4	Abubaka (2020)	The use of performance management by hospitals leadership in the management of emergency service delivery in Katsina State hospital services	The study adopted a cross-sectional design in its analysis.	The population covered all hospitals managed by the Katsina State hospital services that have an emergency delivery department	The data for the study was generated using the questionnaire instrument/ Simple descriptive tools such as the frequency and percentage distributions were utilized.	Result showed positive outcomes in the use of organizational objectives (99%), guidance of employees (95%), regular and consistent evaluation of roles (95%), use of performance evaluation (71%); with poor outcomes in the areas of availability of skilled staff (31%), availability of equipment (31%), and availability of emergency services (25%).
5	Udenta (2018)	To identify the challenges to primary healthcare delivery in Enugu State Local Government Area Nigeria, and the role of the Local Government in Addressing such challenges.	The study adopted the cross-sectional design for the research	The sample for this research was 1,300 ward politicians, doctors, nurses, and community health personnel from a population of 2,700 staff in hospitals in public hospitals in Enugu State.	The question- naire instru- ment was adopted in the generation of data/	The primary challenges identified in the healthcare centres include lack of electricity, water and other basic amenities (x = 4.5), lack of political commitment to the development of health centres (x = 3.7), Fraud, corruption and mismanagement of funds (x = 4.5), poor supervision and monitoring by Federal and State Authorities (x = 3.3).
6	Isibor et al (2020).	Exploring issues and challenges of leadership among early ca- reer doctors in Nigeria	The cross- sectional survey de- sign was adopted in the re- search	The sample comprised of 474 medical and non medical staff from seven hospitals from the South-South, South West, North-West, North-Central	Data for the study was generated using the questionnaire instrument/	Results showed that there was a poor level of agreement to the sufficiency of leadership training and development in the health institutions (75%), the absence of discipline such as queries for poor behaviour (80%).

Product Innovation as a Mechanism for Organisational Survival of Soft Drink Companies in Nigeria

Wonah, Lovely PhD

Management Department Ignatius Ajuru University of Education Rumuolumeni, Port Harcourt lovelywonah@gmail.com

George, Yebimodei Esther

Department of Business Administration and Management Federal Polytechnic Ekowei, Bayelsa State kariebi2002@yahoo.com

Jaja Inye Sunday PhD

Department of Industrial Relation/Human Resource Management Rivers State University inyejaja@gmail.com

Abstract

This study examined product innovation as a mechanism for organisational survival of soft drink companies in Nigeria. Most manufacturing firms have been struggling to survive in the market and they have been reported to be downsizing in an effort to remain afloat. The specific objectives were: to ascertain the effect of new products on organisational survival of soft drink companies in Nigeria and, to evaluate the effect of redefinition on organisational survival of soft drink companies in Nigeria. The researcher adopted survey design for the study. The data for this study was obtained from primary and secondary sources. The population of this study was made up of the management staff of soft drink companies in Nigeria quoted by Nigerian Stock Exchange. The total population for the study was eighty—five management staff of the companies which was used as the sample size. Stratified random sampling technique was used in selecting the sample, which gave every member of the management staff equal chance of being selected, and therefore, made the sample a representative one. The Test-Retest reliability was used and computed through Statistical Package for Social Science (SPSS) version 20.0. This study concluded that, new and improved innovative products help introduce new features and functionalities to the markets. It recommends that, since new products affected the organisation survival to a very great extent, there is need for new and improved innovative products to introduce new features and functionalities to the markets.

Keywords: Product innovation, or ganisational survival, new-products, redefinition

Introduction

It is critical for all businesses to survive in the modern business environment. The ability or status of an organisation to continue operating in the face of hardship, hindrances, or threats is known as organisational survival. It requires adaptability, resilience, and resilience due to the business environment's rapid changes. A business needs to be able to include its workers in goal -setting and decision-making in order to thrive. This demonstrates that employees now bear some of the responsibility for keeping an organisation's competitive edge in the modern world, in addition to management (Oke & Olughor, 2014). The primary objective of every organisation is to ensure its survival, as stated by (Adewale *et al.* 2011).

The fight for organisational survival is crucial in this era of political unrest, economic upheaval, and technical advancements. On the other hand, Businesses can thrive in the marketplace by providing innovative, superior, and cost-effective goods and services that their clients can take advantage of and that their rivals are unable to match. According to Dodgson et al. (2008), the ability to produce goods and services more effectively and affordably or to create new goods and services gives an organisation a competitive advantage. These academics define competitive advantage in terms of two aspects. Competitive advantage has two dimensions: an absolute dimension and a rela-

343

tive dimension. In the relative dimension, firms' activities yield an edge over those of their competitors. In this instance, there has to be a market for the company's offerings.

Three major factors are driving the increasing relevance of product innovation in today's global and dynamic competitive environment: fierce worldwide competition, fragmented and demanding markets, and diversified and constantly evolving technologies (Wheelwright & Clark, 1992). Businesses are better positioned to establish a long-lasting competitive advantage if they provide items that are tailored to the demands and desires of their target market and sell them quicker and more effectively than their rivals (Calantone *et al.*, 1995). Knowledge, technological expertise, and experience in developing new goods are becoming more and more important sources of competitive advantage (Teece, 2003).

Manufacturing companies are changing at a dramatically fast rate in several countries. The global network of service providers is becoming more interconnected. Innovative business and corporate strategies, such as improved market segmentation, industry consolidation, altered delivery routes, and increased product offers, are now being investigated. It has been shown that information technology (IT) is a major enabler and catalyst for development in this sector. It is now necessary to do new and better things; doing things better is no longer sufficient. More and more people believe that creating and maintaining a competitive edge depends only on one's capacity for innovation (Tidd et al., 2001).

Product innovation, according to Nanang Rizali (2002), is the process of looking for new opportunities, ideas, and activities related to products in order to bring about improvements that would improve the welfare of the community. New products, new product lines, additions to current product lines, upgrades to current products, redefinition, and cost reduction are the six aspects, according to (Kotler & Keller 2012). Product innovation is fueled by the similarity of competing products' appearances, since competitors' products typically arrive without significant modifications and even have a tendency to stay static.

A company's ability to succeed and survive is frequently determined by the creation of a new product and its more successful marketing plan, but this is not an easy task. The process of developing a new product demands time, effort, and capacity, as well as an understanding of the risk involved and the cost of failure. But according to the intuitive tradition, plan and survival are closely related. Either you plan to survive, or you don't plan and don't survive as a result. The organisations of to-day crassly celebrate this worldview. Product innovation is something that organisations do for the sole purpose of advancing and surviving.

Statement of the Problem

Even though every company wants its enterprises to survive, the concept of business survival is still unclear because there isn't a clear methodology or set of reliable indications of business survival yet. As a result, research on business survival in the Nigerian setting will be fruitful (Majama & Magang, 2017). The majority of manufacturing companies enter the market with high expectations, but sometimes these expectations are not met. Certain items do not make it to the growth stage, and others do not develop to their full potential.

According to reports, the majority of manufacturing companies are shrinking in an attempt to stay afloat as they struggle to compete in the market (Noonan, 2012). Most of the time, these industrial companies have to lay off employees since they can no longer support themselves. In order to determine the best product innovation strategies that the manufacturing (soft drink companies) should use in order to grow, as well as the extent to which effective product innovation can help these firms reach their full potential, this study looks at the relationship between product innovation and the survival of manufacturing firms in Nigeria.

Objectives of the Study

The aim of this study was to evaluate the effect of product innovation on organisational survival of soft drink companies in Nigeria. While the specific objectives were:

To ascertain the effect of new products on organisational survival of soft drink companies in Nigeria.

To evaluate the effect of redefinition on organisational survival of soft drink companies in Nigeria

Research Questions

The following research questions shall be addressed in this study:

What is the effect of new products on organisational survival of soft drink companies in Nigeria?

What is the effect of redefinition on organisational survival of soft drink companies in Nigeria?

Research Hypotheses

The following null hypotheses guided the study;

Ho₁: There is no significant relationship between new products and organisational survival of soft drink companies in Nigeria

Ho₂: There is no significant relationship between redefinition and organisational survival of soft drink companies in Nigeria

Methodology

For the study, the researcher used a survey design. This study's data came from both primary and secondary sources. Responses to the questionnaire that respondents were given served as the source of the primary data. On the other hand, secondary data was gathered via the internet, journals, and textbooks. The population of this study was made up of the management staff of soft drink companies in Nigeria quoted by Nigerian Stock Exchange (2019). The total population for the study was eighty—five management staff of the companies which was used as the sample size. Stratified random sampling technique was used in selecting the sample, which gave every member of the management staff equal chance of being selected, and therefore, made the sample a representative one.

The researcher used Test-Retest reliability to test the consistency of different administrations and also to determine the coefficient reliability of this research. The same test was administered to different groups on at least two separate occasions. The Test-Retest reliability was used and computed through Statistical Package for Social Science (SPSS) version 20.0. In order to analyze the data for this study, descriptive statistics like percentages and frequencies were employed. To evaluate the questionnaire, frequencies and percentages were utilized. For the study, a five-point Likert scale was employed. By Pearson Regression analysis and the correlation coefficient were employed to examine the theories. The Statistical Package of Social Sciences was used to test the hypotheses at the 0.05 level of significance (SPSS).

Data Presentation/ Results and Discussion

A total number of eighty-five (85) questionnaire were distributed by the researcher to the management staff of soft drink companies in Nigeria. The table below presented the distribution of the questionnaire to the sampled respondents. The generated data was presented and analyzed in the subsequent sub-heading below.

Table 1: Return Rate of Questionnaire

Respondents	Questionnaire Distributed	Percentage Rate of Return (%)
Correctly Filled and Re-	81	94.1
Not correctly filled and	5	5.8
·		
Total	86	100

Source: Field Survey, 2023

Table 1 showed that total of 85 questionnaire were distributed. 81 were correctly filled and returned with a percentage rate of 94.1% and Five (5) were not properly filled and returned. Therefore, the researcher made use of 81 questionnaire that were correctly filled and returned.

Data Presentation

The researcher performed a multiple linear regression analysis so as to determine the effects of product innovation on organisational survival in an organisation and the four independent factors namely: new products, new product lines, redefinition and cost reduction

_			Tab	le 1: Model Summary				
2	Model	R	R Square	Adjusted R Square	Standard Estimate	Error	of	the
1	L.	0.843	0.742	0.724	0.4216			
_	Predic	tors: (Constan	t), New products,	Redefinition.				
	Depen	dent variable:	Organizational su	irvival				

The study used the R square. The R Square was called the coefficient of determination and revealed how the organisational survival varied with new products, redefinition. The four independent variables that were studied explain 74.2% of the factors affected organisational survival as represented by R Squared (Coefficient of determinant). This therefore means that other factors not studied in this research contributed 25.8% of the factors affected organisational survival.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.72	9	1.302	44.231	.000(a)
	Residual	3.432	35	0.066		
	Total	15.152	26			

- Predictors: (Constant), New products, Redefinition.
- b) Dependent Variable: Organizational survival

The study used ANOVA to establish the significance of the regression model from which an f-significance value of p less than 0.05 was established. The model was statistically significant in predicting how new products, redefinition affect organisational survival. This showed that the regression model had a less than 0.05 likelihood (probability) of giving a wrong prediction. This therefore means that the regression model had a confidence level of above 95% hence high reliability of the results.

Table 3: Coefficients Results Un standardized Standardized Sig. t Coefficients Coefficients Std. Error Beta 0.623 (Constant) 0.116 .136 .535 New products 0.577 .068 .559 8,478 .000 Redefinition 0.157 .043 .257 3.676 .036

- a) Predictors: (Constant), New products, Redefinition
- b) Dependent Variable: Organisational survival

The established regression equation was:

Proceedings of the 4th Annual International Academic Conference

 $Y = 0.116 + 0.577X1 + 0.157X2 + 0.082X3 + 0.021X4 + \varepsilon$

The regression equation above had established that holding all factors (new products, redefinition) constant, factors affecting organisational survival was 0.116. The findings presented also showed that taking all other independent variables at zero, a unit increase in new products resulted to a 0.577 increase in the scores of the organisational survival. A unit increase in redefinition resulted to a 0.157 increase in organisational survival. On the other hand, a unit increase in cost reduction resulted to a 0.082 increase in the scores of the organisational survival; and a unit increase in new product lines resulted to a 0.021 increase in the scores of the organisational survival. This inferred that new products influence the organisational survival, most followed by cost reduction, redefinition and then new product lines. The study also established a significant relationship between organisational survival and the independent variables; new products (p=0.00<0.05), redefinition (p=0.036<0.05), cost reduction (p=0.20<0.05) and new product lines (p=0.001<0.05) as shown by the p values.

Conclusion

The primary objective or mission of any organisation is to ensure its survival. In these times of political unrest, economic upheaval, and technological advancements, it is imperative for manufacturing companies to pursue organisational survival, which necessitates the development of new goods. Innovative items that are updated and new contribution to the market introduction of new features and functionality. It demonstrates how gathering feedback from customers helps businesses develop better product features. Product redefinition is the process of presenting a current product in a modified form or package while preserving some of its desirable aspects and making it more aesthetically pleasing. The study recommends that since new products affected the organisation survival to a very great extent, there is need for new and improved innovative products to introduce new features and functionalities to the markets; and that managers should step outside the box to innovate, hence enable the organisation survive the porous competitive business environment.

References

- Adewale, O. O., Joachim, A. A., & Obamiro, J. K. (2011). Succession planning and organisational survival: Empirical study on South-South region of Nigerian private tertiary institutions. *Serbian Journal of Management*, 6(2), 231 246.
- Bloch, C. (2007). Assessing recent developments in innovation measurement: the third edition of The Oslo Manual, *Science and Public Policy*, *34*, 23-34.
- Brown, J. S. (1997). Seeing differently, insights on innovation, Boston, MA. Harvard Business School Press.
- Calantone, R. J., Vickery, S. K., & Droge, C. (1995). Business Performance and Strategic New Product Development Activities: An Empirical Investigation, *Journal of Product Innovation Management*, 12, 214-223.
- Davila, T., Epstein, M. J., & Shelton, R. (2006). *Making innovation work: How to manage it, measure it, and profit from it.* Pennsylvania, Wharton school publishing.
- Dodgson, M., Gann, D., & Salter, A. (2008). The management of technological innovation, Oxford University press.
- Gross, B. (1968). Organisations and their managing. New York: The free Press.
- Huber, G. P. (2011). Organisations: Theory, design, future. In S. Zedek (Ed.), *APA handbook of industrial and organisational psychology* (V1). Washington, DC: American Psychological Association.
- Jiang, T., (2003). Firm size and IT investment: Beyond simple averages. In Twenty- Fourth International Conference on Information Systems.
- Kotler, P., & Keller, K. (2009). Manajemen Pemasaran. Jilid I. Edisi ke 13. Jakarta: Erlangga.

- Lee, J. (2006). Management succession planning and corporate survival in Nigeria: A study of banks in Port Harcourt. *European Journal of Business and Management*, 7(27), 153-176.
- Majama, N. S., & Magang, T. I. T. (2017). Strategic planning in Small and Medium Enterprises (SMEs): A case study of Botswana SMEs. *Journal of Management and Strategy*, 8(1), 74-103.
- Nanang, R. (2002). Peranan Inovasi Dalam Pemasaran Produk. *Wacana Seni Rupa Jurnal Seni Rupa & Desain*, 2(4), Mei; 1-29.
- Nwakoby, N. P., & Ihediwa, A. (2018). Effect of diversification on the financial performance of selected firms in Nigeria. *International Journal of Advanced Academic Research* | Social & Management Sciences, 4(12), 1-16.
- Oke, M. A., & Olughor, R. J. (2014). The relationship between organisational survival and employee mental ability. *International Journal of Business and Social Science*, 5(6), 1-12.
- Purkayastha, S., Manolova, T. S., & Edelman, L. F. (2012). Diversification and performance in developed and emerging market contexts: A review of the literature. *International Journal of Management Reviews*, 14(1), 18-38.
- Rumelt, R. P. (1982). Diversification strategy and profitability. *Strategic Management Journal*, 3 (4), 359-369.
- Sheppard, J. P. (1993). Organisational survival and corporate level diversification. *Journal of Financial and Strategic Decisions*, 6(1), 113-132.
- Shi, J. (2014). Empirical research on the relationship between firm size and firm performance.
- Sudarsanam, S. (2003). Creating value from mergers and acquisitions: The challenges: An integrated and international perspective. Pearson Education.
- Teece, D. J. (2003). Essays in technology management and policy, World Scientific Publishing, Hackensack, NJ.
- Thomas, D. E. (2006). International diversification and firm performance in Mexican firms: a curvilinear relationship?. *Journal of Business Research*, 59(4), 501-507.
- Tidd, J., Bessant, J., & Pavitt, K. (2001). Managing innovation: Integrating technological, market and organisational change, Wiley, Bognor Regis.
- Wang, F., (2011). Enterprise size, performance, age and enterprise survival: Theory and ReCognition. *Future and Development*, 7.
- Wernerfelt, B. (1984). A resource-based view of the firm. Strategic Management Journal, 5(2), 171
- Wheelwright, S. C., & Clark, K. B. (1992). Revolutionalizing product development Quantum leaps in speed, efficiency, and quality, New York. The Free Press Inc.

Talent Management and Competitiveness: A Study of Food and Beverages Firms in Port Harcourt

Geoffrey Obinna (PhD)

Faculty of Management Sciences
Department of Human Resource Management
Rivers State University Port Harcourt
Obinna.geoffrey@ust.edu.ng

Jaja Inye Sunday

Faculty of Management Sciences
Department of Human Resources Management
Rivers State University Port Harcourt
inyejaja@gmail.com

Abstract

The present study investigated the correlation between talent management and the level of competitiveness exhibited by food and beverage companies operating in Port Harcourt, Rivers State, Nigeria. The investigation adopted a survey method. A total of 99 questionnaires were distributed to personnel working in the selected food and beverage companies. Out of these, 90 questionnaires were successfully collected and found to be relevant for the study. The Spearman rank-order correlation coefficient was employed for the purpose of data analysis. The results of the study indicate a significant and favourable correlation between talent management characteristics, specifically talent development and professional advancement, and the level of competitiveness observed in food and beverage companies located in Port Harcourt, Rivers State. The study suggests that line managers assume direct responsibility for the identification, selection, and recommendation of high-potential and high-performing individuals within their teams, with the aim of including them in the formal talent management programme. The organisation bears a significantly higher level of accountability in the processes of recruiting, supporting, onboarding, and inducting new employees, as well as in managing their performance and recognising their developmental requirements.

Keywords: Competitiveness, professional advancement, talent development, talent management, food & beverages firms

Introduction

The major rationale for the significance of talent management lies in its capacity to ensure the organization's proficiency in attracting and retaining crucial skills. According to Morton (2005), talent management plays a crucial role in fostering employee engagement inside the organisation. This highlights the second reason for its significance. Consequently, the amalgamation of these factors has emerged as a key influencer of achievement and a crucial focal point for organisations (Hughes & Rog, 2008).

Following the occurrence of the global financial crisis in 2008, businesses made the strategic decision to decrease their expenditures and prioritise their core competencies in order to achieve a more streamlined operational structure. Numerous organisations have initiated the adoption of enduring strategies aimed at recruiting and cultivating managerial expertise, alongside the implementation of comprehensive personnel management development approaches. Therefore, the implementation of a carefully created strategic plan has the potential to mitigate challenges faced by businesses and enhance their overall business performance (Rowland, 2011).

Yener, Gurbuz, and Acar (2017) conducted a study aimed at developing and validating a measurement instrument for talent management. In their research, they proposed six dimensions of talent management, namely talent planning (TP), workplace culture (WC), talent recruitment and retention (TR), talent development (TD), professional advancement (PA), and rewarding (RW). This study will employ talent development for the sake of ease.

The establishment of a learning and development culture necessitates its provision within and beyond the organisational boundaries. Therefore, the demand for talent is fulfilled through the imple-

349

mentation of development programmes. In order to address the self-actualization needs of brilliant individuals, it is imperative for organisations to establish an atmosphere that aligns with their demands and expectations. According to Moczydlowska (2012), this phenomenon has a favourable impact on both individual and organisational performance.

Understanding the different stages and phases of a career is crucial, especially when considering talent management strategies. This understanding allows for a recognition of the specific requirements and preferences of talented individuals, such as the types of learning programmes, reward systems, engagement techniques, branding strategies, and attraction tactics that can be utilised at different points in their career and life trajectories (Cron & Slocum, 1989). Hess and Jepsen (2009) highlighted the presence of age-related disparities in individual requirements, which are contingent upon one's career stage. It is vital to ascertain the distinct requirements pertaining to career development, advancements, and achievement at every step of one's career trajectory. During the initial phases, employees prioritise achievement, advancement, personal development, self-worth, and proficiency, as outlined by Hess and Jepsen (2009).

The significance of this study lies in the fact that talent plays a crucial role in the overall performance of organisations, as highlighted by Collins and Mellahi (2009). Nevertheless, the presence of this "talent" is limited (Kim & McLean, 2012). This phenomenon is demonstrated in a comprehensive analysis conducted on a sample of 40 multinational corporations, whereby it was observed that a notable dearth of capable individuals exists inside these organisations who possess the requisite skills and competencies to assume strategic leadership roles. As a result, corporate growth has been impeded (Collings & Mellahi, 2009).

Consequently, it is imperative for firms to develop policies aimed at attracting and cultivating talent. Furthermore, due to the escalating levels of competitiveness within organisations, the implementation of restructuring initiatives, and the widespread impact of globalisation, there has been an ongoing imperative to synchronise talent development endeavours with strategic business goals (Garavan, Carbery, & Rock, 2012). The purpose of this study is to assess the correlation between talent management and various aspects of talent development and professional/career progression in connection to competitiveness within the food and beverage industry in Rivers State, Nigeria.

Statement of the Problem

The contemporary business climate is marked by volatility, unpredictability, antagonism, complexity, and uncertainties, which can be attributed to shifts in consumer preferences, the process of globalisation, and the rapid advancements in technology. The difficulty, unpredictability, and complexity inherent in contemporary business environments are widely recognised as key contributing factors to the failure of numerous firms in Nigeria. The manufacturing sector in Nigeria, including the subsector of food and beverages, faces numerous issues, with power supply being a prominent issue.

Many organisations depend on emergency power generators in order to maintain uninterrupted operations, which contributes to increased expenses. In addition to the aforementioned factors, Raji (2018) highlights the presence of regulatory concerns, a variety of tax obligations, and challenges related to trade facilitation. The difficulties encountered by manufacturers are most effectively articulated by Frank Jacobs, the president of the Manufacturers Association of Nigeria, during his statements to the media in April 2018. The act of independently generating power for production can enhance competitiveness, as domestic production in this country tends to incur greater costs in comparison to other global regions.

Based on the findings of the National Bureau of Statistics (NBS, 2014), the food and beverage sector encounters several notable obstacles. These include insufficiency and irregularity in electricity supply, elevated tax rates, substandard infrastructure, and fluctuations in the availability of agricul-

tural inputs reliant on rainfall. The National Bureau of Statistics (NBS) identifies many notable strengths. These include the availability of low-cost labour, a robust local market, and the presence of some inputs that are domestically sourced and more cost-effective.

Raji (2018) asserts that the Nigerian government is actively endorsing the advancement of local content through several measures. These measures include the encouragement of sourcing raw materials and spare parts locally, the utilisation of public procurement to support the acquisition of domestically made goods (with specific targets for participation by micro, small, and medium enterprises), as well as the initiation of a comprehensive "Made in Nigeria" campaign. The government's strategy for fostering innovation and technology-driven sectors encompasses various measures.

These measures include offering fiscal incentives to encourage private investment in research and development (R&D), enhancing procedures for enforcing intellectual property rights, supporting the establishment of science parks and innovation hubs, creating an attractive fiscal and regulatory environment to attract private equity and venture capital investors, and promoting youth entrepreneurship and innovation through the "You-Win-Connect" programme. The primary objective of this study is to address the aforementioned issue through an empirical examination of the impact of talent management on the competitive performance of food and beverage companies operating in Rivers State, Nigeria.

Aim and Objectives of the Study

The main aim of the study is to determine the effect of talent management on competitiveness of food and beverages firms in Rivers State, Nigeria. Thus, the following specific objectives are stated as:

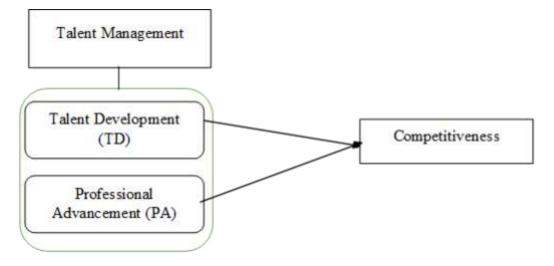
To examine the relationship between talent development (TD) and competitiveness of food and beverages firms in Rivers State, Nigeria.

To determine the relationship between professional advancement (PA) and competitiveness of food and beverages firms in Rivers State, Nigeria.

Research Hypothesis

Ho₁: There is no significant relationship between talent development and competitiveness of food and beverages firms in Rivers State, Nigeria.

Ho₂: There is no significant relationship between professional advancement and competitiveness of food and beverages firms in Rivers State, Nigeria.



Conceptualized by the researcher, 2019

Concept of Talent Management

The field of talent management is seeing significant growth, however, there exists a substantial academic discourse surrounding the conceptual framework, definition, context, and criteria pertaining to the implementation of talent management. Furthermore, there has been a limited assessment of the efficacy and worth of the organisation in both domestic and global settings. The concept of talent management came into prominence towards the latter of the 1990s. The concept of talent management was initially established by McKinsey consultants, which subsequently led to a surge in interest in this particular topic.

The phenomenon of global competition necessitates that organisations make significant decisions within an international framework, while the process of globalisation presents several obstacles in the realm of personnel management practises. As previously said, talent management is a subject of discussion within both academic and business spheres. Talent management is a subject of considerable discourse within both academic and business circles, with varying perspectives being put out. There exist varying perspectives about talent management, specifically in relation to internal and external approaches, as posited by prominent scholars (Festinga, Schafera, & Scullion, 2013).

Talent management encompasses various sub-disciplines, including selection, recruitment, leader-ship development, and performance management, as delineated in scholarly literature. Talent management is a structured endeavour aimed at ensuring the sustained presence of individuals in critical roles and fostering individual growth. Additionally, talent management is a systematic procedure that facilitates the efficient allocation of resources. This particular method prioritises internal aspects of the firm rather than external factors. Another researcher noted that talent management has to be handled according to the supply, demand, and flow of human capital as the engine.

Thirdly, certain perspectives prioritise the selection of skilled workers over considering the constraints of the organisation and the requirements of certain positions. Based on this perspective, individuals with exceptional abilities are regarded as valuable assets, exhibiting achievement within and beyond the organisational context. Hence, the establishment of a distinct organisational framework and human resource policies tailored to high-potential employees becomes imperative. In essence, it is imperative to use an individualised approach in managing high-potential individuals, taking into consideration the specific requirements of organisations. According to Guerci and Solari (2012), the resolution lies within the enduring objectives and prerequisites of human resources policy.

Talent development

As per the definition presented by Garavan et al. (2012), talent development pertains to the deliberate process of planning, selecting, and executing development strategies for the complete talent pool within an organisation. The primary objective is to ensure that the organisation possesses an adequate supply of talent, both in the present and future, to effectively meet strategic objectives. Additionally, it emphasises the importance of aligning development activities with the talent processes established within the organisation. The terms "talent management" and "talent development" have often been used interchangeably in the existing literature (Lewis & Heckman, 2006).

However, it is important to note that talent development is considered to be a constituent element of the broader talent management process (Garavan et al., 2012). It is worth mentioning that there is a scarcity of academic research specifically dedicated to talent development. Numerous executives inside businesses concur that the notion of talent development has emerged as a crucial factor in achieving organisational success (Kim & McLean, 2012; Cook & Macaulay, 2009). Nevertheless, there are several limitations associated with its execution. One of the contributing factors is a dearth of lucidity on the definition of talent, its extent, and the overarching objectives of talent cultivation inside businesses.

The justification for investing in talent development as a means of attaining a competitive advantage has been put forth by Garavan et al. (2012). Lepak and Snell (1999) conducted a study that demonstrated the comparative benefit of firms focusing on internal staff development. Nevertheless, the findings of Garavan et al. (2012) suggest that numerous organisations have seen little success with external talent acquisition techniques over an extended period of time. Therefore, it is imperative for firms to allocate resources towards the professional growth and development of their employees in order to effectively pursue the strategic objectives of the organisation. When undertaking this task, it is imperative to take into account the specific requirements of individuals, their unique learning styles, and their existing work practises.

According to Cook and Macaulay (2009), the implementation of talent development initiatives has been found to positively impact employee retention and motivation. The researchers claim that during periods of economic downturn, when the preservation of human resources is imperative, the cultivated talent within an organisation will propel it towards future success. As evidenced by the research conducted by Bettinger and Brown (2009), it can be observed that a notable proportion of American organisations, specifically 38%, prioritise the enhancement and cultivation of their staff even in times of economic downturns. Hence, it is imperative for firms to adopt a proactive approach in order to navigate the forthcoming scarcity of specialised professionals and highly qualified and talented workforce.

According to Potential.com (2012), talent development involves the preparation of employees to achieve success in both their present and future endeavours. The implementation of this strategy provides the business with a competitive edge, enhances operational effectiveness, and contributes to the retention of employees. According to Stewart and Rigg (2010), the use of talent development is crucial in aligning with corporate strategic objectives, since it facilitates staff growth through learning initiatives.

Professional advancement

According to McDaniels and Gysbers (1992), professional or career advancement encompasses a comprehensive array of psychological, sociological, educational, physical, economic, and chance aspects that collectively influence an individual's career trajectory throughout their lifespan. According to Hall & Associates (1986), professional development can be seen as the outcomes that result from the exchange of information between individuals engaging in career planning and institutions using career management methods.

Baer, Flexer, Luft, and Simmons (2008) argue that professional advancement is a lifelong journey that involves several stages of personal development, including childhood growth and change, formal career education in school, and ongoing maturation processes that continue throughout a person's working life and into retirement. According to Schreuder and Coetzee (2006), professions encompass various stages, each presenting individuals with distinct challenges. As stated by Stevens (1990), the prevalent phenomenon of individuals pursuing many occupations during their adult lives necessitates the need for them to assess, make personal choices, and execute career transition strategies on multiple occasions throughout their lifespan.

It is the purpose of all quality businesses to provide their employees with excellent opportunities to improve, both individually and as professionals (Baer et al., 2008). According to Greenhaus (2003), career advancement is described as a sequential process wherein individuals acquire pertinent information regarding their values, skills, strengths, and weaknesses. They then proceed to establish a career objective and employ career strategies aimed at enhancing the likelihood of attaining the set career goals.

Concept of Competitiveness

An organisation can achieve a competitive advantage by implementing strategic initiatives or ac-

353

quiring resources that enhance its market position relative to its competitors. The previous century witnessed the prevalence of management ideas that have facilitated firms in attaining a competitive edge over their rivals. The topic of competitive advantage and its attainment has been a focal point of scholarly discourse over the past few decades, particularly within the realm of strategic management (Furrer, Thomas, Goussevskaia, & Anna, 2008; Keh, Nguyen, & Ng, 2007; Jia, Zhao, Yu, & Wang, 2013).

The dynamic environment in which the organization finds itself today where the customers demand more from the corporate organization with high level of speed the corporate organization are adopting strategies that can increase their competitive advantage over time (Jia et al., 2013). The application of strategic management has been supported by experts in various organisations (Ikaharehon & Briggs, 2016). The effective acquisition, distribution, and processing of resources by an organisation are contingent upon the implementation of strategic management practises. According to the research conducted by Abosede, Obasan, and Alese (2016), strategic management has a crucial role in improving organisational performance, offering effective strategies to meet environmental difficulties, facilitating change management, and effectively managing human resources challenges.

Theoretical Framework

Maslow theory

Maslow's (1908–1971) theory of need hierarchy categorises human requirements into five distinct categories, with an emphasis on prioritising the satisfaction of physiological demands as the initial step. An company contributes to the fulfilment of employee demands through the provision of competitive compensation and a favourable work environment (IIes, Preece, & Chuai, 2008; Jiang & Xiao, 2012). The significance of Maslow's theory lies in its ability to direct focus towards employees by creating a conducive workplace. According to Jing and Avery (2011), employees emphasise the importance of an organisation that provides them with opportunities to improve their abilities and prioritises their well-being and growth requirements. This hypothesis elucidates the factors that contribute to the attraction and retention of employees. In order to effectively attract and retain top talent, an organisation must possess a strong brand, demonstrate attentiveness towards employees' requirements, and utilise a competitive approach to fulfilling those demands.

The capability-based view

Nieves and Haller (2014), are of the view that capabilities and resources complement each other, noting that while resources are sources of capabilities, capabilities are rather the major sources of competitive advantages. A similar view was shared by Amit and Shoemaker (as cited in Aminu & Mahmood, 2015) when the author argued that organization resources does not constitute its competitive advantages rather its capabilities that determines its competitive abilities. The significance of capabilities and their role in enabling a firm to achieve a competitive advantage through the effective execution of various tasks in organisational contexts has been affirmed by Haas and Hansen (2005) as well as Pal, Torstensson, and Mattila (2014). According to Aminu and Mahmood (2015), capabilities are defined as a firm's ability to effectively utilise resources through the implementation of organisational processes in order to achieve a desired outcome, as opposed to simply possessing resources. It includes information based, "tangible or intangible processes that are firm-specific and developed over time through complex interaction among the firm's resources".

Empirical review

Yllner and Brunila (2013) carried out a study on talent management and the manner in which companies work towards retaining and managing technical specialists in a technical career. The researchers found out that talent management is of great importance especially in the ever changing contemporary world as a strategic and competitive tool. In addition, when associated with corporate strategy, talent management becomes a motivating factor in realizing greater profits in the corporate world. Qualitative method was employed. The study was contextualized on oil and gas industry based in Norway.

A study on the effect of talent management centered on the performance of organizations was carried out in the listed companies in the Nairobi Securities Exchange in Kenya (Mwangi, 2009). The study was focused on an in-depth analysis of the impact of talent attraction, the retention of talents, learning and development and the management of careers based on the performance of the organizations listed in NSE in Kenya. The findings of the study were that there was a positive immense impact between talent management and the performance of organizations. The study suggests that if talent management is heavily put into practice, the results will be a performance that is of superior significance in the organization world.

Kahinde conducted a research study in Nigeria with a focus on talent management. The findings of the study indicate a strong positive association between personnel management, profitability, and return on investment. The correlation coefficient between the index of talent management (3.72) was found to be higher than that of the return on investment (3.62). The aforementioned phenomenon can be attributed to the Nigerian population's inclination towards prioritising profit generation in all aspects, including talent management (Saleem, 2006).

According to a study conducted by CIPD, the effectiveness of learning and development practises was examined, with a particular focus on in-house development courses and coaching delivered by line managers, which emerged as the most prominent strategies. Additional examples that were identified include e-learning. Furthermore, the learning process was overseen by senior management and the human resources department. This study involved conducting a survey among several organisations. According to Nzuve (2007), top managers have highlighted leadership abilities, people management skills, and business awareness as the primary areas necessary for achieving corporate objectives.

Identification of Research Gap

Numerous research has established a correlation between talent management and organisational success. Nevertheless, there is a lack of similarity-variable components that are commonly employed in both personnel management and competition, particularly within the food and beverage industry in Rivers State, Nigeria.

Methodology

The study employed a cross-sectional survey strategy, which falls under the category of quasi-experimental research design. This approach aims to assess several factors within a single time frame. A research population often refers to a substantial assemblage of individuals or items that serves as the primary subject of investigation in a scientific inquiry. Conducting study is advantageous for the general populace (Explorable, 2009). The study's population will consist of the management personnel from ten (10) specifically chosen food and beverage companies located in Port Harcourt, Rivers State. The determination of the sample size was conducted using Taro Yamane's formula, with a significance level of 0.05, corresponding to a confidence level of 95%.

The selection of these example firms was based on criteria such as accessibility and efficient performance, as they have been assessed and recommended within the state. The cumulative number of house managers is expected to be up to 132. Hence, by employing the Taro Yamane Formula, we find ourselves in a scenario where:

n =?
N = 132
1 = Constant unit
e = 0.05
n =
$$\frac{132}{1 + 132(0.05)^2}$$

n = $\frac{132}{1 + 132(0.0025)}$

$$\begin{array}{rcl}
n & = & \underline{132} \\
1 + 0.3575 \\
n & = & \underline{132} \\
1.3575 \\
n & = & 99
\end{array}$$

This indicates that a total of 99 questionnaires have been distributed, as previously described.

The determination of the sample size for each firm is accomplished by employing Bowley's (1964) population allocation formula.

$$\frac{1}{nh} = \frac{nNh}{N}$$

Where nh = unit allocation for each firm

n = total sample size

Nh = number of management staff in each firm.

N = population size

For example, the sample of Genesis food Nig. Ltd

Table 1: The Fast Food Sample Size

S/N	Firms	Number of Management	Sample Size
1	Pokobros Foods & Chemical Industries Limited	8	6
2	Nigeria Bottling Co Plc	17	12
3	Tatafish Foods Nig. Ltd.	5	4
4	Port Harcourt Flour Mills Limited	8	6
5	Pabod Breweries Ltd	10	8
6	3nity Foods	25	18
7	Chicken Republic	15	11
8	Dripples Limited	18	14
9	Genesis Food Nig Ltd	16	12
10	Riv Biscuits Co Nig Ltd	10	8
	Total	132	99

Source: Port Harcourt chamber of commerce, industry, mines and agriculture (PHCCIMA)

The researcher utilised Spearman's rank order correlation coefficient to study the data collected from the questionnaire, allowing for an examination of the relationship between Talent Management and Competitiveness. The Statistical Package for Social Sciences (SPSS) version 22 was utilised for conducting all statistical analyses. The decision criteria for Spearman's rank order correlation coefficient are as follows: The null hypothesis should be rejected when the Spearman's rho coefficient exceeds the critical value (CV).

The null hypothesis is not rejected if the Spearman's rho coefficient is less than or equal to the crucial value.

CriteriaDecision $r_s > CV$ Reject the null hypothesis $r_s \le CV$ Fail to reject the null hypothesis

Result and Discussions

A total of 99 questionnaires were delivered to the selected food and beverage enterprises, which were chosen as representatives of the projected sample population of 132 for this study. A total of ninety (90) copies were received, meeting the criteria of being usable and correctly filled, thus constituting the sample size employed in the study.

Table 2: Correlation Output (Talent Development and Competitiveness)

Correlations						
			Competitiveness			
	Talent Development	Correlation Coefficient	.898**			
Spearm		Sig. (2-tailed)	.000			
an's rho		N	90			
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: Research data, 2021 (SPSS-22 output)

Table 2 presents the findings of the analysis conducted to examine the relationship between talent development and competitiveness in a sample of food and beverage institutions in Rivers State. The correlation coefficient (rho) was determined to be 0.898, indicating a strong positive association. Additionally, the p-value was found to be 0.000, suggesting that this association is statistically significant. The results indicate a statistically significant and positive correlation between the variables (where ** denotes significance at the 0.01 level and p < 0.05). Consequently, adhering to the criterion for rejecting the null hypothesis at a significance level of p < 0.05, we reject the null hypothesis and affirm that there exists a significant association between talent development and the competitiveness of food and beverage companies in Rivers State, Nigeria.

Table 3: Correlation Output (Professional Advancement and Competitiveness)

Correlations						
			Competitiveness			
Spearma n's rho	Professional Advancement	Correlation Coefficient	.957**			
		Sig. (2-tailed)	.000			
		N	90			
**. Corre	lation is significant	at the 0.01 level (2-tailed).				

Source: Research data, 2021 (SPSS-22 output)

Table 3 presents the findings of the analysis conducted to examine the relationship between professional advancement and competitiveness in a sample of food and beverage establishments in Rivers State. The results indicate a strong positive correlation, with a correlation coefficient (rho) of 0.957 and a statistically significant p-value of 0.000. The results indicate a statistically significant and positive correlation between the variables (where ** denotes significance at the 0.01 level and p < 0.05). Consequently, following the established threshold for rejecting the null hypothesis at p < 0.05, we reject the null hypothesis and affirm that there exists a significant association between the advancement of professionals and the competitiveness of food and beverage companies in Rivers State, Nigeria.

Table 4: Decision Table for results of the analysis

Hypotheses	Test Result	Decision
Ho1: There is no significant relationship between Talent Develop-	Rho = 0.898	Accept Alternate
ment (TD) and Competitiveness (CT) of Food and Beverages Firms in	(P < 0.05)	Hypothesis
Rivers State, Nigeria Ho₂: There is no significant relationship between Professional Advancement (PA) and Competitiveness (CT) of Food and Beverages Firms in Rivers State, Nigeria.		Accept Alternate Hypothesis

Discussion of the Findings

The study's findings indicate a favourable and significant relationship between talent development and the competitiveness of food and beverage enterprises in Rivers State, Nigeria. This finding aligns with the research conducted by Cook and Macaulay (2009), which suggests that talent development initiatives have a positive impact on both staff retention and motivation. The authors stated that during periods of economic downturn, when the preservation of human capital becomes imperative, the cultivated talent within an organisation will propel it towards future success. According to Stewart and Rigg (2010), the utilisation of talent development is advocated as a means to align with the strategic objectives of enterprises, as they foster employee growth through the process of learning. As a result, it serves to enhance the competitive edge of the company and assumes a pivotal position in the development of strategic human resources.

According to Neal and Sonsino (2012), there is a contention that the largest corporations are no longer synonymous with being the most superior entities. In the context of globalisation, the corporate landscape is characterised by fluctuating characteristics such as size, market scale, and innovations. In order to maintain relevance in the global market, businesses must align their learning and talent development plans accordingly. Relying solely on local resources to cater to a global market may prove to be ineffective. Hence, it is imperative to cultivate and enhance local talent to effectively operate within the global marketplace.

When talent development is effectively handled, it has the potential to enhance the overall effectiveness of an organisation. The primary objective of talent development is to provide a conducive culture, support system, and environment that facilitate both creative invention and disciplined processes, hence fostering the generation of innovative ideas. According to a survey conducted by the School of Management at Cranfield, a majority of firms, namely 60%, expressed the view that talent development is crucial in order to achieve sustainable competitive advantage for their organisation (Cook & Macaulay, 2009). However, the survey also revealed that a smaller proportion, namely 49% of businesses in the United Kingdom, were actively implementing talent development programmes.

The research findings indicate a notable positive correlation between professional growth and competitiveness. This phenomenon elucidates the observation that as employees progress in their respective careers or professions, they often acquire a distinct advantage over their competitors. This finding supports the research conducted by Baruch and Peiperl (2000) as well as Nijhof and De Jong (2000), who both identified a noteworthy correlation between employees and their perceptions of career progression. Many prominent firms frequently use career planning initiatives in order to enhance the alignment between the individual's aspirations and the strategic requirements of the business (Bergman, 2006). The aforementioned practises encompass career training, job rotation, performance appraisal, labour market information, self-assessment, mentorship, succession planning, job posting, and counselling. These practises are implemented with the intention of fostering dedication

and loyalty towards the firm (Gilley & Eggland, 1989).

Conclusion

It is widely recognised that talent management is a highly beneficial best practise to implement inside an organisation, based on anecdotal evidence. It is considered optimal for an organisation to possess a well-established and consistent methodology for quantitatively determining the actual economic worth of investing in talent management operations. This practise has significant significance in accurately assessing the financial impact of such investments. The rationale behind investing in specific assets or allocating resources towards company activities is frequently supported by the potential financial and economic gains that might be achieved. These monetary returns are readily measurable and observable. Hence, the implementation of talent management is advantageous due to its capacity to provide accurate assessments of the realised economic value. This capacity has the potential to enhance the level of acceptance and readiness to allocate resources towards high-quality personnel management initiatives and resources.

Recommendations/ Practical Implications

Role players are the primary stakeholders within a company entity who have the responsibility for the advancement, strategizing, execution, and enhancement of talent management initiatives within the organisational framework. Hence, it is imperative to establish essential performance indicators for all individuals involved in talent management endeavours, as well as to implement incentive structures that foster exemplary performance.

Talent Pools

Highly skilled personnel are responsible for actively engaging in activities that enable them to obtain the essential skills, information, and experience required to facilitate their career advancement goals. Individuals must demonstrate agility, flexibility, and mobility in their work methods and behaviours. In addition, it is imperative for highly skilled personnel to engage in challenging assignments, participate in managerial and leadership enhancement initiatives, and undertake occasional travel. Sustained high performance holds significance as it guarantees individuals' inclusion in the pool of talented individuals, while also fostering their career advancement and professional development.

Leadership

The primary responsibility for the development of strategic initiatives that drive the business and their subsequent dissemination to the implementers lies with the organisational leaders. These strategic objectives involve giving direction to human resource leadership in aligning talent management strategy and techniques with those of the company. Additionally, it is imperative for the leadership team to establish a system of accountability to ensure that management is held responsible for the successful implementation of talent management programmes. Leadership must ensure the efficacy of talent management strategies, their alignment with company objectives, and their contribution to the business imperatives.

Human Resource

The individual holding the position of senior human resource executive, within the Human Resource Management Department, bears the responsibility of formulating the talent strategy in accordance with the overall business strategy. Additionally, they provide guidance to the management and leadership team in the effective implementation of talent management tools, systems, and procedures. It is anticipated that human resources executives would assume the role of leading and facilitating talent review meetings, as well as conducting audits within the company. These activities are aimed at promoting the implementation of talent management aspects and tactical plans. Organisations must extend their efforts to incorporate talent management activities, tasks, and deliverables into the per-

formance management process through the utilisation of key performance indicators. In order to promote and reinforce commitment and implementation, it is imperative to provide rewards to the role players when the key performance indicators of talent management are achieved.

References

- Abosede, A. J., Obasan, K. A., & Alese, O. J. (2016). Strategic management and small and medium enterprises development: A Review of Literature. *International Review of Management and Business Research*, 5(1), 315-337.
- Aminu, M. I., & Mahmood, R. (2015). Mediating role of dynamic capabilities on the relationship between intellectual capital and performance: A hierarchical component model perspective in PLS-SEM path modeling. *Research Journal of Business Management*, 9(1), 443–456.
- Baer, R. B., Flexer, R. W., Luft, P., & Simmons, T. J. (2008). *Transition planning for secondary students with disabilities*. New Jersey: Pearson Education Inc. 109-112.
- Baruch, Y., & Peiperl, M. (2000). Career management practices: An empirical survey and implications. *Human Resource Management*; 39(3): 347–366.
- Bergman, M. E. (2006). The relationship between affective and normative commitment: review and research agenda, *Journal of Organizational Behaviour*, 27(4): 645–663.
- Bettinger, J., & Brown, S. L. (2009). 'The Talent Vacuum—Keeping Your Best Talent in a Downturn'. AACE International Transactions, Dev. 04.1-Dev.04.11 (4) (PDF) learning and talent development: a review in context. Retrieved from https://www.researchgate.net/publication/2826582
- Collins, D., & Mellahi, K. (2009). Strategic talent management: a review and research agenda. *Human Resource Management Review*, 19(3): 304-313.
- Cook, S., & Macaulay, S. (2009). Talent Management: Key Questions for Learning and Development. *Training Journal*, 2(3), 37-41.
- Cron, W. L., & Slocum, J. W. (1989). The career stages on salespeople's job attitudes, work perceptions, and performance. *Journal of Marketing Research*, 23(2), 119–129.
- Festing, M., Schaefer, L., & Scullion, H. (2013). Talent management in medium-sized German companies: an explorative study and agenda for future research. *International Journal of Human Resource Management*, 24(9): 1872-1893.
- Furrer, O., Thomas, H., Goussevskaia, Y., & Anna, H. (2008). The Structure and Evolution of the Strategic Management Field: A Content Analysis of 26 Years of Strategic Management Research. *International Journal of Management Reviews*, 10(1), 1-23.
- Garavan, T. N., Carbery, R., & Rock, A. (2012). Mapping talent development: definition, scope and architecture. *European Journal of Training and Development*, 36(1), 5-24.
- Gilley, J. W., & Eggland, S. A. (1989). *Principles of human resources development*. New York: Addison-Wesley.
- Greenhaus, J. H. (2003). *Career dynamics*. Handbook of psychology volume twelve: Industrial and organisational psychology, Hoboken (USA): John Wiley & Sons. (pp. 519-535).
- Guerci, M., & Solari, L., (2012). "Talent management practices in Italy implications for human resource development" *Human Resource Development International*, 15(1), 25–41.
- Haas, M. R., & Hansen, M. T. (2005). When using knowledge can hurt performance: the value of organizational capabilities in a management consulting company. *Strategic Management Journal*, 26(1), 1-24.
- Hall, D., & Associates (1986). Career development in organizations (1st edition). Jossey- Bass Publishers.
- Hess, N., & Jepsen, D. M. (2009). Career stage and generational differences in psychological con-

- tracts. Career Development International, 14(3), 261–283.
- Hughes, J., & Rog, E. (2008). Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organization. *International Journal of Contemporary Hospitality Management*, 20(3): 743-757.
- Iles, P., Preece, D., & Chuai, X. (2008). Is talent management just "old wine in new bottles"? The case of multinational companies in Beijing. *Management Research News*, 31(12), 901-911.
- Ikareharehon, J. L., & Briggs, J. I. (2016). The impact of strategic factors on the performance of small scale enterprises in Nigeria: A Case Study of Selected SMEs in Abuja. *International Journal of Humanities and Social Science*, 6(2), 140-149.
- Jia, J., Zhao, X., Yu, X., & Wang, G. (2013). Will entrepreneurial orientation help to improve corporate performance: A study based on the mediating effects of competency of top managers in entrepreneurial-oriented companies? *Nankai Business Review*, 16(2), 47–56.
- Jiang, Z., & Xiao, L. (2012). *Total reward strategy: a human resource management strategy*. Going with the trend of the time, Yeungnam University.
- Jing, F. F., & Avery, G. C. (2011). Missing links in understanding the relationship between leadership and organizational performance. *International Business & Economics Research Journal* (IBER), 7(5), 45-67.
- Keh, H. T., Nguyen, T. T. M., & Ng, H. P. (2007). The effects of entrepreneurial orientation and marketing information on the performance of SMEs. *Journal of Business Venture*, 22(2), 592 –611.
- Kim, S., & McLean, G. N. (2012). 'Global Talent Management: Necessity, Challenges, and the Roles of HRD'. *Advances in Developing Human Resources*, 14(4), 566-585.
- Lepak, D. P., & Snell, S. A. (1999). The human resource architecture: Toward a theory of human capital allocation and development. *A cademy of Management Review*, 24(1), 31-48.
- Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. *Human Resource Management Review*, 16(2), 139-155.
- McDaniels, C., & Gysbers, N. (1992). *Counselling for career development*. (1st ed.). San Francisco: Jossey-Bass Publishers. Pp. 41-52.
- Moczydlowska, J. (2012). Talent Management: Theory and Practice of Management. The Polish Experience. *International Journal of Business Management and Economic Resources*, 3(1), 432-438
- Morton, L. (2004). *Integrated and integrative talent management:* A strategic HR framework, Research Report R-1345-04-RR, The Conference Board, New York, NY.
- National Bureau of Statistics (NBS) (2014). *National Accounts Statistics of Nigeria*. Abuja: National Bureau of Statistics.
- Neal, A., & Sonsino, D. (2012). Seven Career-Limiting Myths for Talent Management Pros. *Training and development*, 66(8), 70-72.
- Nieves, J., & Haller, S. (2014). Building dynamic capabilities through knowledge resources. *Tourism Management*, 40(3), 224–232.
- Nijhof, W. J., de Jong, M. J. (1998). Employee commitment in changing organizations: An-exploration. *Journal of European Industrial Training*; 22(6), 243-248.
- Nzuve, S. (2007). Elements of organizational Behaviour. University of Nairobi press.
- Pal, R., Torstensson, H., & Mattila, H. (2014). Antecedents of organizational resilience in economic crises—An empirical study of Swedish textile and clothing SMEs. *International Journal of Production. Economics*, 14(7), 410-510.
- Potential.com (2012). SME Evolution Program Fall 2012 Talent Development '[online] available from http://www.potential.com [06 April 2014] [accessed Oct 20 2019].
- Raji, R. (2018). *Manufacturing in Nigeria: Status, Challenges and Opportunities*. Premium Times. Accessed from https://opinion.premiumtimesng.com/2018/09/29/manufacturing-in-nigeria-status-challenges-and-opportunities-by-rafiq-raji/ on the 3rd September, 2019.
- Rowland, M. (2011). How to cement a diversity policy: The key role of talent development? *Human Resource Management International Digest*, 19(5), 36-38.
- Saleem, N. A. (2006). Principles and Practice of management simplified. Nairobi, Saleemi Publica-

tion.

- Schreuder, A., & Coetzee, M. (2006). *Careers: An organizational perspective*. Lansdowne: Juta & Co. pp. 39-56.
- Stewart, J., & Rigg, C. (2010). Learning and Talent Development. London: CIPD
- Stewart, J., & Harte, V. (2010). The implication of talent management for diversity training: an exploratory study. *Journal of European Industrial Training*, 34(6), 506-518.
- Stevens, P. (1990). Career transitions: The Australian Perspective. Sydney: CWC. Pp. 121-134.
- Yener, M. I., Gurbuz, F. G., & Acar, P. (2017). Development and validation of a talent management measurement instrument. *Journal of Business, Economics and Finance*, 6(3), 233-245.
- Yllner, E., & Brunila, A. (2013). *Talent Management* Retaining and Managing Technical Specialists in a Technical Career. Master of Science Thesis KTH Industrial Engineering and Industrial Management, Stockholm.

Change Management Capability and Competitiveness of Private Hospitals in Rivers State

IGWEH Florence Konye PhD

Department of Business Administration Faculty of Management Sciences University of Delta Agbor, Delta State

Egbule A. C. Solomon PhD

Department of Business Administration Faculty of Management Sciences BELLARKS Polytechnic Kwale, Delta State

Abstract

This study looked at the connection between private hospitals' competitiveness and their ability to handle change in Rivers State, Nigeria. For the study, a cross-sectional research design was used. Our respondents were management staffs (medical directors and doctors) of these organizations (a total number of fifty-eight management staffs) constituting the population of our study. From the field survey, we retrieved and analyzed all fifty-eight (58) copies of questionnaire from the participants; Kendall's tau_b correlation coefficient (tb) correlation coefficient statistical tool was used to determine the relationship existing between the variables while the p-value was used to test hypotheses developed for the study. The findings revealed that the dimensions of change management namely; leadership style, empowerment of change program, and reward and embedment of change exhibited significant relationship with competitiveness. It was then concluded that change management capability will ultimately enhance the competitiveness of these organizations taking apt cognizance of firm's organizational culture. This necessitated recommendations for the firms (private hospitals); leadership styles that will enable change programs should be adopted, resources needed to successfully embark on change programs should be made available and successful change initiatives should be embedded and adequately rewarded so that favorable organizational outcomes are achieved.

Keywords: Change management capability, leadership style, empowerment of change programs, reward and embedment of change programs and competitiveness

Introduction

The modern business environment is clogged with increased level of competitiveness as a result of recent issues on technological advancements, labor related issues, increased cost of operations, market variations and attendant realities of globalization and as such business organizations are required to continually keep their strategies flexible to accommodate and adapt to changes posed by these current realities within the environment of business (Fendel & Frenkel, 2005). Therefore, private health institutions have a fair share of this competitive pressure even such as prevalent within their designated industry; to survive and thrive, the current 21st century organizations will have to make greater efforts to acquire or improve constantly its competitive positions as higher levels of growth and performance will be derived by such attempts (Guzmán, Gutiérrez, Cortes & Ramírez, 2021).

Every business organization as an open system operates and interacts with other constituent parts within a larger system which delineates the arena of business which is constantly in a state of flux and as such strategies and policies remain malleable to suit this ever changing state (Cole, 2005). The inefficiencies associated with the service offerings of the Nigerian public health institutions have resulted to an influx of their private counterparts; thus with private ownership and management, efficiency and effectiveness is enhanced however not without the attendant issues of competitiveness.

The Latin term "competer"-from which the English word "competitiveness" is derived-means "participation in a business rivalry for markets" (Deniz et al., 2013). Competitiveness however becomes relevant in the face of competition; so competition precedes competitiveness. Scherer and Ross (1990) hold that competition in the business literature is regarded as a conscious striving against other business firms for patronage... for potentially incompatible positions. Similarly, competition was described by 1987 as rivalry between people (or groups of people) or nations that hap-

363

pens whenever two or more parties try to get something that neither of them can.

As a management or economics concept, competition is preferred to conventional economic measures like profitability, productivity, or market share, which are thought to be insufficient to support continual performance improvement (Lu, 2006). According to Buckley et al. (1988), the notion provides for the perception of potential and the enhancement of managerial procedures in addition to reflecting historical performance. Traditional indicators can only capture quantitative historical data.

For providing customers with greater value and satisfaction than their competitors, firms must be operationally efficient, cost effective, and quality conscious (Johnson, 1992; Hammer & Champy, 1993). Some studies define competitiveness using productivity, which is partially consistent with Porter's (1990) claim that productivity is the actual basis of competitive advantage. Porter defined organizational competitiveness as productivity growth that results in lower costs or differentiated goods that fetch higher prices.

The private hospitals in Nigeria are not left out of the organizations change process, the health of the citizen of any country depends to a large extent on the quality of health sector of such country, the public sector are basically established to provide social health service to the citizens by the government enhance competition is invisible but on the other hand the private sector are much and are more assessable to the people than the public hospitals and their existence is base on profit-making, and are owe by private persons who intent is not just to save lives but also to make money and to achieve this one has to be on top of the game in the industry through groaning ones organization to be able to blend with change that is the only constant thing globally.

Change management capability is that stage where organization members embrace change more readily and successfully, are able to adapt swiftly to market change, and been able to welcome strategy initiative, adopt new technology quickly and with less productivity(Prosci, 2005). He sees change management capability as the third level of change management, and that the first level as the point at which the need for the change is noticed and implemented while the second stage which is organization change management has to do with the process, method which the change is design and implemented to achieve the desired result for implementing the change in the first place.

For many organizations, developing organizational change management capability and capacity can be a 5 to 10 year journey. It necessitates work, commitment, goal-setting, and preparation. Due to our expertise in change management, CMC regularly interact with organizations who are excited by the idea of building change capabilities but soon discover that they do not yet have the infrastructure in place to make it happen. As organizational leaders rather than external specialists have assumed increasingly active roles in bringing about change, managers have, in general, grown more at ease with planned change (Aiken & Keller, 2021; Kotter & Cohen, 2019; Nadler, 1988). In fact, a growing number of managers are adept at responding to outside factors, imagining a desired future state, and carrying out the ensuing "plan" to accomplish that clearly stated goal. However, in this setting, change is primarily seen as linear and mechanistic, as a succession of distinct and occasionally traumatic events that must be managed in order for the organization to achieve its objectives.

Given the flood of changes that an increasing number of enterprises are currently facing, but change is typically seen as sequential and mechanistic, as a series of distinct and occasionally traumatic events that must be managed if the organization is to succeed. To succeed in environments that are changing quickly, however, requires experimentation, improvisation, and the capacity to deal with unforeseen events and unintended consequences (Wheatley, 1992; Gersick, 1991). Given the onslaught of changes that an increasing number of organizations are now facing, this carefully planned approach is quickly becoming insufficient. Companies must essentially maintain constant mobility, sometimes quick and sometimes slow, with little moments of consistency in between (Leana & Barry, 2020) – toward a largely unknown, emergent future state.

Statement of the problem

Issues surrounding competitiveness of Private hospitals in Rivers State arise from pressures exerted by the spate of technological advancements, labor (skilled labor) translated into human capital as rare and valuable resources and assets for the organization which are not readily available, huge financial base required for establishment of standardized health facility. This is partly because of the unavailability of public infrastructural facilities provided, acquisition of highly qualified health practitioners with the requisite skills and licenses to operate, poor management as a result ineffectiveness of human resources within the organization; all these are required for any given institution to have a good competitive position on which to stand and thrive.

Hence reforms that are targeted at reorganizing the private health sector, with a view to enhancing efficiency in the supply of services are urgently required if costs are to be controlled and consumers assured of good value for money spent (Ogunbekun, Ogunbekun, & Orobaton, 1999). Howbeit that authors and practitioners have suggested that the private sector may be more efficient and responsive to patient needs because of market competition, which they indicate should overcome government inefficiency and corruption (Rosenthal & Newbrander, 1996).

However these attempts in reforms and regulatory efforts directed towards the operations of private hospitals; advances in expensive medical technology, including new drug therapies, and increasing use of high cost services and procedures are estimated to emanate which would consequently put to test the competitive position of these firms (Awa & Eze, 2013). Accordingly, Herzlinger (2004) opines that free market competition, consumer choice, and innovative management would determine success in the industry. To this end this study seeks to examine the effect of change management capability on competitiveness of private hospitals in Rivers State, Nigeria.

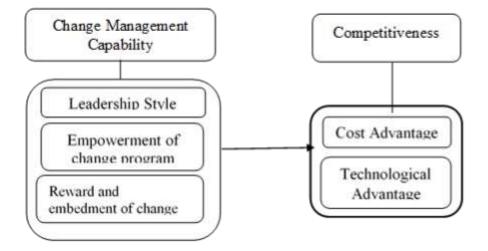


Fig. 1: Conceptual framework of Change Management Capability and Competitiveness

Aim and Objectives

The main aim of the research work is to examine the relationship between change management capability and competitiveness of private hospitals in Port Harcourt river state. Other specific objectives are to;

Examine if there is relationship between leadership style and competiveness of private hospitals in Rivers State.

Examine if there is relationship between empowerment of change program and competiveness of private hospitals in Rivers State.

Find if there is relationship between reward and embedment of change and competiveness of private hospitals in Rivers State.

Research questions

The aforementioned objectives give rise to the following research questions;

- i. What is the connection between the competitiveness of Rivers State's private hospitals and their leadership style?
- ii. How do Rivers State's private hospitals' competitiveness and the empowerment of change programs relate to one another?
- iii. How do rewards, the integration of change, and the competitiveness of private hospitals in Rivers State relate to one another?

Research Hypotheses

To provide tentative answers to the research questions above, this research work is guided by the following propositions stated in the null form;

- Ho₁: In Rivers State, there is no connection between leadership style and the competitiveness of private hospitals.
- Ho₂: In Rivers State, there is no demonstrable link between the competitiveness of private hospitals and the empowerment of change programs.
- Ho₃: In Rivers State, there is no correlating relationship between compensation, embedding of change, and competitiveness of private hospitals.

Literature Review

This section presents the theoretical structure from which the concepts emanate as well as empirical reviews of extant literature on change management capability and competitiveness.

Theoretical Framework: Resource-Based View Theory

The resource-based view of the company (Barney, 1991) claims that firm performance is a function of resource mix as an addition to this line of investigation. Competitive advantage is attained when resources are diverse, unique, and difficult to duplicate and when a firm's offering generates greater value for its clients than its rival(s) (DeCastro & Chrisman, 1995; Ansoff, 1965). Thus, differences in performance across firms result from variance in resource portfolios. Resources are valuable when they provide organizations with the ability to implement strategies that enhance efficiency and effectiveness.

Accordingly, the proposition of resource-based view theory asserts that competitive advantage is derived from effectively and efficiently utilizing organizational resources and capabilities which are directed at developing the competencies within the business organization for enhanced performance levels (Gibbert, 2021; Hunt, 2010). The physical and intangible resources of the organization are both internal and external organizational resources that influence organizational strategy as well as achievement (Barney, 1991). Internal resources in business-to-business marketplaces may include engineering, finance, production interface, and cross-functional product development. The complete value chain, along with the different alliances that have been built, symbolizes resources unique to each organization and helps gauge success from the outside.

Theory of 'Change through Balancing'

The theory postulated by Beer and Nohria (2020) was entitled 'change through balancing'; they argued that lack of focus on central change elements have resulted to failure on many change initiatives by business organizations. This lack of focus they asserted makes managers rush into change programs and end up in messy situations. They further hold that there are two available options, perspectives or viewpoints when considering change programs for any given organization (Boonstra, 2018).

These are – Theory E and O; where theory E is a change program with processes designed with the sole objective directed at core economic concerns of the organization for example in a profit making enterprise; maximizing shareholders/stockholders value is the primary concern and as such change programs from Theory E' standpoint will be steered towards achieving this major aim through cer-

tain radical decisions which do not take into cognizance the opinion of organizational members as to how it may affect them; in example – downsizing, staff redundancies, cut downs on incentives, layoffs, restructuring, de-layering etc.

Theory O perspective was described as the 'soft' approach to organizational change problem as opposed to Theory E, it looks through the perspectives of organizational members. There is the preference of member-objectives to core economic objectives of the business unit; thus the opinion of these key internal stakeholders are sought, obtained as well as feedback/report delineating support and contribution of an average member of the organization; thus the aim is to maintain a committed psychological contract with members. To this end, modern day managers are suggested to strike a happy medium in the adoption of the two theories (Beer and Nohria, 2020) thus, balancing the change process and this is exactly what is meant by 'change through balancing'. However, this balancing becomes very effective with an attitude of the organization in learning; hence the proposition of Senge (1992) in the concept of 'Learning Organization'.

Change Management Capability (CMC)

The available literature provides some definitions of change management and change management capability. These definitions are relevant to this research study. Change management should focus on creating an enabling environment for implementing the change (Kemp & Low, 2018). This definition gives basics in understanding the concept and planning change management practices. According to Moran and Humberman (1994), change management is also the process of continuously renewing an organization's direction, structure, and capabilities to meet the constantly changing needs of internal and external customers.

They also claim that change management is a structured approach to change in people or organizations. It makes it possible to move from an undesirable present condition to a desired future state. Kashand Rycroft (2019) argues that change management is important during system implementation, starting at the project phase throughout the project's entire life-cycle. Furthermore, change in the organization should be correctly managed. This includes people, organizational and cultural change (Nadler, 1981).

Duck (1993) argued that from an individual perspective, the change may be a new behavior. From a business perspective, the change may be a new technology or new business process. Duck (1993) further suggested that there are different types of change that require different management approaches, methods and strategies. In the business context, therefore, the scope of change management ranges from planned evolutions and reforms to business transformation. Top-down approaches, such as business transformation or crisis management, are characterized by a high degree of intervention; while that of bottom-up approaches, such as planned organizational development are characterized by less intervention and by harmonizing the goals of the corporation and those of the affected employees (Pagliarella, 2020).

While others saw change management capability as a process that most be followed in order for an organization to be able to sustain change for a long period of time. Prosci (2021) defined change management capability as the third level of his three levels of change management, according to him change management capability means that effective change management is embedded in the organization roles, structure, process and leadership competence which enables the organization to respond quickly to things happening in the industry which include market change, embrace strategic initiative and adopt new technology quickly and effectively.

Leadership Style

Although leadership has been defined by many authors over the years but there is really no univer-

sally accepted definition. Moran and Humberman (1994) defined change management as the process of continuously updating an organization's strategy, organizational design, and operational capacity to respond to the ever-evolving needs of internal and external clients. They also assert that an organized approach to transformation in individuals or organizations is change management. It enables transition from an unfavorable current state to a desired future state. "Leadership can be simply defined as the art of inspiring others to work voluntarily toward the accomplishment of group goals." Along with a willingness to work, leadership can also entail zeal and confidence.

According to Nwachukwu (1988), leadership is simply the act of persuading others to take action in order to achieve a goal. According to Ubeku (1975), leadership is the act of motivating others to carry out certain tasks in order to accomplish predetermined goals. Making things happen rather than letting them happen is what it means to be a leader. To accomplish this, the group's leader must exercise both intrinsic and extrinsic group influence. Because it involves dealing with people so much, leadership is the management job that is most apparent. The art of persuading people to work voluntarily toward the accomplishment of group objectives can be used to define leadership. Leadership can also be demonstrated through zeal, confidence, and a willingness to work hard.

According to Nwachukwu (1988), leadership is simply the act of persuading people to take actions that will advance a particular objective. Leadership is also described by Ubeku (1975) as the act of motivating others to carry out specific tasks in order to accomplish predetermined goals. Making things happen as opposed to letting them happen is what leadership is all about. This is accomplished by the group's leader showing both intrinsic and extrinsic influences. Despite the fact that it involves people the most, leadership is the most visible of the management functions, and directed through the communication, towards the attainment of a specific goal or goals. (Adebakin & Gbadamosi, 1996) defined leadership as the process of influencing and directing the activities of an organized group towards the achievement of the group of organization set objectives. The aforementioned Lions demonstrate how leadership has been predicated on personality traits, behavioral categories, a leader's ability to achieve effective performance from others, interpersonal behavior, and the communications process.

The concept – leadership styles has been studied extensively in management science in the past century, as a key factor in determining organizational success (Bass & Aviollo, 1993). Basically every leader has a different behavior in leading his followers. It's known as a leadership style. According to Cuadrado et al.'s description of leadership style in 2021, there are two dimensions to a leader's behavior: structure initiation, which includes relation-oriented leaders and consideration, which includes task-oriented leaders. According to Memon (2014), a leader's way of giving instructions, inspiring followers, and carrying out plans is referred to as their leadership style. According to Mehmood and Arif (2011), a leader's approach to leading a team, department, or organization is referred to as their leadership style. Because there is no one perfect leadership style, leaders who are looking for it may discover that a combination of styles works best (Darling & Leffel, 2010).

Empowerment of Change Programs

Many organizations today are confronted with the challenge of managing change; having that in its nature; it could be planned and or unplanned pressure exerted on the organization (Jick & Peiperl, 2003). Burke (2018)indicates that the increasing rate of change places the organization in a position to adapt to it or be phased out by its enormous pressures. Adaptive capacity to change as it emanates is what is needed by the organization as well as the empowerment through the provision of resources – human and non-human resources for such change programs; this provides for the organization ability to cope with the rapid change modern organizations are confronted with (Daft & Armstrong, 2009).

In the world of business today, empowerment is a concept trending, as a new managerial approach among business leaders (Bennis & Nanus, 2020; Conger & Kanungo, 1998; Luthans, 1995; Kanter,

1983) empowerment as understood by (Cornell Empowerment Group, 1989) is a process of change. According to McClelland (1975), in order for people to take control, they must learn about themselves and their surroundings, be open to identifying with others and collaborating with them to effect change. Similar to McClelland's (1975) definition, Whitmore (1988) describes empowerment as "an interactive process through which people experience personal and social change, enabling them to take action to achieve influence over the groups and organizations which affect their lives and the towns and cities in which they live."

Empowerment is a process of enhancing an individual's or group's capacity to make effective choices. This entails making decisions and then converting those decisions into the intended activities and results (Alsop, Bertelsen, & Holland, 2006). Some people think that empowerment language can actually result in increased awareness (Rappaport, 1985), while others think it is just one of the effective ways to allow employees at all levels to use their innovative abilities to improve the performance of the organization they are in and the quality of their work. Regardless, more and more individuals are trying to figure out what empowerment is and how they may utilize it to alter their environments and lives.

According to Ugoro and Obeng (2004) empowerment is to give power to those who are weak in organization. Kocel (2003) indicated empowerment as bringing employees to the position of owners of work evidenced in their active co-participation in the given change program; for any given organization to achieve the essence of its existence, it must identify ways through which the employees can be actively involved in the affairs of the organization (Kocel, 2003).

Reward and Embedment of Change

Change programs within organizations demand that after managers and leaders have harnessed resources to ensure such change efforts are implemented to achieve favorable outcomes; effort must be made to reward such efforts as well as reinforce such favorable processes and outcomes. McGuinness et al. (2019) advocates that an organization's formal appraisal and reward systems are well aligned with change objectives, but also extends to informal systems that provide socially mediated rewards to personnel of the organization. A powerful contributor to motivating and reinforcing change is the visibility with which measured progress is displayed, communicated and celebrated both within the organization and within other communities (professional associations; local neighborhoods) of which members are a part.

Also such change programs should be recorded as to be made reference to repeat such behaviors to achieve successful organizational outcomes; in other words, best practices emanating from the change process are recorded; such behaviors are transferred to other parts of the organization (McGuinness *et al.*, 2019). In a study carried out by Murphy (2009), failure of change programs was attributed to the failure of CEOs in motivating managers and employees on the need for change, as well as skills in sustaining change programs directed at improving organizational performance. All changes in behavior among organizational members must be captured to reflect in systems, structures and routines as well as norms and values; all these would determine whether effective changes are sustained, and whether the organization will be willing to embark on subsequent changes as they present themselves.

Competitiveness

The idea of competition has several facets. The three levels of analysis are at the national, industry, and firm levels. The Latin term "competer," which denotes participation in a corporate battle for markets, is where the word "competitiveness" first appeared. In the global market economy, where commodities, services, people, talents, and ideas may move freely across borders, it has become usual to compare an entity's economic strength to that of its rivals (Murths, 1998). According to D'Cruz (1992), the ability of a firm to design, produce, and/or market products that are superior to those provided by competitors can be referred to as firm level competitiveness. Competitiveness

processes are those that assist in assessing the significance and present effectiveness of fundamental procedures including strategic management procedures, human resource procedures, operational procedures, and technological procedures. The process of competitiveness can be seen as a balancing act that supports more established functional processes like operations management and human resource management. It improves an organization's capacity to compete more successfully.

Profitability, productivity, and market share are examples of conventional economic metrics that are thought to be insufficient for enabling continual performance improvement (Lu, 2006). According to Buckley et al. (1988), the notion provides for the perception of potential and the enhancement of managerial procedures in addition to reflecting historical performance. Traditional indicators can only capture quantitative historical data. Being competitive is a capability that must be utilized in a firm's daily activities. Macroeconomic, political, legal, and social reforms won't be fully successful until there is suitable progress at the microeconomic level, according to Porter (2004). Therefore, both macroeconomic factors and the microeconomic (enterprise) environment are influenced. Furthermore, while being in the same macroenvironment, there are several examples of enterprises that exhibit different levels of competitiveness (both favorably and negatively). As a result, understanding competition requires an understanding of enterprise competition.

The goal of the idea of competitiveness is to be useful in identifying and understanding the fundamental factors that influence levels of prosperity, it suggests that the focus on productivity has to be paramount. Productivity is the key driver of long-term prosperity levels and is thus an appropriate and critical target for policy. Measures of competitiveness as adapted for this study are from the study conducted by Guzmán *et al.* (2021) to include financial performance, reduced cost of operation and technology use; thus they are discussed as follows;

Cost advantage

Guzmán *et al.* (2021) found that reducing costs also have significant effects on business competitiveness. Buckley, Pass and Prescott (1988) in a scale developed provided validity and reliability for the measures of competitiveness used; thus business organizations who want to acquire, maintain or increase their level of competitiveness, first they will significantly improve its financial performance, reduce their costs as much as possible and make more efficient use of technology that have.

Also, companies will have to align, and incorporate these three variables within their business strategies, that these variables have a similar impact on the measurement of the level of competitiveness, i.e., cannot give preference to any of them or simply to discard it because the results may not be expected or be distorted (Jutla, Bodorik & Dhaliqal, 2019). On the other hand, given the uncertainty that is currently in business and the growing pressure of the market so that enterprises, especially small and medium-sized enterprises, acquire or improve significantly their level of competitiveness, and be able to maintain its market position, competitive advantages or even survive in a highly globalized economy, it is necessary that companies rethink their business strategies and implement focused strategies to make or strengthen collaboration with its suppliers and customers, as this can significantly improve your return on investment, increase sales and increase their profits, which can be translated as one both significant increase in the market share as in the financial performance of the organization (Jutla *et al.*, 2019; Lau, 2019).

Thus, reducing costs of organizations be achieved faster if companies implement strategies of collaboration with its suppliers, that an efficient and effective coordination with suppliers can reduce the lifting of orders and the delivery of both organizations providers of these customers and distributors, thereby reducing procurement costs and logistics of commodities costs. Therefore, the reduction of the costs of purchases is an essential variable that can have a significant positive impact both the performance and the competitive potential of enterprises.

Technological advantage

Technology is a concept that has been given a lot of consideration in research work these days, the reason is not far from the obvious as the world is evolving in to a global village as a result of technology and thus in order to be able to compete well with other firms, managers seeks to improve their technology in use in order to outsmart their competitors (Buckley 1988). Technology has been defined by various authors according to their fields of studies. Technology, in the words of Rousseau and Cooke (1984), included knowledge and capabilities (such as those present in organizational members and machines), techniques and procedures for converting inputs into outputs, and processes or activities related to the application of these technologies.

Technology is described by Robbins (1996) as the process by which an organization converts its inputs (such as materials and information) into outputs (such as products and services), and it is one of the internal contingency variables that also influences an organization's structure. An earlier study by Woodward (1965) revealed specific connections between the three fundamental types of technology (unit production or batch technology, mass production or big batch technology, and process production or continuous process technology) and the ensuing structure of manufacturing enterprises.

Technology is the sum total of knowledge and the ways we do things which include inventions, techniques and vast store of organized knowledge about everything Knootz *et al.* (2020). Technology can basically be seen as information, hardware, activities and effect of knowledge and the variability of materials and the nature of search processes. In the same way, the appropriate use of the technology on which it counts the organization or the acquisition of new technology by the same, is an essential condition to ensure that companies are able to acquire or increase their level of competitiveness, because it is precisely through technology companies can reduce costs production and improve the Organization's processes, generating new products and make its distribution system.

Therefore, the use of technology has become the current literature in the field of business sciences, as a key indicator of the measurement of the level of business competitiveness. In this sense, if companies want to improve their current level of competitiveness, additional and invariably to the above, not only they that make more efficient technology use with the Organization, but also acquire, improve or develop an equal or better technology as its main competitors.

Empirical Literature Review

Thomas (2014) carried out a study on change management to determine its effect on organizational performance in the Nigerian telecommunication industry, in the study, three hundred (300) members of staff from Airtel Nigeria who were selected randomly from a population of 1000 staffs were engaged for the study as to elicit their responses on the subject matter; the data collected for the study was analyzed using One-way Analysis of Variance. Findings revealed that changes in technology significantly affect performance and that changes in customer taste has a significant effect on customer's patronage, also changes in management via leadership has a significant effect on employee's performance.

Mueni (2010) in a qualitative research undertaking, a case study was carried out on the Kenyan police staff savings and credit society, he examined the relationship between change management and competitive advantage and factors that influenced change management at the Sacco. Data were collected through in-depth personal interview with some members of the central management committee and departmental heads who are charged with implementation of strategies at the society. The study findings showed that change at Kenya police Sacco has been both planned and emergent. It also indicated that in most cases the board members proactively planned for change and others instances whereby new policies were introduced by the government in such instances, the Sacco has been able to successfully adopt and manage change through change agents.

A critical analysis of the impact of change management on employee performance was conducted in 2016 by Njuguna and Muathe. The study examined the history of change management, from academic and management perspective; factors influencing the growth and adoption of the change management on employees' performance concept, theoretical framework of change management on employees' performance and the empirical studies on change management on employees' performance. Participatory leadership, motivating commitment, training, and communication are examples of change management indicators that have a strong correlation to the performance of the employees who make up the dependent variable.

Ferreira and Kittsteinery (2021) in their work 'competition and organization change'; competitive pressure was described as a catalyst for organizational change; because employees must work together to develop a strategy-specific skill, commitment to a focused corporate plan was deemed valuable. According to the findings, monopolist businesses might not be able to commit to a specific business plan. However, the introduction of competition can increase the credibility of commitment, resulting in organizational change and higher operational efficiency, also the importance of leadership styles, the interactions between strategic positioning and organizational capabilities in instituting change initiatives.

Markovic (2018) carried out a study on effective organization management and examined a number of factors which include; the reason change programs fail, how change programs affect practicing managers, how organizational managers react to change, how they deal with change programs, and how successful such attempts are, how are problems identified and solutions proffered, relative to the theories and researches on organizational change, what kind of organizations are the most adaptive to changes, Findings indicated that the operational strategies and structures of the majority of businesses replicate previous business realities, making organizational inertia one of the biggest barriers to change. However, it is acknowledged that critical elements of any successful change endeavor include leadership and management abilities, such as visioning, setting priorities, planning, giving feedback, and rewarding success.

In their 2005 article, "Change management capability: the missing link in marketing education," Mcmullen and Siemionow look at the difficulties that marketing education faces, by the changing boundaries of the marketing discipline and the marginalizing of market functions within organizations. They noticed that within an organization there is always a gap in knowledge of change management to gradate especially post graduate and the study finds out that if change management is well imbedded in the curriculum of marketing department it will prepare the professionals in marketing to be fit and able to stand the ever changing and complex business environment which they operate in.

Lawrence (2021) conducted a descriptive study of United Bank for Africa (UBA) station Road, Enugu to examine the effects of change management in the Nigerian banking sector. Primary and secondary data were used in conducting the study (questionnaire and oral interview, texts books, journals and magazines) Seventy seven (77) employees were engaged for the study and findings revealed among others that change management results to quality services.

Zehir and Acar (2015) examined the impact of organizational capabilities on business performance and described such capabilities as collective skills, abilities, and expertise of an organization thus identifying eight dimensions of organizational capabilities and their impacts on business performance. Using regression analysis, data gathered from 456 owners and senior managers of 121 businesses were examined to assess the hypotheses. As a result, the study found that the more organizational capabilities a firm possesses the better it becomes as evidenced in enhanced business performance.

Methodology

This study adopted a cross sectional survey research design in studying twelve (12) selected private hospitals which constitutes our accessible population, however our study units include the managerial employees of the firms having that our unit of analysis is at organizational level of the organization. The human resource department provided us the data on functional departments within the organization. From the population, fifty eight (58) copies were retrieved and analyzed; the instrument with which we elicited data from the respondents is the questionnaire. The data generated for this research work was analyzed using the following techniques; Kendall' tau_b (τ_b) correlation coefficient statistical tool from (Statistical Package for Social Sciences – (SPSS) version 20) again is used for the bivariate analysis in examining associations between the dimensions and measures of the variables studied for the purpose of triangulation, and the formula is given as;

$$au_B = rac{n_c - n_d}{\sqrt{(n_0 - n_1)(n_0 - n_2)}}$$

where

$$n_0 = n(n-1)/2$$
 $n_1 = \sum_i t_i (t_i - 1)/2$
 $n_2 = \sum_j u_j (u_j - 1)/2$

 n_c = Number of concordant pairs

 n_d = Number of discordant pairs

 $t_i = \text{Number of tied values in the } i^{\text{th}}$ group of ties for the first quantity

 $u_j = \text{Number of tied values in the } j^{\text{th}}$ group of ties for the second quantity

Results and Discussion

This section is concerned with testing hypotheses using Kendall' tau_b (τ_b) correlation coefficient statistical tool and the p-values obtained; hence the decision rule; reject null hypothesis if p-value obtained is less than the alpha value of 0.05 and accept the null hypothesis when p-value is greater than the alpha value (0.05).

Table 1: Correlation between dimensions of change management capability and competitiveness

			Correlation	ns		
			Leadership Style	Empowerment of Change program	R&E of change programs	Competitiveness
2.	20000-0000-000-000-000-000-000-000-000-	Correlation Coefficient	1.000	.790**	.883**	.913**
	Leadership Style	Sig. (2-tailed)	**;	.000	.000	.000
		N	58	58	58	58
	Empowerment of Change program	Correlation Coefficient	.613**	1.000	.769**	.814**
Spearman's		Sig. (2-tailed) N	.000 58	58	.000 58	.000 58
rho	R&E of	Correlation Coefficient	.883**	.769**	1.000	.834**
	change programs	Sig. (2-tailed) N	,000 58	.000	58	.000 58
	Competitiveness	Correlation Coefficient	.913**	.814**	.834**	1.000
		Sig. (2-tailed) N	.000 58	.000 58	.000 59	58

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

SPSS output, Version 20 – Field Survey, 2023

Table 1 presents Spearman's rank order correlation run to ascertain the relationship between leadership style as a dimension of change management capability and competitiveness as reported by fifty nine (58) respondents. A strong positive correlation coefficient value was reported between variables which were statistically significant (rho = .913**, p = .000 < 0.05 (alpha value) this suggests that there is significant relationship between leadership style and the criterion variable; also empowerment of change programs and competitiveness reported significant values of correlation (rho = .814**, p = .000 < 0.05); accordingly, reward and embedment of change programs and the criterion variable (competitiveness) reported significant values of correlation (rho = .834**, n = 59, p = .000 < 0.05).

Discussion of Findings

The study examined the relationship between change management capability and competitiveness of private hospitals in Rivers State; three (3) hypotheses were formulated as tentative answers to research questions raised and were tested to find support for the propositions, thus; The result of the tested $H0_1$ reported the existence of a significant relationship between leadership style and the criterion variable (competitiveness); (rho = .913**, p = .000 < 0.05); this empirical finding is supported by (Mehmood & Arif, 2011); thus leadership style adopted in the organization contributes to firm's competitiveness in the given market; hence the study by Memon (2014) describes leadership as providing direction, motivating people and implementing plans. Leadership styles are seen as approaches that leaders use when leading organizations, departments, or groups (Mehmood & Arif, 2011) Because there is no one perfect leadership style, leaders who are looking for it may discover that a combination of styles works best (Darling & Leffel, 2010).

The result of the tested $H0_2$ reported the existence of a significant relationship between empowerment of change programs and competitiveness; (rho = .814**, p = .000 < 0.05); this empirical finding is in consonance with a study by Burke (2018) who indicated that the increasing rate of change places the organization in a position to adapt to it or be phased out by its enormous pressures. Adaptive capacity to change as it emanates is what is needed by the organization as well as the empowerment through the provision of resources – human and non-human resources for such change programs; this provides for the organization ability to cope with the rapid change modern organizations are confronted with (Daft & Armstrong, 2009); this theoretical position also supports our empirical findings.

The result of the tested $H0_3$ reported the existence of a significant relationship between management of vulnerability and innovativeness; (rho = .834**, p = .000 < 0.05); this empirical finding is in consonance with McGuinness et al. (2019) advocates that an organization's formal appraisal and reward systems are well aligned with change objectives, but also extends to informal systems that provide socially mediated rewards to personnel of the organization; to this end successful change programs when rewarded and embedded ultimately engenders competitiveness for the firm in turn. A powerful contributor to motivating and reinforcing change is the visibility with which measured progress is displayed, communicated and celebrated both within the organization and within other communities (professional associations; local neighborhoods) of which members are a part.

Conclusions/Practical Implications

This study revealed that leadership styles adopted by managers and leaders ultimately explain how change programs are viewed and accepted; an autocratic leader will bar change initiatives from subordinates, a transactional leader will like to maintain the status quo, routines and traditions of the organization thereby discouraging change initiatives while their democratic and transformational counterparts will encourage and motivate change initiatives in the organization with the resultant outcome of competitiveness.

Recommendations

From our empirical findings and theoretical propositions it remains unarguably true that change programs can only remain successful when the capability therewith is present with the given organization, a number of measures connote the capability, those formed our variables and as such we recommend;

- Modern day organizations should adopt leadership styles that will encourage change initiatives and support the organization to embark change programs so that their practices and operations will remain up-to-date within the designated industry.
- When change initiatives are instigated by subordinates or even the superiors, there should be resources (human and material) to adequately correspond with the plans to avoid the abortion of such novel ideas.
- Resources should be adequate to sustain the change process until a favorably output is derived.

References

- Al Shebli, A. (2016). A strategic framework for managing transformational change towards sustainability in the Abu Dhabi public sector organization. A thesis submitted in partial fulfillment of the requirements of the University of Wolverhampton for the degree of Doctor of Philosophy (PhD).
- Awa, H. O., & Eze, S. C. (2013). The marketing challenges of healthcare entrepreneurship: An empirical investigation in Nigeria. *British Journal of Marketing Studies*, 1(2), 1–16.
- Bass, B. M., & Avolio, B. J. (2020). Multifactor Leadership Questionnaire (MLQ) sample set:
- Carneiro, A. (2020). How does knowledge management influence innovation and competitiveness? Journal of Knowledge Management, 4(2), 87–98.
- Darling, J., & Leffel, A. (2010). Developing the leadership team in an entrepreneurial venture: A case focusing on the importance of styles. *Journal of Small Business and Entrepreneurship*, 23(3), 355–371.
- Delobbe, N., Haccoun, R. R., & Vandenberghe, C. (2021). Measuring core dimensions of organizational culture: A review of research and development of a new instrument. *Core Dimensions of Organizational Culture*, 1–23.
- Fendel, R., &Frenkel, M. (2005). The international competitiveness of Germany and other European economies: The assessment of the global competitiveness report. *Intereconomics*, 40(1), 29–35.
- Ferreira, D., &Kittsteinery, T. (2021). Competition and organizational change. Ferreira, Department of Finance, and Kittsteiner, RWTH Aachen University, School of Business and Economics.
- Fischer, C., & Schornberg, S. (2021). Assessing the competitiveness situation of EU food and drink manufacturing industries: An index-based approach, 23(4), 473–495.
- Glew, D. J., O'Leary-Kelly, A. M., & Griffin, R. W. (1995). Participation in organizations: A preview of the issues and proposed framework for future analysis. *Journal of Management*, 21 (3), 395–421.
- Guzmán, G. M., Gutiérrez, J. S., Cortes, J. G., & Ramírez, R. G. (2021). Measuring the competitiveness level in furniture SMEs of Spain. *International Journal of Economics and Management Sciences*, 1(11), 09–19.
- Kash, E. E., & Rycroft, R. (2019). Emerging patterns of complex technological innovation. Technological Forecasting and Social Change.
- Kemp, M. J., & Low, G. C. (2018). ERP innovation implementation model incorporating change management. *Business Process Management Journal*, 14(15), 236–238.
- Kiptalam, A., Komene, J. K., & Buigut, K. (2016). Effect of knowledge management on firm competitiveness: Testing the mediating role of innovation in the small and medium enterprises in Kenya. *International Journal of Small Business and Entrepreneurship Research*, 4(5), 1–4.
- Lawrence, B. A. (2021). The impact of change management in Nigerian banking industry: A study of United Bank for Africa (UBA) State road, Enugu.

- Lu, W.S. (2006). A system for assessing and communicating contractors' competitiveness, thesis submitted to the Degree of Doctor of Philosophy in the Department of Building and Real Estate, the Hong Kong Polytechnic University, Hong Kong.
- Luthans, F.(2019). Positive organization behavior: Developing and managing psychotically strengths. *A cademy of Management Executive*, 16, 57–72.
- Marković, M. R. (2018). Effective organizational change management. Serbian Journal of Management, 3(1), 119–125.
- Mehmood, Z. U., & Arif, M. I. (2011). Leadership and HRM: Evaluating new leadership styles for effective human resource management. *International Journal of Business and Social Science*, 2(15), 236–238.
- Metre, C. (2009). Deriving value from change management. Master of Science in Organizational Dynamics Theses. 28. http://repository.upenn.edu/od theses msod/28
- Meyer, C. B., & Stensaker, I. G. (2006). Developing capacity for change. *Journal of Change Management*, 6(2), 217–231.
- Molero, F., Cuadrado, I., Navas, M., & Morales, J. F. (2021). Relations and effects of transformational leadership: A comparative analysis with traditional leadership styles. *The Spanish Journal of Psychology*, 10, 358–368.
- Mueni, M. T. (2010). Change management and competitive advantage: A case of Kenya police staff savings and credit society. A management research project submitted in partial fulfillment of the requirements for the award of the degree of master of business administration (MBA). School of business, University of Nairobi.
- Njuguna, E. A., & Muathe, S. M. A. (2016). Critical review of literature on change management on employees' performance. *International Journal of Research in Social Sciences*, 6(3), 9–22.
- Pagliarella, A. (2020). Developing and unleashing a capacity to change, in Change Management
- Porter, M. E. (2004). The microeconomic foundations of prosperity: Findings from the microeconomic competitions Index, World Economic Forum, Geneva. Retrieved from http://www.investopedia.com/terms/f/financialperformance.asp
- Thomas, O. O. (2014). Change management and its effects on organizational performance of Nigerian Telecoms industries: Empirical insight from Airtel Nigeria. *International Journal of Humanities Social Sciences and Education (IJHSSE)*, 1(11), 170–179.
- Zehir, C., & Acar, A. Z. (2015). Organizational capabilities and its impact on business performance. *Gebze Institute of Technology*,

Corporate Culture as a Dynamic Capability

Sorbarikor Lebura

Department of Management Faculty of Management Sciences Rivers State University Port Harcourt

Abstract

Corporate culture has been seen as an important feature that contributes to the success or failure of any profit-making firm, especially considering that it is instrumental to determining the behaviour of employees. This paper explores corporate culture as a dynamic capability that should be maximised for firm competitiveness and profitability. Hence, five key features are deemed crucial to the maximisation of corporate culture as a dynamic capability which are peculiarity, durability, transferability, meritocracy and adaptability. It is proposed that proper entrenchment of these features in corporate culture places it in prime position to becoming a dynamic capability. It is concluded that firm's must be intentional in maximising their culture as a dynamic capability, in order to reap the full benefits that it brings.

Keywords: Corporate culture, dynamic capability, peculiarity, durability, transferability, meritocracy

Introduction

There has been increased interest in the concept of corporate culture as being a key determinant of how successful a firm can be, especially considering that it influences the behaviour of employees within any firm. It has been argued the specific type of culture that a firm deploys will further impact on the achievement of its set goals and objectives, which makes it important to explore how culture can be maximised by the firm. Consequently, this paper explores the idea of culture being harnessed as a dynamic capability that requires a deliberate effort if it must be integrated, built and reconfigured to make the firm more competitive and successful.

Dynamic Capabilities Theory (DCT)

This paper has been hinged on the Dynamic Capabilities Theory (DCT) mainly posited by Teece, Pisano & Shuen's (1997) publication which is an offshoot of the Resource Based View of the firm as proposed by Barney (1991). The Resource Based View (RBV) of the firm had argued that for firms to attain sustainable competitive advantage, they must endeavour to acquire and retain resources that must be valuable, rare, inimitable and non-substitutable (VRIN). In presenting the idea of Dynamic Capabilities, Teece et al (1997) extended the RBV to posit that the source of competitive advantage stems from the firm's ability to manipulate its internal capabilities and resources in times of rapid and unpredictable change. This means that it is not just about possessing these internal capabilities and resources but the ability to actually maximise them as much as possible to align with changes in the external environment.

Teece et al (1997) defined dynamic capabilities as the firm's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments. This means that dynamic capabilities are responsible for enabling organizations to integrate, marshal and reconfigure their resources and capabilities to adapt to rapidly changing environments. Thus, DCs are processes that enable an organization to reconfigure its strategy and resources to achieve sustainable competitive advantages and superior performance in rapidly changing environments.

Corporate Culture

The discourse around the concept of culture within human societies is as old as the drive to understand the human species, with such interest increasing over time. This is underlined by a simple search of Google scholar which returned over 6 million materials with some mention of corporate culture. In fact, Birikou et al (2013) actually referred to culture as being slippery and ubiquitous, which indicates that it is both difficult to fully grasp even though it is actually found everywhere. This has led to several thoughts on the topic by authors over time, with the most basic definition of culture generally being what constitutes a people's way of doing things even as there are different levels of culture. These levels of culture are the national, regional, organizational or corporate, team and individual levels, all of which also have their different sub-levels. It could then be seen that cul-

ture is critical to the success of any team, group, organisation, region and nation. This section reviews the concept of corporate culture, with the different typologies that have been proposed by authors.

Hofstede (1980) defined culture as the collective programming of a people's mind that leads to differentiating the members their members from members of other groups. This indicates that there is always a process that leads to any group having a culture and that process is one that is jointly undertaken by the group concerned. Interestingly, it is also deemed to be the meaning that a certain group of people create together, as well as what they end up becoming as a group (Hannerz, 1992:3). This definition highlights the idea of culture being hinged on the collectivity of the people, as it can only be referred to as culture if the people have created such a meaning together. It also adds the role that such a meaning plays in helping to define who the people truly are. 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).

Schein (1992) defined it as the lessons learnt by groups as they find solutions to their external problem of survival as well as the internal problem of integration. 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). According to Daft (2003:118), culture is "the shared knowledge, beliefs, values, behaviors, and ways of thinking among members of a society". It has also been regarded as relating to the shared values, beliefs, or perceptions held by a group of people (Robbins & Coulter, 2005) for a long period of time (Tsai, 2011).

The word 'shared' in the above two definitions is taken as connoting a sense of exchange or interaction that takes place amongst members of a group. These definitions though they are different, actually highlight a few themes that can be seen across all of them, which is about certain characteristics of a people and the ability of the group to transfer them from one person to the other as well as across generational members. In other words, if a specific characteristic of a group cannot be shared or transmitted, then such a characteristic may not really be deemed as a culture.

In exploring the concept of culture in relation to nations, countries or societies, there have been dimensions proposed by authors such as Hofstede (1980) and House et al. (2004). Hofstede (1980) presented the six dimensions of collectivism-individualism, power distance, masculinity-femininity, uncertainty avoidance, long-term orientation and indulgence-restraint. These dimensions were utilized to aid an understanding of workplace values and attitudes across the world, with different countries exhibiting diverse aspects of these dimensions, from the study with employees of IBM. House et al (2004) expanded the work of Hofstede (1980) when they proposed nine dimensions such as power distance, uncertainty avoidance, assertiveness, humane orientation, future orientation, performance orientation, institutional collectivism, in-group collectivism and gender differentiations. They unbundled collectivism into two and orientation into three, clearly showing the differences between these dimensions that earned them the right to be standalone dimensions.

In the context of this paper, the focus is on corporate culture which will then be explored below. It is important to note that corporate culture is preferred to organisational culture in this paper, because the context of the discourse refers to the profit-making companies that always seek to gain and sustain competitive advantage. Sadri and Lees (2001) argued that coming together of employees with diverse personalities and experiences, from diverse ethnic and cultural backgrounds will likely influence how the workplace functions. This tends to be responsible for the evolution of a corporate culture within the company, as given popularity by the work of Deal and Kennedy (1982) which explored the various rites and rituals that aid the establishment and fostering of corporate culture. Following that publication, corporate culture seems to have taken the front burner for companies and their managements which has also influenced the interest of scholars in the concept leading to a few definitions over the years.

Greenberg and Baron (1997) referred to it as a cognitive framework consisting of attitudes, values, behavioural norms and expectations within a firm. It can also be seen as the collective thoughts, habits, attitudes, feelings and patterns of behaviour as found in a particular company (Clemente & Greenspan, 1999). It has been defined as shared values, customs, beliefs, attitudes and patterns of thinking in relation to all individuals in the organization (Mckinnon et al., 2003; O'Reilly & Chatman, 1996). It is also the pattern of arrangement, material or behaviour which has been adopted by a corporation as the accepted way of solving problems (Ahmed et al, 1999). This definition emphasizes that whatever constitutes a company's corporate culture must have secured acceptability from members of the company as a means of ensuring that their corporate problems are solved.

A further exploration of this definition highlights its close link to strategy as a key tool in ensuring that set goals and targets are met. Robbins, DeCenzo and Coulter (2011) viewed it causally as those shared values, traditions, principles and means of doing things that determine the behaviours of company members or staff. This connection to behaviour is crucial to understanding culture, because at its very base is the intention to ensure that set goals are achieved and this is not possible if employees and others do not behave in ways that will make this possible. It can also be deemed as not just being about the different fundamental assumptions, values, attitudes, and behaviours of members of a company but the sum of them (Yilmaz & Ergun, 2008). The indication here would be that what makes the impact of culture on the achievement of corporate goals will be the summation of the various features or characteristics of its culture. Tsai (2011) agrees that it is summed up in the beliefs and values of a firm which have existed in an organization for a long time.

According to Cameron and Quinn (1999), the type of culture that an organization's management has adopted can be the difference between being successful and being unsuccessful. This is underlined by the view that differences in the type of culture that companies operating in the same environment or sector may be key to their success, even when they are deploying similar strategies (Kandula, 2006). A major reason given for this is that corporate culture defines the character of the organization, thereby influencing how stakeholders perceive the company and treat it (Wobodo, Poi & Lebura, 2021) in their various dealings with it.

Denison (1990) noted that corporate culture is characterized by the following four elements: involvement, consistency, adaptability and mission. Involvement connotes how much the employees are given room to participate in decision-making, consistency emphasizes the pattern that can be observed from how things are done, adaptability reflects the firm's response to the dynamic nature of the external environment and mission underlines the company's core purpose for being in business.

Cameron and Quinn (1999) had proposed four types of corporate culture based on certain criteria which are the hierarchy culture, market culture, clan culture, and adhocracy culture. The clan culture was deemed to be friendly and family-like, with emphasis on strong team cohesion and moral climate. The hierarchical culture engendered a formalized and structured place of work where leaders are coordinators and organizers with rational thinking. The adhocracy culture created a dynamic entrepreneurial and creative place of work where leaders are considered as innovators and people willing to take risks. The market culture creates a system where the rallying point for members of the company is winning, where leaders are drivers, producers and competitors at one and the same time.

Sonnenfeld (1988) proposed four types of corporate culture as the academy, the club, the baseball team and the fortress. The academy provides a training ground for employees by moving them across the different job functions within the company, while the club is more focused on ensuring that the people properly settle into the firm. The baseball team is made up of very talented people or stars who are heavily rewarded for their results, though there is no sense of loyalty when there is a higher offer. The fortress reflects a company that is mainly concerned with survival in all of its operations.

According to Goffee and Jones (1996), to understand what type of corporate culture is operational in a firm, the two dimensions to be checked are sociability and solidarity, which then gave rise to four categories which they termed networked, mercenary, fragmented and communal cultures. A net-

worked culture is characterized by high sociability and low solidarity, where individuals feel like family and socialize often, while a mercenary culture low sociability and high solidarity, with individuals not interacting socially but are united in supporting the achievement of strategic business goals.

A fragmented culture has low sociability and low solidarity, where the people rarely interact with each other as the employees work with little or no interaction with others, such as can be found in a law firm. A communal culture has high sociability and high solidarity, where employees work closely with each other for long hours and do socialize with each other, even as they strongly identify with the culture and have a high sense of fairness for equal sharing of rewards.

Handy (1985) proposed four main types which as power, role, task and person cultures. A power culture is ruled by a central power source, such as an owner or President, and is most frequently found in entrepreneurial organizations. Trust and personal communication are important characteristics, thus it is important for employees to have interpretations of the job that are similar to those of the leader. Minimal bureaucracy exists, so that staff function with few rules, policies and procedures. The role culture, more familiarly known as a bureaucracy, is the category in which most hospital organizations fall. The strength of role organizations resides in 'its pillars, its functions or specialties'. Policies and procedures control the organization, and employees operate based on job descriptions. In a task culture, the focus is on a particular job or function. This culture aims to assemble the right people with the right resources, so that a job can be accomplished. The person culture, which is uncommon, 'exists only to serve and assist the individuals within it'. One prime example is within a hospital's mentoring system. Initially, the 'student' is chiefly concerned with acquiring the personal skills necessary to survive in a particular workplace, while the mentor may only be serving in that capacity in order to earn points on a clinical ladder towards promotion. Each is gaining something from the situation. While some actions may be promoting staff interests and growth, these are supported with hope that the ultimate outcome will aid in the enhancement of organizational goals, such as shifting away from a personal culture and towards one of more unity, such as the role or task cultures.

Corporate Culture: A Dynamic Capability

Following the above review of literature, this paper draws from the works of authors to propose five major characteristics that are key to leveraging corporate culture for sustainable competitive advantage of the firm. These are peculiarity, durability, transferability, adaptability and meritocracy.

Peculiarity: Considering that culture sums up what differentiates a people, group or society, it becomes crucial that for a culture to become a dynamic capability that secures sustainable competitive advantage for a firm, it must be peculiar to such a firm. This implies that no firm can leverage on its culture if such a culture is regarded as generic to firms operating in a specific sector, industry or geographical area. The peculiarity of a firm's culture which is underlined by its distinct nature, then acts as a differentiator for the firm, as such a culture cannot be easily copied or imitated by competitors.

Durability: This feature reflects the duration of the culture such that it is not expected to be subject to incessant changes, as this could have far-reaching implications for the building of the first feature of peculiarity. The idea is that the culture should be long-lasting, thereby giving time for it to be embedded into the corporate fabric of the firm, making it second nature to the employees, making it difficult to unlearn once it has been engraved into their systems.

Transferability: Another key feature of culture that could make it a dynamic capability is how transferable the culture is internally, especially knowing that the concept of culture is derived from the Latin word *colere* which *means to cultivate*. To cultivate indicates that the firm must build or grow its members towards the achievement of the set goals and objectives. Every culture that will benefit the firm and its brand must be intentionally passed onto new members of the firm, through trainings, mentorship programmes, coaching as well as

specific actions that underline the firm's culture. These new members are expected to also grow within the firm to the point that they also transfer their knowledge of the firm's culture to others who come after them. This ensures that there is never a lacuna in the cultural knowledge possessed by organisational members, which would further strengthen the firm's culture as it is passed from generation to generation. It is important to add that another way of transferring the firm's culture is through documentation of the various components of the firm's culture such as its stories, symbols, power structure, organisational structure, control systems as well as rituals and routines, as captured by Johnson and Scholes (1992) in their discussion of the cultural web.

Meritocracy: This characteristic is key to setting examples for members of the firm, as it is more action based than the earlier discussed features. It emphasizes the importance of designing the firm's compensation management such that members feel motivated enough to consistently add value to the firm, knowing that they get adequately rewarded commensurate with the valued they have created for the firm. Hence, this is a feature that influences the behaviours and actions of organisational members such that they will always strive to create value in the course of carrying out their tasks and responsibilities with the firm. It further increases effectiveness and efficiency, while ensuring the reduction of nonchalance, idleness, loafing and all other goal negated vices within the workplace.

Adaptability: This last feature is one that not only explores culture as an internal resource, but also understands that no business operates as an island. The success or failure of any business is dependent on the firm's ability to promptly adjust to changes in the external environment whenever the need arises. It could lead to the firm being deemed to be agile, as a result of appropriate response to the external environment. When a corporate culture is adaptable, the company will definitely always be ahead of the competition.

Conclusion and Recommendations

This paper concludes that corporate culture can become a dynamic capability that could aid the achievement of set goals and objectives. This cannot happen if such a culture is not properly harnessed by the leadership of the company as a key resource. It is thus recommended that profit making organisations must be intentional in building a corporate culture that aids their competitiveness and profitability. This can only be done when such a culture is a dynamic capability that is peculiar, durable, transferable, merit based and adaptable. Further empirical studies will be undertaken to validate the thoughts expressed in this paper by the author.

References

- Ahmed, P.K., Loh, A.Y.E. & Zairi, M. (1999) Cultures for continuous improvement and learning. *Total Quality Management*, 4&5(10), 426-434.
- Bandura, A. (1986). Social foundations of thought and action: A social cognitive theory. Prentice Hall.
- Berry, J.W., Poortinga, Y.H., Segall, M.H., & Dasen, P.R. (1992). *Cross-cultural psychology: Research and application*. Cambridge University Press.
- Birukou, A., Blanzieri, E., Giorgini, P., & Giunchiglia, F. (2013). A formal definition of culture. *Models for intercultural collaboration and negotiation*, 1-26.
- Cameron, K.S. & Quinn, R.E. (1999). *Diagnosing and changing organizational culture based on competing value framework*. Addison Wesley.
- Clemente, M.N. & Greenspan, D.S. (1999) Culture clashes. Executive excellence, 16(10), 12.
- Daft, R.L. (2003). *Management*, 6th edition. Thomson South-Western.
- Deal T.E. & Kennedy A.A. (2000). Corporate cultures: The rites and rituals of corporate Life. Perseus Publishing.
- Denison, D. R. (1990). Corporate culture and organizational effectiveness. John Wiley & Sons.
- Goffee, R. & Jones, G. (1996) What holds the modern company together? Harvard Business Review, 74(6), 133-148.
- Greenberg, J. & Baron, R.A. (1997) Behaviour in organisations. Prentice-Hall.
- Handy C.B. (1985). Understanding organizations, 4th edn. Facts on File Publications.
- Hannerz, U. (1992). Cultural complexity. Columbia University Press.
- Hofstede, G. (1980). Culture's consequences: International differences in work-related values. Sage.
- House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (2004). *Culture, leadership and organizations: The Globe study of 62 societies*. Sage.
- McKinnon, J. L., Harrison, G. L., Chow, C. W., & Wu, A. (2003). Organizational culture: Association with commitment, job satisfaction, propensity to remain, and information sharing in Taiwan. *International Journal of Business Studies*, 11(1).
- O'Reilly, C. A., & Chatman, J. A. (1996). Culture as social control: Corporations, cults, and commitment. *Research in Organizational Behavior*, 18(18), 157-200
- Robbins, S.P. & Coulter M. (2005). Management. Pearson Prentice Hall.
- Robbins, S. P., DeCenzo, D. A. & Coulter, M. (2011). Fundamentals of management (7th edn.). Pearson Education.
- Sadri, G. & Lees, B. (2001) Developing corporate culture as a competitive advantage. *Journal of Management Development*, 20(10), 853-859.
- Schein, E.H. (1992). Organizational culture and leadership. Jossey-Bass
- Sonnenfeld, J. (1988). The hero's farewell. Oxford University Press.
- Triandis, H.C. (1972). The analysis of subjective culture. John Wiley
- Tsai, Y. (2011). Relationship between organizational culture, leadership behavior and job satisfaction. BMC Health Services Research 11, 98. https://doi.org/10.1186/1472-6963-11-98
- Wobodo, C., Poi, G. & Lebura, S. (2021) Organizational culture as a precursor to the practice of corporate social responsibility: a conceptual standpoint. *British Journal of Management and Marketing Studies*, 4(3). 62-72.
- Yilmaz, C., & Ergun, E. (2008). Organizational culture and firm effectiveness: An examination of relative effects of culture traits and the balanced culture hypothesis in an emerging economy. *Journal of World Business*, 43(3), 290-306.

Contract Type Selection and Project Performance: An Optimal Strategy for Achieving Procurement Planning of Swimming Pool Construction Firms in Rivers State, Nigeria

Opuwari, Precious U. PhD

Department of Management Faculty of Management Sciences Ignatius Ajuru University of Education, Rivers State precious.opuwari@iaue.edu.ng

Abstract

The study examined the correlation that existed between contract type selection and project performance of swimming pool construction firms in Rivers State. The determination of to maximize utile and to crate comfort for both customer who seek recreation or adventure and private or personal relaxation with swimming pool facility as a social strata has increasingly gained acceptance and recognition in our society today. However, the early finished time of such project has often been characterized with delay associated with contract variation from the performing firms. The study adopted a census population of 7 registered firms, questionnaires was administered to 61 respondents. Spearman rank statistical tool and regression analyses was adopted for correlation and effect determination. Amidst findings was that, a strong positive correlation existed between the dimensions of contract type selection and project performance. The study concluded that contract type selection is a veritable conduit for stabilizing project completion timeline among firms in the studied section.

