theta_1 ELA + \theta_2 CEA + \theta_3 COA + \epsilon_t \quad (3.8)$$
$$CEA4 = \phi + \theta_1 ELA + \theta_2 CEA + \theta_3 COA + \epsilon_t \quad (3.9)$$
$$CEA5 = \phi + \theta_1 ELA + \theta_2 CEA + \theta_3 COA + \epsilon_t \quad (3.10)$$
$$COA1 = \phi + \lambda_1 ELA + \lambda_2 CEA + \lambda_3 COA + e_t \quad (3.11)$$
$$COA2 = \phi + \lambda_1 ELA + \lambda_2 CEA + \lambda_3 COA + e_t \quad (3.12)$$
$$COA3 = \phi + \lambda_1 ELA + \lambda_2 CEA + \lambda_3 COA + e_t \quad (3.14)$$
$$COA4 = \phi + \lambda_1 ELA + \lambda_2 CEA + \lambda_3 COA + e_t \quad (3.14)$$
$$COA\,5 = \phi + \lambda_1 ELA + \lambda_2 CEA + \lambda_3 COA + e_t \quad (3.15)$$

$ELA1$, $ELA2$, $ELA3$, $ELA4$and$ELA5$ = represent the five statement items of eco-label $CEA1$,$CEA2$,$CEA3$,$CEA4$, and $CEA5$ = stand for five statement items celebrity advertisi ng $COA1$,$COA2$,$COA3$,$COA4$ and $COA5$ = represents five statement items consumer orientation advertising.

ELA, CEA and COA are the common factors or latent variables which represent the predictor variables; namely eco-label advertising, celebrity advertising and consumer orientation advertising while α, ϕ and are constants, $\beta's$, $\theta's$; $\lambda's$ are the parameters or factor loadings that capture the common variances, $\varepsilon_t, \epsilon_t$ and e_t are errors that capture the unique variances.

Data Analysis

Exploratory Factor Analysis

EFA is considered here because we are interested in the constructs (the latent factor) underlying the statements instead of the statement items (observed variables) which are the core domain of PCA. In the present study EFA was used to extract latent factors from the observed variables and was performed to group the 15 statement items in the Green Advertising scale into three factors; namely, Eco-label advertising and customer orientation advertising and celebrity advertising based on their inter-correlations. We ensured that all preconditions for a good factor analysis are met as follows: the reliability was based on the popular Cronbach Alpha method. The sample size adequacy was based on Kaiser-Meyer-Olkin (KMO) Kaiser (1958; 1970) sampling adequacy test. The KMO test statistic of 0.790 was substantial compared to the 0.6 minimum criterion indicating that our sample size of 323 was adequate for factor analysis. The non-identity of correlation matrix was based on Bartlett's test of Sphericity (Bartlett's, 1950).It is a test of multicollinearity or

Normality criterion based on Shapiro-Wilk normality test. The null hypothesis of this test is that the original correlation matrix is not significantly different from an identity matrix. Thus, the BS test statistic of this study is highly significant (p-value = 0.000) for both the dependent and the independent variables, and thus, strongly we rejected the null hypothesis of identity matrix. This confirms that our data can be subjected to EFA.

Factor Loading, Communalities and Eigenvalues

In this section, we report the estimated communalities and eigen values and extracted the factors underlying the observed correlation pattern among the statement items. Like the R-square in multiple regressions, communality measures the collective influence of all factors on the item. That is, it represents the proportion of an item variance that is due to the common factors. However, the initial communality focuses on all factors (= all items) while the extracted communality uses only the extracted factors. Unique variance is the proportion of unexplained variance. On the other hand, an eigenvalue is the sum of squared loadings on a factor or the proportion the variance of a factor that is due to all items. The eigenvalues are used to extract the latent factors that underlie the pattern of inter-correlations among the item. Here, estimation of factor loadings and extraction of factors are based on the principal axis factoring (PAF) method which is generally used when normal distribution is not a plausible assumption. Factor loadings range between -1 and +1, and like the multiple regression coefficients, each loading represents the effect of a factor on an item.

Table 4.2.1: Communalities and Unique variances

Item	**Communality** (h^2)		**Uniqueness**(u^2)
	Initial	**Extracted**	$u^2 = 1 - h^2$
ELA1	0.383	0.415	0.585
ELA2	0.349	0.220	0.780
ELA3	0.518	0.590	0.410
ELA4	0.342	0.356	0.644
ELA5	0.541	0.585	0.415
CEA1	0.505	0.507	0.493
CEA2	0.551	0.620	0.38
CEA3	0.572	0.608	0.392
CEA4	0.521	0.557	0.443
CEA5	0.475	0.485	0.515
COA1	0.480	0.454	0.546
COA2	0.544	0.569	0.431
COA3	0.405	0.433	0.567
COA4	0.530	0.598	0.402
COA5	0.400	0.386	0.614
Average Communality	0.462	0.497	0.585

Table 4.2.2: Extracted Eigenvalues/Total Variance Explained

Factor	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings
	Eigenvalue	% of Variance	Cumulative %	Total
1	3.997	26.644	26.644	3.105
2	2.341	15.605	42.248	3.202
3	1.046	6.973	49.221	2.787

Source: SPSS output

Table 4.2.3: Factor Matrix (Unrotated Factor Loadings); Bold Mark indicates Cross-loading

Item	Factor 1	Factor 2	Factor 3
ELA1	0.497	0.343	0.224
ELA2	0.382	0.254	0.101
ELA3	0.478	0.436	0.414
ELA4	0.386	0.295	0.346
ELA5	0.466	0.492	0.355
CEA1	0.508	-0.481	0.133
CEA2	0.565	-0.537	0.109
CEA3	0.530	-0.567	0.076
CEA4	0.474	-0.566	0.109
CEA5	0.452	-0.527	0.046
COA1	0.515	0.267	-0.344
COA2	0.55	0.26	-0.447
COA3	0.608	0.096	-0.232
COA4	0.672	0.147	-0.353
COA5	0.578	0.171	-0.151

Source: SPSS output

From table 4.2.1, we can see that the proportion of variance explained is moderate for most of the items, with the extracted communalities ranging between 0.220 and 6.20.CEA2 ($h^2 = 0.620$) has the highest extracted communality while ELA2 ($h^2 = 0.220$) has the lowest extracted communality. The average extracted communality of 0.492 shows that on average, the common factors explain closely half of the observed variations in a statement item while the remaining half is unique to that statement item.

From table 4.2,2, we can see that, consistent with our expectation *apriori*, three factors were extracted from the original 15 items in the Green Advertising Scale based on their eigenvalues. For each extracted factor, the proportion of variance explained is obtained

by multiplying the eigenvalue of that factor by 100 and dividing by all items. The first factor has an eigenvalue of 5.511 and the proportion of its variance explained is approximately 26.64% $\left(\frac{3.997 \times 100}{15}\right)$. The second and third factors have eigenvalues of 2.341and 1.046 and their explained variance are 15.60% $\left(\frac{1.231 \times 100}{15}\right)$ and 6.97% $\left(\frac{1.046 \times 100}{15}\right)$ respectively. The Scree plot in figure 4.2.1 also confirms the retention of three factors from the original 15 statement items in the green advertising scale. As we can see from the figure, the three retained factors all have their initial eigenvalues greater than 1 which is consistent with the Kaiser criterion.

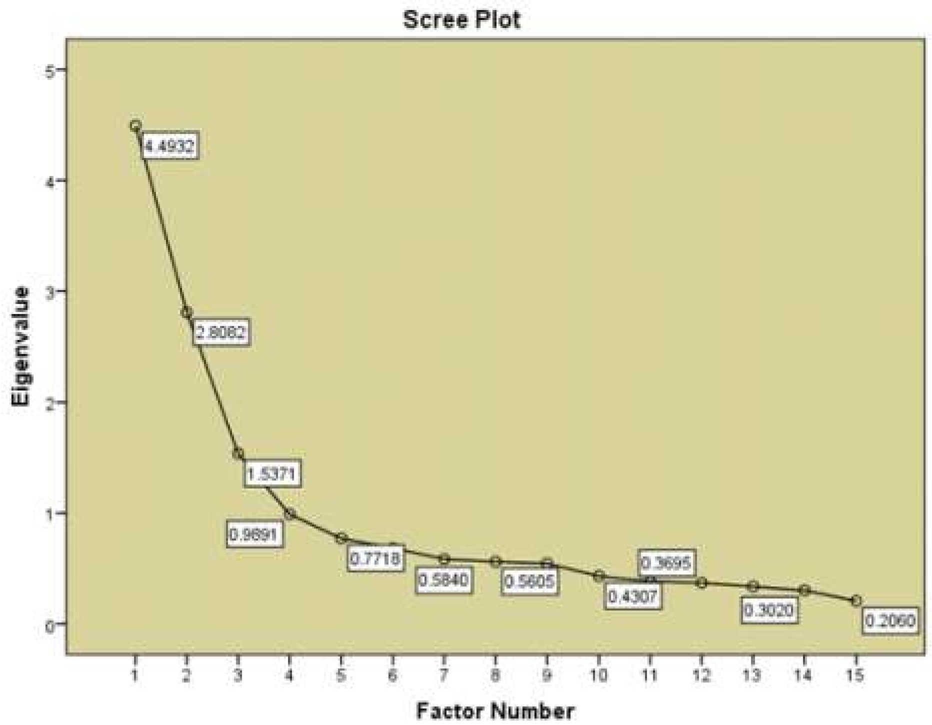

Figure 4.2.1: Scree plot for factor retention
Source: SPSS output based on research data

From the factor matrix in table 4.2.3, the pattern of the loadings of the items on the extracted factors was unclear as most of the items load equally high on more than one factor, as indicated by the bold mark. Cross loading, according to Costello and Osborne (2005), causes difficulty in the interpretation of a factor matrix and occurs when an item loads up to 0.32 in either direction (positive or negative) on two or more factors. Here, only four items (ELA2, ELA4, COA3 and COA5) are without a bold mark, thus, the factor matrix has no optimal simple solution, which is typical of an unrotated factor loadings. Therefore, to obtain an optimal simple factor structure, rotation of the factor matrix is required.

4.3. Rotation, Factor Correlation Matrix and Factor Naming

Table 4.23 shows the pattern matrix for the rotated factor solution. Promax oblique method of rotation with Kaiser normalization was used. This method of rotation allows factors to be correlated. The factor correlation matrix is shown in table 4.24.

Table 4.3.1: Pattern Matrix (Rotated Factor Loadings)

Item	Factor 1	Factor 2	Factor 3
ELA1	0.018	0.117	0.575
ELA2	-0.002	0.162	0.369
ELA3	-0.008	-0.063	0.798
ELA4	0.048	-0.080	0.625
ELA5	-0.082	0.009	0.766
CEA1	0.711	-0.028	0.062
CEA2	0.780	0.009	0.031
CEA3	0.778	0.017	-0.029
CEA4	0.761	-0.046	-0.018
CEA5	0.695	0.021	-0.065
COA1	-0.100	0.698	0.001
COA2	-0.112	0.822	-0.088
COA3	0.132	0.578	0.052
COA4	0.077	0.751	-0.012
COA5	0.080	0.500	0.158

Source: SPSS output

Table 4.3.2: Factor Correlation Matrix Showing discriminant validity of IV

Factor	1	2	3
1	0.72		
2	0.316	0.70	
3	0.122	0.488	0.65

Source: SPSS output

From table 4.3.1, compared with the previously reported factor matrix in table 4.23, it is now obvious that with factor rotation, each of the three extracted factors now has a clear and distinct cluster of interrelated items. In other words, there was no evidence of cross-loading in the table. For example, as indicated by the bold mark, while the first five items; ELA1, ELA2, ELA3, ELA4 and ELA5, all load clearly on factor 3, the second; CEA1, CEA2, CEA3, CEA4 and CEA5 and third five items; COA1, COA2, COA3, COA4 and COA5, all load clearly on factor 1and factor 2 respectively. Thus, the problem of cross-loading has been resolved by rotation as we now have an optimal simple factor solution in which each item has a unique identity.

From the factor correlation matrix in table 4.3.2, the correlation coefficients indicate that the three extracted factors are not strongly intercorrelated, with the highest correlation coefficient being

0.488 and the lowest being 0.122.

4.4 Factor Naming

Based on the pattern matrix, the naming of the extracted factors was given in table 4.4.1.

Table 4.4.1: Optimal Factor Structure/Factor Naming

Factors Variable Items	Factor 1 Celebrity Advertising	Factor 2 Consumer Orientation Advertising	Factor 3 Eco-Label Advertising
ELA1	0.018	0.117	0.575
ELA2	-0.002	0.162	0.369
ELA3	-0.008	-0.063	0.798
ELA4	0.048	-0.080	0.625
ELA5	-0.082	0.009	0.766
CEA1	0.711	-0.028	0.062
CEA2	0.780	0.009	0.031
CEA3	0.778	0.017	-0.029
CEA4	0.761	-0.046	-0.018
CEA5	0.695	0.021	-0.065
COA1	-0.100	0.698	0.001
COA2	-0.112	0.822	-0.088
COA3	0.132	0.578	0.052
COA4	0.077	0.751	-0.012
COA5	0.080	0.500	0.158

Source: SPSS result output

DISCUSSION OF FINDINGS

Eco-Label Advertising

As previously reported, the first five items; ELA1, ELA2, ELA3, ELA4 and ELA5, all maximized their loadings on factor 3, hence, they are products of this factor. Since these five items are explicitly measuring eco-label advertising, we therefore conclude that factor 3 is Eco-label advertising.

Celebrity Advertising

As previously reported, the second five items; CEA1, CEA2, CEA3, CEA4 and CEA5, all maximized their loadings on factor 1, hence, they are products of this factor. Since these five items are explicitly measuring celebrity advertising, we therefore conclude that factor 1 is celebrity advertising.

Consumer Orientation Advertising

As previously reported, the second five items; COA1, COA2, COA3, COA4 and COA5, all maximized their loadings on factor 2, hence, they are products of this factor. Since these five items are explicitly measuring consumer orientation advertising, we therefore conclude that factor 2 is consumer orientation advertising.

Based on results of these tests, we employed the principal axis factoring (PAF) method for the main exploratory factor analysis. The employment of the PAF method was particularly due to the evidence of non-normal distribution of the items. Consistent with our expectation *apriori*, three factors were extracted from the initial 15 items based on the Kaiser method which retained only factors with eigenvalues greater than 1, with the total variance explained (= 49.22%) being almost 50%. However, because the item loadings on these factors were not unique, factors were rotated based on the Promax oblique method, which allowed the extracted factors to be intercorrelated. The rotation of these factors brought about the optimal factor solution in which each item uniquely loaded on its underlying causal factor. The factor correlation matrix shows that the extracted factors are indeed intercorrelated, hence, justifying the use of the Promax oblique rotation method. Specifically, the correlation between eco-labeling advertising and consumer orientation advertising is the highest at 0.488 while the correlation between celebrity advertising and eco-labeling advertising is the lowest at 0.122. The correlation coefficient between celebrity advertising and consumer orientation advertising is 0.316. Finally, the three extracted factors were named.

EFA was used to extract latent factors from the observed variables which pre-conditions for a good analysis were fulfilled. Out of 15 statement items on the Green Advertising scale, three (3) factors were extracted which were in consonance with our *apriori* expectations where three factors were initially proposed. All psychometric measures including composite reliability values were above .70 reliability confirming composite reliability and convergent validity (Podar et al, 2009). Validity Test and discriminant validity tests met their threshold thus, except ecolabel advertising that has AV of 0.42. Below in table 4.5.1 is a summary of the various psychometric properties.

Table 4.5.1: Item Loading, Average Variance (AVE .50) and composite Reliability Threshold (.07) for Convergent Validity Test

Scale Items and Loadings	Mean	Loadings	AVE	Alpha	CR
Eco-Label Advertising (ELA)			0.42	0.772	0.77
ELA1	3.40	0.575			
ELA2	3.12	0.400			
ELA3	3.84	0.798			
ELA4	3.64	0.625			
ELA5	3.71	0.766			
Celebrity Advertising (CEA)			0.53	0.862	0.86
CEA1	2.68	0.711			
CEA2	2.81	0.780			
CEA3	2.68	0.778			
CEA4	2.85	0.761			
CEA5	2.55	0.695			
Consumer orientation Advertising (COA)			0.50	0.805	0.80
COA1	3.35	0.698			
COA2	3.27	0.822			
COA3	3.23	0.578			
COA4	3.06	0.751			
COA5	3.38	0.500			

CONCLUSIONS AND RECOMMENDATIONS

The purpose of this study is to carry out an exploratory analysis of the underlying constructs of environmental advertising with particular focus on eco-label advertising, celebrity advertising and consumer orientation advertising. The following conclusions are hereby drawn based on the analysis of the study and discussion of the study findings.

Out of 15 statement items on the Green Advertising scale, three factors were extracted This finding shows that EFA extracted three factors which were consistent with the three factors initially specified in the theoretical model for the study. We therefore conclude that this model has indeed unravelled the relationship among observed variables to their specified constructs (inner model) while revealing the correlation amongst the latent factors (outer model). This validation was carried out on eco-label advertising and consumer orientation advertising and celebrity advertising. All the constructs psychometric properties attained their threshold except eco-label advertising which average variance (AV) fell below 0.5. We therefore conclude that while celebrity advertising and consumer orientation advertising are upheld as potent green advertising constructs while eco-label construct does not qualify as an environmental advertising construct and cannot be subjected to confirmatory and structural analysis.

Limitations of the Study

A research study cannot be devoid of limitations because of multiplicity of processes from problem definition to research report. Excerpts of some salient limitations encountered on our research journey are hereby presented. The faming of our questions with an ordinal scale such as Likert-scale might have led to some biased response. Perhaps, if the questions were in an open-ended form where the respondents would have freely expressed their thoughts, bias would have reduced considerably. Similarly, our questionnaires were distributed manually but alternatively, if we had wired them electronically, perhaps the response would have increased.

Again some current articles relating to our study were difficult to access from some data base. Similarly, we had some constraints in collecting data from some local scholarly articles and some local journals since they were not publicly displayed. Our Geographic scope constitutes one limitation of the study. We were restricted to south-south geopolitical zone of Nigeria became necessary because of the study duration and because of the categories of academic lecturers in Federal government-owned universities in the south-south region.

CONTRIBUTIONS TO KNOWLEDGE AND SUGGESTIONS FOR FURTHER STUDIES

This present study did not only add but improved green advertising instrument scale. two newly evolved environmental advertising constructs – eco-label advertising and consumer orientation advertising which had never been used in academic literature was identified and explored in this study thereby contributing to existing literature on environmental advertising. Recognising the fact that the average variance of eco-label advertising was less than the required threshold in the present study, we suggest that its construct can be improved upon through additional statement items and be subjected through confirmatory factor analysis.

Consumer orientation advertising and celebrity advertising have both qualified as potent green advertising constructs having and can be subjected to confirmatory factor analysis and structural analysis having attained their psychometric properties thresholds

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EFFECT OF FRONTLINE FUNCTIONALITY ON CUSTOMER PATRONAGE OF FOUR STAR HOTELS IN PORT HARCOURT RIVERS STATE, NIGERIA

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ABSTRACT

The study focused on the effect of Frontline Functionality on Customer Patronage of four star Hotels in Port Harcourt. The major objective of the study was to examine the effect of Frontline Functionality on Customer Patronage of Four Star Hotels in Port Harcourt. Survey research design was adopted for the study and 145 respondents were judgmentally sampled for the study. The study revealed that job knowledge, interactive and engagement skills have significant positive effects on customer patronage. This implies that enhancing the capacity of the frontline officers through training can significantly increase customer patronage, market share and boost consumers' confidence on the services provided by four star hotels. We concluded that firms in the hospitality industry should continuously improve on the staff knowledge of their jobs and the services they render so as to improve on customer patronage. Interpersonal skill is vital for improved customer patronage, and therefore employees should be sent on training and development seminars that will help in building their interactive skills. Frontline officers should also be proactive at every stage of service negotiation and strive to engage the senses of the customers, as this will lead to continuous customer patronage

Keywords: Frontline functionality, customer patronage, four Star Hotel

INTRODUCTION

Kotler and Armstrong (2013), stated that the service industry is on geometric progression in growth both in developed and developing countries of the world. The economic value of services as against tangible goods has also caused growth in most part of the world for over twenty-five years. (Oliver, Pennington, Revelle, Rantz, 2014). In the opinion of Vergo and Lusch, (2008), there are factors that are responsible for this paradigm shift from goods to service based businesses. In Asiegbu, Igwe, and Akekue-Alex (2013), they opined that some of those factors are: globalization, increasing competitive markets, market dynamics, privatization, changing government regulations, technological innovations and the quest for firms to add value to their service provision.

The hotel industry these days has been recognized as a global industry, with producers and customers spread around the word. The use of hotel facilities such as: room, restaurant, bar, club;

is no longer considered a luxury. For many customers, these services have become an integral component of lifestyle. Moreover, in the last decade, demand for and supply of hotel services beyond that of the traditional services intended for travelers have escalated the growth of the hotel industry globally, leading to increase competition in the marketplace *(*Samaan & Abdullah,2016). They went on to say that hotels that attempt to improve their market share by discounting price, however, run the serious risk of having a negative impact on the hotel's medium and long term profitability. As a result, it is quality of service rather than price that has become the key to a hotel's ability to differentiate itself from its competitors and to gain customer loyalty.

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The hospitality industry in Nigeria, like its counterparts in some parts of the world, can no longer look up to its accommodation sector to service the economic down-turn. Tourists and investors' arrival into Nigeria that significantly rises hotel income from dropped 1.6 million in 2010 to 71500 in 2013 (Wesgro,2013). This has challenged managers to look inwards for their market and hence survival.

Jayakanth and Adalarau, (2016), opined that most travellers would consider the following hotel attributes when making a hotel choice decision: cleanliness, location, room rate, security, service quality and reputation of the hotel or chain. This is given that, most customer in the hospitality industry like the hotel are in a strong bargaining position due to the significant growth of hotels (Nduka, Okocha, & Nnamchi, 2017). This keen competition has made the task of the employee (front line staff), on how to attract and retain customers' loyalty very important, as it is necessary for them to identify the attributes of the hotel characteristics that are most important to the customers (Amue, Adiele & Nkoro, 2013).

It can also be said that most frontline employees of four star Hotels in Port Harcourt lack the requisite interactive skills needed to relate with customers. The worst is that some are resistant to changing knowledge and / or skill requirements or processes, including opportunities for skill enhancement. When these are lacking in them, it becomes hard for them to interact cordially with customers and exceed their expectations of quality and timeliness standards.

Other shortfalls in skills which are often lacking among most four star Hotels frontline employees include their lack of ability to communicate with customers in clear, effective, timely, concise and organized manner; lack of clarity of expression orally or in writing, and their inconsistence in keeping customers adequately informed.

This study therefore is an attempt to examine the effect of frontline staff functionalities on customer patronage of four star Hotels in Port Harcourt, Rivers State. The repositioning of the hotels could be possible through the front line staff activities in the area of interactive skills and job knowledge.

Review of Related Literature

Conceptual Framework

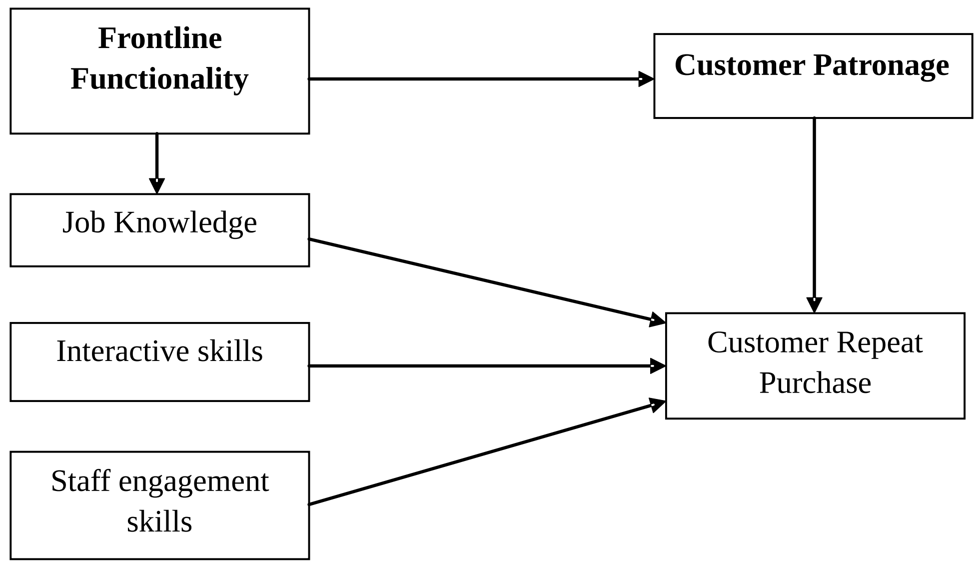

Fig. 1. Operational Conceptual framework
Source: Researcher's Desk, 2018

Understanding Frontline Functionality

The term Frontline Functionality is used in many service organizations just for administrative purposes including hotels. The department (frontline) could also bear other names like: telephones, reservation of rooms, registration, lobby deals with first contact with customers' right from the moment of reservation of rooms, registration, till the point of departure (Mackenzie and Chain, 2009). In the opinion of Kasavana (2009), the frontline officer is the nerve center of the whole hotel administration. Every impression on the guest about the hotel is made at the frontline office as it is the first and last point of contact, customer service representatives are the quintessential front line greeter and handshakes at the core of every business (Kukoyi & Iwuagwu, 2015).

Kasavana, (2009), opined that the office of the frontline staff is the most visible and essential focal point of a hotel, regardless of the class or type of hotel. He went on to say that, it is the first and last place (check-in-check-out) wherein a guest interacts with the hotel. In the opinion of Heldrebrand (2016), the frontline desk is the heart of any hotel organization or any service industry. The un-seen head or managers are always seen in the front desk staff. Mishra and Pal (2013), state that, the duties performed by a frontline staff are very important to the organization in terms of customer services.

Job Knowledge

Some authors have defined job knowledge as technical information, facts and procedures required to do the job. (Hunter, 1993; Schmidt, Hunter, and Outerbridge,1986). Job knowledge has a stronger effect on job performance in military samples than civilian samples. (Schmidt et al; 1986). Job knowledge is the demonstration of thorough understanding of how to perform regular

work assignments relate to other areas.
Job knowledge has been identified as technical information, facts and procedures required to do the job. (Hunter, 1993; Schmidt, Hunter and Outerbridge, 1986).

Job Knowledge and Skills Demonstrates exceptional understanding of the job, including processes to be followed, materials and equipment to be used has mastery of the technical skills required to perform this job. Rarely requires assistance in performing the job and demonstrates good job knowledge and understanding, required to do all aspects of job (Glosbe, 2017). Job knowledge leads to better work decisions. Job knowledge is a type of knowledge in the latest techniques, skills, and methods pertinent to the assigned area of responsibility. The staff uses and demonstrates the skills and tools necessary to perform job effectively. He / she can draw upon previous experience to handle new problems or challenges. Make efforts to stay current in field, can identify and analyses problems and present solutions.
Employees who do not have a clear understanding of how their jobs fit into the overall work picture of their organization are more likely to exhibit carelessness and the inability to make clear distinctions on which aspects of their job are most important.

Interactive Skills

Interpersonal skills are the skills used by a person to interact with others properly. In the business domain, the term refers to an employee's ability to get along with others while getting the job done. Interpersonal skills include everything from communication and listening skills to attitude and deportment. Good interpersonal skills are a prerequisite for many positions in an organization (Investopedia, 2017). The term "interpersonal skills" is of a misnomer because it refers to character traits possessed by an individual rather than skills one can learn in a classroom. Within an organization, employees with good interpersonal skills are likely more productive than those with poor interpersonal skills because of their propensity to project a positive attitude and look for solutions to problems.

Engagement Skill in the Service Sector

Customer engagement is a business communication connection between an external stakeholder (consumer) and an organization (company or brand) through various channels of correspondence. This connection can be a reaction / interaction effect or overall customer experience, which takes place online and offline (Dave, 2007; Eisenberg & Eisenberg, 2016). The term can also be used to define customer-to-customer correspondence regarding a communication, product, service or brand. However, the latter dissemination originates from a business-to-consumer interaction resonated at a subconscious level. Marketing practices aim to create, stimulate or influence customer behaviour, which places conversions into a more strategic context and is premised on the understanding that a focus on maximising conversions can, in some circumstances, decrease the likelihood of repeat conversions (Hollebeek, 2011; Vohra & Bhardwaj, 2016). Engagement is a holistic characterization of a consumer's behaviour, encompassing a host of sub-aspects of behaviour such as loyalty, satisfaction, involvement, Word of Mouth advertising, complaining and lot more.

Customer engagement is about encouraging your customers to interact and share in the experiences you create for them as a business and a brand. When executed well, a strong customer engagement strategy will foster brand growth and loyalty.

Customer Patronage

Concise Oxford English Dictionary (2008) as quoted in Adiele, *et al* (2015), the word customer or consumer patronage mean a person or thing that eats or uses something or a person who buys goods and services for personal consumption or use. People patronize organizations products / services at one time or the other. Patronage is burn out of a desire to be committed to an organization either based on its service quality or perceived service qualities (Adiel, *et al*, 2015). Customer patronage is the means of a respondent being loyal to a firm's products or services. In the context of this study, we may use customer patronage and loyalty interchangeably because customer patronage precedes loyalty.
Also, their service quality and delivery strategies should be improved while looking for new avenues to regularly attract and retain their customers. The importance or essence of repeat customer patronage is that an increase in sales volume will ultimately and significantly impact on the company's profitability level (Adiele, *et al.*, 2015). Patronage is the degree which a customer exhibits repeat behavior from a service provider, possesses a positive, long lasting attitude and disposition towards a service provided. Customer satisfaction is the starting point to define business objectives. (Gandolfo & Guzzo,2014). Shim and Kotsiopulous (2013), see patronage as the deeply held intention of customer to stay with an organization and the commitment to increase the breadth and depth in relation with the firm. Simons (2016), opine that customer patronage is achieved when the anticipations of customer are fulfilled. Excellent customer service does not only make customers patronize the products but they also spread positive word-of-mouth to other people, which is an avenue for creating profit for hotels. Nowadays, one of the biggest challenges for managers in the hotel industry is to provide and sustain customer patronage as quest relationships are strategic assets of the organization (Gandolfo & Guzzo, 2014).

Job Knowledge and Customer Patronage:

Front line officer is where a guest gains their first important information and impression (Barker & Riley, 1994). Vallen and Vallen (2009); state that, the front line office handles a bundle of duties and services for the guest. Given how important the duties are, the front line officer exercise accurate expertise over the job; he / she must have good knowledge of his or her duties in order to give good impression of the hotel to the guest. Customers always look forward to receiving the five dimensions of service such as: reliability, tangibility, responsibility, assurance, and empathy.(Gandolfo & Guzzo,2014). Kasavana, (2009), opine that the front line officer is responsible for carrying out all the front-house-duties and serve as a liaison between the management and the guests. Kukoyi and Iwuagwu(2015), opine that the front line staff must be one who is highly motivated, trained, and competent individual, one who utilizes a special mix of skills, one who can handle the hotel job description.

The primary job of a front line staff is to greet the guest, when they arrive, give them a warm welcome, make them feel as if they are at home and be refreshed (Henderson, 2009). So good job knowledge of the front line staff is very important. According to the report of US bureau of labour statistics in 2009, the report says that, a front desk staff also performs a variety of clerical tasks. Traval and Leisure, (2010), opine that a good knowledge of the job would help them in understanding different personality of guests which in turn will help them plan their strategies to deal effectively with different guests in all of their job function.

Interactive Skills and Customer Patronage:

The increasing sophistication of customers' demands coupled with the increasing market competition has posed a new challenge to hotel managers, therefore, marketing scholars emphasize the influence of relationship marketing as a strategically important tool from which customer loyalty can be secured and, as a result, the attainment of higher competitiveness. (Al-Msallam & Alhaddad, 2016).

Kasavana (2009), states that front line staff is the first to interact with the guests when they come in, take information concerning them till they are finally checked in. Good interaction between guest and employee leads to great impact on customer's patronage (Rezaee, 2010). Bojei (2010), opines that interaction with customer influences customer patronage. In the study of Heidarzadeh, (2006), he states that there is a positive and significant relationship between employee interactions with guest. The first interaction occurs between the front line staff and the guest or other persons seeking hotel services or information while most managers in four star hotels will probably agree that communication with gust and among personnel is important.

The front desk staff interacts with all department of the hotel, including marketing, and sales housekeeping, food and beverage, banquet, controller, maintenance, security, and human resources. These departments view the front line staff as an interactive liaison in providing guest services. The communication skill, data analysis of front desk job is central to the success of a hotel business. Rutherford (1985) opines that in order to avoid or minimize the service delivery problems, four star hotels should consider communication skill to be an important criterion in considering candidates for the position of front desk staff since it can lead to less or more customer patronage.

Theoretical Framework

SERVQUAL model propounded by Parasuraman, Zeithaml and Berry, T. (1988)

The SERVQUAL model was developed by Parasuraman, Zeithaml and Berry (1988) to identify five different gaps between customers' expectation and service that is provided by a company. Customer expectations mean desires and hopes they have prior to the service and perceptions mean evaluation of the service that have been provided. If expectations are greater than the actual performance, then customer dissatisfaction occurs. On a contrary, the smaller these gaps, the better service quality is.

The model measures five gaps that enable to analyze the service quality from the customer perspective (Strong, 2014). .

Empirical Review:

Kandampully and Shartanto (2000) worked on customer loyalty in the hotel Industry: The role of customer satisfaction and image. The findings show that hotel image and customer satisfaction with the performance of housekeeping, reception, food and beverage, and price are positively correlated to customer loyalty. Koernig (2003), states that, Frontline functionality plays a very crucial role in determining customers' responses and reactions to hedonic services. Given this, the understanding of how customers perceive their service environment or scape is very important (Ryu & Han, 2010). In the work of Danija (2008), “Guest Satisfaction and Guest Loyalty for study hotel industry”. He concluded that hotel service design element influence positively on guest satisfaction and consequently on quest loyalty and that the influence is weak if the service standards do not match the quality expected.

In the work by Abdlhamied (2011), on customers' perception of floating restaurants in Egypt, the

results indicate that aspects such as parking space, healthy, and local dishes, along with rest-room cleanliness are pivotal attributed to create satisfied customers and to increase repeat patronage intention. Daunt and Harris(2012), researched on Motives of dysfunctional customer behavior: An empirical study. The work examined the associations between factors (personality and demographic variables), and the motive that drive episodes of dysfunctional customer behavior. The findings show that there is significant differences were revealed across the personality, servicescape and situation specific variables for each motive. Cambra (2014), worked on The Role of frontline employees in customer engagement. He found that the actions of employees (frontline staff) could suffice to generate customer engagement, even though satisfaction reinforces the effect. Consequently, it makes sense to promote positive attitudes among these employees.

In Adiele, Miebaka & Ezirim (2015), they investigated on the front desk functionality and customer patronage and the result shows poor customer patronage is predicted on the banks' in-ability to effectively adopt front line functionality. Not so much a work has been done on the area of customer patronage and frontline functionality as it applies to four star hotels. Al-msallam (2015) worked on customer satisfaction and Brand loyalty in the hotel Industry. The result shows that customer satisfaction significantly affects customer loyalty. Al-msallam, S (2015), Customer satisfaction and brand loyalty in the hotel industry. They suggested that managers should consider price fairness as foundations to build up customer satisfaction, brand loyalty and, also to improve brand image as an added on value for customers.

Finally, impact of hotel service quality on loyalty of customers by Edmunda and Dalia (2016), the result of the research revealed that the conformity of expected quality with the quality expected has a significant influence on the customer's loyalty.

Some academic works have been done in the area of customer patronage, in Ryu and Han, (2010), the result shows that physical attractiveness and service encounter influence pleasure and satisfaction. Taegoo et al (2015), worked on frontline service employee's emotional exhaustion, and service recovery performance: customer orientation as a moderator. They found out that the four customer-related social stressors (i.e. disproportionate customer expectations, disliked customers and customers' verbal aggression) are influential determinants to increase emotional exhaustion and as a result, service recovery performance is undermined by emotional exhaustion.

RESEARCH METHODOLOGY

Research Design.

For the purpose of this study, the survey research design was adopted and questionnaire structured in 5 point Likert scale was administered to the respondents as the research instrument.

Population of the study:

The population of the study is made up of customers of selected four star hotels in Port Harcourt. The accessible population is the number of customer who have been patronizing these four star hotels in Port Harcourt for one year period.

Sampling Technique

Creswell and Creswell (2018) opined that judgmental sampling technique can be adopted when the population of a study is unknown. Hence, the study adopted judgmental sampling technique so as to arrive at a usage sample size.

Sample Size Determination

The appropriate sample size was chosen using the Judgmental sample method which is a non-probability sample method was used. A total of 140 copies of questionnaire were distributed to the seven (7) four star hotels in Port Harcourt and twenty copies each were distributed to each. The distribution was as follows;

Table 3.1 Sample distribution for the customers of the 7 selected Hotels in Port Harcourt

S/N	NAME OF HOTEL	LOCATION/ ADDRESS	NUMBER OF CUSTOMERS SELECTED
1.	Swiss International Hotel	No 9. Mabisel Avenue, Trans Amadi, PH	20
2.	Hovotel Hotel	No 3. Liberation Stadium Road, Rumuomasi, PH	20
3.	Le Meridie n Ogeyi Place	45 Tombia Street, GRA Phase 2, PH	20
4.	Echelon Heights Hotel	73 Ken Saro Wiwa Road, PH	20
5.	L. A Kings Hotel	31 Ken Saro Wiwa Road, PH	20
6.	Habitate Hotel & Resort	5 Habitate Drive, NTA / Choba Road, PH	20
7.	Somitel Hotel & Resort	Peter Odili Road, Trans Amadi, PH	20
	Total		140

Source: Field Survey, 2018

Reliability and Validity tests

Reliability of the Instrument

Cronbach alpha coefficients were used to ascertain the reliability of the constructs with 0.70 as the benchmark (Nunnally, 1978). The result of the reliability test is as follows;

Table 3.2: Reliability Analysis of the Variables.

S/N	Items	No. of Items	Cronbach's Alpha
1.	Job Knowledge	4	.775
2.	Interactive Skills	4	.873
3.	Engagement Skills	4	.916
4.	Customer Patronage	2	.875
5.	Customer Repeat Purchase	4	.789

Source: SPSS Output, 2018

Validity of Instrument

To ensure the validity of this proposed research, the researcher subjected the instrument to the Supervisor's corrections in order to make sure that the instrument was be relied upon for consistent measurement.

Sources of Data Collection

Primary source of data was used for this research. These are data that were obtained directly from the respondents. The data collection method included the use of the questionnaire.

Scoring of Instrument or Measurement of Variables

The researcher used a 5-point Likert scale in measurement of the research instrument. Measures used included the following: Strongly disagree (1), Disagree (2), Undecided (3), Agree (4), and strongly agree (5).

Method of Data Analysis

The study analyzed collected data according to the stated objectives of the study. Analyses were done with simple regression model with the aid of Statistical Package for Social Sciences (SPSS) version 22.0.

The model is specified below.

$Y= f(X_1, X_2, X_3)$

I.e. Y is the function of X_1, X_2, X_3

w here y = Consumer Patronage

and x = Functionality

Job Knowledge; Interactive Skills and Customer Engagement.

RESULTS

The analyses of data are presented below according to the stated objectives of the study.

To examine the effect of job knowledge on customer patronage of four star Hotels in Port Harcourt

Table 4.1 Regression analysis showing effect of job knowledge on customer patronage of four star Hotels in Port Harcourt

Variable	Coefficient	Std. Error	t-value
Constant	4.482	0.318	14.093
Job Knowledge	0.518	0.173	2.995**
F-Statistics	16.260		
Prob > F	0.004		
R-squared	0.684		
Adj R-squared	0.535		
N	135		

Source: SPSS Output, 2018

Note: **= Significant at 5% level

The regression result in Table 4.1 above explains the effect of job knowledge on customer patronage of four star Hotels in Port Harcourt. The regression analysis tried to estimate the strength and the nature of the effect of job knowledge on customer patronage of four star Hotels in

Port Harcourt.

Job knowledge was significant at 5% probability level and with a positive value. This shows a positive and direct effect of job knowledge on customer patronage of four star Hotels in Port Harcourt. As the frontline employees of the studied four star Hotels in Port Harcourt continue to gain more job knowledge, it brings about increased customer satisfaction vis-à-vis increased customer patronage for the Hotels. Similarly, the r^2 value was 0.684, which indicates that about 68% of the variation found in customer patronage in the studied Hotels was accounted for by frontline employee job knowledge. Additionally, the F-ratio value of 16.260 indicates that the model specification was significantly correct at 5%.

To ascertain the effect of staff interactive skills on customer repeat purchase of four star Hotels in Port Harcourt

Table 4.2 Regression analysis showing the effect of staff interactive skills on customer repeat purchase of four star Hotels in Port Harcourt

Variable	Coefficient	Std. Error	t-value
Constant	4.793	0.793	12.013
Staff interactive skills	0.611	0.167	3.658**
F-Statistics	14.096		
Prob > F	0.001		
R-squared	0.657		
Adj R-squared	0.513		
N	135		

Source: SPSS Output, 2018

Note: ** = Significant at 5% level

Table 4.2 above shows the influence of staff interactive Skills on the customer repeat purchase of four star hotels in Port Harcourt. From the simple regression analysis table, Staff interactive Skills were found to be statistically significant at 5% and with a positive figure. This implies that an increase or improvement in frontline staff interactive skills will result to an increase in customer repeat purchase. The R square value of 0.657 shows that 66% of variation in customer repeat purchase was accounted for by interactive skills of staff of the four star hotels. Empirically, this conforms to the findings of Wan (2015), who concluded that staff interactive skills are vital for improved customer satisfaction and patronage for hospitality industry. Similarly, the f-ratio value of 14.096 indicates that the model specification was fit and significant at 5%. The null hypothesis is hereby rejected and it can be concludes that staff interactive skills have significant effect on customer repeat purchase.

To determine the effect of staff engagement skills on customer patronage of four star Hotel in Port Harcourt

Table 4.3 Regression analysis showing the effect of staff engagement skills on customer patronage of four star Hotel in Port Harcourt

Variable	Coefficient	Std. Error	t-value
Constant	4.354	0.408	10.672
Staff Engagement skills	0.571	0.151	3.781***
F-Statistics	16.379		
Prob > F	0.000		
R-squared	0.794		
Adj R-squared	0.727		
N	135		

Source: SPSS Output, 2018

Note: ***= Significant at 1% level

The regression result in Table 3.3 above explains the effect of staff engagement skills on customer patronage of four star Hotels in Port Harcourt. Staff engagement skills was found to be significant at 1% probability level and positively related to customer patronage of four star Hotels in Port Harcourt. This shows a positive effect of staff engagement skills on customer patronage of four star Hotels in Port Harcourt. As staff engagement skills within the studied four star Hotels increase, customer patronage also increases. This is as a result of the increased service offered to customers which increases their patronage. The R square value was 0.794, which indicates that about 79% of the variation found in customer patronage was accounted for by staff engagement skills. Additionally, the F-ratio value of 16.379 indicates that the model specification was significantly correct at 1%.

DISCUSSION OF FINDINGS

The study focused on the effect of Frontline Functionality on Customer Patronage of four star Hotels in Port Harcourt. Our H_{o1} that is in null form which states that Frontline job knowledge does not have any significant effect on customer patronage on four star hotels in Port Harcourt was rejected as the regression result shows that job knowledge was significant at 5% probability level and with positive value. Similarly, the r^2 value was 0.684, which indicates that about 68% of the variation found in customer patronage in the studied for star hotels were accounted by Frontline employee job knowledge. Additionally, the F-rate value of 16.260 indicates that the model specification was significantly correct at 5%. In Ewoh(2016), on the study of job knowledge on Frontline functionality. The hypothesis revealed a significant relationship between the job knowledge on referral statistically stated at r= 0.712 and PV as 0.000. They therefore, state that job knowledge of a front desk officer of four star hotels has what it takes to make customers stay with them and even refer the hotel to others. In the work of Streukens and Andreassen (2009), this is on Frontline Employees' Personality traits: Customer preference and homophily effect. They conclude that, the customers have a clear preference for Frontline employees they perceived to have a similar personality to their own personality traits and that there is a positive relationship between the customer's preference for a conscientious employee and the customer's own level of conscientiousness (homophily effect conscientiousness).

In the work of Palumbo, Miller, Shalin and Steele-Johnson (2005); on the impact of Job knowledge in the cognitive ability performance relationship which they used a written measure of job knowledge that was developed using a cognitive approach. The results show that job knowledge mediate relationship between cognitive ability. Cognitive ability accounted for 12% of variance in performance, job knowledge account for 26% of the variance.

In our H_{o2}, that states interactive skills of a frontline employee do not have any significant relationship on customers patronage of four star hotels in Port Harcourt in null form was rejected given that the simple regression analysis shows a statistical significant relationship between the two variables tested at 5% and a positive figure. This implies that an increase or improvement in frontline staff interactive skills will result to an increase in customer repeat purchase. The R square value of 0.657 shows that 66% of variation in customer repeat purchase was accounted for by interactive skills of staff of the four star hotels in Port Harcourt. Empirically, this conforms to the findings of Wan (2015), who concluded that staff interactive skills are vital for improved customer satisfaction and patronage for hospitality industry. Similarly, the f-ratio value of 14.096 indicates that the model specification was fit and significant at 5%. The null hypothesis is hereby rejected and it can be concludes that staff interactive skills have significant effect on customer repeat purchase.

In the work of Ewoh, (2016); in their work of Front Desk Functionality and Customer Patronage of Four Star Hotels, in their hypothesis of interactive skills and customer repeat purchase shows that there is a significant relationship between the two variables which are both positive and very strong statistical result of (r=0.728) with the PV of .000. they conclude that interactive skills of front desk employee in four star hotels is positively related to repeat purchase. In the work of Steukens and Anreassen (2009), the conclude that there is a positive relationship the customer's preference for emotionally stable employee and the customer's own level of emotional stability (homophily effect emotional stability). In their $H_{o2,}$ regarding the influence of “level of interaction intensity on the magnitude of the homophily effect. They conclude that the result is significant for the customer's own of conscientiousness and the degree of employee-customer interaction (B+3=0.58; P=0.05), they conclude that the homophily effect for conscientiousness for low contact services. In Rutherford (1985), he concludes that guest satisfaction, good relationship with quest peers and colleagues were closely linked to good interactive skills thereby leading to increase in customer patronage and positively related.