Keywords: Contract, cost reimbursement, lump sum, time and material

Introduction

The economy of our country today is challenged with different means for creating economy empowerment or self-empowerment in order to create or expand sectors of the economy in order to generate income both for individual and gross domestic product. Showers, Iwhu and Opara (2023), posited that, this has stimulated increase into other area or sectors that has been ignored or neglected over a period of time to create or generate income by direct or indirect investment. One of such sectors that has witnessed this boost is the tourism sector. Agumadu, Elvis, & Muarice, (2022), asserted that, the increase at which residents or people engage their self with recreation or leisure is significant. One of the recreation that is highly sort for is swimming or the fun of relaxing at the swimming pool side for comfort and pleasure has stimulated high demand for construction of swimming pool in most hospitality organizations or recreation centers in the Rivers State (Apatorme, David & Akwume. 2023).

Ediefien and Jaja (2023) avowed that, the effective completion of swimming pool project is sequel to a constructive engagement in the delineation of shares responsibility through a contract. Contract and responsibility entered into dictates the terms that are enforceable in the shared responsibility. Alingar, & Calista, (2023) posited that, it becomes critical in the type of contracted selected, in order to meet early finished time of projects such as swimming pool. Thus, lump sum contract, cost reimbursement contract, time and material contract are functional dimensions of contract type selection are considered adequate for optimizes or expedites completion date of swimming pool project (Chuklwuka & Bgadebo 2023).

Projects are usually complex, and the complexity of each project determines the sets of activities required for effective schedule from it early start time to early finished time. These activities ultimately depends on the use of material across the activity line of the project. These materials are to be supplied by vendor or direct procurement from the performing firm. But, often times as observed in the studied industry, completion date of such projects has been altered due to variations as a result of inadequate procurement planning. However, studies has been carried out on procurement planning, but much is still required most especially as it relates to timely completion of date of swimming pool projects as this studied.

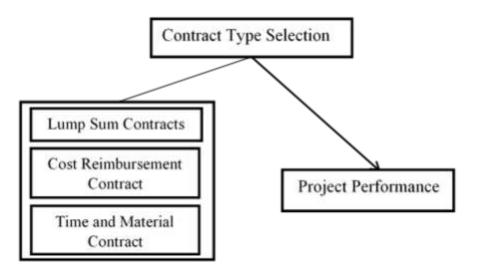


Fig. 1: Conceptual Framework of contract type selection and project performance Source: Gbako, Lee, & Igwe, (2023), Ofor, & Okwu, (2023), and researcher's conceptualization (2023)

Objectives of the Study

- 1. To determine how lump sum contract influences performance in the studied organizations
- 2. To determine how cost reimbursement contract influences performance in the studied organizations
- 3. To determine how time and material contract influences performance in the studied organization

Research Questions

- 1. What is the relationship between lump sum contract and performance in the studied organizations?
- 2. What is the relationship between cost reimbursement and performance in the studied organizations?
- 3. What is the relationship between time and material contract and performance in the studied organizations?

Research Hypotheses

Ho₁. There is no significant relationship between lump sum contract and performance in the studied organizations.

Ho₂. There is no significant relationship between cost reimbursement contract and performance in the studied organizations.

Ho₃. There is no significant relationship between time and material contract and performance in the studied organization.

Conceptual Review

Procurement planning is a means by which firms identify the materials that are of use and how such material can be brought in from other organization or vendor. Ukari, James, & Ukari, (2023), contributed that, this process is usually determined within a specified timeline, with a clear description of what to procure, how to procure how much to procure and when to procure. White, & Wagba, (2023) observed that, in such cases, the peculiarity of the operations unit of the performing firm determines the lead time required for receiving materials from vendors in accordance with the solicitation planning into contract closure are usually carried out once in every procured material.

Agumadu, Elvis, & Muarice, (2022) alluded that, The project team of a performing firm often require expert opinion from external body that are related to contracting and procurement as the case may be, and most often, they are directly engaged at the early start phase of the project team. However, Junita, & Asiebu, (2023), argued that, if the project team would have no need to procure material from vendors, the solicitation planning processes to contract closure might be unnecessary. Then, the procurement unit of the performing firm will need to engage directly with prospective dealers or merchants, that is if, the procurement unit would exert minor influence on the contract decision (Melvin, & Batistuta, 2022).

Contract Type Selection

For effective procurement planning process, the form of contract to be entered into considering the complexity or chain of activities required for optimal performance of the project would also reflect on the contract type selection (Thompson, Francis, & Trust, 2023). Conversely, three major contract type exists:

Lump sum or Fixed price contracts: this form of contract type is most applicable when the material to be procured is clearly defined and known, even as to the risk relationship to be assumed by both parties (Ikwu, & Felemor, 2022). The risk component arises when the procurement unit of the performing firm receives substandard or inferior material, while on the other hand, the vendor would need to incur additional expenses in order to make the material ready for procurement (Mafidor, Owurume, & Odugu, 2023). Samuel, & Walson, (2023) emphasized that, as often observed, lump sum contracts do require price subsidization for meeting specific project timelines, milestone, targets or objectives.

Cost reimbursement contracts: here is another class of contract available for project use. It details the vendor's responsibility for providing the material for the performing firm's use (Marshal, Charles, & Daniel, 2023). It is when the performing firm or the project procurement unit has received and certified the material adequate for use, them both the profit and all expenditure incurred by the vendor is reimbursed (Waribo, Prince, & Greg, 2023). Kio, & Wari, (2022) also pointed out that, it also do attract incentive as in fixed and lump sum contracts. Often, such contract do attract incentive measures, despite the fact that such contract cost are usually direct and indirect. Alagba, Timothy, & Apapa, (2023) alluded that, such direct cost are mostly expenses associated to the project (staff salary), while overheads, on-going concern, which are calculated based on percentage are indirect.

Time and Material Contract: this is another form of contract that is also known as hybrid. It is hybrid because it possesses the attributes of both lump sum and cost reimbursement contract (Dimkpa, & Uriah, 2023). It is usually an open ended contract because the full value required for contract arrangement are usually not detailed or defined as at the time such parties entered into it (Ogbe, & Ekpelu, 2022). However, neither lump sum or reimbursement methods, nor combination of both are often used based on parties understanding (Ekwo, & Elaoniso, 2023).

Theoretical Review

Procurement planning is hinged on the theory of supply chain management. The consultant of Booz Allen Hamilton named Ksith Oliver In 1982 first used the word supply chain management in his interview with Financial Times. In 1983 Wirts chafts Woche in Germany published it for the first time the results of an implemented and so called Supply Chain Management project led by Wolfgang Partsch (Okechukwu & Egbo, 2023). Shegbasa, Vashua and Dogboru (2023) observed that, as at mid-1990s, the concept supply chain management has its proliferation in various publications and books.

Amashika, (2022) lauded that, the concept was defined as the totality of activities need for the flow and transformation of material or product from raw state to end user, with the required volume of

information needed. Supply-chain management was then further defined as the integration of supply chain activities through improved supply chain relationships to achieve a competitive advantage (Datson & Chris, 2022). In the late 1990s, supply chain management (SCM) rose to prominence, and operations managers began to use it in their titles with increasing regularity (Pakirima, Agbelo & Mantisa, 2023).

Empirical Framework

Lee. Choo and Joean (2023) conducted a study on supply system and organizational effectiveness: contract as a tool for service delivery in Kenya. The study aimed at finding how organizational effectiveness was attained through contract formation. The study was necessitated as a result of variation in the performance of responsibility by in the supply chain. It adopted a correlation design on a sample size of 123 respondent. Findings revealed a strong positive relationship in the use of contract to enforce shared responsibility in the studied organizations

Anume and Wilson, (2022), carried out a study on contract selection and optimal performance of construction firms in Ogun State. The aim was to determine how performance of construction firms are time base, given their contractual responsibility. The study was hinged on the nature of uncompleted recreational facilities. A census study was carried out on 73 construction firm, and regression analyses was used as a statistical tool. Findings revealed that performance was positively influence when strict contractual liability was entered into, hence the enforcement of legal terms significantly affects performance.

Gaps of the Study

Construction activities are one of the major developmental indices of any society, hence the nature at which these developments structures are implemented dictates the rate at which economic activities are increased in such environment. Conversely, recreation facilities was one of the many strategies that boost tourism and contributes to work life balance of the work force of any society, but less empirical studies seems to have been recorded based on performing firm's capability to meet projected timelines in construction of swimming pools.

Methodology

The study adopted a correlation design and the use of questionnaire as a source of primary data. The population size of the study was 7 firms (Finelib.com/cities/port-harcourt/business/-construction/swimming-pool-construction/2023), hence it was a census study. The questionnaire was distributed to a sample size of 116 respondents. Judgmental sampling technic was used in the spread of respondent from the studied firms, while Spearman rank correlation and regression statistical tools were used to analyze respondent responses.

Table 1. Firms and Respondents Status

		Engi		
S/N	Firms	Manager	Construction	Total
1	Allymagax Techical Limited.	1	7	8
2	D'Cannopy & Swimming Pool Expert	1	7	8
3	Greytech Global Construction	1	7	8
4	La Panonic Construction, Limited	1	7	8
5	Pool Master Construction	2	7	9
6	Swimming Pool Construction Company	1	7	8
7	Theophill Galleria & Wirks	1	7	8
	Cumulative	8	53	61

Source: Field Survey, (2023)

Analyses and Discussion of Findings

Table 2: Correlation Matrix on Bivariate Analyses

		Lump Sum	Reimbursem ent	Time and Material	Project Performance
Sum	p-V alue				_
Tim e and Reimburse Lump Sum Material ment	2t-Value				
im burse ment	p-V alue	.95**			
Reim	2t-Value	0.00			
Fime and Material	p-V alue	.77**	.74**		
Tim	2t-Value	0.00	0.00		
Project Perform ance	p-V alue	.58**	.62**	.82**	
Pr Perfo	2t-Value	0.00	0.00	0.00	
	N	61	61	61	61

Source: Field Survey (2023) SPSS Output Ver. 25

Table 2 above revealed that dimension contract types selection measured had a strong and very strong positive correlation with project performance. it revealed that lump sum correlated at $0.58 \ge 0.00$; cost reimbursement correlated at $0.62 \ge 0.00$, while time and material stood at $0.82 \ge 0.00$, all with project performance. By these findings, as lauded by Arugu, Pual, & Justice, (2023), it simply infers that to maximize performance in achieving swimming pool project completion date is a function of the type of contract in force between performing firms and vendors in the studied industry.

Table 3: Regression Analysis on All Predictor Variables

Dimension	В	Std. Error	Beta	t	Sig.
(Constant)	0.18	0.27		0.65	0.52
Lump Sum	-1.08	0.22	-0.96	-4.91	0.00
Reimbursement	1.16	0.22	0.97	5.31	0.00
Time and Material	0.88	0.09	0.89	9.93	0.00

Source: Field Survey (2023) SPSS Output Ver. 25.

Findings from Table 3 above was explicit using regression value B for each dimension on project performance studied. It revealed that $-1.08 \le 0.00$ decrease adoption of lump sum contract significantly affected project performance negatively. Hence performing firms would need to increase they adoption of lump sum contract with vendors in order to meet project completion date. It was also clear at the value of $0.00 \le 1.16$, hence at an increase of 1.16 adoption of reimbursement contract affect project completion date positively. In the study of Bagudu, Aphaleti, & Hantop, (2022), they affirmed that such outcome indicated that performing firms are more advantageous in the adoption of reimbursement over lump sum contract and time and material contract in their performance. Finally, $0.00 \le 0.88$ revealed that, an increase in the adoption of time and material contract at 0.88 affected project performance positively.

Conclusion

It is imperative to conclude that contract type selection is a veritable strategy for optimizing project performance by performing firm in he studied industry. It implied that, dealing with vendors or supplies of material should be partly tiered with specific contract type that would discourage variation of terms that are not necessarily fundament to performance. Contrarily, completion date for deliverables as in the case of swimming pool project is guaranteed.

Recommendations

Firms should be aware of distinct peculiarity of each project as no two project are the same in performance and execution with in the industry.

Performance of project in the industry need to be analytically detailed in the sequencing of activity to enable adoption of specific contractual agreement that best suit each activity of the project.

Vendor or suppliers for a given project line should be adequately integrated to the terms required for internal performance of the project

Contribution to Knowledge

Researcher in project management and operations research has contributed immensely to the construction sector or industry in their series of research carried out in major aspects of the industry, such as road, building, pipeline, civil construction works. This study has unveiled swimming pool as a major construction aspect in the industry which has received less attention. Also, a general perspective had been brought to light by this study in the adoption of contractual responsibility for optimizing project performance in the studied sector.

Areas for Further Study

It would be most desirable to carry out a comparative study, among firms in the industry rather than the generalized result derived under the use of construction firms in the industrial sector.

References

Agumadu, J. O. Elvis, S. C., & Muarice, P. L. (2022). Project management: Cost, time and quality, two best guesses and a phenomenon, its time to accept other success criteria. *International Journal of Project Management*, 28(3), 337 – 342.

Alagba, D. F., Timothy, O. I. & Apapa, O. T. (2023). Innovation and performance in engineering design, *Journal of Construction Management and Economics*, 42, <u>573</u> – <u>580</u>

Alingar, D. K. & Calista, R. W. (2023), An exploratory study into recurring construction problems, *International Journal of Project Management*, 29(3), <u>267</u> – <u>273</u>.[24]

Amashika, W, R. (2022), Determinants of construction duration, *International Journal of Construction Management and Economic*, 32(2) <u>17-29</u>.

Anume, H. J., & Wilson, A, J., (2022), Compressing construction durations: lessons learned from Hong Kong building projects, *International Journal of Project Management*, 21(2) 23-35.

Apatorme, H. O., David, V, F., & Akwume, B, K. (2023), Causes of construction delay: traditional contracts. *International Journal of Project Management*, 34(20), 67 – 73.

Arugu, J. E., Pual, E. N., Justice, S. L. (2023). Prediction of engineering performance: A neurofuzzy approach, *Journal of Construction Engineering and Management*, 143 (1), <u>548</u> – <u>557</u>.

Bagudu, S. F., Aphaleti, O. H., & Hantop, B. B. (2022), Causes of delay and cost overrun in construction of groundwater projects in development countries; *International Journal of Project Management*, 29(2), 321-326.

Charles, P. U., Eugine, D. D., & Fidel, B. B. (2022) Innovation and performance in engineering design, *Journal of Construction Management and Economics*, 33(2) 573 – 580.

Cho, L. C, & Kim, L. L. (2022), Factors affecting the quality of building projects in Hong Kong. International Journal of Quality & Reliability Management 28(3) 423 – 441.

Chuklwuka, F. B., & Bgadebo, G. K. (2023), Environmental factors and work performance of project managers in the construction industry, *International Journal of Project Management*, 42

Proceedings of the 4th Annual International Academic Conference

(2), 24 - 37.

- Datson, K. O., & Chris, I. U., (2022), Project Performance Monitoring System, Automation in Construction. *International Journal of Project Management*, 21(2), 361 376.
- Dimkpa, U. I., & Uriah, F. F. (2023) Prediction of engineering performance: a neurofuzzy approach, *Journal of Construction Engineering and Management*, 163(3)), <u>548</u> <u>557</u>.
- Ediefien, O. K. & Jaja, E. D. (2023), Incorporating project specific criteria and client utility into the evaluation of construction tenderers, *Building Research and Information*, 42(3), 214–221.
- Ekwo, P. J. & Elaoniso, J. C. (2023). Measuring construction project participant satisfaction, *Construction Management and Economics*, 32(5), <u>319</u>–331.
- Gbako, F. J., Lee, C. K. & Igwe, L. N. (2023), Contractor selection by the most advantageous tendering approach in Taiwan, *Journal of the Chinese Institute of Engineers*, 46(3), 381 7.
- Ikwu, D. C. & Felemor, G. K. (2022), Key performance indicators and assessment methods for infrastructure sustainability a South African construction industry perspective, *International Journal of Building and Environment*, 65(3), 665-680.
- Junita, O. P., & Asiebu, A. J. (2023), Construction tender subcontract selection using case based reasoning, *The Australian Journal of Construction Economics and Building*, 16 (1), 31–43.
- Kio, W. A., & Wari, H. S. (2022). An evaluation of clients' needs and responsibilities in the construction process. *Engineering, Construction and Architectural Management*, 12(1), 45–56.
- Lee. K. L., Choo, K. J., & Joean, S. l. (2023), Key project management practices affecting Singaporean firms project performance in China, *International Journal of Project Management*, 64(4) 634-644.
- Mafidor, V. B., Owurume, W. G., & Odugu, C. F. (2023), Checklist of critical success factors for building projects, *Journal of Management in Engineering*, 19(3) <u>243</u>–249.
- Marshal, T. D., Charles, S. E., & Daniel, U. F. (2023). An exploratory study into recurring construction problems, *International Journal of Project Management*, 32(2) 267 273.
- Melvin, I. F., & Batistuta, D. D. (2022) "A methodology for assessing construction project delays, *International Journal Construction Management and Economic*, 66(3) 327-337.
- Ogbe, M. C., & Ekpelu, I. P., (2022), Comparing contributors to time and cost performance in building projects, *International Journal Building and Environment*, 54(2) 31-42.
- Ofor, U. C., & Okwu, P. O. (2023), Design documents quality in Japanese construction industry, *International Journal of Project Management*, 32(3), 537–546.
- Okechukwu, U. E. & Egbo, G. E. (2023), Process management practices and quality systems standards: risks and opportunities of the new ISO 1100 certification, *Business Process Management Journal*, 29(2), 149 169.
- Pakirima, I. O., Agbelo, C. H., & Mantisa, W. Y. (2023). Construction delays in Hong Kong civil engineering projects, *Journal of Construction Engineering and Management*, 162 (1), 636-649.
- Samuel. T. P. & Walson, S. A. (2023). Automated project performance control of construction projects, automation in construction, *International Journal of Project Management*, 32(3) <u>467</u> <u>476</u>.
- Shegbasa, T. G., Vashua, E. T., & Dogboru, F. F., (2023) The dynamic of project performance: Benchmarking the drivers of cost and schedule overrun, *European Management Journal*, 37 (2), 135-150.
- Showers, G. U. Iwu, J. B., Opara, A, C, (2023), Intelligent models for predicting levels of client satisfaction, *Journal of Construction Research*, 14 (2), <u>233</u>–<u>255</u>.
- Thompson, S, V., Francis, B. B, Trust, J. K. (2023), Systematizing construction project evaluations. *Journal of Management in Engineering*, 32 (4), 34–39.
- Ukari, O. B., James, V, H., & Ukari, I. B. (2023), A quality performance management system for industrial construction engineering projects, *International Journal of Quality & Reliability Management*, 23 (9), 38 48.
- Waribo, E. D., Prince, B. N., & Greg, N. S. (2023), The longitudinal effects of the ISO <u>11000</u> certification process on business performance, *European Journal of Operational Re-*

389

Proceedings of the 4th Annual International Academic Conference

search, 116 (3), 580 – 595.

White, W. H., & Wagba, R. D. (2023), A neural network application to subcontractor rating in construction firms, *International Journal of Project Management*, 31 (1), 9 – 14.

Task Performance and Generational Difference Dynamics: A Case Study of Selected Firms in Rivers State, Nigeria

Emmanuel, Ethel Ifeyinwa

Faculty of Management Sciences Rivers State University Nkpolu-Oroworukwu, Port Harcourt stdavideduo@gmail.com

Abstract

In the contemporary workplace, the coexistence of multiple generational groups presents both opportunities and challenges. Understanding how generational differences influence employee task performance is crucial for organizations seeking to optimize their workforce's productivity and harmony. This study explores the relationships between generational differences, including communication styles, work values, and leadership styles, and various dimensions of task performance, specifically task proficiency, adaptive performance, and proactive performance. A cross-sectional design was adopted, involving 386 respondents representing Generation Z, Millennials, Generation X, Baby Boomers, and Traditionalists across diverse industries. Data were collected using a structured questionnaire, and the reliability and validity of the instruments were assessed. The study found positive relationships between generational differences and task performance dimensions. Communication styles, work values, and leadership styles significantly influenced task proficiency, adaptive performance, and proactive performance. Younger generations demonstrated higher adaptability and openness to learning, while older generations exhibited strong task proficiency and experience. The findings of this study underscore the importance of recognizing generational diversity in the modern workplace. Organizations that adapt communication strategies, leadership styles, and employee development programs to cater to generational preferences can enhance task performance and foster a more inclusive and productive work environment.

Keywords: Generational differences, task performance, communication styles, work values, leadership styles

Introduction

The modern workplace is undergoing a significant transformation, largely influenced by the presence of multiple generations working side by side. As organizations become increasingly diverse in terms of age groups, it is crucial to understand how generational differences impact task performance (Morando, 2023). Over the past few decades, the composition of the workforce has undergone a profound transformation. The proliferation of high-speed internet and mobile technologies has made it possible for employees to work from virtually anywhere with an internet connection. Advanced digital tools and software, such as video conferencing, project management, and communication platforms, enable seamless remote collaboration (Mehra & Nickerson, 2019).

Employees in modern time are increasingly seeking better work-life balance. Also, the COVID-19 Pandemic which forced organizations worldwide to quickly adopt remote work to ensure business continuity while ensuring employee safety served as a catalyst for the transition to remote work. Not only is this suitable for employees, but companies can save on office space, utilities, and related expenses by allowing employees to work remotely and the offering remote work can be a competitive advantage in attracting and retaining top talent, as it provides a desirable perk.

Numerous studies (eg. Hernaus & Pološki Vokic, 2014; Kian et al., 2014; Torsello, 2019; Baham et al., 2023) have shown that remote workers can be as, if not more, productive than their in-office counterparts. They have more control over their work environments and schedules, leading to improved task performance. Also, governments and organizations are adapting policies and legislation to accommodate remote work. This includes laws related to telecommuting, data security, and taxation. The shift to remote work has raised concerns about employee mental health. Organizations are now focusing on providing support and resources to address these challenges.

Historically, organizations primarily consisted of a single dominant generation, typically the Baby

Boomers. However, the latter part of the 20th century and the early 21st century have seen the entrance of subsequent generations, including Generation X, Millennials, and Generation Z, into the workforce. This multi-generational composition has introduced unique perspectives, values, and work habits. Generational theory, which categorizes individuals based on birth years and common experiences, has been instrumental in understanding these differences (Thomason et al., 2023).

Each generation has its own set of values, attitudes, and expectations concerning work. For instance, Baby Boomers often value loyalty, job stability, and traditional workplace structures. Generation X tends to prioritize work-life balance and individual autonomy. Millennials are known for their techsavvy nature, desire for meaningful work, and focus on collaboration. Generation Z represents the first true digital natives, with an innate understanding of technology. These generational differences can lead to varying communication styles, approaches to problem-solving, and perceptions of task performance (Mehra & Nickerson, 2019).

Rivers State, located in the Niger Delta region of Nigeria, is home to a diverse array of industries, including the prominent oil and gas sector, agriculture, services, and more. This diversity extends to its workforce, with employees hailing from different backgrounds and age groups. Understanding the generational dynamics in this setting is essential for several reasons: Rivers State's diverse economy means that individuals from different generations often find themselves working together. This diversity can either be a source of strength or tension within organizations, depending on how generational differences are managed (Costanza & Finkelstein, 2015). The state's economy is significantly influenced by the oil and gas industry, which requires an agile and adaptable workforce.

Generational dynamics can have a profound impact on the state's economic output. As younger generations seek career advancement and knowledge transfer from older colleagues, understanding the interplay of generational differences is vital for professional development and succession planning. Employee satisfaction and well-being are paramount for any organization. Generational differences can affect job satisfaction and retention rates, making it imperative to address these dynamics effectively (Gupta & Misra, 2023). This emphasizes the evolving nature of the workforce, the significance of generational differences, and the relevance of this study in Rivers State, Nigeria. The study aims to provide insights and recommendations that will aid organizations in navigating the complexities of a multi-generational workforce and ultimately enhance task performance and workplace harmony.

The pervasiveness of remote work, accelerated by global events, introduces new challenges and opportunities for organizations. Remote work has changed the way we collaborate, communicate, and perceive task performance. Understanding how generational differences interact with this remote work landscape is critical. Younger generations, such as Millennials and Generation Z, are often more tech-savvy and adaptable to remote work technologies, while older generations may require additional support. Remote work can impact work-life balance differently for various generations. It is essential to address these varying needs to ensure productivity and well-being. Remote work relies heavily on digital communication, which may align with the preferences of certain generations but pose challenges for others (Becton et al., 2014; Khorakian, 2023). Therefore, the modern workplace is undergoing a significant transformation, largely influenced by the presence of multiple generations working side by side and the pervasive shift toward remote work. As organizations become increasingly diverse in terms of age groups and working arrangements, it is crucial to understand how generational differences impact task performance in the context of remote work.

Literature Review

Theoretical Framework

The theoretical framework of this study draws from several key theories and models to provide a comprehensive understanding of the interplay between generational differences and remote work on task performance in the context of selected firms in Rivers State, Nigeria. Each theoretical perspective contributes to a well-rounded analysis of the research problem. In-text citations are provided for each theory and model used.

Generational Theory: Generational theory, as developed by Mannheim (1952) and expanded

upon by various scholars, provides a foundational framework for understanding generational differences. This theory categorizes individuals based on birth years and common experiences, which influence their values, attitudes, and behaviors in the workplace (Cennamo, 2008). For instance, Baby Boomers may prioritize job stability, while Millennials might focus on meaningful work (Costanza et al., 2012; Garg & Mahipalan, 2023). Understanding these generational values is crucial for examining their impact on task performance.

Task Performance Models: The study incorporates task performance models to assess how generational differences influence individual and team-based performance. One model frequently cited in the literature is the Multifactor Leadership Questionnaire (MLQ) developed by Bass and Avolio (1995). This model considers transformational, transactional, and laissez-faire leadership styles, which can be influenced by generational preferences (Judge et al., 2002). Understanding these leadership styles is integral to examining their connection to task performance in different generational contexts.

Technology Acceptance Model (TAM): TAM developed by Davis (1989) is used to understand how different generations accept and use technology in remote work scenarios. It posits that perceived usefulness and ease of use are key determinants of technology adoption. For example, younger generations may be more inclined to embrace digital tools for remote work due to their familiarity with technology (Venkatesh & Bala, 2008). TAM helps in assessing how technology-related generational differences influence task performance in remote work.

Social Exchange Theory: Social Exchange Theory (Blau, 1964) is employed to explore the dynamics of knowledge transfer and mentorship across generations in remote work settings. This theory suggests that employees engage in a reciprocal relationship with the organization, where mentorship can be seen as an exchange of resources (Homans, 1958). In the context of this study, the theory helps understand how mentorship programs can facilitate knowledge transfer and career development, particularly in remote work environments.

Psychological Contract Theory: Psychological Contract Theory (Rousseau, 1989) is used to analyze the impact of remote work and generational differences on employee satisfaction and wellbeing. The psychological contract refers to the unwritten expectations between employees and their employers (Raja et al., 2004). Generational differences can affect these expectations, and remote work can alter the nature of these contracts. Understanding these dynamics is critical for evaluating job satisfaction and well-being.

Economic Theories: The study draws on economic theories to assess the productivity and economic impact of generational differences and remote work. These theories include Human Capital Theory (Becker, 1964), which emphasizes the value of employee skills and knowledge, and Economic Growth Theory (Solow, 1956), which relates technological progress and productivity growth. The study employs these economic perspectives to analyze the potential implications of generational differences and remote work on the productivity and economic performance of industries in Rivers State.

Conceptual Clarification

Generational differences refer to the variations in values, attitudes, behaviors, and communication styles among individuals from different birth cohorts (Costanza et al., 2012). In the context of this study, generational differences encompass the distinctive traits and preferences associated with Baby Boomers, Generation X, Millennials, and Generation Z. These differences influence how individuals perceive and engage in tasks and interactions within the workplace. Task performance on the other hand, often referred to as job performance, pertains to the extent to which employees effectively complete their job-related duties and responsibilities (Costanza et al., 2012).

This encompasses both individual task performance and collaborative performance within teams. It

is a multifaceted construct that includes factors such as meeting job expectations, producing quality work, and contributing to the organization's goals. The dimenions of task performance are task proficiency, adaptive performance, and proactive performance. Task proficiency is a fundamental dimension of task performance that refers to an employee's ability to execute their job duties with accuracy and competency (Motowidlo & Van Scotter, 1994; Kapoor & Solomon, 2011). It can be further broken down into two components:

Job-Specific Knowledge and Skills: This component involves the employee's grasp of job-related knowledge and skills essential for performing tasks competently. It encompasses understanding industry-specific concepts, techniques, and the ability to apply them effectively (Borman & Motowidlo, 1997). In Rivers State, for instance, employees in the oil and gas industry need a deep understanding of petroleum engineering or geology to perform their tasks proficiently.

Task Execution: Task execution pertains to how well an employee can consistently complete their job responsibilities with precision and efficiency (Campbell, 1990). This includes the ability to follow established procedures, meet deadlines, and minimize errors in the workplace. Adaptive performance focuses on an employee's capacity to adapt to changing circumstances, unexpected challenges, and new situations within their job role (Pulakos, Arad, Donovan, & Plamondon, 2000). It comprises two key elements: Handling unforeseen situations and learning and innovation

Handling Unforeseen Situations involves an employee's capacity to effectively address unexpected issues and challenges that may arise in the workplace. For example, in the healthcare sector in Rivers State, medical professionals need to adapt to emerging health crises, like disease outbreaks, and provide appropriate responses.

Learning and Innovation Adaptive performance also encompasses the ability to acquire new skills, knowledge, and adapt to changes in work processes or technology. This is particularly relevant in industries where technology advancements are rapid, such as the IT sector in Rivers State.

Proactive Performance: Proactive performance emphasizes an employee's initiative and willingness to go beyond their routine job duties to improve work processes and organizational outcomes (Crant, 2000). It includes taking initiative and problem solving and decision making. **Taking initiative:** Proactive employees are self-starters who identify opportunities for improvement and take the initiative to implement changes (Kapoor & Solomon, 2011). For example, an HR professional in Rivers State might suggest and implement new employee wellness programs to enhance workplace satisfaction.

Problem Solving and Decision Making: This dimension also encompasses an employee's ability to proactively solve problems and make decisions that benefit the organization. In Rivers State's business landscape, this can manifest as employees identifying cost-saving measures or revenue-enhancing strategies.

In conclusion, task performance is multifaceted, involving task proficiency, adaptive performance, and proactive performance. Employees in Rivers State, as in any other region, can significantly contribute to their organizations by excelling in these core dimensions. In-text citations have been included to substantiate the information provided (Motowidlo & Van Scotter, 1994; Borman & Motowidlo, 1997; Campbell, 1990; Pulakos, Arad, Donovan, & Plamondon, 2000; Crant, 2000).

Dimensions of Generational differences

Generational differences in the workplace are a significant topic in the field of human resource management. These differences can influence various aspects of work dynamics and have implications for HR practices. The employed dimensions of generational difference as presented as follows;

Communication Styles: Different generations may have distinct communication preferences. For instance, Baby Boomers might prefer face-to-face or phone conversations, while Millennials and Gen Z may favor digital communication channels like email or instant messaging (Myers &

Sadaghiani, 2010; Tan & Chin, 2023).

Work Values and Motivations: Generations often have varying work values and motivations. Baby Boomers may prioritize job security and loyalty to a single company, while younger generations may value work-life balance, career advancement, and purpose-driven work (Lyons & Kuron, 2014).

Technology Adoption and Digital Literacy: Generations differ in their familiarity and comfort with technology. Older generations may require more training to adapt to new digital tools and platforms compared to tech-savvy younger generations (Twenge & Campbell, 2010).

Leadership and Management Styles: Different generations may respond better to particular leadership styles. For example, Gen X and Millennials may appreciate more collaborative and inclusive leadership, while Baby Boomers might prefer a more authoritative approach (Alsop, 2008).

Workplace Flexibility and Remote Work: The acceptance of remote work and flexible scheduling can vary among generations. Millennials and Gen Z often seek flexible work arrangements, while older generations may be more accustomed to traditional in-office work (Martin, 2016).

Feedback and Recognition Preferences: Generations may have distinct preferences for feedback and recognition. For instance, younger employees may prefer frequent, immediate feedback, while older generations might be more comfortable with annual performance reviews (Ruderman et al., 2002).

Mentoring and Knowledge Transfer: Older generations can play a crucial role in mentoring younger employees and transferring institutional knowledge. HR practices need to facilitate intergenerational knowledge exchange to ensure a smooth transition (Finkelstein, 2003).

Career Development and Growth Opportunities: Generational cohorts may have different expectations regarding career advancement. Younger employees might seek rapid career progression, while older generations may be content with more linear growth paths (Sujansky & Ferri-Reed, 2009).

Understanding these dimensions of generational differences is vital for HR professionals to create inclusive and effective workplace strategies that cater to the diverse needs and expectations of employees from different age groups.

Empirical Framework

Morando (2023) examined the impact that the experience of benevolent and hostile sexism could have on performance and job satisfaction. A total of 402 female workers were enrolled. The results showed that an experience with benevolent sexism significantly decreased the positive relationship between work engagement, psychological capital and organisational support and outcomes. Conversely, hostile sexism only reduces job satisfaction in its interaction with work engagement and organisational support. Moreover, through a multi-group analysis, possible differences across age were examined in the theorised model. Here, the younger generation seems to be more affected and experience more benevolent sexism than the older generation, which is seen both in individual moderators and in their interactions with predictors. This study is helpful for a deeper comprehension of contemporary sexism, offering also suggestions for equality policies' design.

Mehra and Nickerson (2019) examine the influence of the generational category that managers in India belong to on their job satisfaction and on their satisfaction with organizational communication; the authors defined organizational communication as the communication that occurs in interactions between employees. The authors wanted to see whether there would be differences between the generations in the attitudes to and expectations of organizational communication, and whether this, in turn, would influence their job satisfaction. A total of 400 managers working in public and private listed companies in India were surveyed using a questionnaire over the period of a year,

from August 2016 to July 2017. This resulted in 334 responses. The questionnaire measured the respondents' choice and comfort with communication media, their satisfaction with the communication at their workplace and the type of interactions that took place. It also measured the respondents' job satisfaction. The study was inter-disciplinary in nature, in that it drew on several theories of communication, e.g. accommodation theory and media richness theory, alongside the findings from empirical studies that have looked specifically at intergenerational differences.

Torsello (2019) disentangle the different and sometimes controversial aspects of Generation Y workers' behavior at the workplace and to provide real-life answers to human resource management and the study of employee relations. The study makes use of an empirical research framework to assess dominant preferences, values and patterns of behavior in workplaces where Generation Y employees have demographic relevance. The main research questions that this paper will address are: RQ1: What are the main features of organizational culture that are deemed functionally important to their job satisfaction by Generation Y workers? RQ2: Which are the general societal and generational values that affect most prominently their behavioral responses to duties and tasks in the workplace? RQ3: How do millennial workers perceive the gap between a real and an ideal organization in which they work in interactional and behavioral terms? The methodology includes a survey and interviews conducted in a multinational corporation based in Budapest. The theoretical framework is the one developed by Margaret Mead (1970) on value preferences and their generational change. When generational values and behavioral patterns are not in harmony with the proper organizational cultural aspects of the company high attrition rates become manifest. Generation Y workers can be defined as cofigurate culture (Mead, 1970) in the sense that this generation encapsulates innovative aspects in some bridging features to the previous generation (Generation X). This is one of the aspects that may account for the conflicting social and work values that characterize work relations between Generation Y and X employees. Moreover, because of the three different domains on which work satisfaction is built (social, organizational and cultural) Generation Y workers will aim to strike a balance between expectations, ideas about what a good organization should look like and real-life experiences.

Hernaus and Pološki Vokic (2014) uncovered the nature of job characteristics related to different generational cohorts (Baby-boomers, Generation X and Generation Y). Significant differences between four task and four social job characteristics across generational cohorts have been revealed. The empirical research was conducted through a field study of employees from large-sized Croatian organizations. A cross-sectional and cross-occupational research design was applied. A total of 512 knowledge workers (139 managers and 373 professionals) participated in the research. Descriptive and inferential statistical methods were used to determine and compare work design across generations. The results indicate that job characteristics are not equally represented within different generational cohorts. While the nature of task job characteristics is mostly irrespective of generations, social job characteristics to some extent differ among generational cohorts. High task variety, reasonably high task identity, and a moderate level of both received interdependence and task significance are recognized as common job characteristics of knowledge workers across generations. However, jobs of Baby-boomers, Xers, and Yers are idiosyncratic for work autonomy, interaction with others, initiated interdependence, and teamwork. Additionally, the inclusion of the work type as a control variable revealed that interaction with others does differ but only among generations of professionals.

Kian et al. (2014) discussed the mediating factor of Organizational Justice between motivation and diversification of generations. Since much of literatures and empirical evidence have supported the variance for generation's preferences over Motivation and further promote package customizations to better fit in the two generations, however, it should be aware that the factor of Organizational Justice may still infect the final outcome. Well understanding in variables of Generational issues and Motivation theories may still not enough to improve employees' productivity, as motivation packages they receive for or from their contributions will pass thru social interactions where comparisons are made for their sense of equity. This variable, in turn will conclude the favourability of the motivation packages, hence determine the corresponding performance.

Lamm and Meeks (2009) investigate how generational differences moderate the relationship be-

tween workplace fun and individual workplace outcomes. The authors review and integrate the literatures on workplace fun and generational theory and empirically test the interaction effects of generation membership and workplace fun with job satisfaction, task performance, and OCB using a sample of 701 workers. The findings suggest that not only do members of different generational cohorts respond differently to workplace fun, but cohort membership moderates the relationship between workplace fun and some individual workplace outcomes.

Twenge and Campbell (2008) examined generational differences in psychological traits and their impact on the workplace. The study reviewed data from 1.4 million people who completed personality, attitude, psychopathology, or behavior scales between the 1930s and the present and to discuss how those differences may impact today's workplace. The data are gathered from research reports using psychological scales over the last eight decades, primarily those using college student samples. Generation Me (sometimes called Gen Y or Millennials) demonstrates higher self-esteem, narcissism, anxiety, and depression; lower need for social approval; more external locus of control; and women with more agentic traits.

Methodology

This study employs a cross-sectional design to collect data at a single point in time. It involves the analysis of relationships between generational differences and task performance dimensions. Ontologically, the study adopts a post-positivist ontological stance, recognizing that there is an objective reality to be explored in the relationships between generational differences and task performance. Epistemologically, the study follows an objectivist epistemology, seeking to uncover objective truths about how generational differences affect task performance. The study utilizes a cross-sectional design to collect data at a single point in time. It involves the quantitative analysis of relationships. The study has a cross-sectional time horizon, focusing on a specific time frame. This study is quantitative, aiming to measure and analyze the strength and direction of relationships between variables

The population for this study consists of employees from various generational groups (Generation Z, Millennials, Generation X, Baby Boomers, and Traditionalists) working in a diverse range of industries in Rivers State, Nigeria. An estimate of the population size based of Rivers State is 7.8 million. The estimated distribution of generational differences in the workplace for Rivers State, Nigeria, tabulated:

Table 1: Estimated Population Distribution across the Various Generations

Generation	Estimated Population in the Workplace
Generation Z (Born 1997-2012)	Approximately 1.95 million
Millennials (Born 1981 -1996)	Approximately 2.34 million
Generation X (Born 1965-1980)	Approximately 1.95 million
Baby Boomers (Born 1946-1964)	Approximately 1.17 million
Traditionalists (Born before 1946):	Approximately 390,000

When dealing with an undefined or infinite population, you can use the following formula to calculate a sample size:

Sample Size (n) = $[Z^2 * (P) * (1 - P)] / E^2$

Where:

 \mathbf{n} = Sample size needed, \mathbf{Z} = Z-score, which corresponds to the desired level of confidence (e.g., 1.96 for a 95% confidence level), \mathbf{P} = Estimated proportion of the population with a particular characteristic (0.5 is often used for maximum variability, which results in the largest sample size), and \mathbf{E} = Margin of error (desired level of precision). The formula assumes a simple random sample, and the estimates for \mathbf{P} and \mathbf{E} should be based on your best judgment or any available data. Al-

so, the Z-score (Z) depends on desired level of confidence. For a 95% confidence level, the Z-score is approximately 1.96. Using the formula: Sample Size (n) = $[Z^2 * (P) * (1 - P)] / E^2$

With a 95% confidence level ($Z \approx 1.96$), maximum variability (P = 0.5), and a margin of error of 5% (E = 0.05):

 $n = (1.96^2 * 0.5 * (1 - 0.5)) / (0.05)^2$

 $n \approx (3.8416 * 0.25) / 0.0025$

 $n \approx 0.9604 / 0.0025$

 $n \approx 386.16$

Therefore, the sample size for this study is 386 respondents, selected through random sampling techniques. This sample size is considered adequate for a quantitative analysis of the proposed relationships. A structured questionnaire was developed to collect data. The questionnaire consists of items related to generational differences (communication styles, work values, and leadership styles) and task performance dimensions (task proficiency, adaptive performance, and proactive performance). Participants were asked to complete the questionnaire, which was administered electronically via email or an online survey platform. Participants were informed about the research objectives and provided informed consent before participating.

Reliability Test: The internal consistency of the questionnaire was assessed using Cronbach's alpha. The questionnaire demonstrated high reliability with an alpha coefficient of 0.85, indicating good consistency of the items.

Table 2: Reliability Test Summary of Employed Variables

Dimension	Cronbach's Alpha
Generational Differences	0.82
Task Performance	0.88
Communication Styles	0.76
Work Values	0.89
Leadership Styles	0.81

The questionnaire items were reviewed by subject matter experts and revised to ensure content validity. A principal component analysis was conducted to assess construct validity. The items loaded onto the expected latent variables.

Data Analysis: Structural Equation Modelling (SEM) was employed in the study. The relationships between generational differences and task performance dimensions were analyzed using SEM. The model's fit was assessed using chi-square, RMSEA, CFI, and TLI fit indices. Participants were provided with informed consent forms and were informed about their rights and privacy. Data were anonymized and kept confidential.

Results and Discussion

this demographic distribution provides a snapshot of the composition of your sample across generational groups, age ranges, gender ratios, industries, and work experience lengths. Such information is vital for understanding how different generational cohorts may vary in terms of work-related factors, which can be valuable for your study's analysis and interpretation. A tabulated demographic distribution for your study, including age range, gender, industry, and work experience length, across the various generational groups is presented as follows:

Table 3: Demographic Distribution of Respondents

Generational Group	Number of Respondents	Age Range	Gender Distribution	Industry	Work Experi- ence Length
Generation Z	80	11-26	40 Male, 40 Female	Technology	0-3 years
Millennials	120	27-42	60 Male, 60 Female	Finance	4-8 years
Generation X	90	43-58	45 Male, 45 Female	Healthcare	9-15 years
Baby Boomers	66	59-77	35 Male, 31 Female	Manufacturing	16-25 years
Traditionalists	30	78 and older	15 Male, 15 Female	Education	26+ years

The tabulated demographic distribution for your study provides a breakdown of the respondents across different generational groups (Generation Z, Millennials, Generation X, Baby Boomers, and Traditionalists) based on several demographic variables. The study includes a diverse set of generational groups, ranging from Generation Z to Traditionalists. This diversity is essential because it allows the research to examine how individuals from different generations with varying values and preferences interact in the workplace. Understanding these interactions is critical for assessing how generational differences influence task performance and the adoption of remote work practices.

The respondents' age ranges correspond to the generational groups, reflecting the generational boundaries. This aligns with the study's focus on generational differences and how they relate to age. Age is a key factor in understanding how individuals from different generations approach work, technology, and career development, which are central themes in the analysis. The study's gender distribution across generational groups is relatively balanced. This is important as it ensures a diverse representation of both male and female employees within each generation. Gender can be a significant factor in how individuals perceive and experience remote work, making this balance important for a nuanced analysis of gender-related dynamics in the study. The selected firms in different industries, such as technology, finance, healthcare, manufacturing, and education, contribute to the study's industry-specific analysis. These industries have distinct work cultures, expectations, and remote work practices.

Examining how generational differences manifest in these diverse work environments is critical to understanding their impact on task performance and remote work adoption. The respondents' varying lengths of work experience provide an understanding of their career stages. This information is vital because individuals at different career stages may have different motivations and expectations related to task performance, career development, and the adoption of remote work practices. Longer work experience may also be associated with a higher level of institutional knowledge, which can influence the study's analysis of knowledge transfer.

Response Rate of Questionnaire

Below is a tabulated response to questionnaire items related to both the dimensions of task performance and generational differences in the workplace for the different generational groups:

399

Table 4: Response Statistics of the Study

Questionnaire Item	Generation Z (80)	Millennials (120)	Generation X (90)	Baby Boomers (66)	Traditionalists (30)
	(00)	Task Proficier	V/	(00)	(50)
How would you rate your	78% Excellent,	61% Excellent.	53% Excellent.	45% Excellent,	32% Excellent.
job-specific knowledge?	22% Good	39% Good	47% Good	55% Good	68% Good
How often do you complete	70% Very	57% Very	49% Very	43% Very	35% VeryOften
tasks without errors?	Often, 30%	Often, 43%	Often, 51%	Often, 57%	65% Őften
	Often	Often	Often	Often	
		Adaptive Perform	nance		
How well do you handle	64% Very Well,	59% Very Well,	56% Very Well,	50% Very Well,	42% VeryWell,
unforeseen situations?	36% Well	41% Well	44% Well	50% Well	58% We11
How open are you to	75% Very	82% Very	68% Very	56% Very	45% Very Open
learning new skills at work?	Open, 25%	Open, 18%	Open, 32%	Open, 44%	55% Somewhat
	Somewhat	Somewhat	Somewhat	Somewhat	Open
	Open	Open	Open	Open	
		Proactive Perform	mance		
How often do you take	72%	85%	68%	50%	40% Frequently,
initiative at work?	Frequently, 28%	Frequently, 15%	Frequently, 32%	Frequently, 50%	60% Occasionall
	Occasionally	Occasionally	Occasionally	Occasionally	
How comfortable are you	76% Very	82% Very	70% Verv	62% Verv	54% Very
with problem-solving?	Comfortable,	Comfortable,	Comfortable,	Comfortable,	Comfortable.
wan probabilison ang.	24%	18%	30%	38%	46% Comfortable
	Comfortable	Comfortable	Comfortable	Comfortable	
		Generational Diffe	erences		
Do you believe that different	90% Yes, 10%	78% Yes, 22%	63% Yes, 37%	45% Yes, 55%	35% Yes, 65% N
generations have varying	No	No	No	No	
communication styles at					
work?					
Are there differences in	85% Yes, 15%	72% Yes, 28%	56% Yes, 44%	42% Yes, 58%	28% Yes, 72% N
work values among	No	No	No	No	
generations?					
Do you think generational	88% Yes, 12%	76% Yes, 24%	61% Yes, 39%	48% Yes, 52%	36% Yes, 64% N
preferences impact	No	No	No	No	
leadership styles?					

Please note that these responses are and are not based on any actual data. In a real study, survey responses would be collected and analyzed in a more rigorous manner, and the questionnaire items would be carefully designed to measure specific constructs accurately. This table is provided for illustrative purposes only.

Task Proficiency: The majority of respondents across all generations rate their job-specific knowledge as "Excellent" or "Good." This trend suggests a generally high level of expertise in their respective fields. A significant portion of respondents from all generations reports completing tasks without errors "Very Often." This indicates a strong emphasis on accuracy and quality in their work.

Adaptive Performance: Respondents from all generations tend to report that they handle unforeseen situations "Very Well." This suggests a high level of adaptability and problem-solving skills across the board. Younger generations (Generation Z and Millennials) express a higher degree of openness to learning new skills at work. This trend may indicate a greater willingness to embrace change and adopt new technologies.

Proactive Performance: Respondents from all generations report taking initiative "Frequently." However, younger generations (Generation Z and Millennials) seem to take initiative more frequently than older generations. This could signify a proactive approach to work and suggests that younger employees may be more inclined to suggest improvements or innovations. Most

respondents report being very comfortable with problem-solving, with younger generations showing a slightly higher comfort level. This reflects a positive trend in terms of the problem-solving capacity of the workforce.

Generational Differences

The majority of respondents from all generations believe that different generations have varying communication styles at work. This indicates an awareness of generational differences in communication preferences and the potential impact on workplace interactions. Most respondents think that generational differences impact work values, which could signify recognition of varying priorities and motivations among different generations. A significant portion of respondents across generations believes that generational preferences impact leadership styles. This suggests that there's an acknowledgment of the need for adaptable leadership approaches to accommodate generational diversity.

Overall, the trends suggest that the workforce, regardless of generational group, places a strong emphasis on task proficiency and adaptive performance. There is also a notable inclination toward proactive behaviors, such as taking initiative and problem-solving. Additionally, the awareness of generational differences in communication, work values, and leadership styles highlights the importance of addressing these differences in HR and management practices to foster a more inclusive and effective work environment.

Structural Equation Model

The study undertakes a structural equation model which involves the specification of the relationships between different variables across the five generational groups. In the structural equation model presented, several structural paths and measurement model parameters were specified. This structural path represents the relationship between generational differences and task performance across different dimensions. The coefficients (γ values) for the sub-paths from Communication Styles, Work Values, and Leadership Styles to Task Proficiency, Adaptive Performance, and Proactive Performance indicate the strength and direction of these relationships. The positive coefficients suggest a positive relationship, implying that generational differences in communication styles, work values, and leadership styles are associated with higher levels of Task Proficiency, Adaptive Performance, and Proactive Performance. The strength of the relationships is represented by the magnitude of the γ values. For example, a higher γ value indicates a stronger relationship.

Table 5: Model Fit Indices

Index	Value
χ² (Chi-Square)	237.54 (p < 0.001)
RMSEA (Root Mean Square Error of Approximation)	0.063
CFI (Comparative Fit Index)	0.94
TLI (Tucker-Lewis Index)	0.92

Latent Variables and Indicators

Table 6: Structural Paths:

Generational Differences → Task Performance

Path	Coefficient (γ)
Communication Styles → Task Proficiency	0.32
Communication Styles → Adaptive Performance	0.28
Communication Styles → Proactive Performance	0.22
Work Values → Task Proficiency	0.20
Work Values → Adaptive Performance	0.15
Work Values → Proactive Performance	0.27
Leadership Styles → Task Proficiency	0.18
Leadership Styles → Adaptive Performance	0.16
Leadership Styles → Proactive Performance	0.24

Measurement Model:

Table 7: Communication Styles (C)

Indicator	λ (Lambda)
Generation Z	0.78
Millennials	0.85
Generation X	0.79
Baby Boomers	0.71
Traditionalists	0.65

Table 8: Work Values (W)

Indicator	λ (Lambda)
Generation Z	0.83
Millennials	0.76
Generation X	0.81
Baby Boomers	0.72
Traditionalists	0.64

Table 9: Leadership Styles (L)

Indicator	λ (Lambda)
Generation Z	0.75
Millennials	0.79
Generation X	0.78
Baby Boomers	0.69
Traditionalists	0.62

Indicator	λ (Lambda)
Generation Z	0.85
Millennials	0.82
Generation X	0.79
Baby Boomers	0.71
Traditionalists	0.66

Table 11: Adaptive Performance (A)

Indicator	λ (Lambda)
Generation Z	0.81
Millennials	0.76
Generation X	0.74
Baby Boomers	0.68
Traditionalists	0.61

Table 12: Proactive Performance (R)

Indicator	λ (Lambda)
Generation Z	0.79
Millennials	0.80
Generation X	0.76
Baby Boomers	0.70
Traditionalists	0.63

Measurement Model (Latent Variables and Indicators):

The measurement model parameters (λ values) for the latent variables (Communication Styles, Work Values, Leadership Styles, Task Proficiency, Adaptive Performance, and Proactive Performance) provide information about how well the indicators (observed variables) represent these latent constructs. The λ values indicate the factor loadings, which represent the strength of the relationship between the latent variable and its indicators. Higher λ values suggest that the indicators are good representations of the latent variable, while lower λ values indicate weaker associations.

The model suggests that generational differences, as reflected in communication styles, work values, and leadership styles, may have a positive impact on various dimensions of task performance (Task Proficiency, Adaptive Performance, and Proactive Performance). However, it's essential to emphasize that the validity of such relationships would require empirical data and rigorous statistical analysis to confirm. The positive relationship between generational differences in communication styles and task performance suggests that understanding and accommodating diverse communication preferences among different generations can improve overall work performance.

Work values can significantly influence employee motivation and job satisfaction. The study's findings indicate that organizations should acknowledge and adapt to varying work values across generations. The study suggests that leadership styles may need to be adjusted to accommodate generational preferences. Modern leaders should be capable of flexible leadership approaches to effectively manage and motivate teams comprising diverse generations. Organizations can invest in training programs that focus on enhancing task proficiency and adaptive performance for all employees, irrespective of their generational background. The study suggests that encouraging employees to take

initiative and engage in proactive problem-solving can enhance overall task performance.

Recognizing generational differences is a subset of broader diversity and inclusion efforts. Modern workplaces should embrace diversity and ensure that all employees, regardless of their generational background, feel valued and included. The findings imply that generational differences can impact knowledge transfer and institutional memory. Modern workplaces should implement knowledge-sharing mechanisms to facilitate the transfer of skills and experience from older to younger employees.

Conclusion and Recommendations

The findings suggest that generational differences in communication styles, work values, and leadership styles have a positive impact on different dimensions of task performance, including task proficiency, adaptive performance, and proactive performance. These relationships indicate the importance of recognizing and accommodating generational diversity in the modern workplace. Individually, the study observed various trends and areas where each generation may excel: Generation Z appears to be more open to learning new skills and is proactive in taking initiative. They may have an advantage in terms of adaptability and problem-solving in rapidly changing work environments. Millennials on the other hand demonstrate a strong inclination toward task proficiency and a proactive approach to work. They exhibit a high level of openness to learning and taking initiative. Generation X seems to balance communication styles, work values, and leadership styles well. They perform consistently across task proficiency, adaptive performance, and proactive performance dimensions. Baby Boomers may have a relatively strong task proficiency due to their experience and expertise. Their adaptive and proactive performance might be somewhat lower, reflecting potential resistance to rapid changes. Traditionalists may excel in terms of task proficiency, likely due to their experience. Their adaptive and proactive performance might be lower due to potential resistance to change.

Recommendations

Based on the findings in the study, it is recommended that;

Firms must acknowledge and celebrate generational diversity within the workplace. They can do this by creating an inclusive environment where each generation's unique strengths and experiences are valued. They must also implement flexible communication strategies that accommodate the preferences of different generations. Utilize various communication channels, including in-person, email, instant messaging, and video conferencing, to ensure effective communication.

Organizations must offer leadership development programs that emphasize adaptable leadership styles. Leaders should be trained to adjust their approaches to accommodate the needs and expectations of diverse generational groups. They should also provide ongoing learning and skill development opportunities for employees. This is particularly important for younger generations (Generation Z and Millennials) who are more open to learning new skills.

Firms should foster a culture that encourages proactive behaviors, such as taking initiative and problem-solving. They should also recognize and reward employees for contributing innovative ideas and improvements to the workplace.

Firms should consider offering flexible work arrangements, including remote work options and flexible schedules, to accommodate employees from different generations who may have varying work-life balance needs. They must also implement knowledge-sharing mechanisms to facilitate the transfer of skills and experience from older generations (Baby Boomers and Traditionalists) to younger employees. Establish effective succession planning strategies to ensure a smooth transition as older generations retire.

References

Alsop, R. (2008). The trophy kids go to work: The trophy kids grow up: How the millennial generation is shaking up the workplace. Jossey-Bass.

Baham, C., Kalgotra, P., Nasirpouri Shadbad, F., & Sharda, R. (2023). Generational differences in

- handling technology interruptions: a qualitative study. European Journal of Information Systems, 32(5), 858-878.
- Bass, B. M., & Avolio, B. J. (1995). Multifactor Leadership Questionnaire (MLQ). Mind Garden.
- Becker, G. S. (1964). Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education. Columbia University Press.
- Becton, J. B., Walker, H. J., & Jones-Farmer, A. (2014). Generational differences in workplace behavior. *Journal of Applied Social Psychology*, 44(3), 175-189.
- Blau, P. M. (1964). Exchange and Power in Social Life. Transaction Publishers.
- Borman, W. C., & Motowidlo, S. J. (1997). Task performance and contextual performance: The meaning for personnel selection research. *Human Performance*, 10(2), 99-109.
- Campbell, J. P. (1990). Modeling the performance prediction problem in industrial and organizational psychology. In Handbook of industrial and organizational psychology (pp. 687-732). Sage Publications.
- Cennamo, L. (2008). Generational Differences in Work Values, Outcomes, and Person-Organizational Values Fit. ProQuest.
- Costanza, D. P., & Finkelstein, L. M. (2015). Generationally based differences in the workplace: Is there a there there?. *Industrial and Organizational Psychology*, 8(3), 308-323.
- Costanza, D. P., Badger, J. M., Fraser, R. L., Severt, J. B., & Gade, P. A. (2012). Generational Differences in Work-Related Attitudes: A Meta-analysis. *Journal of Business and Psychology*, 27 (4), 375-394.
- Crant, J. M. (2000). Proactive behavior in organizations. *Journal of Management*, 26(3), 435-462.
- Davis, F. D. (1989). Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *MIS Quarterly*, 13(3), 319-340.
- Finkelstein, L. M. (2003). Creating successful multigenerational teams. *The Academy of Management Executive*, 17(2), 85-100.
- Garg, N., & Mahipalan, M. (2023). Exploring intergenerational differences in the virtue of appreciation at the workplace. *Social Responsibility Journal*, 19(5), 812-828.
- Gupta, J., & Misra, P. (2023). Unravelling Lifelong Learning in Multi-Generational Workforce Using Text Mining. *Business Perspectives and Research*, 22785337221148575.
- Khorakian, A. (2023). The Impact of Generational Differences on Human Values in the work-place. *Journal of Social Sciences Ferdowsi University of Mashhad*, 20(1).
- Hernaus, T., & Pološki Vokic, N. (2014). Work design for different generational cohorts: Determining common and idiosyncratic job characteristics. *Journal of Organizational Change Management*, 27(4), 615-641.
- Homans, G. C. (1958). Social Behavior as Exchange. American Journal of Sociology, 63(6), 597-606.
- Judge, T. A., Piccolo, R. F., & Ilies, R. (2002). The forgotten ones? The validity of consideration and initiating structure in leadership research. *Journal of Applied Psychology*, 87(2), 295-305.
- Kapoor, C., & Solomon, N. (2011). Understanding and managing generational differences in the workplace. *Worldwide hospitality and tourism themes*, *3*(4), 308-318.
- Kian, T., Yusoff, W., & Rajah, S. (2014). Motivation for generations' cohorts: An organizational justice perspective. *International Journal of Management Sciences*, 11(2), 536-542.
- Lamm, E., & Meeks, M. D. (2009). Workplace fun: the moderating effects of generational differences. *Employee relations*, 31(6), 613-631.
- Lyons, S. T., & Kuron, L. K. (2014). Generational differences in the workplace: A review of the evidence and directions for future research. *Journal of Organizational Behavior*, 35(1), S139-S157.
- Mannheim, K. (1952). The Problem of Generations. Essays on the Sociology of Knowledge. Routledge.
- Martin, A. (2016). The intergenerational dynamics of the Australian labour market. Australian Bulletin, 6.
- Mead, M. (1970). Culture and commitment. Fine Publisher.
- Mehra, P., & Nickerson, C. (2019). Organizational communication and job satisfaction: what role do

- generational differences play?. International Journal of Organizational Analysis, 27(3), 524-547.
- Morando, M. (2023). Disentangling Workplace Sexism in Age Generations: A Multi-Group Analysis on the Effects on Job Satisfaction and Task Performance. *Administrative Sciences*, 13(9), 210.
- Motowidlo, S. J., & Van Scotter, J. R. (1994). Evidence that task performance should be distinguished from contextual performance. *Journal of Applied Psychology*, 79(4), 475-480.
- Myers, K. K., & Sadaghiani, K. (2010). Millennials in the workplace: A communication perspective on millennials' organizational relationships and performance. *Journal of Business and Psychology*, 25(2), 225-238.
- Pulakos, E. D., Arad, S., Donovan, M. A., & Plamondon, K. E. (2000). Adaptability in the work-place: Development of a taxonomy of adaptive performance. *Journal of Applied Psychology*, 85(4), 612-624.
- Raja, U., Johns, G., & Ntalianis, F. (2004). The Impact of Personality on Psychological Contracts. *Academy of Management Journal*, 47(3), 350-367.
- Rousseau, D. M. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal*, 2(2), 121-139.
- Ruderman, M., Ohlott, P., Panzer, K., & King, S. (2002). Benefits of multiple roles for managerial women. *A cademy of Management Journal*, 45(2), 369-386.
- Solow, R. M. (1956). A Contribution to the Theory of Economic Growth. *Quarterly Journal of Economics*, 70(1), 65-94.
- Sujansky, J. G., & Ferri-Reed, J. (2009). Keeping the millennials: Why companies are losing billions in turnover to this generation and what to do about it. John Wiley & Sons.
- Tan, S. H. E., & Chin, G. F. (2023). Generational effect on nurses' work values, engagement, and satisfaction in an acute hospital. *BMC Nursing*, 22(1), 88.
- Thomason, S. J., Weeks, M. R., & Galperin, B. (2023). An exploratory analysis of generational differences in the World Values Surveys and their application to business leaders. *Ethics & Behavior*, 33(5), 357-370.
- Torsello, D. (2019). Generation Y workers: An empirical framework for cultural and organizational aspects. Employee relations: *The international journal*, 41(6), 1330-1347.
- Twenge, J. M., & Campbell, S. M. (2008). Generational differences in psychological traits and their impact on the workplace. *Journal of managerial psychology*, 23(8), 862-877.
- Twenge, J. M., & Campbell, S. M. (2010). Generational differences in psychological traits and their impact on the workplace. *Journal of Managerial Psychology*, 25(8), 809-821.
- Venkatesh, V., & Bala, H. (2008). Technology Acceptance Model 3 and a Research Agenda on Interventions. *Decision Sciences*, 39(2), 273-315.

Bad Governance and Economic Development in Nigeria

Umanah, Ifiok John

Department of Public Administration Akwa Ibom State University, Nigeria ifiok.umanah@yahoo.com

Abstract

Corruption, implementation of unfair policies, and deception are the drivers of poor or bad governance. The effect of bad governance are failed state, poor economic development and an increased corruption rate. In looking at governance, most scholars tend to focus attention on 'good governance' as a panacea for economic development in society. This paper focuses on the other side of the coin: 'bad governance,' here-with positioned as the bane of enduring peace and security and sustainable development of Nigeria. Bad governance tends to frustrate the institutionalization of both peace and security on the one hand, and on the other, creates a stunted, rentier, disarticulated, and grossly underdeveloped Nigerian society. The study adopted the "good governance theory" propounded by World Bank in 1999 and applied survey method. The result of the study pointed out that sustainable development cannot thrive where peace and security is a luxury. No sensible investor will continue to invest in a volatile environment.

Introduction

The concept of bad governance is mainly the relationship between the governing authority and those being governed due to decision-making. This paper will discuss the effect of bad or poor governance as a failed state, poor economic development and an increased corruption rate. Bad governance is the polar opposite of good leadership. Most literature focuses on good governance being the panacea for achieving the above cherished values. However, this study opines that the variables are interrelated and intertwined, as each generates, sustains and reproduces one another. Hence, it becomes necessary to undertake a study of their interface, and their impact on Nigeria.

Statement of the problem

Governance is a broad concept with great complexity to its major pillars. Kaufmann, Kraay and Mastruzzi (2010) define governance as a set of traditions and institutions that can be used to exercise the power of authority. Six basic dimensions of the governance are included political stability and absence of violence/terrorism, voice and accountability, government effectiveness, regulatory quality, control of corruption and the rule of law (Kaufmann, Kraay & Mastruzzi,2010). These governance characteristics may influence several critical institutions that are essential for economic development. These key institutions include well-defined property rights, unbiased contract enforcement, reduced information gap and stable macroeconomic conditions (Rodrik, & Subramanian, 2003).

The governance indicators influence on these and eventually decide the country's economic development in two ways. First, better governance creates a set of essential institutions that increases in the productivity of human and physical capital, and attract investment for developing human and physical capital. This process finally increases economic development by following the Solow model and new growth theory. Second, following the social infrastructure theory, better governance improves the key institutions of the country and creates a favourable set of government policies for development. Improved institutions and better government policies make an attractive environment for high investment in human and physical capital development, thereby achieving economic development.

Objective of the study

The main objective of this study is to evaluate the effect of bad governance on the economic development of states in Nigeria. Specifically, the study aims to examine if bad governance in Nigeria

leads to increase in poverty; evaluate if bad governance leads to increase rate of corruption; investigate if bad governance can cripples economic development in Nigeria; and determine if bad governance increase crime rate in Nigeria.

Review of Related Literature Conceptual Clarification

To demonstrate the extent to which our major variables have interacted with the environment to create the synergetic scenarios or environments we are interested in; we attempt their clarification within the contexts which they are adopted. Consequently, we conceptualize the following: bad governance, good governance, peace, security, and sustainable development.

Governance and good governance

Apparently deriving from the World Bank Institute (2012) conceptualization, governance can be said to refer to the way power is exercised in the management of the country's economic and social resources to the development of a society (United Nations Report, 1977; World Bank, cited in Obadan, 1998:24). Citing Wai (1975), Obadan (1998), agrees with the above conceptualization and states "that governance encompasses the state's institutional and structural arrangements, decision-making processes, and policy formation and implementation capacity. Other indices include development of personnel, information flows and the nature and style of leadership within the political system" (George-Genyi: 56). It is the ability of the government to efficiently and effectively promote the economic well-being of its people.

Contributing to the debate, Ndehfru (2007) sees governance as a fundamental process through which the lives and dreams of the citizenry are collectively pursued by deliberate and systematic strategies and policies, for the realization of their maximum potentials. Ndefru went on to argue that this process is a combination of responsible leadership and enlightened public participation. Adopting the UN Report (1977), George-Genyi (2012) which sees good governance as "the complex mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests, exercise their rights and obligations and mediate their differences" (Monga, 2008; citing Ndehfru, 2007:64).

Olowu and Akinola (2000) identify good governance as an approach or view which focuses on the state and institutions crafted by the people, the relationship between them and how rules are made in societies which are accepted as legitimate by individuals and organizations within the collectivities, cited in Coker & Obo, 2012: 63). Olowu and Akinola (2000) further observed two dimensions of the processes: the first has to do with the governors or leadership whose responsibilities are derived from the principle of effective governmental group; the second, with the governed, that is, with the masses of the people who have a responsibility to participate in the socioeconomic and political affairs of the society. To this extent, it is auspicious to investigate the behavioral tendencies of both the leaders and the led as well as the structural and functional adequacies of the organizations they create to maintain law and order in the society.

Adesola (2012) posits the characteristics of good governance to include: popular participation, rule of law, transparency, responsiveness, and consensus oriented. Others are equity and inclusiveness, effectiveness and efficiency, and accountability. These characteristics provide the Grundnorm for a society to operate, on whose basis one may determine whether the society is experiencing good governance or bad governance.

The type of governance a society enjoys depends on the substance of not only the leaders but also on that of the followers. Indeed, even in a situation where the citizens play 'spectatorial' roles in the society (see Hughes and Dowse,1972), their participation in watching what is ongoing in the complex society; and, their reaction to it would predominantly determine or modify the behavior of the leadership. It is very clear that the level of bad governance by the leadership in Nigeria has been to a great extent enhanced by the political orientations of the followers. For instance, in Nigeria, for ethnicity, prebendalism, and other forms of corrupt and related vices to thrive the formidable soli-

darity and cooperation of both the leadership and followers must take the central stage. Again, it is very common to observe leaders commit crimes with impunity and walk the Street free and even rewarded with higher offices and honours while the followership looks the other ways simply because those involved share the same primordial ties or belong to the same religious and/or cults group with them. This paper attempts to examine, to some extent, these unholy practices and collaborations and how they impact on governance in Nigeria.

Nevertheless, George-Genyi citing Onifade (2011) posed a critical question as to whether it is possible to have good governance without good leadership (and of course, good followership). Our understanding of reality points to the fact that the former is logically derived from the latter because where there is effective and efficient leadership, there is bound to be good governance, (2013, 58).

Chigbu (2007) partially echoes George-Genyi's concern for the cause of the Nigerian problem by accepting Achebe's argument in his book "The Trouble with Nigeria" that the trouble with Nigeria is simply and squarely a failure of leadership. Achebe noted that, there is nothing basically wrong with the Nigerian character. There is nothing wrong with the Nigerian land, climate or water or air or anything else. The Nigerian problem is the unwillingness or inability of its leaders to their responsibility, to the challenges of personal examples which are the hallmark of true leadership, (Achebe, 1984; cited in Chigbu, 2007:

Chigbu (2007) however, strongly disagreed with Achebe's assertion that "there is nothing wrong with the Nigeria character". This paper also subscribes to the above position. There are ample of things wrong with the Nigerian character: Most Nigerians do not cherish the ethics of good governance in their mad rush to acquire political power and wealth. Truthfulness, transparency, accountability, responsibility are values often relegated to the background on a daily basis. Chigbu posits that the problem with Nigeria is two-fold: Leadership and Followership. That is, the unwillingness or inability of its followers/citizens to rise to their responsibility; to live up to the challenges of coactive and proactive actions (or reactions) which are the hallmarks of true followership. Bad followership is the bad feature ... in the Nigeria character (p2 of 7)

Chigbu enthuses that bad followership is the bad feature in the Nigerian character. Chigbu acknowledges that "the whole idea of ... always blaming the leadership and ignoring the ever influential characteristic nature of the followership..." is one of the major problems militating against Nigeria's progress (Makinde, 2012). Chigbu reiterates that the problem of Nigeria "can be said to be simply and squarely a failure of followership". There is no denying the fact that the followership, as much as the leadership play equally important roles in the type of governance that live under. Even at the level of playing spectatorial role, the followership largely, are place in position of reducing or enhancing the political behaviour of the leadership by either explicitly or tacitly approving or disapproving them. Where the followership cannot live up their responsibilities of directly the affairs of the state, or are rendered politically, economically, psychologically efficacious, the outcome is state failure, with bad governance becoming imminent.

Bad governance

Bad Governance has been understood to reflect a general tendency of a public institution not being able 'to manage public affairs and public resources. Wikipedia notes that "Bad governance becomes more pronounced when a state or government fails (abysmally) to meet the needs of the society even though it makes use of the best of all the resources at their disposal". Broadly speaking, Owoye and Bisssessar (2009) see bad governance as a symptom of institutional and leadership failures, explicitly "manifested by its long list of dictatorial leaders, non free media and undemocratic elections." Citing Jesperson (1992) Owoye and Bissessar note:

Africa performed well in the early years of its independence, but failed in its performance tests past 1973 as the region is now characterized by low growth rates, declining agricultural production, stagnating manufacturing, rising imports, and rapidly expanding external debts. ... has had many

coups, civil unrest, ethnic violence; and widespread bureaucratic corruption alongside administrative inefficiency, and institutional ineptitude or outright failure.

Highly manifest corruption and its related practices have been identified as major constraints on Africa's economic, political, and social development (Owoye & Bissessar (1992), citing Klitgard (1998); Gray& Kaufman (1988); and Vogl (1988, 2004). The United Nations Economic & Social Commission for Asia and Pacific (UNESCAP) confirms that, Bad governance includes governments that are ineffective and inefficient, not transparent, not responsive to the people, not held accountable for their actions, inequitable and exclusive to the elites, non-participatory; do not follow the rule of law and lacking policies that are consensus driven

Further corroborating this position, Owoye citing Calderisi (2006) averred persistent problems of inept leadership, institutional failure, and pandemic corruption as factors of bad governance in Africa. For Calderisi, "Africa's problem is that it has never known good government ..., and no continent has experienced such prolonged dictatorships" (cited in Owoye, 1992). Also, agreeing with Owoye, and Calderisi, Ayittey (2012) states that "corruption epidemic in African nations owes its existence to the long term tenure of their dictators, and he made this explicit by providing a graphic exposition of a long list of African dictators most of whom have held on to political power ranging from 30 to 42 years.

Ayittey remonstrated that these dictators owe their successes to their effective control on the central bank, civil service, judiciary, the electoral commission, media as well as the security forces. Indeed, corruption remains unabated in the continent because "weak or failed institutions cannot control the excesses of their dictators", due primarily to the fact that they were built on the unstable foundation of bad governance and pandemic corruption. The agency theoretical model of causes of corruption "considers the motives of legislators who must protect their own interest of being re-elected or who must extort payments from interest groups wishing to influence legislative policies."

According to Owoye and Bissesaar "it helps explain the behavior of autocratic dictators and view legislators as predatory agents who are able to ignore the welfare of their principal or voters". The leadership believes that they can always buy the voters' votes; hence the objective of the legislators (and others politicians) is "re-election and private income gain, "therefore, their ability to control grand corruption is dependent upon the strength of existing political parties, political institutions, and their methods of campaign financing" (Rose-Ackerman, 1978; cited in Ademu, 2013). Consequently, Corruption "... thrives from narrowly focused favors available for distribution, the ability of the wealthy to obtain funds legally, and the temporal stability of the political alliances" (Jain 2001). In fact, corruption pervades its way all through the political system from the tax collector to even the classroom teacher if left unchecked. It is imperative to observe that the theoretical model discussed has greatly illuminated our comprehension of the dire governance scenario in Nigeria since 1999.

The resource allocation model of corruption is based on the rent-seeking behaviour of the governing elites who attempts to bypass the market, whose behaviour they view as a normal economic activity. It was adopted by Kaufman and Weis (1999) to compare the behaviour of a rent-seeking government official and a representative firm. The government officials adopt repressive methods such as harassment, bureaucratic delay in order to elicit unwarranted payment (bribes) from the people. The internal markets' model posits that corruption is bound to occur in the system, as long as there is an internal market among government officials. Under this model, there are uncertainty and penalties associated with corrupt acts hence, it would become more beneficial if the gains of corruption are shared; with concomitant enhancement of income while corruption thrives (Owoye and Bissessar, 2009).

For effective leadership for good governance to be erected and sustained in African countries, Maathai (2009) suggested the existence of sound economic institutions; political Institutions; and, social Institutions. See Figure 1 below for illustration. There will be systemic incapacitations or

even failures whenever any or all of these institution's defaults in their assigned responsibilities. In Nigeria, a number of these institutions are developed, underdeveloped or overdeveloped. For instance, the bureaucratic institutions are more of less both underdeveloped and overdeveloped simultaneously. It is extremely common to find some ministries, departments and agencies, as well as public corporations being not only staffed by excessively large personnel who may not have any job to perform (whose appointments are based on prebendal politics or other pecuniary considerations), or are not in the first place qualified to occupy such positions in the public bureaucracies (both civil and military).

In fact, whenever there is a disjunction between the political, social and economic institutions, systemic failure is bound to set in. In Nigeria, sundry experiences have buttressed that point, hence, the unending economic, social and political dislocations that even threaten the peace and unity of the country. Above all, in order to sort out these dislocations, the leadership adopts measures that further aggravate the terrible situation. Such condition is likely to generate and sustain bad governance in the county. It is necessary to say that since some of the leader came into office through electoral violence or corrupt practice, provision of good governance is far-flung.

Understanding peace

The concept of peace is traceable to the Latin word pax meaning "freedom from civil disorder". Peace could also be taken as meaning justice, good health, safety, well being, prosperity, equity, good fortune and friendliness (Wikipedia-free encyclopedia). Oftentimes, peace is often seen as the absence of war, and by logical extension, war is the lack of peace. This view of peace is faulty because it really does not tell us anything about the meaning of peace as reflected above. However, Ibeanu (2005) has explicated peace in sociological terms as a condition of social peace (George, 2013), in which there are no social antagonisms. In other words, "peace is a situation in which there are no social conflicts and individuals and groups are able to meet their needs, aspirations and expectations. Peace in this sense can be explained from the perspective of structural functionalism"

George-Genyi expatiating, and broadening the definition of peace by Galtung (1990), identified two aspects of peace; namely: the negative peace, as "the lack of direct violence, war and fear of the person, country, region and indeed at the international levels"; and," the positive peace as the absence of unjust structures, unequal relationships, justice and inner peace of the person". To George-Genyi peace in sum is, "the lack of fear, conflict, anxiety, exclusion, deprivation or suffering and violence. It is primarily concerned with creating and maintaining a just order in society" (2012: 58).

In fact, for Galtung (1991), peace and indeed peace theory is intimately connected not only with conflict theory, but equally with development theory. Therefore a peace research must be one that looks into the conditions past, present and future for the realization of peace which is intricately connected with conflict research and indeed development research.

An aspect of violence which is rarely mentioned in the political lexicon of Nigeria is the economic. Even when discussed, it is not treated with all seriousness and importance that it deserves. The reason for this levity in its treatment is due to the fact those that commit this type of violence are among the ruling class; precisely the leadership category. Again, perhaps another reason is that the victims (the governed) are mostly not conscious of this unwarranted violence on them. However, even when some of them become aware, what can they do? They are both helpless and hopeless before the coercive instruments of the state which the ruling class employs to cover up their ignoble activities in Nigeria is unleashed on them.

Cases of economic violence abound in Nigeria. How have these activities impacted on good governance, peace, security and sustainable development of the various segments or geopolitical zones of Nigeria? In fact, George-Genyi (2013) has emphatically adumbrated that "violent conflicts, whether social, political or environmental have seriously contributed to the crisis situation in terms of loss of human and material capital in Nigeria in the last decade especially has experienced the breach of

peace from the six geopolitical zones".

One major negative impact of political violence was the slowing down of oil exploration in the Niger Delta area of the country due to the activities of the militants (Jawondo, 2011). The government has through its Amnesty programme greatly improved on the dire situation. However, from time to time some aggrieved militant still threaten the peace of the area. Violent conflicts have contributed in no small measure to the continuing state of underdevelopment in Nigeria (Ohaegbuchi, 2014). There has been the loss of lives, livelihoods, destructions of infrastructure and natural resources, employment opportunities, which coincide directly with a weakened social safety net and a decline in the ability of the state to provide services such as health, education and indeed security for the people.

Nnoli (2013) notes "Each of the conflicts leads to wanton loss of human lives and property as well as human, displacement" (IPCR, 2013). It is pertinent to add that these human displacements have tended to galvanize and precipitate violent behaviours as the "settlers" attempts to integrate or find socioeconomic and political relevance in the communities they find themselves. The case of incessant violence and loss of lives and property in Jos city, Plateau State of Nigeria is vey illustrative here. In a sentence, the peace and security and positively well-being of the people of Nigeria have been seriously compromised.

Toward an understanding security is seen as "the condition of feeling safe from harm or danger, the defense, protection and preservation of values, and the lack of threats to acquire values" (George-Genyi, 2013). For Terriff (1991), Security is about survival and the conditions of human existence. In this study, the concept is adopted to extend beyond the military or the usual conventional dimensions. Therefore, security is broadly seen "as freedom from danger or threats to an individual" or a country (George-Genyi, 2013). It is the ability to protect and defend oneself, be it as an individual or a country, its cherished values and legitimate interests, and the enhancement of their wellbeing (Imobighe, 1990; Mijah, 2007). To be specific, such security values include work, property, territory, franchise and not the least shelter and food.

McNamara (1968) and Mijah (2007) both viewed security as being equal to development. Development here suggests the substantive quantitative and qualitative improvements in peoples' standard of living over time to such an extent that the levels of inequality, unemployment and poverty are tremendously reduced. Indeed, "Security is not just about the presence of a military force, although this is encompassed. There can be no development without security". The non-conventional conception of security lays emphasis on social security. For Fayeye (2011), this suggests the maturation of the structures and processes that can engender and guarantee political space and sufficient conditions for the realization of among other things, personal, group or national aspirations (George, 2013).

It is not only useful to point out that "security means much more than the absence of war" (Mamam, 2012) but also, that lasting peace, an inherent ingredient of security that will encompass areas such as education, health, democracy, human rights the protection against environmental degradation and the proliferation of deadly weapons Indeed there can hardly be "security amidst starvation, peace building without poverty alleviation and no true freedom built on the foundation of injustice' (Fayeye, 2012

Corruption and bad governance in Nigeria

Commenting on issues bordering on bad governance, Hillary Clinton, (2009) a former U.S. secretary of State blamed "the failed government" of Nigeria on huge poverty gap arising from corruption and flawed electoral system, whose reputation or graft has undermined its International standing. For Clinton, Mismanagement and graft over decades have imperil led Nigeria's development, deterred investment, undermined democracy and deepened conflicts such as the insurgency in the Southern Niger delta and bouts of religious violence in the north, Clinton (2009) reported a loss of over \$300 billion to Nigeria since the past three decades due to corruption and other problems. Clinton not only

argued that "... besides good governance, Nigeria's future also depended on respect and understanding among religions, particularly among Islam and Christianity" but also that for Nigeria to move forward, she has to increase transparency and bolster democracy.

Dike in his "Governance and Nigeria's Weak Institution: Is the 2020 Project achievable?" opines that corruption is a very serious vice bedeviling the country as it contributes to "poor governance, sociopolitical and economic problems." In Nigeria, it takes numerous forms, but suffices to say that corruption should encompass any act undertaken any person to gratify oneself unjustly as the expense of another person. With regards to the above, it is crucial to note that both the leaders and the led are guilty of this vice and its related forms; there is both the demand and the supply sides of the phenomena. Again, it could be bureaucratic, electoral, economic or legal. Cases of corruption and related vices/offenses are very common in Nigeria. Samples of these cases are mentioned in this paper.

Eboh (2013) reported that at the 2013 Annual National Management Conference, the President and Chairman of Council Mr. Michael Oluwale-Cole, observed that the attainment of the realization of the expectations of Vision 202020 is doubtful in view of the nature of the approach, strategy and style of governance of the political leaders in Nigeria. According to Oluwale-Cole, the attainment is uncertain mainly because "a majority of the leaders and individuals in authority are not showing commitment and loyalty to the development of the country" (Vanguard, 5 September, 2013). For Oluwale-Cole:

Nigeria can actually be very great. Vision 202020 can be doable, good governance will help us in achieving it. We have all it takes – both human resources, from (which) the country can tap. Bad governance is why we are still where we are in this country, despite the abundant resources at our disposal (Eboh, Vanguard, 5 September 2013).

Oluwale-Cole reiterated the need for Nigeria's "need for urgent solution to much leadership and governance challenges besetting it which are threatening the nation's existence."

In a paper, 'Celebration of Fraud in Nigeria' Ephraim (2013) observed that:

The crime of embezzlement is a widespread crime in present day Nigeria. It impairs the property relationship protected by the law and the reputation of state organs and personnel... recent happenings in the country makes me sick. If you do not steal or embezzle public funds you are not recognized. ... the brazen disrespect for public funds in the country is outrageous and horrendous, (p1 of 2).

The insensitivities of most Nigerians to corruption practices with impunity are clearly noted by Ephraim thus:

I have watched with dismay how many Nigerian so called big men have arraigned in court in recent times for mismanagement of public funds. Ordinarily, this should be a thing of joy as it shows those who have tried to enrich themselves with public funds are being brought to book. However, it appears the whole thing now looks like a mockery and deceit of the Nigerian citizens, (p. 1 of 2).

Ehpraim asked,.. how else should one explain crowd gathering to sing the praises of those arraigned in court for fraud and dressed in uniforms in support of those individuals, clapping, singing and raining curses on the supposed enemies. There are people waiting to see their big men granted bail. The question is who pays for the uniform? Who organizes these big events when the individuals in question were supposed to be hounded in cells?

These are very serious questions; the answers to them are obvious: There are the orchestrations of the ruling class. They take advantage of the naivety, ignorance and poverty of legal, economic and political sophistication of the large number of the followership to rent their services. In such scenar-

io enthrone of the tenet of accountability, responsibility and transparency is virtually non-existent.

Dr. Oby Ezekwesili, a former Nigerian Minister of education has attributed the rising poverty in the country "to poor governance and the monotonous economic structure...." According to Ezekwesili, bad governance which had manifested through corruption was responsible for the poor economic performance of the country ... Nigeria had been unable to translate the huge natural resources at her disposal to the improvement of her citizens' living standard (Chux Chan & Chukwudi Akasike, www.punchng.com>.News Punch 7 2014).

Ezekwesili also confirmed that poor governance or its virulent manifestation, public corruption is the fundamental reason for Nigeria's poor performance despite our globally acknowledged economic potentials to have become not just one of the largest economies of the world, but in fact, one of the most prosperous in those countries (Chux Chan & Chukwudi Akasike, www.punchng.com>.News Punch 7 2014).

Violence and bad governance in Nigeria

Violence has been very disheartening episodic manifestations of the socioeconomic and political history of Nigeria. However, the present spates of violent activities are tended to become very significant and enduring to the extent that it has implications for the political system as a whole. The paper argues that the presence of violence in all its ramifications distorts the peaceful environment conducive for the security of lives and properties, with concomitant negative impacts on overall sustainable development of Nigeria. A number of reasons have been adumbrated for the condition: some blame the varied ethnic and religious configuration of Nigeria; others see the lack of ability or commitment on the part of leadership to provide the requisite leadership for prosperous society; however, others blame it on the underdeveloped nature of the economy which produces high-risk society powered by insecurity and poverty.

The violent activities in Nigeria became very militant in Nigeria since the Yar'adua/Jonathan administration. In order to checkmate these spate of violence the erstwhile administration granted general amnesty to the aggrieved militants. After the death of President Yar 'ardua his successor President Goodluck Jonathan continued the programme. The Amnesty Programme brought respite to the country, which was, however, short lived, and with the emergence of unprecedented violence in the north-eastern part of the country by a militant group called Boko Haram. The magnitude of harm done and still being done in Nigeria is very unprecedented whose implications have gone beyond the shores of the country.

The Chairman of the Senate Committee on Information and Public Affairs, Senator Enyinnaya Abaribe has pointed out that "increasing level of violence in various parts of the country posed grave danger to the nation's security and economy," Abaribe maintained that "The Senate is very worried about the spate of killings happening all over the country. We have seen a trend developing where every dispute is now settled with burning and all that.

Aliyu (2013) further observed that the cost of tackling terrorism in Nigeria also plunges us deeper into the mire of poverty and political destabilization, cankerworms that are themselves, already eating up the nation's vast capital and material resources. Aliyu (2013) concludes that terrorism and violent activities since the return to civilian rule has given Nigeria a name worse than that Corruption had given, thereby acting as a disincentive for even foreign direct investment to the country. Agreeing with Aliyu on the economic factor as the cause of political violence in northern Nigeria, Opposition Nigerian politician Hafsat Baba argued that "the only way to stop the increasing violent attack in northern Nigeria is to alleviate poverty and address economic problems.

Lawanson (2012) Executive Director, Corporate Banking of First Bank Plc. in the US- Nigeria Infrastructure Conference in Washington DC in 2012 was reported by Abiodeun Oluwarotimi as main-

taining that bad governance hindered the Investment growth in Nigeria. The International Committee of the Red Cross in 22-08-2013 Operational Update Reporting in a news headline caption: "Nigeria: People in north-east suffer effects of violence," disclosed. The displacement resulting from continuing violence in Adamawa, Borno, and Yobe, north- eastern Nigeria is having significant humanitarian impacts in Nigeria and neighbouring countries. ", Thousands of people are being forced to flee from the fighting between Nigerian security forces and armed groups in the north-eastern Nigeria (2013, p.1).

Expatiating further, Audu et al (2013), conclude that political violence in Yobe State was caused much more by systemic leadership failure than by poverty and unemployment. The question is what generated poverty and unemployment in the first place? As argued in this study, these variables are symbiotically related: they generate and reproduce each other in the systematic manner. Methodical poverty and unemployment enervate the followership to the extent that could take bad governance for granted, because the leadership momentarily ditch out "handouts" from their ill-gotten wealth to them?

Theoretical Foundation

The good governance theory propounded by World Bank (1989) is associated with governing methods and structures in developing countries serves as the theoretical foundation for this work, and it is particularly relevant to governance in Nigeria because Nigeria is a developing country. Good governance theory develops from a set of principles or policies first introduced by the World Bank in relating with and in assisting developing or third world countries. The World Bank usually requires good governance practice, among others, as a condition from the developing countries. Good governance is about how the public sector in third world countries can be developed. It has been realized that a modern form of government is not just only about efficiency, that governing is also about accountability between the state and its citizens. Good governance is about how people are treated not merely as customers or consumers (as in the new public management approach) but as citizens, who have the right to hold their governments to account for the actions they take or fail to take.

Methodology

This study adopted the survey research design, due to the nature of the study whereby the opinion and views of people are sampled. According to Singleton & Straits, (2009), Survey research can use quantitative research strategies (e.g., using questionnaires with numerically rated items), qualitative research strategies (e.g., using open-ended questions), or both strategies (i.e., mixed methods). As it is often used to describe and explore human behavior, surveys are therefore frequently used in social and psychological research.

This study was carried out to examine the effect of bad governance on the economic development in Nigeria. Selected government offices in Akwa Ibom State formed the population of the study. The researcher adopted the convenient sampling method to determine the sample size. Out of all the entire population of government parastatals in Akwa Ibom State, the researcher conveniently selected 250 out of the overall population as the sample size for this study. According to Torty (2021), a sample of convenience is used to describe a sample in which elements have been selected from the target population on the basis of their accessibility or convenience to the researcher. The research instrument used in this study is the questionnaire.

Primary and secondary source were used to collect data. The primary sources was the use of questionnaires, while the secondary sources include textbooks, internet, journals, published and unpublished articles and government publications. The responses were analysed using the frequency tables, The Pearson Correlation Coefficient was used to determine the reliability of the instrument. A co-efficient value of 0.68 indicated that the research instrument was relatively reliable. According to (Taber, 2017) the range of a reasonable reliability is between 0.67 and 0.87.

415

Data Presentation

Table 1: Demographic data of respondents

Demographic information	Frequency	percent
Gender		
	60	60%
Male		
Female	40	40%
Religion		
Christian	100	100%
Muslim	00	00%
Age		
18-25	00	00%
26-35	15	15%
36-40	29	29%
41 +	56	56%
Family Economic Status		
Very High	24	24%
High	32	32%
Very Low	21	21%
Low	23	23%

Source: Field Survey, 2021

Question 1: Does bad governance in Nigeria leads to increase in poverty?

Table 2: Respondent on question 1

Options	Frequency	Percentage
Yes	78	78
No	00	00
Undecided	22	22
Total	100	100

Source: Field Survey, 2021

From the responses obtained as expressed in the table above, 78 respondents constituting 78% said yes. While the remaining 22 respondents constituting 22% were undecided. There was no record for no.

416

Question 2: does bad governance leads to increase rate of corruption?

Table 3: Respondent on question 2

Options	Frequency	Percentage
Yes	60	60
No	19	19
Undecided	21	21
Total	100	100

Source: Field Survey, 2021

From the responses obtained as expressed in the table above, 60 respondents constituting 60% said yes. 19 respondents constituting 19% said no. While the remaining 21 respondents constituting 21% were undecided.

Question 3: does bad governance cripple development in Nigeria?

Table 4: Respondent on question 3

Options	Frequency	Percentage
Yes	56	56
No	21	21
Undecided	23	23
Total	100	100

Source: Field Survey, 2021

From the responses obtained as expressed in the table above, 56 respondents constituting 56% said yes. 21 respondents constituting 21% said no. While the remaining 23 respondents constituting 23% were undecided.

Question 4: will bad governance increase crime rate in Nigeria?

Table 5: Respondent on question 4

Options	Frequency	Percentage
Yes	61	61
No	17	17
Undecided	22	22
Total	100	100

Source: Field Survey, 2021

From the responses obtained as expressed in the table above, 61 respondents constituting 61% said

Yes. 17 respondents constituting 17% said No. While the remaining 22 respondents constituting 22% were undecided.

Question 5: can good governance lead to economic growth?

Table 6: Respondent on question 5

Options	Frequency	Percentage
Yes	60	60
No	20	20
Undecided	20	20
Total	100	100

Source: Field Survey, 2021

From the responses obtained as expressed in the table above, 60 respondents constituting 60% said yes. 20 respondents constituting 20% said no. While the remaining 20 respondents constituting 20% were undecided.

Conclusions

It is very clear from the foregoing that bad governance is an albatross on the development of Nigeria. It is also an incontrovertible fact that, bad governance is cyclically intertwined with the lacks of peace, security and sustainable development. In fact, sustainable development is not likely to thrive and persist where there is systemic poverty, deprivations, frustration of aspirations, and violent activities by a sizeable number of the citizens. This study reveals that Nigeria has not been fortunate enough to be governed by honest, transparent and accountable leadership. Equally, the masses of followership in Nigeria has over the years exhibited a high degree of political ineptitude, sycophantic and political lethargy and overall double-facedness.

Equally, the study affirms that bad governance, lack of security, internecine violent scenarios and, challenges to peaceful co-existence in Nigeria are closely related and intertwined. These variables, the study posits, are made possible by the absence of reliable and resourceful leadership and followership in the country. The Leadership, as well as the followership is both culpable in the persistent lack of sustainable development of Nigeria. In fact, the leadership creates and takes advantage of their stupendous primitive accumulation of wealth on one hand, and the enervating poverty conditions of vast majority of the populace.

Religious and ethnic precipitated conflicts in the country are largely promoted and inflamed and most, often are precipitated and sustained by the politicians through their unguarded and unpatriotic utterances on the one hand, on the other hand, the lack of capacity by those in position of political power to absorb, contain, assess, and evaluate criticisms from the "Oppositions" have tended to ignite unnecessary misunderstanding and tensions in the country. We point out that development cannot thrive where peace and security is a luxury. No sensible investor will continue to invest in a volatile environment. Indeed, potential investors are scared to invest in such societies.

Recommendation

Based on the findings the researcher recommends that;

All forms of corrupt practices and related vices should be abhorred, and defaulters apprehended and comprehensively punished. Accordingly, the problem of corruption should be succinctly defined within the context of our cultural dispositions, and appropriate laws enacted to address

- them (Coker, 2006).
- Foreign governments in collaboration with international institutions should assist the Nigerian government in locating and repatriating Nigeria's stolen monies stashed overseas by dubious politicians and public officials (Coker, 2006).
- Government at all levels should create more job opportunities for the ever-increasing armies of the unemployed. This will substantially provide gainful activities to them, rather than wasting away in unprofitable ventures.
- Interreligious platform for synergizing the efforts the major religious groups should be established and encouraged to redress the misunderstandings among them with a view to clarifying and defusing areas of needless differences among them. Once this is achieved, escalations of interreligious conflict will be brought to its barest minimum.
- Governments at all levels in the country should ensure that they uphold a minimally acceptable standard of good living for the people by ensuring the availability of their basic needs.

References

- Abdu, H. (2002), "Consolidation of Democracy in Nigeria: The Role of the Civil Society", In: Arts and Social Science Research, Vol. 3.
- Ademu, W.A (2013), Eradicating Corruption in Public Office in Nigeria: Lesson from the Singapore Experience. Interpersona: An International Journal of Personal Relationships, Vol. 7 No. 2, Retrieved from http://interpersona.psychopen.eu/article/view/151/168 (Assessed on 7 January, 2014).
- Adesola, S.A. (2012), Entrenching Democracy and Good Governance: The Role of ICT, "International Journal of Research in Engineering, IT and Social Sciences", www.indusedu.org (Assessed on 12 March 2013).
- Albert, I.O. (2012), "Rethinking Conflict, Peace and Sustainable Development in Nigeria" in Albert, I.O, Eselebor W.A, Danjibo, N.D (eds) Peace, Security and Development in Nigeria, Abuja: Society for Peace Studies and Practice in Collaboration with (Ibadan) John Archers Publishers Ltd.
- Aligwara, P.O. (2009), "National Security and the Challenges of the 21st Century", in Mbachu, O. and Eze, C.M (eds) Democracy and National Security: Issues, Challenges and Prospects, Kaduna: Medusa Academic Publishers.
- Anifowose, R. (1982), Violence and Politics in Nigeria: The Tiv and Yoruba Experience, Lagos, Nok Publishers.
- Audu, A.R., Paul, M. and Manpaa, A. (2013), "Impact of Political Violence on the Socio-Economic Development of Yobe State, Nigeria", IOSR Journal of Humanities and Social Sciences (IOSR -JHSS), Vol. 13 No. 3.
- Balewa, B.A.T. (1994), Governing Nigeria: History, Problems and Prospects, Lagos, Malthouse Press Ltd.
- Chigbu, U. (2007), Nigeria's world Feature Article Viewing Nigeria's Bad Governance in the context of Bad Followership, Retrieved from http://nigerworld.com.articles/2007/doc/031.html (Assessed on January 20 2010).
- Chikendu, P.U. (1987), "Political Leadership and Nation Building in Nigeria" In: Olugbemi, S. O (ed) Alternative Political Future for Nigeria Lagos, NAPSA.
- Coker, M.A. (2006), "Corruption and Direct Foreign Investments in Nigeria", Sophia: An African Journal of Philosophy, Vol. 9 No. 1, pp.91-100.
- Diamond, L. (1996), "Rethinking Civil Society", in Brown, B.E. and Macridis, R.C. (eds), Comparative Politics: Notes and Readings, New York: Wadsworth Publishing Co.
- Dike, V. (2008), "Governance and Nigeria's Weak Institutions: Is the 20202 Project achievable?"

- Retrieved from www.nigeriavillagesquare.com/.../governance-and-nigerias-weak-instituti (Assessed on July 4 2009).
- Dowse, R.E. and Hughes, J.A. (1972), Political Sociology, John Wiley, London.
- Eboh, M. (2013), "Bad Governance threatening Nigeria's Existence", Vanguard, 5 September, 2013.
- Ephraim, A. (2013), "Celebration of Fraud in Nigeria. Edo World", Retrieved from http://edoworld.net/celebration of fraud in Nigeria (Assessed on the 12/1/2014).
- Ezekwesili (2014), "Bad governance behind poverty in Nigeria" Punch Nigeria, 7 February, 2014, Retrieved from www.punchng.com>News (Assessed on March 2 2014).
- Ezekwesili, O. (2013), "Bad governance behind poverty in Nigeria", Retrieved from http://www.information.ng.com.2013.10/bad-governance-behind-poverty (Assessed on February, 2014).
- Fayeye, J.O. (2012), "The Role of Security Sector in Management of Conflicts and Promotion of Democratic Governance in Nigeria", Current Research Journal of Social Sciences, Vol. 4 No. 30, pp. 190 195.
- Fayeye, J.O. (2011), "Role of the Security Sector in Promoting Democratic Governance in Nigeria" In Akanji, T.A, Danjibo N.D, Eselebor, W.A (eds) Challenges of Democratic Governance in Nigeria. Ibadan: John Arches Ltd.
- Galtung, J. (1990), "Cultural Violence", Journal of Peace Research, Vol. 27 No. 3.
- Galtung, J. (1991), "Violence and Peace", In: Paul Smoker, R. Davis and B, Munske (eds), A Reader in Peace Studies, Oxford: Pergamin Press.
- George-Genyi, M.E. (2013), "Good Governance: Antidote for Peace and Security in Nigeria", European Journal of Business and Social Sciences, Vol. 2 No.2.
- Green Sustainable Creations, GSC Australia Vision, Retrieved from http://www-gscaustralia.com.org (Assessed on April 20 2014).
- Hembe, G.N. (2003), J. S. Tarka: The Dilemma of Ethnic Minority Politics in Nigeria, Makurdi: Aboki Publishers.
- Huntington, S. (1991), The Third Wave: Democratization in the Late Twentieth Century, Norman, University of Oklahoma Press.
- Ibeanu, O. (2005), "Conceptualizing Peace", in Gaya Best S. (ed) Introduction to Peace and Conflict Studies in West Africa, Ibadan: Spectrum Books.
- Ibrahim, J. (2002), "Consolidation of Democracy and Minority Rights in Nigeria: Religion, Sharia and the 1999 Constitution", Paper for Politics of Development Group (PODSU), Department of Political Science, University of Stockholm Book on Rights of Groups and Differentiated Citizenship.
- Ikpe, U.B. (2000), Political Behaviour and Electoral Politics in Nigeria: A Political Economic Interpretation,
- Lagos: Concept Publication Ltd.
- Jawondo, I.A. (2011), "Political Violence and the Attainment of Democratic Culture in Nigeria", History Studies, Vol. 3/3.
- Joseph, R. (1985), Democracy and Prebendal Politics in Nigeria: The Rise and Fall of the Second Republic, Cambridge: Cambridge University Press.
- Kelly, G.A. (1955), The Psychology of Personal Constructs, Vol. 1&2, N.Y. Norton.
- Lawanson, K. (2012), Bad Governance hinders investment growth in Nigeria. Leadership, Abuja October, Retrieved from allafrica.com/stories/201210220228.html (Assessed on August 12, 2013).
- Makinde, F. (2012), "Corrupt persons who donate to churches are not members PFN", Retrieved from http://www.punchng.com/news/corrupt-person-who-donate-to-churches-are-not-membe... (Assessed on October, 26 2013).
- Mamam, J. (2012), "Does the EU deserve the Nobel prize?", Retrieved from http://www.greenpeace.org/canada/en/blog/does-the-eu-deserve-the-nobel-prize (Assessed on July 18, 2013).
- McNamara R. (1968), The Essence of Security, New York: Harper and Row.
- Mijah, B.E. (2006), "National Security and the Consolidation of Democracy in Nigeria: Issues and

- Challenges", Academy Journal of Defence Studies, Vol. 3 No. 2.
- Mijah, B.E. (2009), "Democracy, Internal Security and the Challenges of Policing in Nigeria", in Mbachu, O. and Eze, C.M (eds), Democracy and National Security: Issues, Challenges and Prospects, Kaduna: Medusa Academic Publishers.
- Modern Ghana News (2012), "Towards a National Social Consciousness of Non Violence in Ghana's December 2012 Elections", retrieved from http://www.modernghana.com/print/380264/1/towards-a-national-social-consciousness (Assessed on December, 3 2013).
- Monga, A. (2008), "E-government In India: Opportunities and Challenges", JOAAG, Vol. 3. No 2, retrieved from http://joaag.com/uploads/5_Monga2EGov3_2.pdf (Assessed on May 19, 2012).
- Ohaegbuchi, M.U. (2014), "Women in Community Development: Interrogating the role of Women August Meeting in South East Nigeria", Net Journal of Social Sciences, Vol.2 No. 2, pp.44-52.
- Olusoji, A. (2002), The Making of A Leader: Exploring The Skills of Leadership, Lagos, Leadership Publishing House.
- Owoye, O. and Bissessar, N. (1992), Bad Governance and Corruption in Africa: Symptoms of Leadership and Institutional Failures, Commission for Asia & pacific (UNESCAP) 2009.
- Oyelude, 0. and D. Adeseko, A. (2014), "Another ASUU Strike Looms", Sunday Newswatch, Sunday February, 2014: 1&2.
- Pleming, S. and Onuah, F. (2009), "Clinton says Bad Governance Fuels Nigeria Poverty Gap", Reuter: Retrieved from http://www.reuters.com/article./2009/08/12/usnigeria-clinton-idUSTRE578346200908, (Assessed on January 25 2010).
- Terriff, T., Croft, S., James, L. and Morgan, P. (1999), Security Studies Today, Cambridge: Polity. World Bank (1989), Sub-Saharan Africa: From Crisis to Sustainable Growth, Washington: World Bank.

Total Quantity Management Strategies and Organisational Performance

OGBULU Tamunotonye

Department of Management Faculty of Mangement Sciences Ignatius Ajuru University of Education Port Harcourt

Abstract

This paper investigates the effect of total quantity management strategies on organisational performance. Total Quantity Management (TQM) is an essential strategic approach for organizations aiming to enhance their operational efficiency, product quality, and overall performance. In this paper, we discussed the concept of total quantity management strategies and organisational performance. This work also explains the role of total quantity management strategies on organisational performance. The study was anchored on the resource-based theory. The study showed that TQM is not just a set of practices but a holistic philosophy that encompasses continuous improvement, customer-centricity, employee involvement, and systematic process optimization. The study has highlighted that organizations embracing TQM principles tend to achieve higher levels of performance across various dimensions, including financial, operational, and customer-related metrics. It was finally recommended that employees' involvement should be allowed as this will create a work environment where people have the ability and confidence to obliged and initiate necessary steps to satisfy customer requirements in order to achieve organizational values and goals.

Keywords: Organizational performance, operational efficiency, product quality, total quantity management strategies

Introduction

In an era characterized by relentless global competition and ever-increasing customer demands, organizations are constantly seeking ways to enhance their performance, foster sustainable growth, and maintain a competitive edge. In this quest for excellence, Total Quality Management (TQM) has emerged as a compelling strategy for achieving operational efficiency, optimizing processes, and delivering superior products and services. TQM represents a holistic approach that places a strong emphasis on continuous improvement, customer satisfaction, and employee involvement, with the overarching goal of ensuring that organizations not only meet but exceed the expectations of their stakeholders.

This study delves into the intricate relationship between TQM strategies and organizational performance, recognizing that successful adoption of TQM principles can be a pivotal factor in an organization's ability to excel in today's dynamic business landscape. By implementing TQM practices, organizations have the potential to streamline their operations, reduce costs, enhance the quality of their products or services, and improve customer satisfaction. Moreover, TQM is often seen as a catalyst for innovation, fostering a culture of excellence and promoting employee engagement, which can lead to a more competitive and agile organization.

Total Quality Management (TQM) is a management tool, philosophy, and a set of principles which can be applied to all functions and processes of an organization to continuously improve the quality of products and services, to exceed customer satisfaction at any given period, as well as continuously reduce the cost of production (Prajogo & McDermott, 2005). Total Quality Management is generally referred to as the business process and management practices which are concerned with how to improve the effectiveness and efficiency of an organization (Mahmud & Hilmi, 2014).

Corredor and Goñi (2011) posited that the core objective of TQM is to meet and exceed customer expectation by "do it right the first time and every time, for customer satisfaction" meanwhile TQM is aimed at achieving customer needs through quality product and services. Hence, understanding and translating customer needs and expectations into organizational action plans is a key point of TQM implementation (Kriengsak & Thanh, 2017). Furthermore, TQM practices also involve em-

ployees in all levels of activities for continuous process by using top down and bottom up approach especially on the quality implementation stage (Saleem, et al, 2012).

The ever improving global competition and increasing requests for more qualified products by customers have caused organizations to understand that the only way of survival in the market is to deliver better quality products to meet customers' needs. Many organizations, therefore, spend considerable amounts of their funds in activities related to improving products and services. The vast applicability of Total Quality Management (TQM) has made it to earn recognition as one of the most popular continuous improvement systems for quality. TQM increases customer's satisfaction through the participation of all personnel (Demirbag, Tatoglu, Tekinkus & Zaim, 2006). The main aim of TQM is to implement a management system and organizational culture that ensures customer satisfaction since customers who are more sensitive to quality standards improve their expectations continuously (Eriksson & Hansson, 2002).

Successful TQM could be achieved when a company is focusing in continuous improvement as one of the fundamental dimension (Egwu, 2014). One of the best known practices of continuous improvement which promotes creative thinking is Kaizen. Kaizen is a Japanese word which simply means "improvement" or "change for better" Customers are usually concerned on the product quality, cost and delivery time. Companies are needed to introduce a quality system that increase and improve both productivity and quality continuously (Jadhav, Jamadar, et al., 2014).

In today's competitive business environment, organizations are under increasing pressure to improve their performance and meet the ever-evolving expectations of customers and stakeholders. Total Quality Management (TQM) has emerged as a popular approach to achieving operational excellence. However, there is a need to comprehensively understand the relationship between TQM strategies and organizational performance, including factors such as cost efficiency, customer satisfaction, and overall competitiveness.

This study aims to investigate the impact of TQM strategies on organizational performance and identify critical challenges and barriers that hinder their successful implementation. By addressing these issues, the research seeks to provide valuable insights for organizations aiming to enhance their performance through TQM adoption.

Literature Review

Total Quality Management (TOM)

TQM is a holistic approach to management that seeks to create a culture of continuous improvement, where quality is a fundamental aspect of every aspect of an organization's operations. It is widely used in various industries to enhance quality, reduce costs, and increase customer satisfaction (Mushtaq et al., 2011).

TQM can be defined as a holistic management philosophy that strives for continuous improvement in all functions of an organization, and it can be achieved only if the total quality concept is utilized from the acquisition of resources to customer service after the sale. TQM practices have been documented extensively in measurement studies as well as in the studies that have investigated the relation of TQM practices to various dependent variables (Egwu, 2014).

Total Quality Management (TQM) is a management philosophy which focuses on the work process and people, with the major concern for satisfying customers and improving the organizational performance. It involves the proper coordination of work processes which allows for continuous improvement in all business units with the aim of meeting or surpassing customer's expectations. It emphasizes on totality of quality in all facets of an organization with the aim of reducing waste and rework to reduce cost and increase efficiency in production (Onyango, 2016).

Total Quality Management is a combined effort of both top level management as well as employees of an organization to formulate effective strategies and policies to deliver high quality products which not only meet but also exceed customer satisfaction. Total Quality Management enables employees to focus on quality than quantity and strive hard to excel in whatever they do.

Total Quality embraces not only the quality of a specific product or service, but everything an organization does, might or should do to determine the opinion not only of its immediate customers or end-users, but its reputation in the community at large (Shahin & Dabestani, 2011). TQM has six concepts as aforementioned asserted by Evans, (2005). Drawing from Islam et al, (2012) perspective, TQM is based on eight pillars which are: Creation of quality management environment; Development of Teamwork; Practice of quality control tools and techniques; focus on customer; focus on supplier relationship; Benchmarking; continuous improvement of processes; and involvement of employees.

This study however focused on six pillars (Practices) for the banking sector and they include as proposed by Islam et al, (2012): Top Management commitment, Customer Focused organization, Training and Education, Effective Communication, Teamwork and Continual Process Improvement. This study, however, focused on the six pillars highlighted below because they are the basic foundation, the rudiments, the fulcrum ,the building blocks upon which if TQM is erected it will be unshaken

Top management commitment

The definition of "Commitment" is "a force that binds an individual to a course of action of relevance to one or more targets" (Meyer & Herscovitch, 2001). For TQM implementation to be successful, top management should champion its implementation by providing leadership and engage all employees in the work of satisfying the customer with a continuously improved quality. This means that continuous improvement should be practiced everywhere in the processes and that the involvement of all employees at every level should be facilitated. Secondly, the work is based on the skills and participation of every employee and his or her understanding of what are required. Top management should champion training of all the employees to provide the knowledge needed on the mission, vision, direction, and strategy of the organization as well as the skills they need to implement TQM and resolve problems. (Witjaksono, 2012).

Customer focused organization

A central core value in TQM is that all products and processes should always have a customer focus. Quality should be valued by the customers and should always be put in relation to their needs and expectations (Nagaprasad & Yogesha, 2009). To focus on the customer means, therefore, that one tries to find out the customers' needs and values by conducting market analyses and then trying to fulfil the market expectations. Every employee has customers within the organization, internal customers, and in order to do a good job their needs also have to be fulfilled (Nagaprasad et al, 2009).

Teamwork

Doorewaard (2002) defined teamwork as a "process to fulfil the employee's need or control over their work environment". It holds a common task requiring interdependent work and action (Thompson, 2011). Subsequently teamwork is a set of behavioural skills working together to generate best outcomes (Hughes & Jones, 2011). Teamwork is an essential aspect for the success of the organization to communicate with the goal and mission of the organization, encourages creativity, shares information, builds trust and openness and empowers employees (Grifin et al., 2001). Teamwork helps maintain competitive advantage in the face of challenges caused by several world events and also by international marketplaces (Salas, 2010).

Organizational Performance

The concept of organizational performance is based upon the idea that an organization is the voluntary association of productive assets and those providing the assets expect to receive value in ex-

change (Barney, 1991). Hence the provider of the resource is the one who defines value as the essential overall performance evaluation criteria. Organizational Performance is a multidimensional concept that encompasses aspects including financial performance and market performance (Richard, Devinney, Yip & Johnson, 2009).

The idea of Organizational Performance is based upon the possibility that an association is the wilful relationship of beneficial resources and those giving hope to get value in return. TQM is often used as a multidimensional approach to measuring organizational performance, where both financial and non-financial measures assume equal importance (Sila, 2007). For measurement performance, many scholars used financial as well as non-financial performance (Choi & Eboch, 1998; Forza & Filippini, 1998). This study anchored more on qualitative variables vis-à-vis: customer satisfaction, customer's continuous loyalty as well as reduced cost and improved output to measure organizational performance.

Productivity

Organisational productivity refers to the measure of how well resources are brought together in an organisation and utilized for the accomplishment of the desired result (Eze, 2007). It is reaching the highest level of performance with the least expenditure of resources. Khan et al. (2011), defined organisational productivity as the sum total of output produced by an organisation at a given period in relation to the input (resources material, human, financial and technology) invested in an economy activity. Similarly, Gamage (2015) described organisational productivity as the ratio of total output to total input which shows how well the organisation is doing at a particular point in time. Similarly, Wells and Thelen, (2012) see organisational productivity as the ratio of output to input, the higher the numerical value of this ratio, the greater the productivity. Oladapo (2014) added their voice, describing organisational productivity as the relationship between output of goods and services of an organisation and input of resources (human, technological, financial and material resources) employed in the process of production.

Growth

Organisational growth can be said to be the total increase in an organisation's workforce. As organisation grows, workloads increase, as a matter of fact, strategies that were useful in the past seized to be effective. Jones et al. (2014) identified energy and resources (man and materials) as major contributory factors in organisational survival and growth. Organisational growth has the potential to provide small businesses with a myriad of benefits, including things like greater efficiencies from economies of scale, increased power, a greater ability to withstand market fluctuations, an increased survival rate, greater profits, and increased prestige for organisational members. Many small firms desire growth because it is seen generally as a sign of success, progress. Organisational growth is, in fact, used as one indicator of effectiveness for small businesses and is a fundamental concern of many practicing managers (Jones, et al, 2014).

Organisational growth, however, means different things to different organisations. There are many parameters a company may use to measure its growth. Since the ultimate goal of most companies is profitability, most companies will measure their growth in terms of net profit, revenue, and other financial data. Other business owners may use one of the following criteria for assessing their growth: sales, number of employees, physical expansion, success of a product line, or increased market share. Ultimately, success and growth will be gauged by how well a firm does relative to the goals it has set for itself. Given these realities, Sherman stated that "the need of the organisation to grow must be tempered by the need to understand that meaningful, long-term, profitable growth is a by-product of effective management and planning" (Sharp, et al., 2002).

Customer Loyalty

Customer loyalty is both a predetermined attitude and behavioural tendency which a customer's exhibit by favouring one brand or product over all similar brands or product. This could be as a result

of satisfaction derived, convenience, performance, comfort familiarity etc. To appreciate customer loyalty, one must recognize the different types and degrees of loyalty. There is a great need to examine the type of loyalty exhibited by most customers and the perceived influence. Thus the need to examine the effect of Total Quality Management practices on customer's continuous loyalty as well as the type and degree of loyalty exhibited by them too.

Organisational Policy

A policy can be described in broad terms as a line of argument rationalizing the course of action of a government or a plan of action adopted by an individual or a social group. It can also be described as a plan of action; a written statement of a contract; a written document that serves as evidence; guiding principle designed to influence decisions, actions; any standard, statement, or procedure of general applicability; or, a plan or course of action or a written principle or rule to guide decision-making. In organisational thinking however, it is described as the philosophy of the organisation on how to undertake a particular function.

Theoretical Framework Resource-Based View (RBV) Theory

The RBV theory can be used to analyze how resources, including TQM strategies, contribute to an organization's competitive advantage and long-term performance. The theoretical framework of analysis adopted in this study was the resource-based view (RBV) theory, which was developed by Barney in 1991. The resource-based view states that the possession of TQM strategies provides an organisation with a golden opportunity to develop a competitive advantage over its rivals (Barney, 1991). The resource-based view is very useful in explaining the relationship between TQM strategies organisational performance.

Empirical Review

Oluwatoyin & Oluseun (2008) highlight the benefit of TQM implementation in the Nigerian Airline industry by examining the basic principles of TQM in the airlines. The impact of TQM implementation of the three performance indicator was assessed. Primary data were collected from the airline companies through the use of questionnaires and interview. Secondary data were also gotten from articles, journals and online resources. The study used a T-test hypothesis to measure the difference in mean of TQM airline and Non-TQM airlines using the three performance indicator. The research findings confirmed the benefits that ensued from the implementation of TQM. It showed that TQM is a strategic tool industry can employ in the quest to remain competitive. It was also discovered that for the TQM to be properly implemented, everybody in the organization must be involved from the management to the employees and even the customers.

Masood, Aamna, Saif and Sidra (2012) examined association between total quality management (TQM) practices and performance, i.e. quality, business, and organizational performance. The quantitative data were obtained through a survey from 171 quality managers of Pakistan's manufacturing industry. Data analyzed with the help of SPSS by using Principal Component Analysis and Varimax Rotation. The study supported the hypothesis that TQM practices positively impact on performance. According to their study, the main implication of the findings for managers is that with TQM practices, manufacturing organizations are more likely to achieve better performance in customer satisfaction, employee relations, quality and business performance than without TQM practices.

Ali and Abedulfattah (2013) empirically examined the extent to which Quality Management Practices (QMPs) and Organizational performances are correlated and how QMPs impacts on organizational performance. Questionnaire was used to collect data from banks in Jordan and was tested model. The Statistical Package for the Social Sciences (SPSS) has been used to analyze the data. The Preliminary analysis was conducted to check for any violations in normality, equality of variances and linearity. The data from the sample fulfilled all the assumptions allowing for parametric tests to be conducted. Correlation analysis and multiple regressions Analysis were used to

test hypotheses. From the managerial perspective, the results of this study showed that there was a significant relationship between quality management dimensions (leadership, strategic planning, customer locus, and employee relation) and Organizational Performance.

Chin, Fang, Hung & Yen (2007) empirically examined the extent to which total quality management and firm performance are correlated and how total quality management impact various levels of firm performance. Questionnaire was distributed to 95 small and medium enterprises. The research model and hypotheses were tested with descriptive statistics using data collected from information-related small and medium size enterprises operating in Taiwan. The findings of the research showed that an effective management leadership can positively influence human resource management, supplier management, and design management.

Chukwu, Adeghe and Anyasi (2014) investigated the impact of total quality management on performance of Nigerian Brewery Plc and Nigerian Bottling Company Plc. Enugu state, Nigeria. It also emphasized error prevention in place of error correction that increases cost. The data collected from the questionnaire instrument were analyzed using percentage and multiple regressions. The research findings showed significant and positive relation lie between the independent variable, error prevention, quality improvement, cost reduction, fewer delays and the dependent variable organizational performance.

Carolyne & Bichanga (2014) established TQM practices employed by National Bank of Kenya (NBK) and examine their effect on the financial performance of the bank. The objective of this study was to establish the effect of total quality management on financial performance of NBK. The study was descriptive in nature and the researcher used case study method. The target population of the study comprised of NBK employees. The researcher used stratified random sampling in selecting respondents. The t-test and a weak coefficient of determination were used. The findings indicated a positive relationship between top management involvement, process and supplier relationship and financial performance.

Abd El-Moneim and Atef (2015) investigated the impact of applying TQM on the overall hospital effectiveness in the accredited governmental hospitals in Jordan that accredited from Health Care Accreditation Council (HCAC). The study population represented all health care professionals working in the five HCAC accredited governmental hospitals who were working for more than three years in the same hospitals. Study sample included 1290 employees. The response rate was 83.6 % of the total questionnaires distributed. TQM principles were: Leadership commitment to quality. Study findings showed a significant impact of all TQM principles on the overall hospital effectiveness (p< 0.05). Using multiple linear regression analysis showed that TQM is a strong predictor of hospital performance (Beta =0.818, 1=46.613. R2= 0.669 and p value = 0.000). Taken together, applying the principles of TQM increases the overall hospital effectiveness in the HCAC accredited governmental hospitals in Jordan.

Marcel and Ayankeng (2015) investigated the impact of Total Quality Management Organizational Performance. Data were collected from manufacturing firms in the republic of Cameroon. Variables used to capture Total Quality Management (TQM) were management commitment through leadership, Quality control, inspection, employee training, customer focus, benchmarking as the basis for enhancing product quality. Organizational performance was measured by Customer Satisfaction, Cost Reduction, and Employee Satisfaction. Multiple regressions were used. The results showed that only employment training and empowerment has a significant impact on financial performance and corporate social responsibility; leadership commitment, quality control and inspection have a significant impact on cost reduction. However, none of the TQM practices appear to have a significant effect on customer satisfaction.

Ayandele and Akpan (2015) examined the practice, challenges and benefits of TQM in Nigerian manufacturing firms and discovered among others that while a significant reduction in operating expenses and manufacturing costs were recorded, workers were also found addressing different issues in the name of TQM. In analyzing the data obtained in this study, the simple percentage statistical analysis was done, while the formulated hypotheses were validated with the Pearson Product Moment Correlation Co-efficient Analysis. The study concludes that careful and objective implementation of TQM will enhance the innovative and technological capability of the firm thereby boosting her goodwill.

Shanl et al. (2016) assessed the relationship between TQM and business performance with a mediator's effect of Kaizen. The proposed model attempted to create knowledge to both academician and company players to acquire a better understanding among the TQM and Kaizen practices. Consequently, the Structural Equation Modelling (SEM) techniques were applied to identify and evaluate the relationship among TQM, Kaizen and business performance in developing a new TQM model. According to the study, the relationship resulted between TQM and Business Performance indicated inconsistent.

Onyango (2016) examined the relationship between TQM practices implementation and performance of commercial banks in Kenya. In the study, all the 43 commercial banks in Kenya were used. The study depended on information gathered through an organized poll to meet the goals of the study utilizing five point Likert scale. The surveyed questions concentrated on the relationship between TQM practices implementation and performance of commercial banks in Kenya with the inquiries being shut finished. Regression model was used with aid of Package for Social Sciences (SPSS 21.0). Different relapse measurements were utilized to set up a factually huge connection between the TQM practices and performance of commercial banks' in Kenya. Based on the study, it demonstrated a factually irrelevant relationship between TQM practices and performance of commercial banks' in Kenya.

Monirci (2016) established quality management practices among manufacturing firms in Nairobi City County; to establish the performance of firms in manufacturing industry in Nairobi City County; to determine the relationship between quality management and performance of firms in the manufacturing industry in Nairobi City County. The research design used was descriptive survey method. A sample of 70 manufacturing firms in Nairobi County was selected which is 12.75% of the target population. Both descriptive and inferential statistics was used to analyze the data. From the data collected the respondents reported that continuous quality improvement is practiced between a very large extent and large extent. From the findings all activities show that customer focus practices have been adopted in the respective organizations at large extent. All activities showed that top management commitment practices have been adopted in the respective organizations at large extent. It was established that Quality management was embraced in the vision of the company to a large extent as shown by a mean of 4.02.

Mukhtar (2016) measured the relationship between some total quality management dimensions and business performance on small and medium enterprises (SMEs). The study advanced the understanding of TQM and also resolved some arguments that appear in the literature concerning the relationship between TQM dimensions and performance relationship. A questionnaire survey was undertaken. The data for the study was drawn from 359 service SMEs operating in Kano, Nigeria, Multiple regression technique was used for the data analysis. The findings indicated that management leadership has a significant effect on business performance of SMEs, whereas, customer focus and continuous improvement to business performance relationship were found not significant. The findings of this study is of benefits to SME owner managers and regulators of small firms, hence, future research directions were provided and explained.

Kriengsak & Thanh (2017) examined the relationship between organizational culture and Total

Quality Management within the context of the Vietnamese construction industry- A survey was conducted with 104 respondents from Vietnamese construction firms, using validated survey instruments developed in past research. Analysis techniques include cluster analysis and Structural Equation Modeling. Findings showed that Vietnamese construction firms are dominated by clan and hierarchy cultures rather than adhocracy and market cultures according to Competing Value Framework (CVF) of OC classification.

Furthermore, it was discovered that organizations dominated by either clan or adhocracy cultures could provide a favourable environment for successful TQM implementation, whereas this is not the case for those dominated by both market and hierarchy cultures. In a nutshell, studies have examined the relationship between total quality management and various levels of business performance but the impact of Total Quality Management on organizational performance is at rudimentary stage in Nigeria. Hence, only limited work has been conducted to investigate the level of Total Quality Management implementation and its impact on organization performance in the banking sector. Furthermore, majority of these studies were carried out in manufacturing firms while only few studied banks in US and UK (Almarn et al 2007, Peschel et al, 2008; Ali and Abedalfattah et al, 2013; Carolyne & Bichanga et al, 2014; Onyango, 2016). Moreso, assessing the effect of TQM on bank performance had not specifically received attention in Nigerian context, hence the significant of this study.

Methodology

The research established a theoretical and empirical foundation. The study used qualitative method. These were complimented by the use of secondary data-books, newsletter, journals, seminar and workshop papers, newspapers and magazines together with publications and related articles which were thoroughly perused. This will enable the researchers to explore the instrumentality the effect of total quantity management strategies on organisational performance dwelling extensively on the opinions of scholars in the area of study.

Conclusion

The study on Total Quality Management (TQM) strategies and organizational performance has provided valuable insights into the dynamic and complex relationship between TQM and the overall success of organizations. Through extensive research and analysis, we have uncovered several key findings and implications that contribute to a deeper understanding of this critical management approach. First and foremost, it is evident that TQM is not just a set of practices but a holistic philosophy that encompasses continuous improvement, customer-centricity, employee involvement, and systematic process optimization. The study has highlighted that organizations embracing TQM principles tend to achieve higher levels of performance across various dimensions, including financial, operational, and customer-related metrics.

Customer satisfaction and loyalty have emerged as essential outcomes of effective TQM implementation. The commitment to understanding and meeting customer needs has led to enhanced product and service quality, ultimately driving customer retention and growth. Furthermore, the study has revealed that TQM can provide organizations with a sustainable competitive advantage. By focusing on quality and efficiency, TQM helps companies adapt to changing market conditions, reduce costs, and differentiate themselves from competitors.

In conclusion, this study underscores the significance of Total Quality Management in today's business environment. It emphasizes the profound impact TQM can have on organizational performance, customer satisfaction, employee engagement, and overall competitiveness. To remain relevant and excel in a highly competitive world, organizations should consider TQM as a pivotal strategy in their pursuit of continuous improvement and excellence. As we move forward, further research and practical application of TQM principles will continue to shape the way organizations approach quality, ensuring their sustained growth and success in the future.

Recommendations

- Employees involvement should be allowed, this will creates a work environment where people have the ability and confidence, to obliged and initiate necessary steps to satisfy customer requirements in order to achieve organizational values and goals.
- Members in the TQM implementation process must be trained in communication skills, quality awareness and specific problem solving techniques such as Statistical quality control, safety, and technical aspects of the job.
- It is necessary to involve front line employees in decision making at their workplace as they are the ultimate actors for producing quality products.
- Encourage the sharing of best practices and success stories within the organization to inspire and guide TQM initiatives.

By implementing these recommendations, organizations can harness the power of total quality management to improve their performance, enhance customer satisfaction, foster a culture of excellence, and maintain a competitive edge in the ever-evolving business landscape.

References

- Armstrong, M. (2006). A Handbook of Human resource management practice. Cambridge University Press.
- Carolyne, M., & Bichanga W. O., (2014). Effects of total quality management on financial performance in the banking sector: a case study of national bank of Kenya. *IOSR Journal of Economics and Finance* 4(4), 34-40.
- Chin S. O, Fang C. L., Yu C. H., & David C. Y.. (2007). The effects of total quality management on business performance: evidence from Taiwan Information-Related Industries. International Journal of Business Studies. 8(5), 42-49.
- Chukwu, B. A., Adeghe, R. I. & Anyasi, E (2014). Impact of total quality management on performance of beverage companies in Nigeria. *International Journal of Economics, Commerce and Management United Kingdom* 5(11), 443-451
- Demirbag, M., Tatoglu, E., Tekinkus, M., & Zaim, S. (2006). An analysis of the relationship between TQM implementation and organizational performance: Evidence from Turkish SMEs. Journal of Manufacturing Technology Management, 17(6), 829–847.
- Doorewaard, H., Van Hootegem, G., & Huys, R. (2002). Team responsibility structure and team performance. *Personnel review*, *31*(3), 356-370.
- Egwu, I. L. (2014). Total Quality Management and Corporate Failure in Nigeria. *Journal of Business and Management*, 12(1), 2319-7668.
- Eriksson, P., & Kovalainen, A. (2015). Qualitative Methods in Business Research: A Practical Guide to Social Research. Sage
- Evans J.R., (2005). Total Quality Management, Organization, and Strategy, Rob Dewey.
- Islam. A., Shalin, A. & Haque, A. F. M. (2012). Pillars of TQM implementation in manufacturing organization-an empirical study, *Journal of Research in International Business and Management*, 2(5) 128-141
- Jadhav, G. S., Jamadar, V. M., Gunavant, P. S. & Gajghate, S. S. (2014). Role of Kaizens to Improve Productivity: A Case Study. *Applied Mechanics and Materials* 1(9), 2689-2693.
- Jones, I., Bartlet, D., Osibanjo, A. O., Oyewunmi, A. E., & Ojo, I. S. (2014). Development as a determinant of organisational growth: Modelling the relationship between these constructs. *American International Journal of Social Sciences*, 3(7), 67-76.
- Kriengsak, P & Thanh., T. (2017). Influence of total quality management on performance of Viet-

- namese construction firms. Procedia Engineering, 1(82), 548-555.
- Kriengsak, P., & Thanh, T. N. (2017). Influence of organizational culture on total quality management implementation and firm performance: evidence from the Vietnamese construction industry. *Management and Production Engineering Review*. 8(1) 10-19.
- Mahmuda, N. & Hilmi, M. F. (2014).TQM and Malaysian SMEs Performance: The Mediating Roles of Organization Learning. *Procedia Social and Behavioral Sciences* 1(3), 216 225.
- Marcel T., & Ayankeng. G. (2015). The Impact of Total Quality Management on Firm's Organizational Performance. *American Journal of Management*, 15(4), 232-242
- Meyer, J. P., & Herscovitch, L. (2001). Commitment in the workplace: Toward a general model. Human resource management review, 11(3), 299-326.
- Mushtaq, N., Peng, W. W., & Lin, S. K. (2011). Exploring the Lost Link between TQM, Innovation and Organization Financial Performance through Non-Financial Measures. Sage.
- Nagaprasad, H. and Yogesha, B. (2009). Enrichment of customer satisfaction through total quality management techniques.
- Oladapo V. (2014) Impact of talent management on employee retention. International Journal of Business Studies. 6 (3), 23-29.
- Onyango, B. A. (2016). *Quality management and performance of commercial banks in Kenya*. Research project submitted to the institute of business studies in operations management option of the University of Nairobi.
- Prajogo D.I., & McDermott, C.M., (2005). The relationship between total quality management practices and organizational culture. *International Journal of Operations & Production Management*, 25, (11), 1101–1122
- Robins & Judge (2007). Organizational Behaviour. New Delhi, Prentice.
- Shahin, A. & Dabestani, R. (2011). A feasibility study of the implementation of total quality management based on soft factor, *Journal of Industrial Engineering and Management*, 12(9), 2203-2209
- Sharp, A., Wright, M., & Sharp, B. (2002). Market statistics for the Dirichlet model: Using the cluster scale to replace panel data. *International Journal of Research in Marketing*, 19(1), 81-90.
- Sila, I. (2007). Examining the Effects of Contextual Factors on TQM and Performance through the Lens of Organizational Theories: An Empirical Study. *Journal of Operations management* 25 (1): 83-109.
- Witjaksono, A. D. (2012). The *Differences of TQM Practice and Organization Performance Between TQM Firms and Non TQM Firms*. 2nd International Conference of Management, Economics and Social Sciences (ICMESS) June 30-July 1, 2012 Bali

Whistleblowing and Employee's Productivity in Brain Builders Group of Schools Lagos, Lagos State

DUROWOJU Stella Tovosi

Department of Business Administration Lagos State University Ojo, Lagos stelladurowoju@gmail.com

ODUSANYA Kafiu Sunkanmi

Department of Business Administration Lagos State University Ojo, Lagos sunkanmiodusanya@gmail.com

Abstracts

The study examined whistle blowing and employee productivity in Brain Builders Group of Schools. The research population was 193, and the sample size was 130 staff of the total population. Convenience sampling technique was adopted in this study. A total of 130 copies of the questionnaire were administered while a total of 115 copies of the questionnaire were received from respondents were valid for data analysis. The 10-items measuring instruments were tested using testretest reliability by administering the test once and then administering the same test again three weeks after the first administration. The hypothesis formulated for the study was analysed using Regression Analysis. The findings revealed that, whistle blowing significantly affect employee's productivity. Also, the coefficient analysis and its associated p-value showed that whistle blowing was statistical significant (β_{WB} = 0.422, p < 0.05), which implied that for every unit increase in whistle blowing, employee's productivity increased by 42.2%. The study recommended that management should encourage whistle blowing in the organization, management must ensure to reward whistleblowers and protect their well-being.

Keywords: Corrupt practices, employee productivity, individual responsibility, whistleblowing

Introduction

Whistleblowing became a world trending topic after the disclosure of the cases of Enron, World-Com, and other similar organisations. Besides, the role of whistleblowers in cases basically plays a big role in preventing and overcoming even dismantling corruption syndicates and in the end will protect the state from more serious losses or it can be said that the existence of whistleblowers plays a big role in uncovering corrupt practices that occurs in an institution both government agencies and private institutions (Khairunnisa, Hizazi, & Tiswiyanti, 2023).

Whistleblowing may be helpful to the organization even if it violates the norms and standards of the organisation. Whistleblowing is an example of constructive deviant behaviour. Furthermore, manufacturing companies are also encouraging there employees to take greater individual responsibility in tackling problems and identifying chances for growth. In fact many companies had suggested that proactive behaviour like; whistleblowing, creativity and pro social rule breaking should be adopted in improving employees' productivity (Danish, & Muhammad, 2023).

In addition, Kim and Zhan (2023) observed that often times employees are faced with the challenges of conforming to the existing laid down rules in their discharge of their duties when the specific task at hand demand a creativity or innovation, therefore such employee find themselves in a dilemma between been a law abiding employee or deviant employee. Personal cost is the reason individuals do not summon the courage to report suspected violations or fraud because they assume that the reports they provide will not be followed up, will experience a reply, and management will not provide protection from threats of retaliation, especially in violations involving managers (Khairunnisa, et al., 2023).

Virtually in every organisation, different types of scenario like fraud in the procurement of goods and services and the realization of the operational budget, normally occur. However, Boaheng and Arku (2021) discovered that employees are usually given protection as a whistleblower, but this has not been able to encouraging in disclosing unethical practices of fellow employee. Moreover, there are intentions and actions to uncover bad conduct carried out by employees because of the encouragement of commitment and integrity to the organization.

Okeke, Okeke, & Ugwuanyi (2023) affirmed that employee theft, fraud, and sabotage, as well as cruel pranks, impolite behavior, and bickering, have been suspected to be the fastest developing workplace deviant behaviors among employees of Nigerian organisations in recent times. Ndubuisi-Okolo, Uzoamaka and Anekwe (2022) stressed that constructive deviant behaviors like whistleblowing can be an antidote that can used for improvement of employees' productivity. The major objective of the study is to examine the effects of whistle blowing on employee's productivity in Brain Builders Group of Schools. The study was guided by the following hypothesis:

Ho₁: Whistle blowing significantly does not affect employee's productivity in Brain Builders Group of Schools.

Literature Review Whistle blowing

Whistle blowing is the disclosure by organization members (former or current) of illegal, immoral or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect an action. In addition, whistle blowing may benefit societies when the process works effectively to correct wrongdoing (Philmore, Wayne, Tracey & Amanda, 2017). Whistle blowing is considered as an important tool for increasing the effectiveness and sustainability of organizations. Therefore, ways to increase effectiveness of organizations by whistle blowing have been searched for since 1990s.

When the managers fully understand how internal whistle blowing contributes to organizational climate and productivity, which will be used for organizational sustainability. Managers of organizations will tend to support internal whistle blowing, which will make employees see themselves as important elements in the organization and contribute to the organizational productivity through internal whistle blowing. Thus, the correction of mistakes in the organization will be possible without harming anybody (Mehmet, Umut & Necati, 2019)

Whistle blowers play an essential role in exposing mismanagement and other wrongdoing that threatens organization performance, financial integrity, human rights, the environment, and the organization norms. Whistle blowers often take on high personal risk. They may be fired, sued, black-listed, arrested, threatened or, in extreme cases, assaulted or killed. Protecting whistle blowers from unfair treatment, retaliation, discrimination or disadvantage, can embolden people to report wrong-doing and thus increase the likelihood that wrongdoing is uncovered and penalised. Whistle blower protection is thus a key means of enhancing openness and accountability in government and corporate workplaces (Transparency International, 2018).

Employee Productivity

Employee productivity is broadly defined as the efficiency of a worker, and it is important for an organization (Ma & Ye, 2019). According to Kihama and Wainaina (2019) employee productivity estimates the individual contribution of each employee in an organization. Employee productivity is the degree to which employees execute their duties and responsibilities and produce required volume or value of output (Okochi & Ateke, 2020). Employee's productivity is one factor used to evaluate human capital in an organization.

Cardy and Leonard (2004, as cited in Okochi & Ateke, 2020) conceive employee productivity as outcomes, results and accomplishments emanating from an employee. Employee productivity also represent results of behaviours and actions of employees that result to attainment of organizational

433

goals. Employee productivity is hinged on ability and motivation (Okochi & Ateke, 2020). Employees' productivity is a consequence of motivation and ability to perform. This suggest that at least some amount of motivation is needed for employees to perform their tasks successfully.

Theoretical Framework

The study considers some theories that relate to some of the critical issues under study. One of these theories underpinning this study is Social Information Processing Theory (SIPT) developed by Salancik and Pfeffer (1978) as cited in Tartan (2019); SIPT posited that people observe their environment in order to look for hints to interpret their work surrounding and to interpret acceptable ways to act. Subsequently, ethical climates may be seen as a guidance to enable employees understand which behaviors are acceptable or unacceptable in the workplace (Tartan, 2019). In the whistle blowing context, SIPT becomes a framework for understanding individual whistle blowing behavior. When an organization's whistle blowing policies and procedures are considered fair, the employee's intention to disclose wrongdoing will increases. Whistle blowing is the right channel for delivering information for any violations (Near, Dworkin, and Miceli 1993).

Empirical Review

Anuradha (2020) examined the status of constructive deviance in the Indian insurance industry. The study explored the acceptance of six diverse dimensions of constructive deviance (creative deviance, issue selling, whistle blowing, organizational citizenship behavior, pro-social role behavior, and extra role behavior), using survey research method. The sample size of 510 employees was drawn from different insurance companies, while data was collected with the aid of structured questionnaire. The study reported a healthy acceptance and perceptual preparedness for constructively deviant behavior. Variations based on demographical variables such as age, gender, experience, and educational qualifications, was also examined. The paper concluded that adequate investment in employees propels the laws of reciprocity, as establishments who have embraced and embedded constructive deviance in their culture will reap that which they have sown. The study was carried out among insurance companies in India neglecting other services oriented sector. The study should have expanded beyond insurance sectors in India.

Maulida and Bayunitri (2021) investigated how whistle blowing system prevented fraud. The study adopted exploratory research method and simple linear regression analysis was adopted for the study. The population of the study consisted of 43 employee from Jabar Banten Central Bank in Bandung. The study concluded that the application of the whistle blowing system has an effect on fraud prevention. The study was only carried out among employees of Central Bank in Bandung, thus the findings of the study cannot be generalized in other financial institutions in Bandung.

Ezeamama (2019) investigated the relationship between job satisfaction and employee productivity in Anambra State University. The study adopted survey research design, and the sample size consisted of 312 non-teaching staff of Anambra State University. Descriptive statistics was used to analysis the demographic characteristics while chi-square was used in testing the hypotheses. The study concluded that that job satisfaction is not a contributor to the employee productivity in the public sector of Nigeria. The findings of the study cannot be generalized because, the sample size used for the study was only limited to non-teaching staff, neglecting the academic staff of the university of Anambra State University.

Methodology

The study was carried out using survey research design. The population of Brain Builders group of schools consists of teaching and non-teaching staff in secondary school, tutorial centres and primary schools. This study focused on the population of the entire members of staff, of the organisation. According to the Human Resource Unit of the school (2021), the total population of staff at Brain Builders Group of School is 193, most of whom were teaching staff. The breakdown of the staff is shown in table 1.

Table 1: Distribution of Staff in Brain Builders Group of Schools, Lagos State, Nigeria.

Staff level	Frequency	Percentage
Management Staff	25	12.9
Teaching Staff	138	71.5
Non-Teaching Staff	30	15.5
Total	193	100

Source: Field survey, 2021.

In order to get the appropriate sample size, the research employed the Taro Yamane (1967) Sample Size determination formula. Sample size selected is 130 respondents, which is shown as follows:

Size determination formula: Sample
$$n = \frac{N}{1+N} (e)^2$$

Where:

 $n = \text{Sample size}$
 $N = \text{Total population}$
 $e = \text{Error Margin } (.5\%)$
 $n = \frac{193}{1+193(0.005)^2}$
 $n = \frac{193}{1.48}$
 $n = 130$

Further to this, the study adopted convenient sampling technique. This sampling technique was adopted because Brain Builders Group of School was located in Alimosho Local Government of Lagos State, which happened to be the largest local government in Lagos State of Nigeria. Furthermore, convenient sampling technique is a non-probability sampling technique where subjects are selected because of their convenient accessibility and proximity to the researcher.

Data collection was done using the questionnaire. The questionnaire was divided into two sections. Section A solicited for information on respondent's bio-data, while section B focused on constructive and destructive deviant behavior and its effects on organizational performance in a private secondary school with six (6) point Likert -type rating scale for measuring data. The items had six-point scale of strongly agree, partially agree, partially disagree, disagree and strongly disagree with corresponding value of 6, 5, 4, 3, 2 and 1 respectively.

The instrument for data collection was 10 items questionnaire titled: Whistleblowing and Employee's Productivity. The study adopted close ended question. The questionnaire was developed by the researcher through relevant literature reviewed. This study adopted test-retest reliability survey, which was administered to the respondents twice between two to three weeks in order to determine reliability of the measuring instruments. The instrument was validated by an expert in the Department of Business Administration, Lagos State University. For the purpose of this study, the face and content validity of the instrument was carried out by presenting a copy of the intended instrument to

some experts before the actual administration.

Cronbach Alpha coefficient test was used to determine the mean reliability coefficient for whistle-blowing and employee's productivity, with the aid of Statistical Package for Social Science (SPSS), version 23, the Cronbach alpha test showed a figure approximately 0.82, which is shown in table 2.

Table 2: Reliability Statistics

Reliability Statistic	S	
	Cronbach's Alpha Based on	
Cronbach's Alpha	Standardized Items	N of Items
.824	.823	10
.824	.823	10

Source: Field survey, 2021.

According to Oyeniyi, Abiodun, Obamiro, Moses and Osibanjo (2016), generally acceptable scores for all types of reliability is 0.80 and above, these authors also opined that some literature suggested 0.70 and above. Therefore, this value is considered relevant and acceptable in academic research.

Analysis of Demographic Information of Respondents

Personal information of the respondents were analysed in this section and they contain information on the gender, age, marital status, educational qualification and working experience. The analysis of the demographic was done using percentages. This is shown in table 3.3

Table 3: Demographic Information

		Frequency	Percentage
Gender	Male	87	45.2 %
	Female	106	54.8 %
Marital Status	Single	118	60.9 %
	Married	72	37.4 %
	Divorced	3	1.7 %
Age	0-30 years	52	27.0 %
	31-50 years	131	67.8 %
	51 years above	10	5.2 %
Education	OND/NCE	22	11.3 %
	HND/B.Sc/B.Ed	136	70.4 %
	PGDE/M.Sc/M.Ed	35	18.3%
Working Experience	0-5 years	60.4	31.3 %
	6-10 years	60.4	31.3 %
	11-15 years	44	22.6 %
	16 years above	29	14.8 %

Source: Field survey, 2021.

From the frequency distribution table, 45.2% of the respondents were males while 54.8% of the respondents were females, and hence, majority of the respondents were female. Also, 60.9% of the staff was married, while 37.4% were single and 1.7% was divorced, therefore majority of the respondents were single. In analysing the age of the respondents, 27.0% falls within the age range of 0 -30 years, while 67.8% falls between 31-50 yrs and 5.2% falls above 51 years.

In analyzing the level of education, 11.3% of the respondents were OND/NCE holders, 70.4% were HND/ B.Sc/B.Ed holders, while 18.3% were PGDE/M.Sc/M.Ed holders, and hence, there is high literacy rate among the respondents. As regards the working experience, 31.3% of the staff had less than 5 years working experience, 31.3% falls between 6-10 years working experience, 22.6% ranged between 11-15 years and 14.8% falls between 16 yrs and above.

Test of Hypotheses

Regression analysis and Correlation analysis were used to test two stated hypotheses at 0.05 level of significance and 95% confidence level.

Hypothesis One

Whistle blowing significantly does not affect employee's productivity. Regression analysis was used to test this hypothesis. A linear regression model was adopted for the study as:

Independent variable = whistle blowing

Dependent variable = employee's productivity

Employee's productivity = f (whistle blowing)

$$EP = a_0 + \beta_1 WB + e$$

Table 4: Model Summary Table of Hypothesis One

Statistics				
otatistics				
Change F Char	nge dfl	df2	Sig. F Change	Durbin-Watson
29.411	1	113	.000	1.812
	29.411		29.411 1 113	29.411 1 113 .000

The model summary in table 4.1 showed the extent at which whistle blowing significantly affect employee's productivity. The coefficient of determination ($R^2 = 0.207$) showed that 20.7% of the variation in employee's productivity is accounted for by whistle blowing significantly. In addition, Durbin-Watson (DW) showed autocorrelation that exist between the two variables. Thus, if DW is closer to 2.00, it showed that there exist no autocorrelation in the model.

Table 5: Analysis of Variance Table for Hypothesis One

Coeff	ficientsa					
		Unstandar	dized Coefficients	Standardized		
Mode	el	В	Std. Error	Beta	Т	Sig.
1	(Constant)	2.271	.330		6.874	.000
	Whistle Blowing	.422	.078	.454	5.423	.000
a. De	pendent Variable: Employe	e's Productivity	<u>, </u>		<u> </u>	

The Analysis of Variance (ANOVA) of table 4.2 showed the variation of the regression model which was used to predict the dependable variable significance. This result was significant because the p-value (0.000) of the generated result was less than the level of significant (0.05) used for the study.

Table 6: Coefficient Analysis Table of Hypothesis One

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	18.058	1	18.058	29.411	.000b
	Residual	69.380	113	.614		
	Total	87.438	114			

EP = 2.271 + 0.422WB

An evaluation of the unstandardised coefficient of whistle blowing in the coefficient analysis of table 4.3 and its associated p-value showed that whistle blowing (β_{WB} = 0.422, p < 0.05) was statistical significant and it can be used in predicting employee's productivity. This implied that for every unit increase in whistle blowing, employee's productivity increased by 42.2%. Therefore, the null hypothesis was rejected while the alternate hypothesis was accepted. In view of this, whistle blowing significantly affect employee's productivity.

Discussion of Results

The result of the first hypothesis showed that, there is significant positive effect on the two variables tested, which implies that whistle blowing significantly affect employee's productivity which is in tandem with the findings of Maulida and Bayunitri (2021), who investigated the influence of whistle blowing system toward fraud prevention, and found out that whistle blowing system affected fraud prevention by 54.3%. The result of the study is also in tandem with the findings of Rustiarini and Merawati (2020) which examined whistle blowing as an effective control mechanism for detecting fraud. The study showed that the employee who experienced fair organizational justice (distributive, procedural, and interactional) have higher whistle blowing intentions than employees in unfair conditions.

Conclusion

The study concluded that whistle blowing significantly affect employee's productivity, that reporting of an employee for wrong doing had an effect on employee performance, while such reporting staff tends to get motivated, it was also concluded that that whistle blowing should be encouraged within the organization, and the interest and personality of the whistle blower should be protected against victimization and harassment.

Recommendations

In view of the above study, the management should encourage constructive deviance such as whistle blowing. Also the management must ensure that destructive deviant behavior are minimized within Proceedings of the 4th Annual International Academic Conference

the organisation. Furthermore, the organization must create enabling environment so as to encourage whistle blowing. Also, the management must protect the identity of the whistle blowers so as to protect them against victimization, harassment and emotional trauma from a reported staff. In addition, management can reward whistle blowers handsomely, so as to encourage whistle blowing in the organization, this reward could either be monetary or non-monetary reward.

Limitations and Suggestion for Further Studies

Every research has several limitations associated with it. As a result of this, some limitations were identified in course of the research.

- The study examined whistleblowing and employee's productivity among employee of private secondary school in Lagos State, Nigeria. Future research should be extended to public schools in Nigeria.
- The study focused on a survey of a particular school, future research can be carried out on a diverse background.
- The data was gathered through the administration of questionnaire, which may have biased responses. Future researcher can opt for one on one interview with respondents, so as to get more insight on the study.

References

- Anuradha, J. (2020). Constructive deviance in insurance: The stakeholder's perspective. *International Journal of Banking, Risk and Insurance*, 8 (1), 50-63.
- Boaheng, P., & Arku, D. (2021). Whistleblowing and its link on corporate and compliance: The case of financial companies listed on the Ghana stock exchange. *Global Journal of Human Research Management*, 9(1), 37–57
- Danish, H., & Muhammad, S. A. (2023). Role of Political Skills for Organizational Engagement & Constructive Behavior Authors Details. *Multicultural Education*, 9 (3), 20 -30.
- Ezeamama, I. G. (2019). Job statisfaction and employee productivity in Anambra State Nigeria. *European Journal of Research in Social Sciences*, 7 (2), 1-13.
- Human Resource Unit (2021): Brain Builders Group of Schools, Lagos State, Nigeria.
- Khairunnisa, A., Hizazi, A., & Tiswiyanti, W. (2023). Effect of professional commitment, ethical environment and personal cost on intention to do whistleblowing. Journal of Business Management and Economic Development, 1 (2) 197-208.
- Kihama, J. W. and Wainaina, L. (2019). Performance appraisal feedback and employee productivity in water and sewarage companies in kiambu county, Kenya. *International Academic Journal of Human Resource and Business Administration*, 3 (5), 376-393. Kim, S., & Zhan, Y. (2023). Breaking rules yet helpful for all: Beneficial effects of pro-customer rule breaking on employee outcomes. *Journal of Organisational Behaviour*, 44 (1), 739–759.
- Ma, L. and Ye, R. (2019). Does daily commuting behavior matter to employee productivity? *Journal of Transport Geography*, 76, 130-141.
- Maulida, W. Y. and Bayunitri, B. I. (2021). The influence of whistle blowing system toward fraud prevention. *International Journal of Financial, Accounting, and Management*, 2(4), 275-294.
- Maulida, W. Y. and Bayunitri, B. I. (2021). The influence of whistle blowing system toward fraud prevention. *International Journal of Financial, Accounting, and Management*, 2(4), 275-294.
- Mehmet, E. O., Umut, A. and Necati, C. (2019). The relationship between teachers' organizational commitment, job satisfaction and whistleblowing. *Journal of Sustainability*, 11 (5), 2-11.
- Ndubuisi-Okolo, P. U., Uzoamaka, O. C., & Anekwe, R. I. (2022). Industrial harmony: Antidote to workplace deviant behaviour among lecturers in Nigeria. *Asian Journal of Economics, Business and Accounting*, 22 (2), 31 39.
- Near, J. P., Dworkin T.M., and Miceli, M.P. (1993). Explaining the whistle-blowing process: Suggestions from power theory and justice theory. *Organization Science* 4 (3), 393-411.
- Okeke, C. C., Okeke, C. I. O., & Ugwuanyi, C. S., (2023). Demographic determinants of work devi-

- ______Proceedings of the 4th Annual International Academic Conference
- ant behaviors of rural community based primary school teachers: A structural equation modeling approach. *Journal of Community Psychology*, 51 (2), 168 181.
- Okochi, K., & Ateke, B. W. (2020). Employee empowerment: A strategy for optimizing employee performance. *Nigerian Journal of Business and Social Review, 11*(2), 125-137.
- Oyeniyi, O. J., Abiodun, J. A., Obamiro, K. J., Moses, C. L. and Osibanjo, O. A. (2016). Research methodology with simplified step-by-step application of SPSS package, (pp. 231). Lagos: Pumark Nigeria Limited.
- Philmore, A., Wayne C.S., Tracey, B. and Amanda, P. (2017). Perceptions, predictors and consequences of whistleblowing among accounting employees in Barbado. *Meditari Accountancy Research*, 25 (2), 241-267.
- Rustiarini, N. W. and Merawati, L. K. (2020). Fraud and whistle blowing intention: Organisational justice perspective. *Journal of Riset Akuntansidan Keuangan Indonesia*, 5 (3), 210-222. Retrieved online from http://journals.ums.ac.id/index.php/reaksi/index
- Salancik, G. R. & Pfeffer, J. (1978). A social information processing approach to job attitudes and task design. *Administrative Science Quarterly*, 7(7), 24-253.
- Tartan, S. (2019). The impacts of perceived ethical climate and codes of ethics on employees' deviant behaviors in organizations. *LUMEN International Scientific Conference Rethinking Social Action*, 308-330.
- Transparency International (2018). The global coalition against corruption. Retrieved online from www.transparency.org

Ownership Structure and Performance of Listed Industrial Goods Firms in Nigeria: Moderating Effect of Firm Size

ABUBAKAR, Mohammed Babakatun Department of Business Administration College of Business and Management Studies, Kaduna Polytechnic Kaduna mba4949@gmail.com

MUSTAPHA, Nmanda Mustapha Department of Business Administration Federal Polytechnic Bida, Niger State

KAMBAI, Mathew Pius

Department of Business Administration and Management Federal School of Statistics Manchok, Kaduna State

KAWAI, Vincent

Department of Business Administration and Management Federal School of Statistics Manchok, Kaduna State

Abstract

The study examined the moderating effect of firm size on the relationship between ownership structure and performance of listed industrial goods firms in Nigeria. Panel data was collected from the audited annual financial statements of twelve (12) industrial goods firms for a period of 2015-2022. Ex-post facto research design and the Generalized Least Squares method was used in its estimations with the aid of STATA Software Version 14. Performance is the dependent variable proxied by Return on Assets and Return on Equity, Ownership Structure is the independent variable proxied by Managerial Ownership, Institutional Ownership, Foreign Ownership, and Family Ownership and the moderating variable is Firm Size while leverage is the control variable. The study found that Managerial Ownership, Institutional Ownership, Foreign Ownership, and Family Ownership have significant positive effect on the performance of listed industrial goods firms in Nigeria. Also, the study found that firm size did not only have a significant positive direct effect on the performance, but it also moderates the relationship between ownership structure variables and performance of listed industrial goods firms in Nigeria. However, the study recommends that managements of listed firms in Nigeria should come up with policy and procedures where diffused ownerships will be enshrined in their ownership structure while considering the size of the firm.

Keywords: Firm size, industrial goods firms, ownership structure, performance.

Introduction

A firm's performance reflects how effectively managers run a firm, thereby increasing the value of the firm to its shareholders. There has been considerable research in the field of finance on the relationship between ownership structure and firm performance. It plays an important role in determining a firm's market value. However, due to mixed results, this area of research is receiving an increasing amount of interest. Ownership structure has different dimensions, which may explain the mixed results. Firm ownership structure can be classified into foreign ownership, government ownership, institutional ownership, or individual ownership (Brian, Robert, & Laszlo, 2010).

However, firms' financial performance may be affected by these structures. A firm's ownership structure refers to how its shares are distributed among its owners (Gisbert & Navallas, 2013). In today's firms, ownership and management are separated (Sing & Sirmans, 2008). From the perspective of resource dependence theory, ownership can be used to reinforce or oppose management depending on its concentration and how it is used (Pfeffer & Slanick, 1979). Therefore, Fazlzadeh et al. (2011) concluded that ownership structure plays a crucial role in corporate governance and provides insight for policy makers seeking to improve the system. In addition, the ownership structure

is crucial to aligning the relationship between owners and managers.

Previous empirical studies on the relationship between ownership structure and firms performance appears to be mixed and inconsistent. For example, studies by Al-Janadi (2021), Susanto and Nuringsih (2020), Koji, et al. (2020), Vieira et al. (2019), Kao et al. (2019), Amin and Hamdan (2018), Zraiq and Fadzil (2018), Ali et al. (2018); Hamdan (2017); Abdallah and Ismail (2017); Al-Matari et al. (2017) reported a significant positive association between ownership variables and firms performance while studies by Oudat, Ali, Hezabr, and Qeshta (2021), Sani (2020), Talab et al. (2018), Saidu and Gidado (2018), Elghuweel et al. (2017), and Faruk and Mailafia (2013) reported a significant negative association between ownership variables and firms performance. Also, studies by Malelak et al., (2020), Moudud-Ul-Huq, Biswas, and Proshad Dola (2020), Amin and Hamdan (2018), Amin and Hamdan (2018), Obembe, Olaniyi and Soetan (2016), and Khamis, Hamdan, and Elali (2015) found no significant relationship between ownership structure and firms' performance.

In view of inconsistency in findings, it is appropriate to introduce a moderating variable (Frazier et al., 2004). Therefore, the study examines the moderating effect of firm size on the relationship between ownership structure and performance of listed industrial goods firms in Nigeria.

Literature Review and Hypotheses Development Managerial Ownership and Firms Performance

Managerial ownership is a portion of the executive directors' equity ownership out of the total number of shares issued (Bekiris, 2013). Put another way, managerial ownership is a proportion of the shares owned by corporate managers (Mustapha & Che Ahmad, 2011). Managerial ownership may synchronise the management's and shareholders' interests; and, therefore, decrease the overall agency conflicts. The relationship between managerial ownership and agency costs is linear, and the peak point for the business is attained once the executives obtain all the shares of the firm (Jensen & Meckling, 1976).

Once managers turn out to be the business owners, they must have a similar extent of incentive with the other shareholders. Such managers will probably not take risks that will be risky for the shareholders. Therefore, it is expected that the larger the managerial ownership in the business, the less will be the agency problems. Prior empirical studies on the relationship between managerial ownership and firms' performance revealed inconsistent findings. For example, studies by Susanto and Nuringsih (2020), Vieira et al. (2019), Amin and Hamdan (2018), Ali et al. (2018); Alabdullah (2017); Berke et al. (2017); Jiang and Zhang (2017); Khamis, Hamdan, and Elali (2015), Ullah and Shah, (2014), Gugong, Arugu, and Dandago (2014) found that managerial ownership is positively associated with firms performance while studies by Sani (2020), Saidu and Gidado (2018), and Faruk and Mailafia (2013) found that managerial ownership is negatively associated with firms performance. However, studies by Moudud-Ul-Huq, Biswas, and Proshad Dola (2020), Amin and Hamdan (2018), Obembe, Olaniyi and Soetan (2016), and Khamis, Hamdan, and Elali (2015) show no significant relationship between managerial ownership and firms performance. Therefore, the following null hypothesis is formulated:

H₁: There is no significant effect of managerial ownership on the performance of listed industrial goods firms in Nigeria.

Institutional Ownership and Firms Performance

Institutional shareholders, such as banks, pension funds, insurance companies, and mutual funds, play an important and significant role in corporate governance and actively participate in defining their dividend policies (Mehdi et al., 2017). Institutional ownership is the ownership interest in a company held by significant financial institutions that hold a sizable number of stocks (Cornett et al., 2007). Consequently, institutional ownership may result in firms having high financial performance due to high-quality management, a variety of opportunities and resources available, the abil-

ity to monitor these firms, as well as a good understanding of how to lower other stockholders' expenses (Rose, 2014).

The empirical literature on the relationship between institutional ownership and firms' performance is mixed. For example, studies by Susanto and Nuringsih (2020), Koji, et al. (2020), Kao et al. (2019), Amin and Hamdan (2018), Hamdan (2017); Mishra and Kapil (2017); Haija and Alrabba (2017), Masry (2016); Khamis, Hamdan, and Elali (2015), and Gugong, Arugu, and Dandago (2014) found that institutional ownership is positively related to firms performance while studies by Oudat, Ali, Hezabr, and Qeshta (2021), Ahmad et al. (2019), Saleh et al. (2017); Rose, (2014), Almudehki and Zeitun (2012) and Charfeddine and Elmarzougui (2011) found that institutional ownership is negatively associated with firms performance. However, studies by Moudud-Ul-Huq, Biswas, and Proshad Dola (2020), Amin and Hamdan (2018), Obembe, Olaniyi and Soetan (2016), and Khamis, Hamdan, and Elali (2015) show no significant relationship between institutional ownership and firms performance. Therefore, the following null hypothesis is formulated:

H₂: There is no significant effect of institutional ownership on the performance of listed industrial goods firms in Nigeria.

Foreign Ownership and Firms Performance

Foreign ownership refers to the percentage of foreign owners out of the total capital shares. Foreign ownership has important effect on the dividend policy of firm (Chai, 2010). In contrast to local investors who are more knowledgeable and may be able to get the financial information they require, foreign investors, who are likely to be less informed investors and come from more transparent regimes, may demand excessive disclosure of financial information. However, foreign investors prefer to become insider shareholders when they have influence over the firm and behave like other local investors, which results in improved business performance (Ananchoticul, 2007, Mangena & Tauringana, 2007).

Examining previous empirical studies concerning the relationship between foreign ownership and firms' performance found mixed evidence. For example, studies by Zraiq and Fadzil (2018), Abdalah and Ismail (2017); Al-Matari et al. (2017); and Almudehki and Zeitun (2012) found a positive relationship between foreign ownership and firms' performance. Contrary wise, empirical studies by Amin and Hamdan (2018), Talab et al. (2018), and Elghuweel et al. (2017) found that foreign ownership has significant negative affect on firms' performance. Based on the above arguments, the following null hypothesis is formulated:

H₃: There is no significant effect of foreign ownership on the performance of listed industrial goods firms in Nigeria.

Family Ownership and Firms Performance

Due to significant ownership concentration, family-controlled firms play a powerful role in most developing market economies (Rajverma et al., 2019). Family shareholders can oversee managers to avoid agency problems by appointing family members to top management and board representation positions (Setia-Atmaja, 2017, Gonzalez et al., 2014). Also, family ownership serves as a monitoring tool that can be utilized to govern a company's internal control mechanism as well as a proxy to track all actions and decisions that can help to minimize and resolve the Agency's issues (Shah et al., 2015).

However, family control can reduce the effect of agency problem between stockholders and managers (Jwailes et al., 2020, Abu Zraiq and Fadzil, 2018, Haija and Alrabba, 2017). Therefore, recent empirical studies have found mixed evidence concerning whether how family involvement influences firm performance. For example, studies by Kao et al., (2019), Zraiq and Fadzil (2018), AlJanadi (2021) and Shyu (2011) reported a significant positive association between family ownership and firms performance while studies by Oudat, Ali, Hezabr, and Qeshta (2021), Susanto and Nuringsih (2020), Mohammed (2018) found significant negative association between family ownership and firms performance. However, studies by Malelak et al., (2020) and Amin and Hamdan

(2018) found no significant relationship between family ownership and firms' performance. Based on the above arguments, the following null hypothesis is formulated:

H₄: There is no significant effect of family ownership on the performance of listed industrial goods firms in Nigeria.

Firm Size as a Moderating Variable

Empirical studies on the relationship between size and performance seems to be inconclusive. For example, Steindl (1945) and Baumol (1967) were of the opinion that large size conferred market power on firms thereby giving them greater financial power among imperfectly competing capital groups which will tend to increase their profit rates. Also, large firms are more probable to be diversified and less probable to be bankrupt (Titman & Wessels, 1988). Large firms will perform well, hence growing in the size of the firm will improve performance (Khan et al., 2019). Also, as a firm grows, it will develop in terms of market power, economies of scale, and market expertise, all of which will eventually improve the firm's performance (Ho & Mohd-Raff, 2019).

The larger the firm, the more profitable it tends to be (Altaf & Shah, 2018; Ibhagui & Olokoyo, 2018). Furthermore, as a firm grows in size, its operational activities evolve, leading to a growth in revenue and, ultimately, in its performance (Ko et al., 2017). Gale (1972) provided another dimension of large size advantage of firms on profitability. On the other hand, Hall and Weiss (1967) and Kaldor (1934) argued that very large firms would experience lower profit rates because of diminishing returns to the fixed factors of management. Based on the above arguments, the following null hypotheses are formulated:

- H₅: There is no significant positive effect of firm size on the performance of listed industrial goods firms in Nigeria.
- H_6 : There is no significant moderating effect of firm size on the relationship between ownership structure and the performance of listed industrial goods firms in Nigeria.

Methodology

The study used Ex post facto research design which is the usage of historical facts to make a judgment (Simon & Goes, 2013) while a census sample was employed in order to generate sufficient number of observations that will facilitate the conduct of data analysis. The population for this study consisted of all the thirteen (13) listed industrial goods firms on the Nigerian Stock Exchange as at 31st December 2022. However, performance data and ownership structure information are collected from the annual audited financial statements of 12 sampled listed industrial goods firms over an eight-year period (2015–2022). The selection of these years was based on the availability of data over the study period. A total of 96 observations were made for eight years. The definition and measurements of the dependent, independent, moderating and control variables are presented in Table 1 below:

Table 1: Measurement of Variables

	Variable Name	Symbol	Measurement	Source
Dependent Variable	Return on Assets	ROA	The ratio of Net Income to Total Asset	Bataineh (2021), Amin and Hamdan (2018), Arshad, Akram, Amjad, and Usman (2013). Amran and Ahmad, (2010). Ramli (2010).
	Return on Equity	ROE	The ratio net income divided by shareholders" equity	Arshad, Akram, Amjad, and Usman (2013). ,Amran & Ahmad, 2010

Proceedings of the 4th Annual International Academic Conference

Independ- ent Varia- bles	Managerial Own- ership	MAO	The ratio between shares held by management and total number of shares.	Amin and Hamdan (2018), Wahba (2014), Ullah, Fida, and Khan (2012), Wahba and Elsayed (2010). Mandacı and Gumus (2010). Faleye (2007);		
	Institutional Ownership		Percentage of institutional investors' shareholding in the firm.	Bataineh (2021), Amin and Hamdan (2018), Reyna (2017), Mehdi et al. (2017), Ibrahim and Shuaibu (2016), and Miko and Kamardin (2015), Ullah, Fida, and Khan (2012)		
	Foreign Owner-ship		Percentage of foreign investors' share-holding in the firm.	Bataineh (2021), Amin and Hamdan (2018), Greenaway, Guariglia, and Yu (2014). Iskan- dar, Bukit, and Sanusi (2012), Ullah, Fida, and Khan (2012).		
	Family Ownership	FAO	The fractional equity ownership of the founding family and (or) the presence of family members on the board of directors to identify family firm	Amin and Hamdan (2018), Ronald et al, (2003)		
Moderating Variable	Firm Size	FIS	Natural logarithm of total assets	Amin and Hamdan (2018), Wahba (2014), Ullah, Fida, and Khan (2012), Ramli (2010).		
Control Variable	Leverage	LEV	The ratio of total debt to total assets	Pattiruhu and Paais (2020), Amin and Hamdan (2018), Arshad, Akram, Amjad, and Usman (2013). Ullah, Fida, and Khan (2012), Chen and Ho (2000).		

Source: Researcher's Compilation, 2023

In order to examine the moderating effect of firm size on the relationship between ownership structure and the performance of listed industrial goods firms in Nigeria, the following original regression equation is modeled as follows:

$$Y_{it} = \alpha + \alpha_1 \mathbf{B}_{it} + \alpha_2 \mathbf{C}_{it} + \alpha_3 \mathbf{B}^* \mathbf{C}_{it} + \varepsilon_{it} - \dots$$
 (1)

Where the dependent variable is denoted by Y_{it} of bank i at time t, α is the constant, the coefficients of the independent variable and the moderating variable are denoted by α_1 and α_2 for bank i at time t while α_3 is the coefficient of the interaction effect between B and C which measures the moderation effect and E_{it} is the disturbance or error term.

In view of the above, a detailed model can be expressed as the following formula:

$$Y_{it} = \alpha_0 + \alpha_1 MAO_{it} + \alpha_2 INO_{it} + \alpha_3 FOO_{it} + \alpha_4 FAO_{it} + \alpha_5 FIS_{it} + \alpha_6 LEV_{it} + \epsilon_{it}$$
 (2)

Therefore, if a moderator is introduced into the regression model, the hierarchical regression model will be as follow:

$$ROA_{it} = \alpha_0 + \alpha_1 MAO_{it} + \alpha_2 INO_{it} + \alpha_3 FOO_{it} + \alpha_4 FAO_{it} + \alpha_5 FIS_{it} + \alpha_6 MAO*FIS_{it} + \alpha_7 INO*FIS_{it} + \alpha_8 FOO*FIS_{it} + \alpha_9 FAO*FIS_{it} + \alpha_{10} LEV_{it} + \epsilon_{it} - - - - - - - - - - - (3)$$

Where:

ROA denotes Return on Assets, ROE denotes Return on Equity; MAO denotes Managerial Ownership, INO denotes Institutional Ownership, FOO denotes Foreign Ownership; FAO denotes Family Ownership; FIS denotes Firm Size, MAO*FIS denotes interaction effect of managerial ownership and firm size, INO*FIS denotes interaction effect of institutional ownership and firm size, FOO*FIS denotes interaction effect of foreign ownership and firm size, FAO*FIS denotes interaction effect of family ownership and firm size and LEV denotes Leverage, α₀ represents the fixed

intercept element; α_{1-10} represents Partial derivatives or the gradient of the independent and moderating variables; and ϵ_{it} is the error term.

Results and Discussion

The descriptive and inferential statistics of this study are presented in this section.

Table 2: Descriptive Statistics

Variable	Obs.	Mean	Std. Dev.	Min.	Max.
ROA	96	0.247	0.142	0.211	0.412
ROE	96	0.321	0.125	0.227	0.436
MAO	96	0.214	0.141	0.276	0.365
INO	96	0.192	0.124	0.282	0.441
FOO	96	0.226	0.182	0.343	0.461
FAO	96	0.237	0.171	0.255	0.536
FIS	96	2.113	1.212	1.231	3.422
LEV	96	0.245	0.224	0.315	0.437

Note: ROA = Return on Assets, ROE = Return on Equity; MAO = Managerial Ownership, INO = Institutional Ownership, FOO = Foreign Ownership; FAO = Family Ownership; FIS = Firm Size, and LEV = Leverage,

Table 2 shows the descriptive statistics for the dependent, independent and moderating variables. The mean values of 0.247, 0.321, 0.214, 0.192, 0.226, 0.237, 2.113, and 0.245 are for ROA, ROE, MAO, INO, FOO, FAO, FIS, and LEV while 0.211 and 0.412, 0.227 and 0.436, 0.276 and 0.365, 0.282 and 0.441, 0.343 and 0.461, 0.255 and 0.536, 1.231 and 3.422 and 0.315 and 0.437 are the corresponding minimum and maximum values for the variables used in the study. In most of the variables, the values show a wide range of dispersion. Similarly, the standard deviations of the variables differ significantly from the respective means of the data, indicating that the firms' responses to these phenomena widely

Table 3: Correlation Matrix

		1	2	3	4	5	6	7	8	VIF	TOL.
1	ROA	1.000									
2	ROE	0.341	1.000								
3	MAO	0.422	0.454	1.000						3.32	0.21
4	INO	0.454	0.375	0.039	1.000					2.51	0.27
5	FOO	0.323	0.218	0.082	0.045	1.000				3.26	0.34
6	FAO	0.371	0.351	0.056	0.021	0.042	1.000			2.15	0.22
7	FIS	0.226	0.342	0.064	0.047	0.018	0.063	1.000		2.64	0.32
8	LEV	-0.267	-0.347	0.053	0.011	0.047	0.024	0.031	1.000	2.42	0.38
	Mean V	/IF								3.41	

Note: ROA = Return on Assets, ROE = Return on Equity; MAO = Managerial Ownership, INO = Institutional Ownership, FOO = For eign Ownership; FAO = Family Ownership; FIS = Firm Size, and LEV = Leverage,

Correlation analysis is used to describe the strength and direction of the linear relationship between two variables (Pallant, 2005). A high level and strong form of relationship between dependent and individual independent variables is expected in correlation analysis, whereas a low level and weak form of relationship between and among independent variables is expected. However, Table 3 shows that MAO, INO, FOO, FAO and FIS are positively correlated with performance measures while LEV is negatively correlated with performance measures. Therefore, correlation coefficients between the pairs of the independent, moderating and control variables are less than ±0.8 indicating absent of multicollinearity as suggested by Gujarati and Porter (2009). Also, Table 3 shows that the VIF values range from 2.15 to 3.32 with a mean VIF of 3.41 which is less than the threshold of 10 as recommended by Hair et al. (2014). Also, tolerance value is between 0.21 and 0.38, greater than the threshold of 0.1 as suggested by (Hair et al., 2014). This implies absent of multicollinearity among the variables.

Table 4: Normality Test

Variables	Obs.	W	V	Z	Prob>z
resid	96	0.54724	11.128	3.413	0.00000

Source: Output from STATA 2023

The Shapiro Wilk test for data normality was conducted and the Prob>z for all the variables was found to be significant, that is less than 0.05. Therefore, the null hypothesis that states study data are normally distributed was rejected. However, when using accounting data, it is nearly impossible to use normally distributed data because the distribution is unsystematically randomly distributed between and within firms (Wooldridge, 2013). However, non-normality of data has no effect on the validity of estimations (Shao, 2003).

Table 5: Heteroscedasticity Test for ROA and ROE Models

	chi2 (1)	Prob.		chi2(1)	Prob.
Variables: fitted values of ROA			Variables: fitted values of ROE		
Breusch-Pagan / Cook-Weisberg	21.34	0.000	Breusch-Pagan / Cook-Weisberg	34.23	0.012

Source: STATA Output, 2023

To check for heteroskedasticity, the Breusch-Pagan/Cook-Weisberg test was conducted. In Table 5, the heteroscedasticity test revealed chi2 values of 21.34 and 34.23 with prob. values of 0.000 and 0.12, which are significant for both ROA and ROE models respectively. Therefore, the null hypothesis is rejected. However, there is heteroscedasticity in the dataset. To address the issue of heteroscedasticity, the robust standard error for the FE model was used since its estimates automatically correct the problem of heteroscedasticity.

Table 6: Model Specification Test for ROA and ROE Models

ROA Model		ROE Model
hat	0.006***	0.024**
hatsq	0.325	0.273

Note: ***, ** denotes 1% and 5% level of significance

The link test was used to perform the model specification test. The link test is based on the assumption that if a regression model is adequately specified, the addition of an extra independent variable should not be significant unless by chance. In Table 6, the _hat values, which are the predicted values of the model, are significant, as expected for ROA (0.006) and ROE (0.024) models. Likewise, the _hatsq values for ROA (0.325) and ROE (0.273) models are not significant, indicating that the models are correctly specified.

Test of Hypotheses

The study applied Generalized Least Square of Fixed-Effect and Random-Effect models in order to test the study hypotheses as recommended by Wooldridge (2002). Therefore, Hausman Specification test was conducted in order to choose between fixed effects and random effects models.

Table 7: Hausman Specification Test Analysis

	ROA	ROE
Chi ²	2.43	2.75
p-value	0.000	0.011

Source: STATA output 2023

Both fixed effects and random effects tests were run and the results revealed a significant difference between FE and RE, allowing the Hausman specification test to be conducted to determine which model is superior. However, Table 7 shows that the Hausman test result revealed a chi² statistics of 2.43 and a P-value of 0.000 for ROA model and chi² statistics of 2.75 and a P-value of 0.011 for ROE model. Therefore, the FE model is preferable to the RE model and it should be interpreted for both ROA and ROE models.

Regression Results

Table 8: Robust Standard Error Fixed Effect Regression Results for ROA and ROE Models

		ROA Models		ROE Models				
	Direct R	irect Relationship		Indirect Relationship		elationship	Indirect Relationship	
	Coef.	T-statistic	Coef.	Coef. T-statistic		T-statistic	Coef.	T-statistic
MAO	.314	(1.81)***	.312	.312 (1.46)**		(2.22)**	.314	(2.33)**
INO	.221	(2.15)**	.137	.137 (3.18)**		(3.23)**	.327	(2.13)***
FOO	.333	(2.23)**	.224	.224 (1.43)***		(1.13)**	.215	(1.12)***
FAO	.211	(1.25)**	.163	.163 (2.52)**		(2.18)**	.262	(3.26)**
FIS	.217	(2.18)***	.213	.213 (1.27)***		(1.82)***	.304	(1.44)***

MAO*FI S			.251	(2.58)**			.255	(1.51)***
INO*FIS			.311	(1.36)***			.241	(2.22)**
FOO*FIS			.204	(3.27)***		ĺ	.211	(1.37)**
FAO*FIS			.272	(1.11)**			.237	(1.11)***
LEV	245	(2.54)**	.218	(2.25)**	261	(2.71)**	.314	(2.27)***
CONS	2.261	2.28	3.432	2.53	2.121	3.35	2.186	3.224
R- Squared	Within	0.5142	Within	0.6041	Within	0.5842	Within	0.6114
	Between	0.4463	Between	0.4517	Between	0.4354	Between	0.4217
	Overall	0.4014	Overall	0.4143	Overall	0.4287	Overall	0.4432
F- statistics		31.42***		27.34***		28.51***		34.37***
Obs.		96		96		96		96

Note: *, **, *** indicate statistical significance at 10%, 5%, and 1% levels, respectively, the T-statistics are in parentheses, ROA = Return on Assets, ROE = Return on Equity; MAO = Managerial Ownership, INO = Institutional Ownership, FOO = Foreign Ownership; FAO = Family Ownership; FIS = Firm Size, MAO*FIS = interaction term between MAO and FIS, INO*FIS = interaction term between INO and FIS, FOO*FIS = interaction term between FOO and FIS, FAO*FIS = interaction term between FAO and FIS, and LEV = Leverage.

Table 8 shows that the F-statistics return values of 31.42 and 28.51 for ROA and ROE models that are statistically significant at 1%. These confirm the overall significance of the models. It further supports the assumption of a significant linear relationship between the dependent variables ROA and ROE, and the independent variables. The overall R-squares are 40.14% and 42.87%, indicating that, the variables considered in the models explain about 40.14% and 42.87% change in both ROA and ROE, while about 59.86% and 57.13% change may be as a result of other variables not captured in the models.

In respect of ownership structure proxies, the result of direct effect models in Table 8 shows that Managerial ownership (MAO) has significant positive effect on industrial goods firms performance; ROA (β = .314, p<0.01) and ROE (β = .256, p<0.05). This means that holding other factors constant, a percentage increase in Managerial ownership increases performance of listed industrial goods firms in Nigeria by 31.4% and 24.6% measured by ROA and ROE respectively. This is consistent with the findings of Susanto and Nuringsih (2020), Vieira et al. (2019), Amin and Hamdan (2018), Ali et al. (2018); Alabdullah (2017); Berke et al. (2017); Jiang and Zhang (2017); Khamis, Hamdan, and Elali (2015), Ullah and Shah, (2014), Gugong, Arugu, and Dandago (2014) who found that managerial ownership is positively associated with firms performance while it is inconsistent with studies by Sani (2020), Saidu and Gidado (2018), and Faruk and Mailafia (2013) who found that managerial ownership is negatively associated with firms performance.

Table 8 shows that Institutional ownership (INO) has significant positive effect on industrial goods firms performance; ROA (β = .221, p<0.05) and ROE (β = .432, p<0.05). This means that holding other factors constant, a percentage increase in Institutional ownership (INO) increases performance of listed industrial goods firms in Nigeria by 22.1% and 43.2% measured by ROA and ROE respectively. The significant positive effect of institutional ownership on the performance of industrial goods firms may be due to the fact that institutions have adequate resources to monitor managements' attitudes, and influence the firms' performance. This is consistent with the findings of Susanto and Nuringsih (2020), Kao et al. (2019), Amin and Hamdan (2018), Hamdan (2017); Mish-

ra and Kapil (2017); Masry (2016); Khamis, Hamdan, and Elali (2015), and Gugong, Arugu, and Dandago (2014) who found that institutional ownership is positively associated with firms performance while it is inconsistent with studies by Oudat, Ali, Hezabr, and Qeshta (2021), Ahmad et al. (2019), Saleh et al. (2017); Rose, (2014), Almudehki and Zeitun (2012) and Charfeddine and Elmarzougui (2011) who found that institutional ownership is negatively associated with firms performance.

Table 8 shows that Foreign ownership (FOO) has significant positive effect on listed industrial goods firms performance; ROA (β = .333, p<0.05) and ROE (β = .237, p<0.05). This means that holding other factors constant, a percentage increase in foreign ownership (FOO) increases the performance of listed industrial goods firms in Nigeria by 33.3% and 23.7% measured by ROA and ROE respectively. The significant positive effect of foreign ownership on firms' performance may be due to the fact that foreign investors transfer knowledge and experience that stimulate firms' performance. This is consistent with the findings of Zraiq and Fadzil (2018), Abdallah and Ismail (2017); Al-Matari et al. (2017); and Almudehki and Zeitun (2012) who found that foreign ownership is positively associated with firms' performance while it is inconsistent with studies by Amin and Hamdan (2018), Talab et al. (2018), and Elghuweel et al. (2017) who found that foreign ownership is negatively associated with firms' performance.

Table 8 shows that Family Ownership (FAO) has significant positive effect on listed industrial goods firms performance; ROA (β = .211, p<0.05) and ROE (β = .324, p<0.05). This means that holding other factors constant, a percentage increase in family ownership increases performance of listed industrial goods firms in Nigeria by 21.1% and 32.4% measured by ROA and ROE respectively. The result supports the Agency Theory which states that family ownership can help reduce the agency problem by involving family members in managing the company and so improving corporate performance. The result is consistent with the findings of Kao et al., (2019), Zraiq and Fadzil (2018), Al-Janadi (2021) and Shyu (2011) who found that family ownership is positively associated with firms' performance while it is inconsistent with studies by Susanto and Nuringsih (2020), Oudat, Ali, Hezabr, and Qeshta (2021), Mohammed (2018) who found that family ownership is negatively associated with firms' performance.

In view of the moderating variable, firm size, the study found that firm size has significant positive effect on the performance of listed industrial goods firms; ROA (β = .217, p<0.01) and ROE (β = .264, p<0.01). The significant positive effect of a firm's size on firms' performance may be as a result of the development of market power, the economics of scale, and market experience. Also, the study found that firm size did not only have a positive and significant direct effect on firms' performance, it also moderates the relationship between ownership structure variables and firms' performance. Therefore, the results in Table 8 revealed a significant positive effect of the interaction between managerial ownership and firm size. The coefficients of the interaction are ROA (β = .251, p<0.05) and ROE (β = .255, p<0.01). This means that when firm size increases, the effect of managerial ownership on the performance of industrial goods firms will be more positive. This finding may be attributed to the fact that .

Also, the coefficients of the interaction between institutional ownership and firm size are positive and statistically significant ROA (β = .311, p<0.01) and ROE (β = .341, p<0.05). This implies that when firm size increases, the effect of institutional ownership on the performance of industrial goods firms will be positive.

Looking at the foreign ownership, the results revealed a significant positive effect of the interaction between foreign ownership and firm size. The coefficients of the interaction are ROA (β = .204, p<0.01) and ROE (β = .211, p<0.05). This implies that when firm size increases, the effect of foreign ownership on the performance of industrial goods firms will be positive.

Also, the results revealed a significant positive effect of the interaction between family ownership

and firm size. The coefficients of the interaction are ROA (β = .272, p<0.05) and ROE (β = .237, p<0.01). This implies that when firm size increases, the effect of family ownership on the performance of industrial goods firms will be positive.

Regarding the control variable, results in Table 8 show that leverage has significant negative effect on the performance of industrial goods firms in Nigeria. The coefficients are ROA (β = -.245, p<0.05) and ROE (β = -.261, p<0.05) respectively. This means that holding other factors constant, a 1% increase in leverage will lead to 24.5% and 26.1% decrease in firms' performance respectively. This result may be due to the fact that profitable firms tend to focus on their retained earnings when they need to raise capital. Consequently, the proportion of debt in firms' financing structure decreases with increasing profitability (Pillai & Al-Malkawi, 2018).

Conclusion and Recommendations

Previous empirical studies have found mixed results regarding the relationship between ownership structure and firm performance. Therefore, the study examines the moderating effect of firm size on the relationship between ownership structure and the performance of listed industrial goods firms in Nigeria. The study found that ownership structure variables (managerial ownership, institutional ownership, foreign ownership, and family ownership) included in this study have significant positive effect on the performance of listed industrial goods firms in Nigeria while firm size did not only have a significant positive direct effect on firms performance, but it also moderates the relationship between ownership structure variables and performance of listed industrial goods firms in Nigeria. However, the study recommends that managements of listed firms in Nigeria should come up with policy and procedures where diffused ownerships will be enshrined in their ownership structure while considering the size of the firm.

References

- Abdallah, A. A. N., & Ismail, A. K. (2017). Corporate governance practices, ownership structure, and corporate performance in the GCC countries. *Journal of International Financial Markets, Institutions and Money*, 46, 98-115.
- Abosede Adebiyi, J., & Kajola Sunday, O. (2011). Ownership structure and firm performance: evidence from Nigerian listed companies. *Corporate Ownership & Control*, 8(4), 391-402.
- Abu-Serdaneh, J., Zuriekat, M., & Al-Sheikh, I. (2010). Ownership Structure and Corporate performance in the Jordanian manufacturing companies. *Jordan Journal of Business Administration*, 6(3), 426-440.
- Ali, A., Qiang, F., & Ashraf, S. (2018). Regional dynamics of ownership structure and their impact on firm performance and firm valuation: A case of Chinese listed companies. *Review of International Business and Strategy*, 28(1), 129-147.
- Al-Janadi, Y. (2021). Ownership structure and firm performance in the Middle East: A meta-analysis. *Journal of Risk and Financial Management*, 14(12), 577.
- Al-Matari, E. M., & Al-Arussi, A. S. (2016). The effect of the ownership structure characteristics on firm performance in Oman: Empirical study. *Corporate ownership and control Journal*, 13 (2), 93-182.
- Al-Matari, E. M., Al-Matari, Y. A., & Saif, S. A. (2017). Association between ownership structure characteristics and firm performance: Oman evidence. *Academy of accounting and financial studies journal*, 21(1), 11.
- Almudehki, N., & Zeitun, R. (2012). Ownership structure and corporate performance: Evidence from Qatar. *Available at SSRN 2154289*.
- Altaf, N., & Shah, F. A. (2018). Ownership concentration and firm performance in Indian firms: does investor protection quality matter? *Journal of Indian Business Research*, 10 (1), 33-52.

- Amin, A. A., & Hamdan, A. M. (2018). Evaluating the effect of ownership structure on firm performance: Evidence from Saudi Arabian listed companies. *Journal of Economic Cooperation & Development*, 39(3), 65-92.
- Ananchoticul, N. (2007) Does foreign direct investment really improves corporate governance? Evidence from Thailand. Working paper, University of California.
- Andayani, W., Hartono, J., Supriyadi, S., & Miharjo, S. (2018). The effect of family ownership on profit and performance company management: based on the theory of stewardship. *Jurnal Aplikasi Manajemen*, 16(2), 336-352.
- Arshad, Z., Akram, Y., Amjad, M., & Usman, M. (2013). Ownership structure and dividend policy. *Interdisciplinary Journal of contemporary research in business*, 5(3), 378-401.
- Bataineh, H. (2021). The impact of ownership structure on dividend policy of listed firms in Jordan. *Cogent Business & Management*, 8(1), 1863175.
- Baumol, W. J. (1967). Business, behaviour, value and growth, (Revised ed.), New York: Harcourt Braceand World.
- Bekiris, F. V. (2013). Ownership structure and board structure: are corporate governance mechanisms interrelated? *Corporate Governance: The international journal of business in society*, 13 (4), 352-364.
- Boshnak, H. A. (2023). Ownership structure and firm performance: evidence from Saudi Arabia. *Journal of Financial Reporting and Accounting*.
- Chai, D. H. (2010). The impact of foreign corporate ownership on downsizing and labour cost. Centre for Business Research, University of Cambridge.
- Cornett, M. M., Marcus, A. J., Saunders, A., & Tehranian, H. (2007). The impact of institutional ownership on corporate operating performance. *Journal of banking & finance*, 31(6), 1771-1794
- Farouk, M.A., & Mailafia, L. (2014). Corporate governance mechanisms and earnings management of listed oil and gas firms in Nigeria. Journal of the Association of National Accountants of Nigeria, 22(2), 42-47.
- Foroughi, M., & Fooladi, M. (2011, November). Corporate ownership structure and firm performance: evidence from listed firms in Iran. In *International Conference on Humanities, Society and Culture (ICHSC) Kuala Lumpur, Malaysia, November* (pp. 4-6).
- Frazier, P. A., Tix, A. P., & Barron, K. E. (2004). "Testing moderator and mediator effects in counseling psychology research": Correction to Frazier et al. (2004).
- Gale, B. T. (1972). Market share and rate of return. *The review of economics and statistics*, 412-423.
- Gisbert, A., & Navallas, B. (2013). The association between voluntary disclosure and corporate governance in the presence of severe agency conflicts. *Advances in Accounting*, 29(2), 286-298.
- Gugong, B.K., Arugu, L.O. and Dandago, K.I. (2014). The impact of ownership structure on the financial performance of listed insurance firms in Nigeria", International Journal of Academic Research in Accounting, Finance and Management Sciences, 4(1. 409-416.
- Haija, A.A.A., & Alrabba, H.M. (2017). Relationship between Ownership Structure and Financial Performance. Corporate Ownership & Control, 14(3), 393-398.
- Hall, M., & Weiss, L. (1967). Firm Size and profitability The Review Economics and Statistic.
- Hamdan, A. M. M. (2017). The role of accounting conservatism in the relationship between ownership structure and firm performance. *International Journal of Critical Accounting*, 9(5-6), 524-539.
- Ho, C. S., & Mohd-Raff, N. E. N. (2019). External and internal determinants of performances of Shariah and non-Shariah compliant firms. *International Journal of Islamic and Middle Eastern Finance and Management*, 12(2), 236-253.
- Ibhagui, O. W., & Olokoyo, F. O. (2018). Leverage and firm performance: New evidence on the role of firm size. *The North American Journal of Economics and Finance*, 45, 57-82.
- Jensen, M. C., & Meckling, W. H. (1979). Rights and production functions: An application to labor -managed firms and codetermination. *Journal of business*, 469-506.

- Jwailes, A.R., Sulong, Z., & Ahmad, N. (2020). The Ownership Structure Influence on Firm Performance in Jordan. International Journal of Advanced Science and Technology, 29(10s), 1099-1109.
- Kaldor, N. (1934). The equilibrium of the firm. *The economic journal*, 44(173), 60-76.
- Kao, M. F., Hodgkinson, L., & Jaafar, A. (2019). Ownership structure, board of directors and firm performance: evidence from Taiwan. Corporate Governance: The international journal of business in society, 19(1), 189-216.
- Khamis, R., Hamdan, A. M., & Elali, W. (2015). The relationship between ownership structure dimensions and corporate performance: Evidence from Bahrain. *Australasian Accounting, Business and Finance Journal*, 9(4), 38-56.
- Khan, K., Lamrani, H. C., & Khalid, S. (2019). The impact of dividend policy on firm performance: A case study of the industrial sector. *Risk Governance & Control: Financial Markets & Institutions*, 9 (3).
- Koji, K., Adhikary, B. K., & Tram, L. (2020). Corporate governance and firm performance: A comparative analysis between listed family and non-family firms in Japan. *Journal of risk and financial management*, 13(9), 215.
- Malelak, M. I., Soehono, C., & Eunike, C. (2020). Corporate Governance, Family Ownership and Firm Value: Indonesia Evidence. SHS Web of Conferences, 76, 01027.
- Mandacı, P., & Gumus, G. (2010). Ownership concentration, managerial ownership and firm performance: Evidence from Turkey. *South East European Journal of Economics and Business*, 5 (1), 57-66.
- Mangena, M. and Tauringana, V. (2007), "Disclosure, corporate governance and foreign share ownership on the Zimbabwe Stock Exchange", Journal of International Financial Management and Accounting, 18 (2), 53-85.
- Mehdi, M., Sahut, J. M., & Teulon, F. (2017). Do corporate governance and ownership structure impact dividend policy in emerging market during financial crisis? *Journal of applied accounting research*, 18(3), 274-297.
- Moudud-Ul-Huq, S., Biswas, T., & Proshad Dola, S. (2020). Effect of managerial ownership on bank value: insights of an emerging economy. *Asian Journal of Accounting Research*, 5(2), 241-256.
- Mustapha, M., & Ahmad, A. C. (2011). Agency theory and managerial ownership: evidence from Malaysia. *Managerial Auditing Journal*, 26(5), 419-436.
- Obembe, O. B., Olaniyi, C. O., & Soetan, R. O. (2016). Managerial ownership and performance of listed non-financial firms in Nigeria. *International Journal of Business and Emerging Markets*, 8(4), 446-461.
- Oudat, M. S., Ali, B. J., Hezabr, A., & Qeshta, M. (2021). Ownership Structure and Commercial Banks Performance: An Empirical Study from Emerging Markets. *Revista Geintec-Gestao Inovacao E Tecnologias*, 11(2), 1654-1665.
- Pillai, R., & Al-Malkawi, H. A. N. (2018). On the relationship between corporate governance and firm performance: Evidence from GCC countries. *Research in International Business and Finance*, 44, 394-410.
- Rajverma, A. K., Misra, A. K., Mohapatra, S., & Chandra, A. (2019). Impact of ownership structure and dividend on firm performance and firm risk. *Managerial Finance*, 45(8), 1041-1061.
- Ramli, N. M. (2010). Ownership structure and dividend policy: Evidence from Malaysian companies. *International Review of Business Research Papers*, 6(1), 170-180.
- Rashid, A. (2016). Managerial ownership and agency cost: Evidence from Bangladesh. *Journal of business ethics*, 137, 609-621.
- Sacristan-Navarro, M., Gomez-Ansón, S., & Cabeza-García, L. (2011). Family ownership and control, the presence of other large shareholders, and firm performance: Further evidence. *Family Business Review*, 24(1), 71-93.
- Saenz González, J., & Garcia-Meca, E. (2014). Does corporate governance influence earnings management in Latin American markets? *Journal of business ethics*, 121, 419-440.
- Saidu, S. A., & Gidado, S. (2018). Managerial ownership and financial performance of listed manu-

- facturing firms in Nigeria. *International journal of academic research in business and Social Sciences*, 8(9), 1227-1243.
- Saidu, S. A., & Gidado, S. (2018). Managerial ownership and financial performance of listed manufacturing firms in Nigeria. *International journal of academic research in business and Social Sciences*, 8(9), 1227-1243.
- Sani, A. (2020). Managerial ownership and financial performance of the Nigerian listed firms: The moderating role of board Independence. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 10(3), 64-73.
- Sani, A. (2020). Managerial ownership and financial performance of the Nigerian listed firms: The moderating role of board Independence. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 10(3), 64-73.
- Shyu, J. (2011). Family ownership and firm performance: evidence from Taiwanese firms. *International Journal of Managerial Finance*, 7(4), 397-411.
- Steindl, J. (1945). Small and big business: Economic problems of the size of firms. (No Title).
- Susanto, W., & Nuringsih, K. (2020). The parabolic effect of managerial ownership and the impact toward firm's performance. *Jurnal Ekonomi*, 25 (2), 233-250.
- Talab, H. R., Manaf, K. B. A., & Malak, S. S. D. A. (2018). Ownership structure, external audit and firm performance in Iraq. *Social Science and Humanities Journal (SSHJ)*, 343-353.
- Thanatawee, Y. (2013). Ownership structure and dividend policy: Evidence from Thailand. *International Journal of Economics and Finance*, 5(1), 121-132.
- Ullah, H., Fida, A., & Khan, S. (2012). The impact of ownership structure on dividend policy evidence from emerging markets KSE-100 Index Pakistan. *International journal of business and social science*, 3(9).
- Vieira, E. S., Neves, M. E., & Dias, A. G. (2019). Determinants of Portuguese firms' financial performance: panel data evidence. *International Journal of Productivity and Performance Management*, 68(7), 1323-1342.
- Wahba, H. (2014). Capital structure, managerial ownership and firm performance: evidence from Egypt. *Journal of Management & Governance*, 18, 1041-1061.
- Zraiq, M. A. A., & Fadzil, F. H. B. (2018). The impact of ownership structure on firm performance: Evidence from Jordan. *International Journal of Accounting, Finance and Risk Management*, 3 (1), 1-4.
- Zraiq, M. A. A., & Fadzil, F. H. B. (2018). The impact of ownership structure on firm performance: Evidence from Jordan. *International Journal of Accounting, Finance and Risk Management*, 3 (1), 1-4.

Impact of Tourism on Economic Growth in New Bussa, Nigeria

Attahiru Hamza

Federal College of Wildlife Management New Bussa, Niger State, Nigeria hamzahborgu@gmail.com

Mohammed Nurudeen

Federal College of Wildlife Management New Bussa, Niger State, Nigeria

Awal Adamu Bussa

Federal College of Wildlife Management New Bussa, Niger State, Nigeria

Ayeni Sa'adah Mohammed

Federal College of Wildlife Management New Bussa, Niger State, Nigeria

Abstract

Searching and creating more avenues to complement the existing revenue is an issue of concern. This was prompted by the increasing demand for public essential facilities and the sophisticated nature of the contemporary world which require high expenditure to meet demands. This study determine the influence of tourism on economic growth with particular emphasis of identifying the various tourism activities practiced in New Bussa and the influence of these activities on economic growth. Questionnaire was prepared in Likert Scale form with a weighted average of 5. The study populations were Village heads, custodians of the attraction sites, and the tourists, while the sample size was 120 respondents. Purposive (village heads and attraction site custodians) and accidental (tourists) sampling methods were used. Data collected were analyzed by descriptive statistics such as frequency, percentile, mean coefficients and further presented in tables. The findings reveals that tourism has significant positive relationship with economic growth and the most significant influential variable towards economic growth is investment, while others included infrastructural development, enhancing income as well as revenue generation and increased productivity. Finally, practice of some of the tourism activities such as boat regatta and football competitions should be done on regular bases and also the event activities should be consolidated and granted adequate publicity with a view to further attracts more patronage to enhance economic benefits to the community respectively.

Keywords: Essential facilities, economic growth, revenue generation, tourism activities

Introduction

Tourism is a crucial sector to the economies of every nation across the globe and it is an important element in accelerating and developing the world economy. Tourism contributes in a nation's growth and development, basically by bringing in multiple economic values and benefits and secondly, by helping to build brand value, enhances image and identification in the region (Sana, 2021). As a significant contributor to economic growth, the tourism industry goes beyond attractive destination (Khalil, Samina, Khan & Afia, 2007). Economic growth is a function of enhanced productivity in the entire functional sectors of the economic, tourism inclusive. Tourism is one of the major stimulant to economic growth in this contemporary dispensation as it is recognized amongst the first three key contributors to GDP through export earnings and indeed, economic growth (Haroon, Shafat & Tarique, 2021).

Several studies have shown association between tourism and economic growth, Brida et al, (2008), Belloumi, (2010), Songling et al, 2019 among others while some studies also shows no association between the two variables such as Tang and Jang 2009, Payne and Mervar 2010 among others. Sana (2021) studied the role of tourism in economic growth: Empirical evidence from Saudi Arabia, the study uses basic statistics, correlation coefficients, the unit root test, the Johansen co-integration test and the Granger causality to check the relationship between tourism and economic growth, the results shows that economic growth has a long run relationship with tourism receipts, tourism expenditure and the number of tourist arrivals; the number of tourist arrival has a strong relationship with economic growth compared to other parameters. Similarly, Jamel (2020) conducted a study on Saudi Arabia to examine the causal nexus between tourism and economic growth. The research used descriptive analysis, a Pearson correlation test, a unit root test, a VAR model and a Granger causality test for the period 1990-2018. The empirical results revealed that the economic growth in Saudi Arabia was positively affected by tourism and there is a positive nexus among tourism and economic growth. Tourism has become the world's third-largest export industry after fuels and

453

chemicals, and ahead of food and automotive products (Haroon et al, 2021).

ncbi.nim.nih.gov (2021), the study investigates the relationship between tourism and economic growth by using a panel data co-integrated test, Granger causality test and Wavelet coherence analysis at the global level. This analysis examines 105 nations using panel data from 2003 to 2020. The findings indicate that in most regions, tourism contributes significantly to economic growth and vice versa. Developing trade across most of the regions appears to be a major influencer in the study, as a bidirectional association exists between trade openness and economic growth. Additionally, all regions other than the American region showed a one-way association between gross capital formation and economic growth. Therefore it is crucial to highlight that using initiatives to increase demand would advance tourism while also boasting the economy.

Globally, the idea of searching and creating more avenues to complement the existing sources of revenue is an issue of concern. This was prompted by the increasing demand for public essential facilities that could enhance the standard of living of the populace in different spheres of life and the sophisticated nature of the contemporary world which require high expenditure for security architecture, quality education, and mechanized agricultural system, durable and modern infrastructure among others. As a result, attention has been directed towards tourism and to evaluate its ratio contribution towards enhancing the performance of the economy of several societies. Therefore, ascertaining tourism performance in New Bussa community towards economic growth is of paramount importance to the nation as tourism contributes in enhancing the value of goods and services produced and indeed, increasing the GDP in most societies.

This study seek to determine the influence of tourism on economic growth with particular emphasis of identifying the various tourism activities practiced in New Bussa as well as ascertaining the significance of such activities on economic growth, as the outcome provides a reliable information that would add to existing knowledge and perhaps future researchers, policy makers and tourism experts could deduce from the findings of this study that tourism has significant positive relationship with economic growth and the most significant influential variable towards economic growth is investment, while others included infrastructural development, enhancing income as well as revenue generation and increased productivity.

Materials and methods

This study was exploratory in nature. Primary source was used to collect data for the study. The instrument for primary data used was questionnaire which was structured and divided into section A and B. Section A of the questionnaire elicited the personal demographic characteristics of the respondents while the section B consisted of questions directly related to the issues under the research objectives. The questionnaire was prepared in Likert Scale form with a weighted average of 5. The study populations for this research work were the Village heads, custodians of the attraction sites, and the tourists, while the sample size was 120 respondents. Purposive and accidental sampling methods were used whereby the village heads and custodians of the attraction sites were purposively sampled, because they would be able to give accurate information about the attraction sites in the area and accidental sampling technique was used to sample tourists. Data collected were analyzed by descriptive statistics such as frequency, percentile, mean coefficients and further presented in tables.

Table 1: Tourism activities Practiced in New Bussa community

454

Variables	1	2	3	4	5	Mean	Position
Gani festival	-	-	-	25.9	73.1	4.87	2 nd
Sight viewing (Kainji Dam, Fed college of Wildlife Zoo and Museum etc)	-	-	-	31.8	68.2	4.65	4 th
Durbar festivals (sallah celebrations)	-	-	-	24.7	75.3	4.94	1 st
Rich wedding ceremonies	-	-	22.4	27.1	50.6	4.51	5 th
Football competitions among communities	-	5.9	24.7	28.2	41.2	3.67	7 th
Boat regatta (ridding) completion among communities	-	-	-	30.6	69.4	4.81	3 rd
Turbaning (coronation) ceremonies	9.3	-	21.2	14.3	55.2	3.72	6 th

Source: Field Survey 2023

The above table reveals the tourism activities practiced in New Bussa. Most of the activities were practiced seasonally and occasionally. The activities have the potential of pooling a significant number of people, both residents and visitors. The activities were usually occasioned by other supportive events that make them more colourful and appealing and as such, pool reasonable crowd, within and outside and hence brings about several economic benefits to the community in the areas of income generation, job creation, investment, high demand for goods and services and so on.

Table 2: Significance of tourism on economic growth

Variables	1	2	3	4	5	Mean	Position
Enhanced investment	-	-	-	39.8	60.2	4.69	1 st
Infrastructural development	-	-	-	58.3	41.7	4.40	2 nd
Increase in the rate goods and services	4.6	1.9	2.8	46.3	44.4	4.32	4 th
Create employment	-	-	3.6	17.8.	78.6	4.07	6 th
Increase income generation	2.4	3.7	40.2	2.8	50.9	3.29	5 th
Enhance revenue generation through taxes	3.6	0.9	11.3	17.8	66.4	4.02	

Note: 1. Strongly Disagree 2.Disagree 3.Neutral 4. Agree 5. Strongly Agree Source: field survey, 2023

Table 2 above reveals the significance of tourism to economic growth. Enhance investment was confirmed to be the major benefit of tourism to economic growth with mean coefficient of 4.69 while the least confirmed benefit was increase income generation with 3.29 mean coefficient. Other benefits included infrastructural development 4.40 mean coefficient, increase in the rate of goods and services 4.32 mean coefficient, create employment 4.07 mean coefficient and enhance revenue generation through taxes 4.2 mean coefficient. These invariably indicate that tourism has significant positive relationship with economic growth with all the variables indicated above. This could be deduced from the mean coefficients of all the variables which appears to be positive statistical significant, implying that an increase and improvement in tourism activities will result to a proportion increase in the level of economic growth and vice versa. It is therefore an indication that tourism is an instrument for economic growth.

Conclusion

In conclusion, New Bussa community is blessed with varieties of tourism activities characterized with the potentiality of pooling a large proportion of population from within the community and the outside world. This is only possible as a result of the passion and concern the community has for tourism particularly the royalty. It could further be concluded that tourism is an instrument for economic growth as the relationship between tourism and economic growth was positively significant at individual levels of the dependent variables used, implying a highly significant statistical relationship.

Recommendations

The practice of some of the tourism activities such as boat regatta and football competitions should be done on regular bases so as to further enhance the realization of desired economic benefits.

The event activities should be consolidated and granted adequate publicity with a view to further attracts more patronage to enhance economic benefits to the community.

References

Belloumi, Mounir. 2010. The relationship between tourism receipts, real effective exchange rate and economic growth in Tunisia. *International Journal of Tourism Research* 12: 550–60.

Brida, Juan Gabriel, Edgar J. Sanchez Carrera, and W. Adrian Risso. 2008. Tourism's Impact on long-run Mexican economic growth. Economics Bulletin 3: 1–8.

Haroon Rasool, Shafat Magbool and MD Tarique (2021). The relationship between tourism and economic growth among BRICS countries: a panel co-integration analysis. *Future Business Journal* 7, Article number 1. Fbj.springeropen.com

Tourism and economic growth: A global study on Granger causality and wavelet coherence. National Library of Medicine. National Center for Biotechnology Information. An official website of United States government, ncbi.nim.nih.gov 2021

Jamel, Lamia. 2020. The Relation between Tourism and Economic Growth: A Case of Saudi Arabia as an Emerging Tourism Destination. Virtual Economics 3: 29–47.

Khalil, Samina, Mehmood Khan Kakar, and Afia Malik. 2007. Role of tourism in Economic Growth: Empirical Evidence from Pakistan Economy. The Pakistan Development Review 46: 985–95.

Payne, James E., and Andrea Mervar. 2010. The tourism-growth nexus in Croatia. Tourism Economics 19: 1089–94.

Sana 2021. Digital Session and On-site Event- Home, https://sana2021.b2match.io

Songling, Yang, Muhammad Ishtiaq, and Bui Thi Thanh. 2019. Tourism Industry and Economic Growth Nexus in Beijing, China. Economies 7: 25.

Tang, Chun-Hung Hugo, and SooCheong Shawn Jang. 2009. The tourism-economy causality in the United States: A sub-industry level examination. Tourism Management 30: 553–58.

Democratization Process and Opposition Party in Nigeria: An Insight

IDREES Mahmud Gana

Department of Political Science Federal University of Dutsin-Ma Katsina State Mahmud.idrees@gmail.com

OGAJI Tijani Adamu

Department of Political Science Federal University of Dutsin-Ma Katsina State Ogajitijanjadamul@gmail.com

Abstract

As a potent opposition to the ruling party, political parties perform one of the most significant functions in a democracy. Though political opposition is essential to the functioning of self-governing institutions and societies, the role of opposition parties in developing democracies like Nigeria has gotten little attention. Based on this, the research aims to investigate Nigeria's opposition party and democratic process. The Theory of Consensus Democracy and Prebendalism Theory serve as the theoretical foundation for this study. The overall weakness of Nigeria's political opposition was revealed through qualitative examination of material that was mostly collected from secondary sources. The study asserted that among other things, fragmentation, violence, desertion, manipulation of election rules, and money politics are to blame for political parties' inability to function as effective platforms for opposition to the ruling party. The study suggests, among other things, that Nigerians and the media oppose increased political chances. Additionally, the supporters of the competing parties must immediately mobilize the voter. This circumstance is an out different from how they have always been marketed as being reachable in developed countries.

Keywords: Democracy, democratization process, political parties, opposition politics

Introduction

The role of opposition parties in transitional democracies like Nigeria, especially in recent years, has not received much attention. The stability of authority and the dynamism associated with the operation of democratic systems and societies depend on political opposition. Nigerians are currently debating the quality of their election system, which is a key factor in the consolidation of democracy, rather than simply whether or if democracy can endure. The duties and responsibilities of opposition parties in strengthening democracy are crucial (Southall, 2000). In order to prevent the electoral system from being abused, a legitimate democratic electoral process must include a viable competitive or multi-party struggle that would aid in the abolition of authoritarian democracy and one-party rule (Khan, 2021; Oyewole & Omotola, 2022).

Unquestionably, political parties continue to be one of the most important tools and structures for political organization. Parties do, in fact, play a crucial role in improving the effectiveness of any democratic system. The function of opposition parties in maintaining the balance of power and adding dynamic elements to the functioning of democratic systems is crucial for the legitimacy of such governments (Adebiyi et al., 2019). Dahl's definition of democracy as it is generally understood today dictates that democracy requires both public engagement and competitive contestation. It is anticipated that there would be multiple parties competing, giving the electorate a choice of options (Weghorst & Lindberg, 2011).

Opposition parties are just as crucial to the consolidation of democracy as political parties are. This is because they are crucial in setting up partisan movements that aim to challenge and oppose the party in power during elections, which lends legitimacy to those elections. According to Auwal (quoted in Amos, 2023) opposition parties have also been viewed as watchdogs, supporters of good governance, and potential replacements for established governments.

As the lung through which democracy breathes, democracy is intended to be formed upon normative norms of constitutional governance, public involvement, competition, and accountability. When there is competition in the election, voters have more quality and quantity of options, which broad-

457

ens their political horizons and improves the quality and scope of their involvement (Adenuga, 2022; Adenuga, & Oderinde, 2021; Huntington, 1991; Mauk, 2022).

In truth, in developed democracies political parties are important cornerstones of good government, the rule of law, and the defense of human rights. In essence, the institutionalization and strengthening of democracy depends on the existence of strong political parties. In any democratic democracy, but particularly in those that are in transition, political parties serve purposes that support the ongoing democratization process (Saka et al., 2019). In a fully democratic society, opposition parties also assist in stabilizing regimes. It is important to remember that an opposition party's ability to serve as a countervailing force mostly depends on how unified its leadership and organizational structure are.

Along with opposition party structure and leadership, the ruling party is a significant factor in the opposition parties' inability to function successfully. Most ruling parties have a strict policy of not tolerating opposition parties and lack the political courage to do so. The history of violence in Nigerian elections stems from the ruling party's fear of competition in the electoral market and its desire to hold onto power despite its failure to fulfill its promises made during the election campaign and in terms of leadership (Hamalai, Egwu, & Omotola, 2017; S. Omotola, 2010; Oyewole & Omotola, 2022). The entire process becomes violent as a result of both the opposition and the ruling party wanting to keep their positions of authority. It is in the light of the above this study seek to examine democratization process and opposition party in Nigeria.

Conceptualizing Democratization

The concept of "democratization" is a new political lexicon for the analysis of public actors in a democratic system in the modern period. However, political analysts from a number of fields have gathered to construct broad empirical theories in line with global politics on the process of democracy that occurred in Western countries via the evolution that adopted various political patterns. In the first place, "democratization" is a relative term.

The idea was described by Huntington (1991) as a time or evolution that emerges from increasing waves that systematically transcend in the context of international politics. But democratic transitions from non-democratic to democratic regimes also fall within the umbrella of democratization. According to Alumona (2010), democratization is a process that takes place over time. The state and the entire population are the main actors who must demonstrate dedication to make sure that sustainable democracy functions well throughout the entire society. As explained by Whitehead (2002), democratization is best viewed as a difficult, protracted, dynamic, and unfinished process. It entails advancements toward a politics that is more consensus-based, rule-based, and participatory.

Adesoji (2006) established numerous approaches to the idea of democratization in a similar spirit. The transitional method places a focus on elite efforts and decisions, political processes, and movements from an authoritarian ruler to a liberal. This implies that some decisions, choices, and tactics made by the political elite are advantageous to democratic institutions. In a similar vein, democratization relies on the interrelationships of the political elite to organize for effective political structures that could aid in overall achievement for the people in the area of power, economic, social, and political, as they gradually change over time, providing constraints and opportunities as it also propels the political elite and others along a historical trajectory in liberal democracy. According to Jayasuriya (1994), democratization is the process of bringing about a democratic system and must be rooted in the actors and social movements of civil society organizations. The civil society group is an area of human activity that was largely focused on the fulfillment of political needs that necessitate an alliance more significant than family concerns.

Concept of Political Party

Political parties are associations of people who, at the very least, participate in formalized contests or fights for power and who hold particular values, interests, and goals in common (Kura, 2011).

458

Political parties, according to Johari (2008), are organizations that mobilize the populace's support before elections. Parties, according to Johari (2008), are a vehicle for the aggregation of interests that call for strident expression.

A political party, according to Sartori, as stated in Adeleke (2018), is any officially recognized political group that takes part in elections and has the right to nominate candidates for public office through periodic election either free or not. A political party, in Agbaje's opinion as quoted in Saka et. al. (2019), is a group of individuals united in policy and ideology in support of a broad political purpose, which is essentially the chase, seizure, and retention of power for as long as democratically possible.

As a result, political parties share two important traits: they are made up of individuals who share the same objectives and interests, and they are associations that vie for power. Political parties frequently need a few distinctive characteristics to distinguish them from other social and political groupings. Ideology is one of the important defining characteristics. Political parties need clearly defined ideological conceptions in order to operate effectively in a democratic society. In this context, ideology can be referred to as what Omotola (2009) quotes Howarth (2001) as calling democratic ideology. Political parties that come up short in elections become the opposition and keep the government under constant scrutiny. When they are in the minority in the legislature, they organize an opposition and continuously apply pressure to the administration to ensure good governance.

Based on the aforementioned, it can be concluded that unlike the first-generation political parties during the colonial era, the post-colonial Nigerian State no longer has as many ideologically motivated political parties. Since the fourth republic's multi-party system was established on May 29, 1999, the majority of the nation's numerous political parties have a hazy ideology or none at all (Ogunnoik, 2018).

Opposition Political Party: Towards Conceptualization

Opposition political parties are groups that have a link with another organization with which they disagree in some way (Norton, 2008). According to Kiiza (2005), an opposition political party serves the following functions, which can be summed up as follows: aggregating interests, fostering responsible and reasoned debates, staying in touch with voters and citizens, highlighting the importance of politics to regular people, and offering a workable alternative form of government. It would be impossible to have a completely democratic society without respectable opposition political groups.

Brack and Weinblum (2011) claim that the definition of political opposition has rarely been exact. According to the academics, a study of the classic literature on opposition politics offers a somewhat ambiguous and comprehensive definition. By putting up alternative concepts, tenets, and governing principles, opposition parties offer a strong challenge to the current administration. In the event that the party in power disappoints the electorate, the "government-in-waiting" assumes control through free and fair elections (Saka et al., 2019).

It's important to remember that no political party ever sets out to remain in constant opposition. It is crucial to understand that there are many disagreements on the idea. However, Southall (2000) noted six instances of the word "opposition." First, opposition could refer to utter opposition to the structure and foundation of the state. Second, when the state is perceived as an oppressive entity, it may signify opposition to its authority. Third, it could mean a rejection of the authority of the organization, faction, or dynasty in charge of the state. Fourth, it might refer to a steadfast resistance that challenges the commanding group without undermining or rejecting the foundations of the state or the constitution. Fifth, the opposition may refer to a system of checks and balances that the constitution uses to protect against and rein in its own excesses. Finally, the term may refer to strategies used by individuals or groups to change the policies of a government or stop its tyranny without necessarily condemning the former as inherently oppressive.

Therefore, the opposition political party's importance in any democratic context cannot be disputed (Linz & Stepan, 1996; Wiebrecht, 2021). Democracies are strengthened and deepened by opposition political parties, but when there is no opposition, voters are never given the chance to participate in the political process.

Theoretical Framework

This paper is anchored on Theory of Consensus Democracy and Prebendalism theory as theoretical framework of analysis.

Theory of Consensus Democracy

Arend Lijphart proposed consensus democracy, also known as consociational democracy, as a means of promoting democracy that is stable and democratic globally. The main premise of the theory is that it is not possible to achieve a stable democratic system in the modern world due to the social fragmentation caused by different social, ethnic, religious, and cultural groups, contrary to certain researchers' views (Lijphart, 1975).

Using Dutch politics as an example, the theory held that the establishment and maintenance of democracy can be achieved through the accommodation and resolution of differences in other parts of the world. Dutch society had significant social divisions that were once varied but have since been resolved, resulting in the emergence of one of the best democracies in the world.

Under summary, the idea suggests that divided territories, even those that have a hostile history, are ethnically diverse, have diverse religious beliefs, or have distinct languages, can nevertheless be effectively and efficiently administered under a democratic government using consociational principles. These consociational principles called for agreement on how authority should be divided and how disagreements should be resolved or accommodated.

The theory of consociational democracy can be used in this study because the APC's accommodation of various ethnic, regional, and religious cleavages during its merger in 2013 resulted in the emergence of a potent national consensus party as an opposition, which was successful in ousting the ruling PDP in the general elections of 2015, 2019, and 2023.

Prebendalism Theory

In 1996, Joseph formulated this idea and declared that political party members no longer exist. The fundamental tenet of this theory is that office holders and those in positions of authority should take into account the interests of the nation or the people rather than disregarding popular opinion by constantly changing their party platforms in an effort to preserve their positions of authority and access to resources for their own political aspirations. Therefore, in this situation, good governance is defined as when government programs and policies are implemented with a focus on improving the socio-economic well-being of the people rather than using the opposition party structure as a platform. This definition holds true for every functional democracy. Most members that leave or defect are looking out for themselves. Consequently, for the benefit of the economic success of the general populace. This development urgently requires a reminder or pressure from the opposition structure, which is rare in nations with substantial opposition parties like Britain and the United States. If it is to live up to her expectations.

The foregoing assertion's implications in regard to the phenomenon being studied is when a given state's elected Democratic Party representatives become the main opposition in Nigeria following the 2015, 2019 and 2023 national elections. However, based on the role played by the necessity of such a platform against personal political present ruling All Progressives Congress (APC) when it aspired, it appears that the PDP is failing as party framework misappropriate the democratic an opposition party. Thus, this puts even more at risk the opposition party that was doing its job. the anticipated results of excellent governance, for instance.

In support of this, a researcher like Aborishade (2013) claims that the Action Congress of Nigeria fought the PDP in January 2012 when it sought to entirely end the frequent practice of party members defecting. not actually for a national benefit or goal, but rather out of want Unfortunately, since 2015, the opposition PDP's power brokers have not appeared to be making any progress toward improving their political prospects. Prebends' political injury was brought on by her (party members) consistently making opposition elements suffer shocking defeats in the general elections of 2015, 2019, and 2023. She also promoted a culture and internal crisis that plagued the party over leadership indicators of good governance in Nigeria.

Political Parties and Opposition Politics

The People's Democratic Party has been Nigeria's leading party since the Fourth Republic's founding until 2015. Other political parties with regional or sub-national representation, depending on the situation, include the All Nigerian Peoples Party (ANPP), formerly the All People's Party (APP), Action Congress of Nigeria (ACN), Congress for Progressive Change (CPC), All Progressive Grand Alliance (APGA), Labour Party (LP), and Progressive People Alliance (PPA), among others (Ibrahim and Hassan, 2014). It is essential to note that no powerful opposition party can be regarded to have existed during former President Obasanjo's first term in office (1999–2003). After the 1999 general elections, parties that failed to have an influence or continue to be a credible opposition started rethinking their strategies in order to get ready for the 2007 general elections. Instead of genuine resistance, this time period has been characterized as one of sycophantic accolades (Epelle and Enyekit, 2015).

According to Naanen (2015), none of the three parties that emerged in 1999 had significant ideological differences. None of them qualified as leftists. The Alliance for Democracy, which won every state in the region, carried on the policies of the South-West, which had a strong welfarist slant. There was no ideological distinction between the People's Democratic Party and the All Peoples Party (APP), afterwards renamed as the All Nigeria Peoples Party, because both could be described as right of the center. Between 2003 and 2007, Olusegun Obasanjo, the current president, and Atiku Abubakar, the vice president, engaged in a form of intra-party dispute and a struggle for power.

Umar Ya'Adua emerged as the PDP's presidential candidate in 2007 and won the election. Due to health issues, Umar Ya'Adua was unable to carry out his responsibilities as the president of the Federal Republic of Nigeria. Before Yar'Adua became Nigeria president in May 2007, according to Omotola (2011), there were already increasing worries about his health. Between 1999 and 2007, Yar'Adua presided over Katsina state and was rumored to have frequently traveled overseas for medical treatment. President Yar'Adua was taken to Germany and then Saudi Arabia for medical care when his health problem reached a critical point.

However, a severe constitutional crisis resulted from Yar'Adua's refusal to deliver a letter to the National Assembly authorizing his deputy, Goodluck Ebele Jonathan, to preside over the Republic in his absence. That meant Jonathan would be unable to serve as acting president. Therefore, a presidential vacancy was imminent. Dealing with the issue became very challenging since, as it eventually became clear, the president had been taken over by a "cabal" of strong people who are a member of the government (Omotola, 2011). This situation led to strong intra-party resistance that, for the most part, was motivated by the personal interest of a few influential people in the Yar'Adua presidency. The circumstance split the ruling party in half. On one side was the "cabal," which was determined to defend Yar'Adua's presidency to the latter end, at any costs, even if it meant ignoring the law. The additional set was made up of those who believed the philosophy of need should be put into practice in order to prevent a governance vacuum (Omotola, 2011).