In our Ho3 that states that staff customer engagement skills do not have any significant effect on customer patronage of four star hotels in Port Harcourt. Staff engagement skills was found to be significant at 1% probability level and positively related to customer patronage of four star hotels in Port Harcourt. As staff engagement skills within the studied four star hotels increase customer patronage also increase. The R square value was 0.794, which indicates about 79% of variation found in customer patronage was found in customer patronage was accounted for by staff engagement skills. Additionally, the F-ration value of 16.379 indicates that the model specification was significantly correct at 1%.

In the work of Pedraza, Mesa and Gaviria (2016); innovative Behaviour and Employee

engagement; they conclude that innovative behavior is highly influenced by employee engagement skills that employee engagement skill has a key role in the business operaton especially in design tasks, elaboration and implementation service. Nevertheless, the results obtained cannot be as conclusive, because the study focused only in one firm. Finally on the discussion, the study of Aliyu(2014), the summary found that the demographic characteristics of price of banquet service location and tangible aspect of SERVQUAL did not influence customer satisfaction. However, reliability or employee skill, responsiveness or interactive skill, assurance or engagement skills and empathy dimensions of SERVQUAL influenced the customer satisfaction on quality service and customer patronage of hotels. Our position in this study is that all variables tested, employee job knowledge, employee interactive skills and staff engagement skills are strongly significant to customer patronage of four star hotels in Port Harcourt.

Summary of Findings

i. From the analysis, it was ascertained that Frontline job knowledge has an effect on customer patronage. And this is true because the frontline officer is the first contact between the Hotel and the customers, and their knowledge of their job specification will go a long way to determine if the guest will patronize the Hotel or not. Alhaddad (2016) worked customer satisfaction and loyalty in hotel industry: the mediating role of relationship marketing. (PLS Approach). Their findings indicate that customer satisfaction, trust on hotel and affective commitment positively correlated to customer loyalty.
ii. It was found that sound interactive skills enhance customer repeat purchase in four star Hotels in the sense that they give the customers a sense of belonging which creates a lasting service experience. Satisfied customers are those who the service of the four star hotels meets with their expectations. Through awareness of how staff interacts with others, and with practice, they can improve their interpersonal skills. This study also highlights the importance of employee-customer interactions in order to satisfy customer and generate their engagement. (Cambra, 2014).
iii. Lastly, staff engagement skills affect customer patronage of four star hotels in Port Harcourt, Rivers State, since customers tend to be loyal to hospitality service providers whose services engage their senses. Engagement skills if improved upon will avail a more rewarding experience both for the Hotels and their customers. Doorn et al (2010), commented on engaged customer can improve the reputation and financial value of companies.

CONCLUSION

The study examined frontline functionality and Customer Patronage of four star hotels in Port Harcourt, Rivers State. The study unveiled that job knowledge, interactive and engagement skills have significant positive effect on customer patronage. This implies that effective and efficient improvement on the capacity of the frontline officers can significantly increase customer patronage, market share and boost consumers' confidence on the services provided by the four star hotels.

RECOMMENDATIONS

The following recommendations are offered owing to the finding of this study:

a. Firms in the hospitality industry should always improve on the staff knowledge of their jobs and the services they render so as to improve on customer patronage.
b. Interpersonal skill is vital for improved customer patronage, and employees should therefore be sent on training and development seminars that will help in building their interactive skills.
c. Frontline officers should be encouraged to be proactive at every stage of service negotiation and should strive to engage the senses of the customers, as this will lead continuous customer patronage.

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REVERSE LOGISTICS PRACTICES AND SALES GROWTH OF MANUFACTURING FIRMS IN NIGERIA (STUDY OF STARLINE NIGERIA LIMITED, ABIA STATE)

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ABSTRACT

The study focused on the effect of reverse logistics practices on sales growth of Starline Nigeria Limited, Abia State. The population of the study was 101 marketing staff and distributors of Starline Nigeria Limited, Abia State. Considering the size of the population, a census was used. The study adopted survey design method. The data generated in the study were analysed with simple regression model. The findings of the study revealed that reuse as a reverse logistics practice has a positive and significant effect on sales growth of Starline Nigeria Limited, Abia State. Also, recycling as a reverse logistics practice was found to positively and significantly affect sales growth of Starline Nigeria Limited, Abia State. The study recommended that Starline Nigeria Limited should invest in appropriate information technology like blockchain that will assist the firm to establish effective data collection system to improve the effectiveness of its reverse logistics processes. The firm can communicate and share information with its supply chain members regarding the collection and handling of customers' product returns.

Keywords: Reverse Logistics, Reuse, Recycling, Sales growth

INTRODUCTION

Background of the study

Normally, every organization always concentrates on improving their forward logistics operations. Most have failed to give equal attention that has been given to forward logistics to the reverse logistics process (Guta, 2016). In directing much attention to forward logistics most manufacturing organizations overlook the importance of reverse logistics operations and its potential of improving the performance of the organization and that of its supply chain (Azevendo, *et al.*, 2011). For most organizations, reverse logistics is viewed as a disturbance, a cost center and an area of potential customer satisfaction (Stock, Speh & Shear, 2006).

Reverse logistics which is sometimes referred to as “product take-back” is one of the concepts in the wider concept of Supply Chain Management (SCM). Reverse logistics is a process where a manufacturer accepts previously shipped products from the point of consumption for possible recycling and recovery (Fortes, 2009). It involves retrieving the product from the final consumer for the purposes of capturing value or proper disposal. Reverse logistics has gained popularity in recent past due to the perceived benefits attached to it. Such benefits include; enhanced economic performance, reduced environmental degradation, improved social performance and improved operational performance. As far as products are being manufactured and sold, there will always be issues of product returns (Stock, Speh & Shear, 2006), and how organizations handle the product return (reverse logistics) process has a great impact on organizational performance.

Reverse logistics is increasingly becoming an area of organizational competitive advantage, making the pursuit of this function a strategic decision. Despite these benefits, the concept seems not to be imbibed and adopted by manufacturing organizations in Nigeria. Starline Nigeria Limited is an indigenous cosmetics manufacturing organization that engages in some aspects of reverse logistics in order to create customer value. In the course of its product distribution process, customers return products with defects as a result of leakages or breakages in transit. Most products are also returned for repackaging or recycling as the case may be. These product returns are carried out through the organization's middle men (distributors, dealers and sales force) who finally bring the products to the organization for necessary actions. It is worthy of investigation to discover how such reverse logistics practices of Starline Nigeria Limited impacts on their sales growth. In addition, there is also a lack of research and studies on reverse logistics practices in Nigeria and its role in sales growth. Therefore, this study looked at the effect of reverse logistics practices on sales growth of Starline Nigeria Limited in Abia State.

Statement of the Problem

Reverse logistics can cause considerable cost but also provides numerous opportunities and can therefore be regarded as a key element and part of the supply chain, even though it is often hidden (Horowitz, 2010). There are many organizations that do not consider reverse logistics a worthy supply chain practice to venture into. Also, many barriers or conditions stand on the way of many organizations like Starline Nigeria Limited in engaging in reverse logistics practices (Zheng, et al., 2005). Some other organizations regard the practice as being a nuisance. The reason for such problem is lack of top management awareness and commitment to reverse logistics and their failure to identify the benefits of such supply chain practice (Azevendo, *et. al.*, 2011). This negligence by organizations may have negative effects on their marketing performances as a result of low customer patronage and inability to satisfy customers.

Empirically, studies have tried to link the adoption of reverse logistics practices to organizational performance. Rao and Holt (2005) showed that there exists a positive relationship between reverse logistics practices and organizational performance. De Giovanni and Vinzi (2012) established that the existing relationship was not significant, while Azevendo et al. (2011) found a combination of positive relationship as well as other relationships.

In the Nigerian context, very few studies have been conducted on reverse logistics practice. Some of these studies however focused on the nexus between reverse logistics and economic performance (Somuyiwa & Adebayo, 2014), environmental sustainability (Oko & Nkamnebe, 2013) and waste management (Bilqis, Sulaimon & Kayode, 2018). None of these studies linked reverse logistics to sales growth of manufacturing companies. It was therefore evident that there

existed knowledge gap that needs to be filled through research. This study sought to help bridge this gap by determining the effect of reverse logistics practices on sales growth of Starline Nigeria Limited in Abia State.

Objective of the Study

The main objective of the study was to examine the effect of reverse logistics practices on sales growth of Starline Nigeria Limited in Abia State

Specifically, the objectives are to;

i. examine the effect of reuse on sales growth of Starline Nigeria Limited in Abia State;
ii. examine the effect of recycling on sales growth of Starline Nigeria Limited in Abia State

Research Questions

The following research questions were explored in order to provide answers to the issues raised in the study;

i. What is the effect of reuse on sales growth of Starline Nigeria Limited in Abia State?
ii. Does recycling affect sales growth of Starline Nigeria Limited in Abia State?

Research Hypotheses

The following null hypotheses were tested in this study;

Ho_1: Reuse does not have any significant effect on sales growth of Starline Nigeria Limited in Abia State

HO_2: There is no significant effect of recycling on sales growth of Starline Nigeria Limited in Abia State.

REVIEW OF LITERATURE

Conceptual Framework

The Concept of Reverse Logistics

There have been many attempts made on defining the concept of reverse logistics. Despite an apparent lack of interest in and awareness of it, reverse logistics is one of the fastest developing fields in business logistics, which results in constant changes in scope and significance (Vogt, Pienaar & De Wit, 2002).

Reverse logistics is essentially the opposite of logistics. The Council of Supply Chain Management Professionals (CSCMP, 2010) defined logistics as the “process of planning, implementing, and controlling procedures for the efficient and effective transportation and storage of goods including service, and related information from the point of origin to the point of consumption for the purpose of conforming to customer requirements”. According to Steven (2004), reverse logistics comprises all activities involved in managing, processing, reducing and disposing of hazardous or nonhazardous waste from the production, packaging and use of products, including the process of redistribution. Reverse logistics is the physical movement of goods formed by repairing and returning substandard goods as well as turnover containers returned to supply side from demand side. This involves the item entities' reverse flow process such as reclaiming pallets and containers used to transport, receiving the customer returns, collecting containers, raw materials, scrap and spare parts processing defects in the product sales (Zhang, 2010).

Reverse Logistics Practices

There are three broad concepts on which reverse logistics is based and these are reuse, remanufacturing (value replacement and recycling (Eltayeb *et al.*, 2011). However, this study considered two which are;

Reuse Reverse Logistics Practices

Reuse is the process of collecting completely unused or slightly used products from the consumer and injecting them back into the supply chain without any upgrade or processing (Eltayeb *et al.*, 2011). According to Amemba (2013), reuse strategy is one of the strategies of waste management that is believed to be most environmentally friendly. Hazen *et al.* (2011) defined reuse as the process of recovering any piece of returned product that may have some value. Reuse of materials occurs in cases where the customers return unused products to the point of purchase thereby returning the product back into the supply chain. Reuse of materials may also occur through reutilization of packaging or shipping materials. According to Hazen *et al.* (2011) customers return products that are either completely unused or that are partly used. For partly used products to be reused, the products should be in a position to be used without any upgrade or modification. Products that are not in the usable state must be channeled back to the manufacturers through reverse logistics either for repair or re-development.

Recycling Reverse Logistics Practices

Recycling is the process of recovering any piece of a returned product that may contain value. In recycling, collected used products are disassembled and useful material extracted from them. The identity and functionality of the original material is lost (Eltayeb et al., 2011). Practices under recycling include return of used products and packaging to suppliers for recycling, executing well-structured market incentives and having a well-documented recycling policy. Another practice under recycling includes the sensitization or creation of awareness to the buyer. Organizations may create awareness by putting the recycling labels of three arrows intertwining clockwise as a sign that the product or package should be recycled (Laosirihongthong et al., 2013).

Recycling involves the reduction of products to their basic elements which are then reused. Recycling is the "process of collecting used products, components, and / or materials from the field, disassemble them, separating them into categories of like materials, and processing into recycled products, components, and / or materials" (Beamon, 1999). Another description of recycling is "the process by which materials that would otherwise become waste are collected, separated or processed are returned to the economic mainstream to be reused in the form of raw materials or finished goods" (Global Recycling Network, 2008). Organizations can recycle when the product is broken down and "mined" for components that can be reused or resold (Ji, 2008).

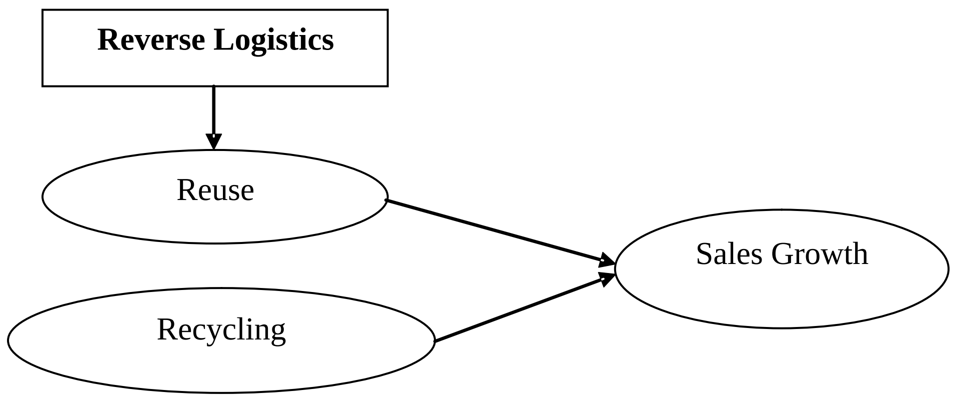
Sales growth

Sales growth in business firms is of widespread interest in economics and business research, but the drivers of such growth remain a source of debate (Short, *et al.*, 2009). Sales growth targets play a major role in the perceptions of top managers (Brush, Bromiley & Hendrickx, 2000). Sales growth according to Amoako-Gyampah and Acquaah (2008) is the increase in sales in money value. Sales growth is an important indicator of a firm's health and ability to sustain its business. An emphasis on sales growth also provides a useful and visible benchmark to motivate managers. Kaplan and Norton (1996) argued that firms must use a wide variety of goals, including sales growth, to effectively reach their financial objectives.

Sales growth as a key element of business growth is important; hence selling of products / services is one of the two ways to increase firm profits (Narver & Slater, 1990). Sales growth enables one to know the general health of the business; it aids in identifying if one is meeting ones target. With sales growth it will be evident to investors that the business is successful. Factors that influence sales growth range from; promotion, internal motivation, retaining of talented employees,

implicit opportunities for investments in new technologies, and equipment in the production process (Mohd, Mohd, & Yasuo, 2013). They further said sales growth ought to be measured within the context of industry conditions and trends as well as local, regional and national economies.

Fig 1. Operational Conceptual Framework showing the relationship between reverse logistics practices and sales growth



(Independent Variables) (Dependent Variable)

Source: Researchers' concept, 2019

Theoretical Framework

This study was anchored on the Resource based view (RBV). Resource-based view was developed by Barney (1986) for analyzing firm's behaviour and competitive strategy. The RBV contends that the resources and capabilities of firms are the key sources of sustained competitive advantage (Lynch, Keller & Ozment 2000). This premise appears to be supported by logistics and SCM research (Lynch et al., 2000). According to Barney (1986) resources can be classified into organizational capital resources, physical capital resources and human capital resources. Capabilities can be defined as the skills a firm needs to take full advantage of its assets. Capabilities are complex bundles of individual skills, assets and accumulated knowledge exercised through organizational processes that enable firms to co-ordinate activities and make use of their resources (Olavarrieta & Ellinger, 1997). Thus, an organization may choose to focus on implementing reverse logistics practices to expose the negative environmental performance of its competitors. In this way, the organization can cut a niche for its products. Developing and implementing reverse logistics practices can only be achieved through creating environmentally responsible policies and investing in the necessary equipment and training. Creating a competitive advantage through implementing reverse logistics practices would lead to increased sales and consequently higher profit margins (Fortes, 2009).

Empirical Review

David and Shalle, (2014) Assessed the Effects of Reverse Logistics Adoption on Supply Chain Performance in the Manufacturing Sector in Kenya: A Case of Hewlett- Packard Kenya. The study used both primary (collected using questionnaires) and secondary data. Content analysis and descriptive statistics has been used to analyze the data, also the inferential statistics such as correlation models, and ANOVA have been used. Data was analyzed using statistical package for social scientists (SPSS) Version 21. Generally the research established that reverse logistics adoption has a significant impact of the supply chain performance in the manufacturing industry; the reverse logistics variables had a statistically significant impact on supply chain performance both independently and as a result of their interaction, three variables; product returns, End of Life (EOL) Management and product repairs were highly correlated and therefore had the most significant influence on supply chain performance both independently and as a result of their interaction. The respective organizations should therefore carry on and continually assess their reverse logistics approaches periodically and make the necessary corrective measures to ensure that they reap the maximum benefits of its adoption.

Somuyiwa and Adebayo (2014) conducted an empirical study of the effect of reverse logistics objectives on economic performance of food and beverages companies in Nigeria. The study targeted an aspect of reverse logistics management in the food and beverages companies carrying on business in Lagos State of Nigeria. With data collected from both primary and secondary sources of data on food and beverages companies, analysis was done using inferential statistical analysis. The results showed that the companies have been effective in using reverse logistics to reduce total logistic cost, improve customer satisfaction, enhance competitive advantage and in minimizing the environmental impact of returns as well as recovery of materials for re-use. Based on the findings of the study it was recommended that for reverse logistics systems to be successful, top management must guide and support the implementation and also recognize the fact that, reverse logistics cannot be managed in isolation.

Bilqis et. al. (2019) explores reverse logistics activities such as product return, reuse of materials, and waste disposal impacts on the management of waste products in the Nigerian manufacturing companies. It was with a view of examining the awareness of reverse logistics to the management of waste products in Nigeria and determining the importance of reverse logistics activities and processes in the management of waste products of Nigerian manufacturing firms. Using a cross-sectional survey research design, 300 staff of selected manufacturing firms that deal with waste product were selected in Lagos and a well-structured and validated questionnaire was administered. From this, 250 copies were returned, while 246 were valid for the purpose of analysis. Data generated were analysed using descriptive statistics, analysis of variance test of significance and Friedman rank test. Their findings revealed that reverse logistics activities arising from return of goods may be very important in the development of efficient and effective management of waste products in Nigeria manufacturing firms. The results also indicated that reverse logistics is highly significant in achieving organizational goals, company's future success,, the functioning of a manufacturing company and strategically positioning of the company. The study therefore recommended the need for a growing focus on various sections of reverse logistics processes in waste products' management of manufacturing companies in order to for them to achieve organizational goal and enhance sustainable business performance.

RESEARCH METHODOLOGY

Research design

The study adopted survey design research. Data were obtained from both the primary and secondary sources of data. Primary data were sourced through survey. The survey method involved the use of the questionnaire. The questionnaire contained relevant questions posed to

elicit response from the respondents. Secondary data for this study involved publications such as textbooks, newspapers, journals, brochures, dictionary, internet materials, and unpublished works such as class lecture notes, seminar / workshop papers, theses and dissertations.

Population of the Study

The population for the study consisted of the marketing staff and distributors of Starline Nigeria Limited, Abia State. The total number of this set of individuals is 101 according the marketing department of the studied firm. Considering the size of the population, a census of the entire population (101) was used.

Validity and Reliability of the Instrument

Before the instrument was used for actual study, it was pilot tested. Five (5) academics were used for the pilot testing. The test re-test was conducted to establish the initial reliability of the instrument. A further reliability test was conducted in the study using the Cronbach's Alpha. The reliability of the instrument was upheld when the reliability coefficient (r) exceeded 0.7 according to Nunnally (1978). Cronbach's alpha seeks to measure how closely test items are related to one another and thus measuring the same construct. The result of the reliability test was as follows;

Table 3.1: Reliability Analysis of the Variables.

S/N	Items	No of Items	Cronbach's Alpha
1.	Reuse	5	.852
2.	Recycling	5	.804
3.	Sales Growth	5	.922

Source: SPSS Output, 2019

Method of Data analysis

The data generated in the study were first presented in tables using frequencies and percentages. After which, they were analyzed with simple regression model. All analyses were done through the use of the Statistical Package for the Social Sciences (SPSS) version 20.0.

RESULTS AND ANALYSIS OF DATA

This section is for the presentation and analysis of data collected during the field work. The analysis is based on the responses from the completed questionnaire.

Presentation of Data

Questionnaire Distribution

Table 4.1. Distribution and return of questionnaire

Positions	Copies of Questionnaire Distributed	Copies of Questionnaire Completed	Copies of Questionnaire Not Completed
Marketing Staff	22	20	2
Distributors	79	73	6
Total	101	93	8

Source: Field Data, 2019

A total number of one hundred and one (101) copies of questionnaire were distributed to the marketing staff and distributors of Starline Nigeria Limited, Abia State. Out of this number, ninety three (93) were correctly completed, while eight (8) were incorrectly filled. Data analyses were thus made based on the correctly filled copies of the distributed questionnaire.

Reasons for product returns in Starline Nigeria Limited

Table 4.2. Descriptive statistics showing responses on the reasons for product returns in Starline Nigeria Limited

Reasons	V.H	H	M	L	V.L	MEAN	REMARK
Packaging Problems	44 47%	26 28%	16 17%	7 8%	- -	4.57	Accepted
Product leakages and breakages	33 35%	23 25%	20 22%	12 13%	5 5%	4.38	Accepted
Product expiration	9 10%	12 13%	20 21%	24 26%	28 30%	4.11	Accepted
Quality inconsistency	15 16%	19 20%	14 15%	20 22%	25 27%	4.23	Accepted
Wrong product delivery	29 31%	22 24%	7 8%	16 17%	19 20%	3.98	Accepted

Source: Field Data, 2019

The result in Table 4.2 showed the frequency, percentages, and mean scores on the reasons for product returns in Starline Nigeria Limited. The weighted mean score of the responses on the barriers were 4.57, 4.38, 4.11, 4.23 and 3.98 respectively. This means that the factors outlined were the main reasons for product returns in Starline Nigeria Limited with their mean scores greater than the mean criterion (3.0). Additionally, this revealed that packaging problems, product leakages / breakages and wrong products delivery respectively ranked high on product returns in the studied organization. These factors are the basis of reverse logistics management in the organization.

Product recovery processes in Starline Nigeria Limited

Table 4.3. Descriptive statistics showing responses on product recovery processes in Starline Nigeria Limited

Recovery Process	V.H	H	M	L	V.L	MEAN	REMARK
Resale	4 4%	6 7%	19 20%	34 37%	30 32%	2.66	Rejected
Reuse	23 25%	14 15%	10 11%	22 23%	24 26%	3.65	Accepted
Remanufacture	44 47%	41 44%	8 9%	- -	- -	5.26	Accepted
Recycling	38 41%	33 35%	20 22%	2 2%	- -	4.81	Accepted

Source: Field Data, 2019

The result in Table 4.3 showed the frequency, percentages, and mean scores on product recovery process in Starline Nigeria Limited. The weighted mean score of the responses were 2.66, 3.65, 5.26 and 4.81 respectively. This shows that three (3) recovery processes were used in the studied organization with their mean scores greater than the mean criterion (3.0). Thus, reuse, remanufacture and recycling were used to recover returned products in Starline Nigeria Limited.

ANALYSIS OF DATA

Effect of reuse on sales growth of Starline Nigeria Limited. Abia State

Table 4.4 Simple regression table below presents the effect of of reuse on sales growth of Starline Nigeria Limited, Abia State

Variables	Coefficient	Std. Error	t-value
Constant	4.890	1.612	3.021**
Reuse	5.604	2.042	2.744**
R^2	0.509		
Adjusted R^2	0.491		
F-statistic	14.994		
N	93		

Source: Field data, 2019

Note: **= Significant at 5% level

The regression result in Table 4.4 shows that reuse as a reverse logistics practice was positive and a significant factor that affects sales growth of Starline Nigeria Limited, Abia State. Reuse was significant at 5% probability level and positively related to sales growth of Starline Nigeria Limited, Abia State. This implies that sales growth in Starline Nigeria Limited is greatly dependent on how it employs reuse as a reverse logistics practice. As the practice of reuse increases, sales of Starline Nigeria Limited also increases.

The F-statistic in the regression above was 14.994 and significant at the 5% probability level indicating that the model specification was correct. The estimated regression equation shows that sales growth of Starline Nigeria Limited is a linear function of the explanatory variable (reuse). The r^2 value of 0.509 indicates that 51% of the variation in sales growth of Starline Nigeria Limited, Abia State is explained by reuse. This assertion is at the 95% confidence level.

Effect of recycling on sales growth of Starline Nigeria Limited, Abia State

Table 4.5 Simple regression table below presents the effect of recycling on sales growth of Starline Nigeria Limited, Abia State

Variables	Coefficient	Std. Error	t-value
Constant	8.406	2.842	1.736**
Recycling	0.297	0.080	3.700***
R^2	0.603		
Adjusted R^2	0.489		
F-statistic	16.168		
N	93		

Source: Field data, 2019

Note: *** = Significant at 1% level; ** = Significant at 5% level

The regression result in Table 4.5 shows that recycling was positive and a significant factor affecting sales growth of Starline Nigeria Limited, Abia State. Recycling was significant at 1% probability level and positively related to sales growth of Starline Nigeria Limited, Abia State. This indicates that sales growth in Starline Nigeria Limited is greatly dependent on recycling as a practice of reverse logistics. Thus, as recycling increases, sales of Starline Nigeria Limited also increases.

The F-statistic in the regression above was 16.168 and significant at the 1% probability level indicating that the model specification was correct. The estimated regression equation shows that sales growth of Starline Nigeria Limited is a linear function of recycling. The r^2 value of 0.603 indicates that 60% of the variation in sales growth of Starline Nigeria Limited, Abia State is explained by reverse logistics recycling. This assertion is at the 99% confidence level.

DISCUSSION OF RESULT

The study examined the effect of reuse as a reverse logistics practice on the sales volume of Starline Nigeria Limited, Abia State. Descriptive analysis result has revealed that packaging problems, product leakages / breakages, product expiration, quality inconsistency and wrong products delivery were factors that initiate reverse logistics in Starline Nigeria Limited, Abia State as customers who are faced with these challenges return affected products to the company. When these products are returned, what does the company do to recover value? Reuse, remanufacturing and recycling were found to be processes used by the studied firm to recover value from returned products from customers. Recycling has been found to contribute to cost savings thereby leading to sales growth and waste reduction (Mwaura, et. al., 2015). What then is the effect of these reverse logistics practices of the studied firm on its sales growth?

Regression result showed that reuse as a reverse logistics practice was positive and a significant factor that affects sales growth of Starline Nigeria Limited in Abia State of Nigeria. This finding is in agreement with previous findings. For instance, Jayaraman and Luo, (2007) opined that an effective reuse reverse logistics system could potentially increase sales volume via reduced material requirements and an improved market share via an environmental image. According to Amemba (2013), reuse strategy is one of reverse logistics practices that are believed to contribute most to sales growth. Equally, Larson (2017) found a positive correlation between reverse supply chain and organizational sales performance. Hung Lau and Wang (2009) also contend that firms that are located in developing countries that integrate reverse logistics into their operations help in reducing waste and increase their sales performance via the adoption of recycling activities.

The study result also showed that recycling was positive and a significant factor affecting sales growth of Starline Nigeria Limited in Abia State. This is consistent with the findings of Lumpkin and Dess, (1996). Many benefits can be associated directly with effective recycling reverse logistics management to include sales growth, market share, and profitability (Lumpkin and Dess, 1996). Similarly, the study by Eltayeb et al. (2011) showed that reverse logistics practices have positive influence on firm performance (financial performance and sales performance). In further agreement to this finding, Siew (2015) found that recycling as reverse logistics practice contributed to firm performance via boosting sales growth and profitability.

In line with the above findings, it can said that manufacturing firms like Starline Nigeria Limited that adopt reverse logistics practices into their supply chain can reduce new raw materials usage, produce value-added products, and reduce total manufacturing cost which will translate to a significant and positive effect on their sales performance and competitive advantage

CONCLUSION

While many companies have yet to recognize the strategic potential of efficient reverse logistics, it is clear that the tide is beginning to turn. There is more interest in reverse logistics now than ever before. As customers' returns are increase daily, firms are beginning to make serious investments in their reverse logistics systems and organizations. Although many view this strategic process as being a disturbance and distraction, but the neglect of this aspect of the firm's logistics process may have some negative effect like loss of customers' goodwill and patronage, and subsequently, loss of sales and profits. Definitely, reverse logistics will be one way that manufacturing organizations in Nigeria can reduce costs of materials and manufacturing, increase sales revenues, profits and customer service levels and help to obtain competitive advantage. To accomplish this task, metrics like blockchain that can enhance and measure various aspects of the reverse logistics process must be developed and implemented.

RECOMMENDATIONS

1. As the findings show that the adoption of the reverse logistics practices is impacts on organizational sales performance, Starline Nigeria Limited should include reverse logistics in their strategic planning and create clear policies for it. Management of Starline Nigeria Limited should look at reverse logistics practice as a strategic method that can be used to boost marketing performance.

2. Starline Nigeria Limited should invest in appropriate information technology like blockchain

that will assist the firm to establish effective data collection system to improve the effectiveness of its reverse logistics processes. The firm can communicate and share information with its supply chain members regarding the collection and handling of customers' product returns.

3. Starline Nigeria Limited should consider outsourcing their reverse logistics function to a third-party logistics (3PL) organization, if it lacks the necessary expertise or knowledge on reverse logistics management.

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INFORMATION DESIGN AND ELECTRONIC COMMITMENT: INSIGHT FROM CUSTOMERS OF KONGA ONLINE STORES IN LAGOS NIGERIA.

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ABSTRACT

The study focused on information design and electronic commitment among customers from Konga online stores in Lagos Nigeria. In developed nations, studies on website information quality and its effect on marketing performance indices have been carried out. But coming to Nigeria which happens to be a developing nation, no study of this nature have been carried out with emphasis on the leading online vendors. Hence, this study is poised to bridge this gap. The objective of this study is to determine the effect of information design on e-commitment of e-vendors in Lagos, Nigeria. TAM was adopted as the theoretical underpin for this study since it explains how the quality of design of information in a website helps in improving electronic commitment. Exploratory research design was adopted for the study. The model was based on simple regression analysis, which measures the relationship between two or more variables. The study concludes here that information design has a direct and significant relation with e-commitment of e-vendors. The study conclude that information content of websites of firms remains an important factor in respect of their customers' perception of their business values and status; and by extension lead to greater patronage where the judgment is favorable to the vendor. It was therefore recommended that electronic vendors in Nigeria should tailor their information designs in such a way that they will be customer centric, thereby ensuring commitment on the part of customers. The small sample size employed in this study remains a major weakness of this paper.

INTRODUCTION

In Recent time, firms have made efforts to apply Internet technologies to improve the attributes of their websites to ensure quality in customers' interaction experience (Al-Qeisi, Dennis, Alamanos, & Jayawardhena, 2014). In online shopping environments, a website interface serves as the "online storefront" for customers to interact with the online retailer, and to experience and evaluate the quality of service manifested by the website attributes (Zhang & von Dran, 2012). Previous studies have found that the website attributes interface plays an important role in online purchasing during customers' initial experiences with an online retailer, as the website attribute elements and the interaction experience influence customers' initial beliefs and subsequent behavioral intentions (Wells, Valacich, & Hess, 2011; Al-Qeisi, *et al.*, 2014) and customers are more likely to visit and buy from better-designed websites (Mithas, Ramasubbu, Krishnan, & Fornell, 2007).

Internet plays an important role in the communication between people and is also an important corporate tool. Its importance is so significant that web design is considered a strategic issue. The importance of various dimensions of website attributes is frequently forgotten, as long as approaches based in communication, usability and technique are considered more pragmatic.
In the history of management science, no topic has been the object of more academic research over such a short time than the Internet (Stafford, Stafford & Schkade, 2014). This technology or interface has provided a new interface linking businesses as well as individuals, and spanning many fields, from information systems to marketing, worldwide.

In developed nations of the world, studies on website information quality and its effect on marketing performance indices have been carried out. But coming to Nigeria which happens to be a developing nation, no study of this nature have been carried out with emphasis on the leading online vendors. Hence, this study is poised to bridge this gap. The objective of this study is to determine the effect of information design on e-commitment of e-vendors in Lagos, Nigeria.

REVIEW OF RELATED LITERATURE

The foundation of every online business is the E-Commerce website that it creates. Once the website captures the attention of the visitors, they should feel the need to explore further. This feeling comes with good design, speedy navigation on the site and easy to understand instructions. Website traffic is arguably one of the most important performance indicators for ecommerce practitioners. Not only does traffic reflect popularity of the website, it is also a prerequisite for generating online sales, and it provides a basis for acquiring revenue from web-based advertising agencies (Hanson, 2000).

Information security:

Information security revolves around Protecting information and information systems from unauthorized access, use, disclosure, disruption, modification, perusal, inspection, recording or destruction. The terms information security, computer security and information assurance are frequently incorrectly used interchangeably.
These fields are interrelated often and share the common goals of protecting the confidentiality, integrity and availability of information; however, there are some subtle differences between them.
These differences lie primarily in the approach to the subject, the methodologies used, and the areas of concentration. Information security is concerned with the confidentiality, integrity and availability of data regardless of the form the data may take: electronic, print, or other forms (Robs & Minds, 2013).

Information Quality

Virtually all previous studies included at least one of its indicators in their criteria model because of its importance. It revolves around various issues that help any user regardless of his / her education or experience to find the needed information within a reasonable time (Lautenbach, Schegget & Schoute, 2016), the capability of the website to maintain specific level of performance when used (Palmer, 2011), and interactivity or connectivity which emphasize the existence of interaction between user and website using different tools.
The following indicators and check elements, which are summarized and are the most important relating to the information design dimension.

1. Usability: The website is easy to use, understand, operate, find information, or navigate. It is easy to find the website using external websites, and it is clear to the user that new information is added to the website.
2. Reliability: Website's address is appropriate and easy to remember, short download time (Sui & Rejeski, 2012), multi browser support, and work properly using different screen settings. Few adverts are in the website's pages to avoid long time downloading of website's pages and there is a way to measure its efficiency by counting the number of visitors. Also, the website is available 7 days / week, 24 hours / day (Hasan & Abuelrub, 2011).
3. Interactive features: The website has clear instructions to use different parts / sections / forms of it (Yoo & Jin, 2014). Help function and clear error messages are available to help (Granath, 2006). FAQ is available that summarizes frequent. Effective internal search tool to search the content of the website is available. Communication channel and feedback exist between user and website through email, chat rooms, online community, or suggestion form. Follow-up service is offered and users can track their order easily (Mich, Franch & Gaio, 2013).
4. Security/Privacy: In order to gain users' trust, effective mechanisms are used to keep the transactions secure. In order to gain users' confidence, privacy of personal information is needed so that information can't be handled or read by unauthorized users.
5. Customization: The process of tailoring the content of the website according to the needs and performance of specific users.

Marketing Communication and Electronic Information Design

The Internet and web have created a new way to communicate and have real-time interactions (Nwokah, 2018). Nowadays, the internet, particularly the websites have become popular for firms to introduce their products and services. Companies worldwide are recognizing the World Wide Web as a valuable addition to their "tool box" of advertising media (Sheehan & Doherty, 2014). Statistics shows that the internet has about twelve per cent of world advertising market share in 2010 with internet ad spending reaching USD 64 billion. The level of spending is estimated to reach USD 94 billion by 2020 (Youngblood, 2013).

The internet has become an important commercial medium and marketing environment, where people, companies and governments are jumping on the internet faster than they acquire any other new communications medium (Abrahamsson & Lundgren, 2014) Internet usage continues to grow and internet users value the medium as a better tool to learn about products and services (Sheehan & Doherty, 2014).

Being on the internet can be advantageous to the company if there is a proper implementation and control of the effort. Therefore, it is imperative for marketers and advertising agency personnel to put search for ways to direct online users to their web pages and provide a strong communication message to them once they visit (Abrahamsson & Lundgren, 2014) Advertising on the web needs to be in line with what the company promotes offline, so that the customers are not confused about the image of the company (Abrahamsson & Lundgren, 2014) Integrated marketing communication is one good way to go about this because every marketing communication messages will originate from the same concept. If everything originates from the same concept, the web page will be in line with what the company communicate offline (Abrahamsson & Lundgren, 2014).

The growth and acceptance of internet as an important source of information has challenged marketers to integrate web into their marketing communication mix (Nwokah, 2018). A corporate website has the potential to communicate all the elements of the marketing communication mix and to allow a seamless link between a customer and a product. Palmer (2002) opines that a website has the ability to reach and communicate with several different target audiences, such as customers, media, employees and other stakeholders. The internet and the World Wide Web are nothing but a totally new and unique marketing medium (Hoffman & Novak 1997).

E-Commitment

Morgan and Hunt (1994) opine that commitment is "an exchange partner believing that on-going relationship with another is so important as to warrant maximum Efforts at maintaining it; that is, the dedicated party believes the relationship is worth working on to ensure that it endures indefinity". Moorman and Zaltman (1993) also gave a similar definition which states that commitment is a constant desire to maintain a valued relationship. Relationship of value associated with the belief that there is only relational commitment when the relationship is considered as important. In addition, the constant desire to maintain a relationship with the view that the partner who wants a relationship can run continuously and will strive to maintain it. Thus, relational marketing becomes an important issue. Morgan and Hunt (1994) states that in building the relationship marketing attention should be paid to two things as the key factors: trust and commitment of all parties involved in these activities. Furthermore, Barnes (2003) states that a commitment is a psychological state that is globally represent the experience of dependence on a relationship; commitment to summarize previous experience and direct dependence of the reaction on the new situation. Commitment is a long-term orientation in a relationship, including the desire to maintain the relationship. In the area of marketing services, by Barry *et al.*, (1991), the relationship is built on the foundation of commitment. In addition, the commitment is also a process that creates the desire of the customer to have a relationship with a particular company.

A recurring theme of the various parties in building the commitment among exchange partners are hard works to maintain and develop this valuable attribute in a relationship that is commitment. Therefore, the commitment is central to all relational exchanges between companies and various partners. In general there are two different types of commitment namely: calculative and affective (Peppers and Rogers, 2004). Calculative commitment associated with the type of instrument of commitment and as an extension of the need to maintain a relationship that is caused by the economic benefits and switching cost. Calculative commitment resulted from the economic analysis of the costs and benefits to make the commitment. On the other hand, affective commitment occurs because a person has emotional bonds and not for economic reasons. Therefore, the commitment is sensitive in establishing relationships with other parties. Customer trust is a strong contributor to the commitment if the open communication and exchange of information used to create positive relationships attitudes and also used to strengthen the benefits relationship. E-commitment is a key mediating variable for relationship marketing (Morgan and Hunt, 1994; Palmatier *et al.*, 2007). E-commitment related to the belief in a relationship that is very important to ensure maximum effort in maintaining the relationship. Therefore, e-commitment is an evaluation of the current benefits and costs of a relationship, implying a long-term orientation of the relationship.

Theoretical Framework

Technology acceptance model by Davis Fred (1989).

The technology acceptance model (TAM) proposed by Davis (1989) suggests that perceived

usefulness and perceived ease of use determine an individual's attitude towards usage and intention to use a new technology or service, and perceived usefulness is also considered to be affected directly by perceived ease of use. TAM has been widely extended and used to explore the adoption and continued use of new technology or services, such as the use of service websites in online service contexts. The findings of previous studies revealed that both computer factors and human factors of website design were positively related to perceived usefulness. For example, Heijden (2003) suggested a link between perceived visual attractiveness (human factors), perceived usefulness, and perceived enjoyment; Calisir and Calisir (2004) found that perceived ease of use, system capability, and user guidance (computer factors) are determinants of perceived usefulness; and Hausman and Siekpe (2009) reported that both computer factors and human factors of website design features have a positive and significant impact on perceived usefulness. Hence TAM was adopted as the theoretical underpin for this study since it explains how the quality of design of information in a website helps in improving electronic commitment.

Empirical Review

Hasan (2016) proposed a three-dimensional model (visual design, navigation design, and information design). Hausman and Siekpe (2009) argued that effective website design should include both high task-relevant computer factors (e.g., technical aspects) and low-task human factors (e.g., visual appearance such as color and graphics) to create a more effective online shopping experience. Chin and Yang (2016) concluded based on the data from a survey of 303 Internet users, the results indicate that computer factors and human factors, the key website design features, are significantly related to website users' experiences: perceived usefulness, perceived entertainment value, and perceived informativeness, in turn, significantly affect the intermediary outcomes of attitude toward the site and, ultimately, influence users' behavioral intentions.

An empirical study was undertaken by Bharadwaj and Soni (2007) to investigate the perceptions and usage of e-commerce concerns among small firms. The researchers undertook both a mail survey and interviews of owners who were successfully utilizing e-commerce within their small businesses. The results highlighted that ecommerce was composed of different prominent sections: reaction of business to the changing needs of consumers, movement of information, the representation of the business, entry into other markets and escalation in sales. The study showed that the reasons why businesses did not undertake e-commerce was due to the view that ecommerce activities were thought not to be essential to a company's strategies. The study supports the results of a previous study carried out by Levy and Powell, (2003) cited in Bharadwaj and Soni (2007), which proposed that the attitude of the business owner towards the value of the internet is vital to whether the company adopts ecommerce.

METHODOLOGY

Measurement

Exploratory research design was adopted for the study. The actual Population of E-Vendor customers in Nigeria was gotten from the report of TechnoCity (2017) which stated that as at march 2017, 191,835,936 Nigerians are online and 65% of this population shop online. And going by this report, the population of the study for Customers is 124,693, 358. The five-point Likert scale was used for all observed variables. KMPG (2015) Fact book shows that Lagos state has the highest number of consumers who make their purchases online in Nigeria. These include customers in Ikeja, Victoria Island, Lekki, Yaba and Ikoyi. The researcher used a 5-point Likert scale in measurement of the instruments. Measures to be used include the following: Undecided (1), Strongly disagree (2), Undecided (3), Agree (4), and strongly agree (5).

Sampling and Data Collection

The sampling frame and subjects were customers over the age of 18 that have been shopping online in Lagos Nigeria. The samples were collected using a probability sampling technique (Yamen formula) and arrived at 400 respondents. Data were collected using two methods: (1) A survey questionnaire was designed on Google tools (Google Docs) and sent to subjects through online tools such as e-mail and social networking including forums, Facebook, and so on; (2) questionnaires were distributed directly to respondents.

Descriptive Statistics

Out of the 400 distributed copies of questionnaire, 300 usable copies were retrieved. Samples included 140 (46.7%) female customers and 160 (53.3%) male customers, i.e., 230 in total. In 2017, Nigeria had 191.83 million internet users (Tchnocity, 2017), which considering 95% confidence, yields a confidence interval of 6.46%. In terms of age, 249 (83%) customers were aged 18 to 35 and 51 (17%) customers were over 35 years old and above. From the collated data, 206 respondents representing 68.7% of the total sample size are single while 94 (31.3%) are married.

On the customers educational qualification that patronize the e-vendors 28(9.3%), 64(21.3%), 92(30.7%), 74(24.7%), 40(13.3%) and 2 (0.7%) respondents has First School Leaving Certificate (FSLC), SSCE, Diploma, HND / BSc, Master's / MBA and PhD respectively. This shows that the customers are all educated to an extent and this also shows in their compatibility with the online business platform.

Reliability Assessment for Customers

Table 3.1: Test of Reliability (Customers)

Latent constructs	Indicators	Cronbach alpha
Information design	ID1	0.97
	ID2	
	ID3	
E-commitment	EC1	0.99
	EC2	
	EC3	

Source: Researchers' Eview Output, 2019

The set minimum threshold for establishing reliability with Cronbach's alpha is 60 per cent, whereas composite reliability must be 70 per cent or over for it to be concluded that an instrument exhibits good reliability behaviour (Hair *et al.*, 2014; Nunnally, 1978; Bagozzi and Yi, 1988). The result obtained show that Cronbach's alpha ranges from 0.97 to 0.99, whereas the composite reliability ranges from 0.80 to 0.95. These evidences clearly indicate that the reflective indicators of each latent construct are internally consistent.

Model Specification

The model was based on simple regression analysis, which measures the relationship between

two or more variables.

The models are specified below:

$y= \beta_0+ \beta_1X_1+\varepsilon_i$,...(3.2)

where y = E-commitment

β_0 = Constant

X_1 = Information Design

X_2 = Visual / Navigation Design

ε_i = Error Term

RESULTS

This section provides a concise and precise description of the experimental results, their interpretation, and the conclusions.

Regression analyses of the variables

This section considers the interrelations between some variables of interests in accordance to the specific objectives raised in the introductory part of this work and as it pertains to the point of view of e-vendors alone.

Analysis of objective 1

Objective 1: Examine the Influence of Information Design on e-commitment

The influence of information design on ecommerce commitment of e-vendors was estimated with the application of regression analysis. The result obtained is shown on table 1.1 below.

Objective 1: Examine the Influence of Information Design on e-commitment

Table 4.1: Effects of Information Design and Visual/Navigation Design on e-commitment of e-vendors

Dependent Variable: ECOMM
Method: Least Squares
Date: 10 / 22 / 18 Time: 15:42
Sample: 1 300
Included observations: 300

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.567511	0.175490	-3.233859	0.0015
ID	0.447300	0.117244	3.815128	0.0002

R-squared	0.759550	Mean dependent var	3.092588
Adjusted R-squared	0.756279	S.D. dependent var	0.919080
		Akaike info	

S.E. of regression	0.453733	criterion	1.277180
Sum squared resid	30.26339	Schwarz criterion	1.337393
Log likelihood	-92.78853	Hannan-Quinn criter.	1.301643
F-statistic	232.1772	Durbin-Watson stat	1.710016
Prob(F-statistic)	0.000000		

Source: Researcher's Eviews Analysis 2019

The influence of information design on ecommerce commitment of e-vendors was estimated using regression analysis and shown on table 4.1 above. Information design of e-vendors' website has significant effect on ecommerce commitment of e-vendors in the opinion of sampled customers judging from the implication of its probability value. This implies that information design of e-vendors has a statistically significant association with their commitment of e-vendors towards electronic marketing. This position is notably similar to the findings made for e-vendors analyses where we also found a positive and significant influence from information design on e-commitment of e-vendors.

The above finding is established on the outcome of the beta coefficient of 0.45 approximately which suggests a positive effect flowing from information design towards observations gathered on e-commitment. The interplay of these two variables is significant at 1% level of statistical significance in consideration of the probability value as contained on the table 8 above.

Hence, the study concludes here that the effect of information design on e-commitment of e-vendors is direct and relevant to the extent of influencing statistical conclusions and predictions. And this conforms to the opinion of Therese, (2018), that concluded that data design enhances the level of commitment that is attached to the vendor by the customers.