Upon the incapacitation of the then-president Umar Ya' Adua, Goodluck Ebele Jonathan, the vice president at the time, first served in an interim capacity until being sworn in as president upon President Yar'Adua's passing. However, Jonathan was chosen to run as the PDP's presidential candidate

461

in the 2011 general election (Saka et al., 2019).

Under Jonathan's leadership, political opposition assumed an unparalleled scope. The three major opposition parties, the Action Congress of Nigeria (ACN), the All Nigerian People's Party (ANPP), and the Congress for Progressive Change, successfully merged on July 31, 2013, and the Independent National Electoral Commission of Nigeria (INEC) subsequently registered the new party. Following the merger, the new opposition party took the names All Progressives Congress (APC) and "the broom" as identifiers. According to Saka and Amusan (2018) and Adeseri (2014), the coalition was regarded as the opposition's most ardent attempt to date to put out a unified face in Nigeria. A wave of senior PDP members defected to the newly registered political party APC after the merger. The PDP's rank and file leaders defecting to the APC offered the party hope that, at least in principle, it is still possible to gain political power at the federal level.

The majority of the populace seems to have been relatively disgruntled with the federal administration led by Jonathan's PDP before to the 2015 general elections. However, by engaging in a wellorganized and issue-informed critique of President Jonathan's government on a variety of grounds, with a special emphasis on the rampant corruption that defined governance under the regime, the opposition party stoked popular discontent. In fact, a number of corruption cases involving PDP leaders and government employees were exposed in the media in the months before the 2015 general elections (Saka et. al., 2019). Among these was the corruption controversy involving Hon. Farouq Lawan, who served as the head of the House of Representatives' special committee established to look into how the gasoline subsidy budget that had previously been authorized by the National Assembly had been used (Ezigbo, 2012). Another example of this is the previous aviation minister, Mrs. Stella Oduah, who allegedly coerced a cash-strapped division of the aviation ministry into paying exorbitant costs for two armored BMW 760 series (bullet proof) automobiles. The administration received criticism for how it handled the Boko Haram terrorist group's abduction of 270 schoolgirls from the Chibok hamlet in Borno State. These were just a few of the themes the opposition APC seized in its vote-gathering efforts for the 2015 general elections in an effort to cast doubt on the incumbent PDP.

According to Lunn and Harari (2015), Buhari and the APC's win represents a turning point in the political history of the continent and the first time in Nigerian history that one party has lost an election to another. With 54% of the vote, Muhammadu Buhari and Yemi Osinbajo were elected as president and vice president, respectively. Even Nevertheless, the election was held in a relatively calm manner. The low turnout is especially encouraging since it shows relatively minimal post-poll vote inflation, which is by far the most typical method of meddling with elections in the past. Jonathan's prompt and gracious capitulation was also a first for Nigeria, suggesting that the political elite of the nation may have finally started to accept defeat as an essential part of the democratic process. On May 29, 2015, the People's Democratic Party's (16-year) rule at the center came to an end as a result of the election. The implication was that the APC would hold office for the next four years and play a completely different role than that of the opposition it served for the two years prior to its formation as well as for the many years prior as component party units (Adebowale, 2015).

Prior to the 2019 elections, President Muhammadu Buhari's opponent in the PDP presidential primary was former vice president Alhaji Atiku Abubakar. Despite efforts to defeat the APC in the 2019 elections, the party was plagued by a lot of internal strife that limited their effectiveness as an opposition force. This PDP internal fight persisted up until the most recent general election in 2023, when Atiku Abubakar ran against Senator Bola Ahmad Tinubu of the APC on February 25. Due to a PDP internal party split that rendered them an ineffectual opposition, Atiku lost to Bola Ahmad Tinubu.

Factors hindering effectiveness of Opposition Parties in Nigeria

The efficiency of opposition parties in Nigeria's democratic process is hampered by a number of reasons. These elements consist of:

462

Fragmentation: The first strategy the ruling party often uses is to split and dominate the opposition by taking advantage of its disintegration. Due to the opposition party's disarray, the ruling party consciously uses the divide and conquer strategy. The potential of the ruling party to undermine opposition parties by separating them via intra-party disputes is constantly strengthened by this fragmentation (Howard & Roessler, 2006; Jiménez, 2023; Lust-Okar, 2005; Teshome-Bahiru, 2009). In order to increase its chances of winning the election, the governing party targets any credible opposition group it thinks might challenge it, perhaps influence the results of the vote, and bring it down.

Violence: Second, both in favor of itself and against rival parties, the ruling party manipulates elections by violence. Let's be clear: All political parties promote violence, but according to Collier and Vicente (2008), it is the weaker party (i.e., the opposition party) that promotes violence. However, Oyewole and Omotola (2022) have made it obvious that violence in elections is often carried out by the governing party, especially in the weak or strongholds of the opposition, with the intention of annulling such elections. In the same spirit, it is thought that the governing party is more equipped to exploit the institutions of government such as security agents, INEC, and the media because it controls them. For instance, during the 2023 gubernatorial election in Adamawa State it was evidence that the returning officer was kidnapped and torture. It is important to note that electoral violence typically occurs at several times, including before elections, on election days, and after elections. The governing party consistently manipulates the political landscape in its favor through harassment, intimidation, repression, and other strategies, creating an unfair campaign climate that benefits the incumbent (Selçuk & Hekimci, 2020).

Defection: The issue of party defection, decampment, and carpet crossing is one more difficulty the opposition political party is facing. Decampments, carpet crossings, and defections frequently happen for a number of causes. For example, Alhaji Atiku Abubakar decamp from APC to PDP in 2019 to contest for presidential position against Muhammadu Buhari. In recent time it was also evidence when Peter Obi left PDP for Labour Party to contest for 2023 Presidential election. Political party defection, decamping, or carpet crossing can be caused by a variety of factors, including personal disputes, power struggles, crises or divisions within a particular party, disagreements over the party's stance on a particular subject, the realization of one's own political ambition, and a feeling of threat (Aleyomi, 2013). However, some politicians switch parties because they believe that if they join the ruling party they would not be pursued or hounded and that even if they do any atrocities, their crimes will be covered.

Manipulate Electoral Norms: The current administration's continued manipulation of election rules, restrictions on dissent, and changes to the constitution to serve their interests and bring them within the bounds of the democratic system are further methods used to undermine opposition political parties. In order to suppress dissent, neutralize political opposition, and weaken the authority of the democratic system, they also utilize the legislation to restrict civic and political space and freedoms (Burcher & Bisarya, 2017).

Money Politics: Above all, Nigeria's politics has been bedevilled with money, as money becomes the determinant factor of who to be voted for by the electorates. Before now, religion and ethnic cleavages were the major factors but now money has taken centre stage and electorates sell their votes to the highest bidder. Money politics have hampered genuine contenders to emerge as party flag bearers because he/she does not have the money needed to finance campaigns and at the same time, no opposition who will want to use his personal money against the incumbent government who is using the state resources. Though money is an essential ingredient in politics it has been used negatively in Nigeria and specially to weaken opposition parties as a result of vote buying (Adenuga et al., 2021; Olaniyan, 2020; Onuoha & Ojo, 2018).

Conclusion and Recommendations

Political parties continue to be a viable means for voters to voice their preferences for governmental policies and choices, even if their existence is not the essential requirement for the growth and maintenance of democracy. In a democratic context, political parties play crucial functions that are essential to the efficient and successful operation of a democratic government. In Nigeria's Fourth Republic, political parties have struggled to carry out these duties well, particularly when it comes to becoming a strong political opposition. Because of the prevalence of weak opposition politics throughout Nigeria's political history, a strong and viable political opposition that might effect change has yet to form in the country after independence. Political leaders in Nigeria have lacked a clear political effort to create and sustain a strong and effective opposition platform. While it is still true that Nigeria's Fourth Republic is the nation's longest attempt at democratic governance, it is equally important to note that if the country's fourth attempt at democratization is to be consolidated and nurtured so that it will serve as the springboard for the qualitative improvement of democratic process, a viable political opposition must be created.

Based on the study's results, the paper makes the following recommendations for Nigeria's future opposition politics and democratic process:

- There is a tendency for unjustifiable defection from one political party to another, particularly in the wake of the All Progressives Congress's (APC) selfish governance issues. Better political opportunities should be condemned by the Nigerian people and the media.
- Given the strategic significance of this function in advancing the right opposition ideas and ideals, democratic consolidation and significant inculcation in the direction of Nigeria's political stride toward good governance should be accomplished. As a result, parties can take this action to better grasp the issues.
- Any political party's guiding principles should be based on the idea that fighting the unfavorable opposition party requires reawakening the spirit and duty of patriotism and selfless devotion. Thus, via political education, political enlightenment, internal stability, and sensitization, the people's emotion.
- The opposing parties' constituents urgently need to gird the electorate. This situation is a striking departure from how they have traditionally presented themselves as being attainable in industrialized nations like the United States and Britain. As a result, it adopts a democratic and practical attitude.

References

- Aborishade, O., (2013). Opposition politics in Nigeria: A study of South –West. *Pakistan Journal of Social Science*, 10(4): 154-158.
- Adebiyi, M., Bakare, A., & Saka, L. (2019). Political parties and opposition politics in Nigeria's Fourth Republic". *Journal of Management and Social Sciences*, 8(1), 536-549.
- Adebowale, T. (2015, November, 12) Forget the PDP; the new opposition is not a political party. Available at: http://www.olisa.tv/2015/05/27/forgetpdpopposition-political-party/
- Adeleke O. O. (2018). Political Parties, Ideology and the Nigerian State. *International Journal of Advanced Academic Research*. 4(12), 114-150
- Adenuga, G. (2022). The Indigeneity clause and the mismanagement of ethnic diversity in Nigeria. *Dynamics of Politics and Democracy*, 1(2), 97-107.
- Adenuga, G., Adenuga, A., & Oderinde, O. (2021). Intra-Party Conflicts and Party Stability in Nigeria: A Study of the Alliance for Democracy (AD). *Annals of Management and Organization Research*, 3(2), 141-151.
- Adeseri, L. (2014, May 29) Shape and colour of political opposition (1999 to 2014). Available at

http://www.vanguardngr.com/2014/05/shape-colourpolitical-opposition-

- Aleyomi, M. B. (2013). Election and Politics of Party Defection in Nigeria: A Clue from Kogi State. *Covenant Journal of Politics and International Affairs*, 1(1), 82-94.
- Amos O. (2023). Democracy in Jeopardy: An Analysis of the Prospects of Opposition Political Parties in Nigeria's Fourth Republic. *Dynamics of Politics and Democracy*. 1 (2), 125-134.
- Auwal, A. (2021). Opposition Politics and Democracy: Lessons from the 2015 General Elections in Nigeria. Fudma Journal of Politics and International Affairs, 4(1), 144-153.
- Brack, N. and Weinblum, S. (2011) Political opposition: towards a renewed research agenda. *Inter-disciplinary Political Studies*, 1(1): 69-79.
- Burcher, C. U., & Bisarya, S. (2017). Threats from within: democracy's resilience to backsliding. The Global State of Democracy Exploring Democracy's Resilience: International Institute for Democracy and Electoral Assistance. Retrieved from https://iknowpolitics.org/sites/default/files/idea-gsod-2017-report-en.pdf.
- Collier, P., & Vicente, P. (2008). Votes and Violence: Experimental Evidence from a Nigerian Election.
- Epelle, A. & Enyekit, L.K. (2015) Opposition parties and political opposition in Nigeria's Fourth Republic: a necessity or distraction. *International Journal of Trade & Commerce*, 4(3): 27-35.
- Ezigbo, O. (2012, June 11) Fuel subsidy probe: Otedola confirms bribe to lawmakers. Available at: http://www.thisdaylive.com/articles/fuel-subsidyprobe-otedola-confirms-bribe-to-lawmakers/117757/.
- Hamalai, L., Egwu, S., & Omotola, J. S. (2017). Nigeria's 2015 general elections: Continuity and change in electoral democracy: Springer.
- Howard, M. M., & Roessler, P. G. (2006). Liberalizing electoral outcomes in competitive authoritarian regimes. *American Journal of Political Science*, 50(2), 365-381.
- Howarth, D. (2001) Democratic ideology. In Clarke, P.B. and Foweraker, J. (Eds.). *Encyclopedia of democratic thought*. London and New York: Routledge Publisher, 191-194.
- Huntington, S. P. (1991). Democracy's third wave. Journal of democracy, 2(2), 12-34.
- Ibrahim J. & Idayat, H. (2014). Nigerian Political Parties: From Failed Electoral Opposition Alliance to Merger: *The March Towards the 2015 General Elections*. Abuja: Centre Democratic Development.
- Jiménez, M. (2023). Contesting autocracy: Repression and opposition coordination in Venezuela. *Political Studies*, 71(1), 47-68.
- Joseph, R. I. (1997). "Democratization in Africa after 1989: Comparative and Theoretical Perspective." *JSTOR Journal* 29: 363-383
- Khan, M. M. R. (2021). Political state and the dilemma of dignity, equality and freedom: Evidence from a sovereign state. *Dynamics of Politics and Democracy*, 1(1), 29-37.
- Kiiza, J. (2005). *The role of opposition parties in a democracy*. Paper presented at the Regional Conference on Political Parties and Democratisation in East Africa, Tanzania.
- Kura, S.Y.B. (2011) Political parties and democracy in Nigeria: candidate selection, campaign and party financing in People's Democratic Party. *Journal of Sustainable Development in Africa*, 13(6): 269-298.
- Liphart, A. (1975). The Politics of Accommodation. California: Berkeley University Press.
- Linz, J. J., & Stepan, A. C. (1996). Toward consolidated democracies. *Journal of democracy*, 7(2), 14-33.
- Lunn, J. & Daniel, H. (2015) Nigeria 2015: analysis of election issues and future prospects. *House of Commons Library research Paper*.
- Lust-Okar, E. (2005). Structuring conflict in the Arab world: Incumbents, opponents, and institutions: Cambridge University Press.
- Mauk, M. (2022). Electoral integrity matters: how electoral process conditions the relationship between political losing and political trust. *Quality & Quantity*, 56(3), 1709-1728.
- Naanen, B. (2015) 2015 elections: threatened collapse of opposition and the future of democracy in Nigeria. Being the Text of a paper presented at a Two-Day National Conference on "The

- 2015 General Elections in Nigeria: The Real Issues" organized by the Electoral Institute, Abuja. Electoral Institute Complex, INEC Annex, Opposite Diplomatic Zone, Central Business District, Abuja.
- Norton, P. (2008). Making sense of opposition. *The Journal of Legislative Studies*, 14(1-2), 236-250.
- Ogunnoiki, A. O. (2018). United States and Nigeria's Foreign Policy under George W. Bush Jr. and Olusegun Obasanjo: A Comparison. *International Journal of Advanced Academic Research* (IJAAR), 4(10), 43-74.
- Olaniyan, A. (2020). Election sophistication and the changing contours of vote buying in Nigeria's 2019 general elections. *The Round Table*, 109(4), 386-395.
- Omotola, J. S. (2006). The limits of election monitoring: Nigeria's 2003 general election. *Representation*, 42(2), 157-167.
- Omotola, J. S. (2010). Elections and democratic transition in Nigeria under the Fourth Republic. *African Affairs*, 109(437), 535-553.
- Onuoha, F. C., & Ojo, J. (2018). Practice and perils of vote buying in Nigeria's recent elections. *conflict trends*, 2018(3), 21-29.
- Oyewole, S., & Omotola, J. S. (2022). Violence in Nigeria's 2019 general elections: trend and geospatial dimensions. *GeoJournal*, 87(3), 2393-2403.
- Saka, L. and Amusan, L. (2018) Politics of opposition parties merger and the struggle for power in Nigeria's 2015 general elections. *Journal of Administrative Sciences*, 16(31): 199-218.
- Saka, L., Adebiyi, M. O. and Bakare, A. R. (2019). Political Parties and Opposition Politics in Nigeria's Fourth Republic. *Journal of Management and Social Sciences*. 8(1), 536-549.
- Selçuk, O., & Hekimci, D. (2020). The rise of the democracy—authoritarianism cleavage and opposition coordination in Turkey (2014–2019). *Democratization*, 27(8), 1496-1514.
- Southall, R. (2000). The state of democracy in South Africa. *Journal of Commonwealth & Comparative Politics*, 38(3), 147-170.
- Teshome-Bahiru, W. (2009). Opposition parties and the politics of opposition in Africa: A critical analysis. *International Journal of Humanities and Social Sciences*, 3(1), 1-15.
- Weghorst, K. R., & Lindberg, S. I. (2011). Effective opposition strategies: Collective goods or clientelism? *Democratization*, 18(5), 1193-1214.
- Wiebrecht, F. (2021). Between elites and opposition: legislatures' strength in authoritarian regimes. *Democratization*, 28(6), 1075-1094.

Moderating Effect of Asset Structure on the Relationship between Capital Structure and Performance of Listed Consumer Goods Firms in Nigeria

ABUBAKAR, Mohammed Babakatun
Department of Business Administration
College of Business and Management Studies
Kaduna Polytechnic Kaduna
abkmohammed@kadunapolytechnic.edu.ng

YABAGI, Ibrahim Mohammed Department of Accountancy Federal Polytechnic Bida, Niger State

KAMBAI, Mathew Pius of Business Administration and Manageme

Department of Business Administration and Management Federal School of Statistics Manchok, Kaduna State

BAKUT, Jonathan Christiana Department of Business Administration and Management Federal School of Statistics Manchok, Kaduna State

Abstract

The study examined the moderating effect of asset structure on the relationship between capital structure and the performance of listed consumer goods firms in Nigeria using panel data collected from the audited annual financial statements of twenty one (21) listed consumer goods firms in Nigeria for a period of 2018-2022 and Ex-post facto research design was employed. The study used Generalized Least Squares method of Panel Regression with the aid of STATA Software Version 14. Performance was proxied by Return on Assets (ROA) capital structure was proxied by debt equity ratio (DER); the moderating variable is asset structure (ASS) while firm size (FRS) and liquidity (LIQ) are the control variables. The study found that debt equity ratio has significant negative effect on the performance of consumer goods firms in Nigeria. Also, the study found that asset structure did not only have a significant positive direct effect on performance of listed consumer goods firms, but it also moderates the relationship between debt equity ratio and performance of listed consumer goods firms and when asset structure enters into the regression model, debt equity ratio was found to be significant and positive. Therefore, the study recommends that the listed consumer goods firms should use more debt in financing since the asset structure of the firms moderates the relationship between capital structure and performance.

Keywords: Capital structure, debt, equity, manufacturing firms, performance

Introduction

In corporate finance, one of the most pressing issues is answering "how do firms choose their capital structure? The manager determines the best financing mix or capital structure for his firm when making the financing decision. In many academic and financial institutions that investigate this problem, finding the optimal capital structure has been a focus of attention for quite some time. In 1958, Modigliani and Miller demonstrated that capital structure is irrelevance on firm value, albeit the assumption is valid only in perfect market conditions, where all investors have free access to market information, there are no transaction costs, and dividends and capital gains are not subject to tax differences. However, this theory is predicated on restrictive expectations of a perfect capital market, which does not exist in reality (Le & Phan, 2017). After the irrelevance theory, Modigliani and Miller (1963) revised the conditions and explained that interest expenses are tax deductible, so higher debt ratios should increase firm value. However, the recent empirical evidence clearly points out that capital structure does matter to firms (Myers & Majluf, 1984).

However, firms in Nigeria have difficulty deciding which method of financing is best - debt or equity. A wrong mix of finance has characterized the operations of most Nigerian firms over the past two decades, which may impact their performance. Firm capital structure is a statement of financial

467

position, and it is a mixture of debt and the owners' equity (Ali & Ahmed 2021; Sdiq & Abdullah 2022). Also, a firm's capital structure consists of its preference shares, equity shares, retained earnings, debentures, long-term loans and other sources of funding (Karadeniz et al., 2009).

The ratio of debt to equity is an important factor which must be taken into account when examining a firm's capital structure. Accordingly, agency costs appear when managers make financial strategy decisions (Dawar, 2014). A number of arguments have been advanced by previous empirical studies, which suggest that further research is still needed to explain the association between capital structure and firm performance in less developed countries (Sdiq & Abdullah, 2022).

Many empirical studies in the relationship between capital structure and performance in the financial sector and manufacturing firms have been conducted in Nigeria but there is dearth of empirical studies in the area of consumer goods firms. For example, studies by Wilson, Idachaba, and Shallangwa (2022), Ayange, Emmanuel, Rosemary, Ndudi, and Samuel (2021), Adeniyi, Marsidi and Babatunji (2020), Ganiyu, Adelopo, Rodionova, and Samuel (2019), Nwude and Anyalechi (2018), Uremadu and Onyekachi (2018), Adesina, Nwidobie, and Adesina (2015), and Idode, Adeleke, Ogunlowore, and Ashogbon (2014) were few among these studies. However, the present study will fulfil the gap of the consumer goods firms in Nigeria.

Also, previous empirical studies on the relationship between capital structure and firms performance have been mixed and inconsistent. For example, studies by Gundu (2021), Tanko, Siyanbola, Bako, and Dotun (2021), Almajali and Shamsuddin (2019), Ganiyu, Adelopo, Rodionova, and Samuel (2019), Kerim, Alaji, and Innocent (2019), Nelson, and Peter (2019), Ajibola, Wisdom, and Qudus (2018), Awais, Iqbal, Iqbal, and Khursheed (2016), El-Maude, Ahmad, and Ahmad (2016) and Karaye et al. (2015) revealed significant positive relationship between capital structure and firms performance while studies by Nguyen and Nguyen (2020), Kerim, Alaji, and Innocent (2019), Sahari, Rahim, and Tinggi (2019), Adeyemi, Unachukwu, and Oyeniyi (2017), Mouna, Jianmu, Havidz, and Ali (2017), Riyantina and Ardiansari (2017), and Abdulla (2017) report negative relationship between capital structure and firms performance. Besi-des that, studies by Sdiq and Abdullah (2022); Tretiakova et al. (2021), Ngatno et al. (2021); Firmanullah and Darsono (2017) Hasan et al. (2014); and Hartoyo et al. (2014) found no relationship capital structure performance.

In view of the inconsistency in findings from previous empirical studies, it is necessary to introduce a moderator in the current study as opined by Baron and Kenny (1986). Moderator is a "variable that affects the direction and/or strength of the relationship between an independent or predictor variable and a dependent or criterion variable (Baron & Kenny, 1986). Consequently, asset structure is the moderating variable.

Literature Review and Hypotheses Development Capital Structure and Firms Performance

Capital structure describes the proportionate relationship between debt and equity. Capital structure in general is a comparison bet-ween debt and capital to finance a company (Alipour et al., 2015). Capital structure is permanent financing consisting of long-term debt, preferred stock, and shareholder capital (Daskalakis et al. 2014). Funding or capital sources can be met from internal funding in the form of own capital or external funding derived from the use of debt (Suryani & Khafid, 2016). The relationship between capital structure and firms performance have been inconsistent. For example, studies by Ayalew and McMillan (2021), Gundu (2021), Tanko, Siyanbola, Bako, and Dotun (2021), Almajali and Shamsuddin (2019), Ganiyu, Adelopo, Rodionova, and Samuel (2019),

Kerim, Alaji, and Innocent (2019), Nelson, and Peter (2019), Ajibola, Wisdom, and Qudus (2018) and Jouida (2018) revealed significant positive relationship between capital structure and firms performance while studies by Nguyen and Nguyen (2020), Kerim, Alaji, and Innocent (2019), Sahari, Rahim, and Tinggi (2019), Adeyemi, Unachukwu, and Oyeniyi (2017), Mouna, Jianmu, Havidz, and Ali (2017), Riyantina and Ardiansari (2017), and Abdulla (2017) report negative relationship between capital structure and firms performance. Besi-des that, studies by Firmanullah and Darsono (2017) and Hartoyo et al. (2014) found no relationship capital structure performance. In view of this, the following null hypothesis is formulated:

H₁: There is no significant effect of capital structure on the performance of listed consumer goods firms in Nigeria

Asset Structure as a Moderating Variable

A firm's asset structure shows how much collateral it can provide for a loan based on the composition of its assets. The problem in the formation of the asset structure of most firms is that most of their capital is embedded in fixed assets which prioritize the fulfillment of their capital from fixed capital, namely equity, while debt is a complement. Firms with larger assets consisting of current assets will tend to prioritize meeting their financing needs with debt. Thus it shows the effect of asset structure on the capital structure of a firm. The result of previous studies regarding the effect of asset structure on capital structure show inconsistent results. For example, studies by Wirawan (2017), Alipour et al. (2014), Gomez et al. (2014) and Putri (2012) found that asset structure has a significant positive effect on capital structure while studies conducted by Nopando (2015), Hartoyo et al. (2014) found that asset structure has a significant negative effect on the capital structure. Studies by Deviani and Sudjarni (2018) and Pradana et al. (2013) found that the asset structure did not affect the capital structure. In view of this, the following null hypothesis is formulated:

- H₂: There is no significant effect of asset structure on the performance of listed consumer goods firms in Nigeria.
- H₃: There is no significant moderating effect of asset structure on the relationship between capital structure and the performance of listed consumer goods firms in Nigeria

Theoretical and Conceptual Frameworks The Trade-off Theory

The Trade-off Theory, as elaborated by Kraus and Litzenberger (1973) and Modigliani and Miller (1963), states that firms determine their level of leverage by weighing the benefits of tax reduction through debt against the costs of bankruptcy. In the face of economic difficulties, companies must carefully consider the costs and benefits of taking on debt in order to maximize firm value. By doing so, they can establish an optimal capital structure that takes into account both tax savings and potential bankruptcy costs. Debt gains are primarily achieved through the use of tax shelters (Modigliani & Miller, 1963). This is because companies can reduce their tax liability by lowering their income through interest payments (Sdiq & Abdullah, 2022, Le & Phan, 2017).

The Pecking Order Theory

According to the Pecking-Order Theory, which was developed by Myers in 1977 and later expanded by Myers and Majluf in 1984, firms prioritize their funding in a specific order to fulfill their capital requirements. The first source of funding is internal finances, which includes operational earnings. If internal finances are insufficient, then debt is generated. Equity is only offered as a last resort when all other funding options have been exhausted. In fact, firms become less dependent on external financing as their internal financing improves. Therefore, the more leverage a firm has, the more its financial performance is likely to be negatively (Myers & Majluf, 1984).

However, the Pecking Order Theory, which proposes that firms prefer internal financing over external financing, does not have strong empirical support. Frank and Goyal (2002) tested the theory on a wide range of publicly traded American firms from 1971-1998. They found that external financing was heavily used and debt financing was not preferred over equity financing. Myers

(2002) concludes that none of the financing theories provide a definitive explanation for the financing strategy of firms. Moreover, there are convincing examples of all the theories at work. These theories are not intended to be universally applicable, and their results may vary depending on the sample size. However, based on the theoretical basis, study objective, hypotheses and results of previous empirical studies, the following is the conceptual framework used in this study:

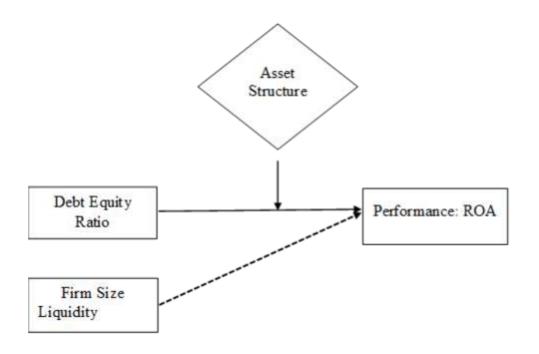


Fig. 1: Conceptual Framework of the Study

Methodology

Ex-post facto research design which is the use of historical facts to make a judgment (Simon & Goes, 2013) was used. The population of this study consists of twenty one (21) consumer goods firms listed on the Nigerian Stock Exchange. By using census sampling technique, the entire population was used as the sample size (Samaila, 2014). Therefore, the sample consists of twenty one (21) listed consumer goods firms for a period of 2018-2022. Five years financial statements of the twenty one (21) firms forms the sample size which gave rise to a total of 105 observations deemed sufficient for utilizing the multiple panel regression techniques. Data collected was analyzed using STATA 14 to test the relationship between the independent variable, capital structure and the dependent variable, performance and the moderating variable, asset structure.

Measurement of Variables and Model Specification

The definition and measurements of the dependent, independent, moderating and control variables are presented in Table 1 below:

Table 1: Measurement of Variables

Dependent Variable	Variable Name Return on Assets	Symbol ROA	Measurement Ratio of net income to total assets	Sources Sahari, Rahim, and Tinggi (2019), Uremadu and Onyekachi (2018), Basi Arwan (2017)
Independent Variable	Debt Equity Ratio	DER	Ratio of total debt to total assets	Ajibola, Wisdom, and Qudus (2018), and Arwan (2017). Eniola, Adewunmi Adewunmi (2017). Avci (2016),
Moderating Variable	Asset Structure	ASS	Ratio of Fixed Assets to Total Assets	Dewi and Fachrurrozie (2021), Hakin Apriliani (2020), Buana (2018), Cahy and Handayani, (2017)
Control Variables	Firm Size	FRS	Natural logarithm of a total assets	Tajudeen, Obafemi, and Oluseye (202 Sulaiman, Mijinyawa, and Tukur (201 Abubakar, Sulaiman, and Haruna (201 Cahyani and Handayani, (2017).
	Liquidity	LIQ	Ratio of Current Assets to Current Debt	Dewi and Fachrurrozie (2021), Hakin Apriliani (2020), Cahyani and Handa (2017), Hartoyo et al. (2014)

Source: Researcher Compilation, 2023

In order to examine the moderating effect of asset structure on the relationship between capital structure and the performance of listed consumer goods firms in Nigeria, the following original regression equation is modeled as follows:

$$Y_{it} = \alpha + \alpha_1 X_{it} + \alpha_2 Z_{it} + \alpha_3 X^* Z_{it} + \mathcal{E}_{it}$$
 (1)

Where the dependent variable is denoted by Y_{it} of firm i at time t, α is the constant, the coefficients of the independent variable and the moderating variable are denoted by α_1 and α_2 for firm i at time t while α_3 is the coefficient of the interaction effect between X and Z which measures the moderation effect and \mathcal{E}_{it} is the error term.

From the above general form of the regression equation, the following model is specified as follows:

$$ROA_{it} = \alpha 0 + \alpha_1 DER_{it} + \alpha_2 ASS_{it} + \alpha_3 FRS_{it} + \alpha_4 LIQ_{it} + \epsilon_{it}$$
 (2)

The hierarchical regression analysis technique was used to test the moderation effect of the asset structure as the moderator which will be presented in the function of the model. According to Barron and Kenny (1986) and Frazier, Tix, and Barron (2004), a relationship will be established first between the independent and dependent variables. Furthermore, a relationship between the moderating variable and the dependent variable will be established. Lastly, the moderation effect concerning the independent and moderating variables is recognised on the dependent variable. However, when the moderator is introduced into the regression model, the hierarchical regression model will be as follow:

$$ROA_{it} = \alpha_0 + \alpha_1 DER_{it} + \alpha_2 ASS_{it} + \alpha_3 DER *ASS_{it} + \alpha_4 FRS_{it} + \alpha_5 LIQ_{it} + \epsilon_{it} \qquad (3)$$

Where:

ROA denotes return on assets; DER denotes debt equity ratio; ASS denotes asset structure, FRS denotes firm Size; LIQ denotes liquidity, α_0 represents the fixed intercept element; α_{1-5} represents the ratio of change in DV to a unit change in explanatory and moderating variables; and ϵ_{it} is the error term.

Results and Discussions

This section presents the study's empirical findings for both descriptive and inferential statistics.

Table 2: Descriptive Statistics of Sampled firms

Variable	Obs.	Mean	Std. Dev.	Min.	Max.	
ROA	105	0.231	0.153	0.254	0.522	
DER	105	0.217	0.104	0.262	0.421	
ASS	105	0.312	0.213	0.345	0.473	
FRS	105	0.222	0.127	0.251	0.387	
LIQ	105	0.143	0.114	0.187	0.274	

Note: ROA = Return on Assets, DER= Debt Equity Ratio; ASS= Asset Structure, FRS= Firm Size; LIQ= Liquidity

Table 2 shows the descriptive statistics related to the dependent, independent, and moderating variables. There were a total of 105 observations under each variable. The descriptive statistics show mean values of 0.231, 0.217, 0.312, 0.222 and 0.143 for ROA, DER, ASS, FRS and LIQ while 0.254, 0.522, 0.262, 0.421, 0.345, 0.473, 0.251, 0.387, and 0.187, 0.274 are the corresponding minimum and maximum values for the variables. In most of the variables, the values show a wide range of dispersion. However, the mean value of 0.231 for ROA shows that 23 per cent of profits of the sampled listed consumer goods firms was generated from their assets.

Table 3: Correlation Matrix of Research Variables

	ROA	DER	ASS	FIR	LIQ	VIF	TOL.
ROA	1.000	ĺ					
DER	-0.352	1.000				1.54	0.31
ASS	0.334	0.409	1.000			2.33	0.27
FRS	0.281	0.301	0.085	1.000		1.26	0.38
LIQ	-0.237	0.352	-0.172	0.076	1.000	2.23	0.34
Mean VIF						2.54	

Note: ROA = Return on Assets, DER= Debt Equity Ratio; ASS= Asset Structure, FRS= Firm Size; LIQ= Liquidity.

To determine the degree of relationship between the dependent and independent variables, a correlation analysis was conducted. In correlation analysis, dependent and independent variables are expected to have a high level and strong relationship, while independent variables are expected to have a low level and weak relationship. According to Gujarati and Porter (2009), a correlation coef-

oceedings of the 4th Annual International Academic Conference	Proceedings of the 4th Annual International Academic Conference
---	---

ficient between independent variables greater than 0.8 is excessive and may indicate multicollinearity. Based on correlation matrix above, all correlation coefficients between the independent variables are less than 0.8, indicating absence of multicollinearity, as recommended by Gujarati and Porter (2009).

To ensure that the linear regression model assumptions were met, diagnostic tests were conducted to check the robustness of the regression results. Diagnostic tests included the Normality Test, Multicollinearity Test, Model Specification Test, Heteroscedasticity Test, and Hausman Specification Test. The Shapiro Wilk test shows that none of the variables is normally distributed. However, when working with financial data, it is difficult to use normally distributed data because the distribution is unsystematically distributed randomly within banks (Wooldridge, 2013). The Variance Inflation Factor was used to test the study model for multicollinearity. Where the tolerance value is less than 0.01, and the VIF is more than 10, multicollinearity is expected (Hair et al., 2014; Pallant, 2001).

However, Table 3 shows that the VIF values range from 1.26 to 2.57 with a mean VIF of 2.54 which is less than the threshold of 10 as recommended by Hair et al. (2014). Also, tolerance value is between 0.27 and 0.38, greater than the threshold of 0.1 as suggested by (Hair et al., 2014). This implies absent of multicollinearity among the variables. In addition, the Breusch-Pagan/Cook-Weisberg test was performed to establish whether or not heteroscedasticity existed. Results from Table 4 shows heteroscedasticity test reveal chi2 value of 0.18 which is not significant for ROA model. This indicates that homoscedasticity assumption was not violated in the dataset. The model specification test was carried out using the link test.

From Table 4, the _hat value, which are the model's predicted value, is significant, as expected for the ROA (0.001) model. Similarly, the _hatsq value for ROA (0.572) model is insignificant, indicating that the model is correctly specified. Both fixed effects (FE) and random effects (RE) tests were run using the Generalized Least Squares (GLS) method. The results revealed a significant difference between FE and RE, allowing the Hausman specification test to be used to determine which model was superior. Finally, the Hausman test results in Table 4 showed prob>chi2 value of 0.002 for ROA model, indicating that the fixed effect model is preferable and should be interpreted.

Table 4: Fixed Effect Regression Results for ROA Model

Variables	Direct Effect Model	Interaction Effect Model	
DER	271 (-1.31)***	.125 (2.42)***	
ASS	.132 (2.22)***	.254 (2.33)***	
DER*ASS		.341 (1.54)***	
FRS	.411 (2.53)***	.232 (3.62)***	
LIQ	.244 (1.26)**	.166 (2.73)**	
CONS	6.417	4.256	

R-Squared: Within	0.6511	0.6942	
Between	0.4274	0.4611	
Overall	0.5312	0.5713	
F-statistic	12.14***	15.62***	
Hetro. Test: Chi2	0.18		
(1) Prob >chi2	0.457		
Link Test: _hat	0.001***		
_hatsq	0.572		
Hausman Test: Chi2 (1)	0.612		
Prob >chi2	0.002		

473

Note: ***, **, * denotes 1%, 5%, and 10% level of significance, the t-value is presented in parenthesis while the other figures represent the coefficients. ROA = Return on Assets; DER= Debt Equity Ratio; ASS= Asset Structure, DER*ASS= Interaction term between DER and ASS, FRS= Firm Size; LIQ= Liquidity

Table 4 shows that the F-statistic produces a statistically significant value of 12.14 at the 0.01 percent level of significance. This supports the model's overall significance. The overall R-square is 0.53, meaning that the variables considered in the model explain about 53 percent of the change in performance, while the remaining 47 percent could be due to other variables not included in the model.

In respect of DER, the result of direct effect model in Table 4 shows that Debt equity ratio (DER) has significant negative effect on performance of listed consumer goods firms; ROA at the 0.01 level (β = -.271, p<0.01). This means that holding other factors constant, a percentage increase in Debt equity ratio decreases performance of listed consumer goods firms in Nigeria by 27% measured by ROA. This shows sufficient evidence to support the research finding at 1% level of significance. The finding is consistent with studies by Nguyen and Nguyen (2020), Kerim, Alaji, and Innocent (2019), Sahari, Rahim, and Tinggi (2019), Chowdhury and Zaman (2018), Adeyemi, Unachukwu, and Oyeniyi (2017) and Abdulla (2017) which report negative relationship between capital structure and firms performance while it is inconsistent with studies by Ayalew and McMillan (2021), Gundu (2021), Tanko, Siyanbola, Bako, and Dotun (2021), Almajali and Shamsuddin (2019), Ganiyu, Adelopo, Rodionova, and Samuel (2019), Kerim, Alaji, and Innocent (2019), Nelson, and Peter (2019) and Uddin, Reza and Sana (2016) which revealed significant positive relationship between capital structure and firms performance.

The result from Table 4 shows that asset structure (ASS), a moderating variable has significant positive effect on performance of consumer goods firms; ROA at the 0.01 level (β = .132, p<0.01). This means that holding other factors constant, a percentage increase in Asset Structure increases performance of listed insurance firms in Nigeria by 13% measured by ROA. Also, the study found that asset structure did not only have a significant positive direct effect on performance of listed consumer goods firms, but it also moderates the relationship between debt equity ratio and performance of listed consumer goods firms. Also, the results in Table 4 revealed a significant positive effect of the interaction between debt equity ratio (DER) and asset structure (ASS). The coefficient of the interaction is (β = .341, p<0.01). This means that when asset structure increases, the effect of debt equity ratio on performance will be positive. This result may be due to the fact that firm with a high asset structure is more likely to be able to guarantee its long-term debt.

Result from Table 4 shows that firm size (FRS), used as a control variable has significant positive effect on performance of listed consumer goods firms; ROA at the 0.01 level (β = .411, p<0.01). This means that holding other factors constant, a percentage increase in firm size (FRS) increases performance of listed consumer goods firms by 41% measured by ROA. The findings, however, is consistent with the theory and prior expectation that larger firms may incur lower costs for efficient information gathering, processing, and analysis due to economies of scale. Also, Liquidity (LIQ) has significant positive effect on performance of listed consumer goods firms; ROA at the 0.05 level (β = .244, p<0.05). This means that holding other factors constant, a percentage increase in Liquidity (LIQ) increases performance of listed consumer goods firms by 24% measured by ROA.

Conclusion and Recommendations

The study examines the moderating effect of asset structure on the relationship between capital structure and performance of listed consumer goods firms in Nigeria. However, the study found that debt equity ratio has significant negative effect on the performance of consumer goods firms in Ni-

geria. Also, the study found that asset structure did not only have a significant positive direct effect on performance of listed consumer goods firms, but it also moderates the relationship between debt equity ratio and performance of listed consumer goods firms and asset structure enters into the regression model, debt equity ratio, a capital structure proxy, was found to be significant positive. Therefore, the study recommends that the listed consumer goods firms should use more debt in financing since the asset structure of the firms moderates the relationship between capital structure and performance.

References

- Abdulla, Y. (2017). Capital structure in a tax-free economy: evidence from UAE. *International Journal of Islamic and Middle Eastern finance and management*, 10(1), 102-116.
- Adeniyi, A. J., Marsidi, A., & Babatunji, A. S. (2020). Capital structure and commercial banks performance in Nigeria. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 10(1), 239-249.
- Adesina, J. B., Nwidobie, B. M., & Adesina, O. O. (2015). Capital structure and financial performance in Nigeria. *International journal of business and social research*, 5(2), 21-31.
- Adeyemi, A. Z., Unachukwu, J. C., & Oyeniyi, K. O. (2017). Capital structure and its effect on the financial performance of Nigerian insurance industry. *International Journal of Business & Law Research*, 5(3), 8-15.
- Ajibola, A., Wisdom, O., & Qudus, O. L. (2018). Capital structure and financial performance of listed manufacturing firms in Nigeria. *Journal of Research in International Business and Management*, 5(1), 81-89.
- Ali, M. N., & Ahmed, A. M. (2021). The Effect of Capital Structure on Financial Performance "Applied study in Turkish Stock Exchange". *Eurasian Journal of Management & Social Sciences*, 2, 43-57.
- Alipour, M., Mohammadi, M. F. S., & Derakhshan, H. (2015). Determinants of capital structure: an empirical study of firms in Iran. *International Journal of Law and Management*, 57(1), 53-83.
- Almajali, M., & Shamsuddin, Z. (2019). The effect of capital structure on performance of insurance companies: Evidence from Jordan. *International Journal of Accounting*, 4(20), 64-73.
- Awais, M., Iqbal, W., Iqbal, T., & Khursheed, A. (2016). Impact of capital structure on the firm performance: comprehensive study of Karachi stock exchange. *Science International*, 28(1).
- Ayange, A., Emmanuel, N. C., Rosemary, I. H., Ndudi, U. C., & Samuel, U. E. (2021). Effect of capital structure on firms' performance in Nigeria. *Universal Journal of Accounting and Finance*, 9(1), 15-23.
- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of personality and social psychology*, 51(6), 1173.
- Buana, F. K. (2018). The effect of asset structure and business risk on capital structure with profitability as the moderating variable. *Accounting Analysis Journal*, 7(3), 200-206.
- Daskalakis, N., Eriotis, N., Thanou, E., & Vasiliou, D. (2014). Capital structure and size: new evidence across the broad spectrum of SMEs. *Managerial Finance*, 40(12), 1207-1222.
- Dawar, V. (2014). Agency theory, capital structure and firm performance: some Indian evidence. *Managerial Finance*, 40(12), 1190-1206.
- Dewi, C. R., & Fachrurrozie, F. (2021). The Effect of Profitability, Liquidity, and Asset Structure on Capital Structure with Firm Size as Moderating Variable. *Accounting Analysis Journal*, 10(1), 32-38.
- El-Maude, J. G., Abdul-Rahman, A., & Ahmad, M. M. (2016). Capital structure and firm performance in the Nigerian cement industry. *Archives of Business Research*, 4(6), 30-44.
- Firmanullah, N., & Darsono, D. (2017). Faktor-faktor yang mempengaruhi struktur modal di perusahaan Indonesia (Pada Perusahaan Manufaktur yang terdaftar di Bursa Efek Indonesia Peri-

- ode 2011-2014) (Doctoral dissertation, Fakultas Ekonomika dan Bisnis).
- Ganiyu, Y. O., Adelopo, I., Rodionova, Y., & Samuel, O. L. (2019). Capital structure and firm performance in Nigeria. *African Journal of Economic Review*, 7(1), 31-56.
- Gundu, L. M. (2021). Effect of Capital Structure on Financial Performance of Quoted Composite Insurance Companies in Nigeria. *Bingham University Journal of Accounting and Business*, 6 (1), 114-123.
- Hakim, M. Z., & Apriliani, D. (2020). Effect of Profitability, Liquidity, Sales Growth, Business Risk, and Asset Structure on Capital Structure. *Jurnal Akademi Akuntansi*, 3(2), 224-243.
- Hartoyo, A. K. W., Khafid, M., & Agustina, L. (2014). Faktor-faktor yang mempengaruhi struktur modal Perusa-haan Tekstil dan Garmen di BEI. *Management Analysis Journal*, 3(2), 247–254.
- Hasan, M. B., Ahsan, A. M., Rahaman, M. A., & Alam, M. N. (2014). Influence of capital structure on firm performance: Evidence from Bangladesh. *International Journal of Business and Management*, 9(5), 184.
- Idode, P. E., Adeleke, T. M., Ogunlowore, A. J., & Ashogbon, O. S. (2014). Influence of capital structure on profitability: Empirical Evidence from listed Nigerian banks. *IOSR Journal of Business and Management*, 16(11), 22-28.
- Karadeniz, E., Yilmaz Kandir, S., Balcilar, M., & Beyazit Onal, Y. (2009). Determinants of capital structure: evidence from Turkish lodging companies. *International Journal of Contemporary Hospitality Management*, 21(5), 594-609.
- Karaye, Y. I., Nasidi, M., Amos, B., & Ibrahim, G. (2015). The determinants of capital structure of firms listed in Nigerian food/beverages and tobacco industry. *International Journal of Innovative Science, Engineering & Technology*, 2(10), 800-812.
- Kerim, A., Alaji, J., & Innocent, I. O. (2019). Effect of capital structure on the profitability of listed insurance firms in Nigeria. *American International Journal of Economics and Finance Research*, 1(2), 36-45.
- Kerim, A., Alaji, J., & Innocent, I. O. (2019). Effect of capital structure on the profitability of listed insurance firms in Nigeria. *American International Journal of Economics and Finance Research*, *I*(2), 36-45.
- Le, T. P. V., & Phan, T. B. N. (2017). Capital structure and firm performance: Empirical evidence from a small transition country. *Research in international business and finance*, 42, 710-726.
- Modigliani, F., & Miller, M. H. (1963). Corporate income taxes and the cost of capital: a correction. *The American economic review*, 433-443.
- Mouna, A., Jianmu, Y., Havidz, S. A. H., & Ali, H. (2017). The impact of capital structure on Firms performance in Morocco. *International Journal of Application or Innovation in Engineering & Management*, 6(10), 11-16.
- Myers, S. C., & Majluf, N. S. (1984). Corporate financing and investment decisions when firms have information that investors do not have. *Journal of financial economics*, 13(2), 187-221.
- Nelson, J., & Peter, E. A. (2019). An empirical analysis of effect of capital structure on firm performance: Evidence from microfinance banks in Nigeria. *European Journal of Accounting, Auditing and Finance Research*, 7(9), 30-44.
- Ngatno, Apriatni, E. P., & Youlianto, A. (2021). Moderating effects of corporate governance mechanism on the relation between capital structure and firm performance. *Cogent Business & Management*, 8(1), 1866822.
- Nguyen, H. T., & Nguyen, A. H. (2020). The impact of capital structure on firm performance: Evidence from Vietnam. *Journal of Asian Finance, Economics and Business*, 7(4), 97-105.
- Nwude, E. C., & Anyalechi, K. C. (2018). Impact of capital structure on performance of commercial banks in Nigeria. *International Journal of Economics and Financial Issues*, 8(2), 298.
- Obuobi, B., Li, X., Nketiah, E., Awuah, F., Boateng, E., Sampene, A., & Adjei, M. (2020). Relationship between capital structure and banks' performance; an evidence of banks listed on the Ghana Stock Exchange. *International Journal of Econometrics and Financial Management*, 8(1), 13-20.
- Riyantina, R., & Ardiansari, A. (2017). The Determinants of Capital Structure on Consumer Goods Company Period 2011-2014. *Management Analysis Journal*, 6(1), 23-35.

- Sahari, S., Rahim, N. A., & Tinggi, M. (2019). Capital structure and firm performance: Evidence from food processing industry in Malaysia. *The Journal of Social Sciences Research*, 5(2), 317-324.
- Sdiq, S. R., & Abdullah, H. A. (2022). Examining the effect of agency cost on capital structure-financial performance nexus: empirical evidence for emerging market. *Cogent Economics & Finance*, 10(1), 2148364.
- Suryani, A., & Khafid, M. (2021). The Determinants of Intellectual Capital Disclosure with Firm Age as a Moderating Variable. *Accounting Analysis Journal*, 10(3), 158-165.
- Tanko, U. M., Siyanbola, A. A., Bako, P. M., & Dotun, O. V. (2021). Capital structure and firm financial performance: Moderating effect of board financial literacy in Nigerian listed non-financial companies. *Journal of Accounting Research, Organization and Economics*, 4(1), 48-66.
- Tretiakova, V. V., Shalneva, M. S., & Lvov, A. S. (2021). The relationship between capital structure and financial performance of the company. In *SHS Web of Conferences* (Vol. 91, p. 01002). EDP Sciences.
- Uremadu, S. O., & Onyekachi, O. (2018). The impact of capital structure on corporate performance in Nigeria: A quantitative study of consumer goods sector. *Current Investigations in Agriculture and Current Research*, 5(4), 697-705.
- Wilson, B., Idachaba, I. O., & Shallangwa, G. M. (2022). Impact of Capital Structure on the Financial Performance of Listed Financial Institutions in Nigeria. *Journal of Economics, Finance and Management Studies*, 5(1), 91-97.

Track 3:

Marketing/ Office and Information Management

Logistics Network Design and Efficiency of Courier Firms in Rivers State

NWULU Chinyere Stella

Department of Marketing Faculty of Management Sciences Rivers State University, Port Harcourt

JUMBO Gift Dandison

Department of Marketing Faculty of Management Sciences Rivers State University, Port Harcourt

Abstract

This study examined the correlation between logistics network design and operational efficiency of courier service providers. The study specifically probed the role of logistics network design in the manifestation of attributes of operational efficiency, such as cost reduction, waste reduction and optimal resource utilization. The study adopted a correlational research design. The population of the study consisted 19 courier service providers in Rivers State. The study took a census, and surveyed 6 personnel (customer service officers, operations officers, logistics officers, facility officers, inventory clerk and dispatch officers) each firm. Thus, 114 respondents participated in the study. The study collected primary data using structured questionnaire designed in the 5-point Likert scale. The reliability of the instrument was confirmed using Cronbach's alpha test. The test statistics used in the study is Spearman's rank order correlation. The Statistical Package for Social Sciences (SPSS) version 24.0 facilitated data analyses. The study found that logistics network design relate to operational efficiency of courier service providers. This is because logistics network design posted positive and statistically significant relationship with all the metrics of operational efficiency adopted in the study. The study concludes that logistics network design relates to operational efficiency of courier service providers, in terms of cost and waste reduction and optimal utilization of resources. Hence, recommends that courier service providers in Rivers State that seek improved operational efficiency should invest in, and institute structures that promote logistics network design. **Keywords**: Cost reduction, logistics network design, optimal resource utilization, operational efficiency, waste reduction

Introduction

The aspiration of firms in today's hypercompetitive business climate is to keep pace with shifting market conditions and achieve performance objectives while operating at the lowest possible cost (Nwulu & Nadube, 2022). Thus, a common trend among firms has been efforts to (re)design their logistics networks with a view to cutting down costs and improving service levels simultaneously. Akcali et al. (2009) provides that designing logistics networks with a view to having the optimum number, size and location of warehouses to support inventory replenishment activities within the supply chain is one viable means of achieving cost effective logistics operations.

Logistics network design is a critical decision area in supply chain and logistics management due to its long term business performance implications. A crucial aspect of logistics network design is determining the best possible network of operations that enhance efficiency (Umoren et al., 2021). In the view of Otto and Obermaier (2009), this entails integrating facility locations, transportation modes and vehicle routing with other important functions like procurement, inventory handling, production and distribution.

Logistics network design with attention to facility location, customer order decoupling points and transportation modes and routes is argued to inform improved operational efficiency (Nwulu & Nadube, 2022) in terms of meeting order delivery dates, service quality, cost and waste reduction and improved resource utilization. Thus, the challenge of improved operational efficiency can be addressed through robust logistics network design. This study seeks to validate this assertion by examining the correlation between logistics network design and operational efficiency.

Theoretical Foundation

This study is rooted in goal setting theory (Locke & Latham, 1990) which provides that all human activities are teleologic. A goal is a preferred state of being that motivate action and sustains efforts. Firms usually direct their activities toward the goal of superior performance.

Goal setting theory argue that superior performance is the outcome of difficult, but specific and attainable goals. A firm's level of performance is influenced over time, by the direction of action, degree of effort exerted, and persistence of action (Locke & Latham, 2013). Concentration of attention and effort is essential to goal accomplishment. In essence, goal setting provides a mechanism by which firms achieve results through initiatives that specify clear but challenging tasks with feedback loops (Miles, 2012).

Goal setting theory has been applied in several studies including urban climate governance (Hofstad & Hansen, 2021), coaching (Gillham & Weiler, 2013, as cited in Hofstad & Hansen, 2021), and sports and exercise (Kingston & Wilson, 2009). Other areas where goal setting theory has found application are business and organizational studies, public policy and administration (Locke & Latham, 2013).

Goal setting theory is adopted in this study because of its postulation that setting near-term and long -term goals results in superior performance. We are convinced in this study that, the goal of operational efficiency could be attained by designing appropriate logistics networks that align with the firm's distribution centers, transportation routes and nodes in the supply chain.

Concept of Logistics Network Design

Logistics network design describe deliberate configuration of a firm's logistics network with a view to rationalizing locations and capacities of facilities (Ramezani et al., 2014). The notion of logistics network is the core of investment decisions (Badri et al., 2013) relating to forward and reverse logistics. Chopra and Meindl (2013) states that logistics network design is concerned with setting logistics network structures at a strategic level, and determining the locations and functions of logistics hubs and customer order decoupling points, and allocating capacities and flows.

Logistics network design is done with a view to allowing for effective operational and tactical logistics operations, including material handling, demand forecasting and procurement, as well as transportation and inventory management. Firms have different logistics network design objectives, but the primary one is to increase value through cost minimization (Nwulu & Nadube, 2022; Nwulu, 2019). Thus, logistics network design determine technology, process and manufacturing assets of a company that are operated to fulfill customers' demand and remain competitive (Pishvaee et al., 2011); and often involve irreversible investment costs. Hence, logistics network design is pursued with a strategic focus.

The primary driver of logistic network design is cost reduction and service improvement. The right network design optimizes distribution operations, transportation, and investment in inventory to strike a balance between these competing objectives (Badri et al., 2013). It starts with considering the entire logistics network and crucial links and patterns required to complete material and information flows; including upstream logistics and sequencing to internal processes schedules, packaging and shipping.

In the view of (Nwulu & Nadube, 2022), logistics network design calls for in-depth study to inform crucial decisions about: (a) site, size and number of factories and warehouses, (b) physical flows between nodes in the supply chain, (c) specialized production lines, (d) stocking items in the right place for delivery to customers, and (d) outsourcing.

Operational Efficiency

Efficiency is a concept developed to address issues relating to minimization of operational costs and reduction of wastes. Thus, the pristine preoccupation of "efficiency" is how to achieve the highest possible output using as little resources as possible (Bestman & Chinyere, 2021). So, efficiency in management discourse refers to positive results of comparison between input and output. It can also be seen as the capacity to achieve results with little or zero waste (Bestman & Chinyere, 2021). Thus, the focus of efficiency is improving firms' capacity to run on less cost, minimize resource consumption, and reduce waste, while providing consistent quality of products and required customer service (Nwulu et al., 2022).

Efficiency is also concerned with optimal resource utilization in operations (Egbe & Aturu-Aghedo, 2023). Bartuševiciene and Šakalyte (2013, as cited in Nwulu et al., 2022) states that efficiency is the extent to which a company optimizes resource utilization and avoids redundancy. Efficiency is thus crucial to a firm's success because it simplifies processes, free resources for alternative uses, and promotes growth and profitability (Youn et al., 2013).

A firm's long-term survival and prosperity depend on efficient operations (Bestman & Chinyere, 2021). Operational efficiency is a major concern for firms in the changing competitive landscape that focus on using as little resources as possible to deliver customer value (Nwokah, 2006). This however, requires designing and implementing processes, structures and strategies with a focus on achieving objectives with minimal use of resources.

Operational efficiency is therefore, a multidimensional construct that comprise cost reduction, reduced order cycle time, waste reduction, optimal resource utilization, energy conservation, among others ((Abiodun et al., 2022; Nwulu et al., 2022). This study adopts cost reduction, waste reduction and optimal resource utilization as proxies of operational efficiency. The choice of these metrics is informed by the conviction that courier firms, which are the focus of this study have their greatest efficiency challenge in cost of operations, waste of valuable time and other resources and how they optimally utilize resources.

Cost reduction

Cost reduction is real and permanent lessening of cost of operations without hampering ability of products' to serve their purpose or compromising quality of customer service (Ben-Caleb et al., 2019). It involve identifying and expunging baseless costs from the firm's value creation and delivery efforts without negatively affecting quality and required customer service (Gaurav et al., 2013). High cost of operation significantly drain companies' profitability; and frequently contribute to the shuttering of companies. The ability to control costs is thus admitted as a primary fillip to survival and growth of companies. Cost must be reduced to the barest minimum if a company is to be profitable (Ben-Caleb et al., 2019).

Reduced cost of operation is vital to companies' competitiveness in today's constantly business environment (Alireza & Mahdi, 2012). Even companies that already operate profitably can improve their profitability by implementing cost-cutting techniques. Cost reduction is essential to meeting profit, growth and survival objectives (Ogunnaike, 2010). Figar and Ivanoic (2015) argue that cost reduction should be a concern to every firm, and should be promoted constantly at all levels of a firm, to indicate that the firm has a strategic approach to cost minimization.

Reducing cost in a firm's operations requires planning and cautious implementation. It involve continuous critical examination of every element of cost in all facets of a firm's business with a view to improving efficiency. Cost reduction is a corrective process that borders on cutting down costs incurred by the firm, in order to maximize profit. Oyerogba et al. (2014) states that cost reduction starts with an assumption that current or planned cost levels are high, irrespective of whether the firm already has sound cost control measures and experiences high levels of efficiency. So, to reduce cost of operations, the firm must exploit all sources of cost advantage. If a firm can achieve

and sustain overall cost leadership, then it will be an above average performer in its industry, provided it can command prices at or near the industry average (Ateke & Nwokah, 2022).

Waste reduction

Waste reduction is concerned with conducting business activities products without engaging in any form of waste of resources (Attiq et al. 2021). In the realm of marketing, there is increased advocacy for minimal resource consumption and zero waste of resources (Kotler, 2011). This is due to the realization that resource wastage is harmful to the social, environmental, and economic wellness of the planet (Lozano, 2008). Waste reduction has been a serious concern to businesses and society (Ahmadzadeh et al., 2023); as well as to academic disciplines including ecology, management, and sociology. Reasonable efforts is being made globally, to address the challenge of waste reduction in view of its capacity to conserve resources for future use and contribute to cleaner environment (Ugwu et al., 2021).

Over time, firms' have moved in favour waste prevention, waste minimization, material recycling and reuse as waste reduction techniques. Waste prevention is the ideal alternative among waste reduction initiatives (Amasuomo & Baird, 2016). This is because the waste that is never created have zero cost on firms and the society (Ahmadzadeh et al., 2023). Waste minimization is pursued where wastes cannot be eliminated, as it is in many cases (Attiq et al. 2021). Waste minimization refers to the design and production of products with minimal use of resources and waste generation (Kotler, 2011).

Recycling and reuse on the other hand, refers to recovering useful materials from waste streams and incorporating them into new products. Increased recycling reduces raw materials requirements for identical applications (Ugwu et al., 2021). It reduce the need for raw materials, and allow waste materials to be recovered and utilized as valuable resources. Recycling conserve resources, reduces energy consumption and create several economic (Ahmadzadeh et al., 2023).

Optimal resource utilization

Optimal resource utilization is defined as efficient allocation of resources to produce value that meet customers' requirement at the lowest possible cost. It enable efficiency in organizing and assigning available resources to various projects while avoiding resource idleness. Having knowledge about available resources and the uses they can be put, is critical to cost control and smooth project execution (Ugboko & Ehugbo, 2021).

Ugboko and Ehugbo (2021) suggests that firms always look inwards, and optimally utilize resources to formulate winning strategies in their effort to meet or beat competition. Klingebiel and Rammer (2011) argue that profitability in business depend on efficient resource allocation and utilization. Firms that do poorly in resource utilization characteristically experience wastages, high costs, delays and unsatisfied customers. Hence, resource allocation describes how resources are assigned to activities intended to satisfy customers, while recognizing their processing and capacity limitations. Resource planning, resource scheduling, resource allocation and resource control as key resource utilization activities (Ugboko & Ehugbo, 2021).

Morgan (2009, as cited in Ateke & Nwulu, 2021) aver that the most sustainable route to achieving competitive edge in today's unendingly evolving business environment is ability to obtain and optimally deploy resources. Every business activity usually gets specific resource allocation for their effective performance. However, availability of resources is what determines if individual activities receive as much resources as they require. Through optimal resource utilization, managers determine what resources to allocate to what activity; and which activities share common resources (RamaJogi & Asadi, 2017).

Optimal resource utilization is associated with several benefits. It ensures that resources are not un-

derutilized, maintains productivity and ensures better visibility. It also increases yields, enhances managers' agility in resource rescheduling, and avoids resource redundancy. The continuously shifting shape of the business environment means that, even with all the resources and in the world, businesses can still experience difficulty if their resources are not utilized properly. Optimal resource utilization is a formula for success, especially if managers are able to take advantage of the many benefits of efficient resource utilization (Hans et al., 2008).

Logistics Network Design and Operational Efficiency

Logistics network design is critical to business performance because it relates to different market, customer and financial outcomes (Nwulu & Nadube, 2022; Chen & Gong, 2013). Firms thus approach logistics network design with due diligence. Also logistics network design according to empirical and anecdotal evidence, positively connects to service quality (Nwulu & Nadube, 2022) and cost minimization and demand satisfaction (Tsao & Lu, 2012; Nagurney, 2010).

Logistics network design also informs efficient supply chain solutions (Amiri, 2006); supply chain competitiveness (Bhatnagar & Sohal, 2005); and differential sales structure (Avittathur et al., 2005). In addition, Aksen and Altinkemer (2008) revealed that logistics network design guards against overstocking and optimizes performance; while Aardal et al. (2006) found that logistics network design enhances effectiveness of distribution network.

Nwulu (2019) argue that logistics network design is essential to logistics optimization and operational efficiency. Studies show that logistics network design positively influence different performance outcomes, including business performance (Chen & Gong, 2013); improved financial performance (Aardal et al., 2006); inventory and performance optimization (Aksen & Altinkemer, 2008).

Boudoin et al. (2014) reports that logistics network design relates to logistics effectiveness. In Qui et al. (2019) it was shown that vehicle routing (a facet of logistics network design) optimizes inventory management, support production efficiency, inventory replenishment and timely delivery of customers' orders. In other studies, Nagurney (2010) found that logistics network design leads to cost reduction and optimal demand satisfaction; while Amiri (2006) observe that logistics network design positively relates to efficient solution in a supply chain system.

The forgoing show that logistics network design relate to service quality. It minimizes cost, satisfies demand and provides efficient supply chain solution. Also, logistics network design informs sales differentials and guards against overstocking. Furthermore, logistics network design optimizes performance, enhances distribution effectiveness and leads to improved financial performance. Thus, we are persuaded to consider logistics network design as a driver of operational efficiency in terms of cost reduction, waste reduction and optimal resource utilization. However, for the purpose of conducting statistical tests and interpretation, the following hypotheses are formulated:

Ho₁: There is no significant correlation between logistics network design and cost reduction of courier service providers in Rivers State.

Ho₂: There is no significant correlation between logistics network design and waste reduction of courier service providers in Rivers State.

Ho₃: There is no significant correlation between logistics network design and optimal resource utilization of courier service providers in Rivers State.

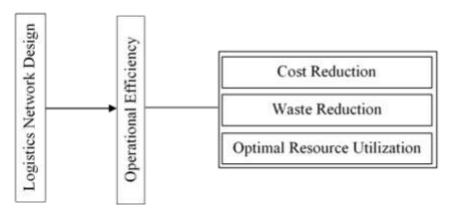


Fig. 1: Conceptual framework of correlation between logistics network design and operational efficiency. Source: Measures of operational efficiency adopted from Nwulu, C. S., Nadube, P. M., & Amadi, N. M. (2022). Supplier optimization: Pathway to operational efficiency of firms in developing economies. *Proceeding at the 3rd international academic conference*. Faculty of management sciences, Rivers State University.

Methodology

This study focused on probing the nexus between logistics network design and operational efficiency of courier service providers in Rivers State. The study adopted a correlational research design. The population of the study comprise 19 courier service providers. The study took a census. 6 personnel (customer service officers, operations officers, logistics officers, facility officers, inventory clerk and dispatch officers) from each of the courier service providers served as test units in the investigation. Hence, 114 test units were surveyed using the purposive sampling technique. A multiple -choice structured questionnaire designed in the 5-point Likert scale served as research instrument. The reliability of the instrument was determined using the Cronbach's Alpha test with a threshold of 0.70. Table 1 provides a summary of the test results.

Table 1: Summary of results of test of reliability

Variables		Dimensions/Measures	No. of Items	Cronbach's Alpha
		Logistics Network Design	5	0.792
Operational	Effi-	Cost Reduction	5	0.788
ciency		Waste Reduction	5	0.801
•		Optimal Resource Utilization	6	0.775

Source: Simulation from SPSS output of data analyses on logistics optimization and operational efficiency (2023).

Based on the adopted Cronbach's reliability threshold of 0.70 as suggested by Nunally (1978), the results showed that all the scales used in the study are reliable and offers the required standard of precision and clarity. The facts indicate that the instrument adequately addressed the concerns of the study, and can produce the same results on repeated tests. The Spearman's Rank Order Correlation statistics was used to test the hypotheses formulated for the study.

Results and Interpretation

Table 4.2 Descriptive analyses of responses to items on logistics network design

485

To what extent does your firm:	VLE	LE	ME GE		VGE		Total		
25	N	N	N	N	N	N	Mode	Mean	SD
Deliberately configure logistics networks to ationalize locations and capacities of facilities	10	29	0	67	3	109	4.00	3.22	1.15
Determine locations and functions of logistics tubs or customer order decoupling points	7	30	2	57	13	109	4.00	3.36	1.19
Deliberately determine number and site of varehouses	7	20	0	72	10	109	4.00	3.53	1.09
Deliberately determine number and site of production plants	14	39	0	52	4	109	4.00	2.94	1.23
Align warehouses to production plants or listribution hubs	12	12	0	66	19	109	4.00	3.62	1.22

Source: SPSS output of data analysis on logistics optimization practices and operational efficiency (2023).

Table 4.2 displays the distribution of responses to items on logistics network integration. The data as demonstrated in Table 4.2 show that most respondents believe that indicators of logistics network integration contained in the questionnaire are manifest in their firms. This is because the mode distribution for all 5 items is reflected 4 on the Likert scale. Even though the mean observations differ, the mode remained consistent, showing that respondents believe that their firms: deliberately configure logistics networks to rationalize locations and capacities of facilities; determine locations and functions of logistics hubs or customer order decoupling points; deliberately determine number and site of warehouses; deliberately determine number and site of production plants and align warehouses to production plants or distribution hubs.

Table 3: Descriptive analyses of responses to items on cost reduction

To what extent does your firm:	VLE	LE	ME	GE	VGE	Tota	1		
	N	N	N	N	N	N	Mode	Mean	SD
Experience real and permanent drop in cost of operations without hampering your ability to deliver quality customer service	15	44	0	48	2	109	4.00	2.80	1.20
Identify and expunge baseless costs from a your value creation process without negatively affecting quality of service	n12	15	0	78	4	109	4.00	3.43	1.13
Deliver value and required customer service without incurring avoidable cost	14 s	25	0	66	4	109	4.00	3.19	1.21
Manage or control costs to reduce operating expenses to the barest minimum	6	16	0	83	4	109	4.00	3.58	.97
Achieve low cost of operation compared to industry average	15	32	0	58	4	109	4.00	3.04	1.24

Source: SPSS output of data analysis on logistics optimization practices and operational efficiency (2023). Table 3 shows disparity in respondents' response to properties of cost reduction. The Table shows that the mode distribution for items such as "identify and expunge baseless costs from a your value creation process without negatively affecting quality of service"; "deliver value and required customer service without incurring avoidable costs; manage or control costs to reduce operating expenses to the barest minimum, and "achieve low cost of operation compared to industry average" revealed mode distributions of 4 (great extent). Hence, these can be considered, to a great extent, as prevalent features of courier service providers in Rivers State. However, the item: "experience real and permanent drop in cost of operations without hampering your ability to deliver quality customer service" revealed a mode distributions of 2 (low extent); this means that some respondents believe that their firms do not experience real and permanent drop in cost of operations without hampering your ability to deliver quality customer service

Table 4: Descriptive analyses of responses to items on waste reduction

o what extent does your firm:	VLE	LE	ME	GE	VGE	Total			
72	N	N	N	N	N	N	Mode	Mean	SD
omplete service processes ithout wasting time	23	74	0	11	1	109	2.00	2.02	.84
omplete service processes ithout consuming more energy an necessary	40	12	0	56	1	109	4.00	2.69	1.43
diver service using only as much ersonnel	112	26	1	66	4	109	4.00	3.22	1.18
onserve time, energy and human sources your operations	9	34	4	59	3	109	4.00	3.12	1.14
ecycle or reuse materials	8	22	0	72	7	109	4.00	3.44	1.11

Source: SPSS output of data analysis on logistics optimization practices and operational efficiency (2023).

Table 4 shows the analysis on the distribution for waste reduction. The statistics suggests that respondents consider the first item: Complete service processes without wasting time has a low extent of manifestation, as the mode distribution for the item is 2 (low extent). Nonetheless, the distributions for the other items: Complete service processes without consuming more energy than necessary, Deliver service using only as much personnel, Conserve time, energy and human resources your operations and Recycle or reuse materials; all showed mode distributions of 4 (great extent). The statistics thus, align more with the perception that waste reduction is a core objective of courier service firms in Rivers State.

Table 5: Descriptive analyses of responses to items on optimal resource utilization

To what extent does your firm:	VLE	LE	ME	GE	VGE	Total			
8	N	N	N	N	N	N	Mode	Mean	SD
Efficiently allocate resources to serve customers requirement	13	14	0	77	5	109	4.00	3.43	1.15
Fully utilize all available resources on projects	12	25	0	67	5	109	4.00	3.26	1.19
Assign resources that adequately match procedures required to satisfy customers	35	15	0	56	3	109	4.00	2.79	1.42
Schedule available resource to derive their maximum potential.	8	27	0	68	6	109	4.00	3.34	1.13
Not experience resource idleness	20	27	2	58	2	109	4.00	2.95	1.26
Assign specific resource to individual business activities.	16	18	2	71	2	109	4.00	3.23	1.20

Source: SPSS output of data analysis on logistics optimization practices and operational efficiency (2023).

Table 5 provides evidence of distribution of responses to item on optimal resource utilization. The result suggests that all the identified properties of optimal resource utilization can to a great extent, be considered as valid features of courier service providers in Rivers State. The evidence shows that "efficient allocation of resources to serve customers' requirement," "full utilization of available resources", "assigning resources that adequately match procedures required to satisfy customers", "scheduling available resource to derive their maximum potential", "not experiencing resource idleness and "assigning specific resource to individual business activities" have mode distributions of 4 (great extent) suggesting that optimal resource utilization is a manifest attribute of courier service providers in Rivers State.

Table 6: Correlation between logistics network design and operational efficiency

			Logistics	Cost	Waste	Optima
			Network	Reduction	Reduction	Resour
			Design			Utilizati
	Logistics Network Design	Correlation Coefficient	1.000	.858**	.720**	.658**
		Sig. (2-tailed)		.000	.000	.000
		N	109	109	109	109
		Correlation Coefficient	.858**	1.000	.457**	263**
	Cost Reduction	Sig. (2-tailed)	.000	33	.000	.000
irman's		N	109	109	109	109
		Correlation Coefficient	.720**	.457**	1.000	.726**
	Waste Reduction	Sig. (2-tailed)	.000	.000		.000
		N	109	109	109	109
	Ontinual Parameter	Correlation Coefficient	.658**	.263**	.726**	1.000
	Optimal Resource	Sig. (2-tailed)	.000	.000	.000	: 4
	Utilization	N	109	109	109	109

Source: SPSS output of data analysis on logistics optimization practices and operational efficiency (2023).

Table 6 illustrate evidence of association between logistics network design and measures of operational performance of courier service providers in Rivers State. Table 6 demonstrate that logistics network design contribute significantly to cost reduction, waste reduction and optimal resource utilization. The results show that logistics network design significantly relates to cost reduction at rho = 0.858; P = 0.000; waste reduction at rho = 0.720 and P = 0.000; and optimal resource utilization at rho = 0.658 and P = 0.000. These statistics demonstrate that logistics network design has significant correlation with operational efficiency of courier service providers in Rivers State.

Discussion of Findings

The preoccupation of this study was to examine the interplay with between logistics network design and operational efficiency of courier service providers. The results obtained from the statistical analyses conducted, show logistics network design relate to indicators of operational efficiency. This illustrates the importance of configuring the firm's logistics network with a view to rationalizing locations and capacity of facilities. The results indicate that (re)configuration of firms' logistics network to rationalize locations; functions of logistics hubs; number and site of warehouses, and aligning production plants as actions that inform improved operational efficiency.

The observation of the valence of logistics network design align with the view that logistics optimization practices improve efficiency by ensuring timely update and iteration of warehouse operations; and circumventing problems associated with backlog of customers' orders (Liu & Zhu, 2022). It substantiate the view that logistics network design improve coordination of internal and external interfaces; and confer strong market position, inform efficiency of operations, improve customer service and increase profitability (Nwulu & Nadube, 2022). The findings also reinforce the idea that firms' logistics network design increases value through cost minimization (Nwulu, 2019), service improvement, order fulfilment and competitive merit (Pishvaee *et al.*, 2011).

Our findings re-echo the position that optimal logistics network design deliver products to customers at the lowest possible cost while meeting customers' service requirements (Nwulu & Nadube, 2022). The present findings also support results of prior studies which show that logistics network design has positive link with different performance outcomes, including business performance (Chen & Gong, 2013; Tsao & Lu, 2012); cost minimization and demand satisfaction (Nagurney, 2010); improved financial performance (Aardal *et al.*, 2006); supply chain competitiveness (Bhatnagar & Sohal, 2005); sales differential (Avittathur *et al.*, 2005); and inventory optimization (Aksen & Altinkemer, 2008).

The present findings are further strengthened by the report of Boudoin *et al.* (2014) that logistics network design strongly relate to logistics effectiveness; that of Aksen and Altinkemer (2008) that logistics network design reduce storage costs and relate to market, customer and financial outcomes and that of Qui *et al.* (2019) that vehicle routing, which is an aspect of logistics network design, optimize inventory management, support production efficiency, inventory replenishment and timely delivery of customers' orders.

More so, the findings of Nagurney (2010) that logistics network design leads to cost reduction and optimal demand satisfaction; and Amiri (2006) that distribution network design positively relates to efficient supply chain solutions, all gained support from our findings. Thus, the position that logistics network design informs operational efficiency has substantial backing in literature, as a synopsis of our exposition highlights that logistics network design is critical to business performance because it relates to different market, customer and financial outcomes (Nwulu & Nadube, 2022); including service quality (Nwulu & Nadube, 2022), cost minimization and demand satisfaction (Nagurney, 2010); efficient supply chain solutions (Amiri, 2006); supply chain competitiveness (Bhatnagar & Sohal, 2005); differential sales structure (Avittathur *et al.*, 2005); guards against overstocking and optimizes performance (Aksen & Altinkemer, 2008); and enhances distribution network effectiveness (Aardal *et al.*, 2006).

Conclusion and Recommendations

Achieving efficiency in operations and identifying ways of sustaining and improving relative market position and power has been a perennial challenge for firms in all industries. This study thus assessed the connection between logistics network design and operational efficiency of courier service providers in Rivers State. The study observed that logistics network design contribute significantly towards enhanced operational efficiency of the population surveyed. The findings canvass that logistics network design play key roles in ensuring that courier service providers operate efficiently and sustain their relevance through cost reduction, waste reduction and optimal resource utilization.

Consequently, the study concludes that capacity to design effective logistics networks by (re) configuring logistics networks to rationalize locations and capacities of facilities, imbues courier service providers with the advantage effective resource exploitation, and in ways that advances their interests through enhanced cost reduction, waste reduction and optimal resource utilization. The study therefore recommends that courier service providers in Rivers State should determine locations and functions of logistics hubs or customer order decoupling points; and determine number and site of production plants and warehouses and align them for optimal functionality, if they seek to achieve operational efficiency as demonstrated in cost and waste reduction and well as optimal resource utilization.

References

- Aardal, K., Labb, M., Leung, J., & Queyrane, M. (2006). Impact of changing the configuration of the distribution network in order to improve financial performance without reducing customer service. *Journal of Operations Management*, 24(5), 458-475.
- Adeniji, A. A. (2011). Cost accounting: A managerial approach (5th edition). El Toda Ventures Ltd. Ahmadzadeh, S., Ajmal, T., Ramanathan, R., Duan, Y. A (2023). Comprehensive review on food waste reduction based on IOT and big data technologies. Sustainability, 15, 3482. https://doi.org/10.3390/su15043482
- Akcali, E., Çetinkaya, S., & Uster, H. (2009). Network design for reverse and closed-loop supply chains: An annotated bibliography of models and solution *approaches*. *Journal of Networks*, 53(3), 231-248.
- Aksen, D., & Altinkemer, K. (2008). Swedish worldwide distributor location of additional storage facilities for optimal performance. *Organizational Dynamics*, 35(1), 1-11.
- Alireza, A. S., & Mahdi, A. (2012). Target and Kaizen costing. *International Journal of Social, Behavioural, Educational, Economic, Business and Industrial engineering*, 6(2), 171-177.
- Amasuomo, E., & Baird, J. (2016). The concept of waste and waste management. *Journal of Management and Sustainability*, 6(4), 88-96.
- Amiri, A. (2006). Designing a distribution network for efficient solution procedure in a supply chain system. *European Journal of Operational Research*, 17(1), 567-576.
- Amin, S. H., & Zhang, G. (2013). A multi-objective facility location model for closed-loop supply chain network under uncertain demand *and return. Application of Mathematical Model, 37* (6), 4165-4176.
- Ateke, B. W., & Nwokah, N. G. (2022). *Marketing management: A strategic perspective*. Branded-Favour.
- Ateke, B. W., & Nwulu, C. S. (2021). Dynamic marketing capabilities and adaptability of hospitality firms in Rivers State. *Nigerian Journal of Management Sciences*, 22(1), 165-189.
- Attiq, S., Chau, K. Y., Bashir, S., Habib, M. D., Azam, R. I., Wong, W.-K. (2021). Sustainability of household food waste reduction: A fresh insight on youth's emotional and cognitive behaviors. *International Journal of Environmental Research in Public Health*, 18, 7013. https://doi.org/10.3390/ijerph18137013
- Avittathur, B., Shah, J., & Gupta, O. K. (2005). Distribution centre location modeling for differen-

- tial sales tax structure. European Journal of Operational Research, 16(2), 191-205.
- Badri, H. B., Mahdi, H., & Taha, H. (2013). Integrated strategic and tactical planning in a supply chain network design with a heuristic solution method. Computer Operations Research, 40(4), 1143-1154.
- Bestman, A. E., & Chinyere, J. O. (2021). Decisions support systems and organizational efficiency of the deposit money banks in Port Harcourt, Rivers State. *The Strategic Business & Change Journal of Management*, 8(1), 183-196.
- Ben-Caleb, E., Otekunrin A., Rasak, B., Adewara. S., Oladipo O., & Eshua, R. (2019). Cost reduction strategies and the growth of selected manufacturing companies in Nigeria. *International Journal of Mechanical Engineering and Technology*, 10(3), 196-203.
- Bhatnagar, R., & Sohal, A. S. (2005). Supply chain competitiveness: Measuring the impact of location factors, uncertainty and manufacturing practices. *Technovation*, 2(5), 443-456.
- Boudoin, D., Morel, C., & Gardat, M. (2014). Supply chains and urban logistics effectiveness. *Computers & Operations Research*, 88(1), 103-116.
- Chopra, S., & Meidl, P. (2013). Supply chain management: Strategy, planning and operation (5th edition). Pearson-Prentice Hall.
- Egbe, S. E., & Aturu-Aghedo, C. (2023). Job enrichment and organizational efficiency: A study of Niger Flour Mills Calabar, Nigeria. *Nigerian Journal of Management Sciences*, 24(1b), 277-285.
- Fei, H., Meskens, N., & Chu, C. (2010). A planning and scheduling problem for an operating theatre using an open scheduling strategy. *Computers & Industrial Engineering*, 58(2), 221-230.
- Figar, N., & Ivanovic, V. (2015). Cost Reduction Strategy: process and effects. *Journal of Current Research*, 12(1), 15-26.
- Gaurav, H. Y., Jain, K. R., Kapoor, M., & Nateriya, R. (2013). Cost Reduction in different disciplines. *International Journal of Current Research*, 5(10), 2821-2825.
- Hans, E., Wullink, G., van Houdenhoven, M., & Kazemier, G. (2008). Robust surgery loading. *European Journal of Operational Research*, 185(3), 1038-1050.
- Hofstad, H., & Hansen, K. B. (2021). The role of goal-setting in urban climate governance. *Journal of Earth System Governance*, 7, 100088. https://doi.org/10.1016/jesg.2020. 100088
- Kingston, K. M., & Wilson, K. M. (2009). The application of goal setting in sport. In S. Mellalieu & S. Hanton (Eds.). *Advances in Applied Sport Psychology: A Review*. Routledge.
- Lawal, B. A. (2017). Effect of cost control and cost reduction techniques in organizational performance. *International Business and Management*, 14(3), 19-26.
- Lazarov, B. (2016). Efficient and effective utilization of limited resources: A case study at Philips Healthcare. *Unpublished dissertation*. University of Twente.
- Locke, E. A., & Latham, G. P. (1990). A theory of goal setting and task performance. Prentice Hall. Locke, E. A., & Latham, G. P. (2013). New developments in goal setting and task performance.
- Locke, E. A., & Latham, G. P. (2019). The development of goal setting theory: A half century retrospective. *Motivation Science*, *5*(2), 93-105.
- Lozano, R. (2008). Envisioning sustainability three-dimensionally. *Journal of Clean Production*. 16, 1838-1846.
- Miles, J. A. (2012). Management and organization theory: A Jossev-Bass Reader. Wiley and Son.
- Nagurney, A. (2010). Optimal supply chain network design and redesign at minimal total cost and with demand satisfaction: Kenyan transport system. *International Journal of Production Economics*, 12(8), 200-208.
- Nwokah, N. G. (2006). Operational efficiency and business performance. *Nigerian Journal of Business and Society*, 5(1), 89-106.
- Nwulu, C. S., & Nadube, P. M. (2022). Supply network design decisions and service quality: Insights from paint manufacturing firms. *Nigerian Journal of Management Sciences*, 23(1), 106-116.
- Nwulu, S. C. (2019). *Transportation techniques: A management perspective*. Unpublished lecture notes.

- Nwulu, C. S., Nadube, P. M., & Amadi, N. M. (2022). Supplier optimization: Pathway to operational efficiency of firms in developing economies. *Proceeding at the 3rd international academic conference*. Faculty of management sciences, Rivers State University.
- Ogunnaike, M. W. (2010). Cost management and profitability in manufacturing companies *Unpublished Thesis*. Covenant University Ota, Ogun State, Nigeria.
- Omah, P. C. (2022). Cost reduction strategies and performance of manufacturing companies in Nigeria. *Accounting and Management Research Journal*, 9(1), 88-105.
- Otto, A., & Obermaier, R. (2009). How can supply networks increase firm value? A causal framework to structure the answer. Logistics Research, 1(4), 131-148.
- Oyerogba, E. O., Olaleye, M. O., & Solomon, A. Z. (2014). Cost management practices and performance of manufacturing organizations. *International Journal of Economics and Finance*, 6(6), 234-236
- Ozceylan, E. P., & Turan, B. T. (2014). Modeling and optimizing the integrated problem of closed-loop supply chain network design and *disassembly line balancing*. Logistics and Transport Research, 61(1), 142-164.
- Pinedo, M. L. (2008). Scheduling: Theory, algorithms, and systems (3rd edition). Springer.
- Pishvaee, M. S., Rabbani, M., & Torabi, S. A. (2011). A robust optimization approach to closed-loop supply chain network design under *uncertainty*. *Application of Mathematical Model*, *35* (2), 637-649.
- Qiang, P., & Nagurney, A. (2012). Assessment of supply chain network performance for critical needs under capacity and demand disruptions. *Transportation Research*, 46(1), 801-812.
- Qiu, Y., J. Qiao, P. M., & Pardalos, P. (2019). Optimal production, replenishment, delivery routing and inventory management policies for products with perishable inventory. *Omega*, 82(1), 93-204
- RamaJogi, J., & Asadi, S. S. (2017). Optimal resources utilization in construction industry. *International Journal of Civil Engineering and Technology*, 8(1), 273–280,
- Ramezani, M., Kimiagari, A. M., & Karimi, B. (2014). Closed-loop supply chain network design: A financial approach. Application of Mathematical Model, 38(15), 4099-4119.
- Rof, M. L. (2012). Kaizen costing method and its role in the management of an entity. *Young Economics Journal*, 5(1), 104-109.
- Ssempebwa, J., Owolabi, S. O., Bakkabulindi, F. E. K. (2012). Suboptimal utilisation of resources in Sub-Saharan African Higher Education Institutions: The case of teaching space at Makerere University. *Journal of Science & Sustainable Development*, 5, 13-27.
- Tsao, Y. C., & Lu, J. C. (2012). A supply chain network design and transportation cost discounts in Kenyan transportation industry. *Transportation Research Part E*, 48(1), 401-414.
- Ugwu, C. O., Ozoegwua, C. G., Ozora, P. A., Agwua, N., & Mbohwab, C. (2021). Waste reduction and utilization strategies to improve municipal solid waste management on Nigerian campuses. *Fuel Communications*, *9*, 100025. https://doi.org/10.1016/j.jfueco.2021.100025
- Umoren, I. J., Etuk, U. E., Ekong, A. P., & Udonyah, K. C. (2021). Healthcare logistics optimization framework for efficient supply chain management in Niger Delta Region of Nigeria. International Journal of Advanced Computer Science and Applications, 12(4), 593-604.
- Ugboko, L. N., & Ehugbo, I. (2021). Effect of resource utilization techniques on competitive advantage of selected firms in Nigerian telecommunications industry. *International Journal of Academic Multidisciplinary Research*, 5(11), 106-117.
- Youn, S., Yang, M. G., Hong, P., & Park, K. (2013). Strategic supply chain partnership, environmental supply chain management practices, and performance outcomes: An empirical study of Korean firms. *Journal of Cleaner Production*, 56, 121-130.

Administrative Intelligence: Corollary for Managing Information Success of Tertiary Institutions in Rivers State, Nigeria

Peter Mezenye ALIKORNWO

Department of Office Technology and Management Captain Elechi Amadi Polytechnic Rumuola, Port Harcourt peter.alikornwo@ust.edu.ng

Goodluck Chidi ADIELE

Department of Office Technology and Management Captain Elechi Amadi Polytechnic Rumuola, Port Harcourt adielegoodluck5@gmail.com

Priscilla Obunwo OMUNAKWE

Department of Office and Information Management Faculty of Management Sciences Rivers State University Port Harcourt priscaomunakee90@gmail.com

Abstract

The crux of this study was to investigate the relationship between administrative intelligence and managing information success of tertiary institutions in Rivers State. The study was dimensioned with employee development, while time optimization and quality decision-making measured the dependent variable. The research provided answered one research question and tested two hypotheses in order to establish the hypotheses formulation that there is no significant relationship between administrative intelligence and managing information success. The study population comprised five Tertiary Institutions in Rivers State. The research selected sixteen administrative (non-academic) staff members from each of the institutions under study making it a total eighty study elements. Data were generated from the respondents by the use of a well-structured questionnaire. Pearson's product moment correlation was used to test hypotheses with the aid of statistical packages for social science (SPSS) version 23.0. The p-values were calculated to determine the significance of the hypothesized relationship. Analytical outcomes revealed statistically positive and significant relationships between the dimensions of our predictor variable- administrative intelligence and the measures of the criterion variable-managing information success. Based on the findings, the study concluded that administrative intelligence has a positive, significant relationship with managing information success of Tertiary Institutions in Rivers State. The study further recommended that Management of tertiary institutions should prioritize their employee development as it is seen to be a key determinant in managing information success.

Keywords: Administration, intelligence, information success, administrative intelligence

493

Introduction

Today, new technologies have brought many innovations to our offices and businesses. The most important of these developments is the use of technology for process management and information and content management. It can be said that administration is the "backbone of every successful organization"; responsible for managing resources, implementing policies, and ensuring the smooth running of the organization. Without good administration, an organization will have difficulty achieving its goals and objectives.

It is no surprise that organizations have competent leaders who can effectively manage resources, people, and operations. This need makes time management skills even more important. It is a concept that expresses the ability of managers to collect, analyze and use information in decision-making (Akani, 2015). These skills are essential for successful management in today's organizations and business environment. Therefore, in this context, managers' skills are framed as employee development. Employee development refers to the process of improving the skills, knowledge, and abilities of employees through education, training, and other development activities (Haralson, 2010).

By investing in employee development, organizations can improve employees' skills and engage in better business practices that can meet the demands of changing business conditions. Overall, managers should be aware of the skills in employees and create training programs that will address these gaps while allowing employees to develop new skills and advance their careers within the organization. This highlights the importance of investing in staff development and creating a culture of continuous learning to ensure the long-term success and competitiveness of organizations in today's changing economy.

According to Flynn (2009), intelligence should be seen as a multifaceted construct that goes beyond the conventional IQ test and should be assessed using different methods to capture its different components. Therefore, Flynn said, assessments of skills should include measures of creativity, intelligence and intelligence, as well as skills such as memory and problem solving. This approach provides a better understanding of a person's intelligence and ability to succeed in various fields. When evaluating creativity, it is important to consider divergent thinking (such as creating multiple solutions to a problem) and collaborative thinking (such as choosing the best solution from developers). It is important to consider social intelligence as a personal good, as well as the ability to understand and navigate social situations.

When assessing skills such as listening, problem-solving, and communication skills, they are often evaluated along with skills such as critical thinking and emotional intelligence. This means that the ability to interact with others and understand their emotions is as important as intelligence when assessing a person's overall abilities. There is no guarantee of expertise at this time. Therefore, intelligence has many different meanings such as thinking, reasoning, understanding, self-awareness, communication, learning, emotional intelligence, memory, planning, creativity, and problem solving.

It is a complex and multifaceted concept that includes many skills such as problem solving, thinking and creativity. But most definitions agree that intelligence is the ability to learn from experience, adapt to new situations, and solve problems effectively. Aaronson (2014) defines intelligence as the ability to plan, solve problems, think critically, understand complex concepts, learn quickly and learn from experiences. This definition illustrates the many natures of intelligence and its importance in all areas of life. This means that intelligence is not limited to learning or reasoning, but also includes emotional intelligence, planning, and problem-solving, all of which play an important role in action and personal and professional success.

The two main areas of administration are public and private sectors; both need to be well managed and comply with established rules and regulations. This leads to increased efficiency, increased communication and overall success for the organization. According to Thapa (2020), the word public means government and is often associated with government functions and activities; however, the term administration refers to the process of managing and creating resources to achieve specific goals and objectives. Therefore, public administration refers to the management and cooperation of the government or its agencies to achieve specific public goals and objectives, such as providing public services, ensuring public safety, and promoting economic growth. Examples of agencies and organizations involved in public administration include local, state, and federal agencies, as well as nonprofit organizations and private companies that partner with the government to provide public services.

Privately managed organization refers to an organization owned and operated by a private person or organization whose primary purpose is to generate profits for its owners or members rather than to serve the public (Uchem & Erunke, 2013). The researchers emphasize that private administration is characterized by a hierarchical structure in which decision-making authority is concentrated at the

top and employees do not participate in decision-making processes. Additionally, private administration is subject to market conditions and competition, which can lead to a focus on short-term profits rather than long-term business interests.

Administrative Intelligence is a new method that aims to improve the decision-making process and make the organization efficient. It involves the use of data analysis, artificial intelligence and other technologies to improve management functions and improve organizational performance. Although no one understands the meaning of administrative intelligence because it varies across businesses and organizations, it is generally related to the ability to collect and analyze information to make decisions and carry out the process. This is an ever-changing process that requires constant learning and adaptation to stay ahead of technological advances.

Mandel (2012) believes that administrative intelligence is related to the ability to manage and use information to make informed decisions, solve problems and achieve organizational goals. These skills have become indispensable in today's fast-paced and data-driven business environment. This definition means that the use of technologies such as artificial intelligence and machine learning has become imperative for professionals to make informed decisions and stay ahead in the business world. Therefore, people with these skills are sought after by employers.

Our present day tertiary institutions are greeted with stagnation and redundancy in their administrative process and procedures. Salient amongst the stagnation issues is the dissemination of information within these institutions. Unarguably, there exists information, communication and technology (ICT) centers in these institutions, however, the systems are so accustomed to the traditional modes of dispatching memos, letters, and notices, amongst others; when this could be achieved by a simple click and logon to the electronic campus (e-campus) platform.

It suffices to say that Management heavily invests in the running of the ICT centers in their institutions; however, the chances of making the best out of the abounding technological provisions are lightly esteemed, thereby leading to an increase in administrative costs, as well as wastages suffered as a result of running traditional (paper-based) systems. Again, the issues of delayed information, and even misinformation is on the rise, owing to the fatigue and stress suffered by administrative officials of these institutions in association with the dispatch of letters, memos, and notices. These employees tend to grow weary in the dispatch of their duties, as they would practically have to move around - trekking the entire campus for at least thrice a week, not minding their ages.

Evidences abound in literatures regarding scholarly unpinning about tertiary institution processes; information is the livewire of these institutions. Tantua and James (2019) allude to this as they posit that no institution can truly function without giving keen attention to information and its management. Administrative intelligence is viewed as a cogent tool for managing information success of Tertiary institutions. Being synonymous with Administrative efficiency, administrative intelligence suggests the chances for institutions to adopt the use of emerging technologies such as artificial intelligence, machine learning, augmented reality, internet of things, enterprise content management, etc. in managing the flow and dissemination of information within departments, faculties, and even the entire system.

Many scholars have attempted to address the challenge of managing information success using diverse predictor variables, but this study adopts administrative intelligence as the backdrop for addressing problems associated with managing information success in Tertiary Institutions in Rivers State; while it is believed that the adoption of the findings of this study by the tertiary institutions would provide them with good administrative options that would mitigate costs, while improving

the successes recorded in its process and procedures. In view of the foregoing, this study investigated the relationship between administrative intelligence and managing information success of Tertiary Institutions in Rivers State, Nigeria.

This study conceptualized the following framework as a guide through the study.

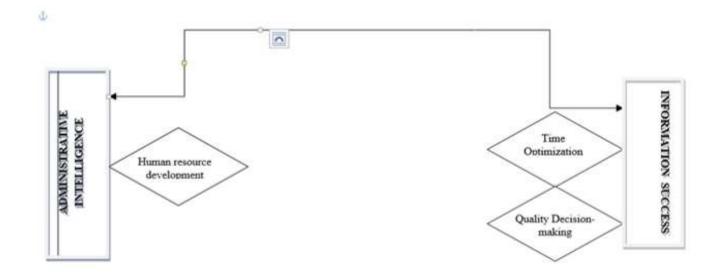


Fig. 1: Framework of administrative intelligence and information success of tertiary institutions in Rivers State, Nigeria.

Source: Researchers' Construct, 2023; Nwosu, (2022); Ugwu and Amazue (2014)

Purpose of the Study

The overall purpose of this study was to investigate the relationship between administrative intelligence and managing information success of Tertiary Institutions in Rivers State, Nigeria. Specifically, this study attempted the following:

To investigate the relationship between Employee development and managing information success of Tertiary Institutions in Rivers State, Nigeria.

Review of Related Literature Administrative Intelligence

Ugwu and Amazue (2014) identified dimensions of administrative intelligence including mental ownership, employee development, employee motivation, and people performing satisfactorily at work. Organizations can use this dimension to effectively manage their workforce and improve overall performance. Administrative intelligence is important to make the organization effective because it enables managers to make informed decisions that affect employees. Sanchez, Lago, Ferras, and Ribera (2011) consider administrative intelligence from the perspective of the ability to manage resources effectively and efficiently, which includes the development of human capital through training and development initiatives. They believe this is essential to achieve organizational goals and maintain competitive advantage in today's rapidly changing business environment. Sanchez et al. (2011) stated that the relationship between managerial intelligence and organizational performance has been widely researched and proven to be significant, completing managerial intelligence as an important predictor. They also found that organizations with high levels of management skills tend to have better and more flexible decision-making processes. For example, in a

study conducted by Schultz, Salomo, de Brentani and Kleinschmidt (2013), the relationship between administrative intelligence and innovation was investigated and it was found that companies with high levels of administrative intelligence were able to create new ideas and implement them in the market.

This suggests that investing in administrative intelligence development may be an important strategy for organizations looking to develop new capabilities. In other words, administrative intelligence is the ability to manage resources, processes and people to foster innovation in an organization. By investing in these skills, companies can create effective and efficient ways to develop new ideas and bring them to market. Information management is especially important for tertiary institutions because it can help them streamline their operations, reduce costs and increase revenue generation. These skills include the ability to analyze information, make informed decisions, and manage resources effectively. As a result, individuals with these skills are sought after in various sectors such as finance, healthcare and technology. They are often seen as useful for organizations looking to improve performance and achieve goals.

Employee development

Employee development is defined by Jacobs and Hawley (2010) as the coordination of public and private-sector policies and programmes that give individuals the potential for a sustainable livelihood and assist organisations in achieving exemplary goals that are consistent with the societal context. Many terms are used in management and human resource literature to describe concepts related to workforce continuity. These terms include succession planning, talent management, career development, and knowledge transfer, among others. Each term has a slightly different focus, but they all aim to ensure that organizations have the right people in the right positions at the right time. Succession management, strategic human resource management, employee development, workforce planning, manpower planning, replacement planning, talent management, and human capital management are some of the terms that readers must learn (William, 2015). Staff development is critical for organisations that wish to build and retain high-quality staff.

According to Fisher (2006), employee development is a continuous process that involves enhancing the skills, knowledge, and abilities of employees to meet the changing demands of the workplace and achieve organisational goals. Therefore, investing in staff development can lead to increased productivity, job satisfaction, and employee retention. However, Prince (2003) is of the opinion that to gain and maintain competitiveness, organisations require talented and productive employees, and these employees need career development to enhance and cultivate their competencies. Consequently, there are many approaches that organisations can adopt to develop their employees, such as training and development programmes, mentoring, coaching, job rotation, and career planning. These approaches not only benefit the employees but also contribute to the overall success of the organisation. While some may be effective, others may not; therefore, it is important for organisations to regularly evaluate and adjust their approaches to ensure that they are meeting the needs of both employees and the organisation as a whole. The term workforce refers to the group of people who are employed or available for employment in a particular organization, industry, or country. Thus, the workforce of any organization is the "backbone" of its operations, as it comprises the individuals who carry out the tasks necessary for the organization to achieve its goals and objectives. Therefore, the development of the workforce is not just important for the growth of the organization, but also for the personal and professional growth of its employees, which in turn leads to higher job satisfaction and retention rates. Therefore, employee development is the key to achieving a competitive advantage in today's rapidly changing business environment, as it enables organizations to adapt and innovate in response to new challenges and opportunities. Thus, employee development is the process of improving the skills, knowledge, and abilities of this group to enhance their productivity and employability.

Managing Information Success

Success has multiple meanings depending on the perspective and the people involved. Freeman and Beale (1992) state that success means different things to different people; "Success for an architect

is in terms of aesthetic appearance; success for an engineer is in terms of technical ability; success for an accountant is in terms of the amount of money spent on a building. For example, a human resources manager working for CEOs may measure success based on employee satisfaction, and CEOs may measure success based on market share. The concept of success is broad and must include the perceptions of all stakeholders (Wateridge, 1998).

Stakeholders include customers, developers, information teams, or end users (Shenhar, Dvir, Levy & Maltz, 2001). Two things to emphasize regarding information success: there is a point of view (Shenhar et al., 2001; Shenhar, Levy, & Dvir, 1997). One perspective is that all business goals can be achieved even if information management does not yet meet schedule, budget, and quality. Another perspective is that although information management can be successful in terms of scope, quality, budget, etc., the information does not meet customer expectations. To further our understanding of success, it is important to distinguish between factors and criteria for success. Westerveld (2003) explains this difference by stating that successful information management requires a focus on results areas (related to managing information success criteria) and organizational areas (related to success factors). Success factors are related to circumstances, facts, and influences (Lim & Mohamed, 1999).

Success criteria are dependence structures for determining whether information is successful or not (Turner, 2014). Examples of success criteria include customer and information team satisfaction, cost, time, and scope compliance (Osei-Kyei & Chan, 2018). Success factors include experience as an information manager, ability to work in a team, and support from top management (Gunduz & Almuajebh, 2020). Based on the specific case of IMS, Delone and McLean (2003) present a D&M IS success model. This model is a seminal study that identifies six factors associated with IS success: Quality of information, Quality of Service, Intended Use/Purpose, User satisfaction, and Net impact.

Time Optimization

Time optimization is recognized as an important component of work efficiency (Downs, 2008) Time optimization is a way of developing and using processes and tools for maximum efficiency, effectiveness, and productivity (Downs, 2008) It involves mastery of a set of skills like setting goals, planning and making decisions better. At the end we have better efficiency (Brogan, 2010). According to Thompson, Arthur, Strickcan and Gamble (2010), accurate and timely information about daily operations is essential if managers are to gauge how well the strategy execution process is proceeding.

Time is an essential resource since it is irrecoverable, limited and dynamic (Downs, 2008) Irrecoverable because every minute spent is gone forever, limited because only 24hours exist in a day and dynamic because it's never static (Claessens, Roe & Rutte, 2009) According to North (2004) time management is the organization of tasks or events by first estimating how much time a task will take to be completed, when it must be completed, and then adjusting events that would interfere with its completion is reached in the appropriate amount of time. Effective time management is the key to high efficiency levels.

Effective time management not only affects employee performance but also helps them manage stress, conflict, and pressure more effectively (Nord (2004)). Speed and time are important resources. Companies strive to maximize speed and minimize time spent, and the efficiency is clear when you look at how they do it. Speed and time have been the essence of the study of time and motion since the era of scientific management introduced by Taylor, which led to efficiency in management. They are a source of competitive advantage and "time-based competition" (TBC) (Bateman & Snell, 1999).

It aims to reduce the overall time required to deliver a product or service by requiring rapid and timely design, execution, response, and delivery of results. Therefore, we can very accurately say that companies need to respond quickly to market needs by rapidly introducing new products. Deliver customer orders quickly. Respond quickly to customer requests (Bateman & Snell, 1999). Therefore, there are at least three possible metrics for time optimization. These are (1) design-to-market time, (ii) product delivery time, and (iii) order completion time. These indicators are based

on the concept of time as the working hours spent completing a task or the period spent completing a task (Zeb-Obipi, 2015).

Quality Decision-making

The word "decision-making" conjures up the image of choice among alternative courses of action in a way appropriate to the demand of the situation. The ability of the decision maker to choose the best option that is capable of achieving the set objective or solving the problem demands structured decision guidelines. These guidelines put together are referred to as decision-making strategies (Obi & Agwu, 2017). Donelan, Walker and Salek (2015) investigated factors affecting quality of decision making. Examples of factors they found incorporated data quality, time of decision making, and awareness of the decision.

The strategic decision has received great attention due to its importance for the organization and its stakeholders. Hastie and Dawes (2010) stated that a good decision should be measured not by the outcome of the decision, but by how reasonable the decision is. Rationality here means the use of available means in certain situations to achieve a decision-making goal. In the study conducted by Elbanna, Thannos and Çolak (2014), five factors affecting decision making were suggested; trust, collaboration, track record, failure and quick decision making.

Dietrich (2012) stated that the factors affecting decision making are experience, personal differences, cognitive uncertainty, self-actualization beliefs and commitment. In fact, most of the studies on this topic (a few studies) do not include public organizations. Therefore, the reality of the factors affecting good decision-making in these institutions is not clear (Abazeed, 2019). Good information is one of the most important factors affecting good decision making (Negulescu & Doval, 2014). Van Riel, Langeveld, Herder, and Clemens (2016) stated that good information plays a small role in improving decision making.

Theoretical Foundation: Rational Choice Theory

Philosopher Adam Smith proposed choice theory in 1776, which proposes that people make decisions based on a calculation of costs and benefits. But in the 1900s, economists such as Gary Becker expanded the theory. In 1976, Gary Becker was one of the leading role models. According to Becker (1976), rational choice theory states that people make their decisions based on analysis of the cost-benefits, potential-benefits and costs of their actions. The theory has been applied to many areas beyond economics, including health and crime (Scott, 2000). Rationality appears to be the main focus of choice theory.

According to this theory, every person follows a path that benefits him/her; everyone is ready to make the decision they believe is the best and most beneficial option for themselves. Rational Choice Theory regarding the relationship between administrative intelligence and managing information success in tertiary institutions argue that people make decisions based on their personal preferences and choose options that provide the most benefits and reduce costs. Therefore, Institutional administrators with higher levels of intelligence will be more likely to influence the use of managing information success because they can identify risks and benefits.

Methodology

This study was a descriptive study as such adopted a cross-sectional survey design suitable for this study. The study through census sampling, investigated five (5) Tertiary Institutions in Rivers State; however, for the purpose of this study, the targeted Study elements comprised of the Management and Administrative staff members of the information, communication technology centres and administrative staff cadres of five tertiary institutions in Rivers State. Hence, the elements of this study were eighty (80) respondents which comprised senior and junior cadres.

Thus, eighty (80) copies of the structured close ended 4point lykert scale questionnaire were administered on the categories of employees that formed the respondents. The reliability test of the structured questionnaires was ascertained through Test-re-test in which a pilot administration of the questionnaire was made on a portion of the chosen sample and administered after two months and relationship between the two results determined by correlation coefficient, through SPSS version

20. Our reliability test was also anchored on the Cronbach Alpha at 0.7.

At the primary level of our analysis, this study adopted the use of univariate descriptive statistical tool such as mean, standard deviation, frequency tables, simple percentages, bar charts and histograms to present the data that was generated while for bivariate inferential statistics, the Pearson's Product Moment Correlation was employed at the secondary level of analysis, to test the hypothesized statements. All the statistical analyses were performed using the Statistical Package for Social Sciences (SPSS) version 23.0.; because this version has the ability to transform scaled data into discrete or continued data and vice versa.

Decision rule: Reject Ho if PV < 0.05; Accept Ho if PV > 0.05

Table 1 Showing Strength and Direction of Relationship between Variables

Range of values	Degree of relationship
± 0.00 - ± 0.19	Very weak
± 0.20 - ± 0.39	Weak
± 0.40 - ± 0.59	Moderate
± 0.60 - ± 0.79	Strong
± 0.80 - ± 1.00	Very strong

Results

Table 2: Relationship between Employee development and Time optimization

Correlations

		Employee develop- ment	Time optimization
Employee development	Pearson Correlation	1	.794**
	Sig. (2-tailed)		.000
	N	76	76
Time optimization	Pearson Correlation	.794**	1
	Sig. (2-tailed)	.000	
	N	76	76

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

From the SPSS output on Table 2, it can be observed that there is a correlation coefficient of 0.794** between Employee development and Time optimization, indicating a strong and positive relationship between Employee development and Time optimization. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a strong significant relationship between Employee development and Time optimization. This further implies that most of the changes in Time optimization among tertiary institutions in Rivers State are caused by their Employee development while others are caused by externalities. Based on this, we reject the null hypothesis that there is no significant relationship between Employee development and Time optimization of tertiary institutions and incline to the alternate hypothesis that there is a strong, significant relationship between Employee development and Time optimization of tertiary institutions.

Table 3: Relationship between Employee development and Quality decision-making

Correlations

		Employee development	Quality decision-making
Employee development	Pearson Correlation	1	.934**
	Sig. (2-tailed)		.000
	N	76	76
Quality decision-making	Pearson Correlation	.934**	1
	Sig. (2-tailed)	.000	
	N	76	76

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

From the SPSS output on Table 3, it can be observed that there is a correlation coefficient of 0.934** between Employee development and quality decision-making, indicating a very strong and positive relationship between Employee development and quality decision-making. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between Employee development and quality decision-making. This further implies that most of the quality decision-making experienced among tertiary institutions in Rivers State is caused by their Employee development while others are caused by externalities. Based on this, we reject the null hypothesis that there is no significant relationship between Employee development and quality decision-making of relationship between Employee development and quality decision-making of tertiary institutions.

Discussion of Findings

The analysis of the study revealed a correlation coefficient of 0.794** between Employee development and Time optimization, indicating a strong and positive relationship between Employee development and Time optimization. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a strong significant relationship between Employee development and Time optimization. The analysis results also revealed a correlation coefficient of 0.934** between Employee development and quality decision-making, indicating a very strong and positive relationship between Employee development and quality decision-making. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between Employee development and quality decision-making.

Conclusion and Recommendation

In allusion with the findings of this study and to the extent of its consistency with results of extant studies, we conclude that administrative intelligence has a positive significant relationship with managing information success of tertiary institutions in Rivers State. Based on the findings of the study and to the extent of its consistency with the result of similar studies we recommend that management of tertiary institutions should prioritize their employee development as it is seen to be a key determinant in managing information success.

References

Aaronson, S (2014). Why I am not an integrated information theorist (or, the unconscious expand-

- er).
- Abazeed, R. A. M. (2019). Factors influencing decision quality: An Empirical Study on Managers in Public Institutions in Jordan. *Global Journals of Management and Business Research*, XIX (I)
- Akani, V.C. (2015). Management succession planning and corporate survival in Nigeria: A Study of Banks in Port Harcourt. European Journal of Business and Management, 7(2), 153-176
- Becker, G. (1976). *The economic approach to human behavior*, Chicago and London: The University of Chicago Press, 3-14
- DeLone, W. H., & McLean, E. R. (1992). Information systems success: The quest for the dependent variable. *Information Systems Research*, 3(1), 60–95.
- Dietrich, C. (2012). Decision making: Factors that influence decision making, heuristics used, and decision outcomes. *Inquiries Journal*, 2(2), 1-3.
- Donelan, R., Walker, S., & Salek, S. (2015). Factors influencing quality decision making: regulatory and pharmaceutical industry perspectives. *Pharmacoepidemiol Drug Saf.* 24 (3), 319-328.
- Elbanna, S., Thanos, I. & Colak, M. (2014). An exploratory study of the determinants of the quality of strategic decision implementation in Turkish industrial firms. *Journal of General Management*, 40(2), 27-46.
- Fisher, E (2006). Development of a new competence and behaviour model for skills in working with people for project managers, Munich, GRIN Verlag
- Flynn, J. R. (2009). What is intelligence? Cambridge: Cambridge University Press.
- Freeman, M., & Beale, P. (1992). Measuring project success. *Project Management Journal*, 23(1), 8 –17
- Gunduz, M., & Almuajebh, M. (2020). Critical success factors for sustainable construction project management. *Sustainability*, 12(5), 1990
- Haralson. L.E. (2010). What is employee development?
- Hastie, R. & Dawes, R. (2010). The psychology of judgment. California: Sage Publications Inc
- Ijaz, H. (2014). Biological Dimensions of beauty. HAIDER Publishers. Karachi (Pakistan).
- Jacobs, R., & Hawley, J. (2010). Emergence of employee development: Definition, Conceptual Boundaries, and Implications. *In R. MacLean & D. Wilson (eds.), International Handbook of Technical and Vocational Education and Training*, Amsterdam: Kluwer.
- Lim, C. S., & Mohamed, M. Z. (1999). Criteria of project success: An exploratory re-examination. *International Journal of Project Management*, 17(4), 243–248.
- Mandel, S. (2012). What new teachers really need? *The Journal of Educational Leadership*, 65 (5), 9-14.
- Negulescu, O. & Doval, E. (2014). The quality of decision making process related to organizations' effectiveness. *Procedia Economics and Finance*, 15, 858-863.
- Obi, J. N. & Agwu, E. (2017). Effective decision-making and organizational goal achievement in a depressed economy. *International Journal of research and Development Studies*, 8(1), 2057
- Osei-Kyei, R., & Chan, A. P. C. (2018). Stakeholders' perspectives on the success criteria for public-private partnership projects. *International Journal of Strategic Property Management*, 22 (2), 131–142.
- Sanchez, A., Lago, A., Ferras, X., & Ribera, J. (2011). Innovation management practices, strategic adaptation, and business results: Evidence from the electronics industry. *Journal of Technology Management & Innovation*, 6(2), 14-38.
- Schultz, C., Salomo, S., de Brentani, U., & Kleinschmidt, E. J. (2013). How formal control influences decision-making clarity and innovation performance. *Journal of Product Innovation Management*, 30(3), 430-447
- Scott, J. (2000). Rational Choice Theory in Browning, in G.; Halcli, A.; and Webster, F. (eds.) Understanding Contemporary Society: Theories of the Present, Sage Publications.
- Shenhar, A., Levy, O., & Dvir, D. (1997). Mapping the dimensions of project success. *Project Management Journal*, 28(2), 5–13.
- Shenhar, A., Dvir, D., Levy, O., & Maltz, A. (2001). Project success: A multidimensional strategic concept. *Long Range Planning*, 34(6), 699–725.

- Tantua Jr. E. & James, P. G. (2019). Information security and organizational efficiency of depositmoney banks in Port Harcourt, Rivers State, Nigeria. *International Journal of Business & Entrepreneurship Research*, 13(1), 1-11
- Thapa, I. (2020). Public administration: Meaning, scope and its nature. *Concepts and cases*, 6-17.
- Turner, J. (2014). *The Handbook of project-based management*: Leading Strategic Change in Organizations (3th ed.). McGraw-Hill Education.
- Uchem, R. O., & Erunke, C.E. (2013). Nature and scope of public administration. *International Journal of Development and Sustainability*, 2(1), 177-182.
- Ugwu, F. O., & Amazue, L. O. (2014). Psychological ownership, hope, resilience and employee work engagement among teachers in selected mission schools. *European Journal of Business and Management*, 6(10), 98-106.
- Van Riel, W., Langeveld, J., Herder, P. & Clemens, F. (2016). The influence of information quality on decision-making for networked infrastructure management. *Structure and Infrastructure Engineering*, 13(6), 696-708.
- Wateridge, J. (1998). How can IS/IT projects be measured for success? International Journal of Project Management, 16(1), 59–63.
- Westerveld, E. (2003). The project excellence model®: Linking success criteria and critical success factors. *International Journal of Project Management*, 21(6), 411–418.
- Williams, P. D. (2015), Security Studies: An Introduction. London: Routledge Taylor and Francis Group.
- Zeb-Obipi, I. (2015). Corporate productivity performance: A harmonist framework. *International Journal of Business and General Management*, 4(1), 19.

503

Artificial Intelligence-Enabled Demand Forecasting: A Literature Review

Ikegwuru Mac-Kingsley (PhD)
Department of Marketing

Rivers State UniversitymPort Harcourt, Nigeria. ikegwuru.mac-kingsley@ust.edu.ng

Olomi Progress Ovunda (PhD)

Department of Management Rivers State University Port Harcourt, Nigeria. progressolomi@gmail.com

Abstract

The paper examined the association between artificial intelligence and demand forecasting by means of a documentary analysis. The result of the study discloses that barriers exists in the implementation of AI, in terms of ensuring data quality, lack of specific skills, need for high investments, lack of clarity on economic benefits and lack of experience in cost analysis for AI projects; AI enabled decision making structures functions better for low-turnover products than high-turnover ones; whereas the statistical methods are more appropriate in small firms, the prophet forecasting method is very efficient in the case of large enterprises with adequate computing power and trained predictive analysts; multiple forecasting horizons are dominated across both accuracy measures used and for all forecasting horizons studied and the post-sample accuracy of popular machine learning methods is dominated across both accuracy measures used and for all forecasting horizons studies. The paper therefore concludes that, theoretically, artificial intelligence significantly relates with demand forecasting, and to establish its empirical relationship as well as the strength and degree of its significance, this study should be subjected to empirical examination.

Key Words: Artificial intelligence, Demand forecasting, Machine learning.

Introduction

The supply chain management focal point is to generate value for the customers by transformation of processes to achieve maximum efficiency and effectiveness in the flow of products and services through the supply chain (Aamer, 2018; Chopra & Meindl, 2013; Sahara *et al.*, 2019; Yani *et al.*, 2019). However, one of the most dynamic concerns in supply chain management is the search of having consistent customer demand forecasting (Chong *et al.*, 2017).

The "Bullwhip effect" (Norrman & Naslund, 2019; Lee, Padmanabhan, & Whang, 1997) as well as declined supplier relationships (Huff & Sultan, 2014) are noticeable as the most frequent outcomes of poor demand forecasting (Norrman & Naslund, 2019). The bullwhip effect is a phenomenon ensuing from information asymmetry contained by the supply chain originating order and inventory variation to breed bigger upstream in the supply chain (Lee *et al.*, 1997).

Demand forecasting is therefore, one of the principal challenges of contemporary logistics. It appears that logistics management based on demand prediction can be a suitable alternative to match customers' requirements. As a result, supply-based on-demand forecasting is emerging as a possible future. Such new concepts as Demand-Driven Adaptive Enterprise (Ptak, 2018) are confirmed to be functional models for the future of logistics. However, as Gya (2020) emphasizes that, businesses grapple with new logistics-related challenges and are compelled to accentuate the efficacy of demand forecasting as a fundamental piece of logistics.

Demand forecasting as noted by Chase (2013), in the last twenty years has become more complex owing to the swell in the quantity of entities that require to be forecasted in companies. Reasoning on the perpendicular numbers of products that are being produced, and given the fact that, many of which have short life cycles, forecasting has turned out to be more costly and lengthy yearning for additional proficient methods. Therefore, ensuring low forecasting errors is of high importance. Besides, the globalization of supply chains has shown the way to increased lead times and further

communication hurdles between actors, ensuing in forecasts of protracted timeframes, which are always less precise (Chase, 2013).

In the views of Huff and Sultan (2014), poor forecasting precision metamorphoses into pointless costs for businesses, which subsequently turn out to affect business performance. This portends uncertainty about the future. Uncertainty about the future requires a bigger inventory to match customers' potential orders or requirements. Bigger inventory entails costs emanating from storage workers, outdated items, and increased working capital. Also, inadequate safety stock could result in stretched lead time and poor customer relations, which invariably could, subsequently lead to loss of potential sales. Thus, in a more rapid moving world, product life cycles minimize, and to steer clear of having unmarketable inventory, forecasts require being as precise as possible for the improvement of the supply chains total generated value.

In an effort to improve the supply chains total generated value, it is envisaged that disruptive technologies would influence the development of new techniques, principles, and models in supply chain management of the industries (Ivanov *et al.*, 2019). Therefore, from the perspective of forecast precision in the market, businesses are predicted to apply disruptive technology, such as artificial intelligence (AI) to supply chain management.

With the fourth industrial revolution (Industry 4.0) and all the automation that supports it, artificial intelligence (AI) tools stands out as the most appropriate to evaluate and route its related issues (Min 2008). Artificial intelligence, also referred to as machine intelligence, is a technology that impersonates the way normal human intelligence works, and is a science that replicates, enlarges, and broadens human intelligence by amalgamating theories, methodologies, and systems (Ren & Bao, 2020).

The artificial intelligence (AI) is delineated as the aptitude of machines to intermingle with, and emulate, human competences. In recent years, artificial intelligence (AI) has assumed a prominent role in the Operations of Supply Chain Management. AI applications can sustain definite purposes, such as inventory management (Svoboda & Minner 2022), demand forecasting (Kantasa-ard *et al.* 2021), risk management (Baryannis *et al.* 2019; Wong *et al.* 2022) etc. The common goal of AI applications is dropping the time necessary for decision support, sinking human resources for rhythmic tasks, and boosting capacity utilization. (Helo & Hao, 2021).

Besides, artificial intelligence within the context of demand forecasting, as a fraction of supply chains, sustains potentials for organizations to improve their businesses by developing new strategies and becoming more resource competent. AI-based forecast techniques can aid either by automating forecasting utterly or by resourcefully dispensing big data sets, which leads to economical, more rapidly, and more dependable forecasts. In the idea of Dash *et al.* (2019), attainment of approximately 100% forecasting precision is currently feasible by means of new advanced forecasting models utilizing artificial intelligence. Thus, the existence of novel technologies has offered numerous procedures and techniques for their clients (Kljucnikov *et al.*, 2020).

However, the role of AI in the improvements of demand forecasting remains understudied, which presents the foundation for this paper. This paper therefore. Focused on comprehensively over viewing artificial intelligence applications in demand forecasting and underlying its potential role in improving the supply chain efficiency.

Theoretical Framework Diffusion of Innovation Theory (DIF)

This paper illuminates the diffusion of innovation theory (DIT) in order to ascertain the relationship between artificial intelligence and demand forecasting. The Diffusion of innovation theory (DIT) is a prevalent theory on technology acceptance literature put forward by Rogers (1995) with the purpose to explain how, why and to what extent new ideas and technologies are enlarging and performance on individual and organizational levels. For Rogers (1995), innovations are transmitted by means of distinct channel eventually and contained by the components of a social system. Rogers (1995) specifies that, if innovation in technology is professed to deliver benefits over the previous technology, then the business experiences a quicker diffusion of innovation. Within businesses, innovations are linked to the independent variables, such as individual characteristics and leadership,

505

the internal characteristics of the organizational structure and elements outside the organization. In this paper, the diffusion of innovation theory was employed to ascertain if there is an explanation for the association between the implementation of artificial intelligence and demand forecasting. In the perspective of supply chain. The diffusion of innovation theory is relevant to this study because this study aims to ascertain how the relative advantage of diffusion of innovation theory as a construct helps in the embracing of artificial intelligence. If supply chains perceive this as a relative advantage for powering demand forecasting, as a result of process innovations in acquiring and deploying technology, they may take a decision in favour of artificial intelligence espousal.

Concept of Demand Forecasting

Demand forecasting refers to the practice of predicting the magnitude of goods and services that will be required by consumers at a future point in time (Acar, et al., 2014). For Adhikari et al. (2019), demand forecasting is the practice of employing historical data to approximate future requirement for products. Demand forecasting therefore, is the process of predicting customer requirement to ensure that the right quantities of the right products are conveyed Forecasting allows for enhanced management of resources given clear-cut and germane data concerning customers. Through the forecasting of demand, a suitable evaluation of the frequency and magnitude of demand can be made for any given time within the forecast horizon. Moreover, forecasting helps classify uneconomical behavior and any seep out in the scheme (Kofinas et al., 2013). Generation scheduling is also powered by demand (Ready et al., 2020; Ready et al., 2020).

The demand forecast is an important aspect of the supply chain management system for businesses operating their business within aggressive competition (Tai, Ho & Wu, 2010). However, it has been exemplified by a great deal of labor-intensive work and fruitless information system management, which leads to insufficient quality control, trend forecasting, and financial competence (Wang, Gunasekaran, Ngai & Papadopoulos, 2016). Demand forecasting is equally powerfully linked with inventory management owing to its influence on the replenishment schedules, production arrangements, delivery plans (Liu, Sun, Wang & Zhao, 2011).

It is clearly acknowledged that, among several rudiments in the supply chain management, demand forecasting is a central element in the supply chain strategy. As an indispensable constituent, it tenders the route by which operational and strategic planning are formulated, and any forecast inaccuracy can transpire in lavish squander or deficiency of products.

Concept of Artificial Intelligence

According to Schuett (2019), the term artificial intelligence (AI) was first used in 1955, and ever since, a range of definitions have surfaced. One of such definitions is that artificial intelligence is "the science and engineering of making intelligent machines" where intelligence is defined as "the computational part of the ability to achieve goals in the world" ((Schuett, 2019: 3). Artificial intelligence has also been articulated as: "the ability of machines to understand, think, and learn in a similar way to human beings, indicating the possibility of using computers to simulate human intelligence" (Pan, 2016:410).

Artificial intelligence is universally defined as a field of computer science that covers the development of systems that can perceive and interact with the environment in the form of text, video, audio, and more through approaches such as speech, vision, and natural language processing (NLP); that can learn from the experience supplied by historical data by means of machine learning (ML) techniques; and that can formulate decisions that usually need human intelligence through approaches such as planning, optimization, simulation, modeling, programming, and expert systems (Helo & Hao 2021; Pournader *et al.* 2021).

Artificial intelligence, also called machine intelligence, is a technology that impersonates natural human, and as a science simulates, enlarge, and lengthens human intelligence by amalgamating theories, methodologies, and systems (Ren & Bao, 2020). The sophisticated improvement of artificial intelligence has deciphered numerous complicated tasks, such as image recognition by computer vision and language translation by natural language processing, including the Chinese chess Go by

Alpha Go with deep learning (Brynjolfsson & McAfee, 2014).

Artificial intelligence (AI) is an extensive notion with a multiplicity of application areas. Among the AI methods, machine learning (ML) techniques are regard as the most applied in supply chain management, and their applications have in recent times gained interest among researchers due to their competence to swiftly and cleverly handle big data and manage nonlinear problems that are prevalent in real-world supply chains (Riahi *et al.*, 2021; Tirkolaee *et al.*, 2021).

Artificial Intelligence and Demand Forecasting

One decisive dynamic of supply chain management efficiency is the precision of demand forecasting, as it plays a vital role in plummeting the Bullwhip Effect (Chong *et al.*, 2017). Therefore, there is a need to develop reliable demand forecasting models to make better and more precise predictions. One sub-area of AI that is extensively adopted in supply chain management realm is machine learning, which is the study concerning designing computer algorithms that manufacturing a machine have the facility to develop itself automatically from data and experience (Wenzel, Smit & Sardesai, 2019). Machine learning is such talented disruptive tool that could be exploited in developing optimal demand forecasting models than what is being currently used in supply chain management. Machine learning is a division of artificial intelligence where the machine learning algorithm executes tasks devoid of being explicitly programmed.

In forecast sphere, for both demand forecasting and sales forecasting applications, machine learning techniques such as artificial neural network (ANN) are frequently used mutually with multiple statistical techniques, as well as time series. A cluster of time series techniques together with moving average, autoregressive model, autoregressive moving average (ARMA), and autoregressive integrate moving average (ARIMA). ARIMA is used to forecast future values proficiently in nonstationary data prototypes anchored on past data and errors (Kapila, Seneviratna, Jianguo & Arumawadu, 2015). Recurrent neural network (RNN) can be employed to categorize features and data prototypes in chronological time ordered, and it is as well a data-driven self-adaptive model (Adebiyi, Adewumi & Ayo, 2014), which would correct and enhance its own performance based on the assessment it received.

Artificial intelligence can contribute to exact and dependable demand forecasts by processing, automatically analyzing, and predicting enormous quantities of data (Dash *et al.*, (2019). A more exact and dependable forecast, accomplished by using AI, allows companies to optimize their sourcing, which helps condense costs linked to transportation, warehousing, and administration (Dash *et al.*, 2019). Executing artificial intelligence in demand forecasting can diminish forecasting errors by 30 -50%. Artificial intelligence allows access to real-time data, which can be employed to regulate the forecasts automatically and incessantly, leading to enhanced accessibility of products (McKinsey, 2017).

AI can be valuable when forecasting products or services with swift changes in demand, since it enables rapid responses to the changes (Calatayud, Mangan, & Christopher, 2019; Praveen, Farnaz, & Hatim, 2019). Also discuss the usefulness of. AI in the form of artificial neural networks, when matched up to quantitative forecasting methods, are more proficient for data affected by the special case, such as unforeseen events or promotion (Efendigil, Kahraman & Onüt (2009), consenting to companies to being flexible and geared up for rapid changes. A more precise forecast, executed by engaging AI, can also lead to abridged inventory costs (Amirkolaii *et al.*, 2017). Errors in demand forecasting connote a disparity between the forecasted demand and the actual demand, and they are errors that can lead to high inventory costs, which could have been avoided with a more accurate forecast (Praveen *et al.*, 2019).

From the above mentioned it is as clear as crystal that, improvements of demand forecasting using artificial intelligence supports a self-opinionated supply chain with immense suppleness, adaptableness, rapidity, and sensitivity. Besides, AI manages unanticipated events competently by supplely acclimatizing to modifications in the product mix or distribution network. Therefore, the application of artificial intelligence in demand forecasting integrates historical sales data employs near-real-time data to build up forecasting precision, and trims labor-intensive exertion which ease business-

es' usage of data to make forecast, leading to condensed costs for making forecasts.

Empirical Review

Violetta (2023) examined how AI applications can sustain OSCM processes and to categorize advantages and obstacles to their implementation, by means of a multiple case study with semi-structured interviews in six companies, adding up 17 implementation cases. The Supply Chain Operations Reference (SCOR) model funneled the whole study and the analysis of the results by aiming at specific processes. The results revealed that AI methods in OSCM enhanced companies' competitiveness by sinking costs and lead times and enhancing service levels, quality, safety, and sustainability. However, the study also spotted barriers in the implementation of AI, in terms of ensuring data quality, lack of specific skills, need for high investments, lack of clarity on economic benefits and lack of experience in cost analysis for AI projects.

Kolkova and Kljucnikov (2022) investigated the effectiveness of AI-based and statistical forecasting models versus practice-based models for SMEs and large enterprises in practice, by comparing the effectiveness of the practice-based Prophet model with the statistical forecasting models, models based on artificial intelligence, and hybrid models developed in the academic environment, and also answers the question of whether the new models have better accuracy than the older ones. The models are appraised by means of a multicriteria approach with dissimilar weight background for SMEs and large enterprises. The results confirm that the Prophet model has higher accuracy than the other models on most time series. Simultaneously, the Prophet model is faintly less computationally demanding than hybrid models and models based on artificial neural networks. On the other hand, the results of the multicriteria evaluation depict that whereas statistical methods are more appropriate for SMEs, the prophet forecasting method is very efficient in the case of large enterprises with adequate computing power and trained predictive analysts.

Ye (2020) analyzed the average treatment effects of three dissimilar human-machine decision-making structures: Full human to AI delegation, Hybrid AI-Human with adequate human intervention, and Hybrid AI-Human with all steps of demand planning overrides. These three decision-making structures are labeled as treatment groups, and the traditional manual demand-adjustment process is labeled as the control group. The study also examined the effects of switching human-machine teaming decision making structures from one to another.

The performance of each treatment and control group is measured by the long-term forecast accuracy, short-term forecast accuracy, and customer inventory level. The project is anchored on an IT collaboration project between a large fast-moving consumer goods company and one of its largest e -commerce customers. The project espoused an AI-enabled demand-adjustment process to integrate the external e-commerce customer demand signals into existing demand-planning process. Demand planners engage in the demand-adjustment process through web-based interfaces, to apply human judgment-based decisions.

All the stock keeping units are randomly assigned to treatment and control groups, and the results found that after the implementation of human-machine teaming decision-making structures, both demand-forecast accuracy and inventory level are strongly enhanced by at least 47%. By and large, the Hybrid AI-Human with sufficient human intervention model is the optimal decision-making structures between human and machine, enhanced the short-term forecast accuracy by 53%, long-term forecast accuracy by 64%, and inventory level by 70%. The Hybrid AI-Human with all steps of demand planning overrides model performed worse than the previous model, because of the heavy human overrides. Furthermore, those AI enabled decision making structures functions better for low-turnover products than high-turnover ones.

Makridakis, Spiliotis and Assimakopoulos (2018) studied performance across multiple forecasting horizons by means of a large subset of 1045 monthly time series used in the M3 Competition. After comparing the post-sample accuracy of popular ML methods with eight traditional statistical ones, it was discovered that the former are dominated across both accuracy measures used and for all forecasting horizons studied. Besides, the study observed that computational requirements are considerably greater than those of statistical methods.

Zhu et al. (2019) looked at cross-series demand forecasting by means of machine learning in the

Pharmaceutical Industry. The study espoused a novel demand forecasting structure which "borrows" time series data from several other products (cross-series training) and trains the data with advanced machine learning models (known for detecting patterns). The study further enhance performance of the cross-series models through various "grouping" systems, and learning from non-demand features such as downstream inventory data across dissimilar products, information of supply chain arrangement, and relevant domain knowledge. The study tested the proposed framework with many modeling possibilities on two large datasets from major pharma manufacturers and the results revealed superior performance. The study as well tendered empirical confirmation of the value of downstream inventory information in the perspective of demand forecasting, and carried out prior and post-hoc field work to guarantee the applicability of the proposed forecasting approach.

Theoretical Findings

This study analyzed the artificial intelligence and demand forecasting research literature published in academic journals. Through the analysis of the empirical literature, the study revealed the research status, problems and main results of artificial intelligence and demand forecasting in the past decades. It can be used as a reference for researchers and users of artificial intelligence and demand forecasting to promote the research of artificial intelligence and demand forecasting. The following findings were made noticeable:

Barriers exists in the implementation of AI, in terms of ensuring data quality, lack of specific skills, need for high investments, lack of clarity on economic benefits and lack of experience in cost analysis for AI projects.

Prophet model has higher accuracy than the other models on most time series.

Prophet model is faintly less computationally demanding than hybrid models and models based on artificial neural networks.

Whereas the statistical methods are more appropriate in small firms, the prophet forecasting method is very efficient in the case of large enterprises with adequate computing power and trained predictive analysts.

Both demand-forecast accuracy and inventory level are strongly enhanced by at least 47%.

The Hybrid AI-Human with sufficient human intervention model is the optimal decision-making structures between human and machine, enhanced the short-term forecast accuracy by 53%, long-term forecast accuracy by 64%, and inventory level by 70%.

The Hybrid AI-Human with all steps of demand planning overrides model performed worse than the previous model, because of the heavy human overrides.

AI enabled decision making structures functions better for low-turnover products than high-turnover ones.

Multiple forecasting horizons are dominated across both accuracy measures used and for all forecasting horizons studied.

The post-sample accuracy of popular machine learning methods is dominated across both accuracy measures used and for all forecasting horizons studies.

Conclusion

This paper examined the relationship between <u>demand forecasting</u> and artificial intelligence. The theoretical findings symbolize a significant relationship demand forecasting and artificial intelligence. And stresses the need for objective and unbiased ways of demand forecasting that can be achieved through implementation of artificial intelligence. Thus, with the intervention of artificial intelligence, demand forecasting will no longer be one of the principal challenges of contemporary logistics, since AI applications will drop the time necessary for decision support, sink human resources for rhythmic tasks, boost capacity utilization match customers' requirements, end pointless costs for businesses, which subsequently turn out to affect their business performance, power consistent customer demand forecasting and end uncertainty about the future. Based on this, the study concludes that, theoretically, artificial intelligence significantly relates with demand forecasting, and to establish its empirical relationship as well as the strength and degree of its significance, this study should be subjected to empirical examination.

References

- Aamer, A. M. (2018). Outsourcing in non-developed supplier markets: a lean thinking approach. (18), 6048-6065.
- Acar, A. Z., Yilmaz, B., & Kocaoglu, B. (2014). Demand forecast up-date models and suggestions for an example of a business. *Journal of Global Strategic Management*. 1 (8), 26-26.
- Adebiyi, A. A., Adewumi, A. O., & Ayo, C. K. (2014). Comparison of ARIMA and Artificial Neural Networks Models for Stock Price Prediction. *Journal of Applied Mathematics*, 1-7.
- Adhikari, N., Chand, D., Domakonda, N., Chandan, C., Gupta, G., Garg, R., Teja, S., Das, L., & Misra, A. (2019). An intelligent approach to demand forecasting. *International Conference on Computer Networks and Communication Technologies*, Singapore: Springer Singapore, 15, 167-183,
- Amirkolaii, K. N., Baboli, A., Shahzad, M. K., & Tonadre, R. (2017). Demand forecasting for irregular demands in business aircraft spare parts supply chains by using artificial intelligence (AI). *IFA C-Papers On Line*, 50 (1), 15221-15226.
- Baryannis, George, Sahar Validi, Samir Dani, & Grigoris Antoniou (2019). Supply chain risk management and artificial intelligence: State of the art and future research directions. *International Journal of Production Research* 57 (7), 2179-2202.
- Bozarth, C. C., Warsing, D. P., Flynn, B. B., & Flynn, E. J. (2009). The impact of supply chain complexity on manufacturing plant performance. *Journal of Operations Management*, 27(1), 78-93.
- Calatayud, A., Mangan, J., & Christopher, M. (2019). The self-thinking supply chain. *Supply Chain Management*, 24(1), 22-38.
- Chase, C. (2013). Demand-driven forecasting: A Structured Approach to Forecasting. Retrieved from www.google.com
- Chong, E., Han, C., & Park, F. C. (2017). Deep learning networks for stock market analysis and prediction: Methodology, data representations, and case studies. *Expert Systems with Applications*, 83, 187-205.
- Chopra, S., & Meindl, P. (2013). Supply chain management: strategy, planning, and operation. Pearson
- Dash, R., McMurtrey, M., Rebman, C., & Kar, U. K. (2019). Application of artificial intelligence in automation of supply chain management. *Journal of Strategic Innovation and Sustainability*, 14(3), 43-53.
- Efendigil, T., Kahraman, C., & Onüt, S. (2009). A decision support system for demand forecasting with artificial neural networks and neuro-fuzzy models: A comparative analysis. *Expert Systems with Applications*, 36(3). 6697-6707.
- Feki, M., Wamba, S. F., & Boughzala, I. (2016). Big Data Analytics-enabled Supply Chain Transformation: A Literature Review. *Hawaii International Conference on System Sciences*, 49, 1123–1132.
- Helo, P., & Yuqiuge, H. (2021). Artificial intelligence in operations management and supply chain management: An exploratory case study. *Production Planning and Control* 1-18.
- Hiranya Pemathilake, R. G., Karunathilake, S. P., Achira Jeewaka Shamal, J. L., & Ganegoda, G. U. (2018). Sales Forecasting Based on AutoRegressive Integrated Moving Average and Recurrent Neural Network Hybrid Model. 2018 14th International Conference on Natural Computation, Fuzzy Systems and Knowledge Discovery (ICNC-FSKD), 27-33
- Huddiniah, E. R., & ER, M. (2019). Product variety, supply chain complexity and the needs for information technology: A framework based on literature review. *Operations and Supply Chain Management: An International Journal*, 245-255.
- Huff, R., & Sultan, M. (2014). Impact of Poor Forecasting Accuracy: Gross Margin and Organizational Effects of Poor Forecasting Accuracy. Applied Value LLC. Retrieved from www.google.com
- Ivanov, D., Dolgui, A., & Sokolov, B. (2019). The impact of digital technology and Industry 4.0 on the ripple effect and supply chain risk analytics. *International Journal of Production Research*,

- 57(3), 829-846.
- Joao Pires, R., & Barbosa-Povoa, A. (2018). Supply chain resilience: Definitions and quantitative modeling approaches—A literature revie. *Computers & Industrial Engineering*, 115, 2018.
- Kaipia, R., Holmstrom, J. Smaros, J. & R. Rajala, R. (2017). Information sharing for operations planning: Contextualized solutions and mechanisms. *Journal of Operations Management* 52, 15-29.
- Kantasa-ard, A., Maroua Nouiri, A., Abdessamad, A., &Yves, S. (2021). Machine Learning for Demand Forecasting in the Physical Internet: A Case Study of Agricultural Products in Thailand. *International Journal of Production Research* 59 (24), 7491-7515.
- Kljucnikov, A., Civelek, M., Voznaková, I., & Krajcík, V. (2020). Can discounts expand local and digital currency awareness of individuals depending on their characteristics? Oeconomia Copernicana, 11(2), 239-266.
- Kofinas, D., Papageorgiou, E., & Laspidou, C. (2016). Daily multivariate forecasting of demand in a touristic island with the use of artificial neural network and adaptive neuro-fuzzy inference system. In 2016 International Workshop on Cyber-physical Systems for Smart Water Networks (CySWater). Vienna, Austria, IEEE. 37-42
- Kolkova, A., & Kljucnikov, A. (2022). Demand forecasting: AI-based, statistical and hybrid models vs practice-based models the case of SMEs and large enterprises. *Economics and Sociology*, 15(4), 39-62.
- Krizhevsky, A., Sutskever, I., & Hinton, G. (2017). Image net classification with deep convolutional neural networks. *Communications of the ACM*, 60/6,
- Liu, Q., Sun, S. X., Wang, H., & Zhao, J. (2011). A multi-agent based system for e-procurement exception management. *Knowledge-Based Systems*, 24(1), 49-57.
- Makridakis S, Spiliotis E, Assimakopoulos V (2018) Statistical and Machine Learning forecasting methods: Concerns and ways forward. *PLoS ONE*, *13*(3), e0194889
- Manyika, J., Chui, M., Bisson, P., Woetzel, J., Dobbs, R., Bughin, J., & Aharon, D. (2015). *The Internet of Things: Mapping the Value beyond the Hype*. McKinsey & Company, June, 1-18.
- McKinsey. (2017). Smartening up with Artificial Intelligence (AI): What's in it for Germany and its Industrial Sector. Retrieved from www.google.com
- Min, H. (2010). Artificial intelligence in supply chain management: Theory and applications. *International Journal of Logistics*, 13(1), 13-39.
- Norrman, A., & Naslund, D. (2019). Supply chain incentive alignment: The gap between perceived importance and actual practice. *Operations and Supply Chain Management*, 12(3), 129-142.
- OECD (2019). Artificial Intelligence in Society, OECD Publishing, Paris,
- Pan, Y. (2016). Heading toward Artificial Intelligence 2.0. Engineering, 2(4), 409-413
- PlanetTogether. (2019). The advantages of effective demand forecasting. Retrieved from www.google.com
- Praveen, U., Farnaz, G., & Hatim, G. (2019). Inventory management and cost reduction of supply chain processes using AI based time-series forecasting and ANN modeling. Procedia Manufacturing, 38. 256-263.
- Ptak, C. (2018). The Demand Driven Adaptive Enterprise Model. DynaSys. Retrieved from www.google.com
- Reddy, S., Panwar, L.K., Panigrahi, B.K. (2020). A profit-based self-scheduling framework for genco energy and ancillary service participation in multiconstrained environment with renewable energy penetration. *Energy Environ*, 31, 549-69.
- Reddy, S., Panwar, L.K., Panigrahi, B.K. (2019). Binary grey wolf optimizer models for profit -based unit commitment of price-taking GENCO in electricity market. *Swarm Evol Comput*, 44, 957-71.
- Ren, F., & Bao, Y. (2020). A review on human-computer interaction and intelligent robots. *International Journal of Information Technology & Decision Making*, 19(01), 5-47.
- Riahi, Y., Tarik, S., Gunasekaran, A., & Badraoui. I.(2021). Artificial intelligence applications in supply chain: A descriptive bibliometric analysis and future research directions. *Expert Systems with Applications* 173, 114702.

- Rogers, M.E.M. (1995). Diffusion of Innovations. (4th ed). New York, N Y. USA. Free Press.
- Sahara, C. R., Damar, J., Paluluh, E., & Aamer, A. M. (2019). Exploring the key factor categories for the digital supply chain. 9th International Conference on Operations and Supply Chain Management, Vietnam, 1-11.
- Samuel, A. (1959). Some studies in machine learning using the game of checkers. Retrieved from www.google.com
- Schuett, J. (2019). A Legal Definition to AI. Goethe University, Frankfurt. Retrieved from www.google.com
- Slack, N., Brandon-Jones, A., & Johnston, R. (2013). Operations Management. (7th ed.) Retrieved from www.google.com
- Sobczak, A. (2022). Analysis of the Conditions Influencing the Assimilation of the Robotic Process Automation by Enterprises. *Human Technology*, 18(2), 143-190.
- Svoboda, J., & Stefan, M. (2022). Tailoring inventory classification to industry applications: The benefits of understandable machine learning. *International Journal of Production Research* 60 (1), 388-401.
- Tai, Y. M., Ho, C. F., & Wu, W. H. (2010). The performance impact of implementing web based e-procurement systems. *International Journal of Production Research*, 48(18), 5397-5414.
- Tirkolaee, E. B., Saeid, S., Farzaneh, M., Mooseloo, H. Reza., V., & Samira, A. (2021). Application of machine learning in supply chain management: A comprehensive overview of the main areas. *Mathematical Problems in Engineering*, 1-14.
- Violetta, G. C., Maria, P. C., Mattia, S., & Raffaele, S. (2023). Artificial intelligence in supply chain and operations management: a multiple case study research, *International Journal of Production Research*, DOI: 10.1080/00207543.2023.2232050
- Wang, G., Gunasekaran, A., Ngai, E. W., & Papadopoulos, T. (2016). Big data analytics in logistics and supply chain management: Certain investigations for research and applications. *International Journal of Production Economics*, 176, 98-110.
- Wenzel, H., Smit, D., & Sardesai, S. (2019). A literature review on machine learning in supply chain management. In C. M. Kersten Wolfgang Blecker, Thorsten Ringle (Ed.), Artificial Intelligence and Digital Transformation in Supply Chain Management: Innovative Approaches for Supply Chains. *Proceedings of the Hamburg International Conference of Logistics* (HICL), 27,413-441.
- Wong, L., Wei-Han Tan, G., Keng-Boon Ooi, B., & Yogesh, K. D. (2022). Artificial intelligence driven risk management for enhancing supply chain agility: A deep-learning-based dual-stage PLS-SEMANN analysis. *International Journal of Production Research*, 1-21.
- Ye, M. (2020). *Human-Machine Teaming for Intelligent Demand Planning*. Master's Thesis. Massachusetts Institute of Technology.
- Zeba, G., Marina, D., Mirjana, C., & Tugrul, D. (2020). Artificial intelligence in manufacturing: Bibliometric and content analysis. 2020 IEEE / ITU International Conference on Artificial Intelligence for Good, AI4G 2020, 95-100.
- Zhu, X., Ninh, A., Zhao, H., & Liu, Z. (2019). Cross-Series Demand Forecasting using Machine Learning: Evidence in the Pharmaceutical Industry Retrieved from www.google.com

The Regulating Influence of Social Media Advertising on Brand Equity and Customer Repurchase at Crown City Park Resort & Hotel Agbara, Ogun State. Nigeria

Sodeke, A. O.

Department of Marketing Ogun State Institute of Technology Igbesa, Ogun State, Nigeria. sodekea@gmail.com

Opeoluwa, O. A.

Department of Marketing
Ogun State Institute of Technology Igbesa, Ogun State, Nigeria.
opeoluwaak@gmail.com

Abstract

As a result of the internet revolution, business processes are getting more complex and flexible. There is no doubting that technology and digital media utilization are increasingly essential components of effective business strategies. In the hospitality business, using the internet to sell one's resort and engage with customers is currently typical. With the help of a survey research method, this study examines the influence of digital advertising with the reducing impacts of brand equity and client happiness in the hotel business. Between July and August 2023, 353 randomly selected social media followers of the Crown City hotel in Ogun State, Nigeria, were given a self-administered questionnaire using Google form. The frequency distribution, percentages, and regression analysis results revealed that credibility is important in retaining loyal clients in the hotel industry. As a result, it is advised that firms in hospitality sectors focus on their reputation, perceived value, and environmental factors to boost customer happiness.

Keywords: Branding, Brand Equity, Perceived Quality, Social Media Advertising, Customer Satisfaction

Introduction

With the swift growth of electronic and other technological advances, a new advertising technique known as digital marketing has emerged. Search Engine Optimization (SEO), social networks, mobile devices, and videos are all part of the approach (Khan, 2021). As such, the hospitality industry may acquire a competitive advantage, and the country's prominence on the global stage may rise. One technique for achieving this goal is to attract tourists from all around the world. The rapid expansion of Crown City hotels around the country reflects the country's improving economic status. It is not uncommon for people to travel to remote, attractive areas just to spend a few days at Crown City hotel (Oyeinfie, 2020).

A brand is defined as "any expression, identity, sign, image, or other form of representation that differentiates and isolates one item or service from another" by the American Marketing Association. It is the sum of a customer's mixed feelings with an item as a result of its title, sign, image, and/or other identifying traits, and this connection is generated the minute the new good or service is given a name, term, image, or logo (Aaker & Joachimsthaler, 2009). Brand equity considers the entire range of the consumer's perceptions of the brand, including behaviors, demands, and experiences associated with the product.

Numerous studies have underlined the necessity of developing an excellent image and making tourists appear valued in order to flourish in the competitive hospitality industry (Amin et al., 2013). The longevity of every brand, irrespective of sector or market, is dependent on the concept of brand equity (Engeset et al., 2016). For example, if a hotel has a strong brand equity, it can save money on advertising because customers will be keen on obtaining their services anyway. Brand loyal customers aggressively seek for reductions, lowering the company's requirement to market and sell the goods (Prasad & Dev, 2000). Furthermore, the proposals of these devoted consumers may enhance the company's revenues (Zaman et al., 2016). Building brand equity is generally considered as one of the most essential methods for distinguishing a business from its competitors due to its position as a supplementary resource. Several scholars think that brand equity is critical when it comes to intangible resources, especially for prominent businesses and associations that engage with a large consumer base. Social media issues are becoming just as likely to be addressed in conference rooms as they are among friends. Companies can hardly control how their brands are perceived by their customers (Lisa, 2015).

513

It is indisputable that social media has grown at a breakneck pace. Online communities enable discussion, creativity, and extensive debate on any topic imaginable. Users almost usually express their thoughts on the services they've used and their encounters with other users. Customers' reputations may suffer significantly if they start venting on widely utilized social media sites like Twitter, Facebook, and others. In addition, the global reach of social media opens businesses to a large audience, and businesses are concentrating more intensively lately on social media sites with the explicit purpose of building strong, sustainable brands. Customers' satisfaction is also a popular topic in marketing because it has a direct impact on a company's bottom line. It is regarded as critical to a company's sustainability.

Statement of the Problem

Hotels, like several other companies, can now use social media as a marketing tool to engage in direct dialogue with their customers (Rana, 2011). Organizations are more vulnerable today than in the past because customers can instantly transmit their comments to an entire world (Qualman, 2009). Using a number of social media channels, users can now contact companies and other institutions at any time of their choosing. These initiatives may benefit tour operators and resorts that are competent at harnessing social media. When clients share rave reviews with the businesses' spots, facilities, and customer support on the internet, resorts and travel companies profit from their client's promotional efforts.

According to Jovago (2015) assessment on the Kenyan hotel industry, the country is one of the top ten most frequently sought locations online. According to the study, the ease of purchasing a hotel stay online is helping Kenya attract a huge number of guests. Tourists in Kenya were most interested in booking stays at three-star hotels, with Diani and Nairobi coming in second and third place, respectively. The list includes all three-star hotels in Nairobi County.

Several local and international studies have been conducted to investigate the impact of social media on the expansion of a company's reputation. Rana did a qualitative investigation of Vogue Turkey in 2011 to investigate the impact of social media on the value of magazine brands. According to the findings of these studies, publicizing your business on social media can have a significant impact on the equity of your brand. Online communities, interaction, and media sharing were also found to have a significant impact on brand equity. According to the research, social media use affects brand equity in four ways: it creates a new direct communication channel, it increases the exposure of an organization's brand, it makes it easier for clientele to get concerned, and it aids in the management of solid ties between a business and its clients.

Although extensive study has been conducted on resort branding, the influence of social media advertising, which is clearly more popular in new markets, in promoting customer recurrent purchases gets significantly less focus. As a result, this investigation looks into the influence of social media advertising in regulating the connection between resort reputation and customer loyalty and to develop a paradigm that explains how social media advertising regulates the impacts of brand perception, perceived value, and reputation on customers' rate of fulfillment. Previous academics have looked at these features and their connections, but we still don't know enough about how they influence consumer behavior (Ryu et al., 2012). As a result of the expected increase in worldwide tourism to Nigeria in the coming years (WTTC & Impact, 2012), the Crown City hotel business in Ogun state is the subject of this research. Crown City was built on the principle that everything may be improved to the degree that it improves an individual's sense of satisfaction and enjoyment. The contemporary hotel industry's meteoric growth in popularity within the hospitality industry has led to in a greater focus being placed on the quality of guest experiences and the search of improved consumer views of the hotel's surroundings, worth, and image (Hu et al., 2009).

Objectives of the Study

The major goal of the study is to examine the role of social media marketing as a regulator between brand recognition and customer loyalty. The following objectives are specific:

1. Examine the limiting effect of social media advertising on the relationship between brand impressions and customer repeat consumption.

- 2. Investigate the calming effect of social media advertising on the relationship between reputation and client repeat consumption.
- 3. Investigate the modulating effect of social media advertising in the relationship between perceived quality and client repeat patronage.

Research Questions

- 1. Does social media advertising alter the relationship between brand impression and repeat patronage?
- 2. Does social media advertising reduce the influence of brand image on customer retention?
- 3. Does social media advertising alter the relationship between perceived quality and consumer loyalty?

Research Hypotheses

Ho₁: The influence of social media advertising on brand perception and customer repeat patronage is mitigated.

Ho₂: The influence of social media advertising on brand image and customer retention is controlled.

Ho₃: The influence of social media advertising on perceived quality and customer loyalty is minimized.

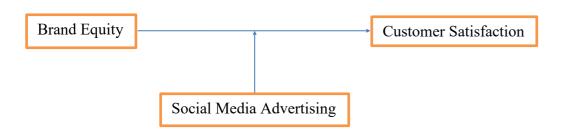


Fig. 1: Conceptual framework of influence of social media advertising on relationship between brand equity and customer satisfaction

Source: Research data, 2023

Fig. 1 demonstrates the relationship between brand equity and consumer satisfaction, with social media advertising acting as a regulating component. This implies that the study intends to examine the role of social media advertising in driving brand equity toward effective consumer pleasure.

Branding

A brand is a combination of distinct features and traits of a good, service, person, or place that function collectively to develop its image. According to the American Marketing Association (AMA), a brand is any unique sign, title, term, symbol, or style utilized to denote the goods or services of a single vendor or set of sellers and to differentiate them from the goods or services of other vendors. A fundamental comprehension of the term "brand" is a necessary first step in brand management. Developing, producing, and maintaining a promise are all part of the procedure (Greenwald & Pratkanis, 2019). It comprises defining the brand's variables, creating a unique personality for the brand, and executing on its personality. Customers will be more committed to your firm if you invest in building a great brand.

A compelling brand name distinguishes your products from the competitors. You may be confident that the business will be portrayed favorably. Due to the ambiguity of the term, there are numerous concepts and operations of "image" (Ryu et al., 2012). Keller (1993) defines brand image as the sum of a consumer's mental connections with a product. Low and Lamb (2000) characterize customers' reasoned or passionate views of brands. Baloglu and Brinberg (1997) define a place's image

as "beliefs, thoughts, and feelings" of its population.

Several studies have been conducted to investigate how everyone perceives the hotel industry. Hu et al. (2009), investigated the links between service quality, perceived value, and image satisfaction in the hotel business using two picture dimensions: image characteristics and image holistic. As a result, it is in any service provider's best interest to maintain a positive public image, as this has a substantial impact on repeat purchases and financial success.

Brand Equity

Brand equity is defined by the Marketing Science Institute as "the sum of those intangible resources that clients, distributors, and the parent firm bring to the brand in the shape of choice, commitment, and involvement" (Leuthesser, 1998). It is defined as "the extra worth conferred upon goods and services" by Kotler & Lee (2009). What people believe, experience, and react about a brand may be a proxy of its worth to the company as its cost, revenue, and income. Yank and Chan (2012) define it as the difference in customer preference between a brand-name good with a similar level of attributes and an anonymous product.

Brand equity is the estimated worth of a brand by consumers, which includes the worth of the brand's title, associations, and relationship with the client. Due to its competitive advantage, the company gains greater brand equity. Creating a strong brand identity is a vital move toward diversifying into novel offerings and legal options. Second, a good brand may survive challenges, a decline in recognition, or a change in client choice (Farquhar, 1989). It has the potential to increase a company's value in a minimum a half-dozen avenues by generating extra revenue. To begin, it may improve marketing in order to entice potential clients or reconnect previous ones. Second, the final four factors of brand equity have a chance to increase brand loyalty.

Third, brand ownership typically leads to increased profitability since it allows for high prices and eliminates the demand for promotions. In four ways, the worth of a brand can serve as an avenue for additional advancement. The brand equity of a corporation can be used as a means of negotiation with its delivery channel. Finally, a company's brand equity resources give an edge that can significantly hamper competitors' ability to break into the market (Aaker, 1991). To efficiently manage assets in the context of urgency, sales promotions, the increasing effect of retailing, and private brands, it is vital to grasp brand equity and its roots.

Perceived Quality

Customers' perceptions of a brand's quality are referred to as "experienced performance." This is one of the basic dimensions of the Brand Equity Model (Aaker, 1991). There is a link between asking price and perceived worth. A popular brand's price will invariably be high. Consumers begin to associate high prices with high levels of quality. A private label product's quality is inextricably tied to the other aspects that impact a consumer's decision to purchase it. Additionally, consumers are more inclined to purchase a brand if they have a favourable stereotype of it.

A link was also observed between consumer loyalty and the perception of quality. Customers who are satisfied with the things they purchase are more inclined to return them, which improves brand loyalty. When consumers have trust in the brand and are aware of what is expected from the goods they are buying, they have a lesser tolerance for ambiguity (Uggla & Lashgari, 2012). There is a link between how much people appreciate a trademark and what they do next when purchasing branded goods. How do customers determine which brands are most effective? Focusing on quality has two unintended consequences: bigger gross margins and higher asking prices. This shows the application of quality measures across industries.

According to Guthrie and Kim (2009), product consumption, communication, and differentiation all play a part in developing consumer opinion of a brand. Many shoppers have recognized the im-

portance of skin-care items as an essential part of their daily regimen. Kotler and Keller (2009) defined perception as the cognitive method by which consumers make decisions, process knowledge, and understand it. We've observed careful attention to the market in order to give them exactly what they want. According to Noel (2009), the consumer must be faced with the product and given full focus before they develop an opinion.

Customers also have direct experience of businesses and products. They have deep affection for a particular brand and are willing to purchase it. Even though there is no apparent distinction in quality between two sunblock cream products, a client may have an intuition about which one performs better. People are most engaged in cues that appeal to their immediate needs at periods of purposeful and careful focus. A consumer in need of cleansing foam, for example, is more likely to pay interest in advertisements for that product.

Social Media Advertising

According to Cohen et al., (2009), social media is a medium for company interaction. It was also mentioned as a tool of disseminating information and engaging audiences. Some people feel that they may avoid building an office by solely using online platforms. Customer relationships and the encounters they have when buying in a physical store are what drive recurrent sales and referrals. According to Bedell (2010), social media, on the other hand, is not an arena to go or create connections with clients or companies; instead, it is a connection conduit between the two. The advancement of electronic communication has resulted in the growth of social media; organizations can use it to capitalize on technological breakthroughs and retain ties and businesses use digital technologies such as email, phone, and virtual meeting sites to enhance interaction with their customers and workers, resulting in increased productivity.

Such social media sites include Lunerstorm, MySpace, Facebook, YouTube, Twitter, WhatsApp, and others (Edosomwan et al., 2011). According to Hollier et al., (2009), social media brings immeasurable advantages over time to organizations. He stated that favorable details about the firm may be shared through social media in order to impact what is published about it. This will not eliminate any disapproval of the corporation, but it will reduce it to the lowest possible level. Social networking may aid a business in a variety of ways. Businesses can use it to boost their visibility and create an avenue for communication with clients and other interested parties (Kukulska-Hulme, 2010).

Customer Satisfaction

Kotler and Keller (2006), discovered a significant and sensitive link between consumer enjoyment and devotion. Since dissatisfied customers shun the company and disseminate negative news about the product or service. Over the last two decades, businesses of all sizes have realized the importance of keeping customers pleased and devoted. Organizations prioritize client happiness because it can boost their competitiveness, resulting in more revenue and greater market share, along-side additional advantages such as lower goods and service costs, reduced risk, and less money related to getting potential clients.

According to studies, satisfied customers are more inclined to purchase again, disseminate the word, and stay committed to a business. Customer happiness has long been recognized as the single most essential factor in retaining recurring business. Customers who are satisfied with the items or services they get are more inclined to purchase more or return to the firm. Consumers in this category will talk about what they liked and didn't like with the goods and services offered by the business (Bayraktar et al., 2012).

If a buyer is completely satisfied with the brand at the end of the post-purchase behavior, they are prone to make another order (Kotler & Armstrong, 2016). The reviewer has utilized the product or service and is sharing their thoughts on the brand. As a result, the 'black box' in the consumer's head is where the decision to buy again a specific brand is made; customers must be extremely happy with and devoted to the brand. This implies that the possibility of buying later can serve as a substitute for actual purchases. Businesses must do everything possible to keep existing clients returning,

517

as this may help them maintain their market share and revenue in the midst of stiff rivalry, and also minimize the amount of funds they must spend on advertising and marketing to attract in fresh clients (Kuo et al., 2013).

Physical Environment

The physical environment of a service provider is the area that is laid out, ornamented, and created in general. According to recent study, this phenomenon has a substantial role in how customers estimate their general satisfaction with a company's products and/or services (Ali et al., 2013). Researchers and hospitality executives have begun to recognize the importance of creating an enticing surroundings in attracting and pleasing customers. The physical environment is critical in differentiating service organizations and molding their reputation and consumer behaviors.

Theoretical Review

It is appropriate to note that the hypotheses used to explain the influence of hospitality brand equity on client happiness with the intervening function of internet advertising are listed below.

Relationship Marketing Theory

The primary objective of relationship marketing, according to Berry (1983), is to attract, keep, boost, and commercialize client connections so that the goals of every participant are met. Thus, the emphasis of relationship marketing is on maintaining ongoing touch with customers in order to ensure their commitment via reciprocal exchange and the fulfillment of agreements made to them. In today's market, when consumers can select from a plethora of various brands, experienced brand managers comprehend that they must shift their focus from products to consumers. As a result, customer-oriented organizations and relationship marketing have emerged as a new method for firms to acquire new customers and retain current ones. The goal of relationship marketing is to cultivate lengthy, beneficial relationships in order to create loyal clientele. Customer loyalty is the basis of a successful company connection and is the outcome of good branding. As a result, the firm is more equipped to serve its clientele by discovering the things they want and require from the brand.

Brand Relationship Theory

Gummeson and Kasputi (1987) popularized the notion of brand relationship by emphasizing how people build ties with one another. Consumers must describe brands from their own distinct perspectives because each customer has their own thoughts about what forms an effective brand connection. All of the above indicates that people's views about brands are greatly impacted by their own perceptions of the companies' value, importance, and satisfactory goods (Kariuki, 2015). To compete and prosper in today's rapid market, brand managers must create appealing, effective, and ongoing relationships with customers. To retain her audience, the business must aim to provide stability and self-image congruency (Todd, 2011).

Methodology

The study used a descriptive survey approach and was conducted in Ogun State. The researcher used primary sources of data for this study project. Between July and August, a questionnaire was employed as a data gathering tool. The study's opulation consist Crown City hotel guests in Ogun State, Nigeria. The sample size was determined using a simple random sampling procedure. The Yamane method was used to calculate the sample size of 353 participants for the study after extensive screening processes were carried out throughout the study area. After the survey was completed, it was tested for reliability and validity using Cronbach's Alpha and other methods. Quantitative data analysis approaches were used to analyze the acquired data. Data from the questionnaire were entered and analyzed using the Statistical Package for Social Science (SPSS Version 21). The study used Multiple Regression Analysis and the ANOVA formula, which is justified because the study has a limited population.

Proceedings of the 4th Annual International Academic Conference

The formula is as follows:

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

Where, n = Sample size
N= Population (3000)
e = Level of precision or error limit 95%
 $\frac{3000}{1+3000 (0.05)^2}$ = 352.94 = 353

Table 1.0 depicts the instrument's idea and convergent validity.

Table 1: Confirmatory Factor Analysis

S/N	Variables	No. of Items	AVE	кмо	Bartlett Test	Composite Reliability
1	Brand Perception	5	0.614	0.572	0.000	0.835
2	Brand Image	5	0.652	0.632	0.000	0.813
3	Perceived Quality	5	0.732	0.598	0.002	0.890
4	Repeat purchase	5	0.621	0.672	0.000	0.852

Source: Researcher's computation, 2023

Table 2: Reliability Result

S/N	Variables	No. of Items	Cronbach's Alpha Coefficient	Composite Reliability	Remark
Brai	nd Equity		1	200	
1	Brand perception	5	0.726	0.802	Reliable
2	Brand Image	5	0.820	0.793	Reliable
3	Perceived Quality	5	0.747	0.924	Reliable
Cust	tomer Satisfaction	•			
4	Repeat purchase	5	0.763	0.760	Reliable

Source: Researcher's computation, 2023

Cronbach's Alpha coefficients for all study variables are greater than 0.70, indicating that the research instrument was highly accurate. Furthermore, the Composite Reliability (CR) for all constructs was greater than 0.70, indicating that all variables generated appropriate convergent dependability. As a result, it was determined that the tool designed for this study is appropriate for the study.

Test of Research Hypotheses

Table 3: Hierarchical regression showing the influence of social media advertising on the relationship between brand perception and customer repeat patronage

Proceedings of the 4th Annual International Academic Conference

	Models	В	T	Sig.	\mathbb{R}^2	R ² Change	F Change	Sig. F Change
1	(Constant) Consumer Satisfaction	13.078	30.791	0.000	0.84	0.84	32.127	0.000
	Social Media Advertising	0.10	5.668	0.000				
	(Constant) Consumer Satisfaction	13.423	16.800	0.000	0.85	0.85	16.160	0.000
2	Social Media Advertising	0.011	4.868	0.610				
	Brand perception	0.033	0.610	0.000				
3	(Constant) Consumer Satisfaction	12.347	16.937	0.000	0.04 8	0.048	17.706	0.000
	Social Media	0.202	4.208	0.000				

Source: Researcher's computation, 2023

The result of hypothesis one shows a highly significant impact of social media on customer satisfaction in the Crown City hotel (β = 0.010, t = 5.668, p-value =0.000), demonstrating that client happiness in the Crown City hotel in Ogun State is linearly dependent on brand perception. According to the findings, for each additional unit in Social Media Advertisement, customer happiness rises by 0.10 unit. Brand Perception accounts for 84% of the variation in Customer Satisfaction at the Crown City hotel in Ogun State (R^2 = 0.84). The F value (ANOVA) is statistically significant (ΔF (2,205) = 32.127, p-value = 0.000), showing that the influence of Brand Perception in the model is highly probable.

Table 4: Hierarchical regression of influence of social media advertising on relationship between brand image and customer retention

	Models	В	T	Sig.	\mathbb{R}^2	R ² Change	F Change	Sig. F Change
	(Constant) Consumer satisfaction	12.940	23.896	0.000	0.084	0.084	16.110	0.000
1	Social Media advertising	0.009	2.634	0.009				
	Brand Image	0.27	0.412	0.681				
2	(Constant) Consumer satisfaction	12.749	23.559	0.000	0.066	0.066	24.865	0.000
_	Social Media advertising	0.174	4.986	0.000				
3	(Constant) Consumer satisfaction	12.347	16.937	0.000	0.048	0.048	17.706	0.000
	Brand Image	0.202	4.208	0.000				

Source: Researcher's computation, 2023

The outcome of hypothesis two suggests a statistically significant effect of social media on customer happiness in the Crown City hotel business (β = 0.27, t = 0.412, p-value =0.000), demonstrating that customer satisfaction in the Crown City hotel in Ogun State is linearly dependent on brand image. According to the findings, for every unit increase in Social Media Advertisement, customer happiness rises by 0.27 units. Brand Image accounted for 66% of the variation in Customer Satisfaction at the Crown City hotel in Ogun State (R^2 = 0.66). The F value (ANOVA) is statistically significant ($\Delta F_{(2,205)}$ = 24.865, p-value = 0.000), showing that the effect of Brand Image in the model is statistically significant and, in the model, impression is mathematically beneficial and noteworthy.

Table 5: Hierarchical regression of effect of social media advertising on relationship be	tween
perceived quality and customer loyalty	

	Models	В	T	Sig.	R ²	R ² Change	F Change	Sig. F Change
1	(Constant) Customer Satisfaction	9.008	3.115	.002	.086	.086	26.984	0.000
1	Social Media Advertising	1.087	51.720	0.000				
2	(Constant) Customer Satisfaction	8.534	11.211	0.000	0.196	0.196	42.792	0.000
	Social Media	0.002	0.993	0.321				
	Perceived Quality	0.431	7.004	0.000				
3	(Constant) Customer Satisfaction	8.477	11.168	0.000	0.194	0.194	84.601	0.000
	Perceived Quality	0.465	9.198	0.000				

Source: Researcher's computation, 2023

The analysis of hypothesis three reveals a statistically significant impact of social media on consumer loyalty in the Crown City hotel industry ($\beta = 1.087$, t = 51.720, p-value =0.000), implying that customer happiness in the Crown City hotel in Ogun State is linearly dependent on perceived quality. According to the findings, for every unit increase in Social Media Advertisement, customer satisfaction rises by 1.087 units. Brand Perception accounts for 86% of the variation in Customer Satisfaction at the Crown City hotel in Ogun State ($R^2 = 0.086$). The F value (ANOVA) is statistically significant ($\Delta F_{(2,205)} = 26.984$, p-value = 0.000), showing that the influence of perceived quality in the model is statistically important.

Discussion of Findings

This study was undertaken to analyze client interactions and happiness; hotels put their brand at the center of their approach in a highly competitive market. They strive to build a solid reputation in order to increase client repeat purchases through social media advertising, indicating that a good brand with substantial equity can influence how customers view the business. This implies that social media, perceived quality, and brand perception all have an impact on Crown City hotel customer happiness. When all the tangible and intangible qualities of business are considered, building and preserving brand equity is crucial and necessary in today's hospitality sector.

Conclusion

According to the aforementioned literature analysis, social media has shown to be an efficient means of interaction and advertising for the hotel business. In this day and age, the hotel industry must use social media as a marketing strategy to promote their brand and reach out to potential clients. As a result, the hotel industry should develop and organize its own websites, create accounts on Facebook, Twitter, and other social networking sites, and share valuable images and provide extensive details about themselves, their amenities, and their deals to boost reputation. Customers should be able to make reservations digitally. The hotel sector can use social media platforms to engage with its customers, showcase its brand better, improve its credibility, maintain customers, increase repeat purchases, and increase sales.

References

- Aaker, D. A. (1991). Managing brand equity. Simon and Schuster.
- Aaker, D. A., & Joachimsthaler, E. (2009). Brand leadership: Building assets in an information economy. Simon and Schuster.
- Ali, F., Omar, R., & Amin, M. (2013). An examination of the relationships between physical environment, perceived value, image and behavioural Intentions: A SEM approach towards Malaysian resort hotels. *Journal of Hotel and Tourism Management*, 27(2), 9-26.
- Amin, M., Isa, Z., & Fontaine, R. (2013). Islamic banks: Contrasting the drivers of customer satisfaction on image, trust, and loyalty of Muslim and non-Muslim customers in Malaysia. *International Journal of Bank Marketing*, 31(2), 79-97.
- Alhadid, A. Y., & As' ad, H. A. R. (2014). The impact of social media marketing on brand equity: An empirical study on mobile service providers in Jordan. *Review of Integrative Business and Economics Research*, 3(1), 315.
- Baloglu, S., & Brinberg, D. (1997). Affective images of tourism destinations. *Journal of Travel Research*, 35(4), 11-15.
- Bayraktar, E., Tatoglu, E., Turkyilmaz, A., Delen, D., & Zaim, S. (2012). Measuring the efficiency of customer satisfaction and loyalty for mobile phone brands with DEA. *Expert Systems with Applications*, 39(1), 99-106.
- Berry, L. L. (2002). Relationship marketing of services perspectives from 1983 and 2000. *Journal of Relationship Marketing*, *I*(1), 59-77.
- Cohen, J., McCabe, E. M., Michelli, N. M., & Pickeral, T. (2009). School climate: Research, policy, practice, and teacher education. *Teachers College Record*, 111(1), 180-213.
- Edosomwan, S., Prakasan, S. K., Kouame, D., Watson, J., & Seymour, T. (2011). The history of social media and its impact on business. *Journal of Applied Management and Entrepreneurship*, 16(3), 79.
- Farquhar, P. H. (1989). Managing brand equity. *Marketing Research*, 1(3).
- Gummeson, P. U., & Kasputis, D. J. (1987). SPC in steel powder manufacturing. *International Journal of Powder Metallurgy*, 23(4), 261-266.
- Guthrie, M. F., & Kim, H. S. (2009). The relationship between consumer involvement and brand perceptions of female cosmetic consumers. *Journal of Brand Management*, 17(2), 114-133.
- Hollier, B. G., Evans, K., & Mani, S. A. (2009). The epithelial-to-mesenchymal transition and cancer stem cells: a coalition against cancer therapies. *Journal of Mammary Gland Biology and Neoplasia*, 14(1), 29-43.
- Hu, H. H., Kandampully, J., & Juwaheer, T. D. (2009). Relationships and impacts of service quality, perceived value, customer satisfaction, and image: an empirical study. *The service Industries Journal*, 29(2), 111-125.
- Kariuki, C. (2015). The determinants of foreign direct investment in the African Union. *Journal of Economics, Business and Management*, 3(3), 346-351.
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *The Journal of Marketing*, 57(1), 1–22.
- Khan, A. N. (2021). A diary study of psychological effects of misinformation and COVID-19 threat on work engagement of working from home employees. *Technological Forecasting and Social Change*, 171, 120968.
- Kotler, P. & Armstrong, G. (2016). *Principles of Marketing*. Global Edition, 16th edn, Pearson.
- Kotler, P. T., & Lee, N. R. (2009). *Up and out of poverty: The social marketing solution*. Pearson Prentice Hall.
- Kukulska-Hulme, A. (2010). Mobile learning as a catalyst for change. *Open Learning: The Journal of Open, Distance and e-Learning*, 25(3), 181-185.
- Kuo, Y., Hu, T. & Yang, S. (2013). Effects of inertia and satisfaction in female online shoppers on repeat purchase intention. *Managing Service Quality: An International Journal*, 23(3), 168-187. https://doi.org/10.1108/09604521311312219
- Low, G. S., & Lamb, C. W. (2000). The measurement and dimensionality of brand association.

- Journal of Product & Brand Management, 9(6), 350-368.
- Melissa, E., Hamidati, A., Saraswati, M. S., & Flor, A. (2015). The Internet and Indonesian women entrepreneurs: Examining the impact of social media on women empowerment. In *Impact of Information Society Research in the Global South* (pp. 203-222). Springer, Singapore.
- Noel, H. (2009). Basics marketing: Consumer behaviour (Vol. 1). Ava Publishing.
- Prasad, K., & Dev, C. S. (2000). Managing hotel brand equity: A customer-centric framework for assessing performance. *The Cornell Hotel and Restaurant Administration Quarterly*, 41(3), 22-4
- Qualman, E. (2012). Socialnomics: How social media transforms the way we live and do business. John Wiley & Sons.
- Rana, J. (2011). Terrifying Muslims: Race and labor in the South Asian diaspora. Duke University Press.
- Ryu, k., Lee, H., & Kim, W. (2012). The influence of the quality of the physical environment, food, and service on restaurant image, customer perceived value, customer satisfaction, and behavioral intentions. *International Journal of Contemporary Hospitality Management*, 24(2), 200-223
- W. T. T. C., & Impact, T. E. (2012). World Travel and Tourism Council. Retrieved September, 30, 2012.
- Uggla, H., & Lashgari, M. (2012). Brand portfolio prerogative: Five challenges and research themes within brand portfolio management. *IUP Journal of Brand Management*, 9(3).
- Yang, Y., & Chan, A. (2010). A hierarchical approach to measure service performance in the resort hotel's service encounters. *Journal of Tourism, Hospitality & Culinary Arts*, 2(1).
- Zaman, K., Shahbaz, M., Loganathan, N., & Raza, S. A. (2016). Tourism development, energy consumption and Environmental Kuznets Curve: Trivariate analysis in the panel of developed and developing countries. *Tourism Management*, *54*, 275-283.

Information and Communication Technology and Small and Medium Enterprises Convergence in a Rapidly Shifting Global Economy

DICK Aa-nu Sunday

Department of Office and Information Management Faculty of Management Sciences Rivers State University, Port Harcourt aa-nu.dick@ust.edu.ng

WOSU Samuel

Department of Office and Information Management Faculty of Management Sciences Rivers State University, Port Harcourt samuelwosulawjack@gmail.com

Abstract

This paper reviewed the concept of information and communication technology (ICT) and Small and Medium Enterprise (SMEs) Convergence in a Rapidly Shifting Global Economy. SMEs convergence is the concept in which developing economy per capita income grow rapidly and tense to be equal or equal to the developed nations per capita income. The concept of convergence is underpinned in Neoclassical Growth Theory. Convergence is a major issue on a global discuss. Today ICT is not just a convergence tool but it is referred to as the catalyst to SMEs convergence. The introduction of ICT and economic globalization has changed the traditional of economic of scale to economic of scope. Globalization is the internations relationship in business, culture, politics and social interactions among the groups. Economic convergence is described as the center of the global goal in a globalize world. The world today is now a global village where there is no more distance between the developing and the developed nations. The conceptual review was done based on the conceptual frame work which comprises of ICT, economic convergence, globalization, innovation and sustainability. The reviewed literature showed that ICT is a catalyst for economic convergence of SMEs in Rivers State, Nigeria. We therefore recommend that an empirical study should be carried out to derive concrete evidence to support the literature reviewed.

Keywords: Information and communication technology, economics convergence, globalization, economic growth and sustainability

Introduction

The wave of digitalization is driving the restructuring of the global value chain, providing an excellent opportunity for Nigeria to leaping into the digital era. The convergence between digital industrialization and industrial digitalization (CDIID) is the indicator to measure the sustainability of the digital economy (Xu & Xu, 2023). Economic convergence has a major global indicator to reduce the rate of poverty in developing nations by the year 2030 (Lopaz, Lucas & Delgado, 2021). Over the last decade, the economic convergence literature has deepened on the global debate, why some countries grow faster than the others (Lopaz, Lucas & Delgado, 2021).

Economic convergence does not just mean the total absent of poverty or producing the same product or services with developed nations. The different nations, developing and developed nation maybe involved in different specialized economy but yet convergence or have same per capital income. Economic convergence is actually based on the country development or growth rate (Lopaz, Lucas & Delgado, 2021). There are other countries that have the same culture and social factors, yet still may not converged (Helje & Eve, 2008). The concept of economic development and its factors has changed over time. In general, economic development lies in the increase in welfare, measured as GDP, per capita income, and its growth rate (Helje & Eve, 2008). The broader concept also includes social aspects of development; poverty reduction, better education and health, more equal income distribution (Helje & Eve, 2008). In the long run, economic development should be sustainable, which means that today's developments need not compromise the capacity of future generations to satisfy their needs (Helje & Eve, 2008).

Traditionally, economic development has been seen as determined by physical and natural capital, technology, and also human capital. However, differences in the speed of economic development among countries with similar factor endowments and production technologies have called for introduction of new factors of economic development in the last decade of the 20th century. Among alternative explanations, economists have recently focused on the contribution of formal institutions and social capital to economic growth and development, thus referring to the need to take into account relational and structural aspects of economic transactions (Helje & Eve, 2008).

Small and Medium Enterprises are organizations with about two hundred and fifty (250) employees, they are limited the resources, some are owned by individual and some are partnership business (Al-Awlaqi, Aamer, & Habtoor, 2018). The emergence of small and medium scale enterprises (SMEs) is a major catalyst and a key success factor for economic development, growth and sustenance (Singh, Singh, lam, & Agrawal, 2022). Most government and business circles have come to recognize the importance of SMEs and have consequently agreed that their growth constitutes one of the corner stones of economic development (Singh, Singh, lam, & Agrawal, 2022).

Previous studies on economic convergence focused on big firms and industries without considering the contribution of Small and Medium Enterprises to the economic growth. Small and medium scale businesses (SMEs) are important in tracking socioeconomic issues such as unemployment, poverty and unimpressive economic growth (Mokuolu & Oluwaliye, 2023). They are jobs creators for employees where the motivation and flexibility (technology) are better, major competitive state of the market which leads to better satisfaction of consumer's needs, they also contribute in supplying certain activities to help big enterprises in a way of producing goods and services efficiently, the big organizations leverages on this concept and focused on innovative processes, both in technology and in management (Effiom, & Edet, 2018).

It is easy to start with low income, required no sophisticated technology and process, they are in greater proportion of any nations' economy as compared to the big organizational (Anifowose & Onileowo, 2020). Information and Communication Technology plays a major role in the growth of small and medium enterprises (Pasape, 2022). The influence of information communication technology on the growth of small business cannot be over emphasized. According to Chang, Siew, Park, (2014) the digital divide is one of the most concerning issues today. It positions those who have-no access to technology at disadvantage socially and economically.

The key to reducing the digital divide is to provide access to basic technology and information content. From the socio-economic perspective, ICT development is a salient component that underlies the growth of a society (Vassilakopoulou & Hustad, 2023). Digital inequalities have emerged as a growing concern in modern societies (Ahmed, 2007). These inequalities relate to disparities in access, actual use and user efficacy of digital resources. Digital resources including transformative technologies, such as business analytics, big data and artificial intelligence are key for the transition of societies towards sustainability (Pappas et al. 2018; Dick, Elekwachi & Wosu, 2023).

Over the years, the Rivers State economic system has passed through different phases, we had experienced the era of industrialization, the oil boom and today the age of ICT that defined the world as a global village (Guo & Ambra 2009). With ICT tools, you can access the global market from the convenience of your room, buy and sell to people outside your local market (Majeed & Ayub, 2018). ICT tools are the only tool that is globally converged around all the sectors be it economic, social, political and sciences and engineering. Inspite of the global impact on the whole world today, some states, like Rivers State still experiencing poor innovative insight, lack of jobs, poor salaries and wages for the employees, there is still high level of underemployment, poor product quality and difficulties in accessing the global market by the majority of business men and woman (entrepreneur).

ICT has open ways for people to trade without boundaries (Clarke. & Wallsten, 2006). Convergence does not means that we must do exactly the same, countries may still specialize in what it knows best to do and convergence in terms of gross domestic product (GDP). Convergence means

525

the total output of your economic operation with other developed countries of the world. Information communication technology has changed the way we do business, the culture and new innovativeness insight that we sustain the growth of the nation's economy. For example, the case of China measuring up with developed countries today, they were not at this position before, evidence showed that China did not grow just because of the multinationals, but actually the micro economic sector which formed the major components of their economy.

Micro economic growth has been a major problem of any developing nation of the world. Government has in several instances, donated hugged amount of money for this project, some in agriculture, transportation, trading etc. Inspite of the contribution, there is still no significant impact on the economic growth. Also, businesses operating within the local environment may not guarantee convergence because, you can only produce and sell based on the market size. This is a typical case of our educational sector, not that there is no job, but we have product more than what the labour market can consumed, and because the market is so small, organizations can only employ workforce based on their production and consumption capability (demand and supply. Poverty is associated with lark of jobs or underemployment, today many of our graduates are not been employed (Atkinson & Marhar, 2015).

It is time for us to change the way we have been operating and bring in new innovation. Information communication technology is a critical tool that enhances innovation in organizations and the general society. Today there is still that wide gap between the developing nation like Nigeria (Rivers State) and other developed nations of the world irrespective of the numerous poverty alleviation programmes, micro business financing and the small and medium enterprise support grant provided by government. Today, with minor tool like our phone and other smaller garget both the poor and the rich can access the global market, place product on the market, receive training on any professions, carry out research and development (R & D) that can change the fortune of any nation. It means that information communication technology has already converged. It enables the individual, organizations to work without boundaries and earn foreign currency from different nations of the world (Olawuyi, & Mgbole, 2012).

The introduction of information communication technology is a new innovative insight for predicting the economy of any nation (Nipo, Jaratin, Idris & Saizal, 2002). It is difficult to say today that a nation will remain poor or a nation will continue to be richer forever, the world is now a global village that competition is inevitable, we are in a dynamic market and is subject to change with a change behavior or organizational culture. The wealth of a nation is no longer in physical component, heavy goods but it is now classified as digital assets that are capable of travelling distances away from the producer (Nikoloski, 2016). Information Technology (IT) is among the relevant factor assisting the business to penetrate in a new market for being innovative and generating new product and services which help the spontaneous growth of business around the globe (Mgunda, 2020).

The revolution of IT and internet facilitates the outstanding performance of the economy sector, it enhanced the exchanging of information, easy accessibility possible business request among organizations. Connectivity is now the pattern of business and source of knowledge. It is actually difficult to explain the limit at which a nation can exploit the resources within her reach and how favourable the result may be. Business men and women today are in an ocean where the man with the right tools (information and communication technology tools) gets better output (Wordu, Woryi, & Charley, 2021).

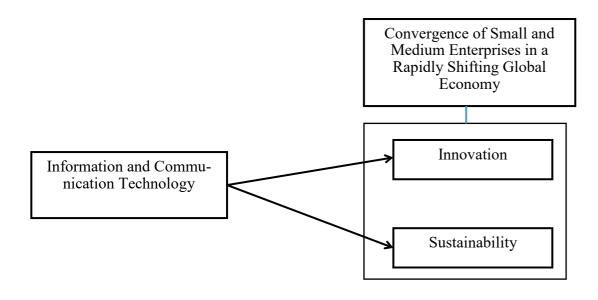
The developed nations of the world have connected everything into the network called internet of things. The new internet of things which is an aspect of information technology and communication has changed the way we behave, and how business processes are carried out. Currently, information technology is advancing rapidly. It is difficult to avoid its development. The advancement of information technology did not only assist people's life to become better every day but also support the global business. Things that are used to be expensive and takes a long time to complete, is now easy to complete within a few days or few people (Shaqiri, 2015).

Theoretical Foundation Neoclassical Growth Theory

This study anchored in the neoclassical growth theory. There are other authors that explained the concept of economic growth theories, but, they failed to include technology as the major drivers of economic growth. The work of Solow, (1956, 1957) were able to identify the category of technological change as a key factor of economic growth of countries. The economic growth theory has, in the true sense of the word, emerged with the publications of the American economist, Robert Solow (Solow, 1956, 1957). The analytical starting point of Solow's model is the production function, in the form Y = TF(K, L), where Y is production (gross domestic product), T is technology, K is physical capital, and L amount of work. By dividing the left and right side of the function Y = TF(K, L) by L, Y = Tf(k) is obtained, where y denotes gross domestic product per capita and k capital to labour ratio (Dragoslava, 2016).

Diminishing returns of production factors are the basic assumption of the model, based on which all the main conclusions are derived. The economy in which different variables, such as production, capital, employment, and consumption, grow in the long run at equal rates is in a state of stable equilibrium. The neoclassical growth model states that without technological changes, in a state of long-term stable equilibrium, there is no long-term growth in production per capita. Per capita income levels vary among countries, depending on the preferences of their residents. Because of the law of diminishing returns, in Solow's model, increasing production funds per capita cannot explain the growth of labour productivity in time, or significant differences in the growth rates of gross domestic product per capita in individual countries.

Neoclassical growth models suggest that markets are basically of extremely competitive nature and that they do not aspire to create a monopoly. Due to this fact, market processes, as a rule, lead to optimal allocation of production factors and maximum production. In addition, these models see little opportunity for the state to promote economic growth. In a global economy where there is competition, innovation and sustainability becomes the key indicator of the modern economic growth (microeconomic convergence) as conceptualized in figure 1.



537

Source: (Vassilakopoulou & Hustad, 2023; Solow, 1956; 1957)

Fig. 1: Conceptual framework of information and communication technology and small and medium enterprise convergence in a shifting global economy.

Review of Related Literature

Information and Communication Technology

Information and Communication Technology comprises of the hardware, software and the network that enhanced human activities especially business transaction (Alexander, Castillo & Legion, 2015). It is the technological tools used to drive almost all human endeavour (Denning, 2020). It is capable of capturing, storing processing or analyzing business transactions and reports the result to the users (Baškarada, & Koronios, 2018). Today many internet business applications are available in the market. The internet is the connectivity of several computers in a network (Mgunda, 2019). The internet bring the world closer to the user, you can sell product, buyer and renders services online once you are connected to the internet.

The introduction of information and communication technology into the world of business has changed the way business operates. This development has explained the ability to establish a synergistic behavior between technological innovation and human values (Mgunda, 2019). Information and communication technology is a new innovative tool that has not only changed or increase business performance but it has also created high competitiveness so that those that are not able to adopt the technology stand the change of losing business values, the lack of connectivity deprived businesses to access the global market. (Latzer, 2009).

According to Matthew, Joro and Manasseh (2015), the rapid rate at which ICTs have evolved since the mid-20th century have drastically changed the global business environment, that both the developed and developing nations are on a competing pace, The whole world are converge in a network. The ICT convergence and pervasiveness give strong role in development and economic globalization. Technological sophistication and advancement have long been recognized as critical elements of economic and social development (Chen, Castillo & Ligon, 2015).

In today's society, information and communication technologies (ICT) play an important part in almost every area (Joseph, 2019). In the health sector ICTs have the potential to promote patient-centered healthcare at a reduced cost, increase quality care and information sharing, educate health professionals and patients, stimulate a different sort of interaction with patients and health providers, and minimize travel time. In aviation industries, it is possible to booking traveling trips, determine the safety of traveling, plan condition and also in manufacturing, robots are involving in manufacturing especially in danger areas, etc. So there is nothing that is not affected by information communication technology (Guseynov, Abdullaev, Mehdiyev & Edelkina, 2021).

Information communication technology is not the cause of the changes we are living through but without new information communication technologies none of what is changing our lives would be possible. In the 1990s the entire planet is organized around telecommunicated networks of computers at the heart of information systems and communication processes. The entire realm of human activity depends on the power of information, in a sequence of technological innovation that accelerates its pace by month. The contribution of information communication technology in human life cannot be overemphasized. It is the new wave of development which every country of the world is looking either they are the manufacturers or the users, there are benefit at both ends. Therefore neither those manufacture can claim to be the highest beneficiary or those that are using the technology (Hassan & Mirza, 2020).

Globalization

Globalization is the interdependence of culture, economies, expanding trade and financial flows, and boosting digital technologies (Chang and Lee, 2010). Globalization constitutes a dynamic processes involves a lot of contradictory tendencies, undetermined directions, and impacts in a social macro and micro scale (Lau, Pal, Mahadik & Gozgor, 2022). Speaking of globalization, it means processes (in particular economic, social, political and cultural) and their effects. Knowing the es-

sence of globalization is the basis for the development of the strategy of activities in the context of globalization, or even influences on economic, political, social and cultural changes taking place as part of it. The modern world is increasingly being defined by the term 'globalization'.

Important changes in the global economy have become the main determinants of this phenomenon. It will be difficult to explain the concept globalization without looking at the area of social, political and cultural factors, given that all these are bound together. Globalization is a process relating to the description of basic trends in the world economics, politics, demographics, social life and culture, consisting in the propagation of phenomena and processes (regardless of the geographical context and the degree of economic and political progress of a given region of the globe), leading to the unification of the world made up of interrelated elements.

Globalization and social change is a light or ray beaming from one end to a galaxy of uninformed, unmoved, worlds, yet, it is a philosophy of a village of nations and homosapiens, starting from somewhere but to nowhere because it is a philosophy of change for an interconnected network of a people in the universe (Villaverde & Maza, 2011). Cultural globalization involves the spread of language, products, and customs as people intermingle. In some cases, cultural perspectives gene pools as people from around the world intermarry (Coelho et al., 2021).

Also, the technology has contributed to the polarization of the global society (Ng, & Tan, 2018), "progress measured by the number of mobile phones, fax machines, computers, and internet connections per 1000 population is very large". It liberates some individuals from the territorial bonds, and gives some of the factors that constitute the community an extraterritorial meaning, at the same time, however, the territory deprived of meaning, in the borders of which the others still live, becomes deprived of the potential to determine human identity."

There are basically three types of globalization, these are political, social and economic globalization. Economic globalization is more effective than political or social globalization in driving the growth of the economy. According to the experience of the ASEAN countries, governments should be more active in promoting international trade and foreign investment, while striving for increased participation in economic organizations and adopting outward-oriented policies, encouraging interaction with other economies. Governments should also pay close attention to the negative impact of political and social globalization on economic growth (Young-Hsiang, Koyin, Chen-Hsun, 2014)

Small and Medium Enterprises (SMEs) Economic Convergence

Economic convergence has been crucial debates in economics development (Kremer, Willis, & Yang, 2021). Economic convergence is the rapid growth of developing countries to measure with the developed country of the world. Convergence does not simply mean equal in all economic sector. Real economic convergence at the country level is an increase in the proximity of national economies (Bulboaca, 2023). The common indicator of convergence is reducing the gap between the per capita income between the developing nations and the developed nations (Siljak, 2015). Countries can be doing well in different economic sector or may not be doing well in one sector but calculating the per capita income of the different nation may converge. No country in the world can independently stay on their own therefore there is that interrelationship between the developing nations and the developed nation. Convergence may not be possible without attaining certain conditions (Strielkowski, & Höschle, 2016).

The rapid spread of technology is one major factor that determined economic convergence (Strielkowski & Höschle, 2016). Within the conditional convergence framework, the major condition for convergence is the country's growth rate which includes, faster spread of technologies due to globalization, as well as greater capital and labor mobility and human capital, policies, institutions, culture etc (Michalopoulos and Papaioannou 2013). Nunn & Wantchekon (2011) opined that economic growth on institutional is o identify their causal effects on economic outcomes, the finding indicated that certain determinants of growth are highly persistent, it is inconsistent with others changing, potentially rapidly, and being subject to global influences on policies and culture, for ex-

529

ample, to study whether growth correlates, they classified it into four groups: enhanced Solow fundamentals, investment rate, population growth rate, and human capital variables which are fundamental determinants of steady state income in the enhanced Solow model (Kraay, 2006).

Many experts have argued that the source of competitive edge has moved from "economy of scale" to "economy of scope" to "economy of expertise" to "economy of convergence" (Lee et al. 2011). To implement the dynamic economy, the digital, physical, and biological sectors which are the characteristics of the Fourth Industrial Revolution should be actively converged. Through convergence, we need to open the possibility of creating new values. Before this time, digital technology was the target for convergence, they were thinking of heavy machines and factory product. Today, it is expected that technology will serve as a catalyst to boost creative convergence (Lee et al. 2011).

Innovation

Knowles et al. (2008) defines innovation as the introduction of new products, processes, or business systems. Such introduction could be as a result of adoption or creation of new products, processes or business systems. Rogers (2003) defined innovation as an idea, practice, or object that is perceived as new to an individual or another unit of adoption. The Organization for Economic Cooperation and Development (OECD) in the current edition of the Oslo Manual identified and defined four types of innovation and provided their definitions as; Innovation is the implementation of a new or significantly improved product (goods or services), or process, a new marketing method, or a new organizational method or business practices, workplace organizations, or external relations.

Product innovation is the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses. This includes significant improvements in the technical specifications, components and materials, incorporated software, user-friendliness or other functional characteristics (Rogers, 2003). Process innovation is the implementation of a new or significantly improved production or delivery method (Rogers, 2003). This includes significant changes in techniques, equipment, and/or software. Marketing innovation is the implementation of a new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing, while organizational innovation is the implementation of a new organizational method in the firm's business practices, workplace organizations or external relations (OECD, 2005).

Dodgson and Bessant (1996) also define innovation in terms of changes in production and process, whereby firms seek to acquire and build upon their distinctive technological competence and transforming the firms set of resources by innovative capability. Innovation at the level of an individual firm might be defined as the application of new ideas to the firm, regardless of whether the new ideas are embodied in the products, processes, services, or work organizations and management or marketing systems (Gibbons et al., 1994). Innovation in business is something that is new or improved significantly, done by an enterprise to create added value either directly for the enterprise or indirectly for IT customers (Business Council of Australia, 1993). Innovation is an interactive, dependent, systematic, problem solving and strategic process of adoption or creation or improvement in product, process, technology and management and market, aimed at maintaining or improving competitiveness, while satisfying the customers, and driven by the learning process within the firm, between firms and external environment

Organizational innovation is defined as the use of new managerial working concepts and practices (Ahmed, Nor, & Ilias, 2010). It is obvious that organizational innovation can be viewed from different perspectives. It can be viewed from the firm structure, culture, interaction within and between firms. For this reason Coriat (2001) classifies organizational innovation as Structural organizational innovation, Procedural organizational innovation, Intraorganizational and Interorganizational dimension. The structural innovation takes place to produce changes in the firm's structure, such as the staff responsibility, channel of communication, the hierarchical level and departmental

division. The procedural innovation takes place in a firm to effect changes in the daily operation and routines.

The interorganizational innovation does not only relate to innovations beyond the boundary of the firm alone, it also requires the participation and acceptance of other firms for it to be implemented. On the other hand, intraorganizational innovation takes place to effect changes in a particular division, department or within the whole firm. Wong and Chin (2007) conceived organizational innovation as the development or adoption of an idea or behavior into business operations that is new to the whole organization. They define organizational innovation as the actualization of new technology or new administrative practices in terms of new products or new processes. New products include tangible products and intangible services and new processes include direct processes and support operations in an organization. New technology and new administrative practices can either already exist or be newly developed.

Sustainability

Organizational sustainability denotes everything about integrating the goals of sustainable development, for example, societal fairness, economic efficacy, and eco-friendly exposures, into the operating atmosphere of industries (Rahman, Wahab, & Latiff, 2022). According to global reporting initiatives (GRI), economic sustainability is an organization's impacts on the economic circumstances of its stakeholders and economic systems at the local, national, and global levels (GRI, 2002).

Organizational sustainability, on the other hand, is referred to as "adopting organizational strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining, and enhancing the human and natural resources that will be needed in the future" (Baba, & Onuoha, 2018). From the organizations' viewpoints, Hourneaux, Galleli and Nunes, (2017) highlighted in three circles measurements of sustainability like profit, planet, and people, representing economic, environmental, and social sustainability, respectively, with the "triple bottom line" (TBL) concept.

UNESCO captured the four dimensions of Sustainability four dimensions of sustainability are Environmental, Social, economic and political sustainability. Environmental sustainability can be defined as the combination of several organizational competencies or the overall performance of the organization to reduce the overall carbon footprint of the products (Nwanzu. & Babalola, 2019). The implications of four primary natural resources, including air, water, soil, and minerals, as well as energy resources, are being monitored (GRI, 2002).

Social Sustainability Modern companies are paying special attention to the social aspects of sustainable development due to the pressure from stakeholders ranging from environmental to societal issues (Yawar & Seuring, 2017). Aspects of social sustainability can address both internal and external human resource concerns. Internal human resources may include job security, accommodation, health and safety, and capacity building (Ahmadi et al., 2017). Job stability covers the impact on a company's employment possibilities. Human rights, fair working conditions, and gender equality are included in hiring practices.

According to global reporting initiatives (GRI), economic sustainability is "an organization's impacts on the economic circumstances of its stakeholders and economic systems at the local, national, and global levels" (GRI, 2002). Organizations that achieve competitive advantages through economic and non-viable capacities can survive in the long run, but they cannot contribute to economic systems at the local, national, or global levels (Frostenson, Helin & Arbin, 2022). The interest of this paper is on economic sustainability

ICT and SMEs' Convergence in a Shifting Global Economy

Information communication technology is an essential tool in all human endeavor, the introduction of information and communication technology has changed the business operations. This new technology is already a convergence tool that has made the world today a global village. With the aid

information and communication technology, it is easy to carryout research and development, access the global market (sell and buy). Countries that fully integrate information and communication technology are doing well just in the case of China that stands tall in the global market. It does not matter whether the country is production or servicing, what matters is the per capita income that determined the growth rate of economic performance of the country. Information and communication technology increase the gross domestic product (GDP) of a nation.

The microeconomic (small and medium enterprises) greatly determined the per capita income. The micro economic sector carries majority of the unemployed youth. Incorporating information communication technology may not require having all the sophisticated tools before implementing, to-day there are organization that offered the infrastructure, software and platform as a service which small and medium organization can use on demand. Information technology and communication exposes the small and medium enterprises to the global market. Our goal is in line with the global goal when poverty will be reduced to zero and we would have a sustainable environment.

Summary and Conclusion

Information and communication technology is already a convergence tool, other researchers failed to identify the drivers of the convergence of the developing global economy. In this paper, we have been able to identify information and communication technology as an effective tool that facilitated the convergence of the developing microeconomic with the developed world. Information and communication technology is the console through which small and medium enterprise are able to access the global market. Product and services can be rendered outside the boundaries of your country.

It is possible to earn different currency from the different parts of the world. The effective use of this tool will increase the growth rate of the developing economy (the common principle of diminishing returns affects the developed nations while the developing nation will continue to grow and converged with the developed nation. The proper integration of information and communication technology reduces poverty rate, and increases innovation and sustainability of developing nations.

References

- Ahmed, M. K., Nor, A. Y. & Ilias, S. (2010). Innovation and Innovativeness: Difference and Antecedent Relationship. *The IUP Journal of Architecture*, 2(1), 68 78.
- Ahmed, A. (2007). Open access towards bridging the digital divide: Policies and strategies for developing countries. Information Technology for Development, 13(4), 337-361.
- Al-Awlaqi, M. A., Aamer, A. M., & Habtoor, N. (2018). The effect of entrepreneurship training on entrepreneurial orientation: Evidence from a regression discontinuity design on micro-sized businesses. *The International Journal of Management Education*. https://doi.org/10.1016/j.ijme.2018.11.003
- Alexander, N. C., Castillo, J.G. D. & Legion, K. (2015). Information and Communicatio Technologies (ICT): Components, Dimensions, and its Correlates. *Journal of International Technology and Information Management*, 24(4), 25 46.
- Anifowose, O. D. & Onileowo, T. T. (2020). Small Business and Start-up Capital: Grilling the Flora and Configuration of the Financial Capital for available Small Business. *International Journal of Small Business and Entrepreneurship Research*, 8(3), 1 14.
- Baskarada, S., & Koronios, A. (2018). The 5S organizational agility framework: A dynamic capabilities perspective. *International Journal of Organizational Analysis*, 26(2), 331–342.
- Bulboaca, S. (2023). Real Economic Convergence in the European Union. *Journal of Smart Economic Growth*. 8(1), 1 20.
- Baba, S. A.and Onuoha, B.C. (2018). Corporate Social Responsibility and Organisational Sustainability in the Manufacturing Industry in Rivers State. *ASPL International Journal of Management Sciences*, 7(1), 14 26.
- Canova F., Ciccarelli M. and Ortega E. (2007). Similarities and Convergence in G-7 Cycles. Journal

- of Monetary Economics, 54, 850–78.
- Chang, C. P. & Lee C. C. (2010). Globalization and Economic Growth. A Practical Economy Analysis for OECD Countries. *Global Economy Review*, 38(3), 852 869.
- Chang, Y., Siew, F. W., Park, (2014). Determinants of user satisfaction in internet use among socioeconomically advantaged and disadvantaged groups: The role of digital access and government policy. Conference Paper 25th European Regional Conference of the International Telecommunications Society (ITS), 32 46.
- Chen, J. (2006). Development of Chinese Small and Medium Size Enterprises. *Journal of Small of Business and Enterprises Development*, 13(2), 140 147.
- Clarke, G. R. G. & Wallsten, S. J. (2006). Has the Internet Increased Trade? Developed and Developing Country Evidence. *Economic Inquiry*, 44(3), 465-484.
- Coelho M. F, et al., (2021). Modeling the Dynamic Linkage between Renewable Energy Consumption, Globalization, and Environmental Degradation in South Korea: Does Technological Innovation Matter? *Energies 14*(14), 4265
- Denning, S. (2020). The challenge: 20th century vs. 21st century management. *Strategy & Leadership*, 48(6), 11–19
- Dick, A. S., Elekwachi, H. N., Wosu, S. (2023). Diagnostic big data analytics and performance of deposit money banks in Rivers State, Nigeria. *Nigerian Journal of Management Sciences*, 24(2b), 92 99.
- Dragoslava, S. (2016). Technological Changes in Economic Growth Theory: Neoclassical, dogenous, and Evolutionary Institutional Approach. *Economic Theme*, 54(2), 177 194.
- Effiom, L & Edet, S. E. (2018). Success of Small and Medium Enterprises in Nigeria. Do environmental factor matter? *Journal of economics and Sustainable Development*, 9(4), 117 128.
- Frostenson, M., Helin, S. & Arbin, K. (2022). Organizational sustainability identity: Constructing oneself as sustainable. *Scandinavian Journal of Management, 38, 1 10.*
- GRI, (2002). Sustainability reporting guidelines. Boston (MA): global reporting initiative, p.45. Retrieved from https://www.r3-0.org/wp-content/uploads/2020/03/GRIguidelines.pdf.
- Guo, Z. & Ambra D. J. (2009). The influence of national and organizational culture on technology use: An exploratory study witin a multinational organizational setting. *Journal of Global Information Management*, 17(4), 74 94.
- Guseynov, S., Abdullaev, R., Mehdiyev, T. & Edelkina, A. (2021). Information and cation Technologies (Ict) annd Economic Development Of The Azerbaijan Republic. *Journal of World Economy: Transformations & Transitions*
 - https://www.eruditus-publishing.com/jowett.
- Hassan, M. M. & Mirza, T. (2020). Exploring benefits of Information and Communication Technology (ICT) in the Primary Education. *Journal of Xidian University*, 1842 1846.
- Helje, K. & Eve, P. (2008). Social and Institutional factors of economic development: Evidence from Europe. https://www.tandfonline.com/loi/rbec20
- Hourneaux, J. F. A., Galleli, B. A., Nunes, B. B. (2017). Sustainability and Performance in Organizations: an Analysis of the Triple Bottom Line Approach. 6th International Workshop | Advances in Cleaner Production Academic Work, 1-8.
- Joseph, B. (2019). The Roles of Information and Communication Technologies (ICTs) and E-Commerce as Agents of Nigeria's Economic Development: Review of Challenges and Prospects. <u>Wireless Engineering and Technology</u>, 10(3), 151 160
- Kraay, A. (2006). When is Growth Pro-Poor? Evidence from a Panel of Countries. *Journal of Development Economics* 80(1): 198-227.
- Kremer, M., Willis, J. & Yang, Y. (2021). Converging to convergence http://www.nber.org/papers/w29484
- Latzer, M. (2009). Information and Communication Technology Innovations. Radical and scriptive. New Media Society, 11(4), 599 619.
- Lau, C. K. Pal, S. Mahadik, M. K. & Gozgor, G. (2022). Economic Globalization Convergence in high and low globalized Developing Economies. Implications for the post COvid-19 era. *Economic analysis and policy*, 76, 1027 1039.

- Lee, S. M., Olson, D. L., & Trimi, S. (2011). Co-innovation: Convergeomics, collaboration, and co-creation for organizational values. *Management Decision*, 50(5), 817–831
- Lopez, A., De-Lucas, S. & Delgado, M. J. (2021). Economic convergence in globalize world: The role of business cycle synchronization.https://doi.org/10.1371/journal.pone
- Matthew, D., Joro, D. H. & Manasseh, H. (2015). The Role of Information Communication Technology in Nigeria Educational System. *International Journal of Research in Humanities and Social Studies*, 2(2), 64-68
- Mgunda, M. I. (2020). The Impacts of Information Technology on Business. *Journal of International Conference Proceedings*. 149 156.
- Majeed, M. T. & Ayub, T. (2018). Information and communication technology (ICT) and nomic growth nexus: A comparative global analysis. *Pakistan Journal of Communication and Social Sciences*, 12(2), 443-76
- Michalopoulos, S., & Papaioannou, E. (2013). Pre-colonial ethnic institutions and contemporary African development. *Econometrica*, 81(1), 113–152
- Mokuolu, J. O. & Oluwaliye, T. O. (2023). The Role of Small and Medium Enterprises in unemployment reduction in Nigeria. *Nigerian Journal of Banking and Finance*, 9(1), 128 137.
- Ng, E. & Tan, B. (2018). Achieving state of the art ICT connectivity in developing countries: *The Azerbaijan model of Technology Leapfrogging*. 84, 1–14
- Nikoloski, K. (2016). Technology and economic development: *Retrospective. Journal of Process Management. New Technologies*, 4(4), 45–50.
- Nipo, D. T., Jaratin, L., Idris, S. & Saizal, P. (2022). Information and communication technology (ICT) on Economic Growth in Asia. A Panel Data Analysis. *International Journal of Business and Management*, 17(12), 18 23.
- Nwanzu, C. L. & Babalola, S. S. (2019). Impact of Organization Ownership and Strategy on Organizational Sustainable Practices. *A cademy of Strategic Management Journal*, 18(5), 1-10.
- Nunn, N., & Wantchekon, L. (2011). The slave trade and the origins of mistrust in Africa. *The American Economic Review*, 101, 3221–3252.
- Olawuyi, J. O. & Mgbole, F. (2012). Technology convergence. *Science Journal of Physics*, 1 5.
- Pappas, I. O., Mikalef, P., Giannakos, M. N., Krogstie, J., & Lekakos, G. (2018). Big data and business analytics ecosystems: paving the way towards digital transformation and sustainable societies. *Information Systems and eBusiness Management*, 16(3), 479–491.
- Pasape, L. (2022). The Influence of Information and Communication Technology on the ness Performance of the Incubated Small Business Enterprises in Tanzania. *Journal of Economies, Management and Trade, 28*(4), 30 46.
- Rahman, M., Wahab, S. A., & Latiff, A. S. A. (2022). Definitions and Concepts of tional Sustainability: A Literature Analysis. *Society & Sustainability*, 4 (2), 21- 32. https://doi.org/10.38157/ss.v4i2.496.
- Shaqiri, A. B. (2015). Impact of Information Technology and Internet in Businesses. *Academic Journal of Business, Administration, Law and Social Sciences*, 1(1), 73–79.
- Siljak D. (2015). Real economic convergence in the European Union from 1995 to 2013.
- The Business & Management Review, 3(3), 56 67.
- Solow, R. (1956). A Contribution to the Theory of Economic Growth, *Quarterly Journal of Economics*, 70(1), 65-94.
- Solow, R. (1957). Technical Change and the Aggregate Production Function, *The Review of Economics and Statistics*, 39(3), 312-320.
- Strielkowski, W., & Höschle, F. (2016). Evidence for economic convergence in the EU:
 - The analysis of past EU enlargements. Technological and economic development of Economy, 22(4), 617-630.
- Singh, H. P. Singh, A., Alam, F. & Agrawal, V. (2022). Impact of Sustainable Development Goals on Economic Growth in Saudi Arabia: Role of Education and Training. Sustainability, 2 25. Vassilakopoulou, P. & Hustad, E. (2023). Bridging Digital Divides: a Literature Review and Research Agenda for Information Systems Research. Information Systems Front, 25, 955–969

535

Villaverde J. & Maza A. (2011), Globalisation, growth and convergence. *World Economy* 34 (6): 952–971

Wordu, H., Woryi, J. H. & Charley, R. B.(2021). Global influence of information and communication technology (ict) on education amidst covid-19 Pandemic. *International Journal of Innovation, Social and Science Education Research*, 9(3), 72 – 79.

Young-Hsiang, H. Koyin, C. & Chen-Hsun, L (2014). The Impact of Globalization on Economic Growth. Romanian *Journal of Economic Forecasting*, 17 (2), 25 -34.

Xu, Y. & Xu, L. (2023). The Convergence between Digital Industrialization and Industrial Digitalization and Export Technology Complexity Evidence from China. *Digital Innovation for Sustainable Development*, 15(11), 9070 – 9081.

Electronic Marketing and Customer Engagement of Online Retailers in Rivers State

Damian-Okoro, Inetimi Roseline
Department of Marketing
Rivers State University Port Harcourt

Ehio, Victor Nzeyele
Department of Marketing
Rivers State University Port Harcourt
ehio.victor@ust.edu.ng

Akani, Godspower Henshaw
Department of Marketing
Rivers State University Port Harcourt
akani.godspower@ust.edu.ng

Abstract

This study focused on the influence of electronic marketing on customer engagement of online retailers in Rivers State. A causal study was prepared to handle the two (2) hypotheses formulated for the study. The survey research method was adopted for the study on a population comprised of 10 online retail firms in Rivers State. The simple sampling technique was used to draw three respondents each from the sampled companies as respondents for this study. 30 copies of the questionnaire were administered to 30 respondents, of which 30 (100%) were returned and useful for analysis. The study adopted descriptive statistics, simple regression, and analysis of variance for data analysis. The spearman rank order was the test statistic, using SPSS 22.0 for all statistical analysis. The results revealed that electronic marketing has a very strong, positive, and significant influence on customer commitment and customer advocacy. The study therefore concludes that electronic marketing significantly influences the customer engagement of online retail companies in Rivers State. The management of online retailers should, inter alia, initiate and implement effective electronic marketing in order to enhance customer engagement among online retailers in Rivers State.

Keyword: Electronic marketing, customer engagement, customer commitment, customer advocacy and online retailers

Introduction

Contemporary businesses use electronic marketing as a strategy. Companies are increasingly using this emerging platform to promote their goods and services and exchange new product concepts and information. Companies and enterprises are embracing information technology and the internet to promote their goods. This adoption has attracted the interest of academics, professionals, and policymakers (Gohary, 2012). Businesses are using the internet and electronic media to bolster their marketing endeavors, leading to a quick expansion of e-marketing. Alternatively, we might assert that the IT revolution has completely transformed the methods of doing business.

Various writers have provided distinct definitions for e-marketing. According to Smith and Chaffey (2005), it is the act of accomplishing marketing goals by using digital technology. Strauss and Frost (2001) provided a definition of digital marketing as "the utilization of electronic data and applications to strategize and implement the creation, dissemination, and pricing of ideas, goods, and services in order to facilitate exchanges that fulfill the objectives of individuals and organizations." During the examination of relevant literature, several academics seem to conflate the word emarketing with e-commerce, e-business, and internet marketing. The names are used interchangeably, denoting almost identical concepts. E-marketing is a word that encompasses a wider range of activities. All the aforementioned ideas are under the scope of e-marketing, which includes mobile marketing, intranet, extranet, and other related areas (Dehkordi et al., 2012).

As we transition into the 21st century, it is evident that the methods of doing business have undergone a complete transformation, mostly due to the influence of the internet (Ainin & Ismawati, 2003). It has presented abundant prospects for both people and organizations, enabling customers to now access a diverse range of products and services. Additionally, consumers may compare the rates given by several providers for the same product or service. Therefore, customers now have

the ability to choose and purchase products with more convenience and efficiency. Conversely, companies have the chance to grow their existing markets and go into new ones, launch novel products and services, and compete on a global scale.

The success stories of organizations that have achieved significant market share via their online presence highlight the importance of companies having an internet presence. The success story of Amazon.com cannot be disregarded. The corporation acquired a significant portion of the market by establishing a strong online presence (Ya-Ping, 2012). In the present day, the majority of individuals have access to the internet and various computing devices such as smartphones, mobile phones, and emails. Additionally, people often use social networking sites on a regular basis (Raad et al., 2010). The phenomenon has shown a crucial truth: having an online presence is vital for the advancement and even the survival of a company (Ya-Ping, 2012).

Electronic marketing refers to the practice of using social media networks to create and distribute content with the aim of achieving marketing and branding objectives. Electronic marketing includes many actions, such as sharing textual and visual updates, films, and other information to engage the audience. It also involves paid advertising on social media platforms. Electronic marketing refers to a collection of applications that use connections to allow enterprises and their networked communities of consumers to engage, share, exchange, and co-create information. This definition was provided by Larson and Watson in 2011.

According to Phuoc & Bashar (2015), shopping has a crucial role in stimulating economic development and fostering social progress. Electronic marketing is often regarded as a very successful strategy for achieving certain goals and objectives in multi-channel marketing (Seimodei, Okwandu, & Nadube, 2021). It plays a substantial role in economies by generating employment opportunities, attracting foreign direct investment, and establishing connections with other sectors of the economy (Mokhlis, 2014). Retailing, being a significant contributor to employment, provides a diverse array of career prospects. Retailing facilitates cooperation and collaboration between producers and customers due to its advantageous position in the value chain. Retailers possess a favorable position to establish novel patterns of consumption and interactions inside distribution channels (Castaldo et al. 2009).

Customer engagement refers to the establishment of an emotional bond between a firm and its customers, with a specific emphasis on interacting with consumers and encouraging their active involvement. Knowledge sharing is a crucial factor in customer engagement, and information and communication technology provide a significant opportunity for enterprises to share knowledge and interact with consumers. Vivek, 2009, and Abeysekara (2016) Marketing is an advanced and evolving scientific discipline that adapts its principles and practices to meet the changing demands and advancements in its environment. In order to establish its presence in the new era, it has started the process of implementing novel methodologies and principles to effectively navigate the evolving business landscape. The significance of marketing in corporate growth remains unchanged, but its execution is undergoing dramatic transformation owing to the advancements in satellite communication and highly sophisticated scientific gadgets.

The marketplace is now experiencing a significant shift, and enterprises are encountering a novel digital marketplace (Berman, 2012). Retail enterprises serve as dynamic mediators connecting producers with end customers of items. Jones, Comfort, and Hillier (2009) offer an extensive array of services to both producers and customers. Retailers enhance the effectiveness of exchanges and promote better performance by enabling the delivery of items to customers at locations that are convenient and easily accessible to them (Sharma, 2014). Therefore, generate utilities related to location, time, and ownership. Retailing serves as a stimulus for both economic development and social advancement. It has a substantial impact on economies by generating employment opportunities, attracting foreign direct investment, and establishing connections with other areas of the

economy (Mokhlis, 2014). Retailing, being a significant provider of jobs, offers a diverse array of career prospects.

Retailing facilitates cooperation and collaboration between producers and customers due to its advantageous position in the value chain. Retailers possess advantageous positioning to establish novel patterns of consumption and forge partnerships within distribution networks. Castaldo et al. (2009) conducted the study. The essence of retailing is cultivating and sustaining enduring connections with consumers by delivering exceptional customer value and pleasure. Gupta, Mittal, and Nayyar (2011) Retailers use many service delivery tactics to efficiently manage a retail business, attract new consumers, and maintain existing ones. Bawa, Gupta, and Sharma (2013) The significance of providing exceptional client value is recognized in marketing literature by Cravens, Greenley, Piercy, and Slater (1997). A comprehensive understanding of the notion of customer value is crucial for the effectiveness of value-based initiatives. Wycoff (1985) conducted a study.

Prior studies, such as the one conducted by Dehkordi, Rezvani, Rahman, Fouladivanda, and Jouya (2012), examined the impact of e-marketing on a company's promotional efforts and its influence on consumer reactions. In addition, Dilts, Hauserand, and Hausknecht (2016) conducted a study on the hybrid multichannel approach to online marketing, which emphasizes the need to consider global perspectives while implementing local strategies. El-Gohary, Trueman, and Fukukawa (2010) conducted a study to analyze the variables that influence the adoption of e-marketing by small business organizations.

Egele, Ikechi, and Ozo (2017) conducted a study to examine the influence of electronic marketing on the performance of retail outlets. A study was conducted on internet retail shops in Port Harcourt, Rivers State, Nigeria. Etim, James, Arikpo, and Okeowo (2021) conducted a study to examine the correlation between e-marketing tactics and the performance of small and medium-sized firms. Nevertheless, none of this research made an effort to establish a connection between electronic marketing and client involvement. Therefore, the primary objective of the present research is to assess the impact of electronic marketing on customer engagement among online merchants in Rivers State. This will be measured by examining customer commitment and customer advocacy as indicators of customer engagement. The following hypotheses are formulated to guide the study:

Ho₁: Electronic marketing does not have significant influence on customer commitment of online retailers in Rivers State

Ho₂: Electronic marketing does not have significant influence on customer advocacy of online retailers in Rivers Stat

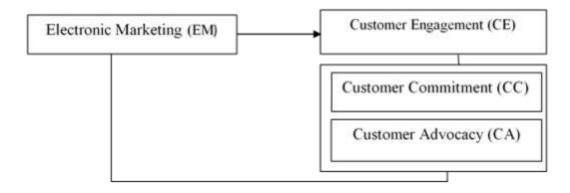


Fig. 1: Conceptual framework of influence of between electronic marketing on customer engagement of online retailers in Rivers State

Sources: Researchers conceptualization (2023)

Theoretical Foundation Wheel of Retailing Theory

The idea elucidates the influences that mold retail trends, as advocated by McNair (1958). The text describes how emerging retail projects initially have basic amenities, limited status, and a reputation for offering low pricing and profit margins. As businesses develop and progress, they get more costly premises with more intricate services, which require them to apply bigger profit margins to their products or services. This ultimately leads to uncompetitive pricing. The cycle of retailing occurs when new retailers enter the market with a lower status, lower prices, and lower profit margins, which puts the existing institutions at risk of facing new competitors. The replacement of the founders of institutions with second-generation management, who prioritize the look and image of shops above cost consciousness, leads to increased expenses and prices. This further worsens the stores' lack of competitiveness (Findley & Sparks, 2002).

The theory elucidates the decrease of certain categories of merchants and the emergence of new ones by considering the life cycle of shopping centers (Abrudan & Dabija, 2009). It is relevant to the present research as it helps comprehend the impact of competition in a given setting. In order to survive in competitive contexts, firms must adapt. Without adaptation, they face the danger of failure. While the theory provides valuable information, it faces criticism for its limited applicability to all economies, particularly those that are established and experiencing growth (Brown, 1991). In addition, convenience shops, planned shopping malls, and specialized stores deviate from the norm by entering the market with substantial profit margins and expensive costs but manage to maintain competitiveness. Regardless of the criticism, the theory serves as a valuable reminder that companies operating in dynamic and competitive contexts must adjust to changes and proactively anticipate change, or else face an unavoidable decline (Abrudan & Dabija, 2009).