SUMMARY CONCLUSION AND RECOMMENDATION

On the interrelation between information design and ecommerce commitment of customers in consideration of the opinions of respondents was estimated using regression analysis; Information design has significant and positive effect on ecommerce commitment of e-vendors as is evident from the outcome of its beta co-efficient and probability value.

The study concludes here that information design has a direct and significant relation with e-commitment of e-vendors. The study conclude that information content of websites of firms remains an important factor in respect of their customers' perception of their business values and status; and by extension lead to greater patronage where the judgment is favorable to the vendor. It is therefore recommended that electronic vendors in Nigeria should tailor their information designs in such a way that they will be customer centric, thereby ensuring commitment on the part of customers.

LIMITATIONS OF THE STUDY/ SUGGESTIONS FOR FURTHER STUDIES

Due to the relatively small number of respondents (400) that participated in the empirical phase of the study, this study might to a certain degree be regarded as of an exploratory nature. Further research, with larger samples, might add additional insights into the dimensions that are important to the customer patronage in the internet marketing.

The small sample size employed in this study remains a major weakness of this paper. Whilst the ratio of number of predictors to cases criteria as suggested by Bartlett *et al.* (2001) was met, there are clear indications that the significant level of the links within the model might likely change if a larger sample is employed. Trivially small coefficients can be statistically significant with large sample sizes and very large coefficients can be non-significant with small sample sizes.

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PRODUCT INNOVATION STRATEGIES AND BRAND IMAGE REPOSITIONING OF PAINT MANUFACTURING FIRMS IN RIVERS STATE

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ABSTRACT

This study aimed at examining the relationship between product innovation strategies and brand image of paint manufacturing firms in Rivers State of Nigeria. A conceptual framework was used to illustrate a diagrammatic relationship between dependent and independent variables. The study adopted descriptive research design. The target population was 30 paint manufacturing firms in Rivers State. The study used simple random sampling technique to select 4 respondents each from the 30 paint manufacturing firms studied, and the sample size was taken to be 120. A pilot study was carried out to refine the instrument and the quality and consistency of the survey was further assessed using Cronbach's alpha. 120 copies of questionnaire were distributed to respondents, and the number of completed questionnaire was 115. After data cleaning, 100 (87%) copies of questionnaire were found useful for the analysis. Data analysis was performed on a computer using Statistical Package for Social Science (SPSS Version 22) for Windows. Analysis was done by means of the Pearson's Product Moment Correlation Coefficient (PPMC) analysis. The study revealed that the components of product innovation (radical innovation and incremental innovation) significantly relate with brand identity and brand competence. The study therefore concludes that, product innovation strategies significantly relate with brand image of paint manufacturing firms in Rivers State of Nigeria, and recommends amongst others that management of paint manufacturing firms should emphasis more on radical innovation which has the most statistically significant relationship with metrics of brand image to develop exposure needed to accurately predict and timely package programmes that firmly establish success in brand identity and brand competence.

Keywords: Brand competence, Brand identity, Incremental innovation, Radical innovation.

INTRODUCTION

Due to the high competition in the paint manufacturing industry, it has become very important for organizations to focus on brand image of their products. Predominantly, building brand equity is considered as the key determinant of the potency of a brand and its examination is well thought-out to be the principal tread in flourishing brand running (Aaker, 1991). Brand image is a vital asset of brand equity which outlines the general assessment of customers in the direction of a brand (Keller, 1993). Thus, businesses see brand image building as a crucial objective that must be attained. Lee, James and Kim, (2014) assert that, brand image shapes the starting point for making improved strategic marketing decisions regarding aiming at definite market segments and product positioning in any commerce state of affairs.

Further, the high level of competition in the business setting has generated a marketing response in this direction that has received extensively broadened marketing concentration; where firms have modified existing or even launched new production approaches to heighten their brand image force as well as trim down competitive force on the business scenery. The unbroken development and market introduction of new products is a significant determinant of nonstop firms' performance (Blundell *et al.*, 1999; Brockhoff 1999; Urban & Hauser 1993; Chaney & Devinney 1992; Capon *et al.*, 1990). The design and development of new products has become an indispensable activity for firms craving to remain competitive in their business. Thus, companies have usually initiated their time-honored approaches to developing new products, and are ad infinitum looking out for new techniques and practices of improving the business and implementation of such development course of action in order to generate captivating products.

Some Scholarly inquiries on product innovation strategies have accumulated. For instance, Nguyen, Nguyen, Phung, and Nguyen, (2019) examined the individual effects of product and process innovations on external collaboration in Vietnam, Orjuela *et al.* (2019) carried out a study to identify incremental innovations on sustainable competitive advantages in SMEs, Hanaysha, Hilman & Abdul-Ghani (2014) examined the effect of product innovation and product quality on brand image with brand trust as mediator. Previous studies have rather ignored the relationship between product innovation strategies and brand image, because empirical investigations on the linkages between the assumed variables are limited. Consequently, this study aims to fill up the research gap and make available a pragmatic substantiation on the relationship between product innovation stategies and brand image. In order to bring about the objectives of this study, the paint manufacturing industry in Rivers State of Nigeria is selected. This is for the reason that the industry contributes appreciably to the economy of the state. Consequently, this research is premeditated to lend a hand to this industry to realize its objective through its results and recommendations. The foregoing segment appraises the literature on the variables preferred in this study and put in plain words how they relate with each other

Statement of the Problem

It is no misnomer that Nigeria paint manufacturers are endowed with abundant skills and human resources that can lead to the development of successful brand image for their products if well exploited and harnessed. However, what is observed in today's marketing endeavors is the abysmal performance of firms' brand in the market place. Paint manufacturing firms operating in

Rivers State are not expected to experience little brand image if they apply their product innovation strategies correctly. The agitating question here is; where there is an indication of poor brand image, can product innovation strategies be employed as a line of attack to make it effective in contributing significantly to better brand image? Based on this concern, this study explores the nexus between product innovation strategies and brand image.

LITERATURE REVIEW AND HYPOTHESES

Product Innovation Strategy

The term "innovation" originates from the Latin word "innovatio" which means the conception of something innovative? Bon and Mustafa (2013) define innovation as the espousal of initiative or activities that is novel to the business. Morris (2008) asserts that the scheme of innovation is to build up ideas, filter them into a functional structure, and convey them to results in the market where they will attain augmented competences.

Vazquez-Brust and Sarkis (2012) portray product innovation as new product blueprint introduced by a brand for cost-effective purposes that intend to uphold the excellence and attributes of products which in essence shoot from the inventive blueprints for the duration of production course of action. Product innovation is therefore, the development of new products, making modifications in the obtainable product blueprint or using new formulas and means in the current production procedures. Product innovation is one of the crucial dynamics in the accomplishment of quite a lot of brands. According to the Policy Studies Institute (2010), product innovation envelops a number of facets such as new product improvement, enhancement in design of conventional products, or exploitation of new resources or mechanisms in the creation of reputable products

Schumpeter (1997) who discerns five areas in which firms can engage in product innovation:

1. Generation of new or improved products.

2. Introduction of new production processes.

3. Development of new sales markets.

4. Development of new supply markets.

5. Reorganization and / or restructuring of the company.

Product innovation is critical to firm's achievement (Yalcinkaya, Calantone, & Griffith, 2007), particularly in high-tech business (Kim & Huarng, 2011; Madhok & Osegowitsch, 2000). Product innovation has been classified in two models: radical and incremental innovations (Jansen, Van Den Bosch & Volberda, 2006). This study adopts radical innovation and incremental innovation as dimensions of product innovation as inquiries on radical and incremental innovations are also applicable for the conceptualization of product innovation (Ettlie, Bridges & Okeefe, 1984).

Radical Innovation

Radical innovation is measured in as a powerful strength for trade and industry expansion and is designed to assemble the requirements of up-and-coming customers or markets (Benner &

Tushman, 2003; Danneels, 2002). These categories of innovation put forward novel blueprints, generate new markets and build up new channels of distribution (Abernathy & Clark, 1985). Radical innovation has need of new knowledge or departure from accessible knowledge (Benner & Tushman, 2002; Child & McGrath, 2001; Levinthal & March, 1993).

Incremental Innovation

Incremental innovation alludes to product line extensions or adding adjustments to current podium and products (Ali, 1994; Ali, Kalwani, & Kovenock, 1993). Incremental or exploitative innovation is premeditated to convene the requirements of current customers or markets (Benner & Tushman, 2003; Danneels, 2002). Incremental innovation is intended to extend accessible knowledge and skills, advance conventional blueprints, enlarge current products and services, and boost the good organization of current distribution channels (Abernathy & Clark, 1985; Jansen, Van Den Bosch Volberda, 2006). For this reason, incremental innovations put together accessible knowledge and consequently underpin obtainable proficiency, procedures, and configurations (Abernathy & Clark, 1985; Benner & Tushman, 2002; Levinthal & March, 1993; Lewin, Long & Carroll, 1999). Marketing managers design such products to satisfy a perceived market need (Ali, 1994).

Brand Image

Brand image refers to the set of associations linked to a brand built up in customer's mind. It is one of the key rudiments of brand equity which shapes the starting point of brand achievement (Keller, 1993). Brand image has been considered in terms of brand associations, brand performance, brand imagery, consumer judgments, and consumer feelings fashioned in the minds of customers (Keller, 2001). A comparative advantage of brand image is symbolized in the entry blockade to any market, as customers for the most part have a preference for brands with a physically powerful image at some point in their purchasing decisions (Nikhashemi, Paim, Sidin & Osman, 2013). Brand image is indispensable for marketing professionals and customers (Saydan, 2013).

The dimensions of brand image according to Brexendorf and Kernstock (2007) and Wijaya (2012) are: brand identity, brand personality, brand association, brand behaviour and attitude, and brand competence and benefits. This present study adopts brand identity and brand competence as the measures of brand image.

Brand Identity

The first dimension of brand image is brand identity which refers to physical or tangible uniqueness linked to the brand or product that enables consumers to effortlessly categorize and make a distinction with other brands or products, such as logo, colors, sounds, smells, packaging, location, corporate identities, slogan, and others. Kostehjk and Erik (2008), endorse that the epitome of each brand is to generate an exceptional identity in the market. Brand identity therefore, incorporates all that makes a brand across-the-board and only one of its kinds. This advocates that firms ought to fashion brands that are physically powerful, potent, sought-after and inimitable and ought to be assembled founded on three traits of a high-quality brand,

explicitly; durability, consistency and realism.

Brand Competence

The last dimension of brand image is brand competence, which consists of fundamental essentials for getting to the substructure of consumers' apprehension. Brand competence is the potential of a brand to achieve over consumer's dilemma and also rewarding their requirements (Lei & Li, 2014; Lau & Lee, 2000). A proficient brand is one that has the capacity to interpret customers 'tight spot and to arrange the necessities (Butler, 1991; Butler & Cantrell, 1984). Brand competence is also an all-embracing deportment which builds up consumer trust in brand. All firms sincerely long to put together their competence in not several key areas and to condense with their brand enclosed by this field of influence. A brand must hold some matchlessness that guarantee consumers' requirements (Hasan & Muhammad, 2010)

Empirical Review

Nguyen, Nguyen, Phung, and Nguyen, (2019) examined the personage effects of product and process innovations on external collaboration, on firm performance and corporate social responsibility (CSR) activities in Vietnamese manufacturing firms within 2011–2013. The study found that process and product innovations are beneficial to firm performance through market share, and not return on total assets. The study also discovered confirmation signifying that innovation possibly will make companies more indecipherable, in particular when there are outside party caught up.

Orjuela *et al.* (2019) embarked on a study to identify incremental innovations to unearth sustainable competitive advantages of firms in SMEs, by means of the inductive-deductive technique. The results indicate that the proposed money makers' identification model has been implemented in 4 stages, where the exploration for technological money makers and the process improvements that influence the business model of firms are oriented.

Hanaysha, Hilman & Abdul-Ghani (2014) investigated the influence of product innovation and product quality on brand image with brand trust as mediator. Data were unruffled by means of questionnaire from 287 passenger car users at shopping malls in Northern region of Malaysia. The systematic sampling procedure was tracked throughout data collection and data was analyzed by means of structural equation modeling (AMOS). It was revealed that product innovation and product quality have significant relationship with brand image; product innovation and product quality have significant relationship with brand trust, and brand trust mediates the relationships between product innovation and brand image. It is also found that brand trust mediates the relationship between product quality and brand image.

Minguela-Rata1 (2011) examined the influence of a practical alternative, simultaneous engineering on the increase in quality of new products. Findings illustrates that simultaneous engineering can account for the rise in new product quality. Early attachment is the fundamental principle of simultaneous engineering which has no influence on new product quality, and the use of multifunctional teams has the utmost influence on the variable standing for the success of a new product.

From the review of literature, the following research model was formulated:

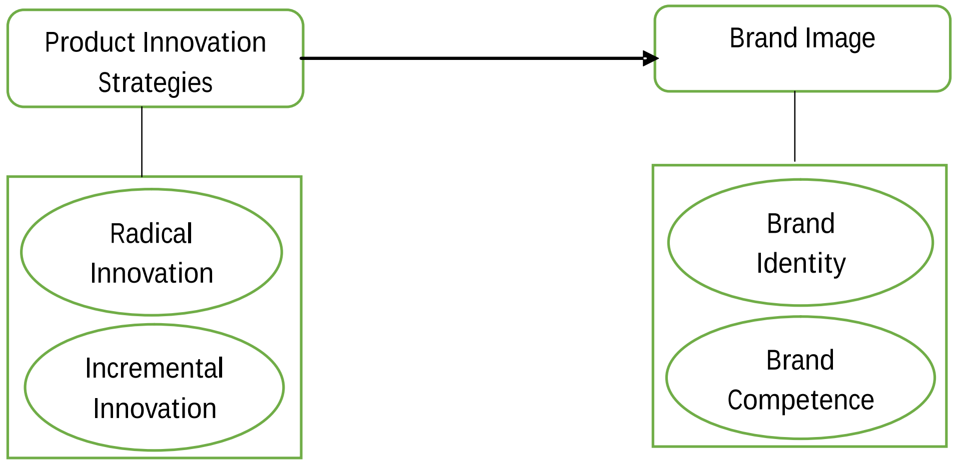

Figure 1: Conceptual Framework of Product Innovation Strategies and Brand Image

Source: Adopted from Brexendorf, T. O. & Kernstock, J. (2007). Corporate behavior vs brand behavior: Towards an integrated view? *Journal of Brand Management, 15 (1), 32-40.*

Jansen, J. J. P., Van Den Bosch, F. A. J. & Volberda, H. W. (2006). Exploratory innovation, exploitative innovation, and performance: Effects of organizational antecedents and environmental moderators. *Management Science,52 (11),1661– 1674.*

As noted earlier, product innovation strategies relate with brand image. This leads to the following hypotheses:

Ho_1: Radical innovation does not significantly relate with brand identity of paint manufacturing firms in Rivers State.

Ho_2: Radical innovation does not significantly relate with brand competency of paint manufacturing firms in Rivers State.

Ho_3: Incremental innovation does not significantly relate with brand identity of paint manufacturing firms in Rivers State.

Ho_4: Incremental innovation does not significantly relate with brand competence of paint manufacturing firms in Rivers State.

RESEARCH METHODOLOGY

The population of the study constitutes all paint manufacturing firms in Nigeria while the accessible population consists of thirty (30) paint manufacturing firms in Rivers State, whose authentic list was derived from the Rivers State Ministry of Commerce and Industry as at February, 2020. The entire 30 paint manufacturing firms were considered in this study. The simple random sampling technique was used to determine the respondents, where 4 executives

were chosen randomly from each of the 30 paint manufacturing firms to make up the total of 120 respondents. The executives chosen were: the brand managers, marketing managers, customer service managers and supervisors of the 30 paint manufacturing firms under study. The executives of the paint manufacturing firms were chosen because they can elicit information relating to product innovation strategies and brand image.

The questionnaires were administrated to 120 respondents who were contacted over a four-week study period. Of the 120 respondents contacted, 115 copies were returned, yielding a response rate of 96 percent. The remaining 5 copies produced and distributed were not returned and were unaccounted for. However, the return rate of 96% is considered high and outstanding considering a minimum return rate of 70% as suggested by Kothari (2011). Additionally, of the 115 copies of the questionnaire returned, the usable copies numbered 100 leading to a response rate of 87%. However, 13% (15 copies) was not used due to wrong filling, missing and incomplete information in the demographic profile. The returned and usable rate is once more considered sufficient for the analysis (Kothari, 2011). Data were handled with the Pearson's Product Moment Correlation Coefficient method using the statistical package for social sciences (SPSS Version 22.0).

ANALYSIS

Reliability of the Instrument

The study adopted the Cronbach's alpha technique in ascertaining the reliability of the study, and the result of this reported. The Cronbach's alpha is the most widely used test for internal consistency. The reliability scale was further examined by computing the coefficient alpha (Cronbach alpha) of the instrument, and the result exceeds the minimum threshold of 0.7 as recommended by Cronbach (1970) and Nunnaly (1978). The result of the reliability test is reported in table 2.

Table 2 Test of Reliability

Scale	Dimension	Items	Reliability
RI	Radical Innovation	3	0.752
II	Incremental Innovation	3	0.722
BIY	Brand Identity	3	0.712
BC	Brand Competence	3	0.770
BI	Brand Image	3	0.725

Source: SPSS window output, 2020

Table 2 summarizes the reliability product innovation and brand image (which also includes the individual item reliability test). Significantly, all items are reliable and are used to study product innovation and brand image of paint manufacturing firms in Rivers State. The extent of the relationship between product innovation strategies and brand image can be operationalized using radical innovation (.752) with 3-items measure; incremental innovation (.722) with a 3-item measure; brand identity (.831) with a 3-item measure, brand competence (.770) with 3-items measure and brand image (.725) with a 3-item.

Test of Hypotheses

Decision Rule

Significant / probability value (Pv) < 0.05 (level of significance = conclude significant Relationship.

Significant probability value (Pv) > 0.05 (level of significant = conclude insignificant Relationship.

Ho$_1$: There is no significant relationship between radical innovation and brand identity of paint manufacturing firms in Rivers State.

Table 3: Correlation Analysis showing the direction and strength of the relationship between Radical Innovation and Brand Identity.

Correlations

Variables	Statistics	Radical Innovation	Brand Identity
Brand Identity	Pearson's correlation Sig. (2 - tailed) N	1.000 100	.437** .000 100
Radical Innovation	Pearson's correlation Sig (2 - tailed) N	.437** . 000 100	1.000 100

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

Table 3 shows that the Pearson's r = 0.437**. This shows that a moderate relationship exists between radical innovations. The sign of the correlation coefficient is positive, indicating that when radical innovation increases, brand identity also increases. This does not agree with the stated null hypotheses 1 (There is no significant relationship between radical innovation and brand identity of paint manufacturing firms in Rivers State).Therefore the researcher rejects the null hypothesis and accepts the alternative hypothesis that there is a significant relationship between radical innovation and brand identity of paint manufacturing firms in Rivers State. The significant / probability value (pv) = 0.000 < 0.05. Hence the researcher concludes that a significant positive and moderate relationship exist between radical innovation and brand identity, implying that when a company is perceived as applying radical innovation in handling product innovation program, this effort will in turn relate positively with brand identity in achieving

brand image for the organization.

Ho$_2$ There is no significant relationship between radical innovation and brand competence of paint manufacturing firms in Rivers State.

Table 4 Correlation Analysis showing the direction and strength of the relationship between Radical Innovation and Brand Competence

Correlations

Variables	Statistics	Radical Innovation	Brand Competence
Brand Competence	Pearson's correlation Sig. (2-tailed) N	1.000 100	.412** .000 100
Radical Innovation	Pearson's correlation Sig (2 - tailed) N	. 412** . 000 100	1.000 . 100

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

Table 4 shows that the Pearson's (r) = 0.412**. This shows that a moderate relationship exist between radical innovation and brand competence. The sign of the correlation coefficient is positive, indicating that when Radical Innovation increases, brand competence also increases. This does not agree with the stated null hypothesis 2 (There is no significant relationship between radical innovation and brand competence of paint manufacturing firms in Rivers State).The significant / probability value (pv) = 0.001 < 0.05. Therefore, the researcher concludes that a significant positive and moderate relationship exist between radical innovation and brand competence, implying that when a company is perceived as applying radical innovation in its product innovation program, this effort will subsequently affect brand competence positively.

Ho$_3$: There is no significant relationship between incremental innovation and brand identity of paint manufacturing firms in Rivers State.

Table 5: Correlation Analysis showing the direction and strength of relationship

Between Incremental Innovation and Brand Identity

Correlations

Variables	Statistics	Incremental Innovation	Brand Identity
Brand Identity	Pearson's correlation Sig. (2-tailed) N	1.000 100	.315** .000 100
Incremental Innovation	Pearson's correlation Sig (2-tailed) N	.315** . 000 100	1.000 . 100

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

Table 5 shows that Pearson's (r) = 0.315**. Thus shows that a weak relationship exists between incremental innovation and brand identity. The sign of the correlation coefficient is positive, indicating that when incremental innovation increases, brand identity also increases. This does not agree with the stated null hypothesis 3 (There is no significant relationship between incremental innovation and brand identity of paint manufacturing firms in Rivers State), therefore the researcher rejects the null hypothesis and accepts the alternative hypothesis that there is a significant relationship between incremental innovation and brand identity of paint manufacturing firms in Rivers State. The significant/probability value (pv) = 0.00< 0.05. Therefore, the researcher concludes that a significant, positive but weak relationship exists between incremental innovation and brand identity of paint manufacturing firms, implying that when a company is perceived as applying increment innovation in its product innovation program, this effort will subsequently influence to some extent the brand identity of her organization.

Ho_4: There is no significant relationship between incremental innovation and brand competence of paint manufacturing firms in Rivers State.

Table 6 Relationship between Incremental Innovation and Brand Competence
Correlation

Variables	Statistics	Incremental Innovation	Brand Competence
Brand Competence	Pearson's correlation sig. (2-tailed) N	1.000 . 100	.489** .001 100
Incremental Innovation	Pearson's Sig(2-tailed) N	.489** .001 100	1.000 . 100

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

The information in table 6 reveals that a moderate relationship exist between incremental innovation and brand competence (r= 0.489**). This is in agreement with the earlier decision rule that if the correlation value is within 0.40-059. The relationship is moderate. The correlation value is also positively signed indicating that a positive relation exist between incremental innovation and brand competence. This is not in line with the stated hypothesis 4 (There is no significant relationship between incremental innovation and brand competence of paint manufacturing firms in River State), therefore, the alternative hypothesis that there is a significant relationship between incremental innovation and brand competence of paint manufacturing firms in River State is accepted. The relationship is also significant (significant/probability value (pv) = 0.001 <0.05) hence, the researcher concludes that significant, positive and moderate relationship exists

between incremental innovation and brand competence, implying that incremental innovation is a major contributor to a company's brand competence in the attainment of organizational brand image goals.

DISSCUSSION OF FINDING

The first and second hypotheses sought to ascertain the relationship between radical innovation and brand identity and brand competence of paint manufacturing firms in Rivers State, using the Pearson's product moment correlation analysis. Ideally, radical innovation is a prime factor or driver of brand image activities. A very vital step in guaranteeing firms' brand identity and brand competence is to understand radical innovation scheme and address it appropriately. The hypotheses was stated in the null form, statistically tested and rejected. As it is in our expectation and indeed supported by our findings, radical innovation has a moderate, positive and significant relationship with brand identity and brand competence.

The fourth and fifth hypotheses sought to determine the association between incremental innovation and brand identity and brand competence of paint manufacturing firms in Rivers State, using the Pearson's product moment correlation analysis. Statistical evidence provides that the relationship between incremental innovation and brand identity are moderate, positive and significant, whereas, the relationship between incremental innovation and brand competence is weak, positive and significant, thus leading to the rejection of the null hypotheses and the acceptance of the alternative hypotheses.

Our findings also, show that the strength of the relationship existing between incremental innovation and brand identity is weak, but has a positive and significant relationship. This may be due to the fact that companies whose incremental innovation packages on brand identity are handled poorly have higher negative return on brand identity. This implies that, lack of proper management of incremental innovation scheme will hinder brand identity. The study's findings is consistent with Nguyen *et al.* (2019) who discovered confirmation signifying that innovation possibly will make companies more indecipherable, in particular when there are outside party caught up. However, this should be clearly seen that in as much as incremental innovation is very important, it is not our objective criterion, but it is very vital in the analysis of the relationship between the variables.

Therefore, it is possible to argue that, product innovation strategies (radical innovation and incremental innovation) emanating from the recognition of firms' effort to promote organizational operations and sustainability positively relate with brand image metrics (brand identity and brand competence). Product innovation strategies have consistently indicated its vitality and sustainability of organizations. This is clearly seen in the fact that product innovation strategy is proactive and focused towards the anticipation and addressing of organizational related issues that are in line with radical and incremental innovations and brand image (brand identity and brand competence). This evidence is in line with Hanaysha (2014) who found that product innovation and product quality have significant relationship with brand image.

This implies that management of paint manufacturing firms will be guided to focus more on the development of product innovation strategies programs to ensure improved brand image measured by brand identity and brand competence. It will also, be a pointer to them to be skillful in packaging radical innovation and relate it genuinely to brand image. This implication is necessary because the study revealed that radical innovation was the most significant dimension of product innovation that relates with the metrics of brand image (brand identity and brand competence)

CONCLUSION AND RECOMMENDATIONS

This work focused on investigating the relationship between product innovation strategies and brand image of paint manufacturing firms in Rivers State. The study attempted to assess the extent to which responses from the respondents on product innovation strategies relate with brand image. It is evident from the findings that there is implicit relationship between attributes of product innovation strategies and brand image. The results of the quantitative analysis demonstrate that Ho_1, Ho_2, Ho_3 and Ho_4 were all statistically measured and rejected, and the alternative hypotheses accepted, indicating that product innovation strategies through radical innovation and incremental innovation positively and significantly relate with brand image measured by brand identity and brand competence. Although, all the attributes of product innovation strategies positively relate with metrics of brand image, radical innovation exhibits the most statistically significant relationship. The study therefore concludes that, there is a positive and significant relationship between product innovation strategies and brand image of paint manufacturing firms in Rivers State of Nigeria.

Based on the study's findings and conclusion, the following recommendations were made:

1. Management of paint manufacturing firms should emphasis more on radical innovation which has the most statistically significant relationship with metrics of brand image to develop exposure needed to accurately predict and timely package programmes that firmly establish success in brand identity and brand competence.

2. Further, management of paint manufacturing firms should key in effectively to product innovation strategies programs that will engender radical innovation and incremental innovation in order to drive their firms towards positive and creative brand image activities like brand identity and brand competence.

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MARITIME TRANSPORTATION AND SEAPORT PERFORMANCE IN NIGERIA

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ABSTRACT

The study empirically examined the relationship between maritime transportation and seaport performance in Nigeria. To proffer viable solutions to the various challenges encountered by Seaport users in Nigeria. The study was anchored on the theory of constraints (TOC) and adopted a comparative research design. A correlational investigation was carried out in a non-contrived setting and primary data were generated from stakeholders of major Seaports in Nigeria, and the Spearman rank correlation coefficient was used to test formulated null hypotheses with the aid of the SPSS version 26. The study in consonance with its findings affirmed that maritime transportation substantially and positively relates with Seaport performance in Nigeria. Therefore, the study recommends that the appropriate authorities should invest in technological innovations, formulate and implement strategies to enhance the capacity, effectiveness and efficiency of all Seaports, harbors, and canals in Nigeria to accommodate modern vessels, increase throughput and ensure seamless maritime transportation and seaport performance.

Keywords: Maritime logistics, Maritime transportation, Market share, Profitability, Seaport performance, Theory of constraints

INTRODUCTION

Maritime transportation is as old as time itself, it existed before the Nigerian State, way before railways were constructed for railway transport or planes were invented for air transport and roads were constructed for land transport (Onyeabor 2018). It conveyed the Portuguese, French, Germans and British colonial administrators into Africa through the seas for commercial transactions, thus, it is the mainstay of world trade and globalization (Basil 1966).Maritime transportation is the movement of goods and persons by sea through ocean vessels, ferries, boats, ship and barges for trade, leisure and military purposes. In Nigeria, contemporary maritime transportation started in 1892 with the Elder Dempster's first ship called the “Fore runner”, it was used to export agricultural produce like cocoa, groundnuts and palm oil as sources of foreign exchange earnings for the country (Ekpo 2012; Igberi 2013). Olusegun (2020) opined that the exploitation, exploration and marketing-related activities of European missionaries and business practitioners through maritime transportation obliged the establishment of Seaports in Nigeria. In recent years, it is facilitated by Nigeria's navigable inland waterways, direct access to the Atlantic Ocean, economic dependence on the exportation of some agricultural produce and crude oil, importation of machinery, equipment and finished goods and Seaports' performance. Hence, without maritime transportation and optimum Seaport performance it would have been impossible for Nigeria to engage in international and domestic marketing of goods which in turn would have had an adverse effect on the Nigerian economy Igbokwe (2001) as cited in (Peretomode 2014).

Relatedly, maritime transportation has enhanced the industrialization of both developed and developing economies, established global supply chains, economies of scale for businesses, creation of millions of job opportunities and foreign exchange earnings, hence, the saying that “there is wealth in water”(Rodrigue 2016; Proshare 2020).Massive growth in the Nigerian maritime sector led to the creation of the Nigerian Ports Authority (NPA), Nigerian Maritime Administration and Safety Agency (NIMASA),Nigerian Shipping Council (NSC),Maritime Academy of Nigeria (MAN), National Inland Waterways Authorities(NIWA) etc primarily structured to govern, manage and operate Seaports in Nigeria (Badejo & Solaja 2017; Foyeku 2019). A Seaport is a hub for the exchange of goods and services as well as the execution of other maritime logistics and supply chain activities. And the performance and functionality of a Seaport depends on the traffic it is able to generate and sustain (Ogbu & Chibundu 2017; Olusegun 2020). Nigeria has six major Seaports, specifically, Apapa, Tincan Island Seaports in Lagos, Onne, Port Harcourt Seaports in Rivers, Calabar Seaport in Cross Rivers and Warri Seaport in Delta and over one hundred small, undeveloped Seaports (Adepoju 2020). Badejo & Solaja (2017) opined that they promote the economic, political and international diplomatic agenda of the country by generating revenue, creating job opportunities, aiding alternative modes of transportation, promoting urban expansion and encouraging the globalization of markets through international marketing. Although, close observation reveals that almost all Seaports in Nigeria are operating far from their full capacity except the Apapa and Tin Can Seaports in Lagos which are overwhelmed. Conversely, the Calabar, Delta, and Rivers' Seaports have battled with low patronage over the years while the Lagos Seaports are often congested (Onyeabor 2018). It is for the above reasons that this study seeks to determine the relationship between maritime transportation and Seaport performance in Nigeria. Determining performance is an important aspect of monitoring organizational growth (Maina & Onsongo 2013). This

involves measuring the actual performance outcomes of the Seaports against their intended goals, objectives, and strategies.

Statement of the Problem

The concerns about Seaports in Nigeria are many; Onyeabor (2018) indicated that the Apapa, Tin Can, Onne, Port-Harcourt, Warri and Calabar Seaports account for over 60% of aggregate sea borne traffic in volume and standards in the West and Central African regions. Yet Seaport users have lamented over the lurid condition of doing business in the ports, especially in getting their goods out of the ports. Ibiyemi (2019) submitted that the terminals in Lagos showed that some of the cargoes have been abandoned in the port for years, fueling cargo and port congestions, high container dwell time, high turnaround time of vessels and trucks. Joseph & Chukwuedozie (2019) indicated that the Calabar Seaport is strategically designed to satisfy clients from the North-East and the North-West but the link roads and rail transport accessible to the area from Calabar are in bad shape. Relatedly, Rickett Akin as cited in (Affe 2020) indicated that modern vessels need draft above 10metres but the draft of the Calabar port can hardly take a modern day ship because the channel has not been dredged for years. A major constraint is the ability of Seaports, harbors, and canals in Nigeria to accommodate modern vessels (Zhang & Roe 2018).The Port Harcourt Seaport has 7meters channel draught and the Calabar Seaport has 6.4 metres channel draught as against the Lagos Ports which are13 metres deep making them inaccessible to huge vessels like the Very Large Crude Carriers (VLCC) and the Ultra Large Crude Carriers (ULCC) (Onyeabor 2018). Emi (2016) argued that the Port Harcourt Seaport is underutilized as the number of ships docking at the Port had decreased over the years due to insecurity; militancy and piracy. However, Okwedy (2020) averred that the Seaports in the South-South have been abandoned as a strategy between Yoruba and Hausa leaders to weaken the South-south's economy. Nevertheless, she maintained that this deterioration dates back several administrations but pointed out the ongoing political parties' rivalry as possible causes. Incidentally, Adepoju (2020) opined that more effort is needed for optimal terminal operations and management to curb inadequate repairs and maintenance of ports' facilities to enhance Seaport performance in Nigeria.

Few studies that consolidate the research topic exist for instance; Oyatoye, Adebiyi, Okoye, & Amole (2011) applied queue theory to resolving port congestion in the Lagos State, Eniola, Njoku, Oluwatosin & Okoko (2014) evaluated the performance of Nigerian ports: pre and post concession eras and used the volume of cargo throughput from 1956 to 2012 as measures. Onyeabor (2018) did a holistic appraisal of the importance of maritime transportation to the Nigeria's economy but did not link it specifically to the Seaports performance and Badejo & Solaja (2017) examined the historical perspectives of Seaports development in Nigeria. Apparently, no previous study had considered examining the impact of maritime transportation on Seaports performance in Nigeria. Could it be that adequate operation of maritime transportation may lead to the sufficient utilization of Seaports in Nigeria? Hence, the raison d'etre of this paper was to establish the relationship between maritime transportation and Seaport performance in Nigeria adopting some measures of organizational performance proposed by (Singh, Darwish & Poto?cnik's 2016).

Conceptual Framework

This study is built on the assumption conceptualized below:

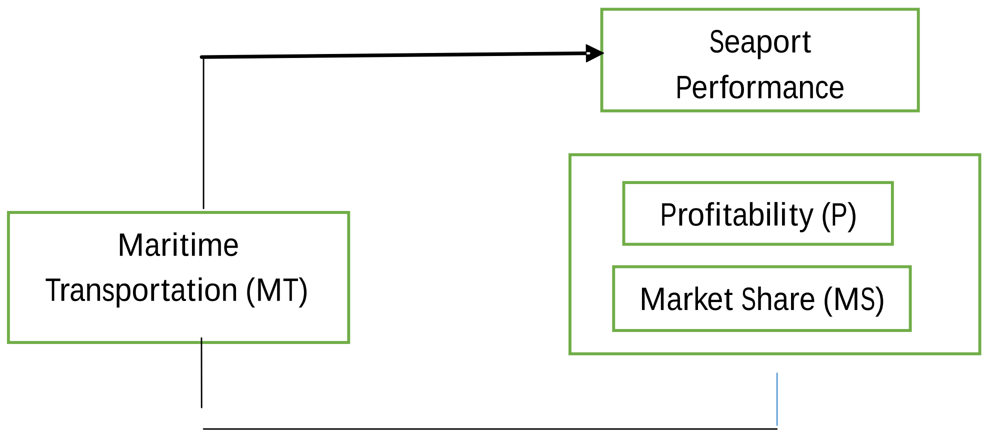

Figure 1: Conceptual Framework of Maritime Transportation and Seaport Performance.
Sources: Researcher's Review of Relevant Literature (2020)

Research Hypotheses

Ho_1: Maritime transportation has no significant relationship with profitability.

Ho_2: Maritime transportation has no significant relationship with market share.

LITERATURE REVIEW

Theoretical Review

Maritime transportation is a fragment of marine logistics and the study field of logistics has a custom of borrowing theories from other disciplines, there is no such thing as "one unified theory" of logistics (Halldorsson, Hsuan, & Kotzab 2015). Therefore, theoretically, this paper is buttressed on the theory of constraints (TOC).

Theory of Constraints (TOC)

The theory of constraints (TOC) was introduced by Eliyahu Goldratt as a management perspective and a theoretical base or model of supply chain management that indicates that every system has constraints but aims to increase performance by managing "constraints" (bottlenecks) (Goldratt 1990). A constraint is the limiting element in a system that hinders it from achieving its goals and objectives (Goldratt & Cox 1992). The TOC inspires organizational stakeholders to identify their constraints (bottlencks) and proffer viable solutions to overcome them. It expounds the relationship of variables in business on how firms' goals and objectives are affected by decision-making in the business processes in terms of time. The TOC encompasses three distinct but correlated areas, they include; logistics, performance measurement, marketing solutions and logical thinking (Cox & Spencer 1998; Simatupang, Hurley & Evans 1997).Preliminary studies show that the TOC model has been applied on manufacturing firms, service firms, used to identify constraints in public policies and improve the performance of healthcare systems (Siha 1999; Klein & Debruine 1995; Dettmer 1998; Womack & Flowers 1999) as cited in (Simatupang, Wright & Sridharan, 2004). Based on the above premises, we are establishing how maritime

transportation impacts Seaports' performance by applying the TOC.

Conceptual Review

Concept of Maritime Transportation

The concept of maritime transportation also referred to as waterborne transportation is one of the cheapest and most proficient modes of transportation of goods and / or people over long distances and a subset of the maritime logistics system. Panayides (2006) argued that the consolidated demand for maritime transportation elicits the maritime logistics concept as it is one of the major activities in the maritime logistics system. The concept of maritime transportation is encapsulated and explained simply as the movement of goods (cargo) and people by sea and other waterways by shipping, loading and unloading (Vince 2003). Igbokwe (2006) indicated that maritime transportation is the means of affreightment of goods and persons by rivers or oceans. He divided it into domestic maritime transport which incorporates both inland and coastal areas sustained with boats, ferries, and vessels of less than 500 gross tonnage. And ocean transport supported with big vessels of over 500gt. Complementarily, Caliskan & Ozturkoglu (2018) identified three types of maritime transportation, they include; industrial, tramp and liner marine transportation. Industrial marine transport refers to the case where the cargo and ship are owned by one individual or organization to abate shipping costs. Tramp ships are "marine taxis", they have no permanent itinerary, and are used to convey bulk cargoes in form of raw materials from one port to another in vessels with a tonnage of 4,000 deadweight tonnage or above. Liner marine transport are focused on the transport of lighter cargo packages like loose cargo, containerized cargo, palletized cargo, liquid cargo, refrigerated cargo etc (Stopford 2009). In consonance with Vince (2003), we consider maritime transportation as the shipping or movement of raw materials, spare parts, finished goods and people by sea. However, to achieve its full potentials, operators must keep pace and align their goals and objectives with other functions in the maritime logistics system (warehousing, packaging, inventory management, and customer service) Panayides & Song (2008) as cited in (Caliskan & Ozturkoglu 2018).

Seaport Performance

A Seaport is a multi-faceted organization located on a coast or shore with one or more harbours where ships can dock and transfer people and freight to or from land (Certin & Cerit 2010). It is responsible for the protection and positioning of incoming vessels, designating wharf space and cranes to aid vessels, as well as loading and unloading of shipments etc (Eniola et al. 2014). The term performance is either the consequences or the means to an end (Rouzies, Anderson, Kohlic, Michaels, Weitz & Zoltners 2005). Consequently, Seaport performance is a set of financial and non-financial indicators apt for evaluating the achievement of ports' goals and objectives (Kaplan & Norton, 1992) as cited in (Singh et al. 2016).The essence of this evaluation is to examine the effect of strategy implementation, improve profitability, long-term growth and survival. Song, Xie & Dyer (2000) argued that it is the achievement of financial and operational business goals. Seaport performance is the outcomes and set of strategies and processes functional in the port which is reflected through customer satisfaction, profitability, leadership, and exclusivity in the market (Jenatabadi 2015). Relatedly, Nwokah & Maclayton (2006) averred that it is the achievement of financial and operational business goals. Seaport performance has a multivariate behavior; it indicates the use of operational performance indicators, for instance; number of vessel calls and cargo handled per year, as well as financial performance indicators of the port (Inah & Elijah

2018). Therefore, we are inclined to define Seaport performance as the volume of cargo and revenue generated by the ports.

Profitability

Profitability is the extent to which a business or activity generates monetary income (Nwulu & Nwokah 2018). It is measured based on the income gotten and expenses incurred by an organization, while income denotes financial gains obtained from the organization's business activities, expenses are costs of the assets used or resources used up by an organization Hofsrand (2017) as cited in (Alsahlawi 2018). Conversely, scholars have indicated that profitability and profit are distinctively similar but not the same; an organization may realize a profit and still remain unprofitable. Horton (2019) averred that profit is an absolute number based on the amount of income or revenue above costs or expenses an organization incurs but profitability is a relative one. It is the metric used to ascertain the scope of a firm's profit in relation to the size of the organization. Johanns & Hofstrand (2019) argued that profitability is either accounting profits (Net Income) or economic profits. Economic profits give the business a long-term perspective. Relatedly, they differentiated profitability from cash flow, indicating that a profitable business can encounter cash flow problems. An income statement enumerates income and expenses which shows profitability while the cash flow statement shows cash inflows and cash outflows which shows liquidity. Kenton & James (2020) opined that profitability is a firm's ability to yield return on investment relative to costs, expenses, and its resources in comparison with other investments. In the context of this paper, we define profitability as the measurement of an organization's ability to sustain growth, efficiency and effectiveness through profit.

Market Share

Industries all over the world have their specific target markets, and every firm within an industry offers its market offering(s) through sales to a percentage of the industry's market. Leonard (2018) indicated that market share is the percentage of customers that a firm has secured from its target market within an industry. It is a part of the industry's market potential that is engaged by an organization in that industry. Miller & Gist (2003) averred that market share is expressed by the portion of the market that an organization is able to capture. Relatedly, Riserbato (2020) opined that market share is the percentage of an industry that belongs to a particular firm. Nwulu & Nwokah (2018) argued that typically market share is calculated by dividing a firm's sales by the total sales of the industry over a specified period. However, Didia & Nwokah (2015) submitted that market share as a measure of organizational performance is often realized through customer satisfaction and retention. Additionally, Leonard (2018) posit that market share does not provide an absolute number regarding a firm's profitability but it gives important insights about its resources, revenues, growth and net profits achieved through economies of scale. Therefore, the larger the market share, the larger the enterprise in terms of resources, growth and net profit and the bigger the firm, the more economically it can satisfy and retain its target market more than competitors.

Maritime Transportation and Seaport Performance

Maritime transportation is the shipping or movement of raw materials, spare parts, finished goods and people by sea and other waterways. It is essential for both domestic and international trade and economic growth. Maritime transportation anchors seaborne trade which represents over 90% of the international trade in the world (Igbokwe 2006). And it is one of the low-priced

and efficient transport modes that carry goods across different geographical frontiers and over long distances. Conversely, a seaport is a vital node in maritime transportation, responsible for scheduling arriving vessels, assigning wharf space and cranes to serve vessels, loading and unloading cargoes (Omoke, Aturu, Nwaogbe, Ajiboye & Diugwu 2018). Incidentally, Adepoju (2015) opined that ease of access and connectivity to seaports are important factors in locating viable transportation facilities as it reflects on the cost of transportation. Burns (2015) indicated that to ascertain and understand seaport performance, we must perceive its profitability, visit the seaports to observe the average size of vessels present, with a view to finding out the type of cargo they carry, in other words its market share. He maintained that seaports performance should be related to the goals and objectives of the ports in form of productivity, profitability, market share and competitive advantage. Therefore, the performance of a seaport is contingent on the profitability, demand and traffic it is able to generate. Omoke, et al. (2018) indicated that Seaports performance is enhanced by the establishment and availability of capable port infrastructure as it is reflected in the market share (volume of cargo) and profitability (revenue generated) by the port. Hence, a positive or negative growth in the gross domestic product (GDP) of a region or the entire country could be a function of the throughput volume of goods in that region/country which is based on the dead weight tonnage (DWT) (vessels' capacity) and the visiting frequency of ships (Call).

Empirical Review

Researchers around the world have studied maritime transportation and seaport performance in various context and obtained different results. They include the following:

Eniola, et al., (2014) investigated the performance evaluation of Nigerian ports: Pre and post concession eras, from 1956-2005 as pre concession era and 2006-2012 as post concession era. Secondary data on cargo movement were sourced from the Nigerian Port Authority Annual Reports. The study adopted descriptive statistics, trend analysis, chi-square analysis and port performance indicators; volume of cargo throughput handled at the Nigerian ports from 1956 to 2012 to explain the trend of port performance for the periods under review. And found that there was a remarkable increase in inward and outward cargo movement during the post concession era in comparison to the pre concession era.

Omoke, et al.(2018) analyzed the “impact of port operations on the Nigerian economy: A focus on Apapa seaport”. Secondary data was sourced from the Nigeria Ports Authority's operational bulletin and analyzed with the multiple regression model using Statistical Package for Social Sciences (SPSS), version 14.0. The study found that gross registered tonnage of vessels is significantly contributing to the Nigerian gross domestic product (GDP) at 0.05 significant level, and that cargo throughput and vessel traffic have positive impact on the economy.

Inah & Elijah (2018) investigated “the challenges of Calabar sea port operations, Calabar, South-South Nigeria”. The purpose of the study was to examine the impact of marine services on port efficiency in the study area. Both open and closed ended questionnaire were used to obtain data from 37 port agents, importers, exporters, port operators and the Nigerian Port Authority (NPA), all operating in the Calabar port. Hypotheses were tested using multiple regression analysis and Chi-Square statistics in Statistical Package for Social Sciences software (SPSS). The findings revealed that container terminal efficiency is measured by the degree of increase in inputs and throughput. It also showed that the volume of container handled at the Calabar port is low compared to other ports and thus was revealed that expansion of the current terminal as well as depth of the quay will certainly increase the volume of container inputs and throughput to meet international standards

Adepoju (2020) investigated "new seaport development-prospects and challenges: Perspectives from Apapa and Calabar Seaports". The purpose of the study was to examine and analyze the efficiencies of the Apapa and Calabar seaports in order to determine the need for any investment in seaport development. Descriptive analysis and stochastic frontier analysis (SFA) were used to examine seaports' challenges and determine the efficiency of the ports. Secondary data and responses of the stakeholders and shipping companies were collected through 2008–2017 cargo throughputs of the selected seaports and a well-structured questionnaire. The study found draught level, cost of shipment, ease of access to industries, and condition of other modes of transportation as major challenges linked to the Calabar Seaport but found the Lagos Apapa seaport quite efficient. The study recommended that investment decisions to build a new seaport or dredge to upgrade the existing ones should be analyze carefully as demand should be the driving force for new port establishment: when a port cannot generate enough traffic, it may not yield returns on investment as expected.