Concept of Electronic Marketing

Marketing encompasses the range of operations undertaken to fulfill customers' demands and desires. Various definitions have been proposed for e-marketing, with each definition offering a distinct perspective on the notion of e-marketing: E-marketing, as defined by Gilmore et al. (2017), refers to the use of the internet and associated technologies, in conjunction with other marketing tools, to execute conventional marketing operations and activities. This includes identifying customers, engaging in communication with them, and giving value to them. According to Stan (2003), e-marketing refers to the use of electronic means to apply the conventional aspects of the marketing mix, sometimes known as the 4Ps. Strauss and Raymond (2001) define e-marketing as a kind of conventional marketing that incorporates information technology to achieve its objectives and enhance marketing effectiveness.

E-marketing refers to the use of the internet and other digital technologies to accomplish marketing objectives (Chaffey et al., 2000). According to Smith and Chaffey (2001), e-marketing is the use of electronic communications technology to accomplish marketing objectives. This technology encompasses several digital tools, such as the internet, electronic mail, electronic books, databases, and mobile phones. In their study, Javadian et al. (2011) examined four primary e-marketing tools: mobile marketing, e-mail marketing, website marketing, and marketing through social networking websites. The purpose was to explore how these tools are utilized to enhance e-marketing and assess their distinct effects on consumer perception.

The findings indicated that the advent of smart cell phones has significantly transformed mobile phone marketing, offering several benefits to firms. Email marketing is a distinctive method of disseminating promotional messages and generating value for consumers because of its low cost, cost-efficiency, and wide reach to recipients. Companies consider marketing via websites essential due to its inherent capabilities. Social networks are integrated platforms that include textual, visual, and

audiovisual content, facilitating organizations in enhancing their efficiency and generating added value for their clientele.

Social networks enable organizations to establish connections with consumers, allowing them to get insights into client demands and identify the strengths and weaknesses of their goods in the digital realm based on user feedback. According to Abdel and West (2009), the use of e-marketing leads to benefits such as the expansion of the market and the decrease of expenditures. Research has shown that e-marketing orientation (EMO) has both conceptual and behavioral components. Through conceiving EMO and streamlining its measurement, marketers may effectively implement their strategies and assess their efforts.

Additionally, they may identify certain areas to allocate their resources in order to enhance e-marketing procedures. According to Edward (2008), small and medium-sized enterprises (SMEs) mostly use e-marketing approaches, although the range of e-marketing strategies employed by these companies is limited. Additionally, they demonstrated that in the majority of minor enterprises (MEs), distribution follows a highly balanced pattern and relies only on conventional marketing techniques. Companies that possess strong capabilities in branding, pricing, product diversification, worldwide expansion, and technological innovation are well-equipped to facilitate sophisticated e-marketing at elevated levels.

The research findings demonstrated a direct correlation between the assessment of organizational performance indicators and the use of electronic marketing, particularly in small firms (MEs). In 2013, Makash said that every online marketing activity should take electronic marketing into account. E-marketing plays a significant role in the financial resources of businesses compared to traditional advertising channels. Many small and medium-sized enterprises (SMEs) are unable to afford a substantial advertising budget, particularly during economic downturns. Additionally, their human and time resources are limited. E-marketing is inherently more cost-effective.

E-marketing is the use of marketing principles and strategies using electronic media, primarily the internet (Faisal et al., 2009). Hatem (2011) emphasized nevertheless, electronic marketing (emarketing) remains a relatively recent concept, particularly for organizations operating in developing countries that have limited resources, poor infrastructure, and intense competition, making it financially imprudent to make hasty investments or incorrect decisions. There is a need to gain a clearer understanding of e-marketing issues and their potential for organizations, as well as how these advancements can be used to enhance and streamline marketing activities and strategies more effectively than relying on traditional marketing practices. E-marketing is a strategic and contemporary commercial activity that involves advertising goods, services, information, and ideas over the Internet and other electronic methods. Upon analyzing the relevant literature, it is evident that the definitions of e-marketing vary depending on the viewpoint, background, and expertise of each researcher.

Concept of Customer Engagement

The evaluation of social media performance often relies on the concept of engagement, which is essentially equivalent to the notion of prolonged attention (Damian-Okoro, Didia & Poi, 2021). Companies are increasingly acknowledging the urgent need to prioritize the development of personal and interactive connections with clients, as emphasized by Kumar et al. (2010). Customer engagement refers to the establishment of an emotional bond between a firm and its customers, with a specific emphasis on interacting with consumers and encouraging their active involvement. Knowledge sharing is crucial for customer engagement, and information and communication technologies provide significant potential for enterprises to share knowledge and interact with consumers (Vivek, 2009). In their study, Vivek et al. (2012) provided a definition of customer engagement as the level of involvement and connection that individuals have with the products and activities of a company, whether started by the consumer or the organization itself.

Bowden (2009) defined customer engagement as a psychological process that explains the underlying mechanisms through which customer loyalty towards a service brand is established in new customers as well as the mechanisms through which that loyalty can be sustained in repeat purchase customers of a service brand. In a more recent study, Mollen and Wilson (2010) specifically defined online customer engagement as the customer's cognitive and emotional dedication to actively interacting with the brand through the website or other computer-mediated platforms that convey the brand's value.

Each of these notions constitutes a distinct theoretical framework, which has hindered the attainment of significant conceptual progress, indicating the absence of complete agreement (Hollebeek, 2013). Nevertheless, based on previous definitions, it can be inferred that most approaches adopt a multidimensional viewpoint on involvement, including three dimensions: cognitive, emotional, and conation. Vivek et al. (2012) found that the way individuals express themselves might differ depending on the precise idea of involvement being considered as well as the value of each component in a given environment, as noted by Brodie et al. (2013).

The scope of customer involvement and its conception have ranged from consumer action at a certain moment to a lasting connection. According to Brodie et al. (2011), customer engagement is the psychological state that results from interactive and co-creative interactions between customers and a business. Consumer engagement behaviors may be defined as acts shown by a consumer that are centered around a brand or company, extend beyond mere transactions, and are driven by motivations, as stated by VanDoorn et al. (2010). Customer engagement may be seen as a cyclical process that occurs over time (Sashi, 2012). It can also manifest in varying degrees of intensity, indicating various phases of engagement (Brodie et al., 2013). They argue that the representation of these general dimensions might vary depending on the particular idea of involvement and the relative relevance of each factor in a given setting (Brodie & colleagues, 2013).

As stated by Abeysekara (2016), it may be more advantageous to focus on defining the behavioral aspects rather than the psychological aspects. This approach does not disregard the importance of psychological constructs such as involvement, satisfaction, brand love, cognitive, and affective commitment. Instead, it allows these constructs to vary independently with distinct causes and effects and to be connected to customer engagement as either a cause or a result. Pansari and Kumar (2016) conducted a study. By defining customer engagement as behaviors that occur outside of core transactions, we can clearly differentiate this idea from behavioral loyalty, which refers to repeat purchases and other transaction-focused behaviors often researched in marketing.

Customer Commitment

Customer commitment refers to the level of involvement and ongoing loyalty that a customer demonstrates towards a particular product or firm. The customer's inclination and endeavor to sustain a connection with the organization are also present. Commitment in a relationship may be categorized into two main dimensions: emotional commitment and calculative commitment, as identified by Gatafsson et al. (2005). Calculative commitment is a logical and deliberate decision that arises when there are few options or significant expenses associated with changing one's course of action. For instance, a consumer who has a preference for a certain product from Jumia may turn to Alibaba due to a limited number of choices and consistently make purchases from them (Wetzels, et al., 2000). Commitment is the fundamental principle in the relationship marketing framework, representing a long-lasting bond with a service provider. Meyer & Allen (1997) argue that there is no consensus about the meaning of commitment in terms of its attitude and behavior.

This perspective opposes the notion of seeing it as a multidimensional concept, while it is mostly used in the context of business-to-business interactions. The study conducted by Wetzels et al in 2000. Hence, it may be inferred that the unidimensional perspective pertains to a scenario including customers and businesses. Furthermore, Gwinnet and Gremeler (2002) have regarded commitment as a single-dimensional concept. Although there are many perspectives on commitment in the

541

literature, the majority of views endorse three dimensions of commitment, irrespective of the specific issue under investigation (Meyer & Herscovitch, 2001). The Commitment construct has three distinct aspects that correspond to distinct psychological states: emotional commitment, continuation commitment, and normative commitment. Affective commitment pertains to the inclination and readiness to remain affiliated with an organization. Additionally, Fuller (2005) discovered a favorable correlation between it and repurchase intentions.

Continuance commitment is determined by the tangible and intangible expenses associated with remaining in the company. Strategic dedication results in elevated levels of client loyalty and long -lasting partnerships with vendors. Affective commitment is primarily driven by emotional factors and is a consequence of the trust and mutual give-and-take in a relationship. Affective commitment fosters elevated degrees of trust and emotional connections in interactions with sellers. Sashi, (2012). Customer loyalty may be seen as the outcome of emotional dedication to a certain product brand or business, while customer pleasure is the outcome of emotional dedication to a product, brand, or company. If consumers exhibit both loyalty and satisfaction, meaning their commitment to a seller includes both rational and emotional aspects, then the customer and seller engage in a long-term relationship characterized by strong emotional connections.

Customer Advocacy

Customer advocacy may be seen as the pinnacle of a hierarchical structure, with comprehensive quality management and customer happiness being the foundation. Customer advocacy is a word that is undergoing changes in contemporary marketing. Advocates use positive word-of-mouth communication. Hayes (2008) describes the company's development towards becoming customer champions. According to WalzCeluch (2010), advocacy refers to the act of spreading positive word of mouth about a firm, speaking honestly and positively about it, and recommending it to others. Jaffe (2010) advised organizations to prioritize advocates in order to reduce the expenses associated with acquiring new consumers. Positive word of mouth is particularly effective in the service industry, since clients often have uncertainty about the quality of services until they actually make a purchase. According to Walz and Celunch (2010), advocacy refers to the customer's inclination to strongly endorse items, services, or brands, therefore acting as advocates for the provider.

According to Fullerton (2005), when consumers passionately endorse goods, services, or brands, they are acting as advocates for them. Advocacy represents a significant advancement in the developing connection between a company and its consumers. Given the increasing influence of customers and the evolving marketing tactics used by companies, it is essential for researchers to scrutinize research techniques. The philosophy of marketing is distinct. Traditional marketing relies on comprehending customers' demands and then persuading them to purchase the company's goods. In contrast, advocacy marketing focuses on optimizing customers' interests and establishing partnerships with them. Urban, (2004). The concept of altruism posits that advocating is a voluntary behavior in which important knowledge is provided to another party without expecting any sort of reward, either directly or indirectly. It is seen as a moral duty for individuals to give advantages to others.

Volunteer advocacy is not associated with the rewards given by the organization in terms of organizational citizenship behavior. According to the notion of impression management, advocacy involves influencing the behavior of others by expressing a favorable opinion towards a certain item or idea in order to train oneself to be seen more positively and encourage others to adopt the same viewpoint. Advocacy research is crucial as it serves as the preferred approach for businesses to address the emerging reality where customers have significant power over the organization. Prospective clients see information from peers or even unfamiliar individuals as more impartial and trustworthy compared to that provided by a commercial organization (Brown & Peter, 1987). Satisfied consumers have the option to either keep their satisfaction to themselves or engage with others in their social networks to provide good feedback about a product, brand, or business. Customers who are loyal to a particular seller may not spontaneously express praise for the product, brand, or company to others, even though they have a long-standing relationship with the seller. However, they

may provide recommendations when given the chance to do so, based solely on rational reasons without any emotional attachment.

Electronic Marketing and Customer Engagement

In their study, Nadube and Labari (2019) investigated the correlation between the legitimacy of social media and the level of client participation in money deposit institutions. The research design used was explanatory in nature. The Pearson product-moment correlation coefficient was used for data analysis. The research discovered a robust and statistically significant correlation between the legitimacy of social media and the level of client interaction shown by deposit money institutions. Furthermore, the legitimacy of social media is directly linked to the level of customer devotion and consumer advocacy.

Farook and Abeysekara (2016) investigated the impact of social media marketing on consumer engagement. The findings indicate that the medium and content format of a post have a substantial impact on consumer engagement on online platforms. Damian-Okoro, Didia, and Poi (2021) investigated the correlation between cognitive social media involvement and the efficacy of e-marketing for healthcare companies in Nigeria. The study used an explanatory research design. The assumptions were tested using Pearson product moment correlation (PPMC). The research revealed a significant correlation between cognitive social media involvement and the efficiency of e-marketing for healthcare enterprises in Nigeria.

Methodology

The study adopted a cross-sectional descriptive survey research design. This was a descriptive survey on social media marketing and customer engagement among online retailers in Rivers State. This type of design will be used because one or more variables, apart from the independent variable in question, could be the actual cause of the observed variation in the dependent variable as a result of customer engagement employed by the online retailers. The population of a study was the universe of objects, persons, and events of things being studied, from which a sample was drawn (Nwankwo, 2011). The population of this study was the entire element under investigation, and the entire elements that constitute a population must share common features in terms of geography, demography, sociology, and duration (Iyama, 2012).

The population of this study consists of 10 registered online retail firms in Rivers State. The population of the study was small. Thus, the entire population was studied. Specifically, the purposive sampling technique was employed, and the respondents were marketing/sales, customer service, and logistics, for a total of thirty (30) respondents. The questionnaire was structured on a 5-point Likert scale ranging from high extent to low extent. Validity is the degree to which the result obtained from the analysis of the data actually represents the phenomenon under study. Kothari (2004) pointed out that validity measures the accuracy of the instruments used to obtain the anticipated data, which can meet the objectives of the study. In this study, the researcher used Cronbach's alpha reliability test method to measure the internal consistency of the variables. Results were reported as shown in Table 3.1. The Alpha coefficient for the composite scale and the subscales are all above the threshold (for them to be reliable).

Table 1: Reliability Analysis of the Research Instrument

S/N	Variables	Number of Items	Cronbach,s Alpha
1.	Electronic Marketing	3	0.728
2.	Customer Engagement	3	0.728
3.	Customer Commitment	3	0.719
4.	Customer Advocacy	3	0.728

Source: Researcher Field Data (2023).

Ho₁: electronic marketing does not have significant influence on customer commitment of online retailers in Rivers State

H_{1:} electronic marketing has a significant influence on customer commitment of online retailers in Rivers State.

Table 2: Influence of electronic word of mouth on customer commitment (N=30).

Model	R	R Square	Adjusted R Square	Std. Error of the	
estimate					
1	.872	.764	.703	45343	

a. Predictors: (Constant), Electronic marketing

b. Dependent Variable: Customer Commitment

Since for hypothesis one, the significant is .000 which is less than 0.05; there is a significant, influence of electronic marketing on customer commitment with the R (Coefficient of Correlation) that there is 87.4% direct relationship between electronic marketing and customer commitment. R–square value of 764% shows that electronic marketing can influence customer engagement to a high degree. The researcher also used ANOVA to test the hypothesis in this section. The results were presented in table 1.1.

Table 3: One Way ANOVA for electronic marketing and customer commitment (N=30).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	77.074	1	77.074	374.879	.0000
With in Groups	23.849	2920	6		
Total	100.94	30			

a. dependent variable: customer commitment

b. Predictor: Electronic marketing

Table 3 shows that there is difference in mean between electronic marketing F(dfB,dfw) = F(430,1) = 374.879, p<0.05. Significant value is 0.01,r(1,30). This agrees with the regression result in Table 4.0. As can be seen from Table 4.0: electronic marketing has a positive and significant influence on customer commitment. The sign of the regression coefficient is positive indicating that when electronic marketing increases, the customer commitment of the focal companies also increases. This does not agree with the stated hypothesis 1 (There is no significant influence of electronic marketing on customer commitment, therefore, the researcher rejects the hypothesis and accepts the alternative hypothesis that there a significant influence of electronic marketing on customer commitment. The Significant value is 0.01,r(1,30). Therefore the researcher concludes that significant influence of electronic marketing on customer commitment, implying that as the electronic marketing increases, it will lead to customer commitment, the focal company's customers to enhance online retail outlet performance.

Ho₂: electronic marketing does not have significant influence on customer advocacy of online retailers in Rivers State.

H₂: electronic marketing has a significant influence on customer advocacy of online retailers in Rivers State

Table 4: Influence of electronic marketing on customer advocacy (N=30).

I able 4.	Innucace	or electronic	markeing on eas	nomer autocacy (11 50).
Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.810	.656	.653	.50668

- a. Predictors: (Constant), Electronic marketing
- b. Dependent Variable: Customer Advocacy

Since for hypothesis two, the significant is .000 which is less than 0.05; there is a significant, influence of electronic marketing with the R (Coefficient of Correlation) that there is 81% direct relationship between electronic marketing and customer advocacy. R–square value of .65.6% shows that electronic marketing can influence customer advocacy to a high degree. The researcher also used ANOVA to test the hypothesis in this section. The results were presented in Table 4.2.

Table 5: One Way ANOVA for the difference in mean between electronic word of mouth and customer advocacy (N=30).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	55.771	1	55771	281.139	.0000
With in Groups	23.849	29	57		
Total	100.94	30			

a. dependent variable: customer advocacy

b. Predictor: Electronic marketing

Table 5 shows that there is difference in mean between electronic marketing and customer advocacy F(dfB,dfw) =F(30,1) =221.139, p<0.05. Significant value is 0.01,r(1,30). This agrees with the regression result in Table 4.2. As can be seen from Table 4.3: electronic marketing has a positive and significant influence on customer advocacy. The sign of the regression coefficient is positive indicating that electronic marketing and customer advocacy are directly related. This does not agree with the stated hypothesis 2 (There is no significant influence of electronic marketing on customer advocacy, therefore, the researcher rejects the hypothesis and accepts the alternative hypothesis that

there a significant influence of electronic marketing on customer advocacy. The Significant value F (dfB,dfw) = F(30,1) = 221.139, p<0.05. Significant value is 0.01,r(1,30) Therefore the researcher concludes that significant influence of electronic marketing on customer advocacy, implying that as the electronic marketing and customer advocacy are directly related.

Discussion of Findings

This result is consistent with the research by Nadube and Labari (2019), which looked at the relationship between consumer participation in money deposit institutions and social media credibility. The research discovered a robust, affirmative, and statistically significant correlation between the credibility of social media and the level of client interaction shown by deposit money institutions. Furthermore, the legitimacy of social media is directly linked to the level of customer devotion and consumer advocacy. Farook and Abeysekara (2016) conducted a study on the impact of social media marketing on consumer engagement. The findings indicate that the medium and content format of a post have a significant impact on consumer engagement on online platforms.

Conclusion and Recommendations

This study investigated the influence of electronic marketing on customer engagement of online retailers in Rivers State. From the findings the study concludes that e-marketing influences customer engagement of online retailers in Rivers State. Based on the conclusion the study therefore recommended that management of online retailers should, inter alia, initiate and implement effective electronic marketing in order to enhance on customer engagement of online retailers in Rivers State.

References

- Amir, A. (2013). Impact of brand credibility on customer satisfaction in the banking industry in the North-West of Iran. *Life Science Journal*, 10(6), 125-210.
- Anderson, T.W. & Sullivan, M.W. (1994). The antecedents and consequences of customer satisfaction for firms. *Marketing Science*, 12(2), 125-143.
- Benchmarkemail.com, (2014). What Is Email Marketing? (Online). Available: http://www.benchmarkemail.com/resources/email-marketingarticles/what-is-email-marketing. (Accessed: 24- Sept- 2021).
- Cano, R., Carrillat, A., Jaramillo, F.A. (2014), Meta-analysis of the relationship between market orientation and business performance: Evidence from five continents. *International Journal of Research in Marketing*, 2(1), 179-200.
- Chaffey, S.D., Mayer, R., Johnston, K., & Chadwick, F. (2000). *Internet marketing. Financial Times*. PrenticeHall, London.
- Damian-Okoro, I. R., Didia, J.U.D., & Poi, E. L. (2021). Cognitive social media engagement campaigns and e-marketing effectiveness of health care firms in Nigeria. *Nigeria Journal of Business Administration*, 19(2), 168-180
- Dann, S., & Dann, S. (2011). *E-marketing theory and application* (1st ed). United Kingdom: Palgrave Macmillan.
- Dehkordi, G., Rezvani, S., Rahman, M., Fouladivanda, F., &Jouya, S. (2012). A Conceptual Study on E-marketing and Its Operation on Firm's Promotion and Understanding Customer's Response. *International Journal of Business and Management*, 7(19).
- Dilts, J. J., Hauser, W. & Hausknecht, D. (2016). A hybrid multichannel approach to internet marketing: think globally, act locally. *Int. J. of Internet Marketing and Advertising*, 3(2), 34-50.
- El-Gohary, H., Trueman, M., &Fukukawa, K. (2010). Understanding the Factors Affecting the Adoption of E-Marketing by Small Business Enterprises. *E-Marketing*, 909-930.
- Ellis-Chadwick, F., & Doherty, N. F. (2012). Web advertising: The role of e-mail marketing. Journal of Business Research, 65(6), 843-848.
- Egele, A.E., Ikechi, P. O. & Ozo, J.U.(2017), The impact of electronic marketing on retail outlet performance In Nigeria: a survey of online retail outlets in Port Harcourt, Rivers State. *Jour-*

- nal of Business and Management 19 (11), 47-55.
- Etim, G. S., James, E. E., Arikpo, N. N. & Okeowo, V. O. (2021). E-marketing strategies and performance of small and medium-sized enterprises: A new normal agenda. *Journal of Business Management Studies*, 3(2), 162-172.
- Fagerstrom, A., &Ghinea, G. (2010). Web 2.0's marketing impact on low-involvement consumers. Journal of Interactive Advertising, 10(2), 67-71.
- Gustavsson, M., & Johansson, A. M.(2006). *Consumer trust in E---commerce*. Kristianstad University, The Department of business studies.
- Gilmore, A., Gallagher, D. & Henry, S. (2017). E-marketing and SMEs: Operational lessons for the future. *European Business Review*, 19(3), 76-81.
- Harridge-March, S. (2004). Electronic marketing: The new kid on the block. *Marketing Intelligence & Planning*, 22(3), 297-309.
- Hossinpour, M., Hasanzade, M., &Feizi, M. (2014). The impact of e-marketing on life and investment insurance sales with emphasis on internet. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 3(8), 235-245.
- Javadian, D. G., Rezvani, S., Sabbir, R. M., Fouladivanda, F. N. &Faramarzi, J. S. (2012). A conceptual study on e-marketing and its operation on firm'spromotion and understanding customer's response. *International Journal of Business & Management*, 7(19), 114.
- Kim, S., Williams, R. & Lee, Y. (2003). Attitude toward online shopping and retail website quality: A comparison of US and Korean consumers, *Journal of International Consumer Marketing*, 2(1), 20-33.
- Kotler, P. (2003). *Marketing Management*. 11th (ed). Montreal: Prentice Hall.
- Lin, C. & Hong, C. (2008). Using customer knowledge in designing electronic catalog. *Expert Systems with Applications*, 34,119-127.
- Makesh, N. (2013). E-marketing A New Concept. *International Journal of scientific research and management (IJSRM)*. 50-54.
- Miyazaki, A., & Fernandez, A. (2000). Internet privacy and security: An examination of online retailer disclosures.
- Melika, S. S. (2017). Study the role of electronic marketing on business performance with emphasis on the role of market orientation. *International Review of Management and Marketing*, 7(3), 357-365.
- Mohammad, T., Esmaeel, M. A. & Ali, A. M. S. (2013). Impact of electronic marketing on the performance of pistachio-exporting companies in Iran. *Journal of Basic and Applied Scientific Research*, 3(6), 211-217.
- Mohammad, T., Esmaeel, M. A. & Ali, A. M. S. (2013). Impact of electronic marketing on the performance of pistachio-exporting companies in Iran. *Journal of Basic and Applied Scientific Research*, 3(6), 211-217.
- Olgha, A. A., Francis, N. K. & Owino. J. O. (2017). Electronic marketing practices, competitive environment and performance of telecommunications companies in Kenya. *British Journal of Marketing Studies*, 5(5), 60-67.
- Radicati Team, 'The Radicati Group, Inc. Email Market. Retrieved 24th September 2023, from, http://www.radicati.com/?p=12482.
- Raoofi, M. (2012). Moderating role of e-marketing on the consequences of market orientation in Iranian firms. *Management & Marketing-Craiova*, 2, 301-316.
- Salehi, F., Abdollahbeigi, B., Langroudi, A.C. & Salehi, F. (2012). The impact of website information convenience on e-commerce success of companies. *Procedia Social and Behavioral Sciences* 57, 381 387.
- Sally Harridge-March, (2004). Electronic marketing the new kid on the block. *Marketing Intelligence & Planning*, 22 (3), 297-309.
- Seimodei, I. R., Okwandu, G. A. & Nadube, P. M. (2021). Affective social media engagement campaigns and e-marketing effectiveness of health care firms in Nigeria. *Journal of contemporary marketing*, 6(2), 1-13.
- Smith, P. R. and Chaffey, D. (2005). E-marketing excellence: A heart of ebusiness. Elsevier Ltd.

- Oxford, UK.2, 51-53.
- Smith.P. R & Chaffy, D. (2001). E-marketing excellence: At the heart of ebusiness; Butterworth, Heinemann,Oxford,uk.
- Stan Emst (2003). Electronic Marketing AED economics—osu.Accessed at:www.Agecon.ag.ohiostate.edu/programs/e-agbiz.
- Stewart, D. W., &Pavlou, P. A. (2002). From consumer response to active consumer: measuring the effectiveness of interactive media. *Journal of the Academy of Marketing Science*, 30(4), 376–396
- Straus, J. & Raymond, F. (2001). *E-marketing (2nd edition)*. Prentice Hall.
- Taylor, M. (2014). Email Marketing Software & Services Which One's Best?', Venture Harbour. .

 Retrieved 24th September 2023, from http://www.ventureharbour.com/email-marketing-software-tools-onebest/
- Tsiotsou, R. H., &Vlachopoulou, M. (2011). Understanding the effects of market orientation and emarketing on service performance. *Marketing intelligence and planning*, 29(2),144-155.
- Vaughan, R., Chih-Wei, C. Sarah, G., (2016). Permission email marketing and its influence on online shopping. *Asia Pacific Journal of Marketing and Logistics*, 28(2), 308 -322.
- Zirthang, L. B. & Rudra, P. D. (2014). A conceptual model for effective email marketing. *International Conference on Computer and Information Technology*, 2(6), 89-100.
- Zulqurnain, A., Saira, E., Muhammad, U.S., Faisal, A.T. & Muhammad, K. (2015). Understanding e-marketing as a firm's promotional tool: it's impact on consumer perception. *International Journal of Academic Research in Business and Social Sciences*, 5(4), 2222-6990.

Hybrid Working: Synthesizing the Agility of Indigenous Oil and Gas Production Firms in Rivers State

ALIKORNWO Peter Mezenye

Department of Office Technology and Management Captain Elechi Amadi Polytechnic Rumuola, Port Harcourt peter.alikornwo@ust.edu.ng

ECHENDU Sharon Ifeoma

Department of Office and Information Management Faculty of Management Sciences Rivers State University Port Harcourt Talk2sharonn@gmail.com

Abstract

This study investigated the relationship between hybrid working tools and agility indigenous oil and gas producing firms in Rivers State. Using two dimensions of flexible work model and week-by-week model, while flexibility and responsiveness measured Agility; the population of this study comprised of the forty managers from ten indigenous oil and gas producing firms operating in Rivers State. Data gathered with structured closed ended research questions from the targeted respondents were analyzed using the Pearson's Product Moment Correlation Statistical tool and presented with the aid of statistical packages for social science (SPSS) version 23.0. The p-values were calculated to determine the significance of the hypothesized relationship. Analytical outcomes revealed positive and statistically significant relationships between the dimensions of our predictor variable-hybrid working tools and the measures of the criterion variable-agility. Based on the findings, the study concluded that hybrid working tools have a positive significant relationship with agility of indigenous oil and gas producing firms in Rivers State. The study further recommended amongst others that Managers of indigenous oil and gas producing firms should adopt the flexible work model in their operations in order to improve their agility.

Keywords: Hybrid, agility, order, systems, flexibility, responsiveness

Introduction

The term "hybrid" is not new. It has been used differently in many events over the years. In recent years, hybrids have been used to describe all new aspects of the integration of technology into people's lives. In fact, we know the way of life of our village. Culture affects us directly because culture is created by people. When a child is born, he or she is introduced to a way of life and this pattern changes due to many factors such as biological needs, planning and development as the child experiences different life stages: the physiological requirements, socio-ecological arrangements and developmental needs.

They describe many systems and lifestyles that are affected by many interactions and adjustments in the socio-ecological relationship. There is a family life, there is an education life, and there is a social lifestyle as well as a work-lifestyle. Interestingly, each region has a system for managing it. For example, education has an ascending system by nature. It all starts with the basics and goes all the way to the complexities and technical details. In short, children grow in it (Iqbal, Khalid & Barykin, 2021). Important processes control people, organizations, institutions, communities, and nations.

All of these can improve when there is good work-order in place. However, order or system should not be confused with rigidity in this context. Layout and adaptability can go hand in hand, and this research will look into that properly. Think of order as a set of rules that allow different social functions to function as they should. Just as the government is responsible for setting state laws, schools are responsible for developing strategies and strategies to turn children into responsible adults. Just as each department has its own system, the sub-organizations under it also have certain processes on which they work. Essentially, these small buildings are workers' workplaces. In fact, there is no model or process without humans. Organizations cannot function without hands as different offices work on different types of machines. Such procedures can be modified to include where to work, what day of the week, when to work, to whom to report and who is responsible. All the unique dynamics of a work determine what power is important in that place (Iqbal, Khalid, & Barykin, 2021).

Hybrid systems are also called mixed systems. This usually happens in situations where it needs a reasonable balance between the two kinds of requests to avoid conflicts. A hybrid system is an initiative introduced to address the specific needs of an active party within a system or organization. With unique requirements, a hybrid plan must serve as a solution to the challenges of location, distance, space, cost, accessibility, and management. It is no exaggeration to say that hybridization is the result of technological progress. To define what hybrid is, specifically in the workplace, it combines physical work arrangements with remote work systems (Cook, Mor & Santos, 2020).

Basically, some people work directly at the site of a company or organization, while others work through the Internet. The arrangement could be the same group of people who can physically come to the office and work remotely for the rest of the week. Hybrid work systems ensure that organizations adopting them enjoy the specific benefits that work systems provide (Trede, Markauskaite, McEwen & Macfarlane, 2019b). Workplace flexibility, reduced labor costs, increased employee satisfaction and a better environmental experience are essential elements of any package that comes with remote work.

It also adds the benefits of an existing working system. In organizing the works, attention is paid to the practical interactions of existing cultures. As well as the benefits of informal communication, the increased potential for face-to-face collaboration, and the added benefits of structures that encourage creativity. When the benefits of traditional and remote workspace systems coexist, it is called a hybrid (Malhotra & Reay, 2019).

The COVID-19 pandemic has rapidly changed the traditional office work we have grown accustomed to over the past decade. After that initial excitement, many are wondering whether office living as we know it is the best solution, or whether companies are adopting new ways of working that give employees the option to work both in the office and remotely. I wondered if I should consider implementing it. Before the pandemic, offices were considered essential to winning the battle for talent, culture and productivity. Organizations around the world competed fiercely for prime urbancenter real estate, many of which focused on solutions that foster collaboration, such as: Open office concept, co-working, integration, and hotelization. Additionally, there was evidence that senior management was fairly reluctant to allow employees to work remotely.

Executives expressed concerns about employee productivity and performance, technology and labor compliance. The pandemic has removed many technological barriers, leaving denials based on administrative perspectives and institutional conventions (Aguilera, Schwarzhans, & Béarez, 2016; Williamson, Colley & Hanna-Osborne, 2020). The biggest experiment in remote work is underway, but remote team structures are already being tested and organizations are being asked to become more agile. Even after the pandemic is over, daily office visits on weekdays will not resume.

Knowledge workers are accustomed to working remotely, and sharing time between home and office is expected to become the new normal. Employees willing to split their time between working remotely and in the office save three of their most valuable assets: money, time and health. The main drawbacks of remote work are related to organizational structure and strategy, and motivation and control of remote workers (Pérez, Sánchez, & de Luis Carnicer 2002). Felstead and Henseke (2017) further report that remote work can make it difficult for employees to separate work from other areas of their lives when both worlds collide and coexist.

Agility in today's competitive market places new and different demands on businesses. Many industries have many products and services that are very similar, making it difficult for customers to distinguish between them. Business success is no longer just about great products and smart market-

ing. More than ever, businesses need to look not only to their products and services, but also to their people as the primary means of ensuring continued, if not viable, revenue. The driving force on our path to agility is our employees who manage their day-to-day operations and responsibilities very efficiently and effectively. This distinction between actions and consequences is not only of a semantic nature.

Tasks are specific duties/work that employees can perform during their working hours. A result is the outcome of an action related to something produced or achieved. For example, a finished report is the result of various tasks and activities from the planning stage to the creation of the final document. These reports certainly reflect key activity, but they are by no means identical. Challenges faced by hybrid workers in regards to segregated workspaces and adequate ICT resources to avoid disruption are "individual situational instability" such as childcare, elderly care, family well-being and safety concerns made worse by "stability". Individuals have a sense of belonging, exacerbated by emergencies (Donelly & Proctor-Thompson, 2015).

Moreover, the very real situation of "professional and personal isolation" can reduce the visibility of workers looking to build their careers through promotion and professional development (Donelly & Proctor-Thompson, 2015, p. 49). Oil and gas workers are not exempted from these challenges either, as they demand initiative, dedication and time management. Some of these workers tend to work fewer hours due to distraction, while others tend to work overtime, which has a significant impact on their work-life balance.

Review of Related Literature Hybrid-working

All major companies have shifted to more remote working policies as the pandemic makes office work culture more important. Remote work offers many benefits for businesses, including employee retention, increased productivity, increased job satisfaction, and other competitive advantages. Bentley, et al. (2013) explored employee and manager perceptions of remote work and health; surveyed more than 1,800 of her employees and nearly 100 of her team and HR leaders in 50 organizations. Employees were interviewed about their experience with telework, and managers were interviewed about the benefits of telework, ideas, policies, and processes such as telework, remote work, and health support. The manager believes that mixing her workers remotely (one to three days a week) represents a balance between flexibility and her workers' need to connect with the organization and interact with colleagues in the office. The study found evidence that remote work benefits organizations and individual workers. Additionally, studies show that hybrid telework models improve job satisfaction and productivity, with hybrid workers performing better than telecommuters.

Results from both online surveys and interviews with executives corroborate these findings, with executives showing interest in remote workers. The average worker saves money by not commuting two to three days a week by reducing costs for transportation, parking, work clothes, dry cleaning, catering, and more. Many operators can cut costs by switching to lower-cost vehicles or abandoning them completely (Bentley et al., 2013). Employees using a hybrid remote working model value their experience, with nearly 75% saying remote work has a positive impact on job satisfaction.

A hybrid workplace requires communication, trust, connection, collaboration, and the recognition that we are all individuals with unique personalities and needs. Organizations can set aside some realistic options and focus on what's good for people, business and the environment. Additionally, insurance regulations, tax laws, and labor laws must be considered when promoting a hybrid workplace. Another issue that needs to be addressed before implementing a remote office model is how many hours employees will need to work remotely compared to working in the office (Baker, 2021).

In June 2020, Chennai-headquartered global SaaS Company Kissflow announced a new work mod-

el for its employees called REMOTE+. According to the team, REMOTE+ is defined as a new hybrid working model that allows employees to enjoy the benefits of working remotely and in the office. Kissflow believes its integrated business model not only saves time and money, but also increases loyalty, expands talent pool and reduces employee turnover (Kissflow, 2020). Another company rethinking the workplace model is Spotify, which in February 2021 announced a new project called Work Anywhere as Spotify's future of work. In line with the company's philosophy that "work is not where you go, but what you do", the company said that starting summer 2021, it will give her 6,550 employees around the world the most convenient location that gives them the freedom to work. This decision is supported by the belief that some people work better at home, while others work better at the office. Most people are productive and happy when choosing their job. Additionally, the publishing giant believes in partnering with the best talent to make the company a better place to live, regardless of the country or city they are based in (Lundstrom & Westerdahl, 2021).

Flexible work model

Working hours vary between and within countries, for example due to the prevalence of part-time versus regular working hours or contracts (Bick, Bruggemann, & Fuchs-Schundeln, 2016; OECD, 2016). To understand how working hours affect employee productivity, it is important to understand the demand for work and how it affects time management, work and organizational governance. However, many people are still unaware of the impact of working hours on their job performance. Theoretically, there could be two opposing effects. On the other hand, when workers bear set-up costs and have to adjust for unproductive hours during the day, or when long hours are justified to make more effective use of the product, longer working hours may increase productivity (Feldstein, 1967). On the one hand, an employee may feel fatigued after working several hours, and additionally he has less impact on the employee when he works for one hour (Pencavel, 2015). The planning of simple works is an important task in the 21st century. However, until recently, these practices were not considered beneficial to workers and employers (Clutterbuck, 2003).

Studies demonstrating the benefits of flexible working hours confirm that these practices positively, albeit indirectly, contribute to organizational outcomes (Morgan, 2009). Organizations and employees recognize the benefits of these practices in improving employee satisfaction, improving employee benefits, reducing absenteeism, employee engagement, and improving civic leadership (White, Hill, McGovern, Mills & Smeaton, 2003). Flexible working hours are practices that allow people to choose and control their working hours (Maxwell, Rankin, Bell & MacVicar, 2006).

On the other hand, Gardiner and Tomlinson (2009) found that working hours are designed to give workers control over their work and to decide when and where they work and how the work is completed (Lambert, Mahler, Goutal, 2008). Flexible working is seen by companies as a strategy to attract and retain high-performing employees (Cole 2006). Given the unique contribution of motivated and loyal employees, this is key to gaining competitive advantage (Nadeem & Henry 2003).

Week-By-Week Model

Since 2019, as the global pandemic has grown, it has become clear that working from home is necessary for business continuity (Fontinha, 2021). Rapid changes in work culture have led various organizations around the world to consider ways to improve the work-life balance and productivity of their employees without saving money. That is why the idea of shortening working hours and having workers work eight hours a week instead of five days have become a hot topic in many developing countries around the world. The growing debate over whether it's an eight-hour workweek or a weekly working model has attracted the attention of researchers around the world as evidence of improved productivity, health and working life. Similarly, Singapore has shifted its focus to work-life balance since her 2004 National Day conference (Meah, 2021).

Current organizational understanding is that reducing the number of days employees spend in the

office means fewer hours worked, resulting in lower productivity and reduced corporate profits (The Economist, 2021). However, Grosse (2018) turned out these facts to be wrong. Implementing a weekly work schedule saves time and is beneficial to both the company and the employee. Time and money increase employee self-esteem, job satisfaction, and productivity while reducing workplace fatigue and burnout. By implementing a weekly working model, companies and employees can save resources.

This is because one less working day means he does not have to work on the fifth day of bills, including electricity and water (Grosse, 2018). This strategy can save businesses a lot of money, especially when they are facing financial difficulties during an emergency like COVID-19. The worker also benefits from working four days a week because the time he spends commuting is reduced by 20% when she shows up four times a week instead of five (Spencer, 2021). Shipping costs are also reduced. Overall, companies and employees alike save resources by using the weekly work model, i.e., a 4-day work week instead of a 5-day work week (Spencer, 2021). It should also be considered that a working week or 8-hour work week reduces worker fatigue and burnout due to overwork (Meah, 2021). This will improve your focus and productivity. Today's employees tend to be overworked at work, with reduced needs and hindered performance (Meah, 2021). As work becomes more demanding and stressful, employees can become fatigued and lead to burnout. Encouraging a four-day work week benefits employees by giving them more time to rest, being more energetic at work, improving their goals and productivity, and improving performance.

Organizational Agility (OA)

Agility is a new concept in modern management thinking. One author defines the agile process in terms of the capability required to achieve leanness in an organization (Sherehiy, 2008). Agility refers to the ability to respond to unforeseen changes with fast and effective responses (Erande & Verma, 2008). Agility is an organization's ability to respond quickly and efficiently to environmental changes (Janssen, 2010). Agility is the ability to act quickly and easily, think quickly and be creative. Agility is based on agile manufacturing, which is the concept behind it. OA refers to an organization's ability to respond quickly and efficiently to unexpected opportunities and provide effective solutions to those needs (Nelson & Harvey, 1995).

OA is concerned with the ability to survive and thrive in an unexpected and changing competitive environment by rapidly responding to market changes and meeting customer expectations (for example, goods or services) (Günasekaran, 1999). OA offers services or products that meet customer needs by pooling resources and recreating best practices in the information environment. Create competitive advantages such as intelligence, speed, adaptability, innovation and quality as a result of rapid change in the environment (Yusuf et al., 1999).

OA is an organization's ability to function flexibly by operating effectively and efficiently in a rapidly changing, continuous and fragmented global business environment (Tsourveloudis & Valavanis, 2002). OA enables organizations to perform specific tasks as well as manage opportunities and risks in the business world (Ardichvile et al., 2003). OA enables organizations to respond faster to business needs and deliver products and services faster than organizations without OAs. OA has three dimensions: speed of assessment, speed of decision and action, and implementation (Sambamurthy et al., 2003).

Theoretical Background: Organizational Adaptation Theory

Another theory regarding remote work and possible exposure to the COVID-19 pandemic is organizational reform theory. Organizational adaptation theory is based on the need for organizations to adapt to their environment in order to survive. Ideally, organizations can adapt or change before the

need for change arises (Boin, Kofman, Kuilman, Kuipers, & van Witteloostuijn, 2015). This thinking can be associated with long-distance and millennial work. According to Deloitte's 2016 Millennial Research, this generation is seeking a better work-life balance that includes flexibility and remote working hours (Jenkins, 2018). Organizations need to adapt to this demand in the workforce and provide more flexibility and remote work options for many employees to start their careers. With the onset of the COVID-19 pandemic, organizational reform is also necessary. Organizations are forced to adapt to the need for employees to work while following health and safety guidelines. Failure to do so will cause the organization to fail.

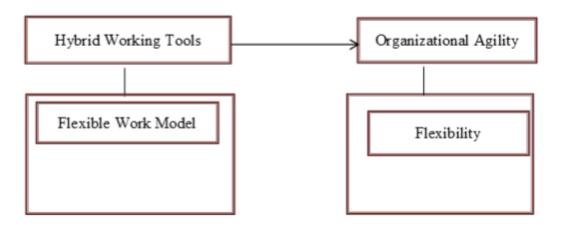


Fig. 1: Framework Hybrid working tools and organizational agility

Methodology

This study is a descriptive study as such adopted a cross-sectional survey design suitable for this study. The study population comprised of the ten (10) indigenous oil and gas producing firms operating in Rivers State as enlisted in the Nigerian Directory and Search Engine (2023). This study adopted the census technique considering the number of respondents who are basically opinion leaders or principal officers of the organization studied. Four respondents were surveyed from each of the 10 indigenous oil and gas producing firms giving a total of 40 respondents. Thus, 40 copies of the structured close ended 4point lykert scale questionnaire were administered on the categories of employees that formed the respondents mainly Senior and Intermediate Managerial Cadres.

The reliability test of the structured questionnaires was ascertained through Test-re-test in which a pilot administration of the questionnaire was made on a portion of the chosen sample and administered after two months and relationship between the two results determined by correlation coefficient, through SPSS version 20. Our reliability test was also anchored on the Cronbach Alpha at 0.7. At the primary level of our analysis, this study adopted the use univariate descriptive statistical tool such as mean, standard deviation, frequency tables, simple percentages, bar charts and histograms to present the data that was generated while for bivariate inferential statistics, the Pearson's Product Moment Correlation was employed at the secondary level of analysis, to test the hypothesized statements. All the statistical analyses were performed using the Statistical Package for Social Sciences (SPSS) version 23.0.; because this version has the ability to transform scaled data into discrete or continued data and vice versa..

Table 1 Showing Strength and Direction of Relationship between Variables

Table 1 Showing Strength and Direction of Relationship between Variables

I more I onowing our engin and Dire	Table I blowing by engin and Direction of Remitonship between variables		
Range of values	Degree of relationship		
$\pm 0.00 - \pm 0.19$	Very weak		
$\pm 0.20 - \pm 0.39$	Weak		
$\pm 0.40 - \pm 0.59$	Moderate		
$\pm 0.60 - \pm 0.79$	Strong		
$\pm 0.80 - \pm 1.00$	Very strong		

ResultTable 2: Relationship between Flexible work model and Flexibility

		Flexible work model	Flexibility
Flexible work	Pearson Correlation	t t	.936**
		1	
model	Sig. (2-tail ed)		.000
	N	40	40
Flexibility	Pearson Correlation	.936**	1
	Sig. (2-tailed)	.000	
	N	40	40

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

From the SPSS output on Table 2, it can be observed that there is a correlation coefficient of 0.936** between Flexible work model and flexibility, indicating a very strong and positive relationship between Flexible work model and flexibility. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong, significant relationship between Flexible work model and flexibility. This further implies that most of the flexibility experienced among indigenous oil and gas producing firms in Rivers State is caused by their Flexible work model while others are caused by externalities. Based on this, we reject the null hypothesis that there is no significant relationship between Flexible work model and flexibility of indigenous oil and gas producing firms in Rivers State and incline to the alternate hypothesis that there is a very strong, significant relationship between Flexible work model and flexibility of indigenous oil and gas producing firms in Rivers State.

Table 3 Relationship between Flexible work model and Responsiveness

	Flexible work	
	model	Responsiveness
Pearson Correlation	1	.895**
Sig. (2-tailed)		.000
N	40	40
Pearson Correlation	.895**	1
Sig. (2-tailed)	.000	
N	40	40
	Sig. (2-tailed) N Pearson Correlation	Pearson Correlation 1 Sig. (2-tail ed) 40 N 40 Pearson Correlation 895** Sig. (2-tail ed) .000

From the SPSS output on Table 3, it can be observed that there is a correlation coefficient of 0.895** between Flexible work model and responsiveness, indicating a very strong and positive relationship between Flexible work model and responsiveness. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between Flexible work model and responsiveness. This further implies that most of the operations in responsiveness among indigenous oil and gas producing firms in Rivers State are caused by their Flexible work model while others are caused by externalities. Based on this, we reject the null hypothesis that there is no significant relationship between Flexible work model and responsiveness of indigenous oil and gas producing firms in Rivers State and incline to the alternate hypothesis that there is a very strong, significant relationship between Flexible work model and responsiveness of indigenous oil and gas producing firms in Rivers State.

Table 4 Relationship between Week-by-week model and Flexibility

		Week-by-week	
		model	Flexibility
Week-by-week model	Pearson Correlation	1	.652**
	Sig. (2-tailed)		.000
	N	40	40
lexibility	Pearson Correlation	.652**	1
naka desamba	Sig. (2-tailed)	.000	
	N	40	40

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

From the SPSS output on Table 4, it can be observed that there is a correlation coefficient of 0.652** between week-by-week model and flexibility, indicating a strong and positive relationship between week-by-week model and flexibility. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a strong, significant relationship between week-by-week model and flexibility. This further implies that most of the flexibility achieved among indigenous oil and gas producing firms in Rivers State is caused by their week-by-week model while others are caused by externalities. Based on this, we reject the null hypothesis that there is no significant influence of week-by-week model on flexibility in indigenous oil and gas producing firms in Rivers State and incline to the alternate hypothesis that there is a strong significant influence of week-by-week model on flexibility in indigenous oil and gas producing firms in Rivers State.

Table 5 Relationship between Week-by-week model and Responsiveness

	Week-by-	
	week model	Responsiveness
Pearson Correlation	1	.874**
Sig. (2-tailed)		.000
N	40	40
Pearson Correlation	.874**	1
Sig. (2-tailed)	.000	
N	40	40
	Sig. (2-tailed) N Pearson Correlation	Week model

From the SPSS output on Table 5, it can be observed that there is a correlation coefficient of

0.874** between week-by-week model and flexibility, indicating a very strong and positive relationship between week-by-week model and responsiveness. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between week-by-week model and responsiveness. This further implies that most of operations of responsiveness in indigenous oil and gas producing firms in Rivers State are caused by their week-by-week model while others are caused by externalities. Based on this, we reject the null hypothesis that there is no significant influence of week-by-week model on responsiveness in indigenous oil and gas producing firms in Rivers State and incline to the alternate hypothesis that there is a very strong, significant influence of week-by-week model on responsiveness in indigenous oil and gas producing firms in Rivers State.

Discussion of Findings

The analysis of the study revealed a correlation coefficient of 0.936** between flexible work model and flexibility, indicating a very strong and positive relationship between flexible work model and flexibility. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between flexible work model and flexibility. The analysis results also revealed a correlation coefficient of 0.893** between flexible work model and responsiveness, indicating a very strong and positive relationship between flexible work model and responsiveness. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between flexible work model and responsiveness.

The analysis of the study revealed a correlation coefficient of 0.652** between week-by-week model and flexibility, indicating a strong and positive relationship between week-by-week model and flexibility. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a strong significant relationship between week-by-week model and flexibility. The analysis results also revealed a correlation coefficient of 0.874** between week-by-week model and responsiveness, indicating a very strong and positive relationship between week-by-week model and responsiveness. More so, the probability value (0.000) is less than the critical value (0.05), this shows that there is a very strong significant relationship between week-by-week model and responsiveness.

Conclusion and Recommendations

In tandem with the findings of this study and to the extent of its consistency with results of similar previous studies, we conclude that hybrid working tools have a positive significant relationship with agility of indigenous oil and gas producing firms in Rivers State. Based on the findings of the study and to the extent of its consistency with the result of similar studies we make the following recommendations.

Managers of indigenous oil and gas producing firms should adopt the flexible work model in their operations in order to improve their agility.

Managers of indigenous oil and gas producing firms should build a strong policy that supports the week-by-week model as it is seen to correlate with their agility.

References

Aguilera, O. A., Schwarzhans, W. & Béarez, P. (2016). Otoliths of the Sciaendie from the Neogene

- of Tropical America. Palaeo Ichthyologica 14, 7-90.
- Baker, D. (2021). The future of work is hybrid: Could covid be the catalyst for organizations to implement a hybrid workplace model? *Master's Thesis submitted to Real Estate and Construction Management*, KTH Royal Institute Technology, Sweden
- Bentley, T., McLeod, L., Bosua, R., Gloet, M., Teo, S., Tedestedt, R., Rasmussen, E. & Tan, F. (2013). The Trans-Tasman Telework Survey *A Future of Work Programme Research Project Report*, 2-35.
- Bick, A., Bruggemann, B. & Fuchs-Schundeln, N. (2016). Hours worked in Europe and the US: New data, new answers," *IZA Discussion Papers 10179*, Institute for the Study of Labor (IZA).
- Boin, A., Kofman, C., Kuilman, J., Kuipers, S., & van Witteloostuijn, A. (2015). Does organizational adaptation really matter? How mission change affects the survival of U.S. federal independent agencies, 1933–2011. *Governance (Oxford)*, 30(4), 663–686.
- Clutterbuck, D. (2003). Managing Work-life Balance: A guide for HR in achieving organisational and individual change. London: UK Chartered Institute of Personnel and Development
- Cole, G. (2006). Flexibility and the workplace: The battle to control working time. *Managerial Law*, 48(6), 536-540.
- Cook, J., Mor, Y., & Santos, P. (2020). Three cases of hybridity in learning spaces: Towards a design for a Zone of Possibility. *British Journal of Educational Technology*, 51(4), 1155–1167.
- Donelly, N., & Proctor-Thompson, S. B. (2015). Disrupted work: Home-based teleworking (HbTW) in the aftermath of a natural disaster. *New Technology, Work and Employment 30* (1), 47-61.
- Felstead, A. & Henseke, G. (2017). Assessing the growth of remote working and its consequences for effort, well-being and work-life balance. *New technology, work, and employment, 32* (3), 195–212.
- Feldstein, M. S. (1967). Specification of the labour input in the aggregate production function, *Review of Economic Studies*, 34, 375-386
- Fontinha, R. (2021). Commentary: Four-day weeks and how workplaces can successfully establish these. CNA.
- Gardiner, J. & Tomlinson, J. (2009). Organisational approaches to flexible working: Perspectives of equality and diversity managers in the UK. *Equal Opportunities International*, 28(8), 671-686
- Grosse, R. E. (2018). The four day work week. Routledge.
- Iqbal, K. M. J., Khalid, F. & Barykin, S. Y. (2021). *Hybrid workplace: the future of work*. IGI Global
- Jenkins, S. (2018). Prominence and engagement: Different mechanisms regulating continuance and contribution in online communities. *Journal of Management Information Systems*, 37(1), 162–190.
- Kissflow. (2020). Kissflow launches REMOTE+ an industry-first work model for the After-COVID era. Available at www.kissflow.com/news/kissflow-launches-remoteplus/
- Lundström, A. & Westerdahl, A. (2021), *Introducing working from anywhere*. Stockholm: Spotify. Malhotra, N., & Reay, T. (2019). Hybridity and power in the microfoundations of professional work. In *Microfoundations of institutions*. Emerald Publishing Limited.
- Maxwell, G., Rankine, L., Bell, S., & MacVicar, A. (2007). The incidence and impact of flexible working arrangements in smaller businesses. *Employee Relations*, 29, 138-161.
- Meah, N. (2021, July 28). Four-day work week would help workers live fuller lives: WP MP louis chua. TODAY online.
- Nadeem, S., & Henry, C. (2003). Power dynamics in the long-term development of employee-friendly flexible working. *Women in Management Review*, 18(1/2), 32-49.
- OECD. OECD Employment Outlook 2016, OECD Publishing, 2016.
- Pencavel, J. (2015). The productivity of working hours, *Economic Journal*, 125, 2052-2076
- Pérez, M. P., Sánchez, A. M. & de Luis Carnicer, M. P. (2002). Benefits and barriers of telework:

- perception differences of human resources managers according to company's operations strategy. *Technovation*, 22(12), 775–783.
- Spencer, D. (2021, July 8). Commentary: The four-day work week is necessary. Here's how to make it happen. CNA.
- The Economist, (2021, July 8). *Could a four-day working week become the norm?* The Economist. Trede, F., Markauskaite, L., McEwen, C., & Macfarlane, S. (2019b). Workplace Learning as a Hybrid Space. In *Education for Practice in a Hybrid Space*, 19–31. Springer.
- Williamson, S., Colley, L. & Hanna-Osborne, S. (2020). Will working from home become the 'new normal' in the public sector? *Australian Journal of Public Administration*, 79(4)

559

Digital Marketing Strategies and Business Performance of Telecommunication Firms in Rivers State

Renner, Blessing Awaji-ima

Ignatius Ajuru University of Education Port Harcourt, Rivers State Nigeria. blessboyrenner@gmail.com

Ifekanandu, Chukwudi Christian

University of Nigeria Business School Enugu Campus, Enugu Nigeria chukwudiifekanandu12@gmail.com

Abstract

The study examined the relationship between digital marketing strategies and business performance of telecommunication firms in Rivers State. The study adopted quantitative research design using a correlational method of investigation. The population of this study comprised of all the four (4) functional telecommunication firms in Rivers State obtained from NCC publication. The entire population was studied with a focus on the managerial cadre. A total of twenty eight (28) managers in the frame of 7 mangers per firm constituted the study subjects. The questionnaire was structured using the modified four (4) points Likert rating scale which range from Strongly Agree, Agree, Disagree and Strongly Disagree. The reliability of the research instrument was tested using the Cronbach Apha method which stood at 0.77. The Spearman Rank Order Correlation Coefficient (rho) was adopted to test the various hypotheses formulated. The results of the analysis revealed that social network and content marketing showed a strong and significant relationship with customer patronage of telecommunication firms in Rivers State. The study concluded that business performance of Telecommunication Firms in Rivers State is largely dependent on digital marketing strategies for survival. The study recommends that telecommunication firms especially those that are experiencing low level of business performance should practice content marketing as this will improve their business performance and telecommunication firms especially those that are experiencing low level of business performance should practice content marketing as this will improve their business performance and telecommunication firms especially those that are experiencing low level of business performance should practice content marketing as this will improve their business performance and telecommunication firms especially those that are experiencing low level of business performance of customers.

Keywords: Business performance, digital marketing strategies, content marketing, social network,

Introduction

The telecommunication sector is plagued with high level of competition. It takes firms with good marketing strategies to survive and increase its performance within the sector. Kotni (2016) stated that increasing business performance requires firms to review their marketing practices and improving on it. This implies that telecommunication firms must review their marketing practices by switching from traditional marketing practices to a modernized way of marketing otherwise known as digital marketing.

Digital marketing is a modernized form of marketing whereby companies use digital technology to advertise their products and services and interact with customers. It involves providing marketing services through cell phones, e-mail, social media or any other digital medium in order to promote a brand (Khan & Islam, 2017). Examples of digital marketing include: content marketing, search engine marketing, social media marketing, e-mail marketing, affiliate marketing, influencer marketing, mobile marketing, audio marketing, video marketing and display advertising (Baker & Sinkula, 2005; Khan & Islam, 2017). Digital marketing provides companies with an open world of opportunities. The interactivity of digital channels facilitates ongoing dialogue between a company and its customers (Merisawo, 2008). With digital marketing, a firm can regularly keep in touch with their valued customers and increase the level of business performance. Business performance is "the achievement of results that are aligned with the company's strategic and operational objectives" (Neely et. al., 2005).

It is important for telecom firms to practice digital marketing. Through digital channels, these firms can easily interact with their customers regularly and understand their changing needs and preference. Telecom firms can also display their products in any of the digital platforms and explain the

______Proceedings of the 4th Annual International Academic Conference

benefits of using their products to their customers (Ngugi, 2013). The practice of digital marketing would enable firms to reach out to millions of customers at a lower cost. This form of marketing is good for telecom firms because it has the ability of attracting more customers to the firms.

According to Ngugi (2013) the use of digital channels such as internet, mobile phone, e-mail and social media would enable telecom firms reach out to millions of people around the world and this would increase their business performance. Ngugi (2013) argued that digital marketing enables firms to maintain constant interaction with customers which will help to increase the level of customer patronage. According to him, when a company frequently communicate with its customers by providing additional information about their brand or service (i.e. in form of innovations and repurchase reminders), it will encourage customers to continuously patronize its products and remain loyal to the company' offerings. It is against this background that this study examines the relationship between digital marketing strategies and business performance of telecommunication firms in Rivers State.

Statement of the Problem

The telecom sector in Nigeria is highly competitive, with multiple players vying for market share. This intense competition result in price wars, reduced profit margins, and the need for continuous investment in expanding network coverage and improving service quality to stay competitive. Again, the state of the Nigerian economy has further impacted negatively on telecom firms. Fluctuations in exchange rates, inflation, and economic downturns have affected the purchasing power of consumers, leading to reduced spending on telecom services. This has resulted in lower revenues and poor marketing performance for companies operating in the sector.

Inconsistent and unreliable power supply is a persistent challenge in Nigeria. Telecom firms heavily rely on electricity to power their network infrastructure, base stations, and data centers. The lack of stable power supply necessitates the deployment of alternative power sources, such as generators and solar panels, increasing operational costs and impacting the overall reliability of services. This has resulted to services fluctuations leaving smaller telecoms firms vulnerable to poor sales and low business performance.

Ngugi (2013) the use of digital channels such as internet, mobile phone, e-mail and social media would enable telecom firms reach out to millions of people around the world and this would increase their business performance. In line with this, it is sacrosanct for telecom operators to adopt digital marketing strategies that will attract customers. It is on this premise that this study examines the relationship between digital marketing strategies and business performance of telecommunication firms in Rivers State.

Aim and Objectives of the Study

The aim of this study is to examine the relationship between digital marketing strategies and business performance of telecommunication firms in Rivers State. In order to achieve this aim, the following specific objectives are stated as to:

determine the relationship between social network and customer patronage of telecommunication firms in Rivers State.

examine the relationship between content marketing and customer patronage of telecommunication firms in Rivers State.

Research Questions

In order to address the objectives of the study, the following research questions were raised: How does social network relate with customer patronage of telecommunication firms in Rivers State? How does content marketing relate with customer patronage of telecommunication firms in Rivers State?

Research Hypotheses

In line with the objectives and research questions, the following hypotheses were formulated:

Ho₁ There is no significant relationship between social network and customer patronage of telecommunication firms in Rivers State.

Ho₂ There is no significant relationship between content marketing and customer patronage of telecommunication firms in Rivers State.

Review of Related Literature

Conceptual Framework/ Theoretical Review

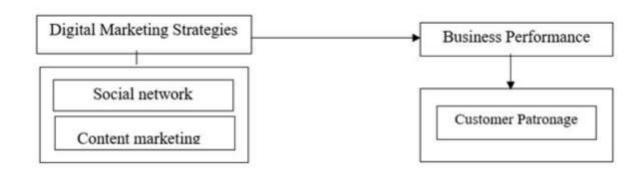


Fig. 1: Conceptual framework of relationship between digital marketing strategies and business performance.

Source: Khan & Islam (2017); Oni et al., (2014).

Theoretical Review: Technological Acceptance Model

The technological acceptance model (TAM) was developed by Fred Davis in 1986 with the aim of predicting the acceptability of an information system, which shows how consumers accept and use information technology (Ekwueme & Akagwu, 2017). This theory is an advancement of technological determinism theory. This model hypothesizes that the acceptability of an information system or a new technology largely rely on the Perceived Usefulness (PU) and Perceived Ease of Use (PEOU) of the technology introduced from the user's perspective and not the business perspective. This model assumed that the adoption and usage of any new technology is a function of the behavioral intention of its users, but looking at it from the other perspective, the behavioral intention of the users is influenced by the individual's attitude towards the use of the technology and also by the opinion of the utility such technology will create (Schiffman, et., al., 2008).

There are other factors the consumers will put into consideration before accepting or rejecting e-marketing (Chung & Paynter, 2002). Those factors include; inability to access the internet due to non-usage of phones that have the facilities and poor internet connection, trust issues, delivery time of the ordered products and payment channels problems. This model is of high importance to this study because it gives explanation on why the internet, being a recent development in technology of communication, is adopted and used by consumers in their purchasing activities and also for engaging in various marketing communications activities (Ekwueme & Akagwu, 2017). The major factors responsible for the usage of e-marketing by consumers are the points mentioned above, which are the perceived usefulness and ease of use it offers. Nevertheless, trust plays a major factor in its adoption and usefulness by consumers.

Concept of Digital Marketing Strategies

Digital marketing is the marketing practice which involves the use of internet and information technology to communicate, expand and change the way in which companies relate with their customers (Ngugi, 2013). Khan and Islam (2017) defined digital marketing as the advertising of products and services using computerized technologies to get hold of the target customers. It involves providing marketing services through cell phones, display advertising as well as any other digital medium in order to promote brand (Khan & Islam, 2017). Baker and Sinkula (2005) stated that digital marketing involves both online and offline marketing activities. The online digital marketing includes the use of mobile phone (which is connected to the internet), e-mail, social media platforms, and other forms of digital communication technologies; while offline digital platforms includes telephone (which is not connected to the internet), television, radio and other communication technologies (Adede et., al., 2017).

Social Networks and customer patronage

The advancement in technology makes it possible to connect with people from different parts of the world. Social networks involve connection and interaction between peoples using e-mail, SMS, telephone calls, usage of social media platforms etc. Social network helps commercial banks to effectively and efficiently use its resources to attain set goals (Salami & Ogbeta, 2015). The rapidly evolving social networks create new ways for online marketing. With the usage of technological innovations, it is easy to measure the flow of information, and other items that can inform management decisions and also help in strategy formulation and implementation (Wordstream, 2017).

Mustafa (2011) posited that social media marketing enables customers to give feedback through company's social media platform. He further stated that the presence of company and customer on social media platforms such as facebook, twitter, instagram, Linkedin and YouTube facilitate social media marketing as both parties can be able to use these platforms to communicate and interact regularly. Oni et al., (2014) assessed the influence of social media-based marketing on shop turnover in Polokwane, South Africa, and found that the majority of retailers in Polokwane employed social media. Social media had a positive impact on reaching a large number of people, selling and marketing their items.

Content marketing and customer patronage

Content marketing is a form of marketing which focused on creating, publishing and distributing content for a targeted audience online (Green, 2015). Pearson (2017) defined content marketing as a marketing effort which aimed at producing relevant and valuable content and communicating the message to the targeted audience with a view of attracting new customers and retaining exiting ones. Geogiou (2008) stated that content marketing is a marketing approach which companies use to create and distribute content that is valuable and relevant with a clear added value to make the target audience stop, think and plan to patronize the company or brand in the future. Nnaji (2018) stated that content marketing is the most important aspect of content market because it tends to provide information about their content to a large audience and attract new customers to the firm.

Kuenn (2016) added that content marketing helps to create brand awareness and increase the level of customer patronage. Once a company is able to publish its valuable content and capture the interest of its target audience, it would boost customer patronage and sales. Tilton (2012) stated that content marketing is so important in the sense that it helps to create brand awareness and loyalty. According to him, when the target audience is informed about a relevant and valuable content, they will patronize the content and remain loyal to it if it helps to solve their problem.

Empirical Review

Kagendo (2015) empirically examined the influence of electronic marketing on customer retention at Safaricom limited. His study adopted the case study research design and used questionnaire and

interview schedule for data collection. The data collected for the study were analyzed using inductive content analysis. The findings revealed that e-marketing significant enhance customer retention in Safaricom Limited. The study also reported that the e-marketing dimensions that enhance customer retention include social media marketing, digital marketing, e-mail marketing, and offline communication activities such as digital screens and motion pictures.

Madni (2014) examined consumer's behaviour and effectiveness of social media in Pakistan. The aim of the study was to determine the effects of social networks on the purchasing behaviour of consumers in Pakistan. Using a sample of 1,000 young consumers between the age group of 18-50 years using social media platforms, Madni found out that 76% of consumers in Pakistan between the age group of 18-50 years usually access information they need about goods and services on popular social media platforms like Facebook and Twitter before making their purchasing decision. The study however concluded that social media has a significant impact on consumption behavior in Pakistan.

Tiago (2015) empirically investigated the revisiting impact of integrated internet marketing on firms' customer retention. The researcher adopted the quantitative research approach and the descriptive survey research design where questionnaire was used to collect data from 250 customers of 15 European firms. The data collected were analyzed using factor and regression analysis. The study reported that most customers enjoyed accessing services through their electronic devices such as their mobile phones. The study also reported that through electronic marketing, customers are updated with the current happenings and innovations on products and services which lead to their loyalty and retention.

Nizar and Janathanan (2018) conducted a study on the impact of digital marketing on consumer purchase behavior with special interest in Dialog Axiata with specific reference to social media marketing. The research adopted survey design, and the instrument for data collection was questionnaires (google forms) which were distributed and retrieved from the public about the impact of social media marketing on consumer purchase behavior. The population size was 184. Also, an interview was conducted for further evaluating findings. Moreover, the data for this research was analyzed through IBM SPSS statistics software. The results of this study reveal that 10.9 % of the respondents have mentioned that Dialog does not charge affordable prices for their service that is provided for the customers, 9.3 % of the respondents say that Dialog does not provide a standard quality of services, 9.8 % of the respondent's states that there is no impact of consumer purchase behavior on online purchase. The study therefore concludes that digital marketing has a significant impact on consumer purchase behavior.

Sudhamathi and Soniya (2017) conducted research on the factors that influence online marketing in buying behavior of FMCG. Data was collected through an interview where the researcher brings some structured questions to be answered. The sample size was 100 consumers in Karaikudi Town. It was revealed from the analysis that consumers preferences are largely affected by some factors and these include; the price of products, availability of the product, the brand image, promotional offer and activities, and quality of the product.

Methodology

The study adopted quantitative research design using a correlational method of investigation. The population of this study comprised of all the four (4) functional telecommunication firms in Rivers State obtained from NCC publication. The telecom firms include: MTN, GLO, AIRTEL, EMTS. The study adopted census technique and studied the entire population with a focus on the managerial cadre. The managers include business development managers, operation mangers, sales managers, HRM managers, branch managers, ICT managers and service managers of the functional telecommunication firms in Rivers State. A total of twenty eight (28) managers in the frame of 7 managers per firm constituted the study subjects. The questionnaire was structured using the modified

four (4) points Likert rating scale which range from Strongly Agree, Agree, Disagree and Strongly Disagree. The response scales were assigned with numerical values such as Strongly Agree (4), Agree (3), Disagree (2), and Strongly Disagree (1). The reliability of the research instrument was tested using the Cronbach Apha method which stood at 0.77. The Spearman Rank Order Correlation Coefficient (rho) and the partial correlation were adopted to test the various hypotheses formulated.

Data Presentation and Analysis

Table 1: Questionnaire Administration and Collection

Telecommunication Firms		uestionnaire nistered
	No. Administered	No. Collected
MTN	7	5
GLO	7	5
AIRTEL	7	6
EMTS	7	4
Total	28	20

Source: Field Survey, 2023.

Table 1 shows the number of copies questionnaire administered to the respondents (managers) of the telecom firms and their collection rate. From the table, it is observed that out of the 28 copies of questionnaire administered to the respondents, 20 copies were collected which represents 71% collection rate.

Table 2: Sex of the Respondents

Gender	Frequency	Percentage
Male	13	65%
Female	7	35%
Total	20	100%

Source: Field Survey, 2023.

The table above shows the sex of the respondents who participated in this study. From the table, it is observed that out of the 20 managers who responded to the questionnaire, 13 (65%) of them were male while 7 (35%) were female.

Table 3: Relationship between social media marketing and customer patronage

			Social Net- works	customer patronage
Spearman Rank (rho)	Social Networks	Correlation Coefficient Sig. (2 tailed) N	1.000	.723* .001 35
	customer patron- age	Correlation Coefficient Sig. (2 tailed) N	.723* .001 35	1.000

*Correlation is significant at 0.05 levels (2 tailed) Source: SPSS-generated Output

The output above presents the result of the correlation between social network and customer patronage of telecommunication firms in Rivers State. The result shows that the two variables have a positive relationship (rho = .723*) and the symbol * indicates that the relationship between the two variables is significant at 0.05 level. As a result of this, we reject the null hypothesis and accept the alternate hypothesis which states that there is significant relationship between social network and customer patronage of telecommunication firms in Rivers State.

Table 4: Relationship between content marketing and customer patronage

			content marketing	customer patronage
Spearman Rank (rho)	content mar- keting	Correlation Coefficient Sig. (2 tailed) N	1.000	.649* .002 35
	customer pat- ronage	Correlation Coefficient Sig. (2 tailed) N	.649* .002 35	1.000

*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output.

The output above presents the result of the correlation between content marketing and customer patronage of telecommunication firms in Rivers State. The result indicates that brand quality and repeat purchase have a positive relationship (rho = .649*). The symbol * as display from the SPSS output indicates that this relationship is significant at 0.05 level of significance. As a result of this, the null hypothesis is rejected and the alternate hypothesis is accepted. This means that there is significant relationship between content marketing and customer patronage of telecommunication firms in Rivers State.

Summary of Findings

There is significant relationship between social network and customer patronage of telecommunication firms in Rivers State.

There is significant relationship between content marketing and customer patronage of telecommunication firms in Rivers State.

Discussion of Findings

The results of the analysis revealed that social network and content marketing showed a strong and significant relationship with customer patronage of telecommunication firms in Rivers State. These findings were supported by the study of Kagendo (2015) empirically examined the influence of electronic marketing on customer retention at Safaricom limited. The findings revealed that e-marketing significant enhance customer retention in Safaricom Limited. The study also reported that the e-marketing dimensions that enhance customer retention include social media marketing, digital marketing, e-mail marketing, and offline communication activities such as digital screens and motion pictures. Also, Nizar and Janathanan (2018) conducted a study on the impact of digital marketing on consumer purchase behavior with special interest in Dialog Axiata with specific reference to social media marketing. The study therefore concludes that digital marketing has a significant impact on consumer purchase behavior.

Conclusion

The study examined the relationship between digital marketing strategies and business perfor-

mance of telecommunication firms in Rivers State. Dimensions of digital marketing strategies as used in the study were discussed elaborately. The result of the test of hypotheses revealed that digital marketing strategies via its dimensions of social networks and content marketing showed a strong, positive and significant relationship with business performance of Telecommunication Firms in Rivers State. The study concluded that business performance of Telecommunication Firms in Rivers State is largely dependent on digital marketing strategies for survival.

Recommendations

- Based on the findings and conclusion, the following recommendations are made:
 - That, telecommunication firms especially those that are experiencing low level of business performance should practice content marketing as this will improve their business performance.
 - That, telecommunication firms especially those that are experiencing low performance should use social networks as it will enable them reach out to millions of customers.

References

- Adede, O.A., Kibera, F.N. & Owino, J.O. (2017). Electronic marketing practices, competitive environment andperformance of telecommunications companies in Kenya. *British Journal of Marketing Studies*, 5 (5), 60-67.
- Baker, W. E. & Sinkula, J. M. (2005). Market orientation and the new product paradox. *Journal of Product Innovation Management*, 22(6), 483-502.
- Chung, W., & Paynter, J. (2002). An evaluation of internet banking in New Zealand. Proceeding of the 35th Hawaii international Conference on System Sciences. https://doi.org/10.1109/HICSS.2002.994178
- Ekwueme, A., & Akagwu, A. N. (2017). The influence of online marketing of Jumia and Konga on consumer purchasing behaviour among Kogi State Residents of Nigeria. Global Journal of Human-Social Science: A Arts & Humanities Psychology, 17(6), 25-32.
- Geogiou, M. (2008). Seven steps of content creation strategy for Epic content marketing. Forbes: The New York Times.
- Green, B. (2015). Content creation and content marketing: Key distinction for B2B marketers. www.oktopost.com.
- Kagendo, R. (2015). *Influence of electronic marketing on customer retention at Safaricom Limited*. MBA Thesis, University of Nairobi.
- Khan, A.R. & Islam, M.A. (2017). The impact of digital marketing on increasing customer loyalty: A study on Dhaka City, Bangladesh. *International Journal of Economics, Commerce and Management*, 5(4), 521-528.
- Kotni, V.V. (2016). A study on internal mechanism of marketing information systems and customer patronage. *International Journal of Computer Science and Technology*, 2 (3), 64-67.
- Kuenn, A. (2016). Your 16-Point content publishing checklist. www.convinceandconvert.com
- Madni, G. R. (2014). Consumer's behaviour and effectiveness of social media. *Global Journal of Management and Business Research*, 14 (8), 238-244.
- Merisavo, M. (2008). The interaction between digital marketing communication and customer loyalty: An integrative model and research propositions. *Electronic Working Paper*, Helsinki School of Economics, Finland.
- Mustafa, E. (2011). Determinants of e-commerce customer satisfaction, trust and loyalty in Saudi Arabia. *Journal of Electronic Commerce Research*, 12 (1), 115-124.
- Nanji, A. (2018). Digital marketing and content publishing: How frequently business publish content. Retrieved from: www.mrketingprofs.com
- Ngugi, W. (2013). *Influence of electronic marketing strategies on the performance of commercial banks* in Kenya, Unpublished MBA Project, University of Nairobi.

- Nizar, N. A., & Janathanan, C. (2018). Impact of digital marketing on consumer purchase behavior: A case study on Dialog Axiata with specific reference to social media marketing. APIIT Business, Law & Technology Conference.
- Pearson, R. (2017). Content creation tops list of needed marketing skills. Chief/Marketer. www.chiefmarketer.com.
- Schiffman, L. G., Kanuk, L. L., & Hansen, H. (2008). *Consumer behavior: a European outlook*. Pearson Education Limited.
- Sudhamathi, D., & Soniya, S. (2017). Factors influence of online marketing in buying behavior of FMCG products. International Journal of Management Research & Review, 7(7), 793-801. http://ijmrr.com/admin/upload data/abstract abs%205jul17mr.pdf
- Tiago, M. T. (2012). Revisiting the impact of integrated internet marketing on firms' customer retention: European evidences, 4th Conference of Enterprise Information Systems Aligning Technology, Organizations and People, 5: 418-426.
- Tilton, S. (2012). Content production tools for publishing, marketing. Content Marketing Institute.

Digital Marketing Strategies as Tool for Sustainable Sales Performance of Small and Medium Scale Enterprises in South-South, Nigeria

Lucy Horace Owonte PhD

Department of Marketing

Port Harcourt Polytechnic, Rumuola Port Harcourt

Abstract

The study investigated digital marketing strategies as a tool for improvement of sales performance of Small and Medium Scale Enterprises in South South Nigeria. The descriptive survey was adopted for the conduct of the study. Study population consists of identifiable homogenous element in a group chosen for the study. The Purposive sampling technique was used in selecting the thirty Five (35) staff of Jumia online staff in Port Harcourt. The technique allowed the researcher to reach out to the targeted respondents. The method of date analysis in this study is to gather raw information from primary and secondary sources and apply to a statistical tool called simple percentage. The study concluded based on the findings that Digital Marketing tools are all important, and all has a strong a great impact in enhancing sales performance of products via social media marketing, internet advertising and email marketing. It recommended among others that that enterprises should explore more forms of online buying as it enhances sales performance such as e-procurement systems.

Keywords: Strategies, digital marketing, tool, improvement, sales performance, smes, enterprise

Introduction

Digital Marketing or internet marketing is the marketing of products and services over the internet (Emeh, Ahaiwe & Okoro, 2019). It entails the execution of marketing campaigns and strategies through digital and internet-based channels. Electronic marketing is not limited to marketing activities executed on the internet; its scope encompasses marketing operations done through electronic mail (e-mail) and wireless communication channels such as wireless local area networks (WLANs), wireless sensor networks, terrestrial microwave networks, cell phones, and satellite communication networks (Gao, Meng, Mata, Martins, Iqbal & Farrukh, 2021). It uses a range of technologies to help connect businesses to their customers (Emeh, Ahaiwe & Okoro, 2019). The use of digital technologies, especially the internet and social media, by some SMEs has intensified as they scramble to develop response strategies to cushion the effect of the pandemic and ensure the continuity of their operations in the future (Aladejebi, 2020; Saidu & Aifuwa, 2020; Chinazor, 2021).

Consequently, SMEs from various industries are increasingly adopting social media platforms (such as Facebook, Twitter, Instagram, and WhatsApp); email marketing (email newsletters, acquisition emails, retention emails, and promotional emails); search engine optimization; mobile marketing; and online advertising (pop-up advertisements, banner advertising, and direct-response advertisement) to promote their offerings. The emergence and proliferation of the Covid-19 pandemic across Nigerian states appear to have boosted the popularity and adoption of social media networks for marketing purposes by some small and medium-sized enterprises (SMEs).

During the almost 10-months long lockdown, when vehicular and human movements were grounded (Olarewaju, 2020), most SMEs in Nigeria moved their marketing operations to social media net-

569

works using free or sponsored posts, videos, pictures, and a combination of all to promote their offerings (Lawrence & Lawrence, 2021). The use of online advertising media such as websites, display advertising, pay-per-click, and affiliate promotions; and email marketing also became popular among some SMEs (especially ICT-based and fashion accessories dealers) as a response strategy to the pandemic (Bularafa & Adamu, 2021).

Firm-customer interactions through these sites have made significant impact on business firms as they play important role in business development and integration of marketing strategies electronically. The constant growth in marketing activities through Digital Marketingtools such as social networking platforms and company websites is becoming evident every day.

Statement of the Problem

Small and Medium Scale Enterprises are seen to be affected by some existential problems. This economic sector face problems ranging from insufficient capital, lack of efficient manpower, inefficient management, fraud, inability to analyse and capture market opportunities. Other problems also include, marketing problems, research inefficiencies and production problems such as poor standardization and low quality products to mention but a few. In a quest to find lasting solutions to these problems, governments in Rivers State both at the state and local levels have been embarking on programs geared towards the development of SMEs. Such programs include Micro Credit Scheme.

Some previous studies have shown that most of these problems are as a result of the fact that most of the managers of Small and Medium Scale Enterprises are less knowledgeable about the principles and modern practice of marketing and also that the low level usage of Digital Marketinghave deprived the SMEs the access to engaging in a regional and global economic business. This situation has been of great concern to the government, the researcher and the players of this sub sector. To the best knowledge of the researcher, no empirical evidence has been seen on the level of the application of electronic marketing as it relates to the marketing performance of small and medium scale enterprises in Port Harcourt. It is on this ground the study set to ascertain the relationship between Digital Marketing and sales performance of a small scale enterprises in Port Harcourt.

Aim and Objectives

The aim of the study was to investigate digital marketing strategies as a tool for improvement of sales performance of Small and Medium Scale Enterprises in South South Nigeria, with the following specific objectives include, to:

- i. To determine the relationship between Digital Marketing and sales growth of small scale enterprises in Port Harcourt.
- ii. To access the relationship between Digital Marketing on the market share of small scale enterprises in Port Harcourt.
- iii. To determine the relationship between email marketing and profitability of small scale enterprises in Port Harcourt.

To ascertain the challenges facing Digital Marketing of small scale enterprises in Port Harcourt.

Research Questions

Base on the statement of the problem and purpose of the study, the following questions were formed to guide the study:

- i. What is the relationship between Digital Marketing and sales growth of small scale enterprises in Port Harcourt?
- ii. To what extent is relationship between Digital Marketing on the market share of small scale enterprises in Port Harcourt?

iii. To what extent is the contribution of Digital Marketing and profitability of small scale enterprises in Port Harcourt?

What are the challenges facing Digital Marketing of small scale enterprises in Port Harcourt?

Concept of Digital Marketing

Recent globalization of markets has made firms and industries see the internationalization of their activities as a way to remain competitive. Marketing strategy has always been an important tool globally for any organization to remain strong in a competitive market environment. The evolution of technology has also drastically changed the business world faster than ever before. Hence, IT has developed so rapidly and has become prevalent in organizations, that almost all decisions involve the use of technology. Also, marketing function promises to benefit greatly through the use of IT (Moriarty & Swartz, 1989; Shemi & Proctor, 2013). The impact of IT on business and especially marketing practice to be precise, is obvious. Trends have changed from traditional marketing methods to new ways where digital channels are now playing key role. Moreover, there has been a huge shift from the outbound marketing methods to the inbound marketing strategies.

According to Karolina (2013), and Uford, Charles and Etuk (2022), electronic marketing (emarketing) can be viewed as a modern business practice associated with buying and selling goods, services, information and ideas via the Internet and other electronic means. Yet, besides being a new platform for buying and selling, the internet has also become a new intermediary for companies to promote their businesses. Chaffey (2007), defined it as "achieving marketing objectives through the use of electronic communications technology". McDonald and Wilson (1999), defined it as "any use of technology to achieve marketing objectives".

Still on it, Reedy and Schullo (2004), defined it as "the process aimed at facilitating and conducting business communication and transactions over networks". Smith and Chaffey (2005), gave their definition as "achieving marketing objectives through applying digital technologies". Strauss and Frost (2001) view it as "the use of electronic data and applications for planning and executing the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational objectives. According to Chaffey (2007), Digital Marketinginvolves the use of the internet and other digital technologies to conduct marketing activities.

For the purpose of this study, we shall be looking at Digital Marketing as the application of social medium platforms and company websites to attract and retain customers, and enhance sales and corporate image of businesses. It entails the marketing of goods, services and ideas through the internet which facilitates the reach of a wide range of customers. In the same vein, they also define Digital Marketingtools as social media tools such as WhatsApp, Facebook page, Twitter handle, YouTube; and company websites, deployed to attract and retain customers, drive the sales of SMEs and enhance their corporate images.

Small and Medium-scale Enterprises

SMEs are a group of business entities that cut across all the sector of the economy and form the bulk of economic activities in Nigeria's economy. Various terminologies found in literature such as small and medium scale enterprises, micro, small and medium scale enterprises, small and medium-sized enterprises, small and medium enterprises are used interchangeably to describe this group of businesses. SMEs may be viewed in terms of their qualitative and quantitative features. The qualitative definition tries to identify the certain features which are more peculiar to small businesses than large businesses.

Ekpo et at. (2017) identifies the unique characteristics of SMEs to include small scale operations, ease of entry into the economic activities and reliance on indigenous resources. The quantitative explanation on the other hand centers more explicitly on quantitative features such as number of employees, value of sales among others. SMEs in Nigeria are not devoid of problems. Ebitu (2016) opined that this enterprise faces problems such as inadequate capital, incompetent management,

571

fraud, and production problems. Ebitu et al (2015) revealed that in the southern region of Nigeria, marketing issues such as difficulty in managing businesses, advertising, lack of adequate marketing research, ignorance of competition, advertising, poor branding and packaging, poor market analysis, meager promotion, poor segmentation and poor pricing technique contribute adversely in affecting SMEs' profit margin and sales volume.

Dzisi and Ofosu (2014) posits that though SMEs experience difficulties in absorbing and coping with obstacles, they need to cultivate the ability to deal with the ever increasing challenges in the global market (Leopoulos, 2006). As a step, small and medium scale enterprises should initiate marketing strategies and tactics that can aid them take decisions on a number of variables to influence mutually-satisfying exchange transactions and relationships (Taiwo, 2010).

Sustainable Sales Performance of SMEs

SMEs performance is a measure of efficiency and effectiveness of the sales, marketing, financial and managerial activities and strategies of small and medium-sized enterprises (Lin & Lin, 2016). It is the degree to which SMEs are able to meet or realize their specific short, medium, and long-term business goals. According to Dzisi and Ofosu (2014), the performance of SMEs takes a look at whether or not SMEs are able to attain set standards and objectives desired by operators and employees. It also explores how effective and efficient strategies of SMEs are at actualizing organizational goals and objectives relating to manufacturing, distribution, sales, promotion, pricing, resource allocation, human resource management, among others (Lin & Lin, 2016).

The performance of SMEs is a critical factor determining the economic growth of most developing African countries because SMEs dominate the economies of most developing countries (Papadopoulos, Baltas & Balta, 2020). This entails that as SMEs perform more effectively and efficiently, the overall national economy is improved as well as jobs are created, domestic demands are satisfied, standards of living rise, cost of living declines, and foreign trade through exportation grows. This is why governments of some developing African countries such as Nigeria, Ghana, Angola, and South Africa are investing in support programs and initiatives targeted at helping SMEs grow, understanding their links with the broader national economy (Igwe, Ogundana, Egere & Anigbo, 2018).

However, to improve the performance of SMEs, there is a need to first gain insights into the actual dimensions or indicators of SMEs performance. According to Wang, Pauleen, and Zhang (2016), SMEs performance could be broadly categorized into financial indicators and non-financial indicators. Financial indicators relate directly to the financial health of SMEs; they are concerned with financial metrics such as revenue, return on investment, equity, profitability, liquidity, financial assets, capital base, and earnings before tax, earnings after-tax, and others (Nasiri, Ukko, Saunila, Rantala & Rantanen, 2020). The non-financial indicators are marketing and managerial metrics such as employee recruitment, satisfaction, motivation, and retention; corporate image; customer patronage; new customer acquisition; customer retention; market share; sales volume; new market acquisition; and customer demand (Onyango, 2016; Njoroge, 2017).

Sustainable sales process provide structured pathways to developing relationships with targeted customers that offer potential for repeat or referral business quicken closings and greater profits. Sustainable sales provides benefits to both the customers and companies by fulfilling the buyers wants and needs. The goal of sustainable sales strategy is to create long-tem relations with customers, which implies that companies needs to focus on providing them with value that meet their needs overtime inform of offering them discounts, free shipping and delivery or even exclusive access to the products.

Social media marketing and performance of SMEs

Social media is a collection of internet platforms or networks that promote virtual communications and exchanges of contents between and among registered participants in an interactive, two-way manner (Jussila, Kärkkäinen & Aramo-Immonen, 2014). Social media marketing is, therefore the adoption and utilization of social networks and platforms such as Twitter, Facebook, Instagram,

and YouTube to run advertisements or other promotions; interact with target customers; deliver customer services; carry out sales and build harmonious relationships with the target market (Leung, Bai & Stahura, 2015).

It is the integration of social media into the marketing mix of companies and the deployment of social networks and sites as channels for executing marketing campaigns and strategies. The effectiveness of social media marketing at enhancing the performance of business organizations intensifies rapidly as social media proliferates and penetrates deeper into consumer populations. Consequently, customers rely on social media to obtain information on potential purchases, while companies use social media to promote their brands, interact with potential and existing customers; and enhance their sales and marketing performance (Emeh, Ahaiwe & Okoro, 2019; Anne, 2020).

Online advertising and performance of SMEs

Online advertising is the non-personal and paid-for presentation and promotion of goods, services, and ideas using the internet as a medium by an identified sponsor (Emeh, Ahaiwe & Okoro, 2019). It is the process of using internet tools like display advertising, search engine optimization, company-owned or affiliated websites, etc., to communicate information about a firm, its products, and services to specific groups of online-based users (customers) in order to enlighten, inform, educate, and persuade positive responses from customers towards a firm and its products and services (Deshwal, 2016).

Online advertising is the process of targeting specific sets of customers on the internet using consumer information gathered on them for the purpose of reaching them with information about goods and services they are likely to require and influencing them to patronize. Online advertising is flexible, far-reaching, innovative, less expensive, and has a wider reach, thereby enabling companies, including SMEs to target and promote their offerings to a large audience. A creative and well-executed online advertising campaign can enable a company to gain market awareness and amass large sales volumes of its products within a very short period of time (Silas & Junior, 2020). This entails that online advertising could substantially improve a company's marketing performance.

Email marketing and performance of SMEs

Email marketing is the use of electronic mail by firms to target specific groups of consumers and to present and promote products and services to them with the objective of informing, reminding, and leading them to make purchases (Elrod & Fortenberry, 2020). It is marketing activities that are formulated and executed using electronic mail (email). Firms often use a variety of ways to get customers' email addresses like registration requirements or buying from online marketers. They use these email addresses to prepare a mailing list based on unique customer preferences and patterns, and periodically send messages containing information of available products and services to customers on those mailing lists. Zhang, Kumar, and Cosguner (2017) viewed email marketing as the act of sending a commercial message, typically to a group of people, using email. Email marketing has become a very popular form of communication in business. The purpose of email marketing is to reach customers quickly and increase customer patronage instantaneously. When used as part of a marketing strategy, email can quickly and easily share information with customers; it can be used to gather marketing data; and it can be tailored to customers based on their needs and preferences (Kamarov & Anatoley, 2014). As a dominant Digital Marketingtool, email marketing has the capacity to substantially improve the marketing performance of organizations across industries.

Theoretical Framework

This work is based on Innovation Diffusion Theory by Rogers, (1962). The theory states that individuals and organizations do not adopt innovations at the same pace but maintains that the earlier a person adopt new technology, the better for them. The four key elements of the theory are: innovation, communication channels, time and social change. Innovations here may include new technology.

ogy or new idea and the adopters may be individual or businesses. There are a number of studies that used the IDT as its theoretical framework or combined the IDT with other theories and models to explain ICT adoption and use. The justification of adopting this theory lies in its relevant to the independent variable (E- marketing) the theory identifies the essentiality of internet-based communication tool such as E-mail, Search engine, among others, in business. The theory illuminates the fact that full application and usage of online marketing dimensions, inevitably occupies a vital place in an organization.

Methodology

The descriptive survey was adopted for the conduct of the study. Study population consists of identifiable homogenous element in a group chosen for the study. The Purposive sampling technique was used in selecting the thirty Five (35) staff of Jumia online staff in Port Harcourt. The technique allowed the researcher to reach out to the targeted respondents. The method of date analysis in this study is to gather raw information from primary and secondary sources and apply to a statistical tool called simple percentage.

Result

Data Presentation

Presentation and analysis of responses of questionnaire administration and rate returns. Research Question 1: What is the relationship between digital marketing and sales growth of small scale enterprises in Port Harcourt?

Table 1: Is there relationship between Digital Marketing and sales growth of Jumia Stores

Response	Frequency	Percentage%
Yes	32	91%
No	3	9%
Total	35	100%

Source: Field Survey 2023

From the above table, 32 respondents representing 91% of the sample size are of the opinion that there is a relationship between Digital Marketingand sales growth of Jumia stores while just 3 respondents representing 9% says no to that research question. This means that majority of the respondents are in support of that Digital Marketingenhances sales performance.

From the above table, represents that 94% of the respondent has the knowledge of the existence of Jumia as an Digital Marketingstore with different outlets with Port Harcourt inclusive.

Research Question 2: What is the relationship between Digital Marketing and market share of small scale enterprises in Port Harcourt?

Table 2: Extent of relationship between Digital Marketing and market share of Jumia Stores

Response	Frequency	Percentage%
High Extent	19	54%
Moderate Extent	11	31%
Low Extent	5	14%
Total	35	100%

Source: Field Survey 2023

From the table above, it shows 19 respondents representing said to a High extent, that there is relationship between Digital Marketingand market share, 11 respondents representing 31% opined that it is to a moderate extent while 5 respondents said to a low extent. This show that majority of the respondents agreed that to a high extent, there is a relationship between Digital Marketingand market share in Jumia online stores.

Research Question 3: What is the contribution of Digital Marketing to profitability of small scale enterprises in Port Harcourt?

Table 3: Is there relationship between Digital Marketing and profitability of Jumia Stores

Response	Frequency	Percent- age%
Yes	33	94%
No	2	6%
Total	35	100%

Source: Field Survey 2023

The above table shows that 33 respondents representing 94% agreed that there is a relationship between Digital Marketing and profitability while 2 respondents representing 6% said there is no relationship between Digital Marketing and profitability. The majority of the respondent opined that there is a relationship between Digital Marketing and profitability.

Research Question 4: What are the challenges facing Digital Marketing of small scale enterprises in Port Harcourt?

Table 4: Challenges of Digital Marketing for small scale enterprises in Port Harcourt

Response	Frequency	Percentage%
Delayed Delivery	8	23%
Product Disappointment	11	31%
Fixed Price Syndrome	16	46%
Total	35	100%

Source: Field Survey 2023

Table 4 shows that 8 respondents representing 23% thinks Delayed Delivery is the challenges they

face shopping online from Jumia 11 respondents representing 31% believes it is Product Disappointment while 16 respondents representing 46% thinks their challenges is Fixed price syndrome. This irrespective of their different challenges, majority of the respondents of the opinion that fixed price is a major challenge faced by the online shops.

Table 4: Would say Digital Marketing has enhanced sales performance of Jumia Store?

Response	Frequency	Percentage%
Yes	35	100%
No	Nil	Nil%
Total	35	100%

Source: Field Survey 2023

From the above table 35 respondent representing 100% are of the view that Digital Marketing has really enhanced sales performance of the Jumia store while none of the respondents that view. This means that Digital Marketing has truly enhanced sales performance of Jumia stores.

Summary of Findings

The findings of the study are hereunder outlined:

- i. There is a relationship between Digital Marketing and sales growth of small scale enterprises in Port Harcourt.
- ii. There is a relationship between Digital Marketing on the market share of small scale enterprises in Port Harcourt.
- iii. Digital Marketing contributes to profitability of small scale enterprises in Port Harcourt What are the challenges facing Digital Marketing of small scale enterprises in Port Harcourt.

Conclusion

It should be noted that out of the Digital Marketing tools are all important, and all has a strong a great impact in enhancing sales performance of products; these are the social media marketing, internet advertising and email marketing and others, thus none of. From these findings on the analysis of the influence of Digital Marketing tools on sales performance it can be concluded that search engine optimization, social media marketing, internet advertising and email marketing play a pivotal role in enhancing sales performance in beach hotels. It is upon the beach hotels to therefore ensure that they embrace in full these Digital Marketing tools in a competitive way to enhance the sales performance within their hotels.

Recommendations

Based on the findings of the study, the study recommends the following.

The study recommends that enterprises should explore more forms of online buying as it enhances sales performance such as e-procurement systems.

The study recommends that enterprises like Jumia, Konga and other online store should continue using e-advertisement as it enhance sales performance through displaying their offers through e-advertising, conduct promotional campaigns, contacting clients and relationship management.

The study also recommends that social media communication community is an important platform. It has a significant effect on sales performance. Social media communication facilitates social contacts, support, and audience participation and to interactive customer feedback.

The study recommends that in order to improve the attitude towards Digital Marketingissues related to trust and credibility should be addressed and there is need for introduction of rating and review programs in order to improve trust and credibility of e-marketing.

Proceedings of the 4th Annual International Academic Conference

Proceedings of the 4th Annual International Academic Conference

References

- Achieng, B. (2016). How SMEs are using online marketing to improve their competitiveness in Kenya: A case study of Tembea East Africa Safaris. Phd (ed) dissertation, United States International University-Africa, 97p.
- Aladejebi, O. (2020). Managing small businesses in Nigeria during covid-19 crisis: Impact and survival strategies. *Journal of Business and Management*, 22(8), 24-34.
- Chaffey, D. (2007) *E-business and e-commerce management:* Strategy, Implementation and Practice. Financial Times: Prentice Hall.
- Dzisi, S., & Ofosu, D. (2014). *Marketing strategies and the performance of SMEs in Ghana*. Marketing, 6(5), 102-111.
- Ebitu E. T. (2016). Marketing strategies and the performance of small and medium enterprises in Akwa Ibom State, Nigeria. *British Journal of Marketing Studies*, 4 (5): 51-62
- Eid, R. & El-Gohary, H. (2013). *The impact of Digital Marketinguse on small business marketing success*. Published PhD Thesis http://www.cemi.com.au/node/497
- Ekpo, N., Udoidem, J. and Acha, I. (2017). Growth Performance Vis-à-vis Enterprises Size: A study of SMEs in Akwa Ibom State Nigeria. *Account and Financial Management Journal*, 2(1): 582-591
- Emeh, P. C., Ahaiwe, E. O., & Okoro, A. O. (2019). Digital marketing in the Nigerian banking industry: An appraisal. *International Journal of Business Administration*, 8(4), 79-87
- Etim, O., Daferighe, E. and Ukpong, O. (2020). Financial reporting practices and sustainability of micro small and medium enterprises (MSMEs) in Akwa Ibom State. *East African Scholars Journal of Economics, Business and Management.* 3(12): 920-940
- Etut, R. Etuk, G. and Baghebo, M. (2014). Small And Medium Scale Enterprises (SMEs) and Nigeria"s Economic Development. *Mediterranean Journal of Social Sciences*, 5(7), pp. 656-664.
- Kaplan, A. & Haenlein, M. (2010). *Users of the world unite*. The challenges and opportunities of Social Media. Business Horizons, 53, 59-68.
- Karolina, P. (2013). *Effectiveness of online marketing tools*. Master's Degree thesis in Management from the NOVA School of Business and Economics. Access from: https://www.semanticscholar.org/author/Karolin a-Pura/120426918
- Kotler, P. and Keller, K. (2009). *Marketing management*. 13th ed. upper saddle river: Prentice hall. United State of America, 113p.
- Ogbuanu, B. K., Kabuoh, M. N & Okwu, A. T. (2014). Relevance of small and medium enterprises in the growth of the Nigerian economy: A study of manufacturing SMEs. *International Journal of Advanced Research in Statistics, Management, and Finance*, 2(1), 180-191
- Olarewaju, K. (2020). COVID-19: *Nigeria announces lockdown of major cities:* Confirmed cases of coronavirus rise to 111, say authorities. https://www.aa.com.tr/en/africa/covid-19-nigeria-announces-lockdown-of-major-cities/1784358
- Papadopoulos, T., Baltas, K. N., & Balta, M. E. (2020). The use of digital technologies by small and medium enterprises during COVID-19: Implications for theory and practice. *International Journal of Information Management*, 55, 102192.
- Parveen, F., Jaafar, N.I. & Ainin, S. (2015). Social media usage and organizational performance: Reflections of Malaysian social media managers. El Sevier, (32), 67-78.
- Saidu, M., & Aifuwa, H. O. (2020). Coronavirus pandemic in Nigeria: How can small and medium enterprises (SMEs) cope and flatten the curve. *European Journal of Accounting, Finance, and Investment*, 6(5), 55-61.
- Strauss J, Ansary A. and Raymond F. (2006). *E-marketing. pearson/prentice hall, 4th edition*, michigan study of the midlands meander association members, 89p.
- Strauss, J. & Frost, R. (2001). E-marketing. Prentice Hall.
- Uford, I. C., Charles, I. I. & Etuk, A. J. (2022). Effectiveness of digital marketing platforms and consumer buying behaviour of Akwa Ibom State University students towards selected online products. *AKSU Journal of Management Sciences*, 7(1& 2), 1-28.
- Ukpong, E. G. (2022). Integration of Artificial Intelligence Applications for Financial Process Inno-

vation by Commercial Banks in Nigeria. AKSU *Journal of Administration and Corporate Governance (AKSUJACOG)*, 2(1), 125-137.

World Bank (2021). Small and medium enterprises (SMEs) finance: Improving SMEs' access to finance and finding innovative solutions to unlock sources of capital. https://www.worldbank.org/en/topic/smefinance

Electronic Marketing and Customer Engagement of Online Retailers in Rivers State

Damian-Okoro, Inetimi RoselineDepartment of Marketing
Rivers State University Port Harcourt

Ehio, Victor Nzeyele

Department of Marketing Rivers State University Port Harcourt ehio.victor@ust.edu.ng

Akani, Godspower Henshaw

Department of Marketing Rivers State University Port Harcourt akani.godspower@ust.edu.ng

Abstract

This study focused on the influence of electronic marketing on customer engagement of online retailers in Rivers State. A causal study was prepared to handle the two (2) hypotheses formulated for the study. The survey research method was adopted for the study on a population comprised of 10 online retail firms in Rivers State. The simple sampling technique was used to draw three respondents each from the sampled companies as respondents for this study. 30 copies of the questionnaire were administered to 30 respondents, of which 30 (100%) were returned and useful for analysis. The study adopted descriptive statistics, simple regression, and analysis of variance for data analysis. The spearman rank order was the test statistic, using SPSS 22.0 for all statistical analysis. The results revealed that electronic marketing has a very strong, positive, and significant influence on customer commitment and customer advocacy. The study therefore concludes that electronic marketing significantly influences the customer engagement of online retail companies in Rivers State. The management of online retailers should, inter alia, initiate and implement effective electronic marketing in order to enhance customer engagement among online retailers in Rivers State.

Keyword: Electronic marketing, customer engagement, customer commitment, customer advocacy and online retailers

Introduction

Contemporary businesses use electronic marketing as a strategy. Companies are increasingly using this emerging platform to promote their goods and services and exchange new product concepts and information. Companies and enterprises are embracing information technology and the internet to promote their goods. This adoption has attracted the interest of academics, professionals, and policymakers (Gohary, 2012). Businesses are using the internet and electronic media to bolster their marketing endeavors, leading to a quick expansion of e-marketing. Alternatively, we might assert that the IT revolution has completely transformed the methods of doing business.

Various writers have provided distinct definitions for e-marketing. According to Smith and Chaffey (2005), it is the act of accomplishing marketing goals by using digital technology. Strauss and Frost (2001) provided a definition of digital marketing as "the utilization of electronic data and applications to strategize and implement the creation, dissemination, and pricing of ideas, goods, and services in order to facilitate exchanges that fulfill the objectives of individuals and organizations." During the examination of relevant literature, several academics seem to conflate the word emarketing with e-commerce, e-business, and internet marketing. The names are used interchangeably, denoting almost identical concepts. E-marketing is a word that encompasses a wider range of activities. All the aforementioned ideas are under the scope of e-marketing, which includes mobile marketing, intranet, extranet, and other related areas (Dehkordi et al., 2012).

As we transition into the 21st century, it is evident that the methods of doing business have undergone a complete transformation, mostly due to the influence of the internet (Ainin & Ismawati, 2003). It has presented abundant prospects for both people and organizations, enabling customers to now access a diverse range of products and services. Additionally, consumers may compare the rates given by several providers for the same product or service. Therefore, customers now have the

ability to choose and purchase products with more convenience and efficiency. Conversely, companies have the chance to grow their existing markets and go into new ones, launch novel products and services, and compete on a global scale.

The success stories of organizations that have achieved significant market share via their online presence highlight the importance of companies having an internet presence. The success story of Amazon.com cannot be disregarded. The corporation acquired a significant portion of the market by establishing a strong online presence (Ya-Ping, 2012). In the present day, the majority of individuals have access to the internet and various computing devices such as smartphones, mobile phones, and emails. Additionally, people often use social networking sites on a regular basis (Raad et al., 2010). The phenomenon has shown a crucial truth: having an online presence is vital for the advancement and even the survival of a company (Ya-Ping, 2012).

Electronic marketing refers to the practice of using social media networks to create and distribute content with the aim of achieving marketing and branding objectives. Electronic marketing includes many actions, such as sharing textual and visual updates, films, and other information to engage the audience. It also involves paid advertising on social media platforms. Electronic marketing refers to a collection of applications that use connections to allow enterprises and their networked communities of consumers to engage, share, exchange, and co-create information. This definition was provided by Larson and Watson in 2011.

According to Phuoc & Bashar (2015), shopping has a crucial role in stimulating economic development and fostering social progress. Electronic marketing is often regarded as a very successful strategy for achieving certain goals and objectives in multi-channel marketing (Seimodei, Okwandu, & Nadube, 2021). It plays a substantial role in economies by generating employment opportunities, attracting foreign direct investment, and establishing connections with other sectors of the economy (Mokhlis, 2014). Retailing, being a significant contributor to employment, provides a diverse array of career prospects. Retailing facilitates cooperation and collaboration between producers and customers due to its advantageous position in the value chain. Retailers possess a favorable position to establish novel patterns of consumption and interactions inside distribution channels (Castaldo et al. 2009).

Customer engagement refers to the establishment of an emotional bond between a firm and its customers, with a specific emphasis on interacting with consumers and encouraging their active involvement. Knowledge sharing is a crucial factor in customer engagement, and information and communication technology provide a significant opportunity for enterprises to share knowledge and interact with consumers. Vivek, 2009, and Abeysekara (2016) Marketing is an advanced and evolving scientific discipline that adapts its principles and practices to meet the changing demands and advancements in its environment. In order to establish its presence in the new era, it has started the process of implementing novel methodologies and principles to effectively navigate the evolving business landscape. The significance of marketing in corporate growth remains unchanged, but its execution is undergoing dramatic transformation owing to the advancements in satellite communication and highly sophisticated scientific gadgets.

The marketplace is now experiencing a significant shift, and enterprises are encountering a novel digital marketplace (Berman, 2012). Retail enterprises serve as dynamic mediators connecting producers with end customers of items. Jones, Comfort, and Hillier (2009) offer an extensive array of services to both producers and customers. Retailers enhance the effectiveness of exchanges and promote better performance by enabling the delivery of items to customers at locations that are convenient and easily accessible to them (Sharma, 2014). Therefore, generate utilities related to location, time, and ownership. Retailing serves as a stimulus for both economic development and social advancement. It has a substantial impact on economies by generating employment opportunities, attracting foreign direct investment, and establishing connections with other areas of the economy

(Mokhlis, 2014). Retailing, being a significant provider of jobs, offers a diverse array of career prospects.

Retailing facilitates cooperation and collaboration between producers and customers due to its advantageous position in the value chain. Retailers possess advantageous positioning to establish novel patterns of consumption and forge partnerships within distribution networks. Castaldo et al. (2009) conducted the study. The essence of retailing is cultivating and sustaining enduring connections with consumers by delivering exceptional customer value and pleasure. Gupta, Mittal, and Nayyar (2011) Retailers use many service delivery tactics to efficiently manage a retail business, attract new consumers, and maintain existing ones. Bawa, Gupta, and Sharma (2013) The significance of providing exceptional client value is recognized in marketing literature by Cravens, Greenley, Piercy, and Slater (1997). A comprehensive understanding of the notion of customer value is crucial for the effectiveness of value-based initiatives. Wycoff (1985) conducted a study.

Prior studies, such as the one conducted by Dehkordi, Rezvani, Rahman, Fouladivanda, and Jouya (2012), examined the impact of e-marketing on a company's promotional efforts and its influence on consumer reactions. In addition, Dilts, Hauserand, and Hausknecht (2016) conducted a study on the hybrid multichannel approach to online marketing, which emphasizes the need to consider global perspectives while implementing local strategies. El-Gohary, Trueman, and Fukukawa (2010) conducted a study to analyze the variables that influence the adoption of e-marketing by small business organizations.

Egele, Ikechi, and Ozo (2017) conducted a study to examine the influence of electronic marketing on the performance of retail outlets. A study was conducted on internet retail shops in Port Harcourt, Rivers State, Nigeria. Etim, James, Arikpo, and Okeowo (2021) conducted a study to examine the correlation between e-marketing tactics and the performance of small and medium-sized firms. Nevertheless, none of this research made an effort to establish a connection between electronic marketing and client involvement. Therefore, the primary objective of the present research is to assess the impact of electronic marketing on customer engagement among online merchants in Rivers State. This will be measured by examining customer commitment and customer advocacy as indicators of customer engagement. The following hypotheses are formulated to guide the study:

Ho₁: Electronic marketing does not have significant influence on customer commitment of online retailers in Rivers State

Ho₂: Electronic marketing does not have significant influence on customer advocacy of online retailers in Rivers Stat

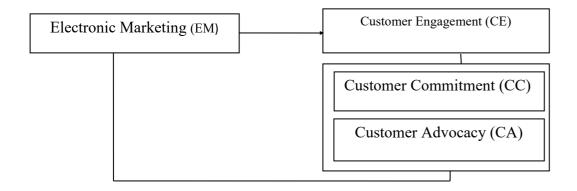


Fig. 1: Conceptual framework showing the influence of between electronic marketing on customer engagement of online retailers in Rivers State

Sources: Researchers conceptualization (2023)

Theoretical Foundation Wheel of Retailing Theory McNair (1958)

The idea elucidates the influences that mold retail trends, as advocated by McNair (1958). The text describes how emerging retail projects initially have basic amenities, limited status, and a reputation for offering low pricing and profit margins. As businesses develop and progress, they get more costly premises with more intricate services, which require them to apply bigger profit margins to their products or services. This ultimately leads to uncompetitive pricing. The cycle of retailing occurs when new retailers enter the market with a lower status, lower prices, and lower profit margins, which puts the existing institutions at risk of facing new competitors. The replacement of the founders of institutions with second-generation management, who prioritize the look and image of shops above cost consciousness, leads to increased expenses and prices. This further worsens the stores' lack of competitiveness (Findley & Sparks, 2002).

The theory elucidates the decrease of certain categories of merchants and the emergence of new ones by considering the life cycle of shopping centers (Abrudan & Dabija, 2009). It is relevant to the present research as it helps comprehend the impact of competition in a given setting. In order to survive in competitive contexts, firms must adapt. Without adaptation, they face the danger of failure. While the theory provides valuable information, it faces criticism for its limited applicability to all economies, particularly those that are established and experiencing growth (Brown, 1991). In addition, convenience shops, planned shopping malls, and specialized stores deviate from the norm by entering the market with substantial profit margins and expensive costs but manage to maintain competitiveness. Regardless of the criticism, the theory serves as a valuable reminder that companies operating in dynamic and competitive contexts must adjust to changes and proactively anticipate change, or else face an unavoidable decline (Abrudan & Dabija, 2009).