RESEARCH METHODOLOGY

This study adopted a comparative research design and a correlational investigation in a non-contrived setting was carried out. Primary data were collected by mail through a self-structured questionnaire drawn using Likert's Five-point scale, ranging from "strongly disagree" to "strongly agree". The target population of this study included the five (5) major Seaports in Nigeria; Apapa, Tin Can, Onne, Port-Harcourt, Warri and Calabar Seaports (Onyeabor 2018) and we adopted the entire population as our sample. Conversely, three (3) respondents were drawn from each of the Seaports for the survey, they include; port operators (Forklift Operators, Mobile crane operators, Ship Supervisors), port users (importers and exporters) and marine pilots. Hence, the respondents constituted fifteen (15) stakeholders of major Seaports in Nigeria. But only twelve (12) respondents participated in the study. The hypotheses were tested by employing the Spearman Rank Correlation Coefficient with the aid of the SPSS version 26. The content, construct and face validity of the questionnaire were scrutinized by some colleagues and experts in the field to ensure that it measured what it intended to measure. The reliability of the questionnaire was determined by carrying out a pilot study. This was done through administering five (5) copies of the questionnaire to a group of respondents twice within the space of two weeks. Additionally, the Cronbach's alpha coefficient was used to test the consistency of the constructs in the questionnaire with the aid of the Statistical Package for Social Sciences (SPSS), version 26 (Cronbach 1951). The reliability test result is presented in table 1.

Table 1: Reliability TestCronbach's AlphaN of Items.84512

Source: SPSS 26. Output (Field Survey Data, 2020)

Table 1 shows the summary of the reliability test on maritime transportation and seaport performance. The Cronbach Alpha Coefficient of 0.845 indicates that the requests in the scale are consistent and reliable (Cronbach 1951).

DATA ANALYSIS/ HYPOTHESES TESTING

The study hypotheses were subjected to statistical tests using the Spearman rank correlation statistical tool with the aid of the Statistical Package for Social Sciences (SPSS) version 26. The decision rule that guided the test of hypotheses was, if significant / probability value (PV) < 0.05 (level of significance) = reject the null and conclude significant relationship and if the significant probability value (PV) > 0.05 (level of significance) = accept the null and conclude insignificant relationship. In determining the degree or strength of relationship between the variables under competitive positioning, this study adopted the classification key set by Evans (1996) as follows:

Table 2: Description of the Degree of Relationship between Variables

Correlation Coefficient	Description	Remark
0.00 - 0.19	Very Low	Very Weak
0.20 - 0.39	Low	Weak
0.40 - 0.59	Moderate	Moderate
0.60 - 0.79	High	Strong
0.80 - 1.0	Very High	Very Strong

Source: Field Survey, 2020.

The sign of the correlation coefficient indicates the direction of a relationship or association between the variables: thus (+) depicts a positive relationship while (-) depicts a negative one. The strength of the relationship is determined by the magnitude of the correlation coefficient (r): where zero (0) value indicates no relationship and one (1) indicates a perfect relationship. Hence the closer the value is to 1 tells of a strong relationship and the closer the value is to zero (0) tells of a weak relationship.

Table 3: Correlation Analysis on Maritime Transportation and Profitability

Correlations

			Maritime Transportation	Profitability
Spearman rho.	(MT)	Correlation Coefficient	1.000	.827**
		Sig. (2-tailed)	.	.000
		N	12	12
	(P)	Correlation Coefficient	.827**	1.000
		Sig. (2-tailed)	.000	.
		N	12	12

**. Correlation is significant at the 0.05 level (2-tailed).

Source: (SPSS Version 26 Output 2020)

The information in Table 3 above shows that the correlation coefficient on the relationship between maritime transportation and pro fitability is 0.827** based on the classification in Table 3, the r value indicates a strong positive relationship which means an increase in Seaports' profitability is as a result of the Maritime transportation. Hence, we reject the null hypothesis and ac cept a significant relationship between maritime transportation and profitability.

Table 4: Correlation Analysis on Maritime Transportation and Market Share

Correlations

			Maritime Transportation	Market Share
Spearman rho.	(MT)	Correlation Coefficient	1.000	.753**
		Sig. (2-tailed)		.000
		N	12	12
	(MS)	Correlation Coefficient	.753**	1.000
		Sig. (2-tailed)	.000	
		N	12	12

**. Correlation is significant at the 0.05 level (2-tailed).
Source: (SPSS Version 26 Output 2020)

Table 4 above illustrates that the Spearman rank correlation coefficient (rho) = 753**, this value is high, inferring that a strong, positive relationship exists between maritime transportation and Seaports' market share. This also implies that an increase in maritime transportation will lead to an increase in Seaports' market share. Additionally, Table 4 shows that the probability value is (0.000) < (0.05) level of significance; therefore, we reject the null hypothesis and conclude that there is a significant relationship between maritime transportation and market share.

DISCUSSION OF FINDINGS

This study theorized that maritime transportation does not have a significant relationship with Seaport performance (profitability and market share) in Nigeria. On the contrary, in Table 3, the correlation coefficient of the relationship between maritime transportation and profitability is a high value of (r) = (0.827**), inferring that a strong, positive relationship exist. Furthermore, in Table 4, the high Spearman's correlation coefficient value (r) = (0.753**) implies that a strong, positive relationship also exists between maritime transportation and market share. These findings are in consonance with Eniola, et al., (2014), they investigated the performance evaluation of Nigerian ports: Pre and post concession eras, from 1956-2005 as pre concession era and 2006-2012 as post concession era. The study found that there was increase in inward and outward cargo movement during the post concession era in comparison to the pre concession era which translates to increase in profitability and market share. The finding of this study is supported by the theory of constraints which inspires organizational stakeholders to identify their constraints (bottlenecks) and proffer viable solutions to overcome them. These findings also agree with Adepoju (2020) who studied "new seaport development-prospects and challenges:

Perspectives from Apapa and Calabar Seaports". And found the Lagos Apapa seaport quite efficient and well utilized but the Calabar seaport unutilized due to its draught level, cost of shipment, ease of access to industries etc. Relatedly, the findings cohere with Omoke, et al.(2018), they examined the "impact of port operations on the Nigerian economy: A focus on Apapa seaport". The study found that gross registered tonnage of the vessels contributes significantly to the Nigerian gross domestic product (GDP), cargo throughput and vessel traffic are profitable and have positive impact on the economy.

CONCLUSION AND RECOMMENDATIONS

The main thrust for this study was to examine the relationship between maritime transportation and seaport performance in Nigeria. To achieve the objectives of this study, we adopted profitability and market share as measures of seaport performance, while we used maritime transportation as the predictor variable. We tested two formulated null hypotheses and the following conclusion was drawn from the study; that maritime transportation can positively and significantly enhance seaport performance in Nigeria. The study recommends that the appropriate authorities should invest in technological innovations, formulate and implement strategies to enhance the capacity, effectiveness and efficiency of all Seaports, harbors, and canals in Nigeria to accommodate modern vessels, increase throughput and ensure seamless maritime transportation and seaport performance.

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SOCIAL MEDIA CONTENT CREATION AND CUSTOMER SATISFACTION OF ONLINE RETAIL OUTLETS IN PORT HARCOURT

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ABSTRACT

This study investigated the relationship between social media content creation and customer satisfaction of online retail outlets in Port Harcourt. Specifically, the study aimed to ascertain the extent to which social media content creation relates with customer retention and customer loyalty of online retail outlets in Port Harcourt. The study reviewed relevant literature and adopted cross-sectional survey research design to determine the relationship between the variables. The population of the study comprised of customers of online retail outlets in Port Harcourt. The size of the population is large, infinite and unknown therefore the Krejcie and Morgan table for sample size determination was used to derive a sample size of 384. The customers were randomly selected to provide data for the study using questionnaire designed in Likert scale of strongly disagree to strongly agree. However, 340 copies were returned successfully and subjected to analysis. Literature review showed that content creation has relationship with customer satisfaction, loyalty, retention, commitment, sales growth and market share. It was also revealed that companies wishing to meet consumers' needs and expectations prefer digital content marketing which is targeted at consumers, and not employees. Furthermore, the hypotheses tested indicated that social media content creation has a strong relationship with customer retention and a very strong relationship with customer loyalty; and the results are positive and statistically significant. Based on these findings, the study concludes that social media content creation is an important determinant of customer satisfaction in online marketing. Therefore, the study recommends that online retail outlets should generate topical ideas that appeal to customers' persona, create written or visual content around those ideas, and make that information accessible to audience as a blog, video, info-graphic, or other format to enhance customer engagement and ultimately customer satisfaction.

Keywords: Social media content creation, customer satisfaction, customer retention, customer loyalty

INTRODUCTION

The ability of online retail outlets to deliver value to their target markets could be enhanced by the adoption of digital communication tools. Marketing strategists have leveraged on these communication tools to create appealing contents to capture the mind of consumers so as to

deliver value proposition and create exchange relationships. Content creation is the process of generating topical ideas that appeal to buyer's persona, creating written or visual content around those ideas, and making that information accessible to your audience as a blog, video, info-graphic, or other format (Perricone, 2019). These digital technologies form the foundation of social media marketing which is an aspect of internet marketing, and a catalyst for business revolution. Content marketing is about publishing messages and information to audience to attract, engage and retain them. These contents are in the form of messages, videos, pictures, signs etc and they are of value and relevance to attract and retain potential customers. The essence of content marketing strategy is to strengthen the relationship between customers and firms; and it clearly shows product's features, functions and differences among brands.

Thus, marketing content implemented through the social media should be able to evoke interest from the audience so that they can engage with the company site or page. This is because contents are created not for the organization and its employees but for the potential and existing customers. The use of the digital communication media is also further reinforced with the emergence of e-consumers. The online customers who are the younger generations are seen to be more sophisticated, smart and connected all over the world. Social media is used by organization to communicate a firm value proposition to the online community or market, build and manage relationships with varied online customer groups.
Organizations employ varieties of marketing communication mix; advertising, personal selling, sales promotion, public relations direct marketing, digital or e-marketing to communicate value to the market (Okoye, 2019). These communication mix variables are normally driven or implemented by both traditional and digital media mix; radio, television, mails, bill boards, print media, online media; facebook, twitter, Instagram, etc. Pertinent to note is that, the traditional media are one way in communication and lacks immediate or interactive feedback between the organization and the customers (Girard, Fallery & Rodhain, 2014). Good content implemented by firms leads to business performance; customer satisfaction, sales growth and market share (Kotler & Armstrong, 2008).

Several scholars have carried out studies to determine the impact of content creation and other similar variables on customer satisfaction. For example, Ahmet, Ferdi & Ahmet (2016) investigated the relationship between digital content marketing and Customer Satisfaction in Isparta Province. Similarly, Aiste, Akvile and Zaneta (2015) studied the correlation between customer engagement, perceived value and satisfaction in the case of mobile applications in Lithuania. However, this study aimed to investigate the relationship between social media content creation and customer satisfaction in the context of online retail outlets in Port Harcourt. The study is conceptualized in a framework shown in figure 1 and underpinned by social media engagement theory.

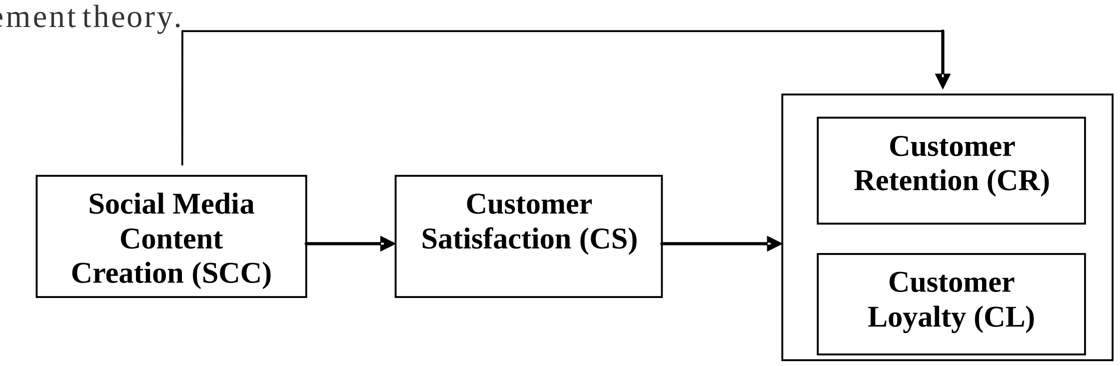

Figure 1: Conceptual framework of the relationship between social media content creation and customer satisfaction

LITERATURE REVIEW

Social Media Engagement Theory

The study of the relationship between social media content creation and customer satisfaction is rooted in social media engagement theory. The social media engagement theory shows that technology is very important in the communication between firms and their customers; explaining that it is an underpinning factor responsible for connecting customers and firms, and enabling interactions between them and among users that are globally and geographically dispersed. The advent of social media follows the evolution of technology to provide a differentiated user experience that helps them connect in emerging ways that were never before possible.

Social connection entails the connection among social media users, social relationship from the user experience by championing individual connection among the social media users (Di-Gamgi & Wasko, 2016). The focus of this theory and which is more central is the construct of engagement, which has been recognized as an emotional connection between a company and its customers focused on interaction with customers and their participation with its key element as knowledge exchange, so information and communication technologies provide immense opportunities for organizations to exchange knowledge and engage with customers (Safwa & Nalin, 2016).

The central premise of social media engagement theory is that higher user engagement leads to greater usage of the social media platform. User engagement is defined as a heightened mental state, and is divided into two components, individual involvement and personal meaning (Okoye, 2018). Usage is the number of times the users contributes, retrieve and explore within social media platforms. When people use the social media platforms more often, it becomes more valuable for firms that want to leverage the system and follow users; and this will result in the co-creation of value (Li & Bernoff, 2008). Thus, the social media engagement theory is a model of interaction and connectivity between the user (customer) and the company, and this research built on these models.

Concept of Social Media Content Creation

Content creation is "the process of generating topic ideas that appeal to your buyer persona, creating written or visual content around those ideas, and making that information accessible to your audience as a blog, video, info-graphic, or other format" (Perricone, 2019). Firms in connecting and communicating value to customers must send messages that should inspire both existing and potential customers to connect and engage with the firm. These contents (value) are in the form of literal messages, pictures, sound, video tapes, audio tapes, micro film books etc. They should be sent in a way that will capture the interests of the audience for interaction, engagement and ultimate close of sales.

Content marketing can be defined as the creation and dissemination of valuable and relevant content in order to build a long-term relationship to attract target group and thus gain them whose demands and expectations are clearly defined and understood (Ahmet, Ferdi & Ahmet, 2016). Content marketing is about publishing messages and information to the audience which will attract the consumers, engage and retain them. These contents are in the form of short on long messages, videos, pictures, signs etc. Okoye (2019) posited that content marketing refers to

creating and delivering literal massages, videos, pictures etc. that are of value and relevance to attract and retain potential customers.

The essence of content marketing strategy is to strengthen the relationship between customers and firms; and it clearly shows product's features, functions and differences. Content should not only be geared towards entertaining the audience but it should also be inspiring and form talks about the product and bring new information to the customer. While creating content, it should be formed according to which media direction it shall be used in (social media, blogs, magazines, etc); because these environments are different from each other and so are their user profiles (Ahmet et al, 2016).

Firms should deemphasize the idea of selling but ability to communicate relevant content or value that will attract, engage and keep as existing customers should be given adequate attention (Gerzic & Osman, 2017). If a firm understands content marketing it will translate to sending strong and relevant messages to the audience with immediacy or at the right time. This contact can be created in different media be it digital or traditional media. The digital or social media through which the content can be delivered are; Facebook, YouTube, Twitter, Google+ etc. The traditional media of implementing marketing contents are the newspapers, magazines, journals and many others (Garzic & Osman, 2017).

It is very important to integrating both traditional and new or social media to lunch marketing content. Because of the attendant limitations in implementing marketing content through traditional media of communication; slow, physical availability and printed nature and can only be accessed from where they are stored physically and so on, delivering content through social media helps speedy the process in terms of rich and make up for the limitation of traditional media of content creation (Huotari, Ukiuniemi, Saraniemi & Mäläskä, 2015). Thus, marketing content implemented through the social media should be able to evoke interest from the audience so that they can engage with the company site or page. This is because; contents are created not for the organization and its employees but for the potential and existing customers.

According to content marketing institute (2013), content marketing and social media make a great team. No content marketing strategy is corporate without a strong social media strategy. Social media drives the content; it is the fuel to set your marketing content on fire (CMI, 2013). It was discovered that B2B marketers use an average of five social media channel to distribute content, whereas B2C markets use four. Marketing content creation effectiveness can be done through social media implementation.

Most organizations use social media to send different kinds of contents to the target audience. Example, companies can send video's that have strong commercials through YouTube, video etc, photo sharing through Instagram and Flickr etc. organizations when sending content through social media should also measure the level of engagement by consumers or potential clients. Even if your product category is naturally interesting, execution is very important. Spend time posting well-edited photos and well-written copy. Example, in Facebook volume is not everything, quality is highly significant, posting of short messages is the best, if the message is to be long it must be captioning or compelling for client engagement (Huhmann & Limbu, 2016).

In the ever changing and dynamic business environment of today, it is expected of firms to build strategic and effective content for big results. The content should be seen as a big marketing strategy; the wrong content or right content at wrong time is a waste of your effort as an organization (Huotari et al, 2016). In social media implementation, content creation and execution is very laudable, exceptionally good contents; pictures, literal messages, videos, etc will attract and engage the potential consumers, turn prospects to customers. Good content implemented by firms leads to business performance; sales growth and market share (Kotler & Armstrong, 2008).

Customer Satisfaction

Customer satisfaction is very important for most firms in today's marketing environment where customer must be the focal point of every product activity; therefore, understanding the factors that bring about customer satisfaction must be taken advantage of. In addition to the foregoing, measuring customer satisfaction has become an urgent need for managers, and this has established the mainstream in academic literature about customer satisfaction in the recent past (Vu Minh, 2018). Gunning (2000) posits that customer satisfaction does not have a universal definition; but then, it is generally described in terms of an evaluative, affective or emotional response. The main ideal of customer satisfaction is that customer will compare the performance of the product or service based on a certain standards before consumption.

Satisfaction is defined by Kotler and Armstrong (2008) as the extent to which a product's perceived performance matches a buyer's expectations. In the view of Smith (2007) customer satisfaction is the measures of the way firms' product matches or exceeds customer expectation, while Oliver and Swan (1989) define customer satisfaction as consumer's personal assessment or accumulation of knowledge gathered from using a product. And on the bases of this Oliver (1997) describes satisfaction as an evaluative judgment made after making purposive decision on a product. Drucker (1954) asserts that the principal aim of running a business is to create a satisfied customer. In recent times there is a fundamental change in the concept of marketing in which marketing has moved from creating transactional exchange to creating and maintaining relational exchange, and as a consequence of this fundamental change customer satisfaction has gained a renewed attention (Grönroos, 1994). “Smart companies aim to delight customers by promising only what they can deliver, then delivering more than they promise. Delighted customers not only make repeat purchases, they become customer evangelists who tell others about their good experiences with the product” (Kotler & Armstrong, 2008) while those who are not satisfied with the product's performance will disparage the product to their acquaintances.

Consumers are usually faced with wide range of products to choose from (Kotler & Armstrong, 2008) to satisfy a given consumer need, and so when they decide to choose one from among the numerous competing brands they expect a certain level of performance or value that should be provided by the product which influences their judgment as to whether their experience with the product is salutary or not. Customer satisfaction depends on the product's perceived performance relative to a buyer's expectations. If the product's performance falls short of expectations, the customer is dissatisfied. If performance matches expectations, the customer is satisfied. If performance exceeds expectations, the customer is highly satisfied or delighted (Kotler & Armstrong, 2008).

Satisfaction, as posited by Kotler, Armstrong and Cunningham (2002) is a significant determinant

of positive word-of-mouth, consumer loyalty and repurchases. Kotler and Armstrong (2008) observe that when customers are highly satisfied they become loyal, which in turn results in better company performance. An assertion re-echoed by Smith (2007) who states that customer satisfaction is a strong predictor of customer loyalty, retention and repurchase and its measures are psychological basically cognitive, and affective, which are critical to any firm. Thus, making strategic efforts to enhance customer satisfaction is an indication to show that firms are determined to make profits and remain in business for a protracted period of time. However, Oliva, Oliver and Lan (1995), there is a nonlinear and an asymmetrical relationship between customer satisfaction and repurchase intention, which means there is no direct relationship between customer satisfaction and repurchase intentions. The measures of customer satisfaction adopted in this study are customer retention and customer loyalty.

Customer Retention

The theory of planned behaviour can be seen as the root of the concept of customer retention; considered as something that consumers may exhibit to brands, services and products or activities (Boohene, Agyapong & Gonu, 2013). Customer retention is the decision of a customer to maintain exchange relationship with a particular service provider for a long time. Zineldin (2000) defines customer retention as a prolonged willingness of a customer to do business or maintain exchange with a particular company on an ongoing basis.” Furthermore, Strauss and Friege (2001) define customer retention as liking, identification, trust, and long-term willingness of the customer's to repurchase and recommend the firm or product to others. More so, Kihoro and Kepha (2014) describe customer retention as a marketing goal aimed at preventing customers from going to buy products from competing firms. Customer retention may also be considered as repeated patronage; which is closely related to repeat-purchasing behaviour and brand loyalty.

Customer retention has experienced various interpretations to the extent that nobody has been able to give a generally accepted definition of the concept and its dimensions. However, anyhow customer retention is conceptualized; its significance is anchored on its ability to determine of firm's profitability, growth, and long-term survival. Boohene et al (2013) posit that customer retention customer retention brings benefits such as employee retention and satisfaction, better service, lower cost, lower price sensitivity, positive word-of-mouth, higher market share, higher efficiency and higher productivity. More so, through customer retention firms can protect themselves from market shrinkage that may result from a contracting economy. Boohene et al (2013) emphasize that, marketing resources may be better spent on keeping existing customers than acquiring new ones.

Similarly, Kihoro and Kepha (2014) posit that firms can achieve increased profits and competitive edge through customer retention, thereby embarking expanding their business operations; which implies that losing a customer has the capacity to cause damage to the firm's image, reduce its profitability and competitive advantage. In recognition of the import of customer retention, Reichheld and Sasser (2010) conducted a study and found that it is five times more expensive to acquire a new customer than to maintain an existing customer; because when a customer is maintained the cost which the firm incurred to acquire the customer is recouped and subsequently profit is made from the customer at the long-run. Kihoro and Kepha (2014) posit that in any standpoint from which customer retention is viewed, its significance is anchored upon the fact that it determines the success of any firm in the contemporary business environment. More so, Kotler and Armstrong (2013) posit that when an organization loses a customer, it does not mean losing a single customer; rather it means losing the entire volume of purchases the customer would have made if he was in business relationship with the firm.

There is a consensus among marketers globally that, to get the customer is not enough; but retaining the customer is the actual game. Considering the foregoing, online retail outlets in Port Harcourt can only survive, compete effectively and protect its market share, if it will take all necessary steps to invest in social media marketing and retain its customers. However, Kihoro and Kepha (2014) posit that all strategies towards customer retention are vitally important to the firms especially now that retention is decreasing as result of bewildering number of online retail outlets face consumers, and in such cases, losing an important customer to a competitor may impact significantly on the firm's profitability, survival and growth.

Customer loyalty

Customer loyalty is a strong feeling expressed by a customer to maintain exchange relationship with a particular seller despite the promotional activities intended to attract him / her by other sellers. Customer loyalty is defined by Oliver (1999) as a deeply held commitment to rebuild and re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behaviors. Customer loyalty involves both attitudinal and behavioral components; thus, in order to assess the antecedents of customer loyalty, it is important for us to understand the difference between attitudinal loyalty and behavioral loyalty. More so, customer loyalty is about increasing the percentage of repeat purchases among current customers, and that customer satisfaction influences customer loyalty, which it turn profitability effects (Hebah, 2017). Chodzaza (2013) in Hebah (2017) identifies three conceptualizations of customer loyalty: loyalty as primarily an attitude that sometimes leads to a relationship with the brand; loyalty mainly expressed in terms of revealed behavior; and buying moderated by the individual's attitudes.

Again, Imran, Muhammad, Muhammad and Noor (2011) posit that “customer loyalty can be defined from the literature of marketing in two distinct ways: the first define loyalty as an attitude, different feelings are created form the individual's overall attachment to a product, service, or organization; the second definition of loyalty is behavioral, examples of behavioral loyalty include continuing to purchase services from the same supplier, increasing the scope of relationship or increasing the scale, or the act of recommendation.” The concept of customer loyalty “has enjoyed wide currency and usage within the field of consumer behaviors for many years” (Imran et al, 2011). More so, Kabu and Maharjan (2017) describe customer loyalty as “the strength of the relationship between an individual's relative attitude and re-patronage.” Dick and Basu (1994) viewed “customer loyalty as the strength of the relationship between an individual's relative attitude towards an entity (brand, service, store, or vendor) and repeat patronage”. Building customer loyalty requires the firm “to focus the value of its product and services and to show that it is interested to fulfill the desire or build the relationship with customers” (Kabu & Maharjan, 2017). There are many other factors that can bring about customer loyalty; however, customer satisfaction has been identified as a fundamental determinant of customer loyalty.

In recent times online retail customers are faced with variety of firms and products to choose. Therefore, building customer loyalty requires the firm to focus the value of its product and services and to show that it is interested to fulfill the desire or build the relationship with customers. A customer becomes loyal when he / she buys from the same firm or seller on continuous basis whenever possible, and recommends the firm to other people; or maintains a positive attitude towards the firm. Berry (1995) asserts that if we admit that it is more profitable holding on to existing customers then winning new customers the firm will try to achieve the satisfaction of their existing customers providing them incentives such as discounts, free products or fidelity cards. These loyalty programs are structured marketing efforts, which reward and therefore encourage, loyal behavior; and customers should show changes in repeat purchase loyalty which is not evident amongst non-program members

Generally, the success of an organization is easier when its customers are loyal exhibited in the form of continuous attachment of the customer with the organization. This fact underscores the vital role customer loyalty pays in the success of a firm. Loyal customers will encourage others to buy from you and think more than twice before changing their mind to buy other services (Kabu & Maharjan, 2017). Firms must work consciously to earn the loyalty of their customers; customer loyalty is not achieved by accident. Thus, designing for customer loyalty requires customer-centered approaches that recognize the needs and wants of both existing and potential customers; customer loyalty is built over time across multiple transactions; not in a single transaction; a relationship with a customer is equally important in customer loyalty and this requires that firms work in a broader context that extends beyond itself, as no company can be world class at everything (McDonlad & Keen, 2000).

Social Media Content Creation and Customer Satisfaction

In today's exchange relationship, consumers have become more sophisticated and knowledgeable about products and so they have very high expectations from manufacturers, and this has affected their decision-makings and buying styles. According to Ahmet, Ferdi and Ahmet (2016), consumers like to look at many different websites in which they plan to make comparisons regarding the best qualified yet the cheapest product they would purchase; they check other users' comments and thoughts for the product in e-commerce sites, blog or forums so that they shall have information on the perception of the product. Determining customers' requests, expectations and needs properly play a dramatic role for the success of marketing over the internet (Yayla, 2010). Therefore, companies wishing to meet consumers' needs and expectations therefore prefer digital content marketing whose objectives are for the product (Ahmet et al, 2016).

In recognition of the importance of content creation, studies have been conducted to determine its relevance to customer satisfaction. Ahmet et al (2016) investigated the relationship between digital content marketing and Customer Satisfaction in Isparta Province. It was found that digital content marketing has a high significant impact on consumers, and it is thus a marketing type which needs to be focused on meticulously by brands or companies. It was also discovered that understanding the customer, eliminating his / her needs and communicating with him / her become possible with the usage of digital content marketing.

Furthermore, Amir et al (2014) carried out a study investigating the effect of social media marketing on customers' brand loyalty in Iran. The study found that advertising campaign, providing relevant content, updating content, providing popular content among friends, and providing applicable programs considered as marketing indexes in social media have positive and significant correlation with customer's brand loyalty. Similarly, Hebah (2017) investigated the impact of social media marketing on customer satisfaction through brand image in the context of Jordanian Telecommunication customers. The study found a positive relationship between social media marketing and customer satisfaction. In view of the above, it is reasonable to state that social media marketing has a positive relationship with customer satisfaction. Thus, we state the following hypotheses:

H_{A1}: There is a significant relationship between social media marketing and customer retention.

H_{A2}: There is a significant relationship between social media marketing and customer loyalty.

METHODOLOGY

Research methodology is the procedure and techniques used in the collection and analysis of primary data. The cross-sectional survey research design was adopted, specifically, the explanatory design to investigate the relationship between social media content creation and customer satisfaction of online retail outlets in Port Harcourt without contrivance. The population of this study comprised of customers of online retail outlets in Port Harcourt. The size of the population is large, infinite and unknown therefore the Krejcie and Morgan table (1970) for sample size determination was used to derive a sample size of 384. This number of customers were randomly selected to provide data for the study however, 340 copies were useable for the analysis. The study adopted a set of structured questionnaire designed in the Likert five-point scale of strongly disagree to strongly agree to collect primary data from the target respondents. The instrument was subjected to academic scrutiny to determine its validity. Again, to determine the reliability of the research instrument, a pilot study (pretest) was conducted and the data were subjected to Cronbach's Alpha reliability test. Furthermore, the two alternate hypotheses stated were tested using Pearson Product Moment Correlation (PPMC) with the help of the Statistical Package for Social Sciences (SPSS) version 22.0, with a threshold of 0.70 set by Nunally (1978).

Table 1: Reliability analysis of study variables

S/N	Variables	Number of Items	Cronbach's Alpha Coefficients
1	Social Media Content Creation	4	0.917
2	Customer Retention	4	0.701
3	Customer Loyalty	4	0.819

Source: SPSS Output form Survey Questionnaire

As shown from the SPSS output on table 1, all the variables in the research instrument have high Cronbach's Alpha Coefficients greater than the threshold of 0.70. It is an indication to show the internal consistency of the instrument, and the extent to which the questionnaire item were reliable to measure all the variables in the study.

Table 2: Results of tested hypotheses

		Social Media Content Creation	Customer Retention	Customer Loyalty
Social Media Content Creation	Pearson Correlation	1	.700**	.877**
	Sig. (2-tailed)		.000	.000
	N	340	340	340
Customer Retention	Pearson Correlation	.700**	1	.794**
	Sig. (2-tailed)	.000		.000
	N	340	340	340
Customer Loyalty	Pearson Correlation	.877**	.794**	1
	Sig. (2-tailed)	.000	.000	
	N	340	340	340

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

DISCUSSION OF FINDINGS

Results of the analysis on the relationship between social media content creation and customer retention indicated that the correlation coefficient is .700** which means social media content creation has a strong and positive relationship with customer retention. Furthermore, the probability value is less than the level of significance (i.e. $p = 0.000 < 0.01$) indicating that social media content creation significantly relates with customer retention. Similarly, the correlation coefficient on the relationship between social media content creation and customer loyalty is .877** indicating that social media content creation has a very strong relationship with customer loyalty and the probability value is less than the level of significance (i.e. $p = 0.000 < 0.01$) which indicates that social media content creation significantly relates with customer loyalty. Based on these results, alternate hypotheses one and two (i.e. H_{A1} & H_{A2}) which state that there are significant relationships between social media content creation and customer retention and customer loyalty were accepted.

The findings of this study are in line with the findings of Ahmet et al (2016) that investigated the relationship between digital content marketing and customer satisfaction in Isparta Province which found that digital content marketing has a high significant impact on consumers, and it is thus a marketing type which needs to be focused on meticulously by brands or companies. Again, it was discovered that understanding the customer, eliminating his/her needs and communicating with him/her become possible with the usage of digital content marketing. Results of this study also corroborate the position of Ahmet et (2016) who state that consumers like to look at many different websites in which they plan to make comparisons regarding the best qualified yet the cheapest product they would purchase; they check other users' comments and thoughts for the product in e-commerce sites, blog or forums so that they shall have information on the perception of the product.

Our findings also confirmed the findings of Amir et al (2014) carried out a study investigating the effect of social media marketing on customers' brand loyalty in Iran. The study found that advertising campaign, providing relevant content, updating content, providing popular content among friends, and providing applicable programs considered as marketing indexes in social media have positive and significant correlation with customer's brand loyalty. Similarly, Hebah (2017) investigated the impact of social media marketing on customer satisfaction through brand image in the context of Jordanian Telecommunication customers. The study found a positive relationship between social media marketing and customer satisfaction, which is also in line the results of our study.

In today's exchange relationship, consumers have become more sophisticated and knowledgeable about products and so they have very high expectations from manufacturers, and this has affected their decision-makings and buying styles. According to Ahmet et al (2016), consumers like to look at many different websites in which they plan to make comparisons regarding the best qualified yet the cheapest product they would purchase; they check other users' comments and thoughts for the product in e-commerce sites, blog or forums so that they shall have information on the perception of the product. Determining customers' requests, expectations and needs properly play a dramatic role for the success of marketing over the internet (Yayla, 2010). Therefore, companies wishing to meet consumers' needs and expectations therefore prefer digital content marketing whose objectives are for the product (Ahmet et al, 2016).

CONCLUSION

In line with the findings of the study, it is concluded that social media content creation relates positively and significantly with customer satisfaction of online retail outlets in Port Harcourt. In other words, social media content creation relates positively and significantly with customer retention and customer loyalty. Literature review showed that content creation leads to customer satisfaction, loyalty, retention, commitment, sales growth and market share. It was also found that companies wishing to meet consumers' needs and expectations deploy digital content marketing to target customers. The conclusion is also based on results of the analysis which revealed that social media content creation has strong relationship with customer retention and very strong relationship with customer loyalty; and the results are positive and statistically significant.

Recommendations

In view of the findings, the study recommends that online retail outlets should generate topical ideas that appeal to customers' persona, create written or visual contents around those ideas, and make the information accessible to audience as a blog, video, info-graphic, or other format to enhance customer engagement and ultimately customer satisfaction.

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EXPLORING A THREE PARAMETER ENVIRONMENTAL ASSUREDNESS CORELATE OF A FAST-MOVING CONSUMER GOODS (FMCG) FIRM MARKET SHARE PERFORMANCE IN PORT HARCOURT, RIVERS STATE, NIGERIA

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ABSTRACT

The pressure on businesses to engage not only on profitability but also on environmental responsibility has increased in recent times. This study empirically tested the relationship between environmental marketing orientation parameters (product design innovation, green price, recycling practices) and market share performance in the context of Coca-Cola Fast-Moving Consumer Goods (FMCG) firm as well as the specific impact of each independent associative variables on market share performance. The study used the survey research design for data collection from 180 consumers of coca cola products. However, the analysis of the data was based on 156 correctly filled and returned questionnaire. Convenience sampling technique was utilized in the study. Pearson Product Moment Correlation and multiple regression analysis were used to analyze the data using SPSS version 22. Cronbach's alpha was used as a measure of reliability. The empirical analysis indicated that all the independent variables (product design innovation, green price, recycling practice) significantly correlate with the market share performance of coca cola FMCG company. Also, it was revealed that the market share performance of coca cola company was significantly impacted on by product design innovation, green price and recycling practices. The findings of this study suggest that environmental marketing orientation is a firm strategic resource that can improve the sustainable market share performance of firms in the FMCG sector. Hence, it is recommended that the FMCG sector concentrate on the variables that significantly impacted on the market share performance.

Keyword: Environmental marketing orientation, market share, performance, fast-moving consumer goods.

INTRODUCTION

As the twenty first century progresses, environmentalism remains a critical social and business issue. According to Abratt (2016), from the beginning of the 1980s, there have been ecological issues such as global warming, the greenhouse effect, pollution, and climate changes which are directly related to industrial manufacturing and this continue to affect human health. Due to the increase of environmentalism which has dominated the world, there has been a rise in consumer concern with regards to environmental protection and great demand for environmentally friendly products (Charter, & Polonsky, 2015). Hence, most firms have begun to use environmental marketing and environmentally friendly product development strategies that can preserve the environment while satisfying consumers' preferences. The higher the environmental friendliness and safety of an organization's product, the higher would be the rate of customer loyalty to it. Therefore, an organization will improve sales, profit and market share by increasing the production of products that are non-toxic and harmless to the environment. Hence, environmental marketing has been linked to increase in firms' operational and commercial performance (Fraj-Andres, Martinez-Salinas & Matute-Vallejo, 2008). Similarly, Hasan and Ali (2014) in their study noted that there exists a positive relationship between green innovation, green promotion and the firms' performance.

Furthermore, environmental marketing has gained massive popularity globally over the past several years and its influence has spread across every industry. Many companies are redesigning the way they do business in order to incorporate sustainable practices in their processes to produce goods or services that are environmentally friendly. Businesses in Nigeria are slowly embracing this green economy revolution. There is growing concern by the Nigerian government and the consumers over the environmental impact of fast-moving consumer goods (FMCG). Related studies on environmental marketing practices in Nigerian firms clearly indicated that the concept of environmental marketing is still not being given full attention. A study done by Leonidou and Morgan, (2015) on environmental marketing strategy adoption by Nigerian FMCG firms concluded that Nigerian is still in the process of completely adopting environmental marketing strategies. He goes ahead to say that majority of FMCG firms are yet to redesign systems and processes with the objective of reducing aggravated environmental impact which will enhance organizational performance. Similarly, a study done by Kirimi (2015) established that environmental marketing strategies are in place but adoption rate for most firms is still very low, biased and not felt by consumers. Therefore, this study specifically intends to achieve the following:

i to ascertain the relationship between product design innovation, green price, recycling and market share performance of coca cola FMCG firm in Port Harcourt, Rivers State.

ii to establish the specific impact of each predictive variable on market share performance of coca cola FMCG firm in Port Harcourt, Rivers State.

It is hoped that the outcome of this study will encourage FMCG firms to appreciate the need for environmental marketing which will enhance their market share and impact positively on the attainment of the organizational objectives.

LITERATURE REVIEW

The Concept of Environmental Marketing Orientation

The concept of environmental marketing was introduced in the late 80s (Peattie & Crane, 2005) and since then, academic developments in the domain has resulted in integrating environmental concerns in all domains of business operations ranging from product design and sourcing to manufacturing, supply chain, reverse logistics and disposal (Pujari & Wright, 1996). At present, it has emerged as a business philosophy aimed at satisfying needs of environmentally-conscious consumers and to meet companies' economic objectives with minimal environmental damage

(Ko, Hwang & Kim, 2013). Hence, environmental marketing orientation is described as an extension of marketing orientation in an environmental context (Stone & Wakefield, 2000). It is embraced by companies who realize their responsibilities towards the natural environment (Miles & Munilla, 1993). Extending the conceptualization of marketing orientation in environmental context, environmental marketing orientation can be described as company attitude (Deshpande & Webster, 1989) and company behavior. As an attitudinal concept, it indicates an innovative way of doing business that integrates all the marketing activities with activities of other functional departments in a company so as to maximize long-term profitability and to develop environment-oriented corporate culture. Thus, it is an organizational philosophy leading the company to a new way of thinking in doing business. On the other hand, behavioral approach of environmental marketing orientation is related to companies' responsiveness to the market by designing and implementing strategies oriented towards the environment. They integrate ecological values in their organizational culture, modify their business practices in all departments as per the needs of the market, and develop strategies and plans favorable to the environment. Business activities of environmental oriented companies reflect their responsibilities towards the natural environment and they focus on reducing environmental impact of their activities.

Concept of Organizational Performance

Firm performance does not have a universally accepted definition. Despite its relevance, there is scarcely any consensus about its definition, dimensionality, and measurement. The definitions of performance focus on the effectiveness or success of a firm, employee performance, ability to create value for customers, productivity, flexibility and adaptability, the achievement of goals, and stakeholder satisfaction (Selvam, Gayathri, Vasanth, Lingaraja & Marxiaoli, 2016; Taouab & Issor, 2019). Lebans and Euske (2006) define firm performance as a set of financial and non-financial indicators that provide information on the accomplishment of objectives and results.

Traditionally, many organizations relied on financial measures of performance such as sales and profits, Return on Assets (ROA) and stock returns (*Chaudhuri, & Holbrook, 2013)*. However, these measures worked well for the industrial era (Kleyn, 2017). Financial measures are usually lagging measures of performance, while non-financial measures are leading measures of performance that provide insight about future performance (Ahmad & Sabri, 2016; Marie, Ibrahim, & Nasser, 2014). Non-financial or subjective performance measures include employee satisfaction (employee turnover, employees training and development, and organizational climate), customer satisfaction (number of complaints, repurchase rate, customer retention), environmental performance (recycling, material usage, pollution and waste) and social performance (employment of minorities, contribution to social causes) (Selvam et al., 2016; Taouab & Issor, 2019). After decades of being frustrated by inadequacies of traditional performance measurement systems, managers and academic researchers have devised a balanced scorecard, which includes financial and operational measures. The balanced scorecard measure of performance captures the financial and non-financial metrics and allows managers to look at business from four perspectives: financial, customer, innovation as well as learning and internal process perspective (Kaplan & Norton, 1992). Kleyn, (2017) proposes and supports use of detailed performance measures as per the scorecard perspective. He further identified four key indicators of performance as effectiveness, efficiency, relevance and financial viability. Today, many organizations use a composite of performance measures as suggested by the balanced scorecard. Therefore, financial and non-financial performance measures play a significant part in assessing the degree of organizational performance. However, an organization's performance is a function of the environment within which the organization exists, its capabilities, and its motivation. New products designed with the environment in mind lead to reduce development costs, improve quality and achievement of efficient eco-performance as well as market performance (Eltayeb, Zailani & Ramayah, 2011). It also builds the companies' environmentally-friendly image in the market and prevents the loss of competitive advantages.

Conceptual Framework

The study conceptual framework consists of environmental marketing orientation (independent variable), with product design innovation, green price and recycling practices as the dimensions while the dependent variable is FMCG firm performance, with market share as the measure.

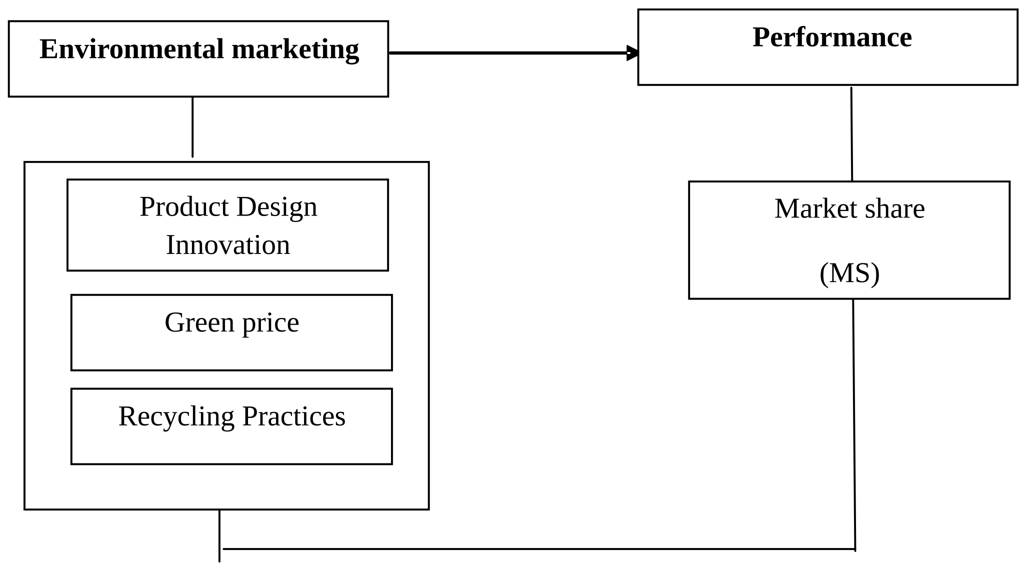

Figure 1: Conceptual framework of the relationship between Environmental marketing orientation parameters and market share

Source: Researchers' Desk, 2020

METHODOLOGY

Survey research design was utilized in this study to collect data from respondents. The study focused on Coca cola FMCG company consumers. Hence, the population of the study comprises of all consumers of coca cola products in Port Harcourt, Rivers state. Since the number of consumers of coca cola company products were difficult to determine due to non-availability of data, accidental sampling technique was used to sample 180 consumers of coca cola products in Port Harcourt, Rivers State giving us a total of 180 respondents. Thus, coca cola company Port Harcourt, engaged in manufacturing and marketing of bottle / plastic / can soft drinks, assorted

packaged juice, water etc. constitute the sampling frame of this study. Primary data were used for the study and were generated using research questionnaire that ensured the measurement and actualization of research objectives. The validity of the scales used in this study was determined through content and face validity while its internal consistency was ascertained via Cronbach's Alpha test of reliability, with a threshold of 0.70. Table 1 presents a summary of the result of test of reliability, which revealed that there is underlying characteristics of clarity and replicability from the observed alpha coefficients (where a ? 0.70). This means that the instrument was sufficiently reliable to measure the variables in the study.

Table 1: Reliability Coefficients of Variables

S/No	Study Variable	Number of Items	Number of Cases	Alpha Coefficients
1	Product design innovation	4	156	0.811
2	Green Price	4	156	0.809
3	Recycling Practices	4	156	0.875
4	Market Performance	5	156	0.792

Source: Research Data Output, 2020

From Table 1 above, the result on the reliability test presents all instruments as adequate and substantial. This is based on the evidence of clarity and replicability from the observed alpha coefficients (where a > 0.70). This means that the instrument was sufficiently reliable to measure the variables in the study.

RESULTS

This section of the paper presents the findings for the analysis of the data in line with the specific objective of the study which sought to ascertain the relationship between product design innovation, green price, recycling and market share performance of coca cola FMCG firm in Port Harcourt, Rivers State and to establish the specific impact of each predictive variable on market share performance of coca cola FMCG firm in Port Harcourt, Rivers State.

Pattern of Relationship Between Product Design Innovation, Green Price, Recycling and Market Share Performance of Coca Cola FMCG Firm in Port Harcourt.

The first objective of the study was to ascertain the relationship between product design innovation, green price, recycling and market share performance of coca cola FMCG firm in Port Harcourt, Rivers State. The Pearson Product Moment Correlation (PPMC) was utilized in analyzing the extent to which the dimensions of environmental marketing (product design innovation, green price and recycling practices) was related or linked to the market share performance of coca cola FMCG company. The correlation analysis on the variables revealed significant relationships in all instances as demonstrated on Table 2. The results show that all three dimensions of environmental marketing orientation significantly correlate with the outcome of market share performance (performance); where product design innovation (product) and market share performance rho = 0.954 and P = 0.000; green price (Price) and market share performance rho = 0.638 and P = 0.000; and recycling practice (recycling) and market share performance rho = 0.805 and P = 0.000.

The evidence from the analysis identifies product design innovation as having the strongest and most significant correlation with market performance, suggesting further focus on the uniqueness of product design as a strategic tool for the performance of organizations in the FMCG market. All three variables nonetheless, are noted to advance positive outcomes in relation to the market share performance of the organization.