Concept of Electronic Marketing

Marketing encompasses the range of operations undertaken to fulfill customers' demands and desires. Various definitions have been proposed for e-marketing, with each definition offering a distinct perspective on the notion of e-marketing: E-marketing, as defined by Gilmore et al. (2017), refers to the use of the internet and associated technologies, in conjunction with other marketing tools, to execute conventional marketing operations and activities. This includes identifying customers, engaging in communication with them, and giving value to them. According to Stan (2003), e-marketing refers to the use of electronic means to apply the conventional aspects of the marketing mix, sometimes known as the 4Ps. Strauss and Raymond (2001) define e-marketing as a kind of conventional marketing that incorporates information technology to achieve its objectives and enhance marketing effectiveness.

E-marketing refers to the use of the internet and other digital technologies to accomplish marketing objectives (Chaffey et al., 2000). According to Smith and Chaffey (2001), e-marketing is the use of electronic communications technology to accomplish marketing objectives. This technology encompasses several digital tools, such as the internet, electronic mail, electronic books, databases, and mobile phones. In their study, Javadian et al. (2011) examined four primary e-marketing tools: mobile marketing, e-mail marketing, website marketing, and marketing through social networking websites. The purpose was to explore how these tools are utilized to enhance e-marketing and assess their distinct effects on consumer perception.

The findings indicated that the advent of smart cell phones has significantly transformed mobile phone marketing, offering several benefits to firms. Email marketing is a distinctive method of disseminating promotional messages and generating value for consumers because of its low cost, cost-efficiency, and wide reach to recipients. Companies consider marketing via websites essential due to its inherent capabilities. Social networks are integrated platforms that include textual, visual, and audiovisual content, facilitating organizations in enhancing their efficiency and generating added

value for their clientele.

Social networks enable organizations to establish connections with consumers, allowing them to get insights into client demands and identify the strengths and weaknesses of their goods in the digital realm based on user feedback. According to Abdel and West (2009), the use of e-marketing leads to benefits such as the expansion of the market and the decrease of expenditures. Research has shown that e-marketing orientation (EMO) has both conceptual and behavioral components. Through conceiving EMO and streamlining its measurement, marketers may effectively implement their strategies and assess their efforts.

Additionally, they may identify certain areas to allocate their resources in order to enhance e-marketing procedures. According to Edward (2008), small and medium-sized enterprises (SMEs) mostly use e-marketing approaches, although the range of e-marketing strategies employed by these companies is limited. Additionally, they demonstrated that in the majority of minor enterprises (MEs), distribution follows a highly balanced pattern and relies only on conventional marketing techniques. Companies that possess strong capabilities in branding, pricing, product diversification, worldwide expansion, and technological innovation are well-equipped to facilitate sophisticated e-marketing at elevated levels.

The research findings demonstrated a direct correlation between the assessment of organizational performance indicators and the use of electronic marketing, particularly in small firms (MEs). In 2013, Makash said that every online marketing activity should take electronic marketing into account. E-marketing plays a significant role in the financial resources of businesses compared to traditional advertising channels. Many small and medium-sized enterprises (SMEs) are unable to afford a substantial advertising budget, particularly during economic downturns. Additionally, their human and time resources are limited. E-marketing is inherently more cost-effective.

E-marketing is the use of marketing principles and strategies using electronic media, primarily the internet (Faisal et al., 2009). Hatem (2011) emphasized, nevertheless, electronic marketing (emarketing) remains a relatively recent concept, particularly for organizations operating in developing countries that have limited resources, poor infrastructure, and intense competition, making it financially imprudent to make hasty investments or incorrect decisions. There is a need to gain a clearer understanding of e-marketing issues and their potential for organizations, as well as how these advancements can be used to enhance and streamline marketing activities and strategies more effectively than relying on traditional marketing practices. E-marketing is a strategic and contemporary commercial activity that involves advertising goods, services, information, and ideas over the Internet and other electronic methods. Upon analyzing the relevant literature, it is evident that the definitions of e-marketing vary depending on the viewpoint, background, and expertise of each researcher.

Concept of Customer Engagement

The evaluation of social media performance often relies on the concept of engagement, which is essentially equivalent to the notion of prolonged attention (Damian-Okoro, Didia & Poi, 2021). Companies are increasingly acknowledging the urgent need to prioritize the development of personal and interactive connections with clients, as emphasized by Kumar et al. (2010). Customer engagement refers to the establishment of an emotional bond between a firm and its customers, with a specific emphasis on interacting with consumers and encouraging their active involvement. Knowledge sharing is crucial for customer engagement, and information and communication technologies provide significant potential for enterprises to share knowledge and interact with consumers (Vivek, 2009). In their study, Vivek et al. (2012) provided a definition of customer engagement as the level of involvement and connection that individuals have with the products and activities of a company, whether started by the consumer or the organization itself.

583

Bowden (2009) defined customer engagement as a psychological process that explains the underlying mechanisms through which customer loyalty towards a service brand is established in new customers as well as the mechanisms through which that loyalty can be sustained in repeat purchase customers of a service brand. In a more recent study, Mollen and Wilson (2010) specifically defined online customer engagement as the customer's cognitive and emotional dedication to actively interacting with the brand through the website or other computer-mediated platforms that convey the brand's value.

Each of these notions constitutes a distinct theoretical framework, which has hindered the attainment of significant conceptual progress, indicating the absence of complete agreement (Hollebeek, 2013). Nevertheless, based on previous definitions, it can be inferred that most approaches adopt a multidimensional viewpoint on involvement, including three dimensions: cognitive, emotional, and conation. Vivek et al. (2012) found that the way individuals express themselves might differ depending on the precise idea of involvement being considered as well as the value of each component in a given environment, as noted by Brodie et al. (2013).

The scope of customer involvement and its conception have ranged from consumer action at a certain moment to a lasting connection. According to Brodie et al. (2011), customer engagement is the psychological state that results from interactive and co-creative interactions between customers and a business. Consumer engagement behaviors may be defined as acts shown by a consumer that are centered around a brand or company, extend beyond mere transactions, and are driven by motivations, as stated by VanDoorn et al. (2010). Customer engagement may be seen as a cyclical process that occurs over time (Sashi, 2012). It can also manifest in varying degrees of intensity, indicating various phases of engagement (Brodie et al., 2013). They argue that the representation of these general dimensions might vary depending on the particular idea of involvement and the relative relevance of each factor in a given setting (Brodie & colleagues, 2013).

As stated by Abeysekara (2016), it may be more advantageous to focus on defining the behavioral aspects rather than the psychological aspects. This approach does not disregard the importance of psychological constructs such as involvement, satisfaction, brand love, cognitive, and affective commitment. Instead, it allows these constructs to vary independently with distinct causes and effects and to be connected to customer engagement as either a cause or a result. Pansari and Kumar (2016) conducted a study. By defining customer engagement as behaviors that occur outside of core transactions, we can clearly differentiate this idea from behavioral loyalty, which refers to repeat purchases and other transaction-focused behaviors often researched in marketing.

Customer Commitment

Customer commitment refers to the level of involvement and ongoing loyalty that a customer demonstrates towards a particular product or firm. The customer's inclination and endeavor to sustain a connection with the organization are also present. Commitment in a relationship may be categorized into two main dimensions: emotional commitment and calculative commitment, as identified by Gatafsson et al. (2005). Calculative commitment is a logical and deliberate decision that arises when there are few options or significant expenses associated with changing one's course of action. For instance, a consumer who has a preference for a certain product from Jumia may turn to Alibaba due to a limited number of choices and consistently make purchases from them (Wetzels, et al., 2000). Commitment is the fundamental principle in the relationship marketing framework, representing a long-lasting bond with a service provider. Meyer & Allen (1997) argue that there is no consensus about the meaning of commitment in terms of its attitude and behavior.

This perspective opposes the notion of seeing it as a multidimensional concept, while it is mostly used in the context of business-to-business interactions. The study conducted by Wetzels et al in 2000. Hence, it may be inferred that the unidimensional perspective pertains to a scenario including customers and businesses. Furthermore, Gwinnet and Gremeler (2002) have regarded commitment as a single-dimensional concept. Although there are many perspectives on commitment in the

literature, the majority of views endorse three dimensions of commitment, irrespective of the specific issue under investigation (Meyer & Herscovitch, 2001). The Commitment construct has three distinct aspects that correspond to distinct psychological states: emotional commitment, continuation commitment, and normative commitment. Affective commitment pertains to the inclination and readiness to remain affiliated with an organization. Additionally, Fuller (2005) discovered a favorable correlation between it and repurchase intentions.

Continuance commitment is determined by the tangible and intangible expenses associated with remaining in the company. Strategic dedication results in elevated levels of client loyalty and long lasting partnerships with vendors. Affective commitment is primarily driven by emotional factors and is a consequence of the trust and mutual give-and-take in a relationship. Affective commitment fosters elevated degrees of trust and emotional connections in interactions with sellers. Sashi, (2012). Customer loyalty may be seen as the outcome of emotional dedication to a certain product brand or business, while customer pleasure is the outcome of emotional dedication to a product, brand, or company. If consumers exhibit both loyalty and satisfaction, meaning their commitment to a seller includes both rational and emotional aspects, then the customer and seller engage in a long-term relationship characterized by strong emotional connections.

Customer Advocacy

Customer advocacy may be seen as the pinnacle of a hierarchical structure, with comprehensive quality management and customer happiness being the foundation. Customer advocacy is a word that is undergoing changes in contemporary marketing. Advocates use positive word-of-mouth communication. Hayes (2008) describes the company's development towards becoming customer champions. According to WalzCeluch (2010), advocacy refers to the act of spreading positive word of mouth about a firm, speaking honestly and positively about it, and recommending it to others. Jaffe (2010) advised organizations to prioritize advocates in order to reduce the expenses associated with acquiring new consumers. Positive word of mouth is particularly effective in the service industry, since clients often have uncertainty about the quality of services until they actually make a purchase. According to Walz and Celunch (2010), advocacy refers to the customer's inclination to strongly endorse items, services, or brands, therefore acting as advocates for the provider.

According to Fullerton (2005), when consumers passionately endorse goods, services, or brands, they are acting as advocates for them. Advocacy represents a significant advancement in the developing connection between a company and its consumers. Given the increasing influence of customers and the evolving marketing tactics used by companies, it is essential for researchers to scrutinize research techniques. The philosophy of marketing is distinct. Traditional marketing relies on comprehending customers' demands and then persuading them to purchase the company's goods. In contrast, advocacy marketing focuses on optimizing customers' interests and establishing partnerships with them. Urban, (2004). The concept of altruism posits that advocating is a voluntary behavior in which important knowledge is provided to another party without expecting any sort of reward, either directly or indirectly. It is seen as a moral duty for individuals to give advantages to others.

Volunteer advocacy is not associated with the rewards given by the organization in terms of organizational citizenship behavior. According to the notion of impression management, advocacy involves influencing the behavior of others by expressing a favorable opinion towards a certain item or idea in order to train oneself to be seen more positively and encourage others to adopt the same viewpoint. Advocacy research is crucial as it serves as the preferred approach for businesses to address the emerging reality where customers have significant power over the organization. Prospective clients see information from peers or even unfamiliar individuals as more impartial and trustworthy compared to that provided by a commercial organization (Brown & Peter, 1987). Satisfied consumers have the option to either keep their satisfaction to themselves or engage with others in their social networks to provide good feedback about a product, brand, or business. Customers who are loyal to a particular seller may not spontaneously express praise for the product, brand, or company to others, even though they have a long-standing relationship with the seller. However, they may provide recommendations when given the chance to do so, based solely on rational reasons

without any emotional attachment.

Electronic Marketing and Customer Engagement

In their study, Nadube and Labari (2019) investigated the correlation between the legitimacy of social media and the level of client participation in money deposit institutions. The research design used was explanatory in nature. The Pearson product-moment correlation coefficient was used for data analysis. The research discovered a robust and statistically significant correlation between the legitimacy of social media and the level of client interaction shown by deposit money institutions. Furthermore, the legitimacy of social media is directly linked to the level of customer devotion and consumer advocacy.

Farook and Abeysekara (2016) investigated the impact of social media marketing on consumer engagement. The findings indicate that the medium and content format of a post have a substantial impact on consumer engagement on online platforms. Damian-Okoro, Didia, and Poi (2021) investigated the correlation between cognitive social media involvement and the efficacy of e-marketing for healthcare companies in Nigeria. The study used an explanatory research design. The assumptions were tested using Pearson product moment correlation (PPMC). The research revealed a significant correlation between cognitive social media involvement and the efficiency of e-marketing for healthcare enterprises in Nigeria.

Methodology

The study adopted a cross-sectional descriptive survey research design. This was a descriptive survey on social media marketing and customer engagement among online retailers in Rivers State. This type of design will be used because one or more variables, apart from the independent variable in question, could be the actual cause of the observed variation in the dependent variable as a result of customer engagement employed by the online retailers. The population of a study was the universe of objects, persons, and events of things being studied, from which a sample was drawn (Nwankwo, 2011). The population of this study was the entire element under investigation, and the entire elements that constitute a population must share common features in terms of geography, demography, sociology, and duration (Iyama, 2012).

The population of this study consists of 10 registered online retail firms in Rivers State. The population of the study was small. Thus, the entire population was studied. Specifically, the purposive sampling technique was employed, and the respondents were marketing/sales, customer service, and logistics, for a total of thirty (30) respondents. The questionnaire was structured on a 5-point Likert scale ranging from high extent to low extent. Validity is the degree to which the result obtained from the analysis of the data actually represents the phenomenon under study. Kothari (2004) pointed out that validity measures the accuracy of the instruments used to obtain the anticipated data, which can meet the objectives of the study. In this study, the researcher used Cronbach's alpha reliability test method to measure the internal consistency of the variables. Results were reported as shown in Table 3.1. The Alpha coefficient for the composite scale and the subscales are all above the threshold (for them to be reliable).

Table 1: Reliability Analysis of the Research Instrument

S/N	Variables	Number of Items	Cronbach,s Alpha
1.	Electronic Marketing	3	0.728
2.	Customer Engagement	3	0.728
3.	Customer Commitment	3	0.719
4.	Customer Advocacy	3	0.728

Source: Researcher Field Data (2023).

Proceedings of the 4th Annual International Academic Conference

Ho₁: electronic marketing does not have significant influence on customer commitment of online retailers in Rivers State

H_{1:} electronic marketing has a significant influence on customer commitment of online retailers in Rivers State

Table 2: Influence of electronic word of mouth on customer commitment (N=30).

Model	R	R Square	Adjusted R Square	Std. Error of the		
estimate						
1	.872	.764	.703	45343		
a. Predictors: (Constant), Electronic marketing						
b. Dependent Variable: Customer Commitment						

Since for hypothesis one, the significant is .000 which is less than 0.05; there is a significant, influence of electronic marketing on customer commitment with the R (Coefficient of Correlation) that there is 87.4% direct relationship between electronic marketing and customer commitment. R–square value of 764% shows that electronic marketing can influence customer engagement to a high degree. The researcher also used ANOVA to test the hypothesis in this section. The results were presented in table 1.1.

Table 3: One Way ANOVA for electronic marketing and customer commitment (N=30).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	77.074	1	77.074	374.879	.0000
With in Groups	23.849	2920	6		
Total	100.94	30			

a. dependent variable: customer commitment

Table 3 shows that there is difference in mean between electronic marketing F(dfB,dfw) = F(430,1) = 374.879, p<0.05. Significant value is 0.01,r(1,30). This agrees with the regression result in Table 4.0. As can be seen from Table 4.0: electronic marketing has a positive and significant influence on customer commitment. The sign of the regression coefficient is positive indicating that when electronic marketing increases, the customer commitment of the focal companies also increases. This does not agree with the stated hypothesis 1 (There is no significant influence of electronic marketing on customer commitment, therefore, the researcher rejects the hypothesis and accepts the alternative hypothesis that there a significant influence of electronic marketing on customer commitment. The Significant value is 0.01,r(1,30). Therefore the researcher concludes that significant influence of electronic marketing on customer commitment, implying that as the electronic marketing increases, it will lead to customer commitment, the focal company's customers to enhance online retail outlet performance.

Ho₂: electronic marketing does not have significant influence on customer advocacy of online retailers in Rivers State.

H₂: electronic marketing has a significant influence on customer advocacy of online retailers in Rivers State

Table 4: Influence of electronic marketing on customer advocacy (N=30).

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.810	.656	.653	.50668

a. Predictors: (Constant), Electronic marketing

Since for hypothesis two, the significant is .000 which is less than 0.05; there is a significant, influence of electronic marketing with the R (Coefficient of Correlation) that there is 81% direct relationship between electronic marketing and customer advocacy. R–square value of .65.6% shows that electronic marketing can influence customer advocacy to a high degree. The researcher also used ANOVA to test the hypothesis in this section. The results were presented in Table 4.2.

Table 5: One Way ANOVA for the difference in mean between electronic word of mouth and customer advocacy (N=30).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	55.771	1	55771	281.139	.0000
With in Groups	23.849	29	57		
Total	100.94	30			

a. dependent variable: customer advocacy

Table 5 shows that there is difference in mean between electronic marketing and customer advocacy F(dfB,dfw) = F(30,1) = 221.139, p < 0.05. Significant value is 0.01,r(1,30). This agrees with the regression result in Table 4.2. As can be seen from Table 4.3: electronic marketing has a positive and significant influence on customer advocacy. The sign of the regression coefficient is positive indicating that electronic marketing and customer advocacy are directly related. This does not agree with the stated hypothesis 2 (There is no significant influence of electronic marketing on customer advocacy, therefore, the researcher rejects the hypothesis and accepts the alternative hypothesis that there a significant influence of electronic marketing on customer advocacy. The Significant value F(dfB,dfw) = F(30,1) = 221.139, P < 0.05. Significant value is 0.01,r(1,30) Therefore the researcher concludes that significant influence of electronic marketing on customer advocacy, implying that as the electronic marketing and customer advocacy are directly related.

Discussion of Findings

This result is consistent with the research by Nadube and Labari (2019), which looked at the relationship between consumer participation in money deposit institutions and social media credibility. The research discovered a robust, affirmative, and statistically significant correlation between the credibility of social media and the level of client interaction shown by deposit money institutions. Furthermore, the legitimacy of social media is directly linked to the level of customer devotion and consumer advocacy. Farook and Abeysekara (2016) conducted a study on the impact of social media marketing on consumer engagement. The findings indicate that the medium and content format of a post have a significant impact on consumer engagement on online platforms.

Conclusion

This study investigated the influence of electronic marketing on customer engagement of online retailers in Rivers State. From the findings the study concludes that e-marketing influences customer engagement of online retailers in Rivers State.

b. Predictor: Electronic marketing

b. Dependent Variable: Customer Advocacy

b. Predictor: Electronic marketing

Recommendations

Based on the conclusion the study therefore recommended that management of online retailers should, inter alia, initiate and implement effective electronic marketing in order to enhance on customer engagement of online retailers in Rivers State.

References

- Amir, A. (2013). Impact of brand credibility on customer satisfaction in the banking industry in the North-West of Iran. *Life Science Journal*, 10(6), 125-210.
- Anderson, T.W. & Sullivan, M.W. (1994). The antecedents and consequences of customer satisfaction for firms. *Marketing Science*, 12(2), 125-143.
- Benchmarkemail.com, (2014). What Is Email Marketing? (Online). Available: http://www.benchmarkemail.com/resources/email-marketingarticles/what-is-email-marketing. (Accessed: 24- Sept- 2021).
- Cano, R., Carrillat, A., Jaramillo, F.A. (2014), Meta-analysis of the relationship between market orientation and business performance: Evidence from five continents. *International Journal of Research in Marketing*, 2(1), 179-200.
- Chaffey, S.D., Mayer, R., Johnston, K., & Chadwick, F. (2000). *Internet marketing. Financial Times*, PrenticeHall, London.
- Damian-Okoro, I. R., Didia, J.U.D., & Poi, E. L. (2021). Cognitive social media engagement campaigns and e-marketing effectiveness of health care firms in Nigeria. *Nigeria Journal of Business Administration*, 19(2), 168-180
- Dann, S., & Dann, S. (2011). *E-marketing theory and application* (1st ed.). United Kingdom: Palgrave Macmillan.
- Dehkordi, G., Rezvani, S., Rahman, M., Fouladivanda, F., &Jouya, S. (2012). A Conceptual Study on E-marketing and Its Operation on Firm's Promotion and Understanding Customer's Response. *International Journal of Business and Management*, 7(19).
- Dilts, J. J., Hauser, W. & Hausknecht, D. (2016). A hybrid multichannel approach to internet marketing: think globally, act locally. *Int. J. of Internet Marketing and Advertising*, 3(2), 34-50.
- El-Gohary, H., Trueman, M., &Fukukawa, K. (2010). Understanding the Factors Affecting the Adoption of E-Marketing by Small Business Enterprises. *E-Marketing*, 909-930.
- Ellis-Chadwick, F., & Doherty, N. F. (2012). Web advertising: The role of e-mail marketing. Journal of Business Research, 65(6), 843-848.
- Egele, A.E., Ikechi, P. O. & Ozo, J.U.(2017), The impact of electronic marketing on retail outlet performance In Nigeria: a survey of online retail outlets in Port Harcourt, Rivers State. *Journal of Business and Management 19* (11), 47-55.
- Etim, G.S., James, E. E., Arikpo, N. N. & Okeowo, V. O. (2021). E-marketing strategies and performance of small and medium-sized enterprises: A new normal agenda. *Journal of Business Management Studies* 3(2), 162-172.
- Fagerstrom, A., &Ghinea, G. (2010). Web 2.0's marketing impact on low-involvement consumers. Journal of Interactive Advertising, 10(2), 67-71.
- Gustavsson, M., & Johansson, A.---M.(2006). *Consumer trust in E---commerce*. Kristianstad University, The Department of business studies.
- Gilmore, A., Gallagher, D. & Henry, S. (2017). E-marketing and SMEs: Operational lessons for the future. *European Business Review*, 19(3), 76-81.
- Harridge-March, S. (2004). Electronic marketing: The new kid on the block. *Marketing Intelligence & Planning*, 22(3), 297-309.
- Hossinpour, M., Hasanzade, M., &Feizi, M. (2014). The impact of e-marketing on life and investment insurance sales with emphasis on internet. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 3(8), 235-245.
- Javadian, D. G., Rezvani, S., Sabbir, R.M., Fouladivanda, F. N. & Faramarzi, J. S. (2012). A conceptual study on e-marketing and its operation on firm's promotion and understanding custom-

- er's response. International Journal of Business & Management, 7(19), 114.
- Kim, S., Williams, R. & Lee, Y. (2003). Attitude toward online shopping and retail website quality: A comparison of US and Korean consumers, *Journal of International Consumer Marketing*, 2(1),20-33.
- Kotler, P. (2003). *Marketing Management*. 11th (ed.). Montreal: Prentice Hall.
- Lin, C. & Hong, C. (2008). Using customer knowledge in designing electronic catalog. *Expert Systems with Applications*, 34,119-127.
- Makesh, N. (2013). E-marketing A New Concept. *International Journal of scientific research and management (IJSRM)*. 50-54.
- Miyazaki, A.,& Fernandez, A. (2000). Internet privacy and security: An examination of online retailer disclosures.
- Melika, S. S. (2017). Study the role of electronic marketing on business performance with emphasis on the role of market orientation. *International Review of Management and Marketing*, 7(3), 357-365.
- Mohammad, T., Esmaeel, M. A. & Ali, A. M. S. (2013). Impact of electronic marketing on the performance of pistachio-exporting companies in Iran. *Journal of Basic and Applied Scientific Research*, 3(6), 211-217.
- Mohammad, T., Esmaeel, M. A. & Ali, A. M. S. (2013). Impact of electronic marketing on the performance of pistachio-exporting companies in Iran. *Journal of Basic and Applied Scientific Research*, 3(6), 211-217.
- Olgha, A. A., Francis, N. K. & Owino. J. O. (2017). Electronic marketing practices, competitive environment and performance of telecommunications companies in Kenya. *British Journal of Marketing Studies*, 5(5), 60-67.
- Radicati Team, 'The Radicati Group, Inc. Email Market. Retrieved 24th September 2023, from, http://www.radicati.com/?p=12482.
- Raoofi, M. (2012). Moderating role of e-marketing on the consequences of market orientation in Iranian firms. *Management & Marketing-Craiova*, 2, 301-316.
- Salehi, F., Abdollahbeigi, B., Langroudi, A.C. & Salehi, F. (2012). The impact of website information convenience on e-commerce success of companies. *Procedia Social and Behavioral Sciences* 57, 381 387.
- Sally Harridge-March, (2004). Electronic marketing the new kid on the block. *Marketing Intelligence & Planning*, 22 (3), 297-309.
- Seimodei, I. R., Okwandu, G. A. & Nadube, P. M. (2021). Affective social media engagement campaigns and e-marketing effectiveness of health care firms in Nigeria. *Journal of contemporary marketing*, 6(2), 1-13.
- Smith, P. R. and Chaffey, D. (2005). *E-marketing excellence: A heart of ebusiness*. Elsevier Ltd. Oxford, UK.2. 51-53.
- Smith.P. R & Chaffy, D. (2001). E-marketing excellence: At the heart of ebusiness; Butterworth, Heinemann,Oxford,uk.
- Stan Emst (2003). Electronic Marketing AED economics—osu.Accessed at:www.Agecon.ag.ohiostate.edu/programs/e-agbiz.
- Stewart, D. W., &Pavlou, P. A. (2002). From consumer response to active consumer: measuring the effectiveness of interactive media. *Journal of the Academy of Marketing Science*, 30(4), 376–396.
- Straus, J. & Raymond, F. (2001). E-marketing. 2nd (ed.). Prentice Hall.
- Taylor, M. (2014). Email Marketing Software & Services Which One's Best?', Venture Harbour. .

 Retrieved 24th September 2023, from http://www.ventureharbour.com/email-marketing-software-tools-onebest/.
- Tsiotsou, R. H., &Vlachopoulou, M. (2011). Understanding the effects of market orientation and emarketing on service performance. *Marketing intelligence and planning*, 29(2),144-155.
- Vaughan, R., Chih-Wei, C. Sarah, G., (2016). Permission email marketing and its influence on online shopping. *Asia Pacific Journal of Marketing and Logistics*, 28(2), 308 -322.

Zirthang, L. B. & Rudra, P. D. (2014). A conceptual model for effective email marketing. International Conference on Computer and Information Technology, 2(6), 89-100. Zulgurnain, A., Saira, E., Muhammad, U.S., Faisal, A.T. & Muhammad, K. (2015). Understanding e-marketing as a firm's promotional tool: Its impact on consumer perception. *International* Journal of Academic Research in Business and Social Sciences, 5(4), 2222-6990.

Entrepreneurship Development and Poverty Reduction in Chikun Local Government Area of Kaduna State

Shekwaga Zakwai

Department of Business Education Kaduna State College of Education Gidan Waya, Kafanchan Kaduna State shekwaga@yahoo.com

Abstract

Entrepreneurship education has continued to feature as a captivating theme in local and international conferences because of its influence as a tool for mitigating unemployment and other socioeconomic challenges inhibiting sustainable development in all parts of the globe. This study examined the relationship between entrepreneurship development and poverty reduction among local shoes and bag makers in Chikun Local Government Area of Kaduna State, Nigeria. The study was a survey research with 248 respondents. Data were analyzed using descriptive and inferential statistics with the aid of Statistical Packages for Social Scientists (SPSS) 23. Pearson's correlation analysis was carried out to examine the relationship between Entrepreneurship (Skill Acquisition, Entrepreneurship Training, and Creativity & Innovations) and Poverty Reduction (Youth Empowerment, Job Creation and Wealth Creation) The results showed a positive significant relationship between the independent variables (Skill Acquisition, Entrepreneurship Training and Youth Creativity) and the dependent variables (Youth Empowerment, Job Creation and Wealth Creation) in Chikun Local Government of Kaduna State Nigeria. The study recommended that Entrepreneurship training and development should be instituted at the Local Government levels and inculcate into the school's curriculum at all level to instill entrepreneurial drive, promote job creation, wealth creation and human capital development through entrepreneurial skill acquisition and training thus reducing poverty in the society. **Keywords:** Entrepreneur, entrepreneurship, entrepreneurship development, poverty reduc-

tion

Introduction

Entrepreneurship is considered a major contributing factor to sustainable economic development and poverty alleviation in developing countries including Nigeria. Entrepreneurship can be defined as an art of being an entrepreneur or one who undertakes innovations or introduces new things, finance and business acumen in an effort to transform innovations into economic goods. Entrepreneurship is the ability to perceive and undertake business opportunities, taking advantage of scares resources utilization. It is the process of creating something new with value by devoting the necessary time and effect assuming the accompanying finance, psychic and social risk and deserving the resulting rewards of monetary and personal satisfaction and independence (Hisrich and Peters, 2002).

Poverty reduction is top priority of the United Nations nineteen (19) objectives for achieving Sustainable Development in developing economy (UNESCO, 2015) According to World Bank (2011), "poverty is the economic condition in which people lack sufficient income to obtain certain minimal levels of health services, food, housing, clothing and education which are necessities for standard of living". Poverty in the face of abundance is now the world's greatest challenge and major developmental objective is the achievement of equality in the distribution of income and reduction of poverty.

Entrepreneurship is the backbone of every vibrant and resilient economy. The importance of entrepreneurship in enhancing human capital development in terms of poverty alleviation, employment generation, wealth creation and economic vitality has given entrepreneurship worldwide recognition. Thus, the need for the pursuit of poverty reduction through entrepreneurship is highly essential for growth and structural transformation of an economy and the attainment of economic development.

Statement of the Problem

Unemployment is rampant in Nigeria like other developing nations because of mismatch between the need of employers and supply of job-specific human capital produced by tertiary institutions (Simkovic, 2012). According to available data at the Nigeria Bureau of statistics, as at the last quarter of 2022, out of an economic active population (15-65yrs) of 104.3million, the labour force was 75.9 million. Youth population was 36.38million (48% of the total work force). About 20.7million (49.6% of work force) were either unemployed or underemployed. These indices accentuate the need for efficient entrepreneurial development in Nigeria which is crucial for socio-economic growth, poverty reduction and sustainable development.

The current economic recession in Nigeria today tells the whole story; Nigeria is faced with lots of challenges ranging from high rate of poverty, youth and graduate unemployment, over dependence on foreign goods and technology, insecurity, low economic growth and development, poor infrastructural development among others (Ekwesike, 2012). The country has increasing rate of poverty both at the regions and at the national level, high unemployment rate, high income inequality, low quality human capital, high percentage of population on welfare and high out migration in the face of high economic growth measured by GDP (Information from the National Bureau of Statistics – NBS, 2018; 2021).

Ottih (2011) posits that many developing countries of African continent have now considered entrepreneurship as the only way of achieving industrialization and therefore making conscious efforts for developing indigenous entrepreneurs as an alternative measure for unemployment reduction. Despite the fact that entrepreneurial development has brought far reaching transformation on the economy, it is still neglected and therefore constrained to fully develop to its full potential. A small body of knowledge is available from efforts on the impact of entrepreneurship development on poverty reduction; hence this study is an attempt to fill the knowledge gap using local shoes and bag makers in Chikun Local Government Area of Kaduna State.

Objectives of the Study

The general objective of this research is to examine the impact entrepreneurship development and poverty reduction in Chikun Local Government Area of Kaduna State, Nigeria. The specific objectives include to:

Evaluate the influence of Skill Acquisition on Youth Empowerment in Chikun Local Government Area of Kaduna State.

Ascertain the influence of Entrepreneurship Training on Job Creation in Chikun Local Government Area of Kaduna State.

Determine the influence of Creativity and Innovations on Wealth Creation in in Chikun Local Government Area of Kaduna.

Research Questions

How does Skill Acquisition influence Youth Empowerment in Chikun Local Government Area of Kaduna State?

What is the influence of Entrepreneurship Training on Job Creation in Chikun Local Government Area of Kaduna State?

How does Creativity and Innovation influence Wealth Creation in Chikun Local Government Area of Kaduna State?

Research Hypotheses

Ho₁: There is no significant relationship between Skill Acquisition and Youth Empowerment in Chikun Local Government Area of Kaduna State.

Ho₂: There is no significant relationship between Entrepreneurship Training and Job Creation in Chikun Local Government Area of Kaduna State.

Ho₃: There is no significant relationship between Creativity & Innovation and Wealth Creation in

Chikun Local Government Area of Kaduna State?

Significance of the Study

The results of the study would no doubt enable both the private and public sectors in Nigeria and other developing countries of the world to improve on the development of the requisite skills and knowledge needed to be competent and self-reliance. The findings of the study would also help to promote quality entrepreneurship and also help in the formulation of policies that will improve entrepreneurial development and reduce poverty in Nigeria.

Concept of Entrepreneur, Entrepreneurship and Entrepreneurial Development

The entrepreneur has been defined in various ways and context. He is the originator of a profit seeking or economic organization which is established for the purpose of providing goods and services that satisfy needs. He is an individual that takes risks and starts something new (Hisrich, Antoncic, Douglas & Fitzsimmons 2005). Entrepreneurs are usually more intuitive than non-entrepreneurs (Armstrong and Hird, 2009). Entrepreneur mean an individual who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods and results in profit making.

Entrepreneur can be viewed generally as a person who fuses some personality or traits to start up a business venture with the purpose of making profit. Shane in Adekuncle & Kayode (2014), described entrepreneurship as an act of being an entrepreneur. According to Paul (2014) entrepreneurship is the effective manipulation of human intelligence as demonstrated in creative performance. It is the willingness and the ability of an individual to seek out a new investment opportunity, establish an enterprise based on this and run it successfully either for profit making or social benefit (Udeh, 1999 cited in Emmanuel, 2010). It also encompass creating innovation, promoting new sets of attitudes and culture for the attainment of future challenges (Arogundade, 2011).

Entrepreneurship is an important element in the dynamics of all economies and it is regarded as the driving force in economic growth and job creation (Sunter, 2005 and Ogbodo, 2009). It is actually concerned with the identification of gaps and business opportunities in one's immediate environment and bringing together the necessary resources in an innovative way to fill these gaps and in the process gaining personal rewards (which may or may not be for profit motives). The three main concepts in entrepreneurship are evaluating opportunities, securing resources, and growing and sustaining the enterprise (Gottleib and Ross, 1997). Entrepreneurship can be viewed as the process of gathering human and non-human resources to create and build an independent enterprise. This process entails, skill acquisition, creativity, risk-taking and innovation; among others.

Entrepreneurship and Creativity and Innovation

Entrepreneurship is a process undertaken by the government to reduce the level of poverty in the economy. It also encompass creating innovation, promoting new sets of attitudes and culture for the attainment of future challenges (Arogundade, 2011 cited in Ibitoye, Atoyebi & Sufian (2015). Creativity is simply a matter of being aware that things can be done in many different ways. While necessity is said to be the mother of invention, creativity is the father of invention. Some people are aware or at least confident enough to have fewer inhabitations and can easily put their creativity into work.

Innovation on the other hand is the ability to apply new ideas that enable one to approach activities differently in order to achieve better results it is all about improving on the existing way of doing things through personal initiatives, imagination and insight. The innovative person is able to change things around or devise new ways of doing things in order to accommodate whatever new situation that may arise. Information on different issues and fields therefore serve as inputs. Thus, successful entrepreneurs place great value on information and constantly engage themselves in research.

Innovation in the business context is generally regarded as the product or application of creativity. It can thus be seen as the specific instrument of entrepreneurship (Okafor, 2014). The importance of entrepreneurship in enhancing human capital development in terms of poverty alleviation, employment generation, wealth creation and economic vitality has given entrepreneurship worldwide recognition. The underlying thrust of this argument is that investment in improving the quality of human capital goes on to generate improvements in productivity and performance which by extension, leads to higher level of output of goods and services in an economy. Many authors have concluded that the differences in the level of socio-economic development across nations is attributed not so much to natural resources and endowments and the stock of physical capital but to the quality and quantity of human resources (Dauda, 2010).

Entrepreneurship and Skill Acquisition

Skill acquisition is comparable to entrepreneurship training and education or human capital development. Aniodoh (2001)) described skill acquisition as the ability to perform a task either mental or manual, which involves working out or building up series of process and actions into a consolidated progression, (Ozobu, Sofoluwe & Omale 2011.) In his contribution McClure (2005) citing Stuart and Drefus (1980) proposed a model of skill acquisition for students through formal instruction and practicing.

According to Fakomogbon and Adegbija (2011), skill is the expertise or ability developed in the course of training and experience. Skill acquisition is a process where the youths through learning of necessary skills that will enable them to be self-reliance becomes useful to the society by embarking on profitable entrepreneurship programme. Of all factors of production, only human beings are capable of learning, adapting or changing, innovative and creative. The human factor affects production immensely. Entrepreneurship equips the youths to imbibe entrepreneurial spirit and embrace the government entrepreneurship programs necessary for their empowerment. It inculcates six (6) empowerment elements into the youth. They include; psychological, community, organizational, economic, social and cultural.

Concept of Poverty

Poverty has been defined in various ways and contexts. According to Nigeria Institute of Management, (NIM, 2020) "Poverty may be defined as lack of basic things of life, such as food, clothing, shelter and access to portable water, all of which determine the quality of our life. It may also include access to opportunities such as education and employment which aid the escape from poverty and/or allow one to enjoy the respect of fellow citizens". Poverty in general, entails a state in which an individual or household is unable to meet the basic needs of life considered as minimum requirements, to sustain livelihood in the given society.

Poverty is an unacceptable deprivation in human well-being that can comprise both physiological and social deprivation. Physiological deprivation involves the non-fulfillment of basic material or biological needs, including inadequate nutrition, health, education, and shelter. Social deprivation widens the concepts of deprivation to include risk venerability, lack of autonomy, powerlessness and lack of self respect. According to Nweze and Ojowu (2002), poverty can be subdivided into three namely: absolute poverty, relative poverty and subjective poverty.

Absolute poverty is a situation where an individual is constrained with limited financial resources and he is unable to meet his/her basic needs of life such as food, clothes, shelter and health. According to World Bank (1996) Report, indicated that individuals, families or groups are considered to be absolute poverty oriented when they lack the resources particularly real income to obtain the types of dot needed to enjoy some fixed minimum standard of living by a given society. Nweze and Ojowu (2002) in their remark stated that Relative Poverty is a situation where an individual's income is less than the average income of the population in the society being considered. The consequences are that the individual possess goods and services lower than those other persons in the so-

ciety.

Subjective poverty, Haralambos and Holborn, (2004; World Bank, 1996) is based on the individual perception about his/her standard of living. This feeling of being poor is a subject of the absolute minimum standing of living. About 2.8 billion persons of the world's population live on less than \$2 a day, and 1.4 billion on less than \$1 a day (World Bank, 2009). Poverty is a major limitation of economic development and the dearth of economic opportunity is seen to increase the poverty level of an individual or household. This dearth of opportunities is strengthened by inequality. Analysts have argued that solving the problems of poverty and inequality needs appropriate policies that aims at the gaps and ensures that the poor in a given population can benefit from it.

Youth Empowerment

Youth empowerment is generally accepted as all efforts and strategies that is aimed at providing the youth with appropriate skills, developmental know-how and all conducive environment towards bettering their existence and actualizing a sustainable livelihood that will impact on the present and future growth and development of their nation (Obizue, 2016). UNESCO (2005) identifies four (4) major thrusts to begin the work of youth empowerment as a tool for sustainable development. They are, improving youth access to quality entrepreneurship education, Reorienting existing education, developing public awareness and motivation for entrepreneurship programmes and ensuring efficient training by adequate planning and funding of entrepreneurship education. The Nigeria Youth Policy is the document that stipulates broad guidelines for the implementation of empowerment programmes and projects of youths. The overall goal of the policy is to rights and protects the health, social economic and political wellbeing of all young men and women in order to enhance their participation in the overall development process and improve their quality of life. Youth empowerment organizations and scheme in Nigeria include:

Youth with Innovation in Nigeria.

Subsidy Reinvestment and empowerment Programme (SURE-P)

Youth Initiative for Sustainable Agriculture in Nigeria (YISA)

Graduate internship Scheme (GIS)

N-power

Causes of Poverty in Developing Countries (Nigeria)

There are several causes of poverty in Nigeria but the study identified poverty as the focal point. Nigeria has witnessed massive corruption in public sector that have resulted in looting of public treasury. Thus the study also identified other causes of poverty in Nigeria to include:

The impact of Boko Haram insurgency in North-East Nigeria.

Inadequate access to employment opportunities by majority of the populance.

Inadequate access to the means of fostering rural development in poor regions.

Inadequate access to assets such as land and capital by the populance.

Inadequate access to education, health, sanitation and water services.

Inadequate access to assistance victims of drought, flood, pests and war.

Inadequate involvement of the poor in the design of development programmes.

From the above discussion poverty can be described as a socio-economic plague that needs to be reduced. According to Akeredolu-Ale (1975) social costs of poverty include: Poverty Undermines National security Poverty hampers both human development and the formation of social capital Poverty poses a serious threat to the nation's social solidarity and political stability, Poverty hampers economic growth and Poverty degrades the environment and, thereby, poses a more direct threat to life itself.

Theoretical Framework

The study adopted capitalist entrepreneurial theory that explain how entrepreneurial activities tend to reduce Poverty in the society and circumstances that causes poverty in the society. The Capitalist

Entrepreneurial Theory was propounded in 1942 by Joseph Schumpeter. It is the first theory that links entrepreneurship and poverty reduction is the theory of capitalist entrepreneurial. This theory focused on basic exploitation of the poor by means of low wages and poor condition of services which allows for possible rise savings among the entrepreneurial class. This theory was extracted from Max Weber's Sociological theory; the entrepreneur becomes a role performer in conformity with the role of expectations base on religious beliefs, taboos, and customs. Capitalism thrives under the protestant work ethic that harps on these values. This is the class struggle between the owners of the means of production and the workers (Bourgeoisie's and prolaterate). The resultant inequality could lead to vast poverty among the peasant majority.

Empirical Review

Entrepreneurship is an important element in the dynamics of all economies and it is regarded as the driving force in economic growth and job creation (Sunter, 2005 and Ogbodo, 2009). Norasmah et al (2012) believe that one of the approaches in developing human capital is through education and entrepreneurship training. In his contribution Kareem (2015), in a study on the impact of Entrepreneurship on Poverty Alleviation, he found out that there is a positive significant relationship between entrepreneurship and poverty alleviation. Ibitoye, Atoyebi (2015) in their study, entrepreneurship and poverty reduction in Nigeria: Empirical Analysis of Lagos State, found out that there exist a positive and significant relationship between entrepreneurship and poverty.

Methodology

The study adopted survey research design while descriptive technique was adopted in the analysis. Data was sourced via primary and secondary sources. Primary source of data was self—designed, close-ended, pretested questionnaire made up of twenty-four (24) items. Secondary data was gotten from published books and reviewed journals including electronic works. The study was conducted in Chikun Local Government Area of Kaduna State. The choice of the area was based on a long history of entrepreneurial activities.

The total population of this study was the registered and non-registered local shoe and bag makers in the Local Government which is 3,242 according to Chikun Local Government Revenue Department (2021), while 292 sample size was arrived at using the Taro Yamane sample size determination. Of the 292 questionnaires administered 248 were properly filled and returned by the respondents, while 44 were not returned and some not properly filled and some not usable for the study. Simple random sampling technique was adopted for this study. The instrument for data collection is the questionnaire, designed by the researchers. It was a 4-point rating Scale instrument with the following response options: Strongly Agree (SA) – 5 points, Agree (A) – 4 points, Undecided (UD), Disagree (D) – 2 points and Strongly Disagree – 1 point. The reverse was the case with negatively word items.

Data Analysis and Results

Table: 1 Demographic Characteristics of the Respondents

S/No.	Variable	Frequency	Percentage	Cumulative Percentage				
1.	Gender	•	•					
	Male	174	70	70				
	Female	74	30	100				
	Total	248	100	100				
Age Rar	Age Range							

597

2	16-20 Years	50	20	20	
	21- 25 Years	74	30	50	
	26 Above	124	50	100	
	Total	248	100	100	
Marita	al Status	I	L	L	
3.	Single	70	28	28	
	Married	164	66	94	
	Divorced	10	4	98	
	Widow/Widower	4	2	100	
	Total	248	100	100	
Durati	ion in Entrepreneurship		I	I	
4.	1 to 2 Years	12	5	5	
	2 to 4 Years	74	30	100	
	5 Years and Above	160	65	100	

Source: Authors Data Computerized Results from SPSS 23 (2023)

From Table 1 above, 174(70.0%) of respondents were male while 74(30.0%) were females respondents. 50(20.0%) respondents were aged between 16-20 years; 74(30.0%) were aged between 21-25; 124(50.0%) respondents were aged between 26 years and above. Hence the respondents were mainly of productive age. 70(28.0%) respondents were single; 164(66%) were married; 10(4%) were divorced and 4(2.0%) were either widows or widowers. 12(5%) of respondents has enjoyed entrepreneurship between 1-2 years; 74 (30%) of the respondents has enjoyed entrepreneurship between 2-4 years while 160(65%) has enjoyed entrepreneurship for 5 years and above.

Table 2: Descriptive Statistics of the Variables

Variables	No of Respondents	Mean Score	Standard Deviation	No of Items
Skill Acquisition	248	3.0124	0.7246	6
Entrepreneurship Training	248	3.0136	0.73646	6
Youth Creativity	248	3.1078	0.7244	6
Poverty Reduction	248	3.0054	0.8012	6

598

Source: Authors Computation Using SPSS 23, 2023.

Table 3: Pearson's Correlation Analysis of Skill Acquisition and Youth Empowerment

Variables	Correlation	Skill Acquisition	Youth Empowerment			
Skill Acquisition	Pearson Correlation Sig. (2-tailed) N	1 248	0.446* 0.022			
Youth Empowerment	Pearson Correlation Sig. (2-tailed) N	0.446* 0.022 248	1			
	* Correlation is significant at 0.05 level (2-tailed) ** Correlation is significant at 0.01 level (2 tailed)					

Source: Authors Computation Using SPSS 23, 2023.

From Table 3 above, there was a moderate positive correlation (0.446) between Skill Acquisition and youth empowerment. It means that as Skill increase, Human Capital Development increases. Since the computed level of significance is 0.022 and it is less than 0.05, the null hypothesis is rejected. The alternative hypothesis is accepted. Hence from the research, it is concluded that there is significant relationship between Skill Acquisition and youth empowerment.

Table 4: Pearson's Correlation Analysis of Entrepreneurship Training and Job

Variables	Correlation	Entrepreneurship Training	Job Creation		
Entrepreneurship Training	Pearson Correlation Sig. (2-tailed) N	1 248	0.388* 0.000 0.248		
Job Creation	Pearson Correlation Sig. (2-tailed) N	0.388* 0.000 248	248		
* Correlation is significant at 0.05 level (2-tailed) ** Correlation is significant at 0.01 level (2 tailed)					

Source: Authors Computation Using SPSS 23, 2023.

From Table 4 above, there was a strong positive correlation (0.388) between Entrepreneurship Training and Job Creation. It means that as Entrepreneurship Training increases, Job Creation increases. Since the computed level of significance is 0.000, and it is less than 0.05, the null hypothesis is rejected. The alternative hypothesis is accepted. Hence from the research, it is concluded that there is significant relationship between entrepreneurship Training and Job Creation.

Table 5: Pearson's Correlation Analysis of Youth Creativity and Wealth Creation

Variables	Correlation	Creativity and innovations	Wealth Creation		
Creativity and innova- tions	Pearson Correlation Sig. (2-tailed) N	1 248	0.480* 0.000 0.248		
Wealth Creation	Pearson Correlation Sig. (2-tailed) N	0.480* 0.000 248	1 248		
* Correlation is significant at 0.05 level (2-tailed) ** Correlation is significant at 0.01 level (2 tailed)					

Source: Authors Computation Using SPSS 23, 2023

From table 5, above there was a strong negative correlation (0.480) between Youth Creativity and

Wealth Creation. It means that as Creativity & Innovations increases, Wealth Creation increases. Since the computed level of significance is 0.000, and it is less than 0.05, the null hypothesis is rejected. The alternative hypothesis is accepted. Hence from the research, it is concluded that there is significant relationship between Creativity & Innovations and Wealth Creation.

Discussion of Findings

From the result in table 3 indicates that, there was a moderate positive correlation (0.466) calculated P-value of 0.022 at 0.05 significance. Since the computed level of significance is 0.022 and it is less than 0.05, the null hypothesis is rejected. The alternative hypothesis is accepted. Hence from the research, it is concluded that there is significant relationship between Skill Acquisition and youth empowerment. The implication is that when firms or entrepreneurs are committed to effective and efficient Skill acquisition, there will be rapid youth engagement in economic activities.

This will no doubt lead to youth empowerment and poverty reduction in the society. This is in line with the findings of Norasmah et al (2012) that emphasized that one of the approaches in reducing poverty is through education and entrepreneurship training. The correlation result in table 5 indicates that, there was a strong positive correlation (0.388) between Entrepreneurship Training and Job Creation. It means that as Entrepreneurship Training increases, Job Creation increases. Since the computed level of significance is 0.000, and it is less than 0.05, the null hypothesis is rejected.

The alternative hypothesis is accepted. Hence from the research, it is concluded that there is significant relationship between entrepreneurship Training and Job Creation. The implication is that if people especially young youths are effectively end efficiency engaged in entrepreneurship training; this will led to job creation hence poverty reduction. This is in line with the finding of Simkovic, (2012) which reported a considerable positive linkage between entrepreneurship and poverty reduction, finally from 6; the correlation result indicates (0.480) that means a positive correlation between Youth Creativity and Wealth Creation. Since the computed level of significance is 0.000, and it is less than 0.05, the null hypothesis is rejected. The alternative hypothesis is accepted.

Hence, there is significant relationship between Creativity & Innovations and Wealth Creation. The implication is that when entrepreneurship drive is effectively developed, it will lead to creativity and innovation which will effectively lead to poverty reduction in the society. This is in line with the findings of Kareem (2015) that found out that there is a positive significant relationship between entrepreneurship and poverty alleviation and Ibitoye (2015) that established a positive and significant relationship between entrepreneurship and poverty.

Conclusion and Recommendations

Based on the objectives and the findings of the research, the study concludes that effective and efficient entrepreneurship drive is a vital component for poverty reduction in the society. From the study, there is positive significant relationship between entrepreneurship (Skill Acquisition, Entrepreneurship Training and Youth Creativity) and Poverty Reduction (Youth Empowerment, Job Creation and Wealth Creation) in Chikun Local Government Area of Kaduna State. This suggests that without effective entrepreneurship many people could be put at risk of being unemployed hence poverty will reign.

Based on the findings and conclusion reached, the study recommends as follows:

Entrepreneurship training and development should be instituted at the Local Government levels and inculcate into the school's curriculum at all level to instill entrepreneurial drive, promote human empowerment and development through entrepreneurial skill acquisition and training thus reducing poverty in the society.

There should be collaboration between small business entrepreneurs, entrepreneurial centers and research institutions to implement research findings of those institutions to achieve technology development. Governments at all levels should intervene in postulating good policies to

- reduce the problems of entrepreneurs through the supply of needed technological and business information and advices. This will go a long way in job creation and poverty reduction.
- Government and private individuals should mainstream entrepreneurial training in the School curriculum by organizing periodic skill acquisition programmes, field trips, industrial tours to industrialized cities/countries, mentorship programme, hosting of exhibitions/fairs, coaching/grooming, seminars/conferences/workshops and exchange programmes in order to inspire graduate students and learners to imbibe entrepreneurial traits.

References

- Adekuncle, S. O., & Kayode, D.J. (2014). Entrepreneurship Education in Nigerian Universities: A Tool for National Transformation. *Asia Pacific Journal of Educators and Education*, 29, 155-175.
- Adeboye N. A., & Nassar M. L. (2014). Impact of Micro and Small Business Entrepreneurship on Poverty Reduction in Ibadan Metropolis, South Western Nigeria. *International Review of Management and Business Research*, 3(3), 102-113.
- Akeredolu, Ale, E.O. (1975) "Poverty as a Social Issue: A Theoretical Note" In: Poverty in Nigeria, Nigeria Economic Society (NES) Annual Conference, Ibadan. University Press,
- Armstrong S. J., & Hird A. (2009). Cognitive Style and Entrepreneurial Drive of New and Mature Business Owner-Managers. *Journal of Business and Psychology* 24 (4): 419-430.
- Arogundade, B.B. (2011). Entrepreneurship education: An imperative for sustainable development in Nigeria. *Journal of Emerging Trends in Educational Research and Policy Studies* 2(1), 26-29.
- Bordens, S. K, & Abbott, B. B. (2002). Research design and methods: A process approach (5th edition). McGraw-Hill. frowww.hha.dk/man/cmsdocs/WP/2010/wp2010 03.pd
- Dauda, R.O. (2010). Role of human capital in economic development: An empirical study of Nigerian Case. Oxford: Oxford Business and Economics Conference Program.
- Drefus Model of Skill Acquisition Wikipedia Free Encyclopedia. Retrieved 2nd August 2023 from http://en.Wikipedia.org/wiki/Drefus Model of Skill Acquisition.
- Ekwesike, J. N. (2012). Curriculum implementation and instructional plan for business education. Upthrust Publishers.
- Emmanuel, C. L. (2010). Entrepreneurship: A conceptual approach. Concept Publications.
- Fakomogbon, M. A., & Adegbija, M.V. (2011). Higher education and current issues on skills development in Nigeria". *Journal of Research in Education*, 1(1): 195-199.
- Gottleib, E. & Ross, J.A. (1997). "Made not born: HBS courses and entrepreneurial management", Harvard Business School Bulletin, Vol. 73 February, pp. 41-5.
- Haralambos, M and Holborn, M (2004) Sociology: Themes and Perspectives, London: Harper Collins Publishers Ltd.
- Hisrich, R.D., Antoncic B., Douglas E.J. & Fitzsimmons J.R. (2005). Intrapreneurship in Australian firms. *Journal of the Australian and New Zealand Academy of Management*, 11(1) 17-27.
- Hisrich, R.D. & Peters, M.P. (2002). Entrepreneurship (5th edition). McGraw-Hill.
- Ibitoye O., Atoyebi K. O. & Sufian. J.B (2015) Entrepreneurship and Poverty Reduction in Nigeria: An Empirical Analysis. *Journal of Business and Management*. 17(3): 16-19
- Kareem, R.O (2015); Impact of Entrepreneurship on Poverty Alleviation, *Journal of Business Administration and Education*, 7 (1): 1-16
- Klugman, J. (2002) A Sourcebook for Poverty Reduction Strategies. Vol. 2, Macroeconomic and Sectorial Approaches.
- The World Bank, Washington, D. C McClure, C. (2005): Drefus Model of Skill Acquisition; University of Arizona. Retrieved September 28, 2023 from azmecmed.arizona edu/Dretus% 20model20of%20skills%. Acquisition, Ppt. National Bureau of Statistics NBS, 2022. Annual abstract of statistics. Abuja: NBS Press. National Bureau of Statistics, 2021. National bureau of statistics annual abstract of statistics. Abuja: NBS Press.

- Okere A.N. (2008) Wealth Creation and Management for Development. *Journal of Nigerian Institute of Management*, 44(4): 5-12
- Norasmah, O, Nor Hafiza, O & Rahmah, I (2012). Impact of Globalization on Entrepreneurship Education and Entrepreneurial Skills in Higher Education Institutions. 2nd International Conference on Economics, Trade and Development IPEDR vol. 36 IACSI Press, Singapore.
- Nweze, N. J & Ojowu, O (2002) Poverty, well-being and wealth Generation in Benue State of Nigeria, Unpublished Material.
- Obizue M.N. (2016) Lecturers' Perception on the Viability of Entrepreneurship Education for the Attainment of Sustainable Development Goals in Nigeria. *African Journal of Higher Education Studies and Development*, 2(2): 32-44.
- Ogbodo, C. M. (2009). Managing the human resources for entrepreneurship education. A paper presented at the 1st Annual Conference of National Association for Educational Administration and Planning (NAEAP), University of Port Harcourt, Nigeria. *International Journal of Business and Social Science*, 3(8), 256-265.
- Okafor, B.(2014). Entrepreneurship: A comprehensive guide for Small and Medium Scale Enterprises Skill Mark media Ltd Owerri.
- Okojie, C.E.E. (2005). Human Capital Formation for Productivity Growth in Nigeria. *Nigerian*. *Economic and Financial Review, June, 44-55*.
- Ottih, L.O (2011) Entrepreneurship Personality, Process & Enterprise. Rivers State Nigeria. Pearl Publishers.
- Ozobu, O.R., Sofoluwe, K.B.& Omole, J.J. (2011). Possession of Marketable skill by Students In Institutions of Learning in Nigeria School: A step towards National Sustainable Development: Proceeding of international Conference on science Culture and sustainable Development.
- Paul, E.O. (2014). Entrepreneurship Education in P.N Ezema, O.E. Paul, B.O. Anioke, A.G. Okwuolise, A.E. Chikwe, and H.U. Anih (eds). Entrepreneurship in Vocational Education, Enugu: Ozybel Publishers.
- Simkovic, M. (2012) Risk-Based Student Loans. Available at Social Science Research Network (SSRN): http://ssrn.com/abstract=1941070. Accessed on 23rd August, 2023.
- Sunter, C. (2005). Entrepreneurship holds the key to SA's future. The SMME Tabloid, February 23. Todaro, M.P. & Smith S.C. (2009). Economic Development (826). Addison-Wesley London.
- UNESCO. (2015). Education for Sustainable Development Information Brief Unesco.org/ Education/desd.
- UNDP, 2013. Human Development Report 2021. Available from: http://hdr.undp.org/en/reports/global/hdr2013/. World Bank, 2009. World development indicators online 2009. Available from http://data.worldbank.org/indicator
- World Bank, (1996)-Nigeria –Poverty in the midst of Plenty. The Challenge of Growth Inclusive. A World Bank Poverty Assessment. Population and Human Resource, Divisions Report, NO. 14733. World Bank, 2011. World development report. New York: Oxford University Press. World Bank, 2014. World development report. New York: Oxford University Press.

Information Assurance and Organizational Efficiency of Government Tertiary Hospitals in South – South Nigeria

CHINYERE Joy Onyinyechi

Department of Office and Information Management Faculty of Management Sciences Rivers State University Nkpolu-Oroworukwo, Port Harcourt chinyerejoy2626@gmail.Com

ORISAH-GODFREY Lillian Anyanagba

Department of Office and Information Management Faculty of Management Sciences Rivers State University Nkpolu-Oroworukwo, Port Harcourt lillian.orisah-godfrey@ust.edu.ng

Abstract

This study investigated the relationship between information assurance and organizational efficiency of government tertiary hospitals in South-South, Nigeria. The study adopted the quasiexperimental design with a cross-survey sectional approach. Both primary and secondary methods of data collection were employed to obtain relevant data for analysis. The instrument of data collection employed was questionnaire. The study population comprised of the sixteen (16) government tertiary hospitals operating in South-South Nigeria as released by https://thehospitalbook.com/ hospital/tertiary. Four (4) copies of questionnaire were administered to management staff from each of the sixteen (16) government tertiary hospitals, making it total of sixty four (64) respondents. The data was analyzed using the Pearson's Product Movement Correlation statistic through the aid of statistical packages for social science version 23.0. The result of the findings revealed that that there is a significant positive relationship between information assurance and organizational efficiency of government tertiary hospitals. The study concluded that information assurance has significant positive relationship with organizational efficiency which implies that information assurance is important and necessary in ensuring efficiency in hospitals. The study also recommended that hospitals should maximize the active use of information assurance as it can assist them to achieve quality service so as to achieve organizational efficiency.

Keywords: Information assurance, organizational efficiency, quality service, tertiary hospitals

Introduction

Information assurance (IA) is the process of defending your information assets against the devastation, degradation, manipulation, and exploitation by an adversary (Andrew and Gerald 2001). As a result, it entails integrating protection, detection, and reaction capabilities to provide for the restoration of information systems. Information assurance offers a perspective on information security that takes protective measures into account during all three informational states, including processing, storage, and transmission. Thus, information assurance is essential in the healthcare system.

The healthcare is an information involving, complex, all-encompassing, adaptive, distributed and progressing organization (Leap & Berwick 2005). With progression of advances specifically data and correspondence innovations (ICT), digitalization of medical care cycles and conventions are actually evolving in an alarming speed. Accessibility of healthcare data is quickly expanding and the extension and expansion of wellbeing data is unavoidable. Information in hospitals is often sensitive and subtle and can cause damage to the patient as well as alter the way care is delivered and as such it is essential that access to such information is judiciously or aptly managed. Information is an essential asset to any organization as it assist them to make effective decisions. Obviously, we live in a data ward and data driven world.

A reality where data and data frameworks are being utilized to drive the quick changes in the

worldwide commercial center and which is significantly affecting the development of every modern nation. The Electronic Medical services Record, Electronic Clinical Record and Individual Wellbeing Record are at the center of this pattern and are expected for fitting and practicable exchange and sharing of health information.

In any case, it is turning out to be progressively perceived that it is vital for safeguard patient protection and data security while using delicate data for clinical, management and administrative processes. With the shift from conventional paper based organization records to electronic record (ER), information systems are being stimulated rapidly. While electronic record (ER) systems is highly beneficial, it has also raised new security and privacy issues. A critical part of such dangers, to some extent, emerge because of activities of insiders of the organizations, either coincidentally or deliberately.

Efficiency signifies the ability to reduce waste of resources in achieving a goal or carrying a task. Efficiency is an essential element that is needed in evaluating an organizations and also the effectiveness of an organization's acquisition of resources and the use of those resources to achieve its goals. Organizational efficiency is the capability for organizations to eliminate unnecessary waste of resources such as time, materials, effort and money in or in producing a desired result. In a more general sense, it is the ability to do things well, successfully, and without waste. Furthermore, organizational efficiency can also be seen as using little organizational input to achieve more output in the organization. According to Hussey et al. (2008), an organization's efficiency is a result of its perspective, output, and input. One of the most important key performance areas in modern economic management systems is organizational efficiency.

Statement of the Problem

Organizations across all sectors is centered on working towards identifying opportunities, building strengths as well as managing threats and weaknesses in order to achieve, enhance and sustain organizational efficiency so as to help businesses improve quality service. The healthcare is an information intensive industry that contain large amount of information and most of this information are sensitive and delicate and this has raised yet unsolved problems and threats of privacy, security, intellectual property and other controversial uses of information.

Thus with Information assurance put in place to defend organization information assets against the devastation, degradation, manipulation, and exploitation by an adversary or malicious user. Hence, creating a need for information assurance is a necessity in the healthcare system as it will enable the organizations to securely identify and monitor how their information's were accessed by internal and external stakeholders and who was involved in the sharing or transfer of such vital information. Also, because lack of information assurance could cause the organization a misfortune ranging from financial loss, reputation damage and loss of customers. Hence, the need for information assurance is vital and should be put in place to protect information in the organizations. Over the years, several studies have been conducted in related areas, but to the best of my knowledge there is still lack of empirical work on information assurance and organizational efficiency of government tertiary hospitals in South-South, Nigeria. This study therefore sought to fill the existing research gap and also provide a better understanding through the empirical evidence of the effect of information accountability on organizational efficiency of government tertiary hospitals in South-South Nigeria.



Fig. 1: Conceptual framework of information assurance and organizational efficiency Source: Research Desk, (2023)

Review of Relevant Literature Theoretical Foundation

The theoretical foundation of this study is hinged on the general deterrence theory. The theory is basically adopted from the discipline of criminology. According to Bagchi and Udo (2003), the general deterrence theory involve information system security measure and actions that are able to deter potential computer security abusers from committing an illegal act. General deterrence theory is important to this study because it enable organizations to establish the security policies assessing the effectiveness of this policies as well as the assessment of the systems risk.

Information Assurance

Information Assurance (IA) is characterized as those actions set up to safeguard and guard information and information frameworks by guaranteeing their accessibility, trustworthiness, validation, privacy, and non-renouncement. This incorporates accommodating rebuilding of data frameworks by integrating insurance, identification, and response abilities. (Public Data Frameworks Security (INFOSEC) Glossary, 1997). IA as indicated by Arun-Kumar (2018) is the act of ensuring data and overseeing information risks connected with the utilization, handling, stockpiling, and transmission of data or information and the frameworks and cycles utilized for those reasons.

IA incorporates assurance of the uprightness, accessibility, genuineness, non-disavowal and secrecy of user information. Information assurance utilizes physical, specialized and regulatory controls to achieve these assignments. As such, information assurance should address the conveyance of legitimate, exact, secure, solid, timely information, paying little mind to danger conditions, inside the dispersed and heterogeneous computing and correspondence climate. IA is the process of defending information assets against devastation, degradation, manipulation, and exploitation by an adversary (Andrew & Gerald 2001). As a result, it entails integrating protection, detection, and reaction capabilities to provide for the restoration of information systems.

IA offers a perspective on information security that takes protective measures into account during all three informational states, including processing, storage, and transmission. Information assurance is based on a defense-in-depth strategy that consists of a trio of countermeasures. The most obvious and costly defense is technological. Operating systems, routers, switches, and electronic interruption discovery frameworks are instances of innovation. No matter how well thought out these technical countermeasures are, they are useless without the backing of well thought out functional plans, approaches, and objectives. In any case, in the final examination, all of this comes up short in the event that one doesn't have end users who know about information assurance issues, prepared to operate systems appropriately.

Arun-Kumar (2018) outlined five pillars of information assurance which are availability, integrity, authentication, confidentiality, and non-repudiation. The foundational elements for ensuring trust and integrity in information systems are these pillars and any actions taken to safeguard information and information systems, including offering for their restoration. The final four pillars of integrity, authentication, confidentiality, and non-repudiation are primarily addressed by the cryptologic components of information assurance. These pillars are implemented in accordance with the organizational mission requirements.

605

Integrity This incorporate safeguarding against improper information modification or harm, and incorporates guaranteeing information non disavowal and authenticity. As it connects with information, honesty implies that the data is sticking to "proficient principles... the condition total or undivided...sound or flawless In this manner there is some sensible confirmation that the data is exact, can be depended upon to be verifiable and not adjusted or generally different without going through a conventional cycle to guarantee respectability is kept up with.

Confidentiality This include saving approved limitations on access and divulgence, including means of safeguarding individual protection and restrictive information. Confidential information implies information that is "private or secret completed or uncovered in the assumptions that anything done or revealed will be kept private for a selected group not accessible to people in general, for example since it is commercial or industrially sensitive or concerns matters of public safety." confidential information is just given updated as the need arises. Utilizing this model, as a subset of information assurance, implies that the objective is for getting sensible confirmation that the data put away, handled or sent by a data framework won't be revealed to any individual who has not been recognized as authorized to get that information.

Availability: this includes guaranteeing timely and reliable access to and utilization of information. Accessibility implies that one is guaranteed, with sensible certainty and conviction, that the information and the information frameworks are generally accessible when required. In rundown, one can see the significance of this model as it connects with information assurance. Truth be told, it is the standard, the core of any information assurance process, framework or program. The model when effectively executed, guarantees that the data is exact and can be depended on to be accessible just to the people who need that information when it is required.

Authentication: implies checking the character of a user, process, or gadget, frequently as an essential to permitting admittance to assets in an information system.

Non-repudiation: which means ensuring that no party can deny that it sent or received a message as there is a provision of proof of identity for both the sender and receiver.

Functionalities of information assurance

Protection of confidentiality, integrity and availability of information. Note: Likewise, different properties, like validness, responsibility, non-renouncement and dependability can likewise be involved."

Assurance of data and data frameworks from unapproved access, use, divulgence, disturbance, adjustment, or obliteration to give secrecy, respectability, and accessibility.

Guarantees that main approved users (privacy) approach precise and complete information (uprightness) when required (accessibility).

Information assurance strategies also include

Cyber security awareness and education

Strong cryptography

Good security-enabled commercial information technology

An enabling global Security Management Infrastructure;

A civil defense building outfitted with an assault detecting and cautioning capacity and facilitated reaction instrument

606

The full scope of Information assurance envelops computerized as well as analog or physical form. These securities apply to information on the way, both physical and electronic structures as well as information at rest in different kinds of physical and electronic storerooms. Andrew and Gerald

(2001), expressed that information assurance is worried about the regulation of, and recuperation from, an attack. It likewise characterizes how attacks are to be identified using a bunch of indicators and warnings. Moreover, Information assurance manages stopping attacks and the utilization of regulation intended to resolve issues of security and PC related wrongdoing. Information assurance incorporates a powerful aspect where the organization engineering is itself an evolving climate, including the data security systems that distinguish attacks and empower a reaction to those attacks.

IA is the method involved with adding business benefit using IRM (Data Hazard The board) which builds the utility of data to approved users, and lessens the utility of information to those unauthorized (Lui, Yu and Jing 2005). Organizations progressively depends on carefully digitally stored and accessed information, applications have progressively higher necessities on supporting the accessibility, integrity, and confidentiality of this information, and customary information security advances are progressively restricted in fulfilling the security prerequisites of utilizations because of their failure to endure effective attacks. Thus, Data confirmation advances are acquainted with not just keep data from being unveiled, changed or obliterated, yet additionally recognize interruptions and work through attacks so that a specific degree of data security can be guaranteed within the sight of attacks.

Organizational Efficiency

Bestman and Chinyere (2021) defined organizational efficiency is the capability for organizations to avoid wasting resources such as materials, energy, efforts, money, and time in doing something or achieving a task. Organizational efficiency is the organizations degree of success in using the least possible input in order to produce the highest possible output. Efficiency signifies a peak level of performance that uses the least amount of inputs to achieve the highest amount of output. Efficiency is a term that recently has come to the forefront of the scientific world. Mokhtar, Alhabashi and Abdullah (2006), in their survey of banking efficiency, contend that efficiency refers to the comparison between the outputs and inputs used in the process of producing a product or service. The researchers further propose that the concept of efficiency for them, technical efficiency is the firm's ability to obtain maximal output from a given set of inputs while allocative efficiency means the firm's ability to use inputs in optimal proportions, given their respective prices and production technology.

Quality Service

Service quality can be defined as exceeding customer expectations. In addition, Faraj et al. (2021) refers to service quality as the value that customers receive from a service. Therefore, service quality refers to the customer's comparison between service expectations and perceptions of what the service provider actually provides. Parasuraman et al. (2005) pointed out that aspects of a quality service include five criteria; namely tangibles, reliability, responsiveness, assurance, and empathy. Furthermore, Ladhari (2010) explored the most discussed aspects in the literature, these are; Ease of use (reliability/reliability), Quick access (accessibility), Information completeness (quality/benefit of information), Website design (content), capabilities.

Likewise, improving service quality levels has become an important factor for all organizations in terms of global competition and marketing. The rapid growth of the service sector has raised different views on the issue of quality and the meaning of service quality. Service companies (e.g. banks, hospitals, and hotels) do not provide tangible goods. The interaction between suppliers and customers is very important in these businesses. Service quality is all about developing and rendering better services that meets or exceeds customers' expectations.

If an organization's service offerings satisfy customers or exceed their expectations, it means the organization has provided quality services (Adeniyi, 2018). Thus, for the success of an organization, high quality services are needed to attract customers. Companies can provide unique or customized service solutions to their customers, and this will bring about customer satisfaction, positive purchase beahviour and retention (Susie, Huong & Sue, 2017). Based on the foregoing the following null hypotheses were tested adopted.

Ho₁: There is no significant relationship between information assurance and organizational efficiency of government tertiary hospitals in South-South, Nigeria.

Ho₂: There is no significant relationship between information assurance and quality service of government tertiary hospitals in South-South, Nigeria.

Methodology

The study adopted a quasi-experimental design with a cross-sectional survey approach, where all the variables of study were investigated as a one-time observation. It employed a correlational method of investigation to examine the extent of relationships among the variables. The population of this study comprised the sixteen (16) government tertiary hospitals operating in South-South, according to the https://thehospitalbook.com/hospital/tertiary. The sample size is the same as the population size given the small population. Therefore, the study was a consensus.

However, the researcher administered four (4) copies of the questionnaire to the management level of the sixteen (16) government tertiary hospitals which are; Chief Medical Director, Director of Administration, Director of Clinical Services and Director of Finance, making it a total of sixty four (64) respondents. Pearson's Product Moment Correlation Coefficient was used to analyze the data was used in testing the various hypotheses in order to determine the relationship between the independent variable (information accountability) and the dependent variable (organizational efficiency) with the help of the Statistical Packages for Social Sciences version, 23.0.

Data Analysis and Results

The primary data analysis was carried out through Pearson's Product Moment Correlation tool was used at a 95% confidence level. Specifically, the tests covered hypotheses Ho1 to Ho2 which were bivariate at all stated in the null manner. The study relied on the Pearson's Product Movement Correlation tool to carry out the analysis thus the probability criterion of 0.05 significance level was adopted for accepting the null hypotheses at (P>0.05) or rejecting the hypotheses at (P<0.05).

Table 1: Descriptive Statistics of Information Assurance

	N	Sum	Mean	Std. Deviation	Skewi	ness	K	Curtosis
	Statis- tic	Statis- tic	Statis- tic	Statistic	Statis- tic	Std. Error	Statis- tic	Std. Error
The use of authorize restriction on access and disclosure of information increase efficiency in the organization	42	182.00	4.3333	1.00406	-1.642	.365	2.336	.717
Confidentiality of patients information enhances quality services	42	186.00	4.4286	.85946	-1.462	.365	1.391	.717
Ensuring timely and reliable access of information save cost for the organizations	42	186.00	4.4286	.96633	-2.002	.365	3.869	.717
The use of password to protect sensitive information against mali- cious user enhances quality ser- vices	42	194.00	4.6190	.62283	-1.431	.365	1.025	.717

Source: SPSS output from field survey, 2023.

As shown in Table 1 from results of the SPSS output, it was revealed that most of the responses were on the higher side of the Likert scale which ranges from very low extent = 1 to very high extent = 5. As a result of the high concentration of the responses on the higher side of the scale, the mean scores are greater than 4.00. Particularly, the mean score of question 4 is the highest because it has the highest sum of 194.00 In other words, mean = 4.6190, sum = 194.00 thus, question 4 has

Proceedings of the 4th Annual International Academic Conference ______Proceedings of the 4th Annual International Academic Conference

the greatest influence on information assurance. However, question 1 has the highest standard deviation of 1.00406; indicating that, responses spread most in question 1 compared to other questions with respect to information assurance.

Furthermore, the analysis revealed that the skewness statistics are all negative indicating a negatively skewed distribution with scores concentrating on the high end of the Likert scale. Furthermore, standard errors of skewness are 365 which shows that, the distribution is skewed to a significant degree. Similarly, the kurtosis result showed positive statistics indicating a relatively peaked distribution. However, values of the standard errors of kurtosis are greater than 2 indicating that the distribution is high to a significant degree.

Table 2: Descriptive Statistics of Organizational Efficiency

*	N	Sum Me	Mean	Std. Mean Deviation	Skewness Std. Statistic Error		Kurtosis	
	Statistic	Statistic	Statistic	Statistic			Statistic	Std. Error
Efficiency is achieved when there are little or no waste in the organization	42	175.00	4.1667	1.14587	-1.466	.365	1.409	.717
Little or no expenses is achieved when there is no misuse of information	42	173.00	4.1190	1.23372	-1.219	.365	.329	.717
Lack of information accountability can lead to huge financial loss	42	173.00	4.1190	1.10878	-1.147	.365	.425	.717
The use of accountability system enhance efficiency	42	172.00	4.0952	1.22593	-1.190	.365	.308	.717

Source: SPSS output from field survey, 2023.

As shown in Table 2: from results of the SPSS output, it was revealed that most of the responses were on the higher side of the Likert scale which ranges from very low extent = 1 to very high extent = 5. As a result of the high concentration of the responses on the higher side of the scale, the mean scores are greater than 4.00. Particularly, the mean score of question 1 is the highest because it has the highest sum of 175.00 In other words, mean = 4.1667, sum = 175.00 thus, question has the greatest influence on organizational efficiency. However, question 2 has the highest standard deviation of 1.23372; indicating that, responses spread most in question 2 compared to other questions with respect to organizational efficiency.

Furthermore, the analysis revealed that the skewness statistics are all negative indicating a negatively skewed distribution with scores concentrating on the high end of the Likert scale. Furthermore, standard errors of skewness are 365 which shows that, the distribution is skewed to a significant degree. Similarly, the kurtosis result showed positive statistics indicating a relatively peaked distribution. However, values of the standard errors of kurtosis are greater than 2 indicating that the distribution is high to a significant degree.

Table 3: Descriptive Statistics of Quality Service

	N	Std. N Sum Mean Deviation Skewness			Kurtosis			
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
patients are happy when quality services is rendered	42	175.00	4.1667	1.24776	-1.359	.365	.577	.717
Government tertiary hospitals with better service providers are always at the frontline in having more patients	42	175.00	4.1667	1,10247	-1.264	.365	.719	.717
Patients always wish that government tertiary hospitals will exceed customers' expectations.	42	171.00	4.0714	1.25704	-1.146	.365	.074	.717
Adequacy of information in the organization enhances quality service.	42	183.00	4.3571	1.05510	-1.958	.365	3.596	.717

Source: SPSS output from field survey, 2023.

As shown in Table3; from results of the SPSS output, it was revealed that most of the responses were on the higher side of the Likert scale which ranges from very low extent = 1 to very high extent = 5. As a result of the high concentration of the responses on the higher side of the scale, the mean scores are greater than 4.00. Particularly, the mean score of question 4 is the highest because it has the highest sum of 183.00 In other words, mean = 4.3571, sum = 183.00 thus, question 4 has the greatest influence on quality service. However, question 3 has the highest standard deviation of 1.25704; indicating that, responses spread most in question 3 compared to other questions with respect to quality service. Furthermore, the analysis revealed that the skewness statistics are all negative indicating a negatively skewed distribution with scores concentrating on the high end of the Likert scale. Furthermore, standard errors of skewness are 365 which shows that, the distribution is skewed to a significant degree. Similarly, the kurtosis result showed positive statistics indicating a distribution relatively peaked. However, values of the standard errors of kurtosis are greater than 2 indicating that the distribution is high to a significant degree.

Test of Hypothesis One: There is no significant relationship between information assurance and organizational efficiency of government tertiary hospitals in South-South, Nigeria. By testing this hypothesis, the researcher was able to answer the First research question and achieve the first objective of the study.

Table 4: Correlation between information assurance and Organizational efficiency

		Information Assur-	
		ance	efficiency
Information Assur-	Pearson Correlation	1	.624**
ance	Sig. (2-tailed)		.000
	N	42	42
Organizational effi-	Pearson Correlation	.624**	1
ciency	Sig. (2-tailed)	.000	
	N	42	42
**. Correlation is signific	ant at the 0.01 level (2-tailed).		_

Source: SPSS output from field survey, 2023.

As shown in Table 4 from results of the correlation analysis with regard to the relationship between infor- assurance and quality service, it was shown that there is a positive and statistically significant relamation assurance and organizational efficiency was shown that there is a strong, positive and statistically sig- tionship between the variables. These were indicated by the correlation coefficient and the probabilnificant relationship between the variables. These are indicated by the correlation coefficient and the proba- ity value. These values show the strength, direction and the significance of the relationship between bility value. These values show the strength, direction and the significance of the relationship between the the variables. In view of this result, the researcher rejected the null hypothesis which states that variables. Statistically, it is significant at (r = 0.624, N = 42, p = 0.000 < 0.01). In view of this result, the rethere is no significant relationship between information assurance and quality service of governsearcher rejected the null hypothesis which states that there is no significant relationship between informent tertiary hospital in South-South Region. Therefore, the alternate hypothesis was accepted. mation assurance and organizational efficiency of South-South, Nigeria. Therefore, the alternate hypothesis was accepted.

vice of government tertiary hospitals in South-South, Nigeria. By testing this hypothesis, the researcher was public hospitals in Rivers State. The study also showed a positive and significant relationship beable to answer the second research question and achieve the second objective of the study.

Table 5: Correlation between Information Assurance and Quality Service

*		Information	Quality
		Assurance	service
Information	Pearson Correlation	1	.563**
Assurance	Sig. (2-tailed)		.000
	N	42	42
quality service	Pearson Correlation	.563**	1
	Sig. (2-tailed)	.000	
	N	42	42

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

Source: SPSS output from field survey, 2023.

As shown in Table 5 from results of the correlation analysis with regard to the relationship between information assurance and quality service, it was shown that there is a strong, positive and statistically significant relationship between the variables. These are indicated by the correlation coefficient and the probability value. These values show the strength, direction and the significance of the relationship between the variables. Statistically, (r = 0.563, N = 42, p = 0.000 < 0.01). In view of this result, the researcher rejected the null hypothesis which states that there is no significant relationship between information assurance and quality service of South-South, Nigeria. Therefore, the alternate hypothesis was accepted.

Discussion of findings

From results of the correlation analysis with regard to the relationship between information assurance and cost reduction, it was shown that there is a positive and statistically significant relationship between the variables. These were indicated by the correlation coefficient and the probability value. These values show the strength, direction and the significance of the relationship between the variables. In view of this result, the researcher rejected the null hypothesis which states that there is no significant relationship between information assurance and cost reduction of government tertiary hospital in South-South Region. Therefore, the alternate hypothesis was accepted.

Similarly, the results of the correlation analysis with regard to the relationship between information

These findings are consistent with the findings of several scholars that conducted similar studies including Bestman and Ikuru (2019), Rahiman et al. (2021), Tantua and James (2020). Bestman and Test of Hypothesis Two: There is no significant relationship between information assurance and quality ser- Ikuru (2019) investigated information on assurance strategies and organizational performance in tween information security and organizational performance in Port Harcourt Hospital, suggesting that the risk-based strategy used by the management of the surveyed hospitals strengthened organizational mission effectiveness and growth.

> Rahiman, Nawaz, Kodikal and Hariharasudan (2021) A Study of Effective Information System and Organizational Effectiveness. The study revealed that implementing and updating comprehensive information security policies and planning together with relevant regulations and standards define security measures, identify authorized uses, and describe authorized uses and control information

Proceedings of the 4th Annual International Academic Conference

and procedures, which leads to organizational effectiveness.

Tantua and James. (2020) a Study of Information Security and Organizational Effectiveness in Savings Banks in Port Harcourt Rivers State. The findings of this study show that there is a positive relationship between information security and organizational effectiveness in banks in Rivers State. A researcher has shown that information security improves the organizational effectiveness of banks in Rivers State. Increasing information security with the help of technology also increases the efficiency of the organization.

Conclusion and Recommendation

Based on the results of this study, it is concluded that information assurance significantly relates with organizational efficiency and it measure quality service of government tertiary hospitals in South-South, Nigeria. Information assurance is a necessity determinant for efficiency in government tertiary hospitals in South-South, Nigeria. Based on the findings of the study, we recommend that government tertiary hospitals should employ the use of information assurance as it defend information assets against the devastation, degradation, manipulation, and exploitation by an adversary that enable smooth operations of activities in the hospital.

Reference

- Adeniyi, T. A. (2018). Emotional intelligence and service quality: An empirical study of professional administrators in private universities. *Journal of Pristine*, 14 (1), 285-295.
- Bestman, A. E., & Chinyere, J. O. (2021). Decisions support systems and organizational efficiency of the deposit money banks in Portharcourt, Rivers State. *The Startegic Business & Chanage Journal of Management*, 8(1), 183-196.
- Bestman, A. E., & Ikuru, M. E. (2019). Information assurance strategies and organizational performance of government hospitals in Rivers State, Nigeria. *RSU Journal of Office and Information Management* 3, (1), 92-103.
- <u>Chinyere</u>, J. O. (2022), D at warehouse: a strategic tool for organizational efficiency. *Nigeria Journal of Management Sciences*, 23(2) 1-7
- Faraj, K. M., Faeq, D. K., Abdulla, D. F., Ali, B. J., & Sadq, Z. M. (2021). Total quality management and hotel employee creative performance: The mediation role of job embeddedment. *Journal of Contemporary Issues in Business and Government*, 27(1). 5-10
- Hussey, P. S., de Vries, H., Romley, J., Wang, M. C., Chen, S. S., Shekelle, P. G., & McGlynn, E. A. (2008). A systematic review of health care efficiency measures. Health Services Research, 44(3), 784-805.
- Ladhari, R. (2010). Developing e-Service quality scales: A literature review *Journal of Retailing* and Consumer Services, (17), 464–477.
- Leap, L.L. & Berwick, D. M. (2005). Five Years After to Err is Human: What Have We Learned? Journal of American Medical Association, 293(19), 84-90.
- Liu, Y., Eisingerich, A. B., Auh, S., Merlo, O., & Chun, H. E. H. (2015). Service firm performance transparency: How, when, and why does it pay off? *Journal of Service Research*, 18(4), 451-467.
- Mokhtar, H. S. A., Abdullah, N., & Al-Habshi, S. M. (2006). A conceptual framework for measurement and survey of banking efficiency study, unitar E-journal, 2 (2), 1-19
- Parasuraman, P., Zeithaml, V. & Malhotra, A. (2005) 'E-S-Qual: A Multiple-Item Scale for Assessing Electronic Service Quality', *Journal of Service Research*, 7,(3), 213-233.
- Rahiman, H.U., Nawaz, N., Kodikal, R., & Hariharasudan, A. (2021). Effective information system and organizational efficiency *Polish Journal of Management Studies*. 24 (2), 9-
- Susie, K., Huong, H. & Sue, L.T. (2017). Service quality and student/customer satisfaction in private tertiary education sector in Singapore. *International Journal of Educational Management*, 31(4), 430-444.

Proceedings of the 4th Annual International Academic Conference

Tantua, E., James, P. G. (2020), Information security and organizational efficiency of deposit money banks in Port Harcourt, Rivers State. *International Journal of Business & Entrepreneurship Research*. 13(1), 1-11.

Innovative Orientation and Growth of Food and Beverage SMEs in Port Harcourt

Chikere Peter PhD

Department of Marketing,
Faculty of Management Sciences,
Niger Delta University, Wilberforce Island Bayelsa State.
chikerepeter@yahoo.com

Renner, Blessing Awaji-ima PhD

Department of Marketing,
Faculty of Management Sciences,
Ignatuis Ajuru University of Education, Port Harcourt.
blessboyrenner@gmail.com

Abstract

The study adopted the correlational design within a quantitative method; the population comprised of 25 food and beverages SMEs in Port Harcourt, Port Harcourt. In line with the population which was relatively small, the entire population was studied with a focus on the management staff. Copies of the questionnaire were distributed in the frame of four (4) copies per firm. A total of 100 copies of the questionnaire were administered to the management staff. The questionnaire was structured in the five point likert scale of strongly agree to strongly disagree. The reliability test was tested using the Cronbach Alpha method with the aid of Statistical Package for Social Sciences (SPSS) version 23, and it was 0.78, which is higher than the benchmark of 0.7. The Pearson Product Moment Correlation was used in testing the stated hypotheses. The result of the analyses revealed that innovative orientation showed a positive and significant relationship with growth of food and beverage SMEs in Port Harcourt. The study concluded that innovative orientation is a significant predictor of growth of food and beverage SMEs in Port Harcourt. In line with the conclusion and findings of the study, the study recommends that: SMEs in Port Harcourt should adopt product innovation in order to increase customer demand, expand the customer base and build up greater market advantages and also, SMEs in Port Harcourt should process innovation in order to have competitive advantage.

Keywords: innovative orientation, product innovation, process innovation, SMEs' growth

Introduction

Innovation is an important source of productivity and increase competition (Siguaw et al., 2006). Innovation is considered as a driving force of performance, both at the firm level and of the economy in general (Volberda et al., 2013; Nguyen et al., 2019). Freeman (2004) considers Innovation as an effort by companies through the use of technology and information to develop, produce and market new products for the industry. In other words, Innovation is the modification or discovery of ideas for continuous improvement and development to meet customer needs. In short, Innovation is the success of implementing creative ideas in an organization.

Innovation is a way to continue to build and develop an organization that can be achieved through the introduction of new technologies, new applications in products and services, developing new markets, and introducing new forms of organization (Widodo, 2012). Innovation can relate to goods, services, or ideas that are new to someone. Innovation can take the form of a company mechanism to adapt to a dynamic environment. Innovation is the process of converting knowledge into value through the application of new or improved products, processes, and systems. Schmidt (2013) submitted that food and beverages firms that do not acknowledge the importance and effective ways to innovate its brands will fail to increase sales growth and there is also a risk of losing their occupied market share. The key factor to improve SMEs growth is by innovation (Grant, 2011). So innovation orientation (IO) entails the propensity of business enterprises to inculcate the spirit of generating creative ideas or processes to introduce new products or services through experiment or feasibility study (Lomberg et al., 2017). Similarly, Okpara (2007) stated that innovation orientation is the ability of a firm to create something new to an existing product or process. Innovation is the successful exploitation of new ideas. He further explains that innovation is a process by which entrepreneurs convert market opportunities into workable, profitable, and marketable ideas.

Innovation orientation can improve the efficiency and growth of SMEs, glow the entrepreneurial

615

spirit, create high-quality products and services that can stimulate the needs of consumers, meet new needs, open up new markets, promote the vigorous development of new technologies, new industries, and new formats, and accelerate the growth of SMEs (Lomberg et al., 2017). Existing literature confirms that innovation orientation positively affects enterprises' innovation performance. However, innovation orientation is more likely directional guidance of possibility (Lumpkin & Dess, 2001). Will it have a positive relationship with SMEs growth? To this end, this study examines the relationship between innovative orientation and growth of food and beverage SMEs in Port Harcourt.

Statement of the Problem

The beverage sector is one of the most vibrant sectors in Nigeria as it contributes immensely to the growth and development of the economy. However, this sector is currently facing huge challenges which have negatively affected the sales performance of the firms in this sector. Uunfavourable exchange rate, inflation, bad road network, epileptic power supply and the harsh economic condition of the country have contributed to the challenges facing beverage firms in Port Harcourt and Nigeria at large. All the economic indices are pointing downwards, thereby resulting to high cost of beverage manufacturing.

The high cost of manufacturing has compelled beverage firms to increase the prices of their products. Consequently, increasing their sales growth, profitability growth and market share have become a challenging task for these firms as they could no longer attract enough customers to their organization due to high prices. Extant literature has suggested that innovation is key to business growth. Avlonitis and Salavou (2007) states that innovation and overall organizational performance will positively contribute to improving the performance of an entrepreneur. Price et al. (2013) also concluded that Innovation is a determinant factor in improving the performance of business craftsmen

Ndesaulwa (2016) through his research on small and medium business owners in Tanzania, shows the positive impact of Innovation on efficiency and improving company performance in general. Based on the stated successes of innovation in other sector and country; this study was birthed in order to test if innovation will improve the sales performance of food and beverages firms in Port Harcourt. It is against this backdrop that this study intends to examine the relationship between innovative orientation and growth of food and beverage SMEs in Port Harcourt. Specifically, the study intends to determine the relationship between:

i. Product innovation and growth of food and beverage SMEs in Port Harcourt. Process innovation and growth of food and beverage SMEs in Port Harcourt.

Thus, the following hypotheses were formulated to guide this study:

- Ho₁: There is no significant relationship between product innovation and sales growth of food and beverage SMEs in Port Harcourt.
- Ho₂: There is no significant relationship between product innovation and profitability growth of food and beverage SMEs in Port Harcourt.
- Ho₃: There is no significant relationship between process innovation and sales growth of food and beverage SMEs in Port Harcourt.
- Ho₄: There is no significant relationship between process innovation and profitability growth of food and beverage SMEs in Port Harcourt.

Fig. 1: Conceptual framework of innovative orientation and growth of food and beverage SMEs **Source:** Reichstein & Salter (2006).

Review of Related Literature

Theoretical Review: Entrepreneurship Innovation Theory

This theory was propounded by Schumpeter (1939) who viewed entrepreneurship as the fourth factor of production. He also asserted that an entrepreneur is the one who is innovative, creative and has foresight. Innovation and enterprise are concerned mainly with producing new combinations. It is the entrepreneur who breaks the cycle of routine activity, swimming against the stream to discover new markets explores new sources of raw material and rearrange markets (Mugambi & Karagu, 2017). Schumpeter (1939) argued that entrepreneurs create radical innovations in the face of competition. Looking at Schumpeter writings (1934, 1939, & 1942) as a whole; it is possible to distinguish two (2) different types of processes underlying innovation by firms. Creative destruction creates economic discontinuities and in doing so, an entrepreneurial environment for introduction of innovation, and earning profits is created (Mugambi & Karagu, 2017).

The entrepreneurial innovation theory is relevant in explaining the relationship between innovation orientation and growth of SMEs because the theory stated that if a firm is innovative, creative and has foresight in the industry, it will enhance its sales performance by increasing sales growth, market share growth and profitability growth.

Concept of Innovative Orientation

Innovativeness entails the propensity of business enterprises to inculcate the spirit of generating creative ideas or processes to introduce new products or services through experiment or feasibility study (Lomberg et al., 2017). Innovative orientation (IO) has been further defined in terms of new product introductions, R&D expenditures and order of market entry. A firm with IO will always come up with new products through research and development in order to improve sales performance. No wonder, Tsao and Chen (2012) asserted that if business enterprises imbibe the culture of innovativeness, such enterprises are probably going to possess diverse capabilities to cope with rapid changes in market needs and compete favourably in the marketplace. In a related development, Acar and Özşahin (2018) opined that the capability of business organizations to withstand the pressure of external environmental complexities stem from innovative strategic posture. Furthermore, Choi & Williams (2016) suggest that innovative mindsets in business establishments promote the development of skills and technical know-how to effectively handle unpredictable market situations.

Product Innovation

A product in the traditional sense is any tangible physical good or raw material, ranging extensively from everyday products (e.g. toothpaste) to industrial goods (e.g. steel pipes) (Gao et al., 2017). At the early stage of the product lifecycle, there is no prevalent design in the market and products are subject to major changes. Therefore, a firm must constantly improve on an innovation to meet customer demand, expand the customer base and build up greater market advantages. Bhaskaran (2006)

617

______Proceedings of the 4th Annual International Academic Conference

defined product innovation as a technical change in a tangible product or the production process of such a product. Letchemenan (2006) described product innovation as a good or service, which is new or significantly improved and delivered to market according to customers' needs. Thus, innovation occurs when new ideas, goods or services are put into practices and not when the idea is generated. Hence, innovation is manifested when a new product or reinvented (modified) product is introduced into the market for attention (Boer & During, 2001). It is all about the creation of additional value and improving market performance (Paulson et al, 2007).

Process Innovation

Process innovation is a type of process development, which is the development of a firm's manufacturing processes (Frishammar, et al., 2013), and has been defined as the creation and implementation of new concepts and methods in manufacturing companies (Parida et al., 2016). This involves a number of heterogeneous activities such as introduction of equipment, new management practices, and changes in the production process. Performing a process innovation of a larger scale often causes the involvement of both organizational and technological changes (Reichstein & Salter, 2006). To complete such a task, Lager (2000), stresses the high importance of having a formal work method. When introducing process innovation, the company simply starts with making a process definition. This is typically followed by pure implementation projects where the definition is implemented into the existing processes. This implementation sometimes also triggers supportive construction projects (Frishammar, et al., 2013). The firm's ability to achieve process innovation depends on a set of parameters.

Concept of SMEs' Growth

This refers to growth in SMEs in terms of changes or improvement in every aspect of its operations whether quantitative or qualitative. In academic literature, there are many definitions of growth. Perenyi et al., (2008) stated that growth can be defined from two different angles: (i) as increase of size and other quantifiable measures, and (ii) as a process of changes or improvement. Robbins (as cited in Lu, 2006) also defined growth as improvement in the operation of an organization including more revenue, increase staffing and market share. This implies growth in sales or turnover, earning profits, growth in productivity, avoiding losses, being cost efficient, surviving in the market, or performing well compared to competitor (Woldie et al., 2008).

Sales Growth

A sale is the act of selling a product or service in return for money or other compensation (Kotler and Armstrong, 2004). Santos and Brito (2012) defined sales as the process of convincing customers to purchase goods usually one on one interaction. Sales growth is defined as a company's annual and quarterly rate of increase in sales revenues (Kotler & Armstrong, 2004). The Business Dictionary defines sales growth as the amount by which the average sales volume of a company's products or services has grown, typically from year to year. Sales growth helps to increase the profit margin of a company. As Reibstein et al., (2006) stated, an increase in sales means a corresponding increase in revenue for the company and this leads to increase in shareholders' dividend. By selling more products from year to year, company increases its profit margin and expands its operations. Sales growth helps to increase the general health of a company; it indicates whether or not a company is meeting its target (McKinsey et al., 2016). Sales growth of a company can be measured using the sales growth metrics (Kotler & Armstrong, 2004).

Profitability Growth

Profitability is a factor that should receive important attention because to carry out its life a company must be in a favorable condition. Without profit, it will be difficult for companies to attract capital from outside. Analysis of profitability is very important for creditors and equity investors. For creditors, profit is a source of interest and principal payments. As for equity investors, profit is one of the determinants of changes in the value of securities. In addition, the level of profitability can show how well the management of the company is, for that we need a tool to be able to assess it. The profitability ratio is the company's ability to earn profits about sales, total assets, and own capital. In this study, the profitability ratio measured by Return on equity (ROE) is a ratio that shows how much the

company's ability to generate net income to return equity to shareholders. The higher this ratio, the better for the company's shareholders (Rakasiwi, 2017).

Empirical Review

Twaliwi and Isaac (2017) probe the effect of innovation on SMEs performance in Gwagwalada-Abuja. Data was collected from 348 SMEs in five consecutive years (2010 to 2015), and then carried out regression analysis by using Ordinary Least Squares (OLS) Method to estimate the effect. The study reveals that innovation has a positive effect on the performance of SMEs in Gwagwalada-Abuja. It specifically finds that the (positive) effects of product innovation, process innovation and marketing innovation are statistically significant. In spite of this, the study uncovers that SMEs in Gwagwalada-Abuja do not frequently adopt innovation, and thus, recommends for these SMEs to adopt new innovation methods in order to improve their performances. Our study adopts the regression model from this study, and expands the model to avoid likely endogeneity problem.

Hannachi (2015) examined product innovation performance in the French biotechnology industry. The researcher develops and validates the measures of product innovation performance using five dimensions: financial performance, market performance, customer performance, technical performance and strategic performance. The study reported that incremental and radical innovations are positively and significantly correlated to the market performance in terms of sales growth and market share.

Muita (2013) empirically examined the relationship between innovation strategies and competitive advantage in the telecommunication industry in Kenya. The researcher employed the descriptive survey research design and used a structured questionnaire to collect data from senior managers in four telecommunication companies in Kenya. After analyzing the data collected using percentage and frequency analysis, mean, standard deviation, bar chart, pie chart, and the SPSS version 21.0, the researcher discovered that most of the innovation strategies formulated by telecommunication companies were met to meet customers' needs. The study also reported that technological innovation and research significantly improved the performance of telecom companies.

Shih (2018) examined the determinants of enterprises radical innovation and performance. Their study tested the relationship between strategic orientation, radical innovation, business performance and competitive advantage. The researchers adopted the quantitative research approach and the descriptive survey research design. The data for their study were collected from managers in 86 cultural and creative organizations using a structured questionnaire, while the regression analysis was used for data analysis. The findings revealed that entrepreneurial or market orientation is one of the crucial factors that facilitate the adaptation of radical innovation. The study also revealed that brand advantage is a crucial factor influencing firm performance after radical innovation.

Methodology

The study adopted the correlational design within a quantitative method; the population comprised of 25 food and beverages SMEs in Port Harcourt obtained from www. directory.org.ng. In line with the population which is relatively small, the census approach was adopted and the entire population was studied with a focus on the management staff. Copies of the questionnaire were distributed in the frame of four (4) copies per firm. A total of 100 copies of the questionnaire were administered to the management staff. The questionnaire was structured in the five point likert scale of strongly agree to strongly disagree. The reliability test was tested using the Cronbach Alpha method with the aid of Statistical Package for Social Sciences (SPSS) version 23, and it was 0.78, which is higher than the benchmark of 0.7. The Pearson Product Moment Correlation was used in testing the stated hypotheses.

Table 1: Data Presentation and Analysis

Quest. Issued	Quest. Retrieved	Useful
100	95	91

Source: Survey Data, 2023.

This revealed that out of the 100 copies of questionnaire issued, 95 copies were retrieved and 91 copies were useful after proper examination of the filed copies.

Table 2: Relationship between Product Innovation and Sales Growth

			Product Inno- vation	Sales Growth
Pearson (R)	Product Inno- vation	Correlation Coefficient Sig. (2 Tailed)	1.000	.819* .001
(10)		N	91	91
	Sales Growth	Correlation Coefficient	.819*	1.000
		Sig. (2 Tailed)	.001	
		N	91	91

*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

The table above presents the result of correlation analysis between product innovation and sales growth of beverage firms in Port Harcourt. The result indicates that product innovation is positively correlated to sales growth (r = .819*) and this correlation is significant at 0.05 level as indicated by the symbol *. Based on this result, the null hypothesis (Ho₁) is rejected and the alternate hypothesis is accepted. This means that we then accept that there is significant relationship between product innovation and sales growth of beverage firms in Port Harcourt.

Table 3: Relationship between Product Innovation and Profitability Growth

			Product In- novation	Profitability Growth
Pearson (R)	Product Innovation	Correlation Coefficient Sig. (2 Tailed) N	1.000 91	.827* .001 91
	Profitability Growth	Correlation Coefficient Sig. (2 Tailed) N	.827* .001 91	1.000 91

*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

The table above shows the result of correlation analysis product innovation and profitability growth of beverage firms in Port Harcourt. The result reveals that product innovation is positively correlated to profitability growth (r = .827*) and the symbol * indicates that this correlation is significant at 0.05 level. As a result of this, the null hypothesis (Ho₂) is rejected and the alternate hypothesis is accepted. This means that there is significant relationship between product innovation and profitability growth of beverage firms in Port Harcourt.

Table 4: Relationship between Process Innovation and Sales Growth

			Process In- novation	Sales Growth
Pearson (R)	Process Innovation	Correlation Coefficient Sig. (2 Tailed) N	1.000 91	.916* .002 91
	Sales Growth	Correlation Coefficient Sig. (2 Tailed) N	.916* .002 91	1.000 91

*Correlation is significant at 0.01 levels (2 tailed)

Source: SPSS-generated Output

The table above shows the result of correlation analysis between process innovation and sales growth of beverage firms in Port Harcourt. The result indicates that process innovation has a positive relationship with sales growth (r = .916*) and the symbol * implies that this correlation is significant at 0.05 level. Consequently, null hypothesis (Ho₃) is rejected and the alternate hypothesis is accepted which implies that there is significant relationship between process innovation and sales growth of beverage firms in Port Harcourt.

Table 4: Relationship between Process Innovation and Profitability Growth

			Process In- novation	Profitability Growth
Pearson (R)	process inno- vation	Correlation Coefficient Sig. (2 Tailed) N	1.000 91	.923* .002 91
	profitability growth	Correlation Coefficient Sig. (2 Tailed) N	.923* .002 91	1.000 91

*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output

The table above shows the result of correlation analysis between process innovation and profitability growth of beverage firms in Port Harcourt. The result revealed that process innovation has a positive correlation with profitability growth (r = .923*) and this correlation is significant at 0.05 level as indicated by the symbol *. Hence, null hypothesis (Ho₄) is rejected and the alternate hypothesis is accepted. This implies that we then accept that there is significant relationship between process innovation and profitability growth of beverage firms in Port Harcourt.

Summary of Findings

There is a significant relationship between product innovation and sales growth of beverage firms in Port Harcourt.

There is a significant relationship between product innovation and profitability growth of beverage firms in Port Harcourt.

There is a significant relationship between process innovation and sales growth of beverage firms in Port Harcourt.

There is a significant relationship between process innovation and profitability growth of beverage firms in Port Harcourt.

Discussion of Findings

The analysis revealed a significant relationship between product innovation and growth of SMEs in food and beverage firms in Port Harcourt. This is in line with the study of Hannachi (2015) who examined product innovation performance in the French biotechnology industry. The study reported that incremental and radical innovations are positively and significantly correlated to the market performance in terms of sales growth and market share.

The analysis also revealed a significant relationship between process innovation and profitability growth of beverage firms in Port Harcourt. This is in line with the study of Twaliwi and Isaac (2017) who examined the effect of innovation on SMEs performance in Gwagwalada-Abuja. The study reveals that innovation has a positive effect on the performance of SMEs in Gwagwalada-Abuja. It specifically finds that the (positive) effects of product innovation, process innovation and marketing innovation are statistically significant.

Conclusion and Recommendations

Following the above summary of findings, the study concluded that innovative orientation showed a positive and significant relationship with growth of food and beverage SMEs in Port Harcourt; the analysis revealed a significant relationship between product innovation and growth of SMEs; process innovation also showed a significant relationship with growth of food and beverage SMEs. The study concluded that innovative orientation is a significant predictor of growth of food and beverage SMEs in Port Harcourt. In line with the conclusion and findings of the study, the study recommends that:

SMEs in Port Harcourt should adopt product innovation in order to increase customer demand, expand the customer base and build up greater market advantages.

Also, SMEs in Port Harcourt should process innovation in order to have competitive advantage.

References

Avlonitis, G. J., & Salavou, H. E. (2007). Entrepreneurial orientation of SMEs, product innovativeness, and performance. *Journal of Business Research*, 60(5), 566-575.

Boer, H. & During, W. E. (2001). Innovation: What is innovation? A comparison between product, process and organizational innovation. *International Journal of Technology Management*, 22(3), 83-107.

Freeman, R.E. (2004). A stakeholder theory of modern corporations, ethical theory and business, (7th ed). University Press.

Frishammar, J., Lichtenthaler, U. & Richtnér, A. (2013). Managing process development: key issues and dimensions in the front end. *R & D Management*, 43(3), 213-226.

Hannachi, Y. (2015). Development and validation of a measure for product innovation performance: The PIP scale. *Journal of Business Studies Quarterly*, 6 (3), 23-35.

Lager, T., (2000). A new conceptual model for the development of process technology in process industry. *International Journal of Innovation Management*, 4(3), 319-346.

Letchemenan, G.S.O. (2006). Organization determinants of incremental and radical innovations in industries operating in Malaysia. M.Sc. Thesis, University of Malaysia.

Lomberg, C., Urbig, D., Stöckmann, C., Marino, L. D., & Dickson, P. H. (2017). Entrepreneurial orientation: the dimensions' shared effects in explaining firm performance. *Entrepreneurship Theory and Practice*, 41(6), 973-998.

McKinsey, C., Baungartner, T. & Hatami, H. (2016). Sales growth: Five proven strategies from the world's sales leaders hardcover. The Amazon Book Review.

Mugambi, E. N. & Karugu, W. N. (2017). Effect of entrepreneurial marketing on performance of real estate enterprises: A case of Optiven Limited in Nairobi, Kenya. *Journal of Sustainable Development in Africa*, 13 (1), 358 –373.

- Muita, J.K. (2013). Innovation strategies and competitive advantage in the Telecommunication industry in Kenya. *Repository Journal of University of Nairobi*. 3(2) 45-55.
- Ndesaulwa, A., P., (2016). The Impact of Innovation on Performance of Small and Medium Enterprises (SMEs) in Tanzania: A Review of Empirical Evidence. *Journal of Business and Management Sciences*, 4(1), 1-6.
- Nguyen, M.A.T., Lei, H., Vu, K.D. & Le, P.B. (2019). The role of cognitive proximity on supply chain collaboration for radical and incremental innovation: a study of a transition economy. *Journal of Business & Industrial Marketing*, 34(3), 591-604.
- Okpara, Friday. (2007). The value of creativity and innovation in entrepreneurship. *Journal of Asia Entrepreneurship And Sustainability*. 3(2). 9-17.
- Parida, V., Patel, P. C., Frishammar, J. & Wincent, J., (2016). Managing the front-end phase of process innovation under conditions of high uncertainty. *Quality & Quantity*, 51(219), 118.
- Paulson, A.S., O'Connor, G.C. & Robeson, D. (2007). Evaluating radical innovation portfolios. *Research Technology Management*, 50 (5), 17-29.
- Reibstein, D.J., Bendle, N.T., Farris, P.W. & Pfeifer, P.E. (2006). *Marketing metrics: 50 metrics every executive should master*. Pearson Education.
- Reichstein, T. & Salter, A., (2006). Investigating the sources of process innovation among UK manufacturing firms. *Industrial and Corporate Change*, 15(4), 653-682.
- Santos, J. B. & Brito, A. L. (2012). Towards a subjective measurement model for firm performance. *Brazilian Administrative Review*, 9(2), 352 371.
- Schmidt, R. C. (2013). Price competition and innovation in markets with brand loyalty. *Journal of Economics*, 1-27.
- Schumpeter, J. (1939). *The theory of economic development*: An inquiry into profits, capital, credit, interest, and the business cycle. Oxford University Press.
- Twaliwi, C. Z. & Isaac, O. M. (2017). Impact of Innovation on the Performance of Small and Medium Scale Enterprise in Gwagwalada, Abuja. *International Journal of Entrepreneurial Development, Education and Science Research.* 4, 2360-9028.
- Widodo, S. (2012). *Cara baru memberdayakan diri untuk lebih cepat bahagia, sukses, dan sejahtera.* Jakarta: PT. Gramedia Pustaka Utama

623

Internet Based Communication and Workplace Productivity of Banking Institutions in Port Harcourt

Elekwachi, Happiness Nwanyi, PhD

Department of Office and Information Management Rivers State University Port Harcourt elekwachihappiness94@gmail.com

Abstract

This study examined the relationship between internet based communication and workplace productivity of banking institutions in Port Harcourt. The objective was to examine the relationship between internet based communication and the workplace productivity of banking institutions in Port Harcourt. The population was the 22 commercial banks while the sample size was 357 respondents selected from 22 deposit money banks using the Taro Yemen technique. Questionnaire was administered to the branches of the commercial banks. Internet based communication was proxied by online collaboration and social media while workplace productivity was proxied by real time delivery and patronage. Simple percentage, means and spearman rank correlation coefficient were used as data analysis methods. From the findings, the study concludes that there is significant relationship between online collaboration and real time delivery of deposit money banks in Port Harcourt. The correlation coefficient of 86.9% shows positive and strong relationship between the variables. The study concludes that there is significant relationship between online collaboration and patronage of deposit money banks in Port Harcourt. The correlation coefficient of 69.7% shows positive and strong relationship between the variables. From the study concludes that there is no significant relationship between social media and real time delivery of deposit money banks in Port Harcourt. The correlation coefficient of 91.6% shows positive and strong relationship between social media and real time delivery of deposit money banks in Port Harcourt. From the findings, the study concludes that there is significant relationship between there is significant relationship between social media and patronage of deposit money banks in Port Harcourt. The study recommends that a strategy should be put in place to integrate internet based communication with other workplace functions during its implementation because it is difficult to separate customers from their mobile devices and gadget.