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		Product	Price	Recycling	Performance
Product	Pearson Correlation	1	.497**	.759**	.954**
	Sig. (2-tailed)		.000	.000	.000
	N	156	156	156	156
Price	Pearson Correlation	.497**	1	.510**	.638**
	Sig. (2-tailed)	.000		.000	.000
	N	156	156	156	156
Recycling	Pearson Correlation	.759**	.510**	1	.805**
	Sig. (2-tailed)	.000	.000		.000
	N	156	156	156	156
Performance	Pearson Correlation	.954**	.638**	.805**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	156	156	156	156

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

Mapping Specific Impact of Each Predictive Variable on Market Share Performance of Coca Cola FMCG Firm

Table 3 demonstrates the summary for the models adopted in the test for the impact of environmental marketing orientation on market share performance of the organization examined. The summary demonstrates model (3), comprising the stepwise impact of product design innovation, green price and recycling practice as having a more dominant change effect in the model where $r^2 = 0.952$

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.954[a]	.910	.909	.22157
2	.972[b]	.946	.945	.17276
3	.976[c]	.952	.951	.16227

Table 4 describes the analysis of variance for the mean and distributions for the variables. The F-scores and P-value outcomes demonstrate a substantiality of difference in the distributions for the variables.

Table 4: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	76.307	1	76.307	1554.267	.000[b]
	Residual	7.561	154	.049		
	Total	83.867	155			
2	Regression	79.301	2	39.651	1328.566	.000[c]
	Residual	4.566	153	.030		
	Total	83.867	155			
3	Regression	79.865	3	26.622	1011.079	.000[d]
	Residual	4.002	152	.026		
	Total	83.867	155			

a. Dependent Variable: Market

b. Predictors: (Constant), Product

c. Predictors: (Constant), Product, Price

d. Predictors: (Constant), Product, Price, Practice

Table 5 reveals significant effects from all three models. As shown, product design innovation at a t-score = 27.324 and P = 0.000 significantly impacts on market share performance; green price at a t -score = 9.286 and P = 0.000 also influences changes in market share performance, and recycling practice at a t-score = 4.628 significantly also impacts on market share performance. The results demonstrate the substantiality of environmental marketing orientation on market share performance. The evidence from the analysis point to the significance of the correlation between dimensions of environmental marketing orientation (product design innovation, green price and recycling practice) and market share performance of the specified organization (coca cola). Evidence also demonstrates that all three dimensions also significantly impact and influence changes in the outcome of market share performance. However, it is most evident that product design innovation appears to offer a more substantial impact on the dependent variable and as such can be considered as a more dominant factor in the outcome of market share performance.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.202	.059		3.439	.001
	Product	.916	.023	.954	39.424	.000
2	(Constant)	.030	.049		.617	.538
	Product	.812	.021	.846	38.891	.000
	Price	.192	.019	.218	10.017	.000
3	(Constant)	-.001	.046		-.032	.975
	Product	.729	.027	.759	27.324	.000
	Price	.172	.018	.195	9.286	.000
	Practice	.119	.026	.130	4.628	.000

a. Dependent Variable: Performance

DISCUSSIONS AND IMPLICATIONS

The pressure on businesses to engage not only on profitability but also on environmental responsibility has increased in recent times. Customers are becoming more environmentally conscious and are paying attention to environmental products and services. This has changed the

competitive landscape and stimulated the demand for sustainable production and consumption. The theoretical foundation of the study can be linked to the Natural resource-based view theory and the theory of planned behavior. Environmental marketing orientation is a firm-specific intangible resource that can help businesses to realize value. In addition, environmental marketing orientation incorporates a complete framework for exploring the factors which influence the decision to engage in behavior related to environmental issues such as recycling and understanding of different factors affecting the purchase behavior for environmentally sustainable products.

The aim of the study was to determine the relationship between product design innovation, green price, recycling practices and market share performance of coca cola FMCG company as well as determine the specific impact of each independent variable on performance. The findings indicated a significant positive relationship between product design innovation, green price, recycling practices and market share performance of coca cola company. The evidence from the analysis identifies product design innovation as having the strongest and most significant correlation with market share performance, suggesting further focus on the uniqueness of product design as a strategic tool for the performance of organizations in the FMCG market. Nonetheless, all three variables are noted to advance positive outcomes in relation to the market share performance of the organization under study. The first findings of this study are consistent with the findings of Afande (2015), Abzari, Shad, Sharbiyani and Morad (2013); Eltayeb, et al., (2011), who observed a significant positive relationship between environmental variables and performance of firms. Crittenden, Crittenden, Ferrell and Ferrell (2001), Chen, Tang, Jin, Li and Paille' (2015) and Green, Toms and Clark (2015) point out that a strong market orientation promotes environmental sustainability efforts by creating management awareness of customer demands for eco-friendly products and services. This finding of the study confirm that environmental marketing orientation is an intangible firm-specific resource that can affect firm's performance generally.

Evidence from the second findings demonstrate that all three dimensions of environmental marketing orientation (product design innovation, green pricing, recycling practices) significantly impact and influence changes in the outcome of market performance. However, it is most evident that product design innovation appears to offer a more substantial impact on the dependent variable and as such can be considered as a more dominant factor in the outcome of market share performance. The result further demonstrates the strong and significant impact of product design innovation on the firm market share performance, confirming the innovation literature (Chen, Lai, & Wen, 2006; Chiou, Chan, Lettice, & Chung, 2011; Pujari, 2006). Having new production environments and the nature of consumers in mind, it is concluded that in today's competitive world, old methods are not efficient anymore. Hence, by incorporating the green issue into new product development, the green design has increasingly been considered as a systematic method for companies to reduce the environmental impact of their products and processes costs leading to increased product marketability (Brezet & Hemel, 1997). Through designing environmentally friendly products and taking back products and packaging, business organizations can generate benefits to the environment, in the form of reduced waste and better resource utilization in addition to economic benefits and cost reductions to the organizations.

It is very important for managers and other corporate stakeholders to ensure increase in organizational performance, because the ultimate goal of an organization is to increase its financial benefits - but this alone is not a yardstick for measuring increase in performance. In recent years many organizations have attempted to manage organizational performance using the balanced score card methodology where performance is tacked and measured in dimensions such as; financial performance, customer service, social responsibility and employee stewardship, (Opara & Nwulu, 2016). Asiegbu, Awa, Akpotu and Ogbonna (2011) adopted profitability, sales volume and market share as measures for determining marketing performance while O'sullivan and Abela, (2009) measured market performance using sales growth, marketing share and profitability. Wang, Tien and Tai (2004) used indicators such as after-tax profit, return on investment, sales volume and market share as performance measures. Oluto, Maclayton and Opara (2010) revealed that financial measures such as sales and profit provide only partial indicators of marketing performance due to their historical orientation and typically short-term horizon. On the other hand, Nwokah and Opara (2004), opined that intangible and market-based assets (non-financial measures), provide a richer understanding of marketing performance.

CONCLUSION

Adoption of environmental marketing orientation practices is crucial to the FMCG manufacturing sector in order to remain competitive and profitable. This study has established that environmental marketing orientation through product design innovation, green price and recycling practices impact on coca cola FMCG company market share performance.

Hence, the success of coca cola company as well as other FMCG firms' future business performance will to a large extent depend on the appreciation and application of these strategies. Furthermore, FMCG organizations need to understand that it is the firms' devotion towards environmental marketing practices that will translate into increased market share performance. It is therefore noted that organizations will have better competitive advantage when all the relevant stakeholders appreciate and demonstrate these environmental marketing orientation strategies with a view of achieving the desired responses from consumers.

The current study findings contribute to knowledge especially to the environmentally conscious consumers as well as the management in the FMCG sector. 'Greenness' as a selling attribute is a plus for any firm. Allowing marketing managers to increase sales thereby improving firms' revenue and brand recognition by use of environmental marketing will contribute a lot to the marketing discipline. Therefore, the study recommends that fast moving consumer goods companies in Port Harcourt should adopt product design innovation, green pricing and recycling practices in their production and marketing practices in order to enhance their market share.

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International Academic Conference Proceedings

PART E

OFFICE AND INFORMATION MANAGEMENT TRACK

The Role of Office Management on Organizational Performance in the Nigerian Post-Oil Economy

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ABSTRACT

All over the world organizations are seeking to remain competitive and profitable, one of the key approaches to achieving this is the adopting of measures that ensure the smooth organization, coordination and distribution of information and functions across board. This can only be achieved if an effective office management policy is in place. As Nigeria slowly accepts the slow but inevitable shift in the dependence on crude oil triggered by the recent dip in revenue from the oil sector, the need for increased organizational participation in the non-oil sector cannot be over emphasized. This paper therefore, critically analyses the role of office management on organizational performance in the Nigerian post-oil economy taking a critical look at the conceptual analysis of office management and organizational performance while analyzing the features and contributions of office management to organizational performance and economic growth. The paper concludes that effective office management in the non-oil sector will represent significant contribution of organizations to the GDP of post-oil Nigerian economy because of its role in the planning and coordinating of the activities of organizations. A number of recommendations were therefore offered which include that organizations should seek to improve the office management procedures, the government should introduce more policies that encourage the organizational participation of companies in the non-oil sector, organizations should adopt measures that impact employee and customer satisfaction, efficient office management procedures should be actively taught in the educational sector and policies that support the funding and growth of SMEs should be proposed by policy makers.

Keywords: Office Management, Organizational Performance, Post-Oil Economy

INTRODUCTION

Fundamentally, one of the primary objectives of business ventures is profitability and productivity and in the course of meeting these objectives, numerous obstacles impede the operational efficiency of organizations stemming from unstable administrations, financial irregularity, hostile environment, regional, cultural and religious sentiments to mention but a few. As such, organizations are increasingly looking at approaches that improve their operational effectiveness and productivity while reducing their exposure to risk and environmental degradation. In recent times, this desire and approaches to improving operational performance and efficiency is increasingly being adopted by corporations in order to remain competitive (Kasim, Haracic & Haracic, 2018).

Historically, organizations in developed countries are more adept to adopting measures that improve this practice when compared to developing countries (Kapurubandara,et al, 2018). This can be attributed to poor policy implementation, poor infrastructural development and

insecurity. One of these developing countries where organizations are currently struggling with adopting measures to enhancing organizational performance is Nigeria.

Nigeria, geographically located at the western part of the African continent is named after a popular river known as "River Niger" and has a land mass coverage of about 923, 768 square kilometers with a population of about 399 million people (Adama, 2007). Researchers have long established that the country is endowed with numerous natural resources (Adesopo & Asaju, (2004; Jack, Nkwocha & Odubo, 2016). According to Adesopo & Asaju, (2004) the country is blessed with numerous natural resources such as iron, ore, wolfram, bartyles, limestone, cassiterite coal scattered across the various regions of the country. In the past, the country was largely dependent on the agricultural sector as such most of the technological innovations for operational efficiency during this period were geared towards farming and exportation of agricultural products (Ajayi, 1984; Olomola & Nwafor, 2018). According to Adeyemi & Abiodun (2013) the mainstay products during this era comprised rubber, palm oil, cocoa, cotton to mention but a few. This sector provided for more than 75 percent of the jobs during this era (Olomola & Nwafor, 2018). By late 1960, there was a shift in economic dependence from the agricultural sector to the oil and gas sector and this was largely as a result of the Israeli versus Arab war that caused a crude oil boom between 1974 and 1980 (Udosen, Etok & George, 2009; Ukiwo, 2018). It is suggested that during this period, Nigeria earned millions of dollars from the exportation of oil. Scholars highlight that this boom saw organizations such as Shell BP, Societe Africaine des Petroles (SAFRAP), Gulf Oil, AGIP and Mobil engage in exploration and production of crude oil within the country (Ukiwo, 2018).

This increase in operational activities in the crude oil industry saw an increase in technological and fiscal innovations in this sector and consequently influenced informational technologies during this era. These technological innovations were aimed at improving the operational efficiency of organizations operating in these sectors.

Over the years, the oil and gas sector became responsible for 85 percent of the internal revenue of the country (Chete, Adeoti, Adeyinka & Ogundele, 2014). This however, brought about numerous challenges such as increase in corruption, insecurity, agitations and environmental degradation as well as the consequent implications on economic development. Analysts highlight that the emergence of oil brought about dependence on foreign inputs, spare parts as well as technical expertise that in the long run proved problematic for policy makers (Adeyemi & Abiodun, 2013). Economically Alege & Ogundipe (2014) posits that this boom of oil exploration saw the rise of the "Dutch Disease". According to Essie (2012) as a result of corruption, inadequate policy planning and implementation, insecurity and environmental degradation numerous organizations in Nigeria have seen their organizational performance impacted. Scholars have long established the impact of organizational performance on economic development (Bartelsman, Scarpetta & Schivardi, 2005; Bishop, Mason & Robinson, 2009).This therefore supports the argument that proposes that the GDP of countries are impacted by the productivity and performance of organization operating in the country (Krugman, 1994; Srinivasan, 2005).

In recent times nevertheless, Nigeria a middle income country has seen growths in the fiscal, entertainment, innovation and communication sectors (Suberu, Ajala, Akande & Olure-Bank, 2015). As such, there is a gradual shift from total dependence on revenue generated from the oil

and gas sector to other sectors otherwise known as "CODVID-19" that has impacted the ability of the Nigerian Government to meet its statutory duties and influenced the recent request by the Nigerian President for an 850 million loan to the National Assembly (Umoru & Yakubu, 2020).
The successful diversification of the economy will therefore impact participation of organizations in these sectors. According to Osinbajo (2020) diversifying into agriculture, manufacturing and communication sectors will offer business opportunities for organizations and create avenues for job creation for millions of unemployed Nigerians in the country. One key area in operational efficiency and performance for organizations is the coordination and directing of management functions. This management function refers to how the offices are organized to allocate responsibilities, authorities and duties to people with the objective of ensuring operational effectiveness (Pius & Samson, 2014). This paper therefore critically analyses the role of office management on organizational performance in the Nigerian post-oil economy

Office Management
Historically, the meaning and representation of the term "office" has evolved over the years (Amos, 2005). It has been described as a critical area where activities, transactions and businesses are conducted (Upadhyay, Ladhe, Rai, Bhatkar & Upadhyay, 2015). Furthermore, it has been referred to as a location where control mechanisms for a business are situated, where records get initiated for communication, control and effective operations of a business. According to Pius & Samson (2014) it acts as a meeting point where information is collected, processed, stored and distributed with a view to achieving efficient operations.

Today however, the representation of the office has evolved from being a place to a function (Chopra & Gauri, 2015) in the sense that it refers to wherever business activities are organized, coordinated and standardized. As such, the office today is mobile and critical to organizational productivity and efficiency.
The concept of office management has been debated by numerous scholars, according to Yalokwu (2006) office management refers to the organization, planning, directing as well as control of the activities of an organization with a view to ensuring that the resources are optimally utilized and objectives met. Amos in his own right observes that, it concerns getting, recording and analyzing information of strategies and of communication where the management of a corporation seeks to preserve its assets (Amos, 2005). Supporting this proposition, Upadhyay, Ladhe, Rai, Bhatkar & Upadhyay (2015) highlight that it is the strategizing, coordination and motivation of others with a view to achieving certain goals of an organization. It is the control as well as manipulation of machinery staff, to achieve the best result or standards with minimum effect and expense.
As such, it can be deduced that office management simply refers to process where strategizing, coordination, organization are implemented so as to facilitate the successful attainment of intended targets of any business venture. They are a number of key features of office management and they comprise;

- Planning

Planning refers to the process of analyzing procedures needed to attain desired objectives (Jeseviciute-Ufartiene, 2014). It encompasses setting goals and formulating a strategy to achieve these goals (Steiner, 2010). In the business world planning is termed as organizational planning. Organizational planning therefore is the identification of long and short term goals and

formulating strategies to attain those goals. Organizational planning ensures that the organization has a direction and gives the employees a sense of belonging and purpose. Organizational planning can also be defined as procedures that translate the objectives of an organization to practical projects by focusing on competitors, opportunities and the market in general.

- Organizing

This refers to the process of combining the activities carried out by persons or a collection of persons to perform facilities needed by the personnel to meet desired goals. In terms of business, organizing refers to the delegation of task, authority and the allocation of manpower and resources across organization. During the organization process, managers coordinate staff, resources, enforce policies and procedures to attain the goals established in the plan (Okafor, 2014).

- Directing

This refers to the process of instructing, inspiring, overseeing and leading people to the attainment of objectives. It is the process where managers instruct, oversee the performance of employees with the view to achieving predetermined objectives. According to Upadhyay, Ladhe, Rai, Bhatkar & Upadhyay (2015) it is continuous managerial process that goes on throughout the life on an organization. The importance of directing to the management process thus cannot be overemphasized.

- Control

This refers to a primary goal-oriented function of management in an organization. Upadhyay, Ladhe, Rai, Bhatkar & Upadhyay (2015) opines that it involves comparing the actual performance with the set standards of the company in a bid to ensuring that activities are carried out following the stipulated agreement of the plan. As such, it ensures that organizational resources are effectively and efficiently utilized to achieve predetermined objectives.

Contribution of office management to the operations of organizations
As technology and innovation increase, there is an increased level of awareness and information being shared in society and as such, it has become an important area of today's work. Hence looking at contributions of office management to the operations of organizations which include;

- Reduction in operational cost

Under the supervision of efficient management and application of efficient office management practices, the operational cost of organizations will be significantly reduced. According to Pius & Sampson (2014) office management is concerned with carrying out business employing the best business practices and the most cost effective approach. This proposition is supported by Kobayashi (2003) who highlights that the reduction of operational cost is one of the objectives of management that can be attained through simplification and mechanization. According to Pfano & Beharry (2016) employing appropriate adequate planning, sound organization and effective control which are key components of efficient office management, management reduces costs and positions organizations to meet the competitive demands of today's business world.

- Offers leadership to the organization

Office management through its features offers leadership to organizations in the sense that objectives are set out, planning is established on how the objectives will be met and through effective office management the different aspects of how these objectives attained will be organized by those tasked to carry out that task. Upon organization, various duties and tasks are directed to individuals charged with implementing the objectives by persons in charge of organizing how the achieving the objectives will be attained. Steyrer et al., (2008) argues that a correlation between leadership and how organizational meet their objectives.

- Plays a key role in attainment of organizational objective

Effective office management plays a role in the attainment of organizational objectives as it directs and controls the various components that contribute to the attainment of the organizational. According to Zheng et al (2010) the culture, organizational setup and the strategies employed by organizations influence how they meet their objectives.

- Ensures that resources are optimally utilized

When management effectively employs office management approaches. It aids in the utilizations of resources (manpower and machinery). Managers in these organizations coordinate and integrate numerous resources to meet the desired targets of the organization. This proposition is supported by the argument of Carter et al (2013) who in their research on traditional leadership and employee performance establishes that quality organizational communication with employee impacts the attainment of goals by organizations.

- Ensures operational efficiency

Scholars have long held that effective office management potentially impacts the operational efficiency of organizations in the sense that if proper planning, organization, coordination and direction is put in place, they will achieve operational synergy (Cartel et al., 2013). This points to the organizational culture and strategy of organizations. Buttressing this viewpoint, Zeynalipoor & Mirkamali (2008) highlights that there is a direct correlation between the organizational culture, atmosphere and how organizational attainment their goals.

- Offers innovation

Innovation can be described as the act of discovering new and better approaches to carrying out activities (Baregheh, Rowley & Sambrook, 2009). In the business world therefore, innovation relates to how organizations through effective management approaches discover new ideas and approaches to meet their organizational objectives (Dogan, 2017). Effective office management therefore adopts ideas from customers, feedbacks from salesmen, activities from competitors and suggestions from employees in order to stay abreast with innovative approaches to attaining organizational objectives.

- Protects the corporate reputation of organizations

Analysts have long established that office management aids in protecting the reputation of organizations (Feldman, Bahamonde & Bellido, 2014). According to Onyiengo (2014) effective office management improves public relations and goodwill of organizations by dealing with grievances of clients and the public in general.

- Maintains organizational survival and development

For any organization to survive, effective managerial practices must be in place as such, effective office management offers and maintains a link between the government, clientele, suppliers, financial institutions, insurance organizations and the public in general thereby keeping the organization abreast with policies that are required to keep the organization in tune with the demands of today's business world.

Thus, the manner an organization is run influences how well it performs in the sense that when management indentifies long term objectives as well as innovative approaches the organization deploys mechanisms and resources towards the actualization of these outcomes. Hence if office management is employed effectively, it potentially impacts the performance of the said

organization.

Organizational performance

Organizational performance has long been researched by scholars, this is as a result of its complexities surrounding human capital, training, employee relationship, organizational policies and plans and its resulting impact on economies. This proposition is supported by Zarandi, Amirkabiri & Azimi (2017) who highlights that organizational performance impacts economic growth. Some of the areas where research has focused on include; factors that impede organizational performance, factors that improve organizational productivity, the correlation between quality management and organizational performance and the role of the HR department on organizational performance to mention but a few. This clearly highlights the importance organizational performance to policy makers and the society in general. This is particularly true in the sense that when organizational performance is improved it can be linked to job creation (Liu, Park & Whang, 2019), increase in revenue generated from exportation, increased productivity to mention but a few. According to Singh et al (2016) the success of business is largely correlated with its organizational performance.

According to available records employment rate in Nigeria averaged 85.42% from the period of 2014 to 2018, while during this period the GDP of Nigeria averaged about 130 billion USD from 2019.

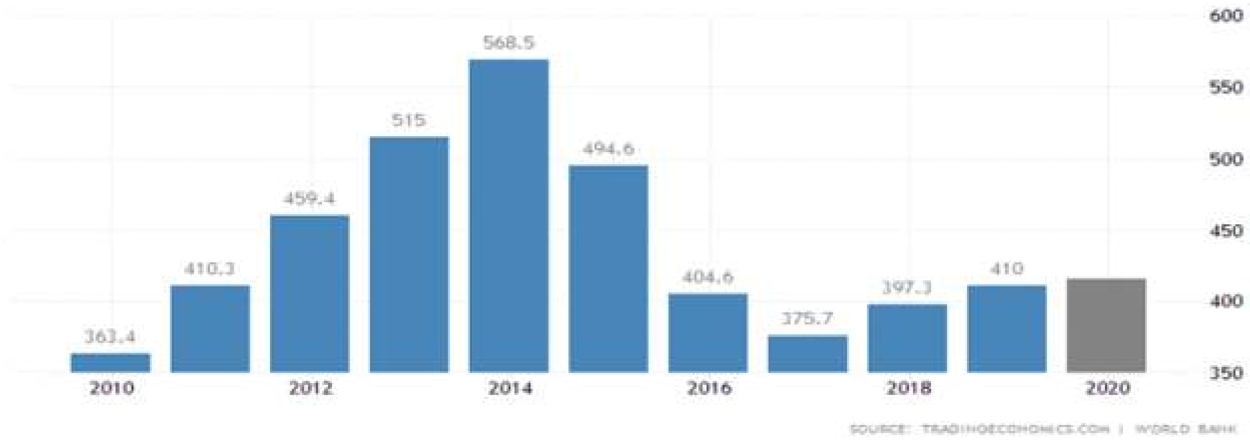

Figure 1: GDP (2010-2020)

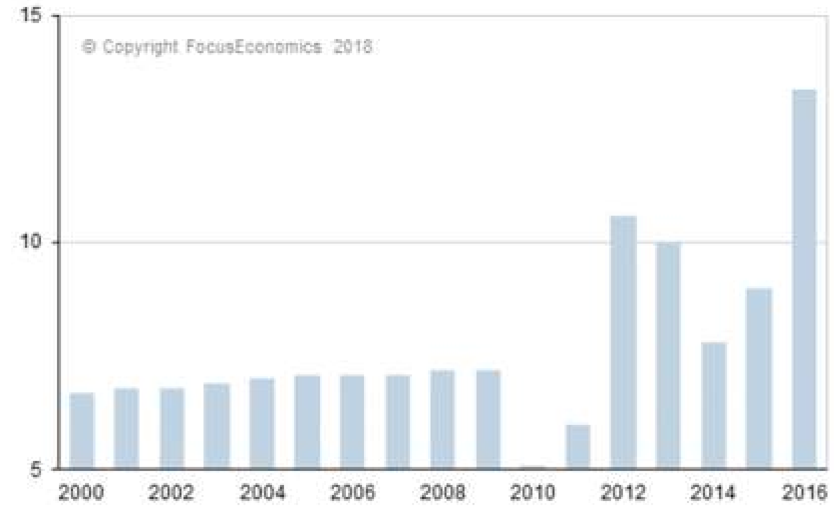

Figure 2: Unemployment rate (2000- 2016)

Figure 3: Inflation rate (2010-2019)

As such from the tables, the proposition that organisational performance influence economic development can be said to be true. It is therefore imperative to fully understand the concept of organizational performance as such, focus must be placed on performance.

A number of research have offered their opinions on the concept of performance, according to Noye (2002) it consists of attaining the objectives that were given to the collection of enterprise orientations. Another school of thought opine that performance of an organizational system is a complicated relationship that comprise a number of criteria that ought to be followed which include effectiveness, productivity, innovation, profitability, efficiency and quality (Elena-Iuliana & Maria, 2016). According to Dobrin et al (2012) performance refers to a situation where all efforts are focused towards attaining the set target and meeting the satisfaction of clients. According to Elena-Iuliana & Maria (2016) it can be described as the analyzing of the organization that seek to assess the capability and ability of an organization to achieve the goals of the organization employing effectiveness, social referent criteria and efficiency (Jenatabadi, 2015). Folan et al (2007) highlights that performance is influenced by environmental factors, the target to be achieved and the important as well as recognizable characteristics within the society. Scholars assert that performance remains a theme that continues to be mentioned in all areas of management (Jenatabadi, 2015).

Critically looking at post-oil economy, therefore, performance can therefore be deduced to be the measuring of the organizational outputs in post oil economy when compared to the desired objectives in this sector. According to Terziovski & Samson (1999) performance is attaining organizational goals where office management is fully implemented.

As such, there is consensus that organizational performance, is the evaluation of the performance of an organization measured against its targets and objectives. Where the success of organizations relies on its capacity to effectively implement strategies to achieving institutional objectives (Randeree & Al Youha, 2009; Singh et al., 2016). Furthermore, Madanchian, Hussien, Noordin &

Taherdoost (2016) highlights that it is the process of converting resources into outcomes.

In recent times organizations are increasingly adopting measures to measure and calculate organizational performance employing the balance score card approach where organizational performance are tracked and calculated in various dimensions such as;

- Employee commitment

Employee commitment can be described as the strength of a person's identification and involvement in a particular company (Wainwright, 2019). It is the emotional affiliation with an organization that brings about increased desire to contribute and participate in the success of an organization (Wang, 2011). It is a response to employee empowerment, job enrichment and payment prevalent in their organization (Ongori, 2007; Mostafa, 2017). The relationship between employee commitment and organizational has long be discussed by scholars (Ajila & Awonusi, 2004; Zheng, Sharan & Wei, 2010; Dost, Ahmed,; Shafi & Shaheen, 2011; Andrew, 2017, Tolera, 2018, Sufian & Lee, 2019). The growing competitive nature of today's business world sees organizations striving to meet their objectives. One of the key ways in which this can be achieved is through the employment of quality and dedicated employees (Irefin & Mechanic, 2014). According to Tolera (2018) no corporation can attain its peak levels if its employees are not committed to its objectives. Andrew (2017) posits that organizations must realize that employees have their own requirements and personal wishes that have to be taken into account. Hunjira, Ali, Chani, Irfan, Khan & Rehman (2010) postulate that, employees who are committed are more likely to contribute their time and energy to pursue the goals of the organization. Dost et al (2011) highlighted that employee commitment can be enhanced by giving them an insight on the entire procedure of the organization performance measurement. In a study by Irefin & Mechanic on the effect of employee commitment of organizational performance it was established that the level of employee commitment of an organization impacts the organizational performance of a company. These dimensions can only be successfully implemented if excellent office management are being practiced by the organizations.

According to Obwaya & Florence (2010) the performance of an organization depends on how employees adopt organizational policies and work together through effective office management. Hence, the level employee commitment can be used to determine the organizational performance of a business.

- Corporate responsibility

The concept of corporate social responsibility otherwise known as "CSR" is not new according to historians, the idea of CSR began in the 1950s and over the years it has evolved in importance and significance. Caroll & Shabana (2010) assert that its importance and impact on organizations and its operations has received attention from scholars, policy makers and business strategists in recent years. The concept has therefore been subject to numerous debates and comments. Some scholars highlight that it describes how organizations take responsibility for its actions and how they impact the environment, stakeholders, employees and the public in general (Sharma et al., 2009; Siddiq & Javed (2014).

According to Low (2016) it is the self-imposed conscientiousness of organizations to the society in areas that include economy, environment, employee welfare and ethics of competition. Other proponents however have a contrary view insisting that companies are fully aware of the implications of corporate social responsibility on their organization. Supporting this argument Korchi & Rombaut (2006) postulates that it is the commitment of organization to contribute to sustainable economic development, employees, local environment and society in general in a manner that is beneficial to the organization. According to Smith (2007) organizations adopt CSR strategies as means of creating a good corporate image with the sole purpose of eliminating obstacles from stakeholders. With regards to how CSR impact organizational performance, Lu, Lin & Tu (2009) posits that corporate social responsibility surrounds community involvement, environment and disclosure dimensions positively impact the financial performance of organizations. A number of scholars have agreed with this proposition, according to Siddiq & Javed (2014) one of the numerous ways the organizational performance of a corporation can be determined is its approach to corporate social responsibility. Another study by Alawiye-Adams & Abiodun (2014) reaffirms this proposition. It therefore be deduced that the organizational performance of a business can be calculated or influenced based on its level of corporate social responsibility.

- Customer service

Today's society is increasingly demanding for organizations. Customers are becoming more informed and as such demand better service, speed and responsiveness to their needs. These expectations have therefore put pressure on organizations to improve their services, sales and employee development if they are to enhance their organizational growth and performance. Customer service has long been determined as a critical tool in office management and organizational performance. Customer service therefore can be defined as what organizations do to satisfy its customers (Kanovska. 2010). According to Aden & Gichinga (2016) it is the set of behaviors organizations undertake during their interactions with customers. It also refers to a specific person that is set aside to offer general assistance to the customers (Danny, 2009).

Kotler &Keller (2006) portends that organizations are increasingly becoming customer centered and adopting customer-driven initiatives that seek to understand, attract, retain and build intimate long-term relationships with customers. According to Kihombo (2015), customer service provisions plays a critical role in public relation cost in the sense that, organizations with customer compliant register gave customers the opportunity to register their complaints before it developed into a legal proceeding. In their conclusion, Aden & Gichinga (2016) assert that there was a positive relationship between customer service, customer relationship management and customer service delivery and organizational performance. A recent report established that customer service is a critical indicator and facilitator of organizational profit with more than 75% of consumers believing they would have more transactions with a organization based on contact center experience. Hence, an office management approach that employs the principles of customer service will invariably impacts the operational performance in the business.

- Fiscal performance

Business continue to adopt measures to bring about organisational growth. One of the aspects of organsiational growth is fiscal performance. Fiscal performance refers to the the measure of how well an organisation is doing that surround its assets and generated revenue (Van Horne & Wachowicz, 2005). It is the degree to which financial objectives have been accomplished. It encompasses the process of measuring the result of an organizations policies and activities in monetary terms (Fatihudin & Mochklas, 2018).

Office management therefore allows plans to be made regarding the organizational long and short term objectives. According to Jeseviciute-Ufartiene (2014) planning takes into account the objectives of the organizations employing existing resources with a view to making the organization more competitive. The financial performance can be calculated capital change, cash

flow, balance sheet while the liquidity, solvency, efficiency and profitability can be employed as a bench mark for financial performance (Fatihudin & Mochklas, 2018)

Post-Oil Economy in Nigeria

Research has long highlighted the challenges faced by Nigerian businesses significantly impact their organizational performance (Fasesin, Ajiboye & Bukola, 2019) therefore as the Nigerian economy is realizing the dwindling revenue generated from the oil and gas sector, taking a closer look at the non-oil sector is critical.

Historically, Nigeria has been grappling with developmental challenges politically, socially and economically. Several studies have studied the correlation between economic development and non-oil export (Mehrara, 2013, Kalu & Agodi, 2014, Abogan et al, 2014). Over the years, the oil sector has experienced fluctuations for instance during the early 1980s, there was a decline in the oil boom (Adeyemi & Abiodun, 2014). According to World Bank (2020) between 2000 and 2014, the GDP of the country was growing at an average rate of 7 percent annually but the oil price collapse between the year 2014 to 2015 saw the GDP drop to 2.7 percent in 2015. Buttressing this proposition, a report by highlights that since 2015 the economic growth of the country has largely remained muted and impacted by inflation and corruption (World Bank, 2020). While the disruption in oil production and exportation as well as the recent fall of crude oil to below zero dollars causing global economic uncertainty is recent reminder (Ambrose, 2020).

This instability in the fortunes of the crude oil sector and the consequent impact on businesses and the economy highlights the need for Nigerian policy makers to have a rethink. Igberaese (2013) highlight that for years, the economy of Nigeria has leaned on this volatile sector.

According to Ogunkola et al (2006) agricultural products such as palm produce, cotton and rubber no longer exist in the export list of the country. Public delivery services such as electricity and telecommunication are deteriorating (Ogunleye & Simon-Oke, 2004; Akpomujere, 2017) reinforcing this point, Ogunkola & Oyejide (2001) posit that the country experienced a drop in the exportation of non-oil products.

Adeyemi & Abiodun (2013) postulate that this clearly shows decades of misdirected credit policies, out of place policies, poor policies that support businesses and misdirected and multiple taxation has impacted the development of businesses in the country over the years.

This proposition has however been questioned by another school of thought who argue that a number of policies have been introduced aimed at entrepreneurship, agricultural, service delivery development as well as policies seeking to ease the experience of doing business in the country. According to Igwe, Edeh & Ukpere (2014) policies such as the protectionism policy, trade liberalization police and the export promotion policies have made impacts in the contribution of the non-oil sector to the economic growth of the country. This can be seen clearly in the increasing contribution of the non-oil sector to the GDP over the years and the consequent improvement in the operational performance of organizations which has brought about increased organizational participation in non-oil sectors.

Table 1. The contribution on the non-oil export to GDP in percentage

Year	GDP	Net export	(NX/GDP)%
1981	205,222.06	342.8	0.167039
1982	199,685.25	203.2	0.10176
1983	185,598.14	301.3	0.16234
1984	183,562.95	247.4	0.134777
1985	201,036.27	497.1	0.247269
1986	205,971.44	552.1	0.268047
1987	204,806.54	2,152.0	1.050748
1988	219,875.63	2,757.4	1.254073
1989	236,729.58	2,954.4	1.248006
1990	267,549.99	3,259.6	1.218314
1991	265,379.14	4,677.3	1.762497
1992	271,365.52	4,227.8	1.557972
1993	274,833.29	4,991.3	1.816119
1994	275,450.56	5,349.0	1.941909
1995	281,407.40	23,096.1	8.207353
1996	293,745.38	23,327.5	7.941401
1997	302,022.48	29,163.3	9.656003
1998	310,890.05	34,070.2	10.95892
1999	312,183.48	19,492.9	6.244052
2000	329,178.74	24,822.9	7.540858
2001	356,994.26	28,008.6	7.845672
2002	433,203.51	94,731.8	21.86775
2003	477,532.98	94,776.4	19.8471
2004	527,576.04	113,309.4	21.47735
2005	561,931.39	105,955.9	18.85566
2006	595,821.61	133,595.0	22.42198
2007	634,251.14	199,257.9	31.41625
2008	672,202.55	252903.7	37.62314
2009	718,977.33	296696.1	41.2664
2010	775,525.70	405856.1	52.33303
2011	834,000.83	497608.6	59.66524
2012	888,893.00	476110.7	53.56221

Source: Central Bank of Nigeria Statistical Bulletin (2012)

Increased business participation in these sectors will bring about job creation, SMEs development as well as poverty reduction (Storey, 2004) as organizations increasingly adopt new managerial, scientific and technological processes in non-oil sectors as a result of competitiveness (Zarandi et al, 2017). It can therefore be deduced that effective office management plays an essential role in

organizational performance in the non-oil sector.

According to George & Ibiok (2015) the service and entertainment industries have become major contributors to the GDP over the three years. In 2018, the agricultural sector contributed about 29 % to the GDP while the service sector contributed about 50% (Okpi, 2018). Indicating a shift from total dependence on oil generated revenue. This rise in non-sector contribution to the GDP is a clear indicator that the oil-sector may not longer be a dependable and viable source of revenue for the country. Several researchers have highlighted the positive impact several non-oil commodities can have on the economy and replace the dwindling revenues from the oil sector (Okunu & Adeyemi, 2008, Usman & Salami, 2009; Aladejare & Saidi, 2014).

CONCLUSION

Increasing evidence suggests that the global demand for crude oil is slowing reducing. This can be attributed to a number of factors such as rise in renewable energies and shale gas adaptation. This has been worsened by the recent covid-19 pandemic that is causing devastating impact on the global economy. Nigeria currently grappling with the stronghold of its dependence on oil generated revenue and struggling to diversify its impact has adopted several policies to achieve this. Available evidence therefore suggest that some of the policies introduced by the government may be working as industries such as service, entertainment and the agricultural sector are experiencing significant contribution to the GDP. This growth in GDP suggests increased organizational participation in these sectors as well as improved organizational management was instigated by effective office management. Conclusively, it can be deduced that office management plays a crucial role in influencing managerial contribution to organizational performance and consequent implications on economic growth.

RECOMMENDATIONS

- Policies that support the funding and growth of SMEs should be adopted by policy makers.
- Organizations should seek to improve the office management procedures.
- Government should introduce more policies that encourage the organizational participation of companies in the non-oil sector
- Organizations should adopt measures that impact employee and customer satisfaction.
- Efficient office management procedures should be actively taught in the educational sector.

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Challenges Office Information and Management (OIM) Lecturers face to teach Information and Communication Technology (ICT) in Rivers State Owned Universities

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ABSTRACT

This study aimed at identifying the challenges Office Information and Management lecturers face to teach Information and Communication Technology (ICT) in the Rivers state owned Universities. This study was considered because the 21st century has witnessed high rate of advancements in ICT to the extent whereby advancements like robotics and artificial intelligence have revolutionalized the way office management job is delivered and this have forced the training method to demand more of practical experience alongside theoretical methodology of teaching.The scope of the study is on the job activities and challenges of the lecturers in ensuring the transmission of adequate information communication technology knowledge to both undergraduate and postgraduate students of Rivers State University and Rivers State University of education. Therefore, the Rivers State Government's role in providing adequate infrastructures needed for properdelivery of a 21st century type of education can never be an overstatement. The lecturer's Job as an educator was conceptualize. Expectancy– value theory was used as the theoretical framework of analysis to explain lecturer's job and her ability to impact the right kind of ICT education to OIM students in a tertiary institution. Secondary data were used for the study and content analysis as a tool to analyze the data. The study findings proved among others that there exist a manpower imbalance, high political influence on lecturers' appointment, inadequate workshop and adequate lecturing facilitiesconstitute the challenges while discharging their duties in the university. The study further established that the lecturer challenge plays a very significant role in ascertaining how student perceive the performance of an office information manager. Arising from the findings, some recommendations were made as strategies to reduce teachers' challenges and improve their job performance in the state owned Universities.

INTRODUCTION

The university is an institution of higher learning devoted to teaching, learning and research activities. It is established with the intent to build strong society and enhance national development through the improvement of student's frontier of knowledge and understanding which prepare them to cope with all the major aspects and questions of human existence be it economic, social or political. The University is likewise qualified as the apex institution of higher learning and typically it is structured to cover a wide arrays of academic disciplines perceived to be relevant to the socioeconomic and political activities within a given society like Rivers State. The Office Information Management disciplineis one of the varieties of disciplines taught within

the universities in Rivers State to prepare undergraduate and post graduate students on requisite skills for the proper management of information use within an organization.

According to Havighurst (2011) office information management is the total activity which is planned, organized, and evaluated in order to prepare youths and adults to meet the technical and economic needs of a complex society. Office information managers seek to develop youths beyond the capability of obtaining and holding an initial job. Njoku, Ohiri, Nwosu, Iwuoha, Njoku and Ohakwe (2005) noted that all over the world, technology is seen and felt in all facets of the business world. This development has affected the way people behave, office functions, equipment used by workers, skills used in different field and so on. According to these authors, some years back, the secretarial staff were talking about manual typewriters, the word processor, but today, they are talking about computer, e-mail, fax machines, and so on. Similarly, they were concerned with producing letters written by their bosses (it was the question of reproduction), and later they transcribed from their shorthand passages. Notably, the office today has taken a new dimension in terms of the ways its functions are carried out and the great demands and challenges on management, which has affected all facets of administration. In this case, the secretarial staff is not left out because most of these challenges are centered on her functions. Today, the secretarial staff are asked to give replies on behalf of the boss or organization to customers and even to members of staff. Additionally, the new wave in technological innovation and the challenges of today's offices in respect to automation and the makeup of people from diversified cultures that have to do with offices have caused policy makers and educators to look inwards on programme contents, nomenclature and career prospects. Although, some programmes offered by most university have been carefully looked into and programme contents reviewed and nomenclature changed to fit into current demands of offices, yet, a few of them have not done enough to meet the challenges of today's office. Njoku (2012) posited that it is expected that the contents will take care of it. This will also include the question of relevance of each content of the programme to the society / philosophy of education as well as the goal of the general education as an integral part of the educational process. Byrnside (2010), Beaumont (2009), and Tonne, Popham and Freeman (2009) were in agreement when they noted that it is essential that the office educator should use proper instructional strategies by which the learners may acquire the pattern of the expert be employed. They noted that the office educator cannot help students to analyze the practice efforts if he (the educator) does not recognize which of the movements used are aiding them in mastering the skill and which are impeding their progress.

Statement of the Problem

The advent of cutting edge technologies in the 21st century has created a new ordercharacterized with a high level of automation for office operations. Consequently, the process of accomplishing the function of an office and information manager have been greatly altered, requiring a change in the OIM curriculum so that her university graduate would possess capabilities consistent withindustrial demand.

A report published on The Guardian by Lawal (2018) revealed that about 95 percent of graduates from the Nigerian universities are unemployable because they do not meet the need of the reality in the workplace and called for an urgent attention from all concerned to address the trend. The report blamed this problem on the use of obsolete curriculum and lack of funding for the adequate utilization of ICT infrastructure required to aid transfer and acquisition of quality learning experience with hand on experience.

It is on this note that this paper examined the challenges office and information management lecturers face in teaching information communication technology in Rivers State owned university.

Objective of the Study

This paper examined the following:

1. The challenges office information and management lecturers face to teach ICT in Rivers State.
2. Recommends aimed at mitigating these challenges

LITERATURE REVIEW

Office Information Management Programme

Office and information management is the application of scientific knowledge, devices and systems to facilitate and enhance the information processes and delivery of same. It is also viewed as a concept that is associated with office automation, electronic technology and office globalization (Omoniyi and Elemure, 2014). Ejeka and Ebenezer-Nwokeji (2016) viewed Office and information management as a major skilled area which is highly inclined to assist in achieving the demands of modern workplace and creating self-employment.OIM is a nomenclature that has replaced Secretarial administration Programme in Nigerian Universities (Ogheneovo, 2015). The programme is designed to equip its recipients for employability and pursuit of career opportunities in office occupation (Osuala, 2004). This was as a result of an extensive review of Secretarial Administration Curriculum in order to make its recipients to be ICT-compliant and fit appropriately in the world of work, most especially, in modern offices that are characterized by various types of state of the art communication and technology. Office and Information Management programme is designed to equip students with the competencies required to work in a modern office environment.

The Role of Information Communication Technology in Office and Information Management

According to Shyamal (2005), ICT include all the electronics means for gathering, processing, storing, sharing and distributing information, knowledge and ideas. Information and communication technology has integrated the world into a global village thereby making the processing, production, marketing and consumption of knowledge, skills, goods and services very easy without distance barriers. It encompasses all forms of information delivery systems that use multi-media, internet, intranet, extranet and interactive TV, among others. It is one of the major innovations that are taking place in Nigerian education system, particularly at the tertiary education level. In a broad sense the term information communication technology is a fusion of information technology and communication technology. According to Osuagwu (1993) Information Technology as the convergence of microelectronics, telecommunications computers, and storage facilities. Ohakwe (2001).

On the other hand considered Information Technology beyond hardware and software. He rather considered it as a process of acquisition, processing, storage and dissemination of vocal, pictorial, textual and numerical information. Osuwa (2002) defined Information Technology as the

application of scientific study of the art of using skills in making things, the mastery and utilization of manufacturing and industrial methods. Information Technology is a scientific, technological and engineering discipline and management technique used in handling information, its application and association with social, economical and cultural matters (UNESCO, 2003). On the other hand Blissmer (2003) considered technology as the practical application of knowledge, it refers to those activities directed to the satisfaction of human needs, which produce alterations in material work. Therefore, Communication Technology is the process of transferring information from a Sender to a receiver with the use of a medium in which the communication information is understood by both sender and receiver. Communication Technology implies the knowledge, skills and understanding needed to exchange information verbally or non-verbal (Liverpool, 2002).

Challenges faced by Office Technology and Management lecturers in teaching ICT in Rivers State University

The Nigerian university educational landscape have in this millennium experienced certain level of changes in their course content as some of the course content experiencing adjustment, while for some programme a total change of nomenclature and the inclusion of a totally new courses. The office and information technology is one of such programme whose nomenclature was changed from secretariat administration. This effort is considered necessary to meet the demand of the current trends with the 21st century industries that is driven by cutting edge technologies.

Notwithstanding the adjustment done in the OIM curriculum there exist yet a great drawbacks capable of inhibiting OIM lectures in Rivers State Owned universities from delivering a qualitative ICT lecture to their students. These are discussed as follows:

1. Inadequate ICT infrastructure such as computer hardware and software: This agrees with the view of Adeola and Bolarinwa (2010) which pointed out that in majority of Nigerian institutions, the classroom accommodation is grossly inadequate while many of these institutions have poorly equipped libraries, laboratories and lecture rooms (Adeola & Bolarinwa, 2010). According to them, implementing curriculum in Nigeria is faced with the challenge of provision of sufficient fund. Curriculum innovation lacks adequate attention and sponsorship by the government due to lack of fund. This was in agreement with the view of Ike, who posited that the new curriculum of Office Information and Management has made it more capital intensive and demanding and computers which are basic to all teaching and learning activities involving teachers and students are just not there in the laboratories and classrooms, and where they exist, they are few in number (Ike, 2008). Eze further observed that certain facilities are specially designed to enhance the teaching of skills in OIM without which such skills cannot be acquired but it is very disturbing that our institutions is very retarded in terms of technological equipment (Eze & Ugwuanyi, 2008). They further observed that there is absence of adequate functional laboratories, model office and equipment in most of our institutions of higher learning and there is need to continually inform the government of the need to enrich students' experiences with modern teaching audio-visual devices.

2. Insufficient funding: The cost of equipment is enormous in a country like Nigeria with a crippled economy and terribly devalued currency. The huge financial requirements for the procurement and installation of hardware and software necessary for implementation of the

ICT-based OIM curriculum pose a great challenge coupled with the fundamental challenge of funding which is regarded as the mother of many other challenges confronting the implementation of the curriculum. Inadequate funding accounts for inadequate supply of training facilities and also makes maintaining the available ones a difficult task.

3. Lack of proper supervision: government should also improve substantially the monitoring of its implementation strategies not only to ensure accountability of funds but also for effective teaching and learning (Eze & Ugwunyi, 2008). They further submitted that the anticipated progress in OIM cannot be contemplated in the absence of very vigorous consistent policies to improve and update vocational education and therefore institutions offering OIM programmes should be properly equipped with new and more automated instructional equipment.

4. Lack of skilled manpower to manage available systems: Adeola and Bolarinwa (2010)

stressed that the teachers employed to teach OIM should be competent and qualified in terms of professional qualification, practical skills and knowledge and should be able to know both the content and methodology of the subject to foster effective teaching and learning (Adeola & Bolarinwa, 2010).

5. Incessant electricity distribution: According to Oludele and Bolarinwa (2010), almost all training facilities for acquiring the professional skills specified in the curriculum are electricity-driven and the erratic power supply situation of the nation poses a major challenge to effective implementation of ICT-based OIM curriculum (Oludele & Dosunmu, 2013).

CONCLUSION

Office and Information Management is indeed a laudable educational programme. It is an innovative response to the new demands of the world of work particularly the business world. Based on the findings of the study, there are various challenges to contend with in the course of implementing the curriculum of OIM which ranges from inadequacy in the supply of ICT equipment and facilities to unstable teaching staff and inadequate funding. However, these challenges could be overcome if the various strategies which include the provision of adequate training facilities / equipment and consistency in government policy are adopted. The curriculum of OIM could further be enriched with the inclusion of other relevant courses that will not only make the graduate to be marketable but also self-reliant.

RECOMMENDATIONS

1. Government and all other stakeholders in education sector should make provision for adequate facilities and training equipment for effective service delivery and implementation of OIM curriculum.

2. Government at the national, state and local government level together with all other relevant stakeholders in the educational sector should priotise adequate funding of education in the country.

3. Adequate and regular plan should be made by government for the training and retraining of teachers in order to enhance their capability in skills and competence needed in the delivery of the curriculum of OIM.

4. The various resources that are essential requirements in the teaching and learning process should be provided by institutions offering the course to enable students have more practical learning experience.

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COMMUNITY OF INNOVATION AND ORGANIZATIONAL AMBIDEXTERITY IN RIVERS STATE-OWNED PUBLIC INSTITUTIONS: A STRATEGY FOR THE POST-OIL ECONOMY OF NIGERIA

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ABSTRACT

This study's primary purpose is to investigate the relationship between the community of innovation (COI) and organizational ambidexterity in Rivers state-owned public institutions of Nigeria. The study adopted a survey research design. It generated data using well-structured copies of the questionnaire from directors and senior staff from the different ministries, departments and agencies (MDA) in Rivers state-owned public institutions. The methodology focuses on the quantitative method of analysis. Data obtained was tested on the relationship between the two variables using Pearson's correlation coefficient. The findings revealed that a positive and significant relationship exists between COI, exploitation, exploration and OA. Based on these, the study recommends the use of COI, the need for OA and the complementary nature of exploitation and exploration as it relates to Rivers state-owned pubic institutions.

Keywords: Community of innovation, Organizational ambidexterity, exploitation and exploration.

BACKGROUND STUDY

Today's organizations face unique opportunities and challenges. With the increase in knowledge, shorter product life, organizations are beginning to think strategically about the future. Gone are the days when organizations are all about exploitation. That is trying to increase efficiency and effectiveness in all their processes. While that is on-going, organizations that aim to remain relevant are moving toward exploration, that is looking for new ways to do things. The ability to do both exploitation and exploration is what is referred to as been ambidextrous. Recent research shows a positive relationship between organizational ambidextrous (OA) and performance (Gibson & Birkinshaw, 2004; He & Wong, 2004; Lubatkin, Simsek, Ling, & Veiga, 2006).

In the last decade, regional, state and federal governments are beginning to move toward ambidextrous, as nationalization is gaining momentum since the election of President Trump. Nations, who found themselves at the wrong end of globalization, such as developing countries are beginning to take advantages of the situation, more so with the coronavirus that has limited free movement as we know it. The drop in the price of crude oil, innovation on greener energy, and the clamour for greener energy adds to the need of developing countries. There is enough evidence for Nigeria, and Rivers State to become ambidextrous, that is, to start investing in radical innovation (exploration) even as they try to increase efficiency and effectiveness (exploitation). Based on this backdrop that the paper aims to look at ways in which the Rivers State public service can be ambidextrous. Pouwels and Koster (2017) established that collaboration contributes to innovation. That is, organizations worldwide can be more innovative if they increase collaborations among their employees.

In today's knowledge economy, the roles and responsibilities of employees are increasing exponentially. The views of knowledge-based-view theory of a firm hold that knowledge is the most critical factor of an enterprise; there is the need for organizations to harness this vital resource to the advantages of the firm. One such way is through the establishment of a community of innovation (COI) in the workplace. COI is a form of a community of practice (COP), dedicated to increasing innovation in the workplace (Coakes and Smith, 2007). By creating a community of innovation, organizations are tapping into the most significant resource they possess, which is the tacit knowledge that each employee brings to the workplace daily.

The total reliant on fossil fuel and its derivatives is driving mediocracy in modern Nigeria. With the advancement of information, communication and technology (ICT) and the glamour for greener energy, climate change regulations on the horizon, there is a need to plan. The need to strategize in Rivers state, producers of crude oil, cannot be overemphasis. The need to reposition for a post-oil economy.

The lack of innovation in public workplaces in Rivers state is glaring for everyone to see. Just a visit to their massive complex tell it all. The place is devoid of any kind of useful work even when the state needs their different service. The lack of activity is more glaring as the usual work done by the public service is now given out to contractors, even with qualify personnel, essential machinery / equipment and available expertise to get the job done. The increasing non-use of their employee to address even the most basic of problems is obvious. Apart from the teaching profession, all other sectors of the public service are getting obsolete. The situation is significantly worse, hence the need to do something radical to change the system.

Based on this, the following research questions have been put forth:

To what extent does COI affect OA in Rivers state-owned public institutions?

To effectively answer this question, the researchers formulate the following hypotheses.

HO$_1$: There is no significant relationship between COI and organizational exploitation in Rivers state-owned public institutions.

HO$_2$: There is no significant relationship between COI and organizational exploration in Rivers state-owned public institutions.

LITERATURE REVIEW

Organizational Ambidextrous (OA):

Ambidexterity, according to the oxford dictionary, is the 'ability to use the right and left hands equally well; the quality of being ambidextrous.' In management, OA refers to the ability of an organization to simultaneously pursue exploitation (incremental innovation) and exploration (radical innovation), thereby remaining competitive for a long time (March 1991). Exploitation refers to the ability to effectively manage existing competencies like refinement, choice, production, efficiency, selection, implementation and execution (March 1991). While exploration is futuristic and includes search, variation, risk-taking, experimentation, play, flexibility, discovery, and innovation (March 1991). Whether this is complementary or opposite end of the continuum has been an issue of debate by scholars. March (1991), a pioneer of OA, saw it as the opposite end, seeing it makes use of different organizational structure, resources and capabilities. However, other scholars, notably Popadić, M., Černe, M., & Milohnić, I., (2015), disagree with the notion, especially for diversified firms.

Other arguments in OA are on whether ambidextrous firms perform better than those firms that rely on one activity over the other (Junni et al., 2013; Raisch and Birkinshaw, 2008; Popadić et al., 2015). Empirical evidence of OA and performance are still mixed (Junni et al., 2013; Popadić et al., 2015). One group of scholars found positive relationships (Gibson and Birkinshaw, 2004; He & Wong, 2004; Lubatkin, Simsek, Ling, & Veiga, 2006). Another negative relationship (Atuahene-Gima, 2005; Atuahene-Gima & Murray, 2007), or no relationship at all (Venkatraman, Lee, & Iyer, 2007). However, Popadić et al., (2015) noted that the mixed results were associated with the methodology used, and used data from community innovation survey 2006, involving 12 countries to show the complementary relationship OA has on performance.

Hernández-Espallardo et al. (2011) showed that both exploitation and exploration have a positive effect on organizational performance. Firms that engage in both exploration and exploitation are expected to achieve reliability and be innovative while enabling organizational renewal and enhanced performance (Stettner and Lavie, 2013; Popadić et al., 2015). Some scholars see the relationships between exploitation and exploration as mutually exclusive, hence a negative relationship between exploitation and exploration. But Gupta et al. (2006) argued against it, asserting that the relationship between exploitation and exploration may be positive. This research embraces this suggestion and thinks that the relationship is complimentary.

In measuring OA, the study uses the exploitation and exploration, with the ambidextrous organizations at the centre to measure OA, and thus will interpret a positive result as evidence of organization performance in line with the post-oil economy.

A community of Innovation (COI):

Creative ideas come from employees (Durmaz, 2013). In today's knowledge and competitive environments where innovation is seen as the most basic of all outputs (Akman & Yilmaz, 2008), there is need for organizations to harness the full potential of its employees. The creation of a COI is one sure way of achieving that. According to Durmaz (2013), COI creates productive discussion between management and employees. A COI is a place within the workplace where ideas are freely exchanged. Durmaz (2013) quoted the wall street journal by saying COI has the potential to give new shape and purpose to the workforce. COI is particularly crucial in Rivers State public service, where the organizational structure is weak, and culture of mediocracy exist. Establishing a COI will galvanize public service employees to that responsibilities and increase motivation and teamwork, significant values in an organization (Durmaz, 2013). As the KBT holds, organizations are failing to harness the most important available resources at their deposal, their employees. No wonder they are falling behind in terms of productivity and efficiency. According to Durmaz (2013), some of the benefits of COI includes: Reduce risk, inspire trust, create open communication, and promote learning. COI also encourages the free exchange of information about new techniques and plant designs among different divisions and parastatals.

The concept of COI was developed from COP. Lave and Wenger (1991) were the first ones to coin the term, COP. They describe COP as groups where learning occurs through a process of Legitimate Peripheral Participation (LPP), stating that learning must be associated with the practice. LPP expresses how novices convert to knowledgeable members and finally, old-timers in a community of practice through social interaction. It starts with new members doing a simple peripheral task with low risk, learning terminology and organizing philosophies of the firm and then steadily moving on to the more critical and crucial job and eventually becoming experts. COP existed since ancient times. They are considered the first knowledge-based social structure that existed, dating back to when people lived in cages (Wenger 2000). As a social learning theory, COP involves groups associating together to share knowledge and build relationships with professionals of similar interest and practice.

COI is a group of people (employees) that share a concern, set of problems or a desire for a topic and who develop their knowledge and expertise in this area by interacting in a continuous basis. COI possess the same characteristics as COP, which are, a body of knowledge, a combined initiative as understood by its affiliates. It reflects a mutual doings that reflect the know-how of that specific community. COI possess a shared identity, the competences it produces are the collective repertoire of shared resources (habits, susceptibilities, artefacts, terminology, and panaches). The affiliates advance over time, and it can only be cultivated, not managed or controlled (Wenger, 2000, Wenger and Snyder, 2000). COI is a community where employees and management come together to brainstorm on ways in which the organization can increase innovation, either through incremental or radical innovation. According to Wenger (2000), a community of practice is the fundamental way that humans accomplish work. There are three main dimensions to it, which are mutual engagement, joint enterprise, and shared repertoire. All of which apply to COI.

Unlike COP, COI consist of people from different professional field. The various professional area because innovation is heterogeneous and so requires professional from multiple fields to be successful. Therefore, diversified organizations have better chances at harnessing the potential value inherent in COI, giving the different skills and expertise on their workforce.

In measuring COI, the study used dimensions from COP, that apply to COI. The dimensions are mutual engagement, joint enterprise and shared repertoire. A high mean value will indicate the use of COI in Rivers State public service, even if the term COI is not used to in conjunction with these dimensions.

A community of innovation and organizational ambidextrous:

In the previous section, the study established the relationship OA has with organizational performance, meaning that ambidexterity proves the better performance. That for organizations to be considered ambidextrous, they must be willing to invest not just on incremental innovation, but also on radical innovation, that may in the short term be disruptive to their system, but in the long run necessary for their survival. Also, the strategy of OA enables organizational learning, a vital resource that ensures the survival of the firm.

For COI, the paper establishes that collaboration increases performance; thus, when management and employees meet regularly for brainstorm and innovation. There will be an increase in performance as well as risk reductions, creation of trust, open communication and promote learning, vital benefits, especially in Rivers, state public service where there is a lack of confidence, minimal communication and learning.

Studies in the western world, though few, seem to suggest that a relationship exists between COI and performance, COI and Organization learning, OA and performance etc. This paper though not the first to suggest a relationship exist between COI and OA, adds to the gap in the study by providing empirical data to show that a positive relationship exists between COI and OA. Rivers state public service can get solutions from its problem if it embarks on a strategy that promotes COI.

Theoretical framework:

The theoretical framework for this paper is based on the social learning theory and the knowledge-based-view theory of a firm. The relevance of the theoretical framework is, among other things, to validate the study's position and to determine the specific field of inquiry of the course. In this case, information management.

Albert Bandura (1977) propounded the Social learning theory (SLT). The theory is based on observational learning. Bandura illustrated this theory during the famous bobo doll experiments of 1961, where children watched an adult's behaviour and behaved according to what actions they saw. The theory examines social interaction variables from three key areas; the person, the environment, and the modelled behaviour. (Ahiauzu & Asawo; 2016; Bandura, 1977). Social network theory emphasizes that access to these observational learning and resources depends on the existing firm's network (Brass et al., 2004; Cammarano et al., 2016). Thus, an organization that uses its employee networks gets access to more resources. The Rivers state public service has a considerable number of human resources that it can leverage on to get resources that are beyond the limit of the organization, especially in today's knowledge economy.

Knowledge-based-view theory (KBT) was derived from the resource-based-view theory of the firm (RBT) (Curado, 2006; De Carolis, 2002; Huizing & Bouman, 2002; Balogun & Jenkins, 2003), propounded by Penrose (1959). The formulation of KBT from RBT is considered appropriate by scholars given the present economic context (Drucker, 1993; Sirois, 1999; Stewart, 1997; Garud & Kumaraswamy, 2002; Grant, 2002; Guthrie, 2001; Mathews, 2003), characterized by the economic change from material-based production to information-based production. The RBT was used to explain the difference in a firm's ability to innovate, add value, and make a profit despite having similar raw materials, physical and human resources with other competing firms. RBT is concerned with the internal working of the firm, and outline that the differences in efficiency, that is, systematic variations in profits and performance between firms, within the same industry, are due to difficulties in imitating the resources each firm possesses (Curado, 2006; Seth & Thomas, 1994). KBT considers knowledge as the most important strategic resource of a firm. (Curado, 2006; De Carolis, 2002). Like RBT, KBT believes that organizations are heterogeneous entities loaded with knowledge (Hoskisson et al., 1999). Unlike RBT, KBT holds that organizations exist to create, transfer, and transform knowledge into a competitive advantage (Curado, 2006; Kogut & Zander, 1992). Today, intangible resources such as problem-solving capabilities, recognizing the importance and assimilating information, and applying commercial purposes are critical to the organizations (Grant, 1996). The resources contributing to a more sustainable competitive advantage are resources like knowledge, learning capacity, culture, teamwork, and human capital (Hitt et al., 2001; Barney, 2001).

This study's assumptions are based on the KBT. It sees knowledge (tacit) as intangible resources that are difficult to imitate, as the most strategic resource for organizations, responsible for the competitive advantages they seek. Because of the value attached to knowledge, collaborations within the organization become crucial and necessary. Based on these assumptions, organizations must increase value, efficiency, and profit via knowledge sharing and collaborations.

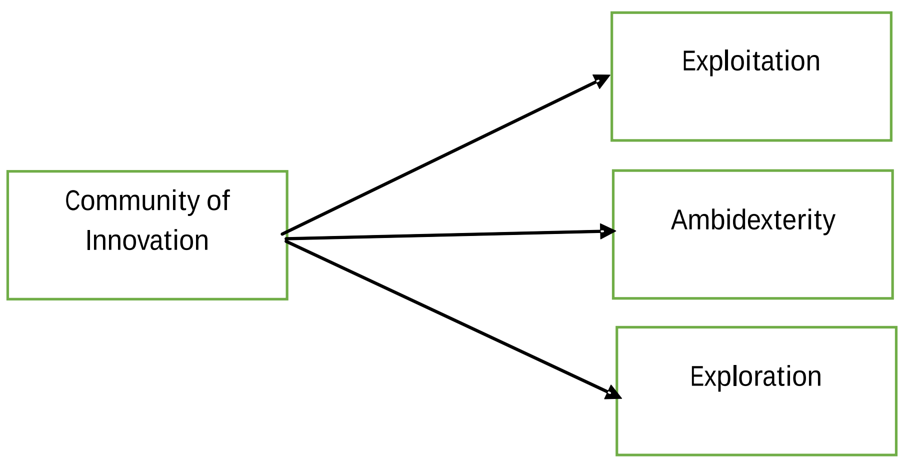

Fig. 1.1: Conceptual framework of COI and OA.

Source: Author conceptualization, (2020).

METHODOLOGY

The research is a positivist epistemology sociological debate. The type of research is causal (explanatory). In terms of dimension of research design, the survey design was deployed. For its research approach, the nomothetic approach involving the use of questionnaires was deployed.

The population consists of sixty-six (66) Ministries, Departments and Agencies (MDAS) in Rivers State secretariat complex, with a total population of twenty-four thousand, three hundred and fifty-seven (24,357) are within level 8 and above (Rivers State SEEFOR / SIFMIS project, 2019; researchers' desk, 2020). From this population, the researcher used Taro Yamane (1976) formula, at 0.05 margin of error, to get a sample size of three hundred and ninety-three (393), stratified random sampling was used to choose the representative sample from 26 selected MDAs based on size and relevant. A total of 393 copies of a questionnaire was administered out of which 228 were found usable, amounting to 69.4%.

In carrying out this study, the researchers collected data using a primary source. The questionnaire was structured according to the four-point Likert scale of with '4' for 'Greater extent' and '1' for 'low extent'. A pilot test was undertaken to ensure that wordings, ambiguity, imprecision, or assumption were avoided, and all necessary precautions are taken. The outcome of the pilot test was reviewed, corrections taken, and suggestions considered before proceeding. The decision of distribution is taken before distributing and how 'no responses' would be treated. Finally, the conditions of confidentiality and anonymity were also adhered to strictly. Data collected using the questionnaire were analyzed using statistical tools (SPSS). Validity (content and construct) and reliability test using the Cronbach alpha reliability test was done to ensure the instrument's suitability, consistency, and clarity.

Pearson correlation coefficient for bivariate hypotheses was used to show the linear relationship that exists between COI, exploitation, exploration and organizational ambidextrous (OA) at 0.05 significant level. Where p-values at 0.05 level of significance are less than the statistical value, suggests a significant relationship between the variables and the rejection of the null hypothesis. A p-value greater than the statistical value at the 0.05 level significantly indicates an insignificant relationship between the variables of interest, hence accepting the null hypothesis.

DATA ANALYSIS AND RESULTS

Model Estimation and Interpretation:

Pearson correlation analysis was carried out to establish the relationship among the variables' interest. Also, the results of regression analyses are presented accordingly.

Correlation Analysis

Table 1: Pearson correlation coefficient

		COItotal	Exploitationtotal
COItotal	Pearson Correlation	1	.961**
	Sig. (2-tailed)		.000
	N	228	228
Exploitationtotal	Pearson Correlation	.961**	1
	Sig. (2-tailed)	.000	
	N	228	228

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

Table 1 above shows a Pearson correlation value of 0.961, p-value< 0.005 level of significant, illustrating a positive and significant relationship between COI and exploitation. We, therefore, reject the null hypothesis and conclude that there is a significant relationship between COI and exploitation in Rivers State-owned institutions.

Table 2: Pearson correlation coefficient

		COItotal	Explorationtotal
COItotal	Pearson Correlation	1	.943**
	Sig. (2-tailed)		.000
	N	228	228
Explorationtotal	Pearson Correlation	.943**	1
	Sig. (2-tailed)	.000	
	N	228	228

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

Table 2 above shows a Pearson correlation value of 0.943, p-value< 0.005 level of significant, illustrating a positive and significant relationship between COI and exploration. We, therefore, reject the null hypothesis and conclude that there is a significant relationship between COI and exploration in Rivers State-owned institutions.

Table 3: Pearson correlation coefficient

		COItotal	OrgAmbidextrity
COItotal	Pearson Correlation	1	.964**
	Sig. (2-tailed)		.000
	N	228	228
OrgAmbidextrity	Pearson Correlation	.964**	1
	Sig. (2-tailed)	.000	
	N	228	228

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

Table 3 above shows a Pearson correlation value of 0.964, p-value< 0.005 level of significant, illustrating a positive and significant relationship between COI and OA. We, therefore, reject the null hypothesis and conclude that there is a significant relationship between COI and exploration in Rivers State-owned institutions.

DISCUSSION OF FINDINGS

The study found that a positive relationship exists between COI and organizational exploitation. The connection is in line with Durmaz (2013), who maintained that a community of innovation would improve learning in the organization, which in turn will increase efficiency and effectiveness, critical measures of organizational exploitation.

The study also found a positive and significant relationship between COI and organizational exploration. The positive association is in line with Pouwels and Koster (2017), who found a connection between collaborations and innovation. Since COI is social learning theory and exploration is related to radical innovation. It is also worth noting that from the descriptive statistics, exploration is rarely the focus of the Rivers state-owned public institution.

The study revealed that a positively significant relationship exists between COI and OA. This relationship is in line with the social learning theory (SLT) and knowledge-based-view theory (KBT) of the firm. SLT holds that observational learning and resources depend on the existing firm's network (Brass et al., 2004; Cammarano et al., 2016). And KBT which see knowledge as the most valuable resource capable of contributing to a more sustainable competitive advantage (Hitt et al., 2001; Barney, 2001).

The study also shows that the relationship between a firm's exploitation and exploration can be complementary as opposed to some view that they are mutually exclusive, validating the assumption and positon of the study Gupta et al., (2006).

CONCLUSION AND RECOMMENDATIONS

The results reveal the following conclusions

- That a positive and significant relationship exists between a community of innovation and organizational exploitation in Rivers state-owned public institutions.
- That a positive and significant relationship exists between a community of innovation and organizational exploration in Rivers state-owned public institutions.
- That a positive and significant relationship exists between a community of innovation and organizational exploitation in Rivers state-owned public institutions.
- That Rivers state-owned public institutions are ambidextrous

Based on the conclusion, the researchers made the following recommendations:

- Rivers State public institutions should embrace the idea of a community of innovation, seeing that it has the potential to transform the workplace, motivate its workforce and utilize the enormous potential in its human resource.
- That exploration activity should be encouraged to reposition the public service for

the future.

- That Organizational ambidexterity should be encouraged in public service as it has a positive relationship with both exploitation and exploration.

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LEVERAGING BIG DATA ACQUISITION TOOL AND HEALTH SECTOR PERFORMANCE IN CURBING THE SPREAD OF COVID-19 PANDEMIC IN RIVERS STATE

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ABSTRACT

Big data acquisition is the process of data collection, transmission and pre-processing. Big data acquisition is capable of collecting data from various sources (camera, sensor, log file, social media, website and mobile applications) etc. The outbreak of Coronavirus in Wuhan, China and the sudden spread to the whole world has cause serious crisis to the health sectors in the world and Rivers State, Nigeria in particular. The health sectors in Rivers State are now battling with the spread of the virus. The traditional method prescribed by the World Health Organization, and the Nigeria Centre for Disease Control (NCDC) has been adopted to curb the spread of the virus. Guidelines given by these bodies includes maintaining social distancing, wearing of face (nose) mask, ensure constant washing of hands or the use of hand sanitizer. This process has helped very much but cannot (guarantee normal life for the citizens) stop the spread of the virus. This is because Coronavirus is a real time virus while the society and health personnel are still using the traditional approach. Big data acquisition answers the questions which the relational traditional databases and data warehouses cannot answer. The objective of this study is to see how big data collection, data transmission and preprocessing will enhance health sector performance in curbing the spread of COVID-19 in Rivers State. The literature reviewed the concept of big as the process of acquiring high volume, high velocity, and different varieties of (structured and unstructured) data available to the health sector today. It also discussed health sector performance and COVID-19 pandemic. It therefore summarised that big data acquisition tool enhanced health sector performance in curbing the spread of COVID-19 in Rivers State, Nigeria. We therefore recommend the implementation of big data acquisition tool in the health sector to curb the spread of COVID-19 in Rivers State, Nigeria.

Keywords: Big data, acquisition, Health sector performance, and Coronavirus (COVID-19)

INTRODUCTION

Data is a symbol or set of alphabets, number(s) that quantifies and / or qualifies (Zims, 2007). The word "data" is commonly used to refer to records or recordings encoded for use in computer. It is statistical observations and other recording or collection of evidence (Zims, 2007). Technology (Internet of Things) has changed the way data are acquired. Previously, data were generated by human effort (keying in data through the keyboard). But today data is auto-generated, requiring high volume, high velocity and different varieties (text, images, video, x-ray etc.). Storage space is now a big problem in this situation, obviously, difficult to use the traditional method of acquisition to capture the different structure of data generated. Data now exist in the form of structured, semi-structured and unstructured format, which is creating serious problem to the relational databases and data warehouses. It is only with effective and efficient data acquisition that will enhance data analytics in the health sector.

Coronavirus (COVID-19) have ravaged the whole world today because it is a new virus that is affecting human health. Health is more important than any other thing, there is a common adage that says "health is wealth", we can only achieve maximum level of health based on the quality of data available for analysis. Effective data acquisition helps to gather the information about the object for better analysis. Data is the new oil for organizations today, especially in service organization like the health sectors, financial institutions and educational institutions etc. The traditional method of data acquisition involves more human efforts. Today there is exponential growth of data which the traditional method cannot handle. Big data acquisition bridges the gap between the traditional data acquisition and the rapid spread of Coronavirus in Rivers State. It is not possible to solve a real world problem with the traditional method of data acquisition. Big data acquisition is less human effort and it is effective in a real world situation, and since it is not human dependent, it can continue operating without human input once it is installed.

Big data operates in real time (Asokan and Vanitha, 2015). A real time program or tool is able to acquire the necessary data as it happens and transfer the data acquired to the data centre for analysis. The new internet of things (IoTs) has made it possible that mobile applications, sensors devices, log files, social media and lot more are generating high volume, high velocity and high varieties of data. Research has shown that social media sources have changed the behaviour of people today. Facebook and Twitter generates tremendous amounts of comments (contents) and tweets. Sensor devices and cameras captures all types of data that may not be required for analysis, it is therefore necessary to install an intelligence machine through which big data tool is capable of removing unwanted (redundancy and noise) data (Banik and Kumur, 2016).

Organizations are all in need of data but are faced with the problem of acquisition because of the vast content and speed of generation. The internet of things (IoTs) has made every object in the world a living object, they can actually talk to one another, generating high volume, high velocity and different varieties of data (Sathya, Madhan, and Jayanthi, 2018). The outbreak of COVID-19 has forced the health sector to demand for these high volume, high velocity and varieties of data in other to curb the spread of Coronavirus in Rivers State, Nigeria. Big data is able to collect data from various devices connected in the network (Internet of Things). It is effective in capturing the high volume of data with high velocity and different variety (dataset) which makes it difficult for

the traditional databases to capture (Sathya, Madhan, and Jayanthi, 2018. The world is becoming smarter than ever before. Countries that have implemented this technology are better off in curbing the spread of the virus (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018).

Big data if implemented properly will bridge the gap between the traditional database and the health sector demands for data analytics. The outbreak of Covid-19 is a fast spreading epidemic that requires a real time application. An information system is not effective unless it is capable of solving the problem for which it was put in place (Oliver, Maria, and Van-Broke, 2018). Big data acquisition tool is able to collect the raw data and transmit the data immediately to the data centre for processing. The various supporting devices, sensors, cameras, mobile applications and web applications are all operating in real time. COVID-19 is a virus that requires timely intervention.

Problem

Tremendous changes have taken place in the world today, but it only requires the right application of knowledge to solve the problem of human health and the contagious virus (Cohen, and Levinthal, 1989). Information technology and communication has made the world today to be a smart world, there are now smart cities and homes, smart cars and must be followed by smart health. There are now remote sensing devices, mobile applications, novel transaction systems, and high performance computing devices that offer opportunities to understand trends, behaviours, and actions in a manner that has not been possible previously (Colbert and George, 2016).

These devices have been used in e-commerce to track business performance and customers' behaviour. This similar behaviour exist is the environment we live, there is the need to expand the knowledge acquired to solve problem in the health sector to increase performance (Colbert and George, 2016). This paper leveraging big data acquisition tool and health sector performance in curbing the spread of Covid-19 pandemic in Rivers State is quite timely. The outbreak of Coronvirus (Covid-19) pandemic has placed high premium on data acquisition. Covid-19 is a serious threat to the existence of man. It spread at a very high rate from infected person to many individuals within a short period. The World Health Organization (2020) declared Coronavirus (Covid-19) as a pandemic, and it is a wide-fire that is spreading across the globe today. More than seventy five percent (75%) of the world population today is suffering from the effect of Coronavirus. Therefore, big data acquisition is proactive tool that can capture the data immediately as it occur. Big data application is a timely intervention tool for the business world, service sector and health sectors. The various researchers on big data acquisition have shown that it is effective in e-commerce, transportation sector, airline bookings, business etc. Big data acquisition has a competitive edge for businesses in the global economy (Oguntimilehin and Ademola, 2014).

Businesses, government, schools and worship centres have been shut down because of the rapid spread of Covid-19 pandemic (European Centre for Disease Control, 2020). Information technology and communication is the modern tool driving the world today (Muller and Brocke, 2016). Big data is applicable in almost all areas of human endeavour, in education, government, economics, financial institution, health sectors etc (Colbert, Yee and George, 2016). The smart world works without the intervention of human effort, reduces the errors that would have been committed by human effort (Sathya, Madhan, and Jayanthi, 2018). Big data acquisition is a cloud base application (Sathya, Madhan, and Jayanthi, 2018). It is capable of tracing human activities using sensors, mobile applications, social media and internet sources. Devices connected in a network are capable of having handshake (Mohammed, 2016). Big data devices can actually talk to each other (living object) based on the objective for which they are implemented. It acquisition follows some design protocols, and it is capable of executing the protocol without error (Mohammed, 2016). Big data is one of the greatest changes that have ever happened in the world information technology and communication (Oguntimilehin and Ademola, 2014).

The daily information given by the Nigeria Centre for Disease Control (NCDC) are collected traditionally, gaps exist between the point of collection and data centre (testing, and isolation). This is one of the major problem for the continue spread of the virus. The contact tracing are done manually, sample collected, and transported to the testing centre, results are given after some days (WHO, 2020). The protocol put in place by the World Health Organization and Nigeria Centre for Disease Control (NCDC) are temporal and traditional measures before they finally discovery of the vaccines (WHO, 2020).

Dash Shakywar, Sharma and Kavshik (2019) discussed the various sources of big data in healthcare. Their study was basically on hospital visit, and medical report. Hong, Luo, Wang, Lu, Lu, and Lu (2018) paper reviewed big data healthcare application and challenges and Wu, Gopukumar and Zhao (2015) paper reviewed big data application in Bio Medical research and health care. The papers only reviewed how big data application facilitates clinical activities. Proper review has not been done in the area of infectious disease like Coronavirus (COVID-19) pandemic. This paper will review leveraging big data acquisition tool and health sector performance in curbing the spread of COVID-19 pandemic in Rivers State, Nigeria.

THEORETICAL REVIEW

This paper is anchor on absorptive capacity theory of Cohen and Levinthal (1989). Cohen and Levinthal (1989) first coined the term; absorptive capacity as “the ability of a firm to recognise the value of new, external information acquisition or assimilates and apply it to commercial ends”. They claimed that this was critical for innovativeness. In 1990 they summarized their article from the individual learning context to organizational context. They identify principle that knowledge tends to enhance subsequent learning because memory is associative. At the organizational level they see the acquisition of new knowledge as being mediated by individual gatekeepers and boundary-spanners, and ideally distributed around the organization with diverse expertise and contacts. Over the years the concept has gained popularity in the information system environment. Zahra and George (2009) updated it by providing four construct which are acquisition, assimilation, transformation and application. This theory today plays a critical role in Big Data capability literature (Candice and Brian, 2019).

Objectives

The objective of this paper is to review how leveraging big data acquisition tool does enhance health sector performance in curbing the spread of Coronavirus (Covid-19) in Rivers State, Nigeria. The specific objectives hinged on this paper are;

- How big data collection enhances health sector performance in curbing the spread of Coronavirus (Covid-19) in Rivers State
- How big data transmission enhances health sector performance in curbing the spread of Coronavirus (Covid-19) in Rivers State
- How big data pre-processing enhances health sector performance in curbing the spread of Coronavirus (Covid-19) in Rivers State.

Big data

Big data is a phenomenon that is characterized by the rapid expansion of raw data (Asokan, and Vanitha, 2015). The raw data that is being collected and generated so quickly usually is inundate government and organizations, it therefore, represents both challenges and opportunities. The challenges are related to how this volume of data is harnessed, and the opportunity is related to how the effectiveness of implementation enhanced by properly analyzing this information. It is now common place to distinguish data solution from conventional Information Technology solutions by considering the following characteristics of high volumes, velocity, variety and veracity (Banik, and Kumur, 2016).

- Volume: Big data solution must manage and process large amount of data
- Velocity: Big data solutions must process more rapidly data at arrival.
- Variety: Big data solution must deal with different types of data, both structured and unstructured
- Veracity: Big data solution must validate the correctness of the large amount of rapid data at arrival.

Big data solutions are characterized by real-time complex processing and data relationships, advanced analytics and search capabilities (Dipti and Dhara, 2015). These big data emphasizes the flow of data, and moving analytics from the research laboratories into the core processing and functions of enterprises (Oguntimilehin and Ademola, 2014).

Big data is a term that refers to data sets or combinations of data sets whose size (volume), complexity (variability), and rate of growth (velocity) make them difficult to be captured, managed, processed or analysed by conventional technologies and tools, such as relational databases and desktop statistics or visualization packages, within the time necessary to make them useful. Big data can be structured, unstructured or semi-structured, resulting in incapability of conventional data management methods (Banik, and Kumur, 2016). These data are generated from various sources and arrived into the system at various rates. In order to process these large amounts of data in an inexpensive and efficient way, parallelism (using applications that can acquire and analyze the data immediately as it occur) is used (Banik, and Kumur, 2016).

Big Data is a data whose scale, diversity, and complexity require new architecture, techniques, algorithms, and analytics to manage and extract value and hidden knowledge from it. Hadoop is the core platform for structuring big data, and solve the problem of making it useful for analytics purposes. Hadoop is an open source software project that enables the distribution processing of large data sets across clusters of commodity servers. It is designed to scale up from a single server to thousands of machines, with a very high degree of fault tolerance. Analyzing new and diverse digital data streams can reveal new sources of economic value, provide fresh insights into customer behaviour and identify market trends early enough. This influx of new data creates challenges for IT departments. To derive real business value from big data, you need the right tools to capture and organize a wide variety of data types from different sources, and to be able to easily analyze it within the context of all enterprise data. Again, several sectors and businesses all over the world are using big data to transform their businesses and remain globally competitive (Bestman and Wogboroma, 2016).

- Big data acquisition

Big data acquisition is the process of data collection, data transmission and data pre-processing (Rabie, 2017). Once the raw data is collected, an efficient transmission mechanism is used to send it to the appropriate storage management system that supports different analytical application. The collected datasets may sometimes include much more redundant or useless data (dirty data), which unnecessarily increases storage space and affects the subsequent data analysis. High redundancy is always very common among sensors' collecting datasets, it therefore requires adequate pre-processing (Rabie, 2017). Acquisition is the collection of data from different sources and with different hardware and platforms. Big data acquisition collects both useful and useless data which need to be cleaned to meet the desire objectives (Rabie, 2017). Big data acquisition in health sectors involves collecting large volume of data from the environment and sub-health sectors and eventually storing, managing, analyzing, visualization, and communication for effective decision making (Senthikumar, Bharatendara, Amruta, and Angappa, 2018).

Big data acquisition tools can also collect data from social media(Rabie, 2017). Visualized image and information are collected from social media like Facebook, Twitter, Instagram etc. Collecting information about a particular flu affecting people from twitter is faster than traditional method, e.g. social media sites like "patients like me" (www.patientslikeme.com) has more than 200,000 patient and it is tracking more than 1,800 diseases (Wicks, Massagli, Frost, Brownstein, and Okun, 2010). Smart phones applications are the most important sources of data in the area of health sector self-management. Nowadays, smart phones have related applications like pedometers, fit bit that produces lots of data from a number of stairs climbed, steps walked and calories burned. There is also application to measure mood. Mood application is used to measure the individual mood and also anything from mental, emotional, and physical to social and environmental aspects of daily life. These websites are also one of the most important sources of big data acquisition. The popular websites providing health care data are 23andMe and uBiome, each of the website has their specific characteristics and services that they can deliver (Wicks, Massagli, Frost, Brownstein, and Okun, 2010).

- Big data collection

Big data collection utilizes special collection techniques to acquire raw data from a specific data generation environment (Rabie, 2017). Four common data collection methods are log files, sensors, network data collection and mobile equipments. Log files data collection records files automatically generated by the data source. It records activities in designated from file formats for subsequent analysis.

Log files are typically used in nearly all digital devices, for example, web servers. Log files captures number of click rates, visit time, time left and other properties that are recorded unknown to the user (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). This tool captures the activities of users on the web sites. Sensors are common in daily life of measuring physical quantities and transform physical quantities into readable digital signals for subsequent processing (and storage) (Rabie, 2017). Sensory data may be classified as sound wave, voice, vibration, automobile, chemical, current, pressure, temperature, etc. Sensed information is transferred to a data collection point through wired or wireless networks (Rabie, 2017). These sensors are deployed and managed, e.g. video surveillance system, the wired sensor network is a convenient solution to acquire related information. Sometimes the accurate position of a specific phenomenon is unknown, and sometimes the monitored environment does not have the energy or communication infrastructures. Then wireless communication must be used to enable data transmission among sensor nodes under limited energy and communication capability (Rabie, 2017).

Data acquisition through a web crawler is widely applied in application based on web pages, such as search engines or web surfing (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). Traditionally, web pages extraction technologies features are multi-purpose and efficient solutions considered in research (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). More advanced web page are emerging, some extraction strategies are proposed to cope with rich internet applications devices, today mobile devices functions are becoming increasingly stronger, they now have more complex feature and multiple means of data acquisition (data variety). Mobile devices acquire data from Geographical Information System (GIS) through positioning system, cameras, internet etc (Sathya, Madhan, and Jayanthi, 2018).

In recent years, Wireless service network (WSNs) have received considerable research. A wireless service network (WSN) consists of a large number of geographically distributed sensor nodes, each being a micro device powered by battery (Rabie, 2017). Such sensors are deployed at designated position as required by the application to collect remote sensing data. Once the sensors are deployed, the base station will send control information for network configuration / management or data collected from sensor nods (Rabie, 2017). Based on such control information, the sensory data is assembled in different sensor nodes and sent back to the base station for further processing. Network data collection is accomplished using a combination of web crawler, word segmentation system, task system, and index system etc. Web crawler is program used by search engines for downloading and storing web pages (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018).

- Data transmission

Data transmission consists of two phases. Inter data centre (DCN) transmission and Intra data centre (DCN) transmission. Inter-DCN transmissions are from data source to data centre, which is generally achieved with the existing physical network infrastructure. Because of the rapid growth of traffic demands, the physical network infrastructures in most regions around the world are constituted by high-volume, high-rate, and cost-effective optic fibres transmission systems (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). Over the past 20 years, advanced management equipment and technologies have been developed, such as Internet Protocol (IP-based) wavelength division multiplexing (WDM) network architecture, to conduct smart control and management of optical fibres networks. WDM is a technology that multiplexes multiple optical carrier signals with different wave lengths that are coupled to the same optical fiber of the optical link (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). A data centre consists of multiple integrated server racks (interconnected) with its internal connection networks (Rabie, 2017). Nowadays, the internal connection networks of most data centres are fat-tree, two-layer or three layer structure based on multi-commodity network flow (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018).

Data pre-processing

The process of data pre-processing includes, integration, cleaning, redundancy elimination (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). Data integration is the cornerstone of modern commercial informatics, which involves the combination of data from different sources and provides users with a uniform view of data. Historically, two methods have been widely recognized, data warehouses and data federation. Data warehousing includes a process named Extract, Transform, and Load (ETL). Extraction involves connecting source systems, selecting, collecting, analysing, and processing necessary data (Rabie, 2017). Transformation is the execution of series of rules to transform the extracted data into standard formats. Loading means importing extracted and transformed data into the target storage infrastructure, it is the most complex procedure among the three, which includes operation such as transformation, copy, cleaning, standardization, screening and data organization. Pre-processing data not only reduces storage expenses, it also improves accuracy of analysis. Data cleaning is a process of identifying inaccurate, incomplete, or unreasonable data, and then modify or delete such data to improve data quality (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018).

Generally, data cleaning includes live complementary procedures, defining and determining error types, searching and identifying errors, correcting errors, documenting errors types, and modifying data entry procedures to reduce future errors (Senthilkumar, Bharatendara, Amruta, Angappa and Chandrakumarmangalam, 2018). During cleaning, data formats, completeness, rationality, and restructure are inspected. Data cleaning is of vital importance to keep the data

consistency which is widely applied in many fields, such as banking, insurance, retails industries, telecommunications, and transport sectors (Riccardo, Lamberto, Alberto, and Ilna, 2019).

- Health Sector Performance and COVID-19 Pandemic

There is this common adage that health is wealth. A healthy nation is a wealthy nation. The world today is battling with the spread of Covid-19 spreading over the world. This has greatly hampered the economic system and even the health sector. Information is all we need to control the spread of Covid-19 in Rivers State. The traditional database used in our health sector which some hospitals have not even implemented can no longer cope with the real-time spread of the epidemic (Rahman, and Sathi, 2020). Information required for the timely decision making is collected at real-time because Covid-19 needs a proactive approach (Roberta, Corrado, Giuseppe, Katrin, Ilona, Walter, and Stefania, 2019).

Precise decision can be taken based on the available information at the disposal of the health sector. Big data acquisition establishes a holistic approach for health sector to acquire real time clinical, financial, and administrative data (patient behaviour, population, disease symptom) etc. (Roberta, Corrado, Giuseppe, Katrin, Ilona, Walter, and Stefania, 2019). Using electronics devices, sensors, mobile devices and other sensitive devices that can transfer the sample immediately to the analytical centres (Rabie, 2017). Before the outbreak of Covid-19 medical personnel collect data from patients based on hospital visit, and report from the patients and the data stored in the database or personal computer of the hospitals visited. It is even difficult to transfers one person's result from one hospital to another. Visiting another hospital for medical treatment means to start the entire process all over. Although, various clinical equipments have been designed for hospital's laboratories, these equipments operates differently according to manufacturers design (format), they store information based on design. It is now difficult to move a particular file format to another location or hospital for further analysis (Shwefa, and Lone, 2017).

There are clinical equipments with different file formation such as radiology information system (RIS), laboratory information system (LIS) or Picture achieving and communication system (PACS), these systems store their data based on system design and it depends on which of the equipment a particular hospital is using (Riccardo, Lamberto, Alberto, and Ilna, 2019). The difference in equipments are major constraint for transferring patient from one hospital to another based on previous test and treatments (Rahman, and Sathi, . (2020).

The later part of the year 2019 has been characterized with the spread of the dangerous epidemic (Covid-19) (WHO, 2020). This has cause serious damage on the economy system. Schools, economic systems, governments and social systems are shut down because of the fear of the Spread of Covid-19. Covid-19 was declared by the world health organization and other health bodies as a pandemic because of the rate at which it spread all over the world (WHO, 2020),. Covid-19 influenza is an acute viral disease of the respiratory tract . It transmitted through contact with infected persons or object. So it is dangerous to stay closer to an infected person. Today many people are carrying the pandemic, some people are even asymptomatic (WHO, 2020). A person is asymptomatic when the person carrying the virus does not show any sign of the symptoms (Shwefa, and Lone, 2017). This can only be detected with sensitive equipment or applications that are able to identify the individual history for proper testing and isolation.

The greatest confusion the world has ever entered in is this period of Covid-19, no country of the world ever expected it. In the early part of the year, there was no prediction of its outbreak. This made it difficult to proffer any tangible solution because of the process of producing the right vaccine (WHO, 2020). Millions of people have lost their lives because of the outbreak of Covid-19. The economic system has suffered great losses. Covid-19 according to research is a type of SAS-2 virus. It is a respiratory infections virus. It is transmitted through contact with the droplet or fluid from the infected person or object (WHO, 2020).

Big data acquisition and health sector

A healthy society is a society that is free from infectious diseases, the economy and government will only boom when the society is healthy. Today technology is controlling the whole world, and information is the basic unit of technology, data collection, transmission, and preprocessing aids data analytics in the health sector. The entire system has been shut down for some time now, especially the educational system because of lack of proper tool to control the spread of Coronavius (COVID-19) pandemic in Rivers State in particular and Nigeria in general. The shutting down government, educational, social and economic sectors has been the only means of controlling the spread of COVID-19 in Rivers State. The little opening for human beings daily engagement also results in increase cases. Human being are social being and needs basic things to enable them live a normal life, this can only be achieved by implementing more advance technology that can effectively control the movement and the spread of the virus in Rivers State. Big data acquisition answers the questions of health sector data collection, transmission and pre-processing for effective analysis, visualization and communication for effective decision making in the health sector in Rivers State.

- Big data collection in curbing the spread of Covid-19 in Rivers State.

Big data collection uses modern tools, like sensor devices, mobile applications, web applications, social media to collect health data in real time. The victims do not need to be informed about the data collection process. The sensing machines / application captures the data on the go. The internet of things connects all devices and applications in a network. Installing relevant health information in the network allows the device to have handshake with one another. Today, every average individual living in Rivers State is using mobile phones, passes through a strategic place, junctions, health centres, school, markets etc. These devices and applications are capable of interacting with similar devices once the applications are installed in the network. They actually have handshake with another user of same application, detecting user activities, distance among group, health issues, travelling record etc. These data are automatically generated without the knowledge of the user. It is important to state that iphones, and other android phones are used to identify user, the information are automatically transmitted to the manufacturers' data centre without the knowledge of the user. Big data collection is an effective tool to acquire health information from all digital devices, web sites, social media platforms. Big data collection is also capable of acquiring

purchasing history (pharmacist, disease diagnoses) from the internet. In this case related drugs are identified and users can be trace as most of the symptoms of Covid-19 are high fever, loss of smell, cough, etc. Again it is capable of acquiring different health information both structured and unstructured data like sound wave, voice, vibration, auto-mobile, chemical, current, pressure, temperature etc.

- Data transmission in curbing the spread of Covid-19 in Rivers State.

Timing is one of the major problems in curbing the spread of Coronavirus, while Coronavirus is a real time virus, the medical personnel are still operating the traditional method of data transportation. Gaps exist between the point of contact tracing, identification, testing, isolations and treatment. COVID-19 spread rapidly, so data transmission need to be in real time, and so delayed in transmission to the data centre may not help to achieve desire results. The sensing machines, camera, mobile application are able to transmit the data at real time. Big data transmits data at a very high speed and it is an effective and efficient protocol compare to the manual process.

Big data transmission consist of two phase, Inter data centre transmission and intra data centre transmission, which is able to transmit data within a close system and finally transmit data outside the close system. In most cases where electricity is not possible, batteries are used to backup the sensor or cameras and other applications installed. It is an effective and efficient tool to transmit health information to the data centre for further analytics and decision making, it is the solution for transporting Covid-19 sample to testing / analytics centre. Big data closes the gap between the testing centre, laboratories and the treatment centre in other words curbing the novel COVID-19 in Rivers State, Nigeria.

- Data pre-processing in curbing the spread of Covid-19 in Rivers State.

Big data holistically captures all types of data (log files). Preprocessing eliminates, redundancy, inconsistency (data that are not necessary) of the various data captured. Preprocessing increases storage space and enhances analytics process. Preprocessing removes the noise and redundancy, hence increases storage space, reduces inconsistency in data. Within this phase, the data collected goes through the process of data integration and redundancy elimination. Thus, big data acquisition is an effective tool that will enhance accuracy of health information in curbing the spread of Coronavirus in Rivers State, Nigeria.

SUMMARY/CONCLUSION

Big data acquisition tool is an effective tool for health sectors in curbing the spread of Covid-19 in Rivers State by effective and efficient data collection, transmission and pre-processing. Big data acquisition answers the questions of health sector performance as it curbs the spread of COVID-19 in Rivers State, it is capable of acquiring high volume, velocity from various sources, through mobile applications and sensor devices in a network. The data are captured and transmitted in real time. Big data acquisition is smart and enhances accuracy of health data. Big data acquisition is the answer for health sector performance in curbing the spread of COVID-19 and other infectious disease in Rivers State, Nigeria. Developed countries of the world like China the epicentre of Covid-19 has started using this application. Big data is fast, reliable, reduces unnecessary noise from the system and can meet up the requirements for curbing Covid-19 in

Rivers States, Nigeria.

RECOMMENDATIONS

This paper has shown that leveraging big data acquisition tool does enhance health sector performance in curbing the spread of Covid-19 in Rivers State, Nigeria. Therefore, the following recommendations are made.

1. There should be full implementation of big data acquisition tools in the health sectors of Rivers State.
2. COVID-19 mobile application should be installed in all users of mobile phones in Rivers State to enhance effective contact tracing, isolation and treatment of victims.
3. Installed sensor devices and cameras in strategic location to capture individual body temperature and other related symptoms of COVID-19 for immediate transmission to the data centre in real time.
4. Ensure proper training of the use of the application because users' ability to understand the implication of not adhering to the use of the application is key.

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AUTOMATED HOSPITAL INFORMATION SYSTEMS AND SERVICE DELIVERY OF TEACHING HOSPITALS

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ABSTRACT

This paper examined the relationship between automated hospital information systems and service delivery of teaching hospitals. The objective of the study was to examine how dimensions of automated hospital information system such as laboratory information system, radiology information system, and nursing information system influence service delivery in teaching hospitals in terms of patient turnaround time, patient treatment consistency, and patient record status. The method used for the study was a survey of literature. The following findings were made: the use of laboratory information system enhances the service delivery of teaching hospitals; radiology information system enhances service delivery of teaching hospitals; and nursing information system is a major boost to service delivery. The study concluded that the adoption of automated hospital information systems facilitates service delivery as it eliminates the challenges associated with traditional hospital filing systems in teaching hospitals. The study recommended among other things that teaching hospitals should endeavour to automate all their operations especially in the management of patients' information to improve their service delivery.

Key Words: Automated Hospital, Information System, Service Delivery, Teaching Hospital, Patient.

INTRODUCTION

An automated information system is a combination of computer hardware, software, data, or telecommunications that performs functions such as collecting, processing, storing, transmitting, and displaying information to aid in decision making (Military Health System, 2018). The wave of automation is gradually hitting the healthcare system. In some hospitals today, automated information systems are being used to manage patient's data. Automated Hospital Information System (AHIS) is a computer system in a hospital that collects, processes, stores, transmits, and displays information that helps in the overall running of the hospital.

This work operationalized automated hospital information systems in terms of laboratory information system, radiology information system, and nursing information system. Laboratory information system (LIS) is a software system that records, manages, and stores data for clinical laboratories. A LIS has traditionally been most adept at sending laboratory test orders to lab instruments, tracking those orders, and then recording the results, typically to a searchable database (Toromanovic&Masic, 2010). The standard LIS has supported the operations of public health institutions (like hospitals and clinics) and their associated labs by managing and reporting critical data concerning the status of infection, immunology, and care and treatment status of patients.

Another cardinal component of hospital information system is radiology information system. Radiology Information System (RIS) is a type of information system that is used to create, store and manage radiological data and images of patients (Technopedia, 2019). It is a type of health or hospital information system designed to automate and manage the processes in the radiological department. Teaching hospitals also use nursing information system. Nursing Information System (NIS) is a key component of healthcare information systems that help nurses access and use relevant data regarding patients' records status and general medical history. It enables nurses and doctors to work more efficiently managing patients. It also provides nurses with adequate knowledge about the patients they attend to.

Teaching hospitals are those community and tertiary hospitals affiliated to medical schools, nursing schools, or allied-health professions (Ogbobe, 2011). Most teaching hospitals, which provide clinical training for medical students and other health care professionals are affiliated to a medical school and may have several hundred beds. Their healthcare service delivery is of utmost importance to the good health of members of the society. Service delivery is the part of a health system where patients receive the treatment and supplies they are entitled to. This work measured service delivery of teaching hospitals in terms of patient turnaround time, patient treatment consistency, and patients' record status.

There are a couple of teaching hospitals in Nigeria and Rivers State in particular. They have been providing healthcare services over the years. However, one thing that disturbed patients' wards is the poor service delivery of the system. The researcher has observed that most of the teaching hospitals still run paper-based patient's folder management systems. The researcher's experience has also shown that in most cases, service delivery has been truncated by the repeated misplacement of patients' information folders. Meanwhile, in some private clinics, smart healthcare information systems are used. There was need, therefore, to examine how automated hospital information systems influence the service delivery of teaching hospitals; especially in view of the fact that no study has done so. Thus, the study was guided by the following research objectives:

1. To reveal the relationship between laboratory information system and service delivery of teaching hospitals.
2. To identify the relationship between radiology information system and service delivery of teaching hospitals.
3. To identify the relationship between nursing information system and service delivery of teaching hospitals.

AUTOMATED HOSTITAL INFORMATION SYSTEMS

Automated Hospital Information Systems (AHIS) are comprehensive, integrated information systems designed to manage all the aspects of a hospital's operation, such as medical, administrative, financial, and legal issues and the corresponding processing of services (Hoover and Leonard, 2018). An Automated Hospital Information System (AHIS) is an element of health informatics that focuses mainly on the administrative and operative needs of hospitals.Ogbobe (2011) described Automated Hospital Information Systems (AHISs) as computerized medical information systems that collect, store and display patient information. They deal with drug, equipment, human resources and other relevant information. They are means to create legible and organized patient data and to access clinical information about individual patients. Automated hospital information systems are intended to support existing (often paper based) medical records which are already familiar to practitioners. Patient records have been stored in paper form for centuries and, over this period of time, they have consumed increasing space and notably delayed access to efficient medical care. In contrast, automated hospital information systems store individual patient clinical information electronically and enable instant availability of this information to all providers in the healthcare chain and so assist in providing coherent and consistent care.

The advantages of automated hospital information system can be summarized, according to Amarasingham, Diener-West, Weiner, Lehmann, Herbers, &Powe, (2006: 220) as "optimizing the documentation of patient encounters, improving communication of information to physicians, improving access to patient medical information, reduction of errors, optimizing billing and improving reimbursement for services, forming a data repository for research and quality improvement, and reduction of paper". For the purpose of this study, the following dimensions of automated hospital information systems as buttressed by (Mohammed, 2018) were adopted: Laboratory Information System (LIS), Radiology Information System (RIS) and Nursing Information System. These are discussed subsequently.

Laboratory Information System (LIS): Laboratory information system is an integrated and comprehensive software that is used for the collection, storage, management, and retrieval of data from clinical laboratories (Mohammed, 2018).It automates the workflow of all information related to total testing process (Lukic, 2017). In the last few decades, medical laboratories have experienced dramatic transformation due to automation and development of information technology.

Electronic request enhances the quality of communication between laboratory and clinicians. Moreover, LIS performs automated printing of receipts and bills for analyses which patients pay at admission desk. Printing of patient's informed consent for venipuncture is also automated (Lima-Oliveira, Lippi, Luca, Picheth, &Cesare, 2015). By entering patient's information and test orders in LIS, it generates electronic invoice for health insurance organization, without any further need for additional actions of admission personnel. Complete electronic register of patients is printed at the end of the day so that personnel are not required to manually write paper register in order to be in accordance with legislature.

Radiology Information System (RIS): A *radiology information system* (RIS) is a networked software *system* for managing medical imagery and associated data (The Royal College of Radiologists, 2008). A RIS is especially useful for tracking *radiology* imaging orders and billing *information*, and is often used in conjunction with Picture Archiving and Communication System (PACS) and Vendor Neutral Archives (VNAs) to manage image archives, record-keeping and billing. A RIS is a computer system designed to support operational workflow and business analysis within a radiology department. A RIS is also a repository of patient data and reports, and contributes to the electronic patient record.

As RIS has evolved, its applications have widened to include other departments and imaging specialties such as nuclear medicine, radiotherapy, endoscopy and so on. Where a RIS supports these additional specialties, it may be more accurately described as an Imaging Information System (IIS). ARISsupportsawiderangeoffunctionalrequirementswhichoverlapwith functionality provided by other hospital information systems and PACS (for example, appointment scheduling, work lists and digital dictation). In an integrated solution, it is acceptable for other systems to provide this functionality provided the overall operational workflow and business analysis requirements are satisfied by the integratedsolution.

Nursing Information System (NIS):Nursing information includes data collected by nurses, data used by nurses, data about nursing activity, and data about the nursing resource (Toromanovic&Masic, 2010). Nursing information system allows for a wide scope of health data, capturing and processing health and health-related data of broad diversity, scope and level of detail (Toromanovic&Masic, 2010). Nursing Information Systems (NIS) are computer systems that manage clinical data from a variety of healthcare environments (Mamta, 2014). These systems are made available in a timely and orderly fashion to aid nurses in providing and improving patient care.

In day to day nursing practice, Nursing Information System can be applied to model the processing of data, information, and knowledge within a computer system. It processes the nursing data to information and thereafter to nursing knowledge. For nurses' aid and delivery of patient care, nursing information systems provide certain features such as patient charting, staff scheduling, clinical data integration, decision support, etc. Nursing process is an ultimate part of nursing profession and use of computers, internet, telephones, digital devices, etc. can increase efficiency and accuracy in all phases of the nursing process. It can help to meet standards of nursing practice and helps to spend more time meeting patients' needs.

SERVICE DELIVERY OF TEACHING HOSPITALS

Teaching hospitals represent the clinical enterprise of academic health centers (Institute of Medicine, 2004). They have been described as the cornerstone of the American healthcare system and the foundation for medical education (Iglehart, 2015; Salsberg and Grover, 2006); and same could be said of those in Nigeria. Teaching hospitals deliver graduate medical education (GME), basic medical and clinical research, and provide both inpatient and ambulatory care (Ginzberg, 2009). Because of this complex mission, teaching hospitals tend to have higher costs relative to community hospitals and provide more specialized services and complex care (Koenig, Dobson,

Ho, Siegel, Blumenthal, &Weissman, 2003).

A teaching hospital refers to individual hospitals, health systems, and networks that deliver state-of-the-art care for all, including the most vulnerable patients with the most complex conditions, and are committed to educational activities in the health professions (Association of American Medical Colleges, 2019). Most of the largest teaching hospitals are affiliated with medical schools. In Nigeria all are attached to medical schools or colleges of Universities.

Teaching hospitals are perceived to foster a higher quality of care, including the treatment of rare diseases and complex patients, the provision of specialized services and advanced technology, and the conduct of biomedical research (McInturff and Neely, 1998). Some services, such as specialized surgery and bone marrow transplants, are provided predominantly at teaching hospitals (Levin, Moy, and Griner 2000). Other distinctive missions of teaching hospitals include medical education and training, innovations in clinical care, and treatment of indigent patients, particularly at public teaching hospitals (Blumenthal, Campbell &Weissman, 1997). Only at teaching hospitals do the three missions of medical education, research, and care come together for the benefit of all patients. In this unique environment, the next generation of doctors, nurses and other health professionals are trained in an environment of discovery and the latest advances in medicine. In teaching hospitals and their affiliated clinical sites, new doctors learn the skills that they will use throughout their careers, no matter where they practice. Teaching hospitals also are distinguished by their clinical research programs where scientists and physicians work together to discover and bring new treatments and cures from the bench to the bedside safely and quickly.

These unique teaching hospital services increase the cost of patient care at these institutions. Teaching hospitals rely on Direct Graduate Medical Education (DGME) to cover the costs of training residents and Indirect Medical Education (IME) payments and other payments to help cover the additional patient care costs incurred by teaching hospitals for the services they provide and the patient populations they treat. Beyond cost is the concern of service delivery by these hospitals to patients in terms of Patient Turnaround Time (PTT), Patient Treatment Consistency (PTC), and Patient Record Status (PRS). These measures are discussed as drawn from Rapoport, Teres, Zhao, &Lemeshow (2014) work.

Patient Turnaround Time (PTT):Turnaround time (TAT) is the time interval from the time of commencement of a process to the time of the completion of the process (Howard, 2016). Turnaround time is the total time needed for an application to provide the required output to the user. Patient turnaround time (PTT) is the time covered between when a patient is admitted in the hospital and when the patient is discharged (Rapoport, Teres, Zhao, &Lemeshow, 2014). In order to provide quality treatment to the large variety of patients, teaching hospitals processes or operations have to be flexible and efficient. Putting aside clinical considerations, teaching hospitals service quality can be measured in terms of patient turnaround time before being discharged or admitted to one of the hospital departments (Rapoport, Teres, Zhao, &Lemeshow, 2014).The Clinical Advisory Board concluded in their 2002 report that patient satisfaction is highly dependent on patient turnaround time in the emergency department (ED).

One of the factors that discontent patients is the long time they must wait before and after the different procedures they undergo (Hall and Press, 2010; Fernandes, Daya, Barry, & Palmer, 2016). Some have suggested that to achieve a quicker patient turnaround time, teaching hospitals need to: assign a check-in clerk whose sole duty is to check in patients; give patients a medical history form that is self-explanatory and easy to fill out; assign a medical assistant to take vitals and prep charts; post an order board in a common area to prevent delays in patients waiting for common office procedures such as injections; implement an efficient practice management system that seamlessly guides one between check-in and checkout without a hitch; request resident physicians to review patient charts prior to patient visits; make sure the electronic health record system is easy-to-use and fast to navigate; and align the practice with a culture of service. Patient Turnaround Time can be indicated by timeliness of doctor's attention and timeliness of auxiliary services. They are discussed as follows:

<u>Timeliness of Doctor's Attention</u>: Timeliness is the fact or quality of happening at the best possible time or at the right time (Cambridge Dictionary, 2019). Timeliness of doctor's attention is the time difference between when the patient is booked to see the doctor, arrives on emergency or other reasons and when the doctor attends to the patient (Fernandes, Daya, Barry, & Palmer, 2016). This is very pertinent as it massively affects patient's health and hospital's reputation. The less time it takes the doctor to show up and attend to the need(s) of the patient, the more rated the timeliness of doctor's attention, and vice versa. It is therefore pertinent that doctors in teaching hospitals should imbibe the culture of timeliness to patients' medical needs as this contributes immensely to patients' turnaround time and institutions' reputation.

<u>Timeliness of Auxilliary Services</u>: Timeliness of auxilliary services refers to how swift patients get auxiliary services such as waste disposal, laundry, feeding, maintenance, housekeeping, medical records check, etc. from the hospital (Association of American Medical Colleges, 2019). Patients need the hospital managements to have these auxiliary services well mapped out for timely, effective and efficient service delivery. Teaching hospitals that fail to put the necessary machineries that will power these services on timely basis are said to have drastically jeopardized service delivery.

Patient Treatment Consistency (PTC):Patient treatment consistency is the act of following the same pattern in rendering health care to patients (Howard, 2016). This does not void innovations. This is one of the metrics that can be employed to measure service delivery of teaching hospitals; the better the patient treatment consistency, the better-rated the service delivery of teaching hospitals, and vice-versa. The drive for consistency in healthcare is based upon the fundamental observation that physicians across the globe treat similar medical conditions in dramatically different fashions. Sometimes, these different approaches are costly, such as using a more expensive treatment when a less expensive approach might be as effective. In other cases, these practice variations are dangerous– failing to provide patients with treatment the evidence suggests is best. Standardizing the delivery of care, that is, identifying “best practices,” and then insisting physicians follow these guidelines – could, in theory, save money while improving quality. It should be noted that consumer mindset has clearly taken root in healthcare.

Some have recommended that teaching hospitals should: ensure customer satisfaction during each and every encounter; communicate with patients frequently and in a way that is convenient

for them; welcome questions (above and beyond the regular ones), in order to achieve consistency in rendering treatments to patients. They argued that doing these will go a long way in promoting their service delivery and generate lots of referrals, which will in turn generate more financial incomes for them. Patient Treatment Consistency can be shown in history taking and consistent treatment. They are discussed thus:

<u>History Taking</u>: This refers to the recording of patient's past and present medical information for enhancement of entire treatment process (Klipstein, 2019). The ability to obtain an accurate medical history and carefully perform a physical examination is fundamental to providing comprehensive care to patients. Medical care givers in teaching hospitals who are consistent, thorough and efficient in obtaining a history and performing a physical examination with a wide variety of patients, including healthy adults (both young and old), adults with acute and chronic medical problems, and adults with complex life-threatening diseases are said to perform greatly well, and vice versa.

<u>Consistent Treatment</u>: Consistent simply means always behaving or happening in a similar, especially positive way (Cambridge Dictionary, 2018). Consistent treatment refers to a situation where a patient's laid out line of treatment is followed up accordingly without breach, except an unavoidable situation calls for it (Hall and Press, 2010). Teaching hospitals that are consistent on the issue of patients' treatment are said to perform extensively well. This implies that teaching hospitals that are lackadaisical when it comes to consistent treatment of patients put both the patient and the hospital in a difficult situation.

Patient Record Status (PRS): Patient record status is a collection of all the data acquired and created during a patient's course through the health care system that is up to date as at the time required (Tang and MacDonald, 2006). The purpose of a patient record is to recall observations, to inform others, to instruct students, to gain knowledge, to monitor performance, and to justify interventions (Osheroff, 2013). The many uses described in this statement, although diverse, have a single goal - to further the application of health sciences in ways that improve the well-being of patients, including the conduct of research and public health activities that address population health.

This is a very important issue for teaching hospitals. Previous medical records of patients are very helpful in administering current treatment, because there needs to be a follow up with the previous treatment record. The patient record status serves as a guide in administering subsequent treatment on same patient. This calls for a safe, comprehensive, and up-to-date record keeping of patients' treatment by teaching hospitals. Lack of this in teaching hospitals could complicate issues for both care giver and patient, which may result to death of patient. Having a safe, comprehensive, and up-to-date medical record status of patients will speak so well of their service delivery. Patient Record Status (PRS) can be determined using the following:

<u>Record Security</u>: This is the safe keeping of medical records of patients to guard against theft, misplacement, unwarranted access, and damage (Wager, Lee, & Glaser, 2005). Teaching hospitals that are good at keeping very safe records of their patients with the aid of the Automated Hospital Information System (AHIS) always maintain a good patient records status. This implies that those

who fail to do so may have their patient records status compromised.

Record Availability: Availability is the condition of being available (Collins Dictionary, 2017). Record availability is the extent to which a patient's record is readily accessible at the time of request (Wager, Lee, & Glaser, 2005). Patients and medical care givers who can quickly lay hands on medical records of patients will have the patients records status easily updated. This implies that teaching hospitals that fail to make medical records of patients available on real time basis may have a compromised record status of patient, which may result to inconsistent treatment.

Theoretical Framework

This work is anchored on Rogers' (1962) Diffusion of Innovation Theory (Odu, 2017). Roger's Diffusion of Innovation Theory of 1962 posits that individuals and social systems will adopt new technologies and innovative ideas at different points and that the point an innovation is accepted into a system determines subsequent outcomes of the system. The diffusion of innovation theory assumes that:

i. In a social system, there will always be a disparity in the level and time at which individuals within a given social system adopt new ideas, techniques, and technology.

ii. Individuals and arms of institutions that adopt innovations early will naturally outperform late adopters and the laggards (Odu, 2017).

The implication of this theory is that as digitalization diffuses across all spheres of human endeavours including the healthcare sector, there will be a discrepancy on how and when managements of teaching hospitals embrace the Automated Information System in running their service delivery process. By extension, borrowing from the second assumption, the theory predicts that teaching hospitals who adopt automated information systems such as laboratory information system, radiology information system, and nursing information system will succeed in providing quality healthcare service delivery. Automated Hospital Information Systems eliminate service delivery hitches such as misplacement of patients' folder, inconsistent patients' treatment, and unnecessary time wastage associated with medical services (Mohammed, 2018; Lingamallu and Nayakvadi, 2017; Mamta, 2014; and Toromanovic & Masic, 2010).

AUTOMATED HOSPITAL INFORMTAION SYSTEMS AND SERVICE DELIVERY OF TEACHING HOSPITALS

This work sets out to examine the influence of automated hospital information systems (in terms of laboratory information system, radiology information system, and nursing information system) on service delivery of teaching hospitals. Service delivery of teaching hospitals was dimensioned into patient turnaround time (PTT), patient treatment consistency (PTC), and patient record status (PRS). These dimensions of the two study variables are laid out in the conceptual framework in Figure 1, followed by discussions of their relationship.

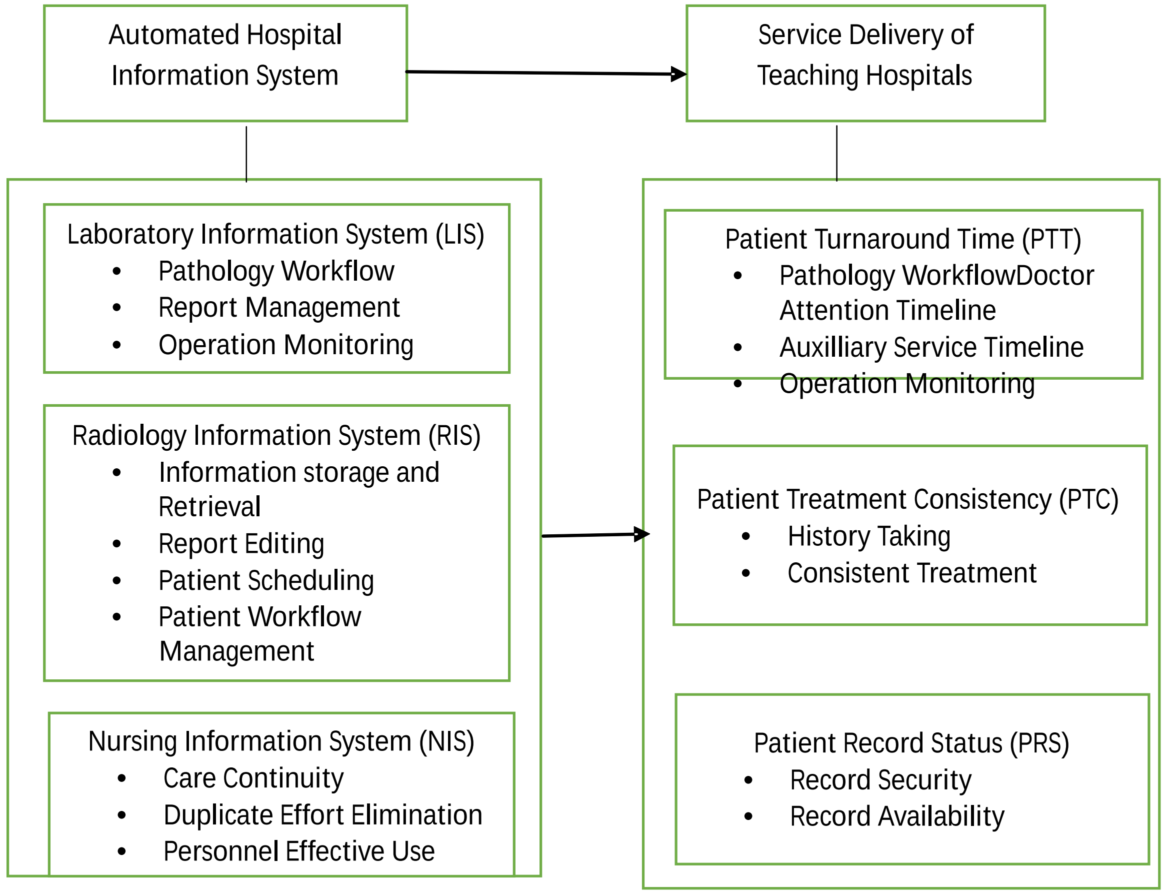

Figure 1: Conceptual Framework of Automated Hospital Information Systems and Service Delivery of Teaching Hospitals.

Source: Researchers (2020), Military Health System (2018), Ogbobe (2011) and Amarasinghuma et al. (2006).

The first research objective was to ascertain the relationship between laboratory information system and service delivery of teaching hospitals. The adoption of laboratory information systems is the key to improved workflow processing, increased patient satisfaction, and quality of care in teaching hospitals (Mohammed, 2018). Apart from quality of care and efficiency, the inclusion and adoption of LIS in teaching hospitals is associated with significant cost-savings, increased revenue / profitability, and reduced risk of human error (Mohammed, 2018). The laboratory information system (LIS) has helped in improving laboratory operations and overall patient care. The LIS has emerged as a life-saver for medium-to-large scale laboratories in context to improving pathology workflow processes, management of reports, and allied monitoring operations in teaching hospitals. Consequently, patients get satisfied with their record status, non-disruption of their treatment due to information inadequacy and they get to spend less time than they would have spent without an automated information system.

Our second research objective was to examine the relationship between radiology information system and service delivery of teaching hospitals. Radiology information system helps maintain radiology information of patient and their reports in teaching hospitals. The presence of radiology information system in a teaching hospital allows retrieving and storing of radiology information, edit reports, patient scheduling, maintaining patient workflow management within the radiology department. The use of radiology information system in a teaching hospital minimizes error such as incorrect diagnosis, wrong prescription of medication, inaccurate interpretation of laboratory results and incorrect information generated from medical equipment (Lingamallu and Nayakvadi, 2017). All of these aid service delivery of teaching hospitals as patient turnaround time is reduced, patients are attended to consistently and their time is properly put to use.

The third research objective was to determine the relationship between nursing information system and service delivery of teaching hospitals. The adoption of nursing information system in a teaching hospital saves time through reducing clerical activities, telephone calls between departments, handwritten information transfer (Mamta, 2014). It also ensures greater accuracy and speed of information transfer. There is continuity of care through the current and status documentation available on the system for the nurse, elimination of duplicate effort and more effective use of personnel, which provides financial savings for the patient and time savings for the nurse in a teaching hospital (Toromanovic and Masic, 2010). Furthermore, there is said to be more complete patient records and data for patient care, quality assurance, and research. These manifest in shorter patient turnaround time, consistency in patient treatment and better patient records.

CONCLUSIONS AND RECOMMENDATIONS

The 21st century has brought with it lots of technologies, either by inventions or innovations. The medical sector is not in any way left out at all; it may even be said of it to have received more. The Automated Hospital Information Systems (AHIS) have in them embedded systems, which are laboratory information systems, radiology information systems, and nursing information systems, among others. These systems have made numerous positive impacts in the medical sector, especially in the area of economic growth and service delivery. This work has found out that Automated Information System affects the service delivery of teaching hospitals; thus, the conclusion that laboratory information system is of immense benefit to the service delivery of teaching hospitals. This is because radiology information system, laboratory information system and nursing information system as components of Automated Hospital Information System positively influence the service delivery of teaching hospitals measured in terms of patient turnaround time, patient treatment consistency and patient record status.

Based on the findings and conclusion of the study, the following recommendations were made:

1. Teaching hospitals should be equipped in a state-of-the-art standard such that will accommodate automated hospital information systems, having in it radiology information system, laboratory information system and nursing information system for superb patients' experience and service delivery.
2. Teaching hospitals managements should set up training sessions for training their health practitioners on the effective use of automated hospital information systems in order to enhance service delivery and economic growth in them.
3. Teaching hospitals authorities, health care givers and patients should encourage one another on the frequent and effectual utilization of automated hospital information systems for the betterment of all involved in the process.

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HARNESSING THE UTILITY OF VIDEO CONFERENCING IN OFFICE AND INFORMATION MANAGEMENT PRACTICES IN ORGANIZATION

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ABSTRACT

Video conferencing is the trending electronic communication channel that is very useful mostly in organisation's meetings and conferences. This is largely due to its potential to promote audio visual communication, reduce organisational travelling costs and also as a veritable tool for training and retraining of staff. The paper examined the parts video conferencing plays in office and information management practices. The objectives of the paper were to: determine the helpful impact of video conferencing on data management; clarify its effect on the training and retraining of staff; determine its influence on promotion of effective communication; examine its facilitative impact on organisational meetings. The possible drawbacks that could impede investment on video conferencing were also examined. The paper concluded that video conferencing has positive correlation 'with office and -information management practices, which imply that video conferencing can positively influence office and information management practices. Recommendation was that organisations should invest in video conferencing since it can significantly promote effective communication as well as reduce organisational travel expenses.

Keywords: Video conferencing; Data Management; Effective Communication; Organisational Meetings

INTRODUCTION

It is globally accepted that communication plays great impact in the life and success of every organisation. No organisation can operate effectively without communication. Communication is deeply rooted in all human and organisations' activities and operations. It is difficult to think of social or behavioural events from which communication is absent. . Each and every organisation whether profit making or nonprofit making depend daily on verbal and non-verbal communication, to plan, control, manage, persuade, understand, lead, convey ideas, thoughts, emotions and so forth. Hence communication is regarded as the bedrock through which organisations' goals are achieved.

Although organisations have several channels of communication such as face-to-face communication channel, written communication channel, broadcast media communication channel, mobile communication channels, electronic communication channel, and so forth, electronic communication has become a very popular means of communication worldwide. Electronic communications is interactive. It engages a self-selected audience in active, two-way communications.

Electronic communication include: E-mail, Social Media, Fax, Skype, Wikis, Video Conferencing and so forth. Electronic communication enables organisation to transfer different types of data and images through wire, electromagnetic, photo electronic or photo-optical system and radio. In choosing the form of electronic communication to be used for a task, attention is given to the one that ensure the completion of the tasks, because using an inappropriate form of communication for a task or interaction can lead to negative consequences. Complex messages require richer channels of communication that facilitate interaction to ensure clarity and effective communication. Since organisation spend a lot of her time on data management, training and retraining of workers and on meetings, which is basically the domain of office and information management, the electronic communication that provides the opportunity for group of people in different geographical locations to communicate interactively through text, sound and video becomes imperative.

In the past, if an organisation wants to hold conference, meeting or training session, staff are usually required to convoke in a particular location slated as the meeting venue. But with the advancements in communication technology which brought more sophisticated and effective methods of communication, the need for staff to gather at one locations is no longer in vogue; employees are now connected by technology. Employees can interact with one another through electronic mediums. Technology has enabled organisations to seamlessly connect with people of their choice anytime anywhere in the world and this has paved the way for organisations to connect better with partners and employees. Team members can work on and make contributions to the same document at the same time, engage in meetings and share information on projects.

One electronic communication technology that has aided team members at different locations to work and make contributions to the same document at the same time, engage in meetings, participate in conferences, share information on projects etc. is Video conferencing. According to Runa (2017), video conferencing is enabled by integrated software which ensures a rich and quality experience. It enables organisations to connect to different users and have discussions

with them at the same time. The software also has features for scheduling of meetings, screen sharing, email, chat functionality, voting analytics and a host of other tools which make it very convenient for corporations and organizations to carry out meetings with multiple people and receive inputs from them also. Hence it is a type of distance conferencing where group of people can visually connect and interact with each other. This method has enabled businesses and organizations to hold meetings face to face with people without having the need to move to one particular location.

History of Video Conferencing

According to Brook (2017), the history of video conferencing can be viewed from the following turning points

1960s-The first video call appeared in 1964.

Early in 1956, AT&T started the research of Picturephone prototype which was able to transmit images (1 frame / 2 seconds) over analog PSTN (public switched telephone network) telephone lines. Finally in 1964, the company first introduced Picturephone at the World's Fair held in New York, which gave opportunities for attendees to make a video call to the one in the other place. A caller could not only hear the voice on the other side of the line, but also could see his / her picture. Then the concept of video conferencing appeared.

1970s-The early stage of video conferencing.

AT&T began using video conferencing for its Picturephone service in the early 1970s. However, this new communication was too costly to be reached by most people. Besides, the equipment also had some problems, such as bulky body, difficulty of use, etc. More importantly, the photo was so small and blurred.

1980s-Video conferencing developed slowly.

In 1982, another company Compression Labs released the first video conferencing system, which was huge and expensive, either. However, it was the only video conferencing system available until 1986 when the company PictureTel hit the market with their much cheaper video conferencing system.

Video conferencing has the potential to promote effective communication which is fundamental and critical to the success of every organisation. Effective communication is realized when there is congruence between verbal and nonverbal messages. During a video conference one will see the body language and facial expressions of the participants. This leads to a more effective and faster communication. Besides, the cost of travelling from one location to another is on the increase while the cost of video conferencing is reducing by the day, this therefore, makes video conferencing cost-effective.

In spite of these obvious potentials of video conferencing, some organisations still adopt the old ways of going about meetings and conferences which entails that all and sundry that have to do with the meeting or conference must travel from their different stations to gather in a specified location. This arrangement does not take into consideration the hassle associated with business travel, the cost of the travel, the loss of man-hours, the cost of accommodation of participants, feeding, and other opportunity cost of leaving ones location for another. The question is on the face of all these, why is it that some organizations are still not exploring the utility of video conferencing to enhance their business activities and operations.

Concept of Video Conferencing

Video conferencing refers to conducting a video conference or video teleconference in which two or more sets of hardware and software interact while simultaneously transmitting and receiving video and audio signals from two or more geographic locations. Video conferencing may also involved sharing documents, various presentation materials, whiteboards, flip charts and similar group presentation visual aids. Video conferencing is differentiated from video phone calls, which serve individuals as opposed to a conference. Video conferencing is also known as online video conferencing and PC video conferencing (Techopedia, 2019). This definition suggests that video conference is not a one to one technology; it involves more than one man at the receiving end. Video conferencing is the technology that allows you to hold meetings with several correspondents who are located in different places while seeing and talking to them in real time. It is different from simple video calling, which is normally one-to-one video communication (Nadeem, 2019). This implies that video conferencing helps to break barriers of distance. People at different locations are connected in real time. Rouse (2018) noted that video conference is a live, visual connection between two or more people residing in separate locations for the purpose of communication. At its simplest, video conferencing provides transmission of static images and text between two locations. At its most sophisticated, it provides transmission of full-motion video images and high-quality audio between multiple locations.

Kagan (2019) posits that Video conferencing is a technology that allows users in different locations to hold face-to-face meetings without having to move to a single location together. This technology is particularly convenient for business users in different cities or even different countries because it saves time, expense, and hassle associated with business travel. This means that video conferencing serves as a tool that can sharpen companies' competitive edge, since teams can share knowledge faster and more efficiently.

From the above, it can be deduced that videoconferencing means to conduct a conference between two or more participants that are at different locations by using computer networks to transmit audio and video data.

How video conferencing works

According to Rouse (2018) video conferencing process can be split into two steps: compression and transfer. During compression, the webcam and microphone capture analog audio and video input. *The* data collected is in the form of continuous waves of frequencies and amplitudes which represent the captured sounds, colors, brightness, depth and shades. In order for this data to be

transferred over a normal network -- instead of requiring a network with massive bandwidth -- codecs must be used to compress the data into digital packets, allowing the captured Audio Visual (AV) input to travel faster over broadband or Wi-Fi Internet. According to Wikipedia (2019), codec is a device or computer program for encoding or decoding a digital data stream or signal. It is a portmanteau of coder-decoder.

During the transfer phase, the digitally compressed data is sent over the digital network to the receiving computer. Once it reaches the endpoint, the codecs decompress the data and convert it back into analog audio and video, allowing the receiving screen and speakers to correctly view and hear the AV data.

Types of video conferencing

According to EzTalks (2019) there are various kinds of video conferencing systems; among the most common and major types of video conference systems are:

Telepresence Video Conferencing System

Telepresence videoconferencing is a two-way, high-definition communication and collaboration tool that provides an experience to users as immersive as being in the same room. Telepresence is designed to host a meeting as closely as possible. Even if the participants are not in the same room physically, the set-up is done in a way that gives the impression that the participant is sitting in the same room and around the same table. Large screens are used and cameras are positioned at eye level.

Integrated Video Conferencing System

Integrated video conferencing systems are designed generally for group video conferencing where there's a centralized location for the equipment. It includes both the hardware and codec. The entire main camera, displays and other peripheral videos are mounted in the main conference location. Integrated video conferencing systems are typically ideal for boardroom and classroom conferences.

Desktop Video Conferencing System

Desktop video conferencing system is very popular with people on-the-go and typical office workers. Within this option there are two choices available: a software client on your desktop or a hardware codec that doubles as the computer monitor. By using this type of set-up, the video conferencing system is brought right into your personal computer while still pulling off a full-motion conference. The most common use of desktop video conferencing is seen on desktop computers or laptops. These are simple to use, any user can install the software and get instant access to communicate. All that is required is a webcam and microphone, which generally these days is included on laptops.

Service-based Video Conferencing System

For service-based systems, the provider, which often is a telecom carrier, handles majority of the control when it comes to the network set-up. This means less work on your end. You just pay for the solution and your provider manages it for you making more convenient especially if you don't want to bother with the technicalities. Minimum system requirements for video conferencing are explained below:

Computer or Video-Conferencing Machine

Video conferencing machines are machines capable of web conferencing right out of the box since they include all necessary accessories. When using a computer for video conferencing, a computer with at least 1 GB of RAM and a dual-core processor can suffice but one need to include the right accessories and software, such as a webcam, headset or microphone, a broadband connection, monitor or other display device, and web conferencing software such as Microsoft Office Live Meeting Professional (Shanika, 2019).

Webcam or Camera

These can range from a typical webcam to an orbital camera, which can be moved and focused via the accompanying software. It must be a webcam capable of producing high-quality video. WebEx supports most webcams of this type.

Monitor

If you are the only participant at your location, any computer monitor should be appropriate for your video-conferencing needs. If you have a large group, the participants will be much further from the video source, and thus a larger monitor (or projector) will be needed.

External Microphone

An external microphone can be a personal headset, which can be a cost-effective solution if you will be the only participant in the video conference at your location. If you are part of a large group participating in the video conference, omni-directional microphones can better record and transmit dialogue from your location.

Broadband Connection

While technically, video conferencing can be done over a dial-up Internet connection, to have a quality connection and low lag between communications, a high-speed connection between all participating sights is a necessity. DSL and cable connections as well as T1 lines are excellent options for video-conferencing connections.

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1990s-Video conferencing continued to grow.

In 1991, PictureTel collaborated with IBM to introduce the first PC-based video conferencing system with relatively reduced costs. Since then, a new chapter in video conferencing industry had begun. Unluckily, at the stage, a well-equipped conference room was required and its rent was overpriced.

In 1992, Macintosh released CU SeeMe v0.1, a video conferencing software for the personal computer. The first version had no audio, but it was the best video system at that time. The system increased multipoint capability in 1993 and audio transmission in 1994. But it was only limited to Mac users. Until 1995, the new CU SeeMe was released after so many reversions by developers, which was compatible with Windows (Windows were the most popular operating system at that time). By then, video conferencing was available to almost anyone with a PC.

2000s-Video conferencing embraced its boom.

During the 2000's, video conferencing became available for free through the Internet services like Skype and iChat. In 2000, Samsung launched the first MPEG-4 streaming 3G (CDMA2000) video cellphone. In the same year, International Telecommunications Union - Telecommunication

(ITU-T) released H.323 v4 that was widely implemented by video conferencing manufacturers. In 2005, Lifesize introduced the first HD video conferencing system.

Other technologies and applications also enter into a flourishing stage, such as the application of SIP protocol, and private protocols from software-based video conferencing vendors; the appearance of video compression standards like H.264, H.265, etc.

2010s- Cloud-based video conferencing and mobile devices.

Today, there are plenty of various video conferencing systems and solutions in the market. Video conferencing solution providers like ezTalks have put video conferencing to the Cloud, which makes video conferencing cheaper and convenient. This is also a new trend of video conferencing in the future. By using video conferencing services, businesses and users across the world could easily start or join a video meeting face-to-face anytime anywhere on desktop or their mobile devices like laptop, smartphone or iPad, etc.

The paper is anchored on Diffusion of Innovation Theory by Rogers E,M. (1962)

Rogers E.M. (1962) Diffusion of Innovation (DOI) Theory

Diffusion of Innovation (DOI) Theory, developed by E.M. Rogers in 1962, is a theory that explains how, over time, an idea or product gains momentum and diffuses (or spreads) through a specific population or social system resulting in people adopting the new idea, behavior, or product. Adoption according to the theorist means doing something differently from what had previously been the case, (i.e., purchase or use a new product, acquire and perform a new behavior, etc.). The key to adoption is that the person or organisation must perceive the idea, behavior, or product as new or innovative. It is through this that diffusion is possible. This theory has strong relationship with the current paper which has to do with innovation and the need for adoption and diffusion.

The theorist posits that adoption of a new idea, behavior, or product (i.e., "innovation") does not happen simultaneously in a social system; rather it is a process whereby some people or organisation are more apt to adopt the innovation than others. Roger opined that people or organisation that adopt an innovation early have different characteristics from people that adopt an innovation later. However, the theorist emphasized that it is important to understand the characteristics of the target population whenever innovation is to be promoted since the target population plays great role in the innovation's adoption and diffusion (Wayne, 2019).

The central message of the theory is that innovation is helpful to both individual and organisation but that individuals and organisations should assess the need for the innovation before adoption. This theory is in line with the current paper since the study aim at highlighting the utility of video conferencing with a view to harness, adopt and diffuse the technology, since it has the potential to enhance effective communication, promote organisational meetings as well as influence organisational productivity.

Video conference and data management

Data management is an administrative process that includes acquiring, validating, storing, protecting, and processing required data to ensure the accessibility, reliability, and timeliness of the data for its users. Organizations and enterprises are making use of data more than ever before for business decisions and gain deep insights into customer behavior, trends, and opportunities for creating extraordinary customer experiences (Molly, 2016). To effectively manage the vast quantities of data that organisations gather, analyze, and store, organisations usually resort to data management solutions and platforms. Data management solutions make processing, validation, and other essential functions simpler and less time-intensive. Video conferencing aid office and information manager to manage data since it allow data sharing that is not possible in live meetings, it permits the recording of video conferences, provides necessary records for security and regulatory requirements. Video conferencing has proven to be an ideal communications tool for building a website, writing software or collecting data. This means that video conferencing is a veritable tool for the promotion of office and information management practices.

Video conferencing as a tool for training and retraining of staff

Kagan (2019), noted that video conferencing can also be used as a medium for conducting training, with the facilitator teaching a remote class from anywhere. This can be done in a corporate context, especially for training workers to acquire the knowledge they need to better perform their jobs. Wright (2019) corroborated this when he posit that instead of having to wait for multiple groups to be trained at various training sessions, every employee can attend training at once through video teleconferencing. Training everyone at the same time through teleconferencing is efficient, requires no travel time for the trainer or employees and provides an opportunity for everyone to receive identical training. Also, for training elements that must be conducted immediately for critical reasons, teleconferencing can accomplish the goals of a time-pressed organisations. Only one trainer is required, which reduces teaching costs. Fees for training facility rental or costs of refreshments required for training sessions are eliminated.

Video conferencing training has proved very useful and because it compels the participants to be focused. Again, its recording feature enables the participant to review the training any time they want to. This promotes better understanding.

Video conferencing as a tool for promoting effective communication

Video conferencing helps to improve communication and re-establish relationships. During a video conference one sees the body language and facial expressions of the participants. It therefore reduces the misunderstandings that come from email and phone calls. With video conferencing, facial expression and body language deliver a more complete message. Video conferencing participants are also more likely to speak up and clarify information. Participants are more likely to stay alert and focused when viewed by coworkers. This leads to a more effective and faster collaboration and communication. It helps employees to gain trust in their employers and it create better understanding among them. According to Gouldian (2018), organisations believe that they move faster towards their goals when they can see and interact with the people they are working with. Non verbal language can reinforce, contradict, substitute, complement, or emphasize verbal communication. Therefore, video conferencing which permits the observance of both verbal and non verbal communication during video conferencing serves as a useful tool that enhances the overall quality of the communication. During video conferencing, Managers can identify hidden talents when they communicate with their employees. By doing so, they can tap into these skills and help enhance them, which will contribute to the overall success of the organisation.

Video conferencing and organisational meetings

The competitive, dynamic and technological environment in which organisations operate has necessitated regular meetings to reappraise their strength and weakness so as to reposition the organisation to take advantage of opportunities and fight possible threats. Meeting is therefore central and critical to the live of every organisation. Productivity of an organisation is closely related to decisions reached in organisation's meetings and the extent to which such decisions are implemented. Video conferencing which allows organisations to conduct meetings with several people at the same time and which allows employees to talk and chat with people from different parts of the world with ease is no doubt a veritable tool that can enhance information management practice. Video conferencing builds relationships, trust and camaraderie among employees. Vita enterprise solutions (2018) opined that with video conference, executives can hold meetings real-time with global offices. Teams feel more connected to the home office. Managers see and interact with those they may never have the chance to meet in person. With video conferencing, organisations can connect with clients and employees and hold discussions. Strategic planning and meetings which require several members to be present can be carried out with ease. It permits organisational staff to talk to multiple people at the same time and carry out business with ease. This invariably leads to timely completion of projects.

Gouldian (2018) observed that other benefits of videoconferencing to organisations are that it:

a. move a company more effectively towards its goals
b. foster creativity and learning
c. blend complementary skills, strengths and perspectives
d. build trust; encourage equal participation
e. develop a strong sense of purpose
f. enhance employee development
g. teach conflict resolution skills
h. promote a wider sense of ownership
i. encourage partnership / joint efforts
j. deliver faster problem solving and increased innovation
k. create an efficient pace of work (the "divide and conquer" principle)

l. improve job satisfaction and employee retention

Video Conferencing Companies

According to eztalks (2019), five major companies that provide powerful and simple-to-use video conferencing solution include:

1. ezTalks Technology Company
2. Vidyo Company
3. *Polycom, Inc*
4. *Blue Jeans Network Company*
5. *Cisco Systems, Inc*

Demerits of video conferencing

According to Ingram (2017), some of the possible demerits of video conferencing are:

Lack of Personal Connection

Video conferencing takes away the personal touch provided in physical persons meetings; such as handshakes which reinforce relationship, acquaintance of new environment, different culture etc. All these add up to organizational learning.

Time Zone Differences

Sometimes video conferencing with people in other parts of the country or world can be difficult simply due to time zone differences. For example, a 3:00 pm meeting in the United States would be the middle of the night in England. This creates inconveniencies.

Unreliable Technology

There are instances where people are in the middle of an important presentation or meeting suddenly the video freezes up due to unreliable technology. The implication of this is that such conference will be rescheduled which will result to loss of man-hour.

Much Training

There is the assumption that video conferencing technology requires much training so as to be able to handle the technicalities of it. Organizations view such training as a drain on their resources.

Too Expensive

Some organisations believe that video conferencing systems are cost-prohibitive. Such organisations view investment on video conferencing as not cost-effective mostly when the cost of equipment, maintenance cost, personnel cost etc are factored in.

CONCLUSION

Video conferencing is a veritable vehicle that can transform organisations; it has the potential to saves time and money related to business travel. Organisations can use Video conferencing to connect with people for routine meetings, negotiating deals, interviewing candidates, etc.

Although there is the belief that video conference is expensive venture. Of course, as with any technology, there is an initial cost that may seem to be huge but video conferencing is unique because it provides a relatively fast return on investment when reduced travel expenses, improved efficiencies, better customer support and more are considered

In fact providing video capacity for organisations' customers can create a competitive offering which is a success factor in business. Less travel requirements allows a better work / life balance and employees can choose to work from home to alleviate cost of commuting. Remote employees can still have close relationships with team members, as video's real-time face-to-face interactions are richer than any alternative to in-person meetings. The audio visual communication helps to promote effective communication. As a result of improved communications, organisation can reach decisions faster this leads to increase in productivity.

The fear that video conference can always freeze up during meetings has been overtaken by improvement in the technology. Video conferencing technology has greatly advanced in the last several years, and it's now more reliable than ever; internet connection speeds are continuously increasing, which helps to keep video streaming smooth and unhitched.

Above all, video conferencing offers greater health and job satisfaction. Frequent travel takes a physical and emotional toll. This affects performance and productivity. Also helps reduce job turnover. Gouldian (2018), observed that employees who travel less and video conference more are healthier, happier and more productive because video conferencing supports work-life balance.

RECOMMENDATIONS

1. Organisation's activities and operations are today technological-driven, therefore organisations should queue in to video conferencing technology in order to reap the benefits inherent in it, which include: effective management of data, improved communication among others.

2. To avoid freeze in video conferencing and other hitches during meetings, conferences and training sessions, organisation should always update their machines so as to get technical support from the partnering companies.
3. Effort should be made to ensure that skilled and trained personnel are in charge of video conferencing operations. This is to avoid some technical problems that can arise when inexperienced personnel are allowed to oversee the operations.

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CARRIER MENTORING AND CORPORATE INFORMATION MANAGER'S COMMITMENT

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ABSTRACT

The most perpetual challenge in most profession today is lack of a well-structured career mentorship and professional commitment program. This has heightened the need for career mentorship programs in order to achieve professional commitment in the corporate information management profession. While extensive literature exists, career development, the focus has largely been on its influence on performance and productivity, leaving out its role of professional commitment. The study thus set out to discuss the relationship between career mentorship and professional commitment among corporate information mangers. Two theories underpins the study; the social learning theory and social exchange theory. Career mentoring is conceptualized as Role Modeling, Career Planning, Training and Development, Coaching and Mentoring, Career Counseling, Talent Management, Succession plan whereas, commitment is measured under three broad themes such as affective, continuance and normative. Conclusively, Career mentoring has become attractive to professions that seek to improve performance and productivity. Hence, professional body should also have a structured career development plan. This will allow members to have a better long-term vision of their evolving role inside the profession.

Keywords: Career development, Professional, Mentoring, Commitment

INTRODUCTION

Given the unpredictable, dynamic and competitive business environment, organizations today are required to reach certain standards by improving their performance to align with the growing as well as changing demands of the market. This drive for performance is however hinged on the effectiveness of the office and information managers and human resources which can be viewed as the determining factor in the achievement of the organizations' objectives. Mentoring has

become increasingly important for organizations and is used in · conjunction with office and information management strategies. Mentoring has been associated with developing good management-employee relations and thus improves overall job performance (Sadri & Tran, in Leng, 2014). Office and information managers' are increasingly turning to mentoring programs to serve a variety of purposes within an organization from career development and psychological support to counteracting disadvantage The most perpetual challenge in most organizations today is lack of a well structured career development and employee retention program. This has heightened the need for career development programs in order to achieve employee retention in most organizations. While extensive literature exists, career development, the focus has largely been on its influence on performance and productivity, leaving out the role of employee retention.

This paper thus set out to determine the relationship between career development and organizational commitment a professional group (Office and information managers). The new comers to the office and information management profession are faced with the problem of how to get started with their new job challenges because what they have studied may be different from the practical aspect. While many researchers in other continents like McLead, and Bell, in Afobruku and Nwakobi (2015) have written on mentorship, there is no research paper on the role of career mentoring on corporate information managers' commitment in Nigeria, a factor which requires an extensive research.

This paper reviewed works written by authors as it relates to various dimensions of career mentoring such as career mentoring, psychosocial mentoring, role modeling and continuous organizational learning as well as measures of commitment such as affective, normative, continuance and professional commitment. Data for the research was drawn from secondary sources using a phonological approach.

The paper is based on the social exchange theory and social learning theory. The social exchange theory provides the conceptual basis for understanding the process through which mentoring is initiated and sustained. The theory suggests that individuals exist in an exchange relationship that is strengthened to the extent that both parties are willing to fulfill the desires of each other. Their behaviour is largely influenced through psychological contract – an employee's perception of what they expect from their organization in return for their perceived contributions to it (Rousseau and Robinson in Afobruku and Nwakobi (2015). Unlike a formal contract, the terms of a psychological contract between individuals are perceptual, usually implicit and subjective, and may not be shared by both parties (Kabar and Barrett, in Afobruku and Nwakobi (2015). This raises the potential for the perception of contract violation from either of the two parties involved in a relationship.

On the basis of the psychological contract approach to the exchange relationship between individuals, fulfilling the implicit contract or the mere perception of a partner that the other party can and is willing to meet its obligations creates the motivation to help each other. The social context perspective therefore views mentoring as an exchange relationship in which partners' exchange reward that strengthens the relationship. Individuals involved in a dyadic relationship become obligated to act favourably in response to convert fulfillment by the other party.

The social learning theory and mentoring are synonymous and popular concepts which have been around for centuries. Bandura's (1976) social learning theory is a popular approach for explaining skills acquisition in individuals. The theorist emphasized the part played by models in transmitting specific behaviour, attitudes and emotional responses in different circumstances, indicating that there is much more to learn through role modelling than classical or operant conditioning. It explains that people learn new behaviour through observational learning, suggesting that if an individual observes pleasant, favourable outcome or consequences in the observed behaviour, they most likely imitate, and adopt the behaviour themselves. Therefore, by watching the behaviour of other people, we are capable of learning many behavioural patterns. Every individual has at one time or the other watched and tried to imitate actions of others in the performance of a task. This is particularly true when such activities involve social interaction and interpersonal communications. Bandura proposed that we observe others perform an action and then rehearse them until we become comfortable performing them when there is a need for it. The application of the social learning principles to the training and development of individuals were labelled a long time ago as behavioural modelling technique (Goldstein and Sorcher in Afobruku and Nwakobi (2015). Mentoring is a training strategy that is especially consistent with the tenets of the social learning theory (Ross-Gordon, 1998). The role modelling aspect of the psychosocial functions of mentoring particularly reinforces the theorist's argument that modelling is a social learning technique that guides peoples' actions and makes learning less laborious. Mentoring is a practice of pairing inexperienced individuals with more experienced persons for them to 'learn the rope'. When a protégé 'learns the rope', he or she watches the experienced person perform different tasks with a view to re-enacting them. From the foregoing, it is easy to see how mentioning is similar to the social learning theory.

This section will briefly explain certain concepts as it relates to the topic as follows:

Career mentorship

London (2002) suggests that career development practices are series of activities designed to identify competencies required by employees to manage their career objective which should be linked with organization objective. London (2002) stated that career development practices aim at providing learning and development opportunities which in turn enhance employee engagement, motivation and job satisfaction. Huselid (2015) points out that career development practices builds the skills of employees to match contemporary issues at the workplace.

Role Modeling

Mentors teach their inexperienced colleagues ways that yield superior results through modeling. As role models, they are also parent-like figures who reflect the optimal traits and behaviour needed to attain success in life (Hunt & Michael, in Afobruku and Nwakobi, 2015). Beyond mere watching, the role modeling function of mentor provides a protégé with opportunities for questioning their mentors on what they have seen him or her do. On the basis of clarifications offered to them, protégé learn and become more like their mentors in actions, attitude and emotional response to issues. The rationale for the acclaimed benefits of mentoring is usually based on the premise that behaviour is learned in interaction with individuals who serve as models (Baldwin in Afobruku and Nwakobi, 2015; Ragins, 2017; Shanks, 2017). Protégé may develop leadership skills from their interaction with mentors, becoming able to influence and motivate others.

The social approach to the investigation of mentoring equally argued that relationships with superiors or supervisors have significant impact on the learning behaviour of protégé. Mentors are models that transmit invaluable information to their partners and through which they gain proper orientation towards work / life values. At work or at play, the role modelling function of a mentor in a developmental relationship is an important source of skill transfer to protégés. Further than this, mentoring is a close relationship (Van Vianen, Rosenauer, Homan, Horstmeier, & Voelpel, 2018)

Social psychologists explain that a close relationship involves strong and frequent interdependence between partners (Rusbult & Van Lange in Afobruku & Nwakobi, 2015). This eventually creates a situation where partners become an expansion of the other or a mirror image of one another (Aron, Paris and Aron in in Afobruku and Nwakobi, 2015; Onyia, 2018). Their thoughts, emotions and behaviour influences one another, creates feelings of intimacy and companionship. True to this argument, protégés in mentoring relationships, often than not, become replicas of their mentor's attitudes and behaviour.

Career Planning: Leibowtz (2016) claims that career planning is a continuous process of self assessment and goal setting designed by employee and employer in order to work in line with organizational objective. Career planning involves both the employing organization, mentor and protégés connecting together to identify goals, and also develop strategies required to fulfill identified goal. Leibowtz (2016) maintains that employees should identify their abilities through programs such as coaching , mentoring and counseling, so that management will decide on the what training needs that should be developed, and also determine the task that should be assigned to them (Ramaswami, & Dreher, 2017). The process in the context of corporate information management will help the profession to gain competitive advantage and also ensures skills and abilities are matched with task, thus productivity is enhanced. Professions that wish to effectively structure it positions with regards define roles and responsibilities, must undertake the process of career planning to ensure effectiveness in output, and also enhance productivity. Career planning is the process by which one selects career goals and the path to these goals (Onyia, 2018). The major focus of career planning should be anchored on assisting the new comers to achieve a better match between personal goals and the opportunities that are realistically available in the profession of information management (Leibowtz, 2016).

Training and Development: Eisenberger in Foday (2014) states that training involves a professional working with learners to transfer to them certain area of knowledge or skills to improve in their current job. Training ensures that young information managers enhance their skills to undertake their job effectively and efficiently, and also builds the confidence of the young ones within a profession. Foday (2014) claims that development is a broad ongoing plethora set of activities designed to bring someone or an organization up to another threshold of performance, often to perform some jobs or new roles in the future. According to Hurwitz (2015) employees must be trained and developed where possible to meet their own career needs and the needs of the profession as well as the organization. Training is job or task oriented, whiles development is career oriented. Development aim at preparing people for higher responsibilities. Training and development help newer professionals master the knowledge skills and behaviour emphasized in training programs, and apply them to their day to day activities, and future assignment.

Coaching and Mentoring: Libri in Foday (2014) describe coaching as on the job training. It is different from managing, less about directing work, but all about helping someone succeed. Coaching according to Libri cited in Foday (2014) is a way of working with people that leaves them more able to contribute to their organization, and find meaning in what they are doing. The underlying goal of every coaching interaction is to help the other person succeed. Coaching is an integral parts of every manager's job. Managers that provide regular ongoing coaching and feedback to help employees develop skills and improve team performance and define and realize career goals, having more successful and productive teams (Williams, 2017). Coaching also provide plenty of opportunity for learning and growth. It is one of the best ways to develop and retain valuable colleagues who are new in the profession. Coaching is increasingly used for professional development to indicate a positive change in individuals and to encourage the transfer o knowledge from the coach to the individuals. Foday (2014) defines mentoring as a professional activity, a trusted relationship, and a meaningful commitment. Mentoring practice as we know it today is loosely modeled on the historical craftman apprentice relationship, where young people learned. Mentoring relationship have a great potential to enhance the development of young individuals in both early and middle career stage (Foday, 2014).

Career Counseling: Career counseling is a systematic approach to facilitating the career decision making and job search process. It is a partnership between young inductees into a profession and their career counselor (who in most cases are their professional colleagues) designed to assist the young inductee in making important decisions about the career. Career counseling is similar in nature to other types counseling such as marriage or psychological counseling. What unites all types of professional counseling is the role of practitioner, who combine giving advice on their topic of expertise with counseling techniques that support clients in making complex decisions and facing difficult situations. Professional career counselors can support people with career related challenges. Through their expertise in career development, they can put a person's qualifications, experience, strengths and weakness in a broad perspective while also considering their desired salary, personal hobbies and interests, location, job market and educational possibilities (Foday, 2014, Shank, 2017).

Talent Management: Talent management is about getting the right people in the right jobs doing the right thing. This requires predicting how young professionals will act in the future and getting them to act differently from how they acted in the past. To be effective, talent management process must take into account the underlying factors that influence young professional's decisions and actions. They must be based on how business leaders and managers want them to behave. Talent management increases the probability that the new inductees will display behaviour than align with organization's overall strategic direction. The ability to influence new inductees' behaviour makes talent management a highly effective method of driving business result (Perrin, 2013). Small changes in employee behaviour can have massive impact on business performance. Talent management refers to the anticipation of required human capital for an organization and the planning to meet those needs (Perrin, 2013; Sitzmann, & Ely, 2015).

Succession plan: Succession planning is a process for identifying and developing internal people with the potential to fill key business leadership positions in the organization. Succession planning increases the availability of experienced and capable employees that are prepared to

assume roles as they become available. Effective succession plan concerns itself with building a series of groups up and down the entire leadership pipeline or progression. Succession planning is a process whereby an organization ensures that new comers into the profession are recruited and developed to fill each key role within the profession. Through succession planning process, you recruit superior professionals, develop their knowledge, skills, and abilities, and prepare them for advancement or promotion into ever more challenging roles (Noel in Foday, 2014). Succession planning is important when itscomes to determining an organization's short and long term business strategy, hence it is critical for organizational success. This practice helps the profession avoid talent shortages, retain top talents, and assist new grandaunts in transitioning in to new intern roles (Noel in Foday, 2014)

Corporate information managers' Commitment

The corporate information management profession can be referred to as part of the organized labour sector, as such an organization. professional commitment has attracted attention and few researchers have attempted to identify its role within the professional cycle, including how commitments develop and how they help shape attitudes and behaviours. It has been established that highly committed members of a profession are less likely to be abstain from professional activities and to voluntarily leave the profession (Meyer and Allen, in Abdullah and Muhammad, 2015). However, within the relevant literature there is no consensus as to what constitutes organizational commitment (Abdullah and Muhammad, 2015; William, 2017) making it difficult to fully understand the construct (Mowday in Abdullah and Muhammad, 2015). This confusion has led to differing opinions over whether organizational commitment is productive or not, stable or in decline (Meyer and Allen, 1997). In attempting to reconcile the various definitions, Meyer and Allen (1993) identified the following three broad themes:

affective attachment to the organization
perceived cost associated with leaving the organization and
commitment as a moral obligation to remain in the organization.

Affective commitment refers contextually is referred to members of a profession that remain in the profession because they want to. Allen and Meyer in Abdullah and Muhammad, (2015) define this as an attachment to the profession, along with the identification and involvement in the profession. Professionals that have affective commitment are likely to attend to professional needs regularly, perform assigned tasks to the best of their ability and make an extra effort to help out beyond the realms of their specified job roles and form an attachment to the goals and values of the profession (Leibowitz, 2016). Additionally, affective commitment makes employees to have willingness to meet the goals of an organization as well as the desire to stay in the organization. Carrel & Heavrin, (2009) note that organizational members who have an affective level of commitment have a longing to remain in the organization because they view their values and goals to be congruent with those of the organization. Cave (2002) points out that affective commitment is related with work attitude and positive feelings about their organization. The work attitude is related with how employees view the organization and this attaches them to the institution. According to Lee (2010), affective commitment is associated with employee personal characteristics organizational features, experiences about the work and job characteristics.

Employees become emotionally attached to an organization when they are able to achieve these factors. This is because they help to create an environment that is intrinsically rewarding for the employees (Muncherji & Dhar, 2011). In many organizations, the antecedents of affective commitment come under four distinct categories namely: personal characteristics, structural characteristics, job-related characteristics and work experience (Mowday, 1982). It is with such a motivation that the employee who possesses strong affective commitment will continue to work for the organization because they want to do so. According to Meyer and Allen (1997) employees with strong affective commitment would be motivated to high levels of performance and make more meaningful contributions than employees who expressed continuance and normative commitment. This happens owing to the fact that the employee identifies and associate himself / herself with every aspect of the organization.

Continuous commitment refers to the professional's awareness that costs are associated with leaving the profession. Members of a profession tend to remain in the profession because they feel they need to. The level of continuance commitment is determined by an member's lack of viable alternative profession and high investment of time and effort they have put into the profession (Abdullah and Muhammad, 2015).

Normative commitment refers to the employee's feeling of an obligation to remain in the profession. professionals remain in the organization because they feel they ought to. The responsibility they feel they owe the profession is based on the belief that they must exhibit positive behaviours for the profession because it is the right and moral thing to do (Wiener, in Abdullah and Muhammad, 2015).

Mentorship and Employee Commitment

Mentoring is a process of developing formal relationships between junior and senior members of the organization, in certain cases mentoring also takes place between the peers. This involves having more experienced employee mentor the less experienced (Dawley, Andrews, & Bucklew, 2008). It is a process of developing relationships between more experienced members of an organization and less experienced ones for transfer of knowledge and skills. Mentoring not only supports the abilities and competencies of the individuals and groups but also provides positive alteration of employees' skills to their improved performance and organization commitment (Cave, 2002). The process of mentoring works both ways, it benefits the parties, the mentor and the mentee. It increases affective commitment to the mentee to the organization, and there is essentially a transfer of knowledge and skills. Mentoring may be informal or formal, but typically the primary functions associated with mentoring are vocational support, psychosocial support and role modeling (Hyung, 2017).

In most cases, an organization pairs an experienced person in a certain field with a less experienced person interested in the same field with the aim of developing some particular competencies, give performance feedback and come up with an individualized career development plan Godenson, (2007). According to Samuel (2010) the relationship that is developed between mentor and protégé usually establishes a lasting bond that enables employees to enhance their commitment to the organization. Through mentoring a manager builds the employee's self-esteem by expressing approval, encouragement and support by trusting in the employee to exceed expectations. Individuals involved in mentoring were found to experience greater career satisfaction and commitment Michael et al. (2001). Seniors and professionals in the form of mentors share their information and experience with mentees which

creates and develop in them a deeper sense of loyalty to the organization and increases their commitment to their tasks as has shown (Hutcheson & Ofubruko, 2013).

Generally, mentors provide their mentees with the ability to make innovative ideas which can not only add to their capabilities and personality, but also prepares them to lead the others in future when they will be holding such positions (Dawley, Andrews, & Bucklew, 2008). Mentoring facilitates personal learning and attitude which consequently results in enhancing organization commitment and sustainable employee learning environment (Gupta, & Hyde, 2016). Mentoring is a valuable resource for learning and coping with major organizational changes. It brings value to everyone involved in this relationship, that is, mentees, mentors and the organization.

According to Gallawey (2011) coaching is the art of creating an environment, through conversation and a way of being that facilitates the process by which an employee can move towards desired goals in a fulfilling manner. It requires one essential ingredient that cannot be taught; caring not only for the external result but for the person being coached. Cinar (2007) argues that coaching promotes awareness in order to encourage individuals and teams for reaching a desired result. The individuals or teams are led by a skilled person or coach who supports them in achieving greater self-awareness, improved self-management skills and increased self-efficacy, so that they develop their own goals and solutions appropriate to their context. It also empowers and encourages teams and creates suitable circumstances for achieving the results.

Considering the views of several others scholars, Avery in Ofobruku and Nwakoby (2015), states that, during the past four decades, the impact of mentorship on commitment has been a topic of interest among academics and practitioners working in the area of mentoring. In agreement with the above positions, skills are characterised as 'hands on', which provides stress, intervention, and control of operations and interactions between members at all levels in the profession. This according to Mullins as cited in Ofobruku and Nwakoby (2015) is due largely to the widespread believed that mentorship can affect the commitment of corporate information managers. More so, mentorship is considered by some researchers to be particularly important in achieving professional goals, and in working performance among younger professionals (Woo, 2017).

Several reasons indicate that, there are relationships between mentorship and professional commitment. The first reason, relates to today's intensive, dynamic markets feature innovation based competition, price performance, rivalry, decreasing returns, and the creative destruction of existing competence, scholars and practitioners view are of the opinion that effective mentorship can facilitate the improvement of professional's performance when the profession face these new challenges (Chitalu, 2011; Ofobruku & Nwakoby 2015).

Understanding the effects of mentorship on performance (Zhu et al, in Avery 2008) posit that, it is also important because leaders are viewed by researchers as mentors with key driving forces for improving new inductees' performance; Effective mentorship to them is seen as a potent source for information management development and sustained competitive advantage for the improved performance of the profession.

According to Ofobruku and Nwakoby (2015) when some profession seek efficient ways to enable them to outperform others, a long' standing approach is to focus on the effects of mentorship. This is because mentors are believed to play a pivotal role in shaping collective norms, helping teams cope with their environments and coordinating collective actions.

More so, in today's rapidly moving, uncertain and highly competitive global market, various professions are facing major decisions and challenges. Over the past years, professional bodies have developed a keen interest in the field of talent management and members retention, with surveys to show that both practices are on top of the profession's agenda. The ability to hold on to highly talented professionals is crucial for future survival. However, there is also increase realization that this cannot be achieved unless professional bodies develop and implement career development programs that is geared towards ensuring that members feel satisfied, engage and motivated. Career development and retention is now viewed as a tool to strengthen professional capabilities (Woo, 2017).

CONCLUSIONS AND RECOMMENDATIONS

A report by Global workforce index shows that two-thirds of the employees are motivated to learn new skills or seek additional training as an opportunity for promotion with their current employer. Career development has become attractive to professions that seek to improve performance and productivity. There is so much competition among different professions that they are looking for ways to gain competitive advantage as the global business environment becomes increasingly complex. In order to succeed, the corporate information management professionals must put measures in place to make such they become employer of choice. This can be achieved by adopting best practices that facilities the growth and development of newer professionals, which inturn reduces turnover as new inductees would become increasingly attached, engaged and satisfied. The ensuing paragraphs cover the best practices that should be adopted to facilitate the development of young professionals and their eventual retention to achieve professional objective.

Professional bodies must ensure that their recruitment and induction policy should be based on getting the best people with the right skills and abilities to match the tasks. This helps in the development of talents to take over future roles within the profession, and also serve as a way of preventing shortages of competent people in the profession.

Professional body should also have a structured career development plan. This will allow members to have a better long-term vision of their evolving role inside the profession. It will also allow the profession to show its commitment to developing its talent, which benefits both the profession and the member.

The professional body should also make such that their performance evaluation system procedures is done objectively and fairly. Both the profession and the members benefit from knowing exactly where they stand in relation to each other's expectations. By monitoring and sharing results, it becomes clear which members are meeting (or not meeting) performance expectations. The profession should also recognize and reward good performance, to help motivate and enhance member's engagement. A professional colleague that has performed would feel that his or her effort is appreciated and recognized, as a result would remain

committed and engaged.

Furthermore, the profession should also develop a strong succession plan. As new members are recruited, trained and developed, the must also see that there is possibility for them to navigate their career path in the profession. This practice also enables the profession to make plans for unforeseen circumstances, like sudden retirement, death, illness restructuring or downsizing, etc. The plan ensures that there are available people ready to step up and take responsibility when called upon. This help creates job satisfaction and also serve as a perfect way to retain employees.

Finally, the profession should have an effective coaching and mentoring program aimed at supporting members as they undertake their duties and responsibilities. This system helps professional body to develop good relationship with young professionals and senior colleagues, and also help identify talents that need to be developed.

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AN APPRAISAL OF ISSUES, CHALLENGES AND PROSPECTS IN CONTEMPORARY OFFICE AND INFORMATION MANAGEMENT: AN IMPLICATION FOR OFFICE AND INFORMATION MANAGERS

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ABSTRACT

This paper aim to appraise contemporary issues, challenges and prospects in contemporary office and information management, explore the role of information professionals in adapting to the current information environment and suggest possible solutions and recommendations. The investigation utilized recently published articles from the internet, conference papers and literature surveys. The paper investigates the contemporary issues or trends in information management and the crucial role of information professionals in provision of information services. These include: knowledge society, emergence of knowledge management, professional competencies, skills and attitudes, information communication technology (ICT) and globalization of information services. In the light of this, information professionals face challenging information environment in terms of demand, and technological innovations. The crucial role of office and information professionals is to ensure proper management of information services, which is instrumental in bridging the information gap between the information systems and the office and information managers. Therefore, office and information managers need to equip themselves with adequate professional knowledge, skills and competencies to remain relevant in the ever-changing information environment. The paper reveals that globally the area of office and information management is facing tremendous changes that pose serious threats to office and information professionals. A review of the existing literature carried out identified several contemporary or emerging issues and challenges in information management that have a direct bearing on information professionals such as: knowledge society, knowledge management, professional competencies, skills and attitudes, ICT and globalization of information services.

Key words: Contemporary issues, Contemporary office & information management, knowledge management, information professionals, information services, Challenges, Prospects.

INTRODUCTION

Contemporary issues or trends are sweeping across professions in the world including the information management profession; however, the issues are more felt in the area of office and information management. A number of emerging issues have risen in the recent times ranging from information society and knowledge society to information management and knowledge management to professional competencies, skills and attitudes to ICT and globalization of information services. These issues are now driving the need for change in information management profession. In the light of this, the information profession is undergoing tremendous change. Change from free information to paid information (infoprenuership), information to knowledge (intellectual capital), conventional Office to digital Office (digitalization), and globalization to technological innovation.

However, people and organizations alike always resist change whether beneficial or not. Omekwu and Eteng. (2016) while quoting Rutkowski (2010) points out that: change is the constant that is constantly being challenged. People resist change and changes even though it may lead to new knowledge or to a better life. Organizations also resist change even though it may lead to a better and more effective system. Most people desire to stay with the known rather than venture into the unknown and most organizations stay the course, at best making incremental change rather than launch revolutionary transformation. For information professionals tapping into these issues and having a fresh look is equally essential in information management. Against this background, this paper is aimed at appraising the trending issues and challenges faced in the office and information management profession as well as opportunities open to them.

Contemporary Vexing Issues in the Office & Information Management Domain

1. Data, information, knowledge and wisdom:

Data is factual information (measurements or statistics) used as a basis for reasoning, discussion, or calculation. Information is the communication or reception of knowledge or intelligence. Knowledge is the condition of knowing something gained through experience or the condition of apprehending truth or fact through reasoning. And intelligence is the ability to understand and to apply knowledge (Bouthillier & Shearer, 2012). Consequently, Awad and Ghaziri (2014) define wisdom as the highest level of abstraction, with vision, foresight, and the ability to see beyond the horizon. In the same vein, most recently, Thierauf and Hoctor (2016) define wisdom as the ability to judge soundly over time. In another related development, Wiig (2009) defines information as facts and data organized to characterize a particular situation and knowledge as a set of truths and beliefs, perspectives and concepts, judgments and expectations, methodologies and knowhow. Therefore, information can be seen as data made meaningful by being put into a context; and knowledge as data made meaningful through a set of beliefs about the causal relationships between actions and their probable consequences, gained through either inference or experience (Mitchell, 2010).

Data, information, knowledge and wisdom represent an emergent continuum. Indeed, one's understanding develops as one progresses along the continuum. Everything is relative, and one can have partial understanding of the relations that represent information, partial understanding of the patterns that represent knowledge, and partial understanding of the principles which are

the foundation of wisdom (Bellinger, 2014). Hence, these concepts are nodes that connect and relate to form useful meaning. Data when connected, it becomes information. Information when connected it becomes knowledge. Knowledge is a connection of information. And knowledge when connected it becomes wisdom. However, it seems sensible that a general hierarchy of data, information, knowledge and wisdom should permit transition in both directions of ascending and descending (Williams, 2018).

2. Transition to knowledge society:

The concept of information society dates back to the 1970s. Ever since that time, the concept has continued to evolve and change. Indeed, it is in the information services environment where the concept of change is seen as a norm rather than an exception (Pugh, 2017). While writing on the same topic Wood (2010) demonstrates this fact of change clearly, as follows, change from free information to pay information; traditional Office systems to digital information systems; Office mergers with related or associated departments (like information communication technology) and many more. However, this change became rather evident in the 1980s when the society (people) began to value, appreciate and accept information; and use computers and telecommunication systems. This particular act opened the information space and marked a big turning point in the history of information society. This has progressively continued to change depending on the dictation and demands of the society.

Information society has been evolving in the last 40 years or so. This saw the emergence of information as a basic need in the society. It is the main ingredient for human beings in terms of development and survival upon which nothing can be done or achieved. In the initial stages of evolution, the main focus was information economy. But in the recent past there has been a swift change from information economy to knowledge economy. This is the main focus in the society today. The fact of the matter, however, is that knowledge is not exclusive to those countries of the advanced economies. Neither is the concept of knowledge driven economy (Ariyo, 2010). In addition, this aspect is reinforced by the mere fact that information is increasingly becoming ever important in the society with the infiltration of ICT systems in all human aspects. Indeed, many see it as the main source of competitive advantage in the society ledge economy. Ariyo (2010) noted that: the concept of knowledge economy is used to describe an economy in which the generation and the exploitation of knowledge have come to play the predominant part in the creation of wealth. It is about the more effective use of all types of knowledge and creativity in all manner of economic activity.

In the information age the economy is built on information rather than industry. However, the concept of “knowledge age” with “knowledge” as the main ingredient is slowly being accepted and acknowledged. Consequently, in the knowledge society age the vital strategic resource is knowledge. The knowledge-based economy has brought with it better means to manage knowledge. This can be seen clearly in the current economic revolution with new ideas to offices and information centers like: automated reasoning, artificial intelligence and integrated information systems.

However, there is still confusion on which term is appropriate to use. The 20th century is associated with 'information' and the 21st century with “knowledge”. This confusion is still there because "information" and "knowledge" are being used interchangeably or in an overlapping manner (Singh, 2017).

3. Emergence of knowledge management:

In the recent past, there has been a growing interest in knowledge management as an emerging practice (Bouthillier & Sheater, 2012; Bechman, 2009; Ives , Torrey & Gordon, 2008). Singh (2017) refers information management as an interdisciplinary field that focuses on information as a resource, with greater emphasis on the acquisition and management of external information and to some extent the management of internal records and other documents. Information management mainly deals with managing documented and explicit knowledge (that is, information), which can be easily transferred or shared within or outside the organization. According to Townley (2011) knowledge management is the set of processes that create and share knowledge across the organization to optimize the judgment in the attainment of missions and goals. Knowledge management is the process of capturing organizational collective expertise wherever it resides in databases, on paper, or people's head and distributing it to wherever it can help produce the biggest payoff (Dubey, 2013).

Thus, information management is a prerequisite of – but only part of – knowledge management. Knowledge management is an efficient use of human knowledge that exists within an organization through sound practices of management principles and information management to achieve organizational goals and objectives. However, the distinction between knowledge management and information management is far from being well-articulated in the KM literature and this is compounded by the confusion around the concepts of knowledge and information (Bouthillier & Shearer, 2012). In addition, Singh (2017) noted that: the line of demarcation between information management and knowledge management is still very blurred. As a result, both of these terms are used interchangeably.

4. Leadership and management competencies

The information environment is facing radical issues especially in the area of leadership and management aspects. These aspects must be grounded in a consideration of the information needs and demands of the customers or clients. Quality services are only possible through quality leadership and management practices. No one can dispute the importance of leadership qualities in human beings. From newspaper adverts to open discussion forums in all fronts (local, national, regional and international) the concept of leadership is ever emphasized. A literature review of "leadership on libraries" in Google search engine alone retrieved an overwhelming response. This shows the importance of leadership in information management today. In the process of achieving total quality management, leadership tops the list. Tang and Levinge (2016) while quoting Avolio noted that: "at least 9 of Deming's 14 principles" refers to leadership and its importance to achieving total quality management. In another related development, leadership is seen as the first of five important and current sustaining continuous improvements (Kaye & Anderson, 2009).

The relationship between information leadership and total quality management is very essential

in the management of information. Without the support from all the concerned constituencies then quality of services cannot be achieved. Executive and constituencies support are key elements to the success of any library and information center setting, and quality services is no exception. Offices and information centers need to put in place quality management and best practices for better delivery of products and services. Tang and Levinge (2016) assert that in the context of a library all library staff can each display initiative and direction in the area of quality management and thereby influence – in various ways - the structure, success and future development of a library's quality management program.

Challenges in Contemporary Office and Information Management

1. Competencies, skills and attitudes:

The information environment keeps on changing posing serious threats to information professionals. In light of this, they need to invent and adopt innovative ways to survive in this dynamic and competitive environment. Information professionals should equip themselves with adequate professional skills and competencies to remain relevant in the mainstream of information services. In this regard, professional training for information personnel is a must in the current information services industry. It is essential to provide continuous training for staff in order to improve professional competence to meet the information needs and support improvements in information transfer services. The information staff needs to be trained in new emerging areas of the information industry like ICT.

In addition, they must recognize that best results can be achieved by focusing on the needs and demands of the information audience, working in a team and sharing knowledge and experience to achieve best collective results. Information professionals should develop themselves in such a way that they can contribute to organizational productivity and profits. This will bring them recognition as active and strategic partners of the organization. For this, they must have strong background in information management skills, good communication skills, and an understanding of human behavior and cognitive science. They must update regularly to stay competitive in any information-intensive and highly dynamic market. Meeting users' expectations should be the goal. Technological change has ushered in many great challenges for information professionals to face, which require continuous efforts on their part to enhance their abilities to learn, adapt and change by acquiring new skills and competencies. Those who ignore the need to change cannot survive in this constantly changing environment.

Information professionals need to have the required knowledge, skills and competencies in order to manage information services effectively. If information professionals are to assert themselves as key players in the information society, they will need to involve themselves as active participants in the information environment and be assertive in representing the needs and requirements for organizing and providing access to information in all formats. Information professionals should be articulate regarding a host of complex issues including: system design, dissemination of unpublished electronic information, security and privacy of information, equal access to information for all users and the continuing use of copyright and ownership. Information professionals have entered a new era which is unfamiliar and confusing both ethically and legally.

2. Information literacy and lifelong learning:
The ever-increasing amount of information available adds another twist in information management and information profession namely: information literacy and lifelong learning. This entails that information professionals play a key role in imparting lifelong learning skills to the information audience. The origin of this concept of information literacy dates back to 1970s. However, the concept has evolved over the years and has been essential in the development of the information society. Materska (2014) distinguishes the two terms namely "information" and "literacy" while quoting OECD as: information literacy is a survival skill in the information age. While literacy is a means to achieving individual goals and developing knowledge and potential. In addition, Materska (2014) and Wallis (2015) agree in principle on the need for information literacy skills and the role of information professionals in achieving lifelong learning knowledge and skills in this information age.

Direct access to information services has changed the role of information professional from traditional keepers to guides. Information literacy skills are needed to enable one to use information and information communication technology effectively, and to access appropriate digital resources, as noted by (Materska, 2014). In addition, Kavulya (2017) observes that: to ensure that digital libraries are fully utilized, there is, need to develop learning and education as a lifelong process through information literacy programmes. This is because in a digital environment, end-users are expected to interact directly with computers to fulfill their information needs. Information professionals must be proactively involved in this process of imparting knowledge and skills. Now more than ever, lifelong learning knowledge and skills becomes important for Office and information centers, information professionals and information audience.

3. Information and Communication Technology
Keeping up with the demands of information services is one of the biggest challenges facing information professionals today. Singh (2017) notes that: in the current technological environment, information management professionals are passing through a challenging phase, which is posing serious threats to offices and information centers and information professionals. The increasing role of ICT systems in information services has been so fast that information professionals are now concerned about their role, which is increasingly becoming dependent on ICT. The most significant example of how ICTs have changed the role of information professionals has been the development of wired information services such as: internet, virtual reference services (via web-based chat, instant messaging, text messaging and e-mail), online or electronic services, online information literacy, artificial intelligence, and digital information systems. With this development Office and information centers are in a position to offer information services around the clock or 24 / 7 services as well as access information even from remote sources.

Prospects of Contemporary Office and Information Management
1. The role of ICT
Technological innovation has presented the possibility of automating all aspects of traditional or con- ventional Office and information centers. After almost three decades of computerization of the operations of information services, a dramatic change is already evident in the way

information services are being provided. Technological innovation has affected the role and responsibilities of the information professionals, changed working relationships and communication patterns as well as provided additional functions and services to the existing information services. Omekwu (2016) discusses the impacts of information technology revolution on libraries and emerging issues like globalization and digitization among others. In the same vein, in 2004 a group of researchers in Spain developed the UJI online robot. This robot is able to navigate the Office, look for the specified book and upon its discovery, carefully take it from the shelf and deliver it to the user. Because of the robot's extremely limited function, its introduction into libraries poses little risk of the employment of librarians, whose duties are not defined by menial tasks such as the retrieval of books. The same could be said of other technology developments including the internet and the current radio frequency identification (RFID).
With the help of technology Office and information centers are increasing, expanding and offering new information products and services such as computer mediated information services including: chat reference and instant messaging, blogs, online databases and online delivery. Konata (2016) notes that: all these efforts are as a result of Office applying the business / economic principle of "supply and demand." Libraries are reinventing themselves by going where the customers are, for instance, internet search engines such as Google and Yahoo! among others. Current information customers are more hooked to the internet than to books where information is current and accessed very fast by the click of a mouse. Libraries must full embrace the use of technology in managing and delivering information.

ICT exists in many ways mainly computers, telecommunications with local, national and international networks offering bibliographic, textual and graphic products and sophisticated fax equipment. Today, at least most information professionals and information audience have access to the use of computers. The traditional or conventional information products, services, skills and practices are changing as new ones are being developed. The information audience also has high expectations of an information service due to the introduction of various electronic devices. In addition, they face the challenge of becoming more information and computer literate. Indeed, information services have expanded and new ones evolved combining traditional and electronic resources, hence, giving the customer a variety of information products and services. As a result, each individual is faced with the possibility of learning a variety of new ICT skills. Information professionals need relevant technological skills and experience to work.

Various trends in information provision can be detected Makori 087 as information systems move into the knowledge era. The integration of various databases onto the same platform which is easily accessible by all in the same institution or organization is a particular development. This system of devolution of information and information services has not only changed the face of Office and information centers but also the image of information professionals.

2. The Internet and Related Technologies
Technological innovations have provided new opportunities and challenges to manage information. An example of this is the development of the internet and related technologies such as the World Wide Web (WWW), the one single development which is having the greatest impact as a huge information resource and a channel of distribution. This started as a technological solution for the transfer of information with little or no awareness by the information profession

for many years. The internet provides a rich source of information that can be globally accessed easily and quickly. The information professionals' skills as a database searcher are becoming even more sought after, to navigate the internet and locate relevant information for users. Some users initially think that the internet is a panacea, and all information required for use and other needs will easily be found at the touch of a button. They quickly find out that this is not so, and this is when the information specialists involvement and knowledge is essential. However, information professionals are yet to catch up with this vital technology. Utilizing this technology makes it quite possible to manage information services by integrating traditional skills (classification, indexing and subject control) with modern skills.

3. Digital Information System

Technological innovations have rapidly changed the traditional information service to digital systems. This provides a unique opportunity to the information staff and the audience to integrate with the available information on the net. This has effectively enhanced and replaced traditional collection. Digital information services are readily available 24/7 from anywhere anytime in the world. However, to the information professionals, the digital approach seems more threatening in the sense that they will be rendered less useful in the information industry. This is not the case since the digital revolution has brought with it new emerging trends in the information service environment for the information professionals.

Office and information centers in developing countries including Nigeria have responded albeit slowly in regard to the development of digital information systems. In the mid-1900s the concern was what happens “when the virtual becomes the real”. Today, the virtual has not only become real but also created virtual realities (Omekwu & Enteng, 2016). Again, digital libraries depend on information and communication technology infrastructure to facilitate distributed processing, high-speed networks, information processing, storage and retrieval, user interfaces, geographical distribution, security, high quality presentation and perpetual availability of digital information (Chowdhury & Chowshury, 2009).

The present information environment is rapidly changing from conventional to digital information systems. Electronic information in terms of electronic books (e-books), electronic journals (e-journals), electronic theses and dissertations (e-thesis and dissertations), electronic learning (e-learning), electronic commerce (ecommerce), electronic banking (e-banking) and electronic repositories (e-repositories) are all systems that represent the present information environment. The importance of the digital revolution is the ability to convert textual, audio, video, sound, photographic and graphics to digital computer – readable and storage formats of information (Omekwu & Eteng 2016). Several digital library initiatives have been reported in the Sub-Saharan region (Lor, 2015; Rosenberg, 2015).

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4. Globalization of Information Service

Globally, information work has not only increased tremendously in terms of products and services, but also in terms of global players and distribution channels. Information products and services are now available in masses. In addition, the products and services are available from multiple sources. Production and service capabilities that were available from limited sources in advanced countries are frequently found in countries that were considered developing and incapable of sophisticated work. Developments of ICT systems have also increased the means of managing information. Technological tools connect institutions, nations, continents and integrate resources and services, and boundaries are blurred (Omekwu & Eteng, 2016). In addition, Omekwu (2016) quoting Turker explains this clearly as follows: the internet is one key development in growth of globalization in the 20th and 21st centuries. Globalization has changed the nature of national governments, imposing national and international culture on local culture and promising to regulate economies. However, it has also widened the gap between many nations and alienated those that do not abide by the new order. Furthermore, high-tech multimedia and virtual reality arrived, compiling economists, politicians, lawyers, bankers, engineers, and scientists to rethink and re-engineer work methods, policies, laws, and standards.

All these developments have increased competition among the global information players where only the best will survive by being effective in operation, marketing and creation of products and services. Globalization provides expanded opportunities in information services. For information professionals, the biggest challenge is on how to exploit the potentials of ICT systems to manage global information services effectively.

Implication for Office and Information Managers

The role of the information professional is the establishment of connections between those who have information, and those who want it. Information professionals must be well prepared in meeting the challenges of the current and the future information environments. In today's information environment, information professionals have concerns, such as the need to get close to the user, to take a marketing approach to organizational information services, to properly integrate information services with the needs of business, and to provide information to customers rather than just data. The underlying role is to ensure quality provision of information services. They need to have knowledge and skills in various aspects of information services like: knowledge management and technological systems. A revised curriculum for information services needs to be established, to include additional information fields (Matersk, 2014; Singh, 2017; Omekwu, 2014).

ICT is transforming the global information environment. ICT provides huge opportunities to: develop the information roles, market services, access new sources, and reach a much greater user base. In addition, ICT poses a threat to the role in the information industry. It must be recognized that the traditional markets for information skills and services keeps on changing as new skills and services are being developed. These new roles for the information professionals include: information strategist, facilitator and advisor and consultant. The information environment fabric is already open to new and challenging opportunities that need continuous training for information professionals.

CONCLUSIONS

The reinvention of information service providers will continue in the future and parallel the progress made with technological innovations. As to whether or not office and information managers can keep up with competitors, such as Google, will depend on how quickly they respond to user needs and demands. To do so will require constant monitoring of trends in technological innovations and relationships with the information audience. Relationships with users can be maintained by welcoming customer complaints and providing timely answers to these complaints. Establishing firm policies will ensure that issues are handled in a non-discriminatory fashion giving personnel justification for their decision-making (Konata, 2016).

The paper has drawn together a number of issues currently facing information management namely: knowledge society, knowledge management, professional competencies, skills and attitudes, ICT and globalization of information services. These issues have a direct bearing on the performance of information professionals. Hence, they affect the crucial role of information professionals in provision of information services in various offices and information centers. The information service environment is changing very fast. Therefore, there is need to open the information profession and embrace new emerging ideas. As agents of change, information professionals must play a key role in the current knowledge society.

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