Keywords: Banking institutions, internet based communication, workplace productivity

Introduction

The application of electronic and Information Communication Technology has change the traditional bricks and mortar system of banks service delivery and revolutionized bank-customer relationship. Workplace digitalization play key roles in evolving modern banking system. It is a product of electronic banking. Banks are required to reinforce their global reach and develop and differentiate financial services for increasing demanding customers who already hold a number of different banking products often at multiple banks. The Internet provides any organization, large or small, a direct link to relevant publics and it can also serve as a link to other valuable Web sites. In other words, the information gathered from the Internet can help organizations adjust policies and actions before a crisis occurs

Internet-based communication refers to sharing information over the internet. From instant messaging to placing calls, the internet offers multiple ways to communicate such as e-mail, mailing lists, discussion groups, chat services, web conferencing, blog and others. With internet based communication, banks communicate to as many as eight people via video calls on various applications. Banks host free web conference calls to connect with clients or colleagues and discuss work with stable internet access. Internet based services have been lately adopted by Nigeria since 1998 and then followed massively by national and government banks and be more commonly used by corporation and consumer to do financial transactions (Wu, 2014).). The customers mainly use it to do fund transfer, various bill payments, and checking their balance, and other important fast-changing

information such as foreign exchanges and stock changes. These kinds of web-based communication application have been regulated heavily by Central banks of Nigeria which shows serious attention given by the government to manage the risks as impacted by the usage of information and communication technology applications for financial transactions. It has been believed that web-based communication such as in banking area could provide many beneficial features, both for consumers and the industry players.

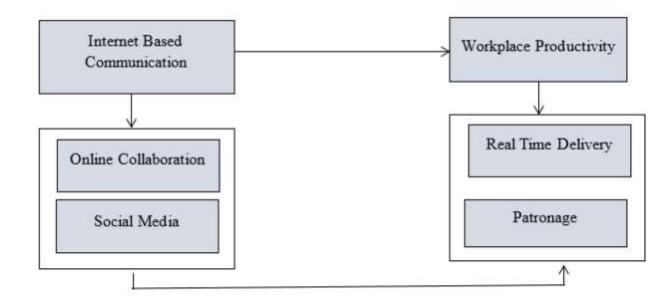
The internet based communication gives more benefit features to their clients or even reducing the transportation costs, the usage of paper and better customer service interfacing thereby have the capacity to increase productivity (Xing, Sun, & Yan, 2023). Vikram and Gayathri (2012) noted that using self-service or automated services for their customers to see their cheques and invoice images, so as the customers has more independent to access or more conveniently doing financial transaction without leaving their daily works and keep productive. Despite its advantages the internet based communication has been perceived as risky and not fully accepted due-to various plausible factors including financial risk, social and security risks, especially most part of the population are relatively newly adopted this kind of internet -based communication.

Productivity is a measure of the efficiency of production. Employing internet based communication into production activities enhanced and increased in workers' productivity. The upward shift of aggregate economic productivity leads to increase in gross domestic product and export of a nation in general. Internet based communication has transformed the way businesses are conducted by impacting on almost all aspects of business operations including product development, automation of processes, storage of customer data, communication and interaction with customers and suppliers.

While the process of internet based communication is the norm of the developed countries banking environment, the process is in the emerging banking environment is characterized with communication errors. A critical examination of the internet based communication instrument such as the media communication and online collaboration functionality in Nigeria show that there are so many challenges facing the internet based communication delivery channel, the communication channel has now been used as an easy means of defrauding customers' bank account by authorized persons.

It is common in the Automated Teller Machine where customer's account is debited and the card seized in the machine without having the amount and the card, the assumption that Automated Teller Machine will save time and break distance barrier is sometimes seen as an irony as customers spend significant proportion of their time looking for a functioning Automated Teller Machine. This makes customers to be indifference between the manual service delivery channel and the so-called internet based communication banking system. Studies conducted on the effect of digital workplace on bank performance found inconclusive results, from the above this study examined the extent to which internet based communication affect workplace productivity of banking institutions in Port Harcourt.

625



Source: Research Desk (2023)

Fig. 1: Conceptual Framework of relationship between internet-based communication and workplace productivity in banking institutions in Port Harcourt.

Theoretical Review

Technology Acceptance Model

This model was originally put forward by Davis (1986) to expounding on attitude behind the urge to employ technological knowhow (Monyoncho, 2015). TAM deals with perceptions and not systems real usage and argues when new technological advancement is introduced to the customers, either one of this occurs that is, Perceived Ease of Use (PEOU) and Perceived Usefulness (PU) influence their decision (Lule, Omwansa & Waema, 2012). PEOU is the level of confidence that people put on a system and if users perceive a new technology to be beneficial in support of both short and long-run, there is that encouragement to use the system. Further, the level by which an individual consider a system will boost performance in the short and long-run is the PU (Mojtahed, Nunes & Peng, 2011).

Conceptual Review

Internet based communication

Internet based communication is a process which enable bank customers to get access to their accounts and general information in bank products and services through the use of bank's website, without the intervention or inconvenience of sending letters, faxes, original signatures and telephone confirmations (Thulani Tafara & Langram, 2009 cited in Yahiya, 2011). Siyanbola (2013) puts it that Internet banking transactions on the internet (www) using electronic tools such as the computer without visiting the banking hail. E-commerce is greatly facilitated by internet banking and is mostly use to effect payment. Internet banking like mobile banking also uses the electronic card infrastructure for executing payment instructions and final settlement of goods and services over the internet between merchants and the customers. Commonly used internet banking transactions in Nigeria are settlement of commercial bills and purchase of air tickets through the websites of the merchants. Level of awareness of the advantages of this product to the saving populace is still very low; hence there is every room for improvement if cashless banking would be effective as expected (Siyanbola, 2013). Funds transfer, airtime top, balance enquiring, password change, bill payment etc can also be conducted on the internet banking platform.

Collaboration

This is, I win you win strategy where you cooperate with the other party to find a resolution with mutually satisfying outcome, collaboration aims at finding same solution that can satisfy both parties. It is based on a willingness to accept a valid interest of the other party whilst protecting one's own interest. Collaborating aims to find a solution to the conflict through cooperating with other parties involved. Hence, communication is an important part of this strategy. In this mechanism, effort is exerted in digging into the issue to identify the needs of the individuals concerned without removing their respective interests from the picture. Collaborating individuals aim to come up with a successful resolution creatively, without compromising their own satisfactions Walker et al. (1974).

Social Media

The term Social Media covers the usage of online tools and web sites that allow interaction between users to share information, opinions and interests. Social media by way of definition is any website which allows users to share their content, opinions, views and encourages interaction and community building. Examples are facebook, youtube, twitter, digg, myspace, delicious, scribd, flickr etc, (Sisira, 2011). Social media is the social interaction among people in which they create, share or exchange information and ideas in virtual communities and networks (Ahlqvist, 2008). Andreas Kaplan and Michael Haenlein defined social media as a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content (Kaplan & Haenlein 2010).

Furthermore, social media depend on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user -generated content. The following are social media platforms examples of SNSs; facebook, watsapp, QQ, Wechat, Qzone, Tumblr, Instagram, Twitter, Google+, Baidu Tieba, Skype, Viber, Sina Weibo, Line, Snapchat, Y.Y.com, Vkontakte, Pinterest, LinkedIn, Telegram, Reddit, Taringa, Foursquare, Renren, Tagged, Badoo, Myspace, Stumble upon, The dots, Kiwi box, Skyrock, Snap fish, Reverbnation, Flixster, Care2, Cafemom, Ravelry, Nextdoor, Wayn, Cellufun, Vine, Classmate, My heritage, Viadeo, Xing, xanga, we heart it, Buzznet and Flickr (Sisira, 2011). Facebook has been described as one of the important social media networks and websites (Paxson, 2010, Abubakar, 2011).

Workplace Productivity

Work productivity is a very expected factor in working because it directly contributes to the achievement of organizational goals. This is no exception in educational organizations such as schools; work productivity is also very important factor so that what is the goal of the school can be realized. Judging from the origin of the word in English, work productivity comes from the word "produce "which means to produce. So work productivity is the ability to produce, or the level of results obtained by someone. Conceptually, the notion of work productivity was put forward by Gomez, et al. (2012) provides that productivity is a measure of how much the individual value of employees adds the goods or services that the organization produces. This opinion has the understanding that work productivity is measuring how much the employee's added value for the goods or services produced.

The keyword of this definition is the measurement of value-added performance (value-added) so that people who have high work productivity will be able to provide great added value to the organization. Added value in this case is related to goods, services, or jobs produced by someone. According to Robbins and Coulter (2012), productivity is a performance measure of both efficiency and effectiveness. Work productivity is a measure of performance, both in terms of efficiency and effectiveness. Work productivity is the quality of performance that can measure how well the organization's goals are achieved (Kemal, Suryadi & Rosyidi, 2019).

Real Time Delivery

Ensuring customer satisfaction is essential for any business's survival. In the world of e-commerce, providing customers with a great order fulfillment process is key to achieving high customer satisfaction. Every customer expects businesses to go the extra mile in their delivery services. With this in mind, businesses need to be thinking of ways to offer value-added services to their customers to avoid losing them to competitors. There are different ways of doing this, but one of the most valuable is to offer customers real-time delivery tracking. Real-time tracking offers customers an accurate picture of a given delivery's location as it moves through the supply chain. With a combination of GPS tracking and real-time status updates from the field, customers can see the exact location of their orders in real time.

Empirical Review

Choudhury and Bharttachargee (2016) used the survey method to examine the nexus between electronic banking channels and customer loyalty. The study was based on data collected from a sample of 400 salaried employees selected through the stratified random sampling method. Electronic banking service delivery channels were evaluated based on Ease of use, Usefulness, Cost-saving, and Self-control while loyalty was measured in terms of attitudinal loyalty and Behavioural loyalty. The result showed that electronic banking delivery channels have strong positive impact on customer loyalty. Oluwagbemi, Abah and Achimugu (2011) examined how adoption of information technology impacted the banking industry in Nigeria. They found that IT adoption fundamentally transformed the content and quality of banking services delivery thereby strengthening the competitiveness of Nigerian banks. The authors identified information technology as a major component of economic development and a backbone of knowledge based economies in terms of operations, service quality and productivity.

Tunay et al. (2022) in their research work on effect of internet payment on the performance of banks in Europe, adopting a panel causality tests approach to examines the impact of internet payments and bank profitability of a member of the European Union and non-European of 30 countries discovered that more advanced internet banking practices in European countries illustrate the more performance of the strongest banks.

Yao et al. (2018) investigated the impact of payment technology on the financial performance of the banking sector of China, using the Vector Auto-Regression impulse model to analyze third-party Payment (TPP) data ranging from 2007 to 2014. The findings revealed that TPP increases money turnover and positively affect the financial sector earning growth. Hence, the results empirically indicate that innovations of payment technology contribute to industry synergist in the evolution of the financial industry in China. Also, Dong et al. (2020) looked at the effect of web finance on commercial bank's performance in China. The paper inventively utilizes multi-source information to fabricate a web account list, which contains Internet search information and Internet monetary exchange information. The outcomes show that the improvement of Internet finance decidedly affects the benefit, security, and development of banks, hence, contrarily affects their liquidity. The investigation likewise indicated that web finance has advanced the enhancement of the thorough business execution of banks in China.

Methodology

The design related with this study is correlational approach. The rationale behind this approach is that the quantitative data and subsequent analysis provide a general understanding of the research. Moses (2014) stressed in his study that a correlation research is a quantitative in nature and two or more variables are taken into consideration in order to determine the relationship.

The target population for this study is the employees of 24 deposit money banks in Port Harcourt. Therefore the population of the study comprised of 3318 employees from the regional offices of the deposit money banks. (Source:www.businesslist.com.ng) (See table below). The sampling for this study constituted the employees of the quick service restaurants. Questionnaire was administered to

the employees of the deposit money banks. Data screening and cleaning was conducted to obtain actual and quality results. The study stresses the response rate of the respondents and elaborates the description of demographic and organizational profiles of the respondents of the study. Hypotheses were tested using Spearman Rank Correlation. The decision rule adopted was: accepted null hypothesis if p>0.05, and reject if p<0.05.

Analysis and Discussion of Results

Table 1: Analyses of years of service of respondents

S/No	Time Duration	Questionnaire Retrieved	% Distribution	
1	0 – 10 years	59	20.0	
2	11-20 years	111	37.6	
3.	21 - 30 years	76	25.8	
4.	31 and above	49	15.5	
	Total	295	100.0	

Source: Field survey (2023)

Table 1 above reveal questionnaire retrieved according to the time duration of staff in the commercial banks, the table proved that 59 respondents are between the time 0-10 years which represents 20 percent, 111 respondents are between the time 11-20 years which represents 37.6 percent, 76 respondents are between the time 21-30 years which represents 25.8 percent and 49 respondents are between the time 31 and above years which represents 15.5 percent.

Table 2: Analyses of gender of respondents

S/No	Gender	Questionnaire Retrieved	% Distribution
1	Male	161	54.6
2	Female	134	45.4
	Total	295	100.0

Table 2 above indicates respondents according to gender, 161 respondents that represents 54.6 percent are male while 135 respondents that represent 45.4 percent are female.

Table 3: Descriptive Statistics for online collaboration

	N	Min.	Max.	Mean	Std. Dev.
Online collaboration is part of operation of banks	334	1.00	5.00	4.3810	.74001
Online collaboration enhance service delivery	334	1.00	5.00	4.1429	.65465
Online collaboration enhance customer satisfaction	334	1.00	5.00	4.4286	.59761
Online collaboration enhance real time delivery	334	1.00	5.00	4.5238	.60159
Valid N (listwise)	334				

Source: Field survey (2023)

From the above table, with regards to the minimum and maximum mean scores of the dimension **online** collaboration, indicated that most of the respondents were on the response scale of high extent and very high extent as the least mean score value was 4.14 which is greater than 3.5, and the maximum mean score value was 4.67, which was greater than 4.5 mark.

Table 4: Descriptive Statistics for social media

	N	Min.	Max.	Mean	Std. Dev.
Social media is part of operation of banks	334	1.00	5.00	4.7167	.48305
Social media enhance service delivery	334	1.00	5.00	4.5714	.59761
Online enhance customer satisfaction	334	1.00	5.00	4.5714	.59761
Social media enhance real time delivery	334	1.00	5.00	4.5132	.58994
Social media is part of operation of banks	334	1.00	5.00	4.3174	.56732
Social media enhance service delivery	334	1.00	5.00	4.4286	.59761
Valid N (listwise)	334				

Source: Field survey (2023)

From the above table, with regards to the minimum and maximum mean scores of the dimension **social media**, indicated that most of the respondents were on the response scale of high extent and very high extent as the least mean score value was 4.32 which is greater than 3.5 but lesser than 4.7, and the maximum mean score value was 4.72, which was greater than 4.5 mark. Majority of the responses here fell within the strongly agree mark for cultural competence.

Table 5: Descriptive Statistics for Real Time Delivery

	N	Min.	Max.	Mean	Std. Dev.
real time delivery depend on internet based banking	334	1.00	5.00	4.3333	.73030
With internet based banking real delivery is achieved	334	1.00	5.00	4.4762	.67964
We internet based banking to increase real time delivery	334	1.00	5.00	4.6732	.65761
Internet based banking is relevant	334	1.00	5.00	4.3333	.65828
We adjust to internet based work place for productivity	334	1.00	5.00	4.4286	.67612
Valid N (listwise)	334				

Source: Field survey (2023)

From the above table, with regards to the minimum and maximum scores of the dimension Real Time Delivery, indicated that most of the respondents were on the response scale of high extent and very high extent as the least mean score value was 4.33 which is greater than 3.5 but lesser than 9, whereas the maximum mean score value was 4.67, which was greater than 4.5 mark.

Table 6: Descriptive Statistics for patronage

	N	Min,	Max.	Mean	Std. Dev.
Patronage depend on internet based banking	334	1.00	5.00	3.4356	1.72378
With internet based banking Patronage is achieved	334	1.00	5.00	2.2667	1.43759
We internet based banking to increase Patronage	334	1.00	5.00	3.0667	1.53375
Internet based banking is relevant	334	1.00	5.00	3.0667	1.33452
We adjust to internet based work place for productivity	334	1.00	5.00	2.1003	1.51186
Valid N (listwise)	334				

Source: Field survey (2023)

From the above table, with regards to the minimum and maximum mean scores of the measure patronage, indicated that most of the respondents were on the response scale of low extent and moderate extent as the least mean score value was 2.10 which is greater than 1.5 but lesser than 2.5, and the maximum mean score value was 3.43, which was greater than 2.5 but lesser than 3.5.

Table 7: Analysis of Hypotheses I

Probability	.000
Correlation coefficient	.869
No. of observation	334
Level of Significance	5% 2 tailed

Source: SPSS 20.0

The Spearman ranking coefficient shows a p- value of .000 and a correlation coefficient of .869, the null hypothesis is rejected at 5% confidence level and the alternate accepted there is significant relationship between collaboration and real time delivery of banking institutions in Port Harcourt. The correlation coefficient of 86.9% shows positive and strong relationship between the variables.

Table 8: Analysis of Hypotheses II

Probability	.000
Correlation coefficient	.697
No. of observation	334
Level of Significance	5% 2 tailed

Source: SPSS 20.0

The Spearman ranking coefficient shows a p-value of .001 and a correlation coefficient of .697. The null hypothesis is rejected at 5% confidence level and the alternate accepted that there is significant relationship between collaboration and patronage of banking institutions in Port Harcourt. The correlation coefficient of 69.7% shows positive and strong relationship between the variables.

Table 9: Analysis of Hypotheses III

Probability	.000
Correlation coefficient	.916
No. of observation	334
Level of Significance	5% 2 tailed

Source: SPSS 20.0

The Spearman ranking coefficient shows a p-value of .000 and a correlation coefficient of .916. The null hypothesis is rejected at 5% confidence level and the alternate accepted that there is no significant relationship between social media and real time delivery of banking institutions in Port Harcourt. The correlation coefficient of 91.6% shows positive and strong relationship between social media and real time delivery of banking institutions in Port Harcourt.

Table 10: Analysis of Hypotheses IV

Probability	.010
Correlation coefficient	.599
No. of observation	334
Level of Significance	5% 2 tailed

Source: SPSS 20.0

The Spearman ranking coefficient shows a p-value of .010 and a correlation coefficient of .599. The null hypothesis is rejected at 5% confidence level and the alternate accepted that there is significant relationship between there is significant relationship between social media and patronage of banking institutions in Port Harcourt. The correlation coefficient of 59.9% shows positive and strong relationship between social media and patronage of banking institutions in Port Harcourt.

Discussion of Findings

The study found positive and significant relationship between collaboration and real time delivery of banking institutions in Port Harcourt. The Spearman ranking coefficient shows a p- value of .000 and a correlation coefficient of 89.6 percent. This indicates that career online collaboration has positive and significant relationship on real time delivery of the deposit money banks. This finding confirms the expectations of the results and the objective of human resource development.

Empirically, the findings confirm the findings of Akhisar et al. (2015) that payment innovations affect profitability positively except for POS and internet payment which affect profitability negatively, Tunay et al. (2015) that more advanced internet banking practices in European countries illustrate the more performance of the strongest banks and the findings of Yao et al. (2018) that the improvement of Internet finance decidedly affects the benefit, security, and development of banks, hence, contrarily affects their liquidity.

The study found positive and significant relationship between online collaboration and patronage of banking institutions in Port Harcourt. The Spearman ranking coefficient shows a p- value of .000 and a correlation coefficient of 69.7 percent. This indicates that online collaboration have positive and significant relationship on real time delivery of the deposit money banks. This finding confirms

the expectations of the results and the objective of technology adoption. The findings confirm the findings of Oluyemisi, Muideen, Benneth and Nurudeen (2020) that an improvement in training and career development tends to enhance banks employees' performance.

Empirically, the positive relationship confirm the findings of Vikram and Gayathri (2018) that investment in IT increases profitability for banks, Kamboh and Lighari (2016) that POS transaction and Mobile payment are positively significantly correlated to ROE, while ATM transactions are negatively, significantly, related with profitability, the findings of Zu et al. (2019) that ATM affects banks profitability positively, while POS and internet payments affect profitability negatively, the findings of Anselm Ngwa (2020) that mobile money transfer, Domestic Transfer Fund equivalent of RTGS transaction and Electronic Point Terminal via all have positive impacts on return on assets and the findings of Vekya (2017) established positive significant relationship between ATM transactions and bank profitability.

The study found positive and significant relationship between social media and real time delivery of deposit money banks in Port Harcourt. The Spearman ranking coefficient shows a p- value of .000 and a correlation coefficient of 91.6 percent. This indicates that social media have positive and significant relationship on real time delivery of the deposit money banks. This finding confirms the expectations of the results and the objective of technological integration in the work place.

Empirically the findings of this study is in line with the findings of Muotolu and Nwadialor (2019) that volume of ATM transactions has significant positive impact on ROA of banks in Nigeria, however, Volume POS, internet, NEFT and NIP have insignificant positive impact on ROA of banks in Nigeria, De Young et al. (2007) that internet adoption improved community bank profitability, largely through increased revenues from deposit service charges, Lerner and Tufano (2011) that financial innovations like venture capital, equity funds, mutual and exchange traded funds and securitization lead the way to financial deepening and growth.

Cherotich et al. (2015) found out that there is a strong relationship between financial innovations and financial performance in Kenya commercial banks suggesting that the innovation is also effective for undeveloped countries too and the findings of Beck, Chen, Lin and Song (2012) that financial innovation is associated with higher growth volatility among industries more dependent on external financing and on innovation and with higher idiosyncratic bank fragility, higher bank profit volatility and higher bank losses during the recent crisis.

The study found positive and significant relationship between social media and patronage of deposit money banks in Port Harcourt. The Spearman ranking coefficient shows a p- value of .000 and a correlation coefficient of 59.9 percent. This indicates that social media have positive and significant relationship on patronage of the deposit money banks. The positive relationship between the variables confirms the a-priori expectations of the study and in line with theories such as technological adopted theory. The finding confirms the findings of Roberts and Amit (2003) that innovative activity significantly affects its current financial performance, Abir and Chokri (2005) that the legal framework influences in a large way the innovative behavior of the Tunisian banking system, Nodern, et al. (2012) that the magnitude of the risk management effect remained unchanged during the crisis period of 2007-2009 and the findings of Domeher et al. (2014) that innovation attributes such as lack of complexity, compatibility and perceived usefulness provided by financial innovation, increase the likelihood of e-banking adoption.

Conclusion

The results presented in table 4.6 found the minimum and maximum mean scores of the dimension

online collaboration, indicated that most of the respondents were on the response scale of high extent and very high extent as the least mean score value was 4.14 which is greater than 3.5, and the maximum mean score value was 4.67, which was greater than 4.5 mark. In table 4.7 the minimum and maximum mean scores of the dimension social media, indicated that most of the respondents were on the response scale of high extent and very high extent as the least mean score value was 4.32 which is greater than 3.5 but lesser than 4.5, and the maximum mean score value was 4.72, which was greater than 4.5 mark.

From table 4.8, with regards to the minimum and maximum scores of the dimension real time delivery, indicated that most of the respondents were on the response scale of high extent and very high extent as the least mean score value was 4.33 which is greater than 3.5 but lesser than 4.5, whereas the maximum mean score value was 4.67, which was greater than 4.5 mark. From 4.9 with regards to the minimum and maximum mean scores of the measure patronage indicated that most of the respondents were on the response scale of low extent and moderate extent as the least mean score value was 2.10 which is greater than 1.5 but lesser than 2.5, and the maximum mean score value was 3.43, which was greater than 2.5 but lesser than 3.5.

From the findings, the study concludes that there is significant relationship between online collaboration and real time delivery of deposit money banks in Port Harcourt. The correlation coefficient of 86.9% shows positive and strong relationship between the variables. From the findings, the study concludes that there is significant relationship between online collaboration and patronage of deposit money banks in Port Harcourt. The correlation coefficient of 69.7% shows positive and strong relationship between the variables.

From the findings, the study concludes that there is no significant relationship between social media and real time delivery of deposit money banks in Port Harcourt. The correlation coefficient of 91.6% shows positive and strong relationship between social media and real time delivery of deposit money banks in Port Harcourt. From the findings, the study concludes that there is significant relationship between there is significant relationship between social media and patronage of deposit money banks in Port Harcourt.

Recommendations

The study recommended that a strategy should be put in place to integrate internet based communication with other workplace functions during its implementation because it is difficult to separate customers from their mobile devices and gadget.

The study recommended that banks should improve on their internet based communication channels for them to remain relevant in the face of global competition through proper integration of digital technology.

The study recommended that Management of banking institutions should enhance application of internet based communication to increase satisfaction and patronage of their customers. Internet based providers in conjunction with banks should develop more friendly and easy to use and efficient applications for bank customers.

The study recommended that staff training and development should be enhanced in the banking industry in order to render quality and timely services to their customers.

References

- Adaramola, A. O., & Kolapo, F. T. (2019). Assessment of Bank Technology Machine and Mobile Banking as Market Strategies to Raising Performance of Banks in Nigeria. Journal of Economics and Behavioral Studies, 11, 108-115.
- Akwam, P. O., & Yua, H. (2021). Effect of Financial Products on the Performance of Selected Deposit Money Banks in Nigeria: 2005-2019. European Journal of Accounting, Auditing and Finance Research, 9, 124-143.
- Alhassany, H., & Faisal, F. (2018). Factors influencing the internet banking adoption decision in

- North Cyprus: An evidence from the partial least square approach of the structural equation modeling. *Financial Innovation*, 4(1), 29-45.
- Anselm Ngwa, N. (2020). Electronic Banking Transactions and Their Effects on the Performance of Selected Commercial Banks in Cameroon. Research Journal of Finance and Accounting, 11, 107-115.
- Ayodele, T. D. (2014). Electronic banking in Nigeria: Challenges and prospects. Elixir In ternational Journal of Finance management, 69, 22912-22915.
- Batiz-Lazo, B., &Woldesenbet, K. (2006). The dynamics of product and process innovation in UK banking. *International Journal of Financial Services Management*, 1 (4), 400-421.
- Bingilar, P. F., & Bariweni, B. (2019). Electronic Payment Systems Implementation and the Performance of Commercial Banks in Nigeria. European Journal of Business and Management Research, 4, 1-5.
- Boateng, K., & Nagaraju, Y. (2020). The Impact of Digital Banking on the Profitability of Deposit Money Banks: Evidence from Ghana. International Journal of Research in Finance and Management, 3, 144-150.
- Chava, S., Oettl, A., Subramanian, A., & Subramanian, K. V. (2013). Banking deregulation and innovation. *Journal of Financial Economics*, 109(3), 759-774.
- Chen, Y., & Zhen, F. (2011). International competitiveness of large commercial banks: Theoretical framework and international comparison. *Studies of International Finance*, 2011(2), 89–95.
- Cherotich, K. M., Sang, W., Mutungú, C., & Shisia, A. (2015). Financial Innovations and Performance of Commercial Banks in Kenya. International Journal of Economics, Commerce and Management, 3, 1242-1265.
- Cherotich, K. M.; Sang W.; Shisia A.; Mutung'u C. (2015). Financial innovations and performance of commercial banks in Kenya. *International Journal of Economics, Commerce and Management, III(5), 1242-1265.*
- Cummins, M., Mac an Bhaird, C., Rosati, P., & Lynn, T. (2020). Institutional investment in online business lending markets. *International Review of Financial Analysis*, 7(1),67-90.
- Dash, M. & Tech, M. & Samal S. (2014). Determinants of customers' adoption of mobile banking: An empirical study by integrating diffusion of innovation with attitude. *Journal of Internet Banking and Commerce*, 19(3), 25-29.
- Deng, E. (2015). Construction and empirical research on evaluation model of internet financial brand image communication effect taking alipay and building blocks brand as an example. *The Journal of Communication*, 2015(10), 50–70.
- Dong, J., Yin, L., Liu, X., Hu, M., Li, X., & Liu, L. (2020). Impact of Internet Finance on the Performance of Commercial Banks in China. International Review of Financial Analysis, 72, Article ID: 101579.
- Feng, G., Gao, J., Peng, B., & Zhang, X. (2017). A varying-coefficient panel data model with fixed effects: Theory and an application to US commercial banks. *Journal of Econometrics*, 196 (1), 68–82.
- Frank, B. P., & Binaebi, B. (2019). Electronic Payment Systems Implementation and the Performance of Commercial Banks in Nigeria. European Journal of Business and Man agement Research, 4, Article No. 5.
- Funk, A. S. (2019). From informal finance to internet finance in China. *Crowdfunding in China. Contributions to management science*. Cham: Springer.
- Gai, K., Qiu, M., & Sun, X. (2018). A survey on FinTech. *Journal of Network and Computer Applications*, 103, 262–273.
- Kinm, R. &Ngumi, P. (2013). Do bank innovations influence profitability of commercial banks in Kenya? *Prime Journal of Social Science (PJSS) 2(3), 237-248*
- Kithuka, K., (2012). Factors influencing growth of agency banking in Kenya: the case of Equity bank. Kwale County, Kenya. MA Thesis, University of Nairobi
- Korir, M. C. (2014). The effect of financial innovations on financial performance of commercial banks in Kenya. *Unpublished MBA project, University of Nairobi*.
- Lee, H. &Benbasat, D. (2013). Internet vs mobile banking: comparing customer value perceptions.

- Business Process Management Journal, 4(2), 45-67.
- Lee, I., & Shin, Y. J. (2018). Fintech: Ecosystem, business models, investment decisions, and challenges. *Business Horizons*, 61(1), 35–46.
- Liu, M. F., & Zhao, L. (2019). Solving the financing constraints on small and micro enterprises from the perspective of internet finance. *Management Review*, 31(3), 39–49.
- Liu, Z. L. (2016). Research on the influence of internet finance on commercial Banks' risk taking. *Finance & Trade Economics*, 37(4), 71–85.
- Llewellyn, D. T. (2009). Financial innovation and a new economics of banking: Lessons from the financial crisis. Challenges for Monetary Policy-makers in Emerging Markets, 1.
- Muhoro, D. I., & Mungai, J. (2018). Real Time Gross Settlement and Financial Performance of Commercial Banks in Kenya. International Academic Journal of Economics and Finance, 3, 110-122.
- Muia, S. W. (2017). The Effect of Financial Innovations on Financial Performance of Commercial Banks in Kenya. Doctoral Dissertation, Kca University. http://41.89.49.13:8080/xmlui/handle/123456789/1243
- Muotolu, P. C., & Nwadialor, E. O. (2019). Cashless Policy and Financial Performance of Deposit Money Banks in Nigeria. International Journal of Trend in Scientific Research and Development, 3, 465-476.
- Mwangi, R.W. (2011). An evaluation of the role of agency banking in the performance of commercial banks in Kenya. *MBA Thesis, Kenyatta University*.
- Mwania, M., &Muganda, N. (2011). An investigation on the relationship between information technology (IT) conceptualization and bank performance. School of Computer Science & Information Technology, Kimathi University College of Technology, Kenya, AIBUMA Conference paper.
- Norden, L., Buston, C. S., & Wagner, W. (2014). Financial innovation and bank behavior: Evidence from credit markets. *Journal of Economic Dynamics and Control*, 43, 130-145.
- Nwakoby, N. P., Okoye, J. N., Ezejiofor, R. A., Anukwu, C. C., & Ihediwa, A. (2020). Electronic Banking and Profitability: Empirical Evidence from Selected Banks in Nigeria. Journal of Economics and Business, 3, 637-649.
- Sakarya, B.; (2016). Financial stability of Islamic (participation) banks in Turkey. *Munich Personal RePEc Archive, MPRA Paper No. 69451*.
- Saleem, Z., & Rashid, K. (2011). Relationship between customer satisfaction and mobile banking adoption in Pakistan. *International Journal of Trade, Economics and Finance*, 2(6), 537–544.
- Shahabi, V., & Razi, F. F. (2019). Modeling the Effect of Electronic Banking Expansion on Profitability Using Neural Networks and System Dynamics Approach. Qualitative Research in Financial Markets, 11, 197-210.
- Shahzad, F., Fareed, Z., & Zulfiqar, B. (2019). Does abnormal lending behavior increase bank riskiness? Evidence from Turkey. *Financial Innovation*, *5*(1), 37-54
- Shanmugam, K. R., & Nigam, R. (2020). Impact of Technology on the Financial Performance of Indian Commercial Banks: A Clustering Based Approach. Innovation and Development, 10, 433-449.
- Suleymanov, Q., Farzaliyev, M., & Nagiyev, M. (2019). The Effects of Innovations on Bank Performance: The Case of Electronic Banking Services. Recent Trends in Science and Technology Management, No. 2, 20-29.
- Thakur, R., & Srivastava, M. (2014). Adoption readiness, personal innovativeness, perceived risk and usage intention across customer groups for mobile payment services in India. *Internet Research*, 24(3), 369–392.
- Tran, M. H. (2021). Payment System and Bank Performance: Evidence from Vietnam. Journal of Contemporary Issues in Business and Government, 27, 91-94.
- Tunay, K. B., Tunay, N., & Akhisar, I. (2015). Interaction between Internet Banking and Bank Performance: The Case of Europe. Procedia-Social and Behavioral Sciences, 195, 363-
- Yao, M., Di, H., Zheng, X., & Xu, X. (2018). Impact of Payment Technology Innovations on the Traditional Financial Industry: A Focus on China. Technological Forecasting and Social

637

Proceedings of the 4th Annual International Academic Conference

Change, 135, 199-207.

Zu, J., Gu, Y., Li, K., & Bonsu, O. A. M. (2019). Impacts of Financial Innovations on Financial Performance Evidence of Electronic Banking in Africa. Methodology, 3, 56-60.

Is Increase in Agricultural Sector Output Effective in Reducing Unemployment Rate in Nigeria?

Imoisi, Anthony Ilegbinosa

Department of Entrepreneurship
Faculty of Arts, Management and Social Sciences
University of Agriculture and Environmental Sciences
Umuagwo, Imo State, Nigeria
mcanthonyby@yahoo.co.uk

Abstract

This research examine the relationship between agricultural sector output and the unemployment rate in Nigeria within a multivariate framework from 1990-2021. In order to achieve the aim of the study, data on agriculture sector's contribution to GDP, agricultural output, government's expenditure on agriculture and unemployment rate were obtained from the Central Bank of Nigeria, National Bureau of Statistics, Ministry of Labour, International Labour Organisation, Ministry of Agriculture and the World Bank. The unit root test, cointegration and error correction model were employed in analyzing the relationship among the variables used in this study. Our results revealed that agriculture sector's contribution to GDP, agricultural output and government's expenditure on agriculture have important impact on the unemployment rate in Nigeria for the period under review. This is illustrated in the negative and significant relationship between agriculture sector's contribution to GDP, agricultural output, government's expenditure on agriculture and unemployment rate in Nigeria. Based on these findings, the paper recommends that additional finance be allocated to the agriculture sector at the federal, state and local levels with flexible credit conditions and additional agricultural and rural employment opportunities should be created to absorb the increasing labour force in the nation.

Keywords: Agriculture sector output, agricultural development, economic growth, unemployment rate

JEL Classification Code: E20, E24, J20, J43

1. Introduction

Agriculture was the earliest source of livelihood for mankind and it is as old as man himself. It involves tilling the soil for harvest as well as raising livestock. Despite the advancement of present-day civilization, it continues to be a vital sector of any nation in the world (<u>Anthony-Orji, Orji, Ogbuabor, and Ezealigo, 2020</u>). Globally, the advancement of a squirming economy relies to a great degree on the growth of its agriculture sector (Ogbalubi and Wokocha, 2013). This sector is regarded as a catalyst for the general development of any country, and Nigeria is not an exemption.

According to a World Bank Report in 2016, agriculture is a key sector in the Nigerian economy that propels economic growth and industrial development owing to its significance in creating employment opportunities, particularly in the rural areas, providing food for the teeming population, generating foreign exchange earnings for the nation, supplying raw materials to the emergent industries as well as offering markets for manufactured goods of the industrial sector. Nigeria as a nation is blessed with an enormous spread of arable land as well as favourable climatic conditions for agricultural activities.

Consequently, this enables the turning out of extensive agricultural products, for example, crops, livestock, fisheries as well as forestry (Ewetan, Fakile, Urhie, and Oduntan 2017). Higher output in Nigeria's agriculture sector is essential in advancing the growth, development, and sustainability of the economy. This inevitably will have an apparent influence on economic growth via several outlets, for instance, employment generation, higher exports, investment potential, and financial impacts (Kareem, Bakare, Ademoyewa, Ologunla, and Arije, 2015). During 1960s agriculture was a foremost contributor in Nigeria; it contributed approximately 60% to the country's GDP and was the most significant sector in foreign exchange earnings and job creation (NBS 2014; CBN 2016).

638

The 1970s witnessed the advent of the crude oil industry in Nigeria and this sector became the key propeller of economic growth; thus, making it the principal provider of the nation's GDP. Subsequently, output from agriculture has been fluctuating concerning its annual contribution to the nation's GDP as indicated in fig 1 below.

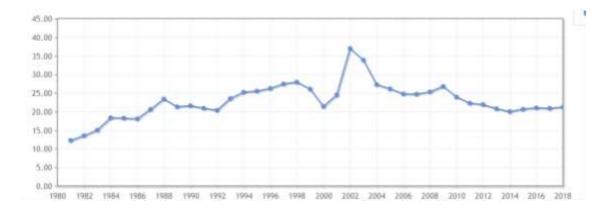


Fig 1. Agriculture value added (%GDP) in Nigeria Source: World Bank National Accounts Data, and OECD National Account Files

Fig. 1 reveals that agriculture's contribution to Nigeria's GDP has been inconsistent. It increased from 12.2% in 1981 to 23.4% in 1988, it later fell to 20.3% in 1992. It increased to 27.9% in 1998 and decreased to 21.4% in 2000. By 2002, it rose to 37% and dropped to 24.7% in 2007. In 2009, it increased to 26.7% and fell to 21.2% in 2018. The over-dependence of the Nigerian economy on crude oil resulted in the dereliction of agriculture by the government and this has taken its toll on employment generation in the nation as shown in Fig 2 below

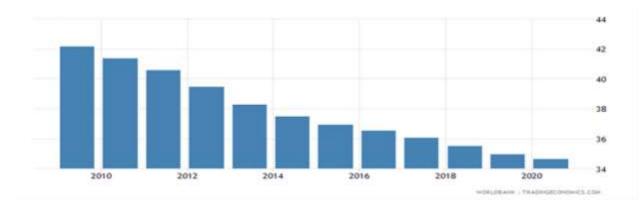


Fig 2. Employment in the Agricultural Sector (% of total employment)
Source: World Bank National Accounts Data, and OECD National Account Files

As observed from fig 2 above, the employment in the agriculture sector (% of total employment) has been on a persistent decline; it reduced from 41.36% in 2010 to 38.27% in 2013; it fell further to 36.55% in 2016 and dropped in 2020 to 34.66%. This incessant reduction in employment opportunities in this sector has added to the chronic unemployment experienced in Nigeria.

Over the past decades, the unemployment situation in the Nigerian economy has demonstrated to be a lingering macroeconomic ill befuddling any development endeavours by successive governments in the country. The upward surge in the rate of unemployment signifies a clear-cut divergence between the probable results of the modelled macroeconomic development strategies of the three tiers

of government and actuality. According to Adegboyega, (2021), one out of every three Nigerians that have the capacity and readiness to be gainfully employed could not be employed in the fourth quarter of 2020. In addition, there has been a continuous increase in the annual change of unemployment from 2016 to 2019 as indicated in fig 3 below.

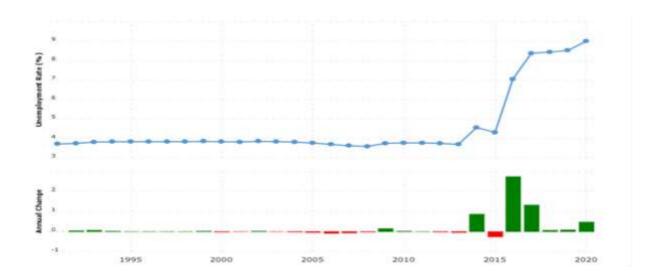


Fig 3. Unemployment Rate (%) and its Annual Change in Nigeria Source: World Bank: https://www.macrotrends.net/countries/NGA/nigeria/unemployment-rate

From fig. 3 above, in 2017, the unemployment rate in Nigeria was 8.39%, a 1.33% rise from 2016. In 2018, it was 8.45%, a 0.06% surge from 2017; in 2019, it was 8.53%, a 0.08% increase from 2018 and in 2020, it was 9.01%, a 0.48% upsurge from 2019 (World Bank, n.d.). In the third quarter of 2017, Nigeria's unemployment rate rose from 18.8% to 23.1% in the third quarter of 2018. It increased further from 27.1% in the second quarter of 2020 to 33% in 2021, converting to approximately 23.2 million persons, the grandest in at least thirteen years and the second-highest rate globally after Namibia whose unemployment rate is 33.4% (Adegboyega, 2021).

Although different governments, previous and current have made some notable exertions by formulating agricultural policies and establishing agricultural intervention programmes with the optimism of resolving the unemployment situation in the economy, it is quite arduous to determine those policies or programmes that have produced the coveted results in tackling Nigeria's high unemployment rate. However, just like the series of other non-agricultural programmes, the effect of these agricultural policies and intervention programmes are yet to be felt, as they have been unsuccessful in tackling the unemployment predicament in Nigeria.

In the 1960s, the agricultural sector was the most dominant in Nigeria, such that the growth and development of the economy were dependent on the sector. Agriculture constituted approximately two thirds of the country's GDP and is a major sector in the employment of labour. Despite this, through the years, the sector has experienced a rapid deterioration in its influence, involvement, and role in development nationwide (Ogbalubi & Wokocha, 2013). Agriculture has been neglected for the quest and pursuit of crude oil and this worrisome situation began with the oil boom that led to the swift failure of this sector and has been described as the most severe impairment done to Nigeria's agricultural sector (Ogbanga, 2018). As a result, Nigeria turned into a key importer of agricultural goods against its former status as a principal exporter. This caused a drastic reduction in the economically active population engaged in agriculture and increased the unemployment rate in the economy. Economists and policymakers have attributed the chronic unemployment situation in the country to the poor performance and inadequate output of the agricultural sector.

Over the years, the failure of agricultural output to reduce the unemployment rate in Nigeria has been attributed to inadequate agricultural infrastructure and social amenities; insufficient credit facilities and funds to farmers; lack of modernized and mechanized agricultural technology; non-implementation of farming policies; absence of modern storage and processing facilities; insecurity of Nigerian farmers etc. The government has to effectively address these pertinent issues for agriculture to influence unemployment reduction in the nation. The germane question repeatedly asked is why the Nigerian economy is still experiencing chronic unemployment, particularly the youth (those between the ages of 15-35 years) regardless of the potentials of the agricultural sector in increasing output. It is because of this, that this research is undertaken.

2. Concept of Agricultural Output

The quintessence of participating in any economic pastime is to produce a specific good, product or output. Similarly, it is for this purpose that individuals are engaged in agricultural activities. Agricultural output refers to the product obtained from agricultural activities and these activities comprises of forestry, crop production, fishing and livestock (CBN, 2012.) Generally, agricultural output refers to output or product individuals gain after series of agricultural activities in which they are engaged. Over the years, the Nigerian agricultural sector has produced a huge quantity of output, which has been helpful to both the country and the international scene. According to the CBN (2012), there are four types of agricultural output namely:

- Crop Production This is the ploughing of floras both on land and in riverine areas. These are planted, tendered (weeding, fertilizer application, trimming etc.) and harvested when due. Crops typically planted in Nigeria among others include rubber, beans, rice, cocoa, citrus crops, guinea corn, maize, wheat, cassava, palm, yam, kola, tomatoes etc. They are mostly categorized into roots and tuber, pulses and kernels, fruits and sugars, vegetables and spices and forest crops. The varieties in temperatures, rainfall, solar radiation and topography of the soil make it possible for these crops to be cultivated all through the country. Mixed root crops and cereals dominate the middle-belt zone, while the northern zone predominantly produces grains and pulses.
- Forestry Nigeria has approximately 2.5% of its GDP provided by forest resources in 2010. The majority of the products of the forest is low land rain-wood. The forest products or output are commercially harvested for the generation of income.
- Fishing This represents the water products gotten from the involvement in fishing activities. Nigeria has enormous fisheries resources.

Livestock: It involves the rearing of animals for both commercial and consumption purposes.

The enviable status of agricultural output was transient owing to the civil war (1967 – 1970) and 1972, 1973 and 1983 drought decreased agricultural output (Oloruntoba, 1984). The discovery of crude oil, unfortunately, shifted interest away from agricultural production. By 1975, Nigeria has lost all its key export crops except cocoa thus giving in to importation. There was a mass exodus of people from the farms into the urban areas. To change this state of affairs, all governments, which have led the country since the 1970s, have put in place numerous programmes, policies and schemes which are all geared towards improving and increasing agricultural output which will restore agriculture to its former position as the prominent sector and to set up the coveted linkage with other sectors in the economy.

3. Theoretical Literature

3.1 Frontier Model or Resource Exploitation Model

For centuries, increase and expansion of regions farmed, cropped or grazed represented the major means of raising agricultural production. For instance, the opening as well as unlocking of new continents such as Australia during the 18th and 19th centuries (Ruttan, 1977). These newfangled continents progressively turned into vital food purveyors, raw materials, and market for the urbanite states of Western Europe.

641

Previously, analogous practices had progressed, although at reduce swiftness, in bucolic African, Asian and European economies. An increase of land utilization in prevailing hamlets and communities, clearing of forests were sequence of consecutive alterations from fallow to shifting cultivation on grassland ploughed initially by fallow systems. Regarding the above, where the state of the soil was satisfactory, the new hamlets slowly increase their cultivation methods. Whereas if soil conditions were unsuitable, for example, in most hill and upland areas, these were susceptible to shifting cultivation. Due to rapid population growth, this model was ephemeral. In terms of output per unit of seed, crop yields depleted. Output per hectare deteriorated – apart from South Asia, and Egypt (Ruttan, 1977). The 1960s witnessed the collapse of this model in most areas of Africa, South East Asia and Latin America (Udemezue and Osegbue, 2018).

3.2 The Conservative Model

This model drew attention to the progression of progressively intricate exhaustive land and labour system of planting, manufacture along with utilizing organic composts as well as exhaustive labour capital formation in the shape of material facilities for further efficient usage of land as well as water resources. The only method for an increase of agricultural production that was accessible to most farmers worldwide was this model.

Furthermore, this model was proficient in numerous locales globally in maintaining the growth rates of agriculture products at approximately one percent per annum over lengthy periods. This is not similar to current growth rates for agricultural productivity that normally falls between three to five percent in less developed nations.

3.3 The Location Model

At first, this model was put together to elucidate topographical disparities in the location and concentration of agricultural production in an industrializing economy. This model was built under the main assumption that urbanization ascertains the location of manufacture of agricultural products and affects the techniques as well as the concentration of cultivation. The specific assumptions include the following: economic growth and development takes place in a particular location milieu. These location milieus are mostly industrial-urban in arrangement. The prevailing economic organization operates effectively at or close to, the center of a specific milieu of economic growth and development and it performs efficiently in those areas of agriculture that are positioned positively in relation to such center.

The model propose that: greater commodity prices, land worth and levels of land utilization typify agricultural locations positioned nearer to urban locales. Furthermore, access to urban-industrial hubs is connected with equipment investment per staff and per hectare but has insignificant impact on other resources or factors. This use of the location model is restricted in poverty-stricken nations where: a key setback is to commence and increase economic growth at an adequate level to engage the rising labour force instead of the topographical allocation of economic activity. The degree of technical knowledge required for swift agricultural growth is unobtainable. The uncontrolled urban hubs growth due to the influx of population from rural areas is administering the requirements of non-farm employees. Nevertheless, despite the restrictions of this model, it has much important consequence for agricultural development where there are some issues in industrial location.

3.4 The Diffusion Model

This model proposes that a key source of agricultural productivity is the diffusion of improved methods of husbandry, livestock and crop varieties. It is the opinion of this model that the path to agricultural development is via efficient distribution of technological expertise, and a contraction in output amongst specific farmers and among zones. Each smart farmer is an alchemist and does not require an experimentation station, essentially built to conduct scientific research. This is because

642

the experimentation station cannot affect most of the critical difficulties of agriculture.

In addition, the diffusion model has offered key logical basis for majority of the research and expansion endeavours in farm management as well as production economics since the start of the 19th century. This model perceives agricultural economics as a distinct sub-discipline connecting agricultural sciences and economics. However, this model was unsuccessful in creating a swift transformation of outmoded farms and rapid increase in agricultural products.

3.5 The High Payoff Input Model

There are two parts in which this model concentrates on. Firstly, how to invent and supply to farmers the novel higher-payoff technology exemplified in capital equipment as well as other factors. Secondly, how to raise labour productivity. The model proposes that in a poverty-stricken nation, economic growth from the agricultural sector relies mainly on the obtainability and prices of cutting -edge high pay off factors. If there is success in creating as well as allocating these non-traditional inputs, agricultural inputs such as higher yielding seedlings, fertilizers, etc. becomes less expensive and investment in agriculture becomes lucrative. Furthermore, the solution to transforming an old-fashioned agricultural sector into a fecund source of economic growth in poor nations is investment, which will cause state of the art high pay off factors to be obtainable to farmers.

According to Ruttan (1977), there are three classes of higher productivity investment namely:

- Agricultural test stations to create newfangled knowledge in technology
- Industrial sector to manufacture, develop, sell as well as promote novel technological factors Ability of farmers to utilize cutting-edge agricultural inputs efficiently

This model has effectively influenced endeavours to develop high yielding state of the art type of grains that are appropriate for the tropics, for example, Mexico in the 1950s and Philippines during the 1960s as well as the swift dispersion of latest varieties amongst farmers in numerous nations in Latin America, Africa and Asia. Strategies, which are created by this model, seem able to produce an appropriate high agricultural growth rate to offer the foundation for complete economic growth and development corresponding to current population and income prerequisites. However, the model is inadequate and the means by which inputs are shared among research, education, private and public economic activities is not fully completely built into the model.

4. Empirical Literature

Over the years, the debate on the effect of agricultural output on unemployment reduction has received considerable attention from scholars and economic policymakers. For instance, Zhang, Fan, Zhang, and Huang (2004) examined local governance and its influence on the delivery of public goods in rustic China. They discovered that government investments in the construction of roads in bucolic China to connect farmsteads with markets across the boards have alleviated poverty and increased off-farm employment.

Guido (2005) studied the influence of trade liberalization in agriculture globally on job creation, unemployment as well as wages in Argentina. His findings revealed that a rise in agriculture exports prices would bring about a surge in the likelihood of Argentine employment opportunities, equaled by a reduction in unemployment possibilities and an upsurge in labour market involvement. In addition, anticipated wages would rise, an influence predominantly determined by greater employment possibilities. This signifies that majority of effects of trade reforms begin with household retorts accompanied with modification costs and that the inability to explain them might bring about substantial predispositions in the welfare assessment of trade policy.

Aliber, Baipheti, and Jacobs (2007) looked at the agricultural employment scenarios in South Africa and forecasted that taking up labour-intensive technologies such as animal traction instead of utilizing machines will probably increase the employment of labour in their agricultural sector. Ayinde (2008) investigated agricultural growth and the unemployment rate in Nigeria and analyzed

the connection and proportion of agricultural growth and unemployment rates. He utilized timeseries data, t-test, Granger causality test and regression analysis. His findings revealed that the Nigeria's agriculture growth rate has a negative correlation with unemployment. Furthermore, a rise in the growth rate of agriculture reduces the unemployment rate and therefore can alleviate poverty. Thus, proposing policies to alleviate poverty ought to concentrate on enhancing growth of agriculture.

Diao, Hazell, and Thurlow (2009) analyzed agriculture's role in African development and stated that it is the only sector that can offer utmost employment for the indigent as approximately 70% of the poverty-stricken populace reside in rural areas. Research carried out by the South Africa's division of agriculture, fisheries and forestry in 2010 examined trends in employment in the country's agriculture sector from 2000 - 2010. Its discoveries exposed that investment in agriculture does not automatically turn into a rise in employment.

According to Chandararot and Liv (2013), in Cambodia, agriculture is the key supplier of jobs for the rustic populace with majority of families participating in rice production. Lyatuu, Nie, and Fang, (2015) studied the impact of agriculture on economic growth and poverty reduction in Tanzania. According to them, most Tanzanians reside in rural areas and obtain ample amount of their incomes from agriculture. Their results showed that ventures in agriculture would enlarge engagement in farming, improve living standards of individuals as well as reduce rural-urban migration among the youths in search of job opportunities. Behera (2016) opined that though the Indian agricultural sector employs the majority of the workforce, employment generation is a gradual process. He observed that although investment in this sector has brought about additional growth and progression, it has done insignificantly regarding job creation.

Ayinde, Aina and Babarinde (2017) examined agricultural growth's influence on unemployment and poverty in Nigeria from 1980 to 2012 employing a cointegration approach. Data sourced from the CBN, NBS, as well as the UN were utilized for their study and Granger causality and co-integration models were employed in their analysis. Their result revealed the following: (i) a unidirectional causation from poverty to changes in agricultural growth. (ii) a unidirectional causation from poverty to unemployment changes. (iii) a unidirectional causation from changes in agricultural growth to unemployment rate.

Adekanbi (2018) studied the correlation between agriculture and employment generation in Nigeria, and discovered that agriculture has an effect on the nation's economic development. However, he noticed that despite the government's increased support to this sector, its impact is quite insignificant. Osabohien, Matthew, Gershon, Ogunbiyi, and Nwosu, (2019) assessed the relationship between agricultural development, job creation and reduction of poverty in West Africa utilizing panel data from 2000 - 2016. They employed the Generalized Method of Moments econometric technique and discovered that poverty-stricken persons in West Africa rely on agriculture to get additional incomes and alleviate poverty.

Aderemi, Abalaba, Adeniran, and Amadi (2020) looked at the agricultural sector in Nigeria and employment generation in the post-Structural Adjustment Programme (SAP) era. They discovered from their result that the agricultural sector did not have a substantial effect on job creation in Nigeria during the post-SAP era. Furthermore, they asserted that expenditure on agriculture and employment generation have an inverse relationship

5. Methodology

The aim of this paper is to examine the influence of agricultural sector output on reduction of unemployment rate in Nigeria. To realize this aim, the research via extensive review of relevant literature and the vital role agriculture plays in enhancing employment, agricultural sector output, government expenditure on agriculture, and agriculture sector percentage to Nigeria's GDP as likely factors that could reduce unemployment in Nigeria.

5.1. Model Specification

Proceedings of the 4th Annual International Academic Conference

The variables utilized by the researcher for the model were obtain from several works of literature reviewed. Thus, the model followed the contention of Bernard and Adenuga (2017); Oluwafemi, Saidi and Onyeka (2019). This study overtly evaluated Nigeria's unemployment rate and agricultural sector output. Based on the foregoing, the functional relationship between the variables was specify as thus:

$$UNEM = f(AO, GEXA, A\%GDP)$$
3.1

Stating equation 3.1 in linear form, it becomes

UNEM = $\beta_0 + \beta_1 ASO + \beta_2 GEXA + \beta_3 A\%GDP + \mu$

Where UNEM = Unemployment Rate; AO = Agricultural Sector Output; GEXA = Government Expenditure on Agriculture; A%GDP = Agriculture Sector Percentage to Nigeria's GDP; β_0 , β_1 , β_2 , β_3 , = Parameters and μ = Error term.

5.2. Estimation Technique

Given that the variables were all stationary at their first difference I(1), the cointegration and error mechanism were applied on the time series data with significant thought on its supposition and principles. The descriptive statistics was utilized for the analysis of the variables recognized in this research in addition to graphs for trend analysis. This research studied the time series properties of the data by employing the Augmented Dickey-Fuller (ADF) test. Later, it will advance to the long-run relationship since the variables were all stationary at order one.

5.3 Conitegration and Error Correction Model

Once the variables to be assessed are non-stationary in a regression model we might obtain errorneous results. Thus, if Y_1 and X_2 are both I(1), and we carry out a regression analysis:

$$Y_{t} = \boldsymbol{\Phi}_{1} + \boldsymbol{\Phi}_{2}X_{t} + \mu_{t}$$

Realizing an acceptable estimates of Φ_1 and Φ_2 might be difficult. One means of resolving this is to difference the data to guarantee stationarity of our variables. Afterwards,

$$Y_t \sim I(0) \text{ and } X_t \sim I(0)$$
 3.4

The regression equation becomes:

$$\Delta Y_t = \Phi_1 + \Phi_2 \Delta X_t + \Delta_i \mu_t$$

3.5

3.2

From equation 3.5, the regression equation is likely to provide dependable estimates of Φ_1 and Φ_2 parameters and the errorneous regression problem will be resolved. Nonetheless, what happens in equation 3.5 is only the short-run relationship between the two variables. Recollect that the long-run relationship equation:

$$Y_{t}^* = \Phi_1 + \Phi_2 X_t$$
 3.6

Thus, Y_t is certain to offer us no information about the long-run behaviour of our model. Remember that economists are concerned more in long-run relationships, this brings about a severe problem, and the idea of cointegration and the ECM are extremely important in resolving this problem.

As indicated earlier that when Y_t and X_t are both I(1) signifying that there is a linear combination of Y_t and X_t then Y_t and X_t are cointegrated. Therefore, if this is the scenario, the regression of equation 3.3 is no longer errorneous, and it in addition offers with the linear combination. Thus, equation 3.7 below links Y_t and X_t in the long run: $U_t^* = Y_t - \Phi_l^* - \Phi_2^* X_t$

$$I_{t}^{*} = Y_{t} - \Phi_{l}^{*} - \Phi_{2}^{*} X_{t}$$

645

If Y_t and X_t are cointegrated, implying $U_t^* \sim I(0)$. Thus, we can express the connexion between Y_t and X_t with an ECM as:

$$\Delta Y_{t} = \Phi_0 + \Phi_1 \Delta X_t - \mathcal{X} u_{t-1}^* + U_t$$

Equation 3.8 has the capacity of accommodating the short-run and long-run parameters as well as variables. In this equation, Φ_1 is the control multiplier (the short-run impact) that evaluates the direct effect a variation in X_t will have on a change in Y_t . While X is the adjustment effect and it reveals the degree the disequilibrium is being corrected. In other words, the degree to which any disequilibrium in earlier period influence any change in Y_t . Nevertheless, $U_{t-1}^* = Y_{t-1} - \Phi_1^* - \Phi_2^* X_{t-1}$, hence from this equation Φ_2 is also the long-run response

6. Results

The descriptions of the data and the summary of the descriptive statistics for the macroeconomic variables are presented in table 1 below. The results exposed an indication of discrepancy in the trends of the macroeconomic variables utilized over the sample period. This is substatiated in the variation between the maximum and minimum values of the series as well as the standard deviation. This signifies a very high level of variabilities or unpredictability in the macroeconomic variables under study over the period.

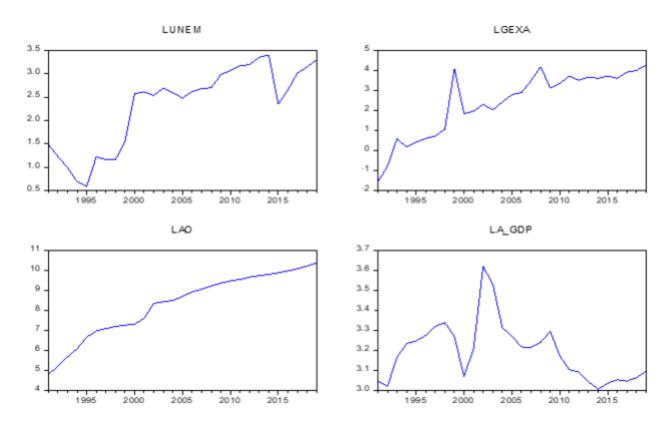


Fig. 4: Trends of Unemployment Rate, Agriculture Sector Output, Government Expenditure on Agriculture, Agriculture Sector Percentage to Nigeria's GDP from 1990 – 2021

The line graphs above represent the data for unemployment rate (UNEM), Government Expenditure on Agriculture (GEXA), Agriculture Sector Output (AO) and Agriculture Sector Percentage to Nigeria's GDP (A%GDP) from 1990 - 2021. From the graphs above, Nigeria's unemployment rate fluctuated from 1990 to 2015, while it steadily increased afterwards to 2021. For instance, Nigeria's unemployment rate in 1992 was 4.09%, a -0.03% decrease from 1991; in 1993, it was 4.10%, a 0.01% increase from 1992; in 1994, it was 4.09%, a -0.02% decrease from 1993. In 2002, it was 3.88%, a -0.05% decrease from 2001; it increased to 3.90% in 2003, a 0.02% increase from 2002; it fell again to 3.88% in 2004, a -0.02% from 2003. In 2018, it was 8.46%, a 0.07% increase from 2017; it was 8.53% in 2019, a 0.07% increase from 2018; in 2020, it was 9.71%, a 1.18% increase from 2019; in 2021, it was 9.79%, a 0.07% increase from 2020.

The trend of government expenditure on agriculture sector in Nigeria has been inconsistent and fluctuating for the period under review. From 1990 to 2011, the federal government capital expenditure on agriculture were less than 10% excluding 2001, 2002, 2004, 2005, 2007, 2008 and 2009 because these years concurs with or the year after different government agricultural development programmes such as the Rural Agro-Industrial Development Scheme in 2001 and Economic Empowerment Development Strategy of 2003. The federal government recurrent expenditure on agriculture as a ratio of the total federal government recurrent expenditure was highest in 2008 (3.4) (CBN, 2022).

Capital expenditure to the agricultural sector in Nigeria rose from 60.3 billion naira in 2005 to 138.9 billion naira in 2009 and then declined to 56.4 billion naira in 2013(CBN, 2022). In 2014, capital expenditure to the agricultural sector rose to 60.9 billion naira and then reduced to 55.93 billion naira and 50.12 billion naira in 2017 and 2018 respectively (CBN, 2022). The recurrent expenditure of the federal government on the agricultural sector was 17.9 billion naira in 2006, which then rose to 22.4 billion naira and 39.4 billion naira in 2009 and 2013 respectively. There was a fall to 38.67 billion naira in 2014 followed by an increase to 40.79 billion naira, and 41.04 billion naira in 2017 and 2018 respectively (CBN, 2022).

Agricultural output in Nigeria has witnessed an upward trend for the period under review. For in-

stance, agricultural output increased from N123.24 billion in 1991 to N1, 508.41 billion in 2000. It increased further from N2, 015.42 billion in 2001 to N13, 048.89 billion in 2010. By 2011, agricultural output in Nigeria was N14, 037.83 billion and this further increased to N31, 904.14 billion in 2019 (CBN, 2022).

Agriculture sector percentage to Nigeria's GDP has been fluctuating for the period under review. For instance, it was 21.6% in 1990 and fell to 20.3% in 1992. It later rose to 27.9% in 1998 and fell to 21.4% in 2000. Agriculture sector percentage to Nigeria's GDP was highest in 2002 at 37%, and lowest in 2014 at 20%. By 2020, it was 24.1% and later reduced to 23.4% in 2021.

Table 1. Descriptive Statistics

	LUNEM	LGEXA	LAO	LA%GDP
Mean	2.316340	2.399718	8.319591	3.194473
Median	2.610070	2.885864	8.704889	3.207979
Maximum	3.401197	4.252410	10.37049	3.620268
Minimum	0.587787	-1.566857	4.814098	3.007449
Std. Dev.	0.876775	1.614698	1.599405	0.148610
Skewness	-0.642666	-0.816033	-0.630915	1.001290
Kurtosis	2.006484	2.621366	2.291314	3.960708
Jarque-Bera	3.188977	3.391798	2.530792	5.961057
Probability	0.203012	0.183434	0.282127	0.050766
Sum	67.17386	69.59184	241.2681	92.63971
Sum Sq. Dev.	21.52455	73.00295	71.62673	0.618378
Observations	29	29	29	29

Source: Researchers' computation using E-views12

In Table 1 above, the descriptive statistics of the variables revealed that the average value of UN-EM is 2.316340; average value of GEXA is 2.399718, average value of AO is 8.319591 and average value of A%GDP is 3.194473 between 1990 – 2021. Additional analyses implied that apart from A%GDP which is positively skewed denoting that it has a long right tail, UNEM, GEXA and AO are negatively skewed meaning they have long left tails; apart from A%GDP which is leptokurtic, UNEM, GEXA and AO are platykurtic. GEXA was the most volatile with a standard deviation value of 1.614698 while A%GDP was the least volatile with a standard deviation value of 0.148610. In addition, the Jarque-Bera tests shows that the null hypothesis is rejected for UNEM, GEXA, AO and A%GDP. Based on these analyses, it indicates that the variables have unit root. Thus, evaluating these variables at this level might not give the right result, so there is a need to carry a unit root test to see if the variables were stationary or not.

Table 2: Unit Root Test Result

Variables	ADF - statistics	Critical values		Order of Integration
LA%GDP	-3.777941	1% level	-3.737853	I(1)
		5% level	-2.991878	
		10% level	-2.635542	
LAO	-3.256172	1% level	-3.699871	I(1)
		5% level	-2.976263	
		10% level	-2.627420	
LGEXA	-6.098670	1% level	-3.711457	I(1)
		5% level	-2.981038	
		10% level	-2.629906	
LUNEM	-4.808069	1% level	-3.699871	I(1)
		5% level	-2.976263	
		10% level	-2.627420	

Source: Researchers' computation using E-views12

The Augmented Dickey Fuller (ADF) test for stationarity was carried out on all the macroeconomic variables as shown in table 2 above. The results revealed that no macroeconomic variables were stationary at level. This signifies that unemployment rate and all the macroeconomic variables explaining it for this study were not stable without differencing. Subjecting the macroeconomic variables to first differencing brought about their stability, hence all the macroeconomic variables (dependent and independent) were stationary at I(1). The attainment of stationarity is an essential requirement for performing cointegration test as illustrated in table 3 below

Date: 06/16/23 Time: 18:28

Included observations: 28 after adjustments Trend assumption: Linear deterministic trend Series: LUNEM LGEXA LAO LA_GDP Lags interval (in first differences): No lags

Unrestricted	Unrestricted Cointegration Rank Test (Trace)					
Hypothesized		Trace	0.05			
No. of CE(s)		Statistic	Critical Value			
None *	0.674045	60.65069	47.85613			
At most 1	0.458459	29.26283	29.79707			
At most 2	0.262492	12.08943	15.49471			
At most 3	0.119519	3.564046	3.841466			

Trace test indicates 1 cointegrating eqn(s) at the 0.05 level

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized		Max-Eigen	0.05
No. of CE(s)		Statistic	Critical Value
None * At most 1 At most 2 At most 3	0.674045	31.38786	27.58434
	0.458459	17.17340	21.13162
	0.262492	8.525385	14.26460
	0.119519	3.564046	3.841466

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

Source: Researchers' computation

Source: Re-

using *E-views12*

Table 3 above shows the cointegration test result using the Johansen procedure. We observed that there was at least one cointegrating equation in the trace and Max Eigen value test. The presence of at least one cointegrating equation is a validation of a long run relationship and a fundamental prerequisite for fitting the error correction model (ECM). The result of the ECM is depicted in table 4 below.

Table 4: Parsimonious Error Correction Model Result

Variable	Coefficient	T-statistic	Probability		
Constant	-0.104022	0.112380	0.3652		
D(LUNEM(-1))	0.079976	4.408421	0.0003		
D(LA%GDP(-1))	-0.974069	2.166471	0.0001		
D(LAO(-1))	-0.922657	-3.512567	0.0003		
D(LGEXA(-1))	-0.039270	2.741553	0.0002		
ECM(-1)	-0.764271	-3.846066	0.0001		
$R^2 = 0.67$; Adjusted $R^2 = 0.45$; F-statistic = 14.95; DW statistic = 2.1					

searchers' computation using E-views12

The Error Correction Model (ECM) result as shown in table 4 reveals that agriculture sector's contribution to GDP, agricultural output and government's expenditure on agriculture have similar effects on unemployment rate in Nigeria for the period under review. For instance, at lag 1, agriculture sector's contribution to GDP, agricultural output and government's expenditure on agriculture all have negative relationship with unemployment rate in Nigeria and were statistically significant at 5 level, which implies that they have important impact on unemployment rate in the country for the period under study.

The ECM value of -0.76 signifies that agriculture sector's contribution to GDP, agricultural output and government's expenditure on agriculture adjust quickly to long run changes in unemployment rate in Nigeria. The R² value of 0.67 indicates that 67% change in unemployment rate in Nigeria is explained by agriculture sector's contribution to GDP, agricultural output and government's expenditure on agriculture, while the other 33% is accounted for by variables not included in the model. The F-statistic of 14.95 shows that the entire regression model is statistically significant.

^{*} denotes rejection of the hypothesis at the 0.05 level

^{**}MacKinnon-Haug-Michelis (1999) p-values

^{*} denotes rejection of the hypothesis at the 0.05 level

^{**}MacKinnon-Haug-Michelis (1999) p-values

Table 5: Model Diagnostic Test Results

Test	F-statistic	Probability	Decision
Breusch-Godfrey Serial Correlation	0.109	0.91	Accept H ₀
Heteroscedasticity test (ARCH)	1.97	0.12	Accept H ₀
Normality Test	0.59	0.76	Accept H ₀
Ramsey RESET Test	1.05	0.33	Accept H ₀

Source: Researchers' computation using E-views12

The model diagnostic tests results is illustrated in table 5. We employed the Breusch-Godfrey test or Langrage Multiplier (LM) in testing the serial correlation of the residuals. Our probability value of 0.91 was greater than the 5 percent level of significance value; hence, the null hypothesis of no serial correlation was accepted. The Ramsey Regression Equation Specification Error Test (RESET) was carried out to check if the model was specified correctly. Our probability value of 0.33 was greater than the 5 percent level of significance value; consequently, the null hypothesis that the model was specified correctly was accepted.

Thus, there was no likelihood of our model being incorrectly specified which might bring about the exclusion of some variables. Moreover, the model possess no wrong functional form. Under the normality test, a probability value of 0.76 was greater than the 5 percent level of significance value and this implies that the errors were normally distributed and hence, we upheld the null hypothesis. Finally, the probability value of 0.11 from our ARCH test revealed the absence of heteroscedasticity. This indicates that the error terms were homoscedastic and independent of the explanatory variables. Thus, our model has a good fit and can be utilized for analysis of policy.

7. Discussion

Agriculture sector's contribution to GDP has a negative and significant relationship with unemployment rate. This implies that an increase in agriculture sector's contribution to GDP reduces unemployment rate. Our results conforms to economic theory and it revealed that at lag 1, a unit rise in agriculture sector's contribution to GDP reduces unemployment rate by 0.974069. Olowu, Olase-hinde-Williams., & Bein (2019) in their study titled does financial and agriculture sector development reduce unemployment rates? Evidence from Southern African countries supports this negative relationship between agriculture sector's contribution to GDP and unemployment rate. They discovered that agricultural value added is negatively associated with unemployment in both the short and long run.

Agricultural output has a negative and significant relationship with unemployment rate and conforms to economic theory. This denotes that an increase in agricultural output reduces unemployment rate. We found out that at lag 1, a unit rise in agricultural output reduces unemployment rate by 0.922657. This negative association between agricultural output and unemployment concurs with the findings of Enilolobo, Mustapha & Onyeka (2019). In their study of the nexus between agriculture and unemployment, they discovered that changes in agriculture output in the present period is negative and significant related to present unemployment level in Nigeria.

Government's expenditure on agriculture has a negative and significant relationship with unemployment rate and conforms to economic theory. This signifies that an increase in government's expenditure on agriculture reduces unemployment rate. At lag 1, a unit rise in government's expenditure on agriculture reduces unemployment rate by 0.039270. The study by Chitekwere (2021) backs this negative connection between government's expenditure on agriculture and unemployment. In his

study, titled public spending on agriculture and its effects on unemployment in sub-Saharan Africa, he discovered that public spending reduces unemployment in Sub-Saharan Africa, though the effect is higher in agricultural-based economies than non-agricultural based economies.

The federal government of Nigeria after years of neglect of the agricultural sector began to reform the sector by implementing new strategies and policies such as the Agricultural Transformation Agenda (ATA) and the Agriculture Promotion Policy (2016 – 2020). These strategies have played a key role in increasing agriculture sector's share to GDP, agricultural output and government's expenditure to the agricultural sector. Thus, with the implementation of these policies, employment generation in the country's agriculture sector have slightly increased particularly in the rural areas.

8. Conclusion and Recommendations

The paper examines the effectiveness of agricultural sector output in reducing unemployment rate in Nigeria from 1990 – 2021 utilizing the cointegration and error correction model. Our results and findings of the study revealed that agriculture sector's contribution to GDP, agricultural output and government's expenditure on agriculture have important impact on the unemployment rate in Nigeria for the period under review. This is demonstrated in the negative and significant relationship between agriculture sector's contribution to GDP, agricultural output, government's expenditure on agriculture and unemployment rate in Nigeria.

Based on these findings, the paper recommends that additional finance be allocated to the agriculture sector at the federal, state and local levels with flexible credit conditions. Self-sufficiency in basic food items mainly those which take sizeable shares of Nigeria's foreign exchange and for which the nation has comparative advantage in local production. Increase exports of agriculture product with a view to increasing their foreign exchange earning capacity. Modernize agricultural production, processing, storage and distribution via the infusion of improved technologies and management. Generate additional agricultural and rural employment opportunities to absorb the increasing labour force in the nation. Guard and improve agricultural land resources for sustainable agricultural production. Set up suitable institutions to facilitate the integrated development and fulfilment of the nation's agricultural potentials.

References

Adegboyega, A. (2021, March 16). Nigeria's unemployment rate rises to 33.3% — the highest in over 13 years. Premium Times Nigeria. https://www.premiumtimesng.com/news/headlines/449150-Nigeria-unemployment-rate-rises-to-33-3-highest-in-over-13-years.html

Adekanbi, O. (2018). The Role of Agriculture in Job Creation for National Development in Nigeria. *International Research Journal of Engineering and Technology (IRJET)*, 5(9), 226-227.

Aderemi, T. A., Abalaba, B. P. Adeniran, A. A. & Amadi, C. E. (2020). Agricultural Sector and Employment Generation in Post Sap Era Nigeria: An Empirical Perspective. International *Journal of New Economics and Social Sciences*, 11(1), pp. 185-196.

Aliber, M., Baipheti, M., and Jacobs, P. (2007). Agricultural Employment Scenarios: Human Science Research Council. Pretoria.

Anthony-Orji, O. I., Orji, A., Ogbuabor, J. E. and Ezealigo, P. (2020). Empirical Analysis of Agricultural and Non-Agricultural Exports' Impact on Infrastructural Investment in Nigeria. *Ekonomika APK*, 5, 87–96. DOI: 10.32317/2221- 1055.202005087

Ayinde, O. E. (2008). Empirical Analysis of Agricultural Growth and Unemployment in ria. *African Journal of Agricultural Research*, 3(7), 20-25.

Ayinde, O. E., Aina, I. V. and Babarinde, S. O. (2017). Effect of Agricultural Growth on Unemployment and Poverty in Nigeria (1980-2012): A co-integration approach. *Article in Tropical Agriculture*, 94(4), p. 442

Behera, D. K. (2016). Employment potential in Indian agriculture: An econometric investigation.

https://www.researchgate.net/publication/312061923.

Bernard, O.A, and Adenuga, O. (2017). Agricultural Sector Development as a Panacea for Employment Generation in Nigeria. *International Journal of Economics, Business and Management Research*, 1 (2), 251-257.

Chitekwere, B. (2021). Public Spending on Agriculture and its Effects on Unemployment in Sub-Saharan Africa. A dissertation submitted in fulfilment of the requirements for the degree of Master of Science in Agricultural Economics

Central Bank of Nigeria (2012). *Economic Report: Fourth Quarter, 2012*. Retrieved from https://www.cbn.gov.ng/out/2013/ccd/cbn%20economic%20report%20for%20the%20fourth%20quarter%20of%202012.pdf

Central Bank of Nigeria (2016). Annual Reports. Lagos: Nigeria

Central Bank of Nigeria (2022). Statistical Bulletin. Abuja: Nigeria

Chandararot, K. and Liv, D. (2013). Rural development and employment opportunities in Cambodia: How can a national employment policy contribute towards realization of decent work in rural areas? *ILO Asia-Pacific Working Paper Series*. International Labour Organisation.

Department: Agriculture, Fisheries and Forestry (2010). Estimate of the Contribution of the Agricultural Sector to Employment in the South African Economy

Diao X., Hazell, P. and Thurlow, J. (2009). The Role of Agriculture in African Development. *World Development*, 38(10), 1375-1383.

Enilolobo, O. S., Mustapha, S. A., and Ikechukwu, O. P. (2019). Nexus between Agriculture and Unemployment in Nigeria. *Journal of Economics, Management and Trade*, 22(5), 1–13.

Ewetan, O., Fakile, A., Urhie, E. and Oduntan, E. (2017). Agricultural Output and Economic Growth in Nigeria. *Journal of African Research in Business and Technology*. DOI: 10.5171/2017.516093.

Guido, G. P. (2005). Agro-Manufactured Export Prices, Wages, and Unemployment. *Development Research Group the World Bank*.

Kareem, R. O., Bakare, H. A., Ademoyewa, G. R., Ologunla, S. E., and Arije A. R. (2015). Nexus Between Federal Government Spending on Agriculture, Agricultural Output Response and Economic Growth of Nigeria (1979-2013). *American Journal of Business, Economics and Management*; 3(6): 359 – 366

Lyatuu, E. T., Nie, F. and Fang, C. (2015). The Role of Agriculture in the Economic Growth and Poverty Reduction in Tanzania. *Journal of Economics and Sustainable Development*, 16 (14), pp. 163-164.

Narayan, P. K., & Smyth, R. (2005). The Residential Demand for Electricity in Australia: An Application of the Bounds Testing Approach to Co-integration. *Energy Policy*. 33(4), 467–474.

National Bureau of Statistics (2014). *A griculture*. Retrieved from https://www.nigerianstat.gov.ng/

National Bureau of Statistics (n.d.) Retrieved from https://www.nigerianstat.gov.ng/

Nwachukwu, I. (2008). Planning and Evaluation of Agricultural and Rural Development Project. Lamb house publishers. p. 1-6.

Ogbalubi, L. N. and Wokocha, C. C. (2013). Agricultural Development and Employment Generation: The Nigeria Experience. *IOSR Journal of Agriculture and Veterinary Science*, 2 (2), 60–69. DOI: 10.9790/2380-0226069

Ogbanga, A. (2018). Agricultural Development and Employment Generation in Nigeria. *International Journal of Advanced Studies in Ecology, Development and Sustainability*, 5 (1), 1-22

Oloruntoba, B. S. (1984). *Towards Self Sufficiency in Food Production in Nigeria*. A Public Service Lecture Delivered at the Institute of International Affairs, Lagos 3rd July, 1984.

Olowu G., Olasehinde-Williams G., and Bein M. (2019): Does Financial and Agriculture Sector Development Reduce Unemployment Rates? Evidence from Southern African Countries. *Agricultural Economics* – Czech, 65: 223–231.

Oluwafemi, S. E., Saidi, A. M. and Onyeka, P. I. (2019). Impact of Agriculture Sector Growth on Unemployment Level in Nigeria. *Journal of Economics, Management and Trade*. 22(5),

1- 13.

Osabohien, R., Matthew, O., Gershon, O., Ogunbiyi, T. and Nwosu, E. (2019). Agriculture Development, Employment Generation and Poverty Reduction in West Africa. *The Open Agricultural Journal*, 13, 84-85.

Pesaran, M. H., Shin, Y. and Smith, R. J. (2001). Bounds Testing Approaches to the Analysis of Level Relationships. *Journal of Applied Econometrics*, 16 (3), 289–326.

Ruttan, V. W. and Hayami, Y. (1984). Toward a Theory of Induced Institutional Innovation. *Journal of Development Studies*, 20, 203-223.

Ruttan, Vernon W., 1984. Integrated rural development programmes: A historical perspective. *World Development*, 12 (4), 393-401.

Ruttan, V. W. (1977). Induced Innovation and Agricultural Development. *Food Policy* 2(3): 196-202

Udemezue, J. C. and Osegbue, E. G. (2018). Theories and Models of Agricultural Development. Annals of Reviews and Research, 1 (5), 134-137

World Bank (2016). *Human Development Report*. Retrieved from http://www.worldbank.org/

World Bank (n.d.) Retrieved from https://www.macrotrends.net/countries/NGA/nigeria/ unemployment-rate

Zhang, X., Fan, S., Zhang, L. and Huang, J. (2004). Local Governance and Public Goods Provision in Rural China. *Journal of Public Economics*, 88, 2857–71.

Modern Slavery in Contemporary Supply Chains: A Literature Review and Future Research Agenda

Ikegwuru Mac-Kingsley (PhD)

Department of Marketing Rivers State University Port Harcourt, Nigeria ikegwuru.mac-kingsley@ust.edu.ng

Acee-Eke Beatrice Chinyere (PhD)

Department of Marketing Ignatius Ajuru University Port Harcourt, Nigeria. bettyaceel@gmail.com

Abstract

Modern slavery is a multifarious and exigent phenomenon that may encumber corporate supply chain performance. However, there is little or no existing academic review on modern slavery in contemporary supply chains. This paper from a theoretical perspective examined modern slavery in contemporary supply chains. The theoretical findings symbolize that, the existing body of research indicates that modern slavery is predominantly deliberate and is driven by globalization. This has direct implications for the supply chain management field as it seeks to fuel pioneering solutions to modern slavery in supply chains. Based on the gaps identified in the reviewed literature, the study suggests future research, and makes theoretical contributions by analyzing the gaps in current research to enthuse future research. However, the main limitations of this study are the solitary focus on modern slavery in supply chains, which limits the generalizability of this study and, the proposed conceptual frame work which was based on the scanty articles the paper reviewed. Therefore, empirical substantiation is necessary to support the paper's framework in further research. The paper therefore concludes that, theoretically, there exist modern slavery in contemporary supply chains, and to establish its empirical substantiation, this study should be subjected to empirical examination of modern supply chains slavery and supply chain performance of multi-national firms in Nigeria.

Keywords: Contemporary supply chain management, Future research agenda, literature review, modern slavery

Introduction

The operation and management of supply chains has long been an imperative building block in the business and management literature (Yalcin *et al.* 2020; Liao & Widowati 2020: Pujawan 2017), however modern slavery has received merely narrow concentration in that literature. Thus, Caruana *et al.* (2020) declared that 'modern slavery research in business and management remains significantly, and disappointingly underdeveloped' and that the business and management literature failed to notice 'the nature and prevalence of modern slavery within the businesses and supply chains of various sectors.' Modern slavery also known as modern-day slavery or contemporary slavery or neo-slavery (Szablewska & Kubacki, 2023), is a multifarious social, economic, and legal concern that impinges on all places of the world. All country is influenced by some type of slavery (ILO, Walk Free Foundation & IOM, 2022), and it is universally time-honored as a discreditable stain on society; company's supply chain practices may be fraction of the problem.

Modern slavery, according to Such *et al.* (2018) is 'the recruitment, movement, harbouring or receiving of children, women or men through the use of force, coercion, abuse of vulnerability, deception or other means for the purpose of exploitation' Modern slavery subsists in the supply chains of approximately all industries (Walk Free Foundation 2016), and people who are victims of modern slavery are denied of their freedom and are merely paid their basic living requirements (Islam & Van Staden, 2021), in the midst of ill-treatment to changeable extent. Gold *et al.* (2015) assert that, modern slavery is a sinister predicament in many sectors of the global economy, and is habitually perceived to pose finely tuned challenges for supply chain management.

It is interesting to note that, even though slavery is legitimately proscribed universally, the Global Slavery Index (GSI) in 2014, reckoned 35.8 million slaves within the Asian and African countries of India, China, Pakistan, Uzbekistan, Russia, Nigeria, the Democratic Republic of the Congo, Indonesia, Bangladesh and Thailand, and an excess of half a million slaves contained by the European Union in this expedition, giving the utmost total number approximation of slaves globally in the history of mankind (Walk Free Foundation, 2014, GSI).

It has also been acknowledged that, the development of multinational companies has boosted the development of global supply chains as a result of economic globalization (Zheng *et al.* 2021; Chen *et al.* 2017), the widespread practice of outsourcing in supply chains has as well generated the conditions for the subsistence of modern slavery in multinational companies' global supply chains (Genevieve 2014). Modern appearances of slavery, are arrayed in form of forced labour, human trafficking, and forced marriage to debt bondage and organ trafficking, stomach several parallel to historical or chattel slavery since a person is regard as the private possessions of another Mende, 2019; Allain, 2012; Bales, 2012).

The key defining constituents of modern slavery practice linger, explicitly as 'control' that is coercive in nature and 'exploitation' as its rationale, and whether it entails the application of force, pressure, or the misuse of power or a situation of defenselessness (Szablewska & Kubacki, 2023). Modern slavery is a management practice (Crane, 2013). Modern slavery absorbs assorted types of exploitation making modern slavery a clandestine activity.

Previously, researchers in supply chain management (SCM) have concentrated on the management of social issues in terms of health and safety, human rights, gender diversity, and minority development in supply chains (Yawar & Seuring, 2017; Mani *et al.*, 2020), however researchers in contemporary times have started to transfer their spotlight to modern slavery, a particular form of social issue in supply chains (Gold *et al.*, 2015; New, 2015). Modern slavery, that metamorphosed as forced labor, human trafficking, and other categories of worker exploitation, is "illegal, often hidden, and involves a range of labor market intermediaries" (Caruana *et al.*, 2021:258) and it is analyzed as "one of the most acute abuses of human rights in contemporary business practice" (Crane, 2013:49).

Supply chain research has flourished in the preceding twenty years, and a fraction of this has been a mounting consciousness of the necessity for research to handle the broader social and ethical insinuations of business practice (Gereffi & Lee 2012). Hence, researches on modern slavery in company's supply chains have accumulated (Stevenson & Cole, 2018, Flynn & Walker, 2021, Geng *et al.*, 2022, Bott, 2018, Meehan & Pinnington, 2021, Benstead *et al.*, 2020)

The above mentioned authors determined to contemplate their studies of modern slavery in the UK service industries' supply chains solely on modern slavery statements, with the belief that such a method was suitable in an area where there exists little, or no available work currently. This is a sad and sorry state of contemporary slavery research in supply chain management. Besides, the research literature concentrated on modern slavery from a supply chain standpoint is comparatively inadequate (Quarshie & Salmi 2014). This has resulted in this current investigation into modern slavery in supply chain management.

Concept of Supply Chain Management

The term "supply chain" is commonly pigeonhole as the configuration of firms that transport products or services to the consumer market (Lambert *et al.*, 1998). A supply chain constitutes a network sandwiched between a firm and its suppliers to produce and distribute a given product to the ultimate end user; this network integrates a multiplicity of activities, groups, units, information and resources (Ibn Sassi, (2013).

In general, the supply chain is the process that is generated when a customer places an order until the product or service is delivered and paid for. Hence, the supply chain includes the planning, execution and control of all activities related to the flow of materials and information, the purchase of raw materials, the intermediate transformation of the product and its delivery to the final customer. It is the set of interdependent companies (considered as the different links of the chain) coordinating in the realization of activities (supplies, production and distribution) to ensure the circulation of products or services from their conception to their end of life (after-sales service and withdrawal logistics).

Saleh (2009) noted that supply chain includes a series of steps involved in obtaining a product or service for the customer. The steps embrace the transportation of raw materials and their transfor-

675

mation into finished products, the transportation of these products, and their distribution to the end user. The entities concerned in a supply chain enclose producers, sellers, warehouses, transportation companies, distribution centers and retailers. and they are responsible for all jobs that commence from receiving an order to convene customer demand. The depiction in Figure 1 plainly demonstrates the connections between the five stages constituting physical and information



Fig. 1: Five Key Stages or Elements important for Transforming Raw Materials into Finished Products in a Supply Chain.

Sources: Muckstadt, J. A., Murray, D. H., Rappold, J. A. & Collins, D. E., (2001). Guidelines for collaborative supply chain system design and operation. *Information Systems Frontiers*, 3(4), 427-453.
 Chopra, S. & Meindl, P., (2016). Supply Chain Management: Strategy, Planning, And Operation. (6th ed.) Boston: Pearson.

Concept of Modern Slavery

Defining slavery, and modern slavery, is a multifaceted issue. Allain and Bales (2012) affirmed that, the first recognized international definition of slavery was espoused in 1926, specifically, 'slavery is the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised' (United Nations Office of the High Commissioner Human Rights 2021), however he contended that 'the very term slavery and its contours are contested.'

Landman and Silverman (2019) contended that 'popular understandings of slavery often conjure up images of African slaves brought to the Caribbean, Brazil and the US, where such images typically include slave ships, slaves bound in chains and slaves auctioned at market', however, 'such imagery tends to obscure current realities of slavery and relegate it as a problem of the past.' The 1926 Slavery Convention defines slavery in international law as "the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised" (*Bellagio-Harvard Guidelines*, 2012:1).

Building on these definitions, this paper defines slavery in supply chains as the mistreatment of a human being who is turned out of private liberty ubiquitously all along the supply chain, commencing from raw material extraction to the ultimate end user, for the intent of service provision or production. Bales and Trodd (2013) established that, slavery primarily is branded in three contours in the contemporary times: (1) chattel slavery, in which individuals are born, capture or traded into interminable slavery; (2) debt bondage slavery, in which individuals assures themselves in conjunction with loans for an uncertain duration of time, though their labour does not diminish the debt owing to very expensive interest rates or counterfeit accounting; and (3) contract slavery, where bogus employment contracts beguile employees into the trafficking and enslavement sequence. This further illustrated in Figure 2.

677

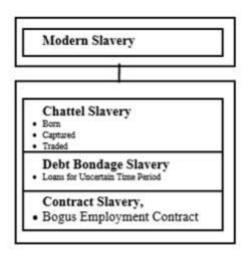


Figure 2: Three dimensions of Modern Slavery.

Source: Bales, K., & Trodd, Z. (2013). Addressing contemporary forms of slavery in EU external policy: briefing paper for the European Parliament's subcommittee on human rights. Available at: http://bookshop.europa.eu/de/adressingcontemporary-forms-of-slavery-in-eu-external-policy-pbBB0113823/ (accessed 24 July 2023).

Slavery is a crime against humanity in the eyes of international law, however, it continues as a feasible and lucrative management practice for business, and that 'modern slavery, far from being an abnormality, is a reasonable upshot of the way modern political economic system is prearranged and its historical foundation in the colonial system.' There are many causes of modern slavery in the supply chain, embracing poverty, racial discrimination, corruption, inadequate laws, crime, and several indiscretions in the supply chain. Conventional estimates situate the number of victims of modern slavery at over 40 million (International Labour Organization, 2022).

Antecedents to Modern Slavery

Scott (2001) identified quite a few significant factors ensuing in modern slavery, as, lack of government regulation, unregulated nature of business, and social culture. The antecedents of modern slavery as identified are described in next.

Lack of government regulations: Several countries have launched official legislation and agreements to proscribe slavery, such as enacting national slavery laws and signing international human rights agreements (Crane 2013), yet, there is substantial dissimilarities in how these measures are deposited into practice by different governments. Kaufmann, Kraay, and Mastruzzi (2011) dispute that to fight modern slavery, state governance needs to be competent, thorough and possess aptitude to put into effect the law, stay away from corruption, and answerable to citizens in line with their feedbacks and suggestions. Lack of government regulation or the enforcement of regulations as well as mismanagement or corruption in government are prime factors that can breed modern slavery in the supply chain.

Unregulated nature of business: The authenticity of an industry behaviour being sought-after in line with social norms and social values is equally a vital factor in the conception of modern slavery (Suchman 1995). Organizations hiring slaveries have definite 'slavery management capabilities' to commit slavery (Crane, 2013). Illegal practices in terms of slavery and sex work are carried out by companies that seek to break away from the regulation of formal institutions, since in a 'rebel economy', regulatory principles are deposited by rebel cohorts, which consents to slavery to be perceived as suitable in confident state of affairs (Webb *et al.* 2009). Thus, companies constitute a

678

prime factor breeding modern slavery in the supply chain.

Social culture: Unemployment is a chief basis of poverty, predominantly structural unemployment (Crane 2013). Poverty of a particular area is a key factor ensuring to modern slavery (Crane 2013). The United Nations identifies that the origin of modern slavery is that millions of people in the region of the globe are subsisting in excessive poverty (Rassam 2005). Plant (2007) states that all else being equal, a lower gross domestic product per capita will translate into a higher proportion of the population being used as slaves. This is because Employers of labour repeatedly engage slaves by force or trickery, and people in poorer vicinities are more susceptible to deception, which can situate them to being victims of human trafficking (Plant 2007). Hence, socioeconomic circumstance also plays a major role in the formation of modern slavery in the supply chains.

Empirical Studies

Geng *et al.* (2022) espoused the awareness-motivation capability framework to concentrate on variations in companies' efforts to tackle modern slavery in supply chains, and their findings exposed that companies put more effort into dealing with modern slavery in their supply chains, when there is bigger media coverage of such matters, when they source goods and services from countries with tall slavery risks, and when they have launched corporate social responsibility records.

Flynn and Walker (2021) argued that companies successfully used their modern slavery statements as a pointer to society that they are intensifying their policies to put off modern slavery in their supply chains, not least because companies established to be careless in tackling modern slavery could lose the sustenance of its economic and political stakeholders.

Meehan and Pinnington (2021) ascertained if the transparency in companies' supply chain statements signified that substantive action was being in use to deal with modern slavery in supply chains, and found that, companies were apply ambiguity in their supply chain statements 'as a highly strategic form of action to defend the status quo, reduce accountability and delay action for modern slavery within supply chains', and that this ambiguity, successfully 'protects firms, rather than potential victims of modern slavery'

Benstead *et al.* (2020) examined modern slavery detection and remediation in supply chains by means of an action research case study in the textiles and fashion industry, and found that, 'a targeted audit', which included 'investigating the end-to-end recruitment process by using a parallel structure of management and worker interviews and documentation review', was more likely 'to identify key indicators of modern slavery'

Stevenson and Cole (2018), investigated how organizations in the UK reported on the detection and remediation of modern slavery in their supply chains and revealed that, many firms used the same practices to detect and remediate modern slavery as for other social issues, but that the concealed, criminal character of modern slavery and the participation of third-party labour agencies required novel exploratory methods

Bott (2018) considered emerging legislative disclosure regimes as a mechanism for regulating modern slavery in supply chains, and recognized 'four essential requirements', namely 'such legislation should integrate human rights due diligence; it must contain exhaustive disclosure requirements; there ought to be regulatory consequences for failure to conform: and lastly, it should make use of the governmental organizations (NGOs), unions, consumers and workers to standardize supply chains.

Modern Slavery in Contemporary Supply Chain Management

679

Modern slavery in supply chains is prevalent crosswise the globe, with a predictable 16 million people in the global private economy keep in forced labour exploitation (Global Slavery Index 2019). Modern slavery is the expression used to explain a variety of exploitative practices, and there is widespread agreement on the general definition, if not on the precise precincts, of the term (Allain 2012; Crane 2013; RNLPS 2012). Modern slavery is habitually in use to incorporate, victims of sex trafficking and domestic servitude; however this paper contemplates on the components of contem-

porary slavery linked with forced labour and debt bondage contained by a supply chain

The International Labour Organization (2005) has acknowledged six indicators of forced labour: threats or actual physical harm to the worker; restriction of movement and confinement (to the workplace or to a limited area); debt bondage, where the worker works to pay off a debt or loan, and is not paid for his or her services; withholding of wages or excessive wage reductions that violate previously made agreements; retention of passports and identity documents so that the worker cannot leave or prove his/her identity and status; threat of denunciation to the authorities, where the worker is in an irregular immigration status. This further exemplified in Figure 3.

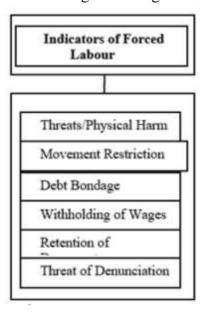


Figure 3: Six Indicators of Forced Labour

Source: International Labour Organization, Walk Free Foundation and International Organization for Migration. (2022). The global estimates of modern slavery: Forced labour and forced marriage. Geneva.

Landman and Silverman (2019) contended that 'slavery is alive and well and that it has taken on new forms or updated old forms, comprising a variety of practices that include debt bondage, domestic servitude, forced prostitution, forced labour, forced marriage and human trafficking.' As supply chains are internationally linked and highly outsourced nowadays, the risk of espousing slave labour somewhere in the supply chain is in existence in approximately all industries, from electronics, state-of-the-art, automotive and steel to agriculture, seafood, mining, garment and textiles (David *et al.*, 2012).

Supply chain management is habitually anxious about the flow of physical materials that progress from one place – or one party – to another, but when bearing in mind modern slavery and forced labour, the major rudiments of the chain are ones that ostensibly could be mislaid from the 'supply chain', as they are frequently suppliers of workers – contract employment agencies, gang masters – instead of suppliers of products (Plant 2008; Barrientos 2008). The representation in Figure 4 without a doubt illustrates the links amid the three stages consisting of suppliers of workers – contract employment agencies, gang masters, forming the modern supply chain slavery network.

which was based on the scanty articles the paper reviewed. Therefore, empirical substantiation is necessary to support the paper's framework in further research. The paper therefore concludes that, theoretically, there exist modern slavery in contemporary supply chains, and to establish its empirical substantiation, this study should be subjected to empirical examination of modern supply chains slavery and supply chain performance of multi-national firms in Nigeria.

Future Research Directions

This paper also aims to provide intellectuals with insights for further research on modern slavery in contemporary supply chains. This section summarizes the gaps identified in the literature to suggest future research directions First, most of the studies reviewed paid attention to the social harms of modern slavery, with a little or no studies focusing on how modern slavery affects supply chain performance. Besides, there is scant confirmation of how modern slavery in supply chains affects the supply chain performance of multinational companies. Thus, it remains indistinct whether a linkage with modern slavery will impair a firm's supply chain performance. Therefore, the paper suggests that future research focus on the mechanism by which modern slavery affects supply chain performance and the factors that influence this mechanism, such as the modern slavery types (chattel slavery, debt bondage and contract slavery).

References

Allain, J & Bales, K., (2012). Slavery and its definition', Global Dialogue, 14 (2),

Allain, J. (2012). The legal definition of slavery into the twenty-first century. In J. Allain (Ed.), The legal understanding of slavery. Oxford: Oxford University Press. 199-219.

Andrees, B. (2008). Forced Labour and trafficking in Europe: How People are Trapped in, Live Through and Come out. Geneva: International Labour Office

Bales, K. (2012). Slavery in its contemporary manifestations. In J. Allain (Ed.). The legal understanding of slavery Oxford: Oxford University Press. 281-303.

Bales, K., & Trodd, Z. (2013). Addressing contemporary forms of slavery in EU external policy: briefing paper for the European Parliament's subcommittee on human rights, Retrieved from www.google.com. Accessed on 24 July 2023.

Banerjee, B. (2020). Modern slavery is an enabling condition of global Neoliberal Capitalism: Commentary on modern slavery in Business. *Business and Society*, 60 (2), 415-419

Barrientos, S. W. (2013). Labour chains: Analyzing the role of labour contractors in global production networks. *The Journal of Development Studies*, 49(8), 1058-1071.

Bellagio-Harvard Guidelines (2012). Bellagio-Harvard guidelines on the legal parameters of slavery. Retrieved from www.google.com. Accessed on 24 July 2023.

Caruana, R., Crane, A., Gold, S. & LeBaron, G. (2021). Modern slavery in business: the dand sorry state of a non-field. *Business & Society*, 60, 2, 251-287

Chen, L., Zhao, X., Tang, O., Price, L., Zhang, S., & Zhu. W. (2017). Supply chain collaboration for sustainability: A literature review and future research agenda. *International Journal of Production Economics* 194, 73-87.

Chopra, S. & Meindl, P., (2016). *Supply Chain Management: Strategy, Planning, And Operation*. (6th ed.) Boston: Pearson.

Crane, A. (2013). Modern slavery as a management practice: Exploring the conditions and bilities for human exploitation. *A cademy of Management Review*, 38(1), 49-69

Crotty, S. M., & Bouche, V. (2018). The red-light network: Exploring the locational strategies

of illicit massage businesses in Houston, Texas. Papers in Applied Geography, 4(2), 205-227

Proceedings of the 4th Annual International Academic Conference

Cunliffe, A. L., & Scaratti, G. (2017). Embedding impact in engaged research: Developing socially useful knowledge through dialogical sense making. *British Journal of Management*, 28, 29-44

Datta, M.N., & Bales, K. (2013). Slavery is bad for business: analyzing the impact of slavery on national economies. *Brown Journal of World Affairs*, 19(2), 205-223.

David, F., Viederman, D., Plant, R., McQuade, A., Batstone, D., Bales, K., & Costello, T. (2012). Starting a dialogue: harnessing the power of business to eliminate modern slav-

ery. Retrieved from www.google.com. Accessed on 24 July 2023. Flynn, A., & Walker, H. (2021). Corporate responses to modern slavery: an institutional theory perspective. European Business Review, 3(2), 295-315

Ford, J., & Nolan, J. (2020). Regulating transparency on human rights and modern slavery in corporate supply chains: The discrepancy between human rights due diligence and the dit. *Australian Journal of Human Rights*, 26(1), 27-45

Genevieve, L. (2014). Subcontracting is not illegal, but is it unethical? Business ethics, forced labor, and economic success. *The Brown Journal of World Affairs* 20 (2), 237-249

Geng, R., Lam, H. K. S., & Stevenson, M. (2022). Addressing modern slavery in supply chains: an awareness-motivation capability perspective. *International Journal of Operations & Production Management*, 42(3), 331-356.

Global Slavery Index. (2019). Measurement, Action, Freedom MAF Report. Retrieved from www.google.com. Accessed on 24 July 2023.

Hampton, D. B. (2019). Modern slavery in global supply chains: Can national action plans on business and human rights close the governance gap? *Business and Human Rights Journal*. 4(2), 239-263.

Hodal, K. (2019). One in 200 people is a slave. Why? The Guardian. Retrieved from www.google.com. Accessed on 24 July 2023.

ILO (International Labour Organisation) (2012). Global estimate of forced labour. available at: www.ilo.org/ washington/areas/elimination-of-forced-labor/WCMS_182 004/lang— en/ index.htm (accessed 28 July 2023).

International Labour Organization, (2022). Walk Free Foundation and International Organization for Migration. The global estimates of modern slavery: Forced labour and forced marriage. Geneva.

Islam, M. A., and C. J. Van Staden. (2021). Modern Slavery Disclosure Regulation and Global Supply Chains: Insights from Stakeholder Narratives on the UK Modern Slavery Act." *Journal of Business Ethics*. doi:10.1007/s10551-021-04878-1.

Kaufmann, D., Kraay, A., & Mastruzzi, M. (2011). The worldwide governance indicators:

Methodology and analytical issues. *Hague Journal on the Rule of Law 3* (2), 220-246. Lambert, D. M., & Cooper, M. C. (2000). Issues in supply chain management. *Industrial Marketing Management*, 29(1), 65-83.

Landman, N. and Silverman, B.W. (2019) 'Globalization and Modern Slavery', Politics and Governance, 7(4), 275-290

LeBaron, G. (2015). Unfree labour beyond binaries: insecurity, social hierarchy and labour market restructuring. *International Feminist Journal of Politics*, 17(1).

LeBaron, G., Lister, J., & Dauvergne, P. (2017). Governing global supply chain sustainability through the ethical audit regime. *Globalizations*, 14(6), 958-.975.

Liao, S-H. & Widowati, R. (2021). A Supply Chain Management Study: A Review of Models from 2014 to 2019', Operations and Supply Chain Management, 14(2), 173-188

Lund-Thomsen, P., & Lindgreen, A. (2014). Corporate social responsibility in global value chains: where are we now and where are we going?, *Journal of Business Ethics*,

Manzo, K. (2006). Modern slavery, global capitalism & deproletarianisation in West Africa. *Review of African Political Economy*, 106, 521-534

Mende, J. (2019). The concept of modern slavery: Definition, critique, and the human rights frame.

Human Rights Review, 20(2), 229-248.

Muckstadt, J. A., Murray, D. H., Rappold, J. A. & Collins, D. E., (2001). Guidelines for collaborative supply chain system design and operation. *Information Systems Frontiers*, 3(4), 427-453.

New, S.J. (2015). Modern slavery and the supply chain: the limits of corporate social responsibility? *Supply Chain Management*, 20(6), 697-707.

Parente, T. C., Lucas, A. C., & Cordeiro, R. A. (2017). Contemporary slavery in Brazil: What have companies (not) done to prevent it? Revista de Administração Mackenzie, 18(4), 39-64.

Plant, R. (2007). Forced Labour, Slavery and Poverty Reduction: Challenges for Development Agencies. Presentation to UK High-Level Conference to Examine the Links Between Poverty, Slavery and Social Exclusion. Foreign and Commonwealth Office and DFID. London: International Labour Organization

Pujawan, I. N. (2017). Operations and supply chain management: Towards ten years of journey. *Operations and Supply Chain Management, 10*(1), 1-3

Rassam, A. Y. (2005). International law and contemporary forms of slavery: An economic and social rights-based approach. *Penn State International Law Review 23* (4), 809.

Schaper, S., & I. Pollach. (2021). Modern slavery Statements: From regulation to substantive supply chain reporting. *Journal of Cleaner Production* 313, 127872.

Scott, W. R. (2001). *Institutions and Organizations*. (2nd ed.). Thousand Oaks, CA: Sage Stefan, G., Alexander, T., & Zoe, T. (2015). Modern slavery challenges to supply chain agement. *Supply Chain Management: An International Journal*, 20(5), 485-494,

Such, E. Laurent, C., & Solway, S. (2017). Modern Slavery and Public Health', <a href="https://www.gov.uk/government/publications/modernslavery-and-public-health/modern-public-h

Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *The emy of Management Review 20* (3), 571.

Szablewska, N., & Kubacki, K. (2023). Empirical business research on modern slavery in supply chains: A systematic review. *Journal of Business Research*, 164

The Home Office. (2015). Transparency in supply chains etc. A Practical Guide. UK Government

Touboulic, A., McCarthy, L., & Matthews, L. (2020). Re-imagining supply chain challenges through critical engaged research. *Journal of Supply Chain Management*, 56, 36-51.

United Nations Office of the High Commissioner Human Rights (2021). Slavery Convention, https://www.ohchr.org/en/professionalinterest/pages/slaver yconvention.aspx (Accessed 27 June 2023)

Walk Free Foundation (2014). Global Slavery Index 2014, Walk Free Foundation.

Walk Free Foundation. (2016). Harnessing the Power of Business to Eliminate Modern Slavery. https://www.walkfree.org/resources/.

Webb, J. W., L. Tihanyi, R. D. Ireland, & D. G. Sirmon. (2009). You say Illegal, I say Legitimate: Entrepreneurship in the Informal Economy. *A cademy of Management Review* 34 (3): 492–510 World Vision. (2021). Ricky Goods-New Zealand Imports.

World Vision. (2021). Ricky Goods-New Zealand Imports. New Zealand.

Yalcin, H., Shi, W. & Rahman, Z. (2020) A review and scientometric analysis of Supply Chain Management (SCM)', Operations and Supply Chain Management, 13(2), pp. 123-133

Yawar, S.A. and Seuring, S. (2017), "Management of social issues in supply chains: a literature review exploring social issues, actions and performance outcomes. *Journal of Business Ethics*, 141 (3), 621-643

Zheng, X., D. Li, Z.. Liu, F., Jia, & Lev. B. (2021). Willingness-to-Cede behaviour in sustainable supply chain coordination. *International Journal of Production Economics* 240, 108207

Online shopping and customer patronage: study of students in tertiary institutions in Abia State, Nigeria

Ahaiwe, Emmanuel O.

Department of Marketing,
College of Management Sciences,
Michael Okpara University of Agriculture Umudike, Abia State
Okereafor, Geff

Department of Marketing, College of Management Sciences, Michael Okpara University of Agriculture Umudike, Abia State

Abstract

This study examined the effect of online shopping on customer patronage of online stores by tertiary institutions students in Abia State, Nigeria. Cross-sectional data were obtained from students of two tertiary institutions in Abia State through an online questionnaire (google form). For the sample size, the minimum sample calculation was used in picking 200 respondents for the study. The study's stated hypotheses were tested using regression analysis at a 0.05 probability level. SPSS Version 25.0 was used for all analyses. Findings revealed that perceived usefulness has positive and significant effect on customer patronage of online stores in Abia State, Nigeria. Similarly, regression result revealed that perceived ease-of-use has positive and significant effect on customer patronage of online stores in Abia State, Nigeria. Also, online customer experience was found to have positive and significant effect on customer patronage of online stores in Abia State. It was recommended that online retailers must make their site navigation to be very easy since shoppers view online shopping to be useful and easy to use. To increase customer traffic, online retailers must streamline their payment options, delivery options, exchange and return policies, and customer service offerings.

Keywords: Online customer experience, perceived usefulness, perceived ease-of-use, customer patronage **Introduction**

Online shopping is becoming more and more popular in Nigeria as a result of rising internet usage and attitudes toward digitization. Nowadays, some consumers are switching from offline to online purchasing for practically every product category because of its popularity (Jain & Sharma, 2020). "Online shopping" is a procedure in which a customer buys goods and services directly from a seller over the internet (Wan & Mohammad, 2020). This transaction is made possible via the Internet and other ICT equipment. Due to the speed, precision, logistics, and feedback processes associated with online purchasing, merchandise volume and value have increased on a global scale (Eshiett, 2021). When online shopping first started, buyers had a lot of worries about things like personal infor-

when online shopping first started, buyers had a lot of worries about things like personal information being leaked, online fraud, inconsistent product quality when compared with desired quality, failed delivery/shipping, etc. These worries have reduced significantly now that consumers are more aware of the benefits associated with online shopping (Neboja, Milorad, & Tanja, 2019). The IT business in Nigeria has benefited immensely from the rapid growth of online shopping, which is one of the fastest expanding markets in the nation.

Nowadays, both undergraduate and post-graduate students in Nigeria are adopting internet shopping because of its associated benefits. This growing practice of shopping online amongst students in Nigeria has been affirmed by Ibikunle (2013). From the perspective of the consumer, online shopping offers low and transparent prices, a wide selection of goods and services, and a much more convenient shopping option that has eliminated such traditional shopping inconveniences as fighting through crowds, being stuck in a long line at the cashier counter, and having to find parking at a busy mall (Kofoworola et al., 2022).

Two of the largest online retail stores in the Nigerian electronic commerce industry are Jumia and Konga, both of which were started in Nigeria in 2012, respectively. Other online stores operating in Nigeria include; Jiji, PayPorte, Kara, Spar, AliExpress, Supermart, etc. With products including but not limited to consumer electronics, home appliances, children's things, fashion, books, personal care products, etc., these businesses employ e-commerce applications to exhibit and sell out their goods (Onikoyi et al., 2022). But the growing question on online shopping has been, what are the factors that influence online shopping patronage in Nigeria? Why are people switching interest from traditional shopping to online shopping?

A number of variables have been found to influence internet shoppers' customer behaviour. Per-

ceived usefulness is one of these elements (Wilson et al., 2021; Priyatma, 2021; Slamet et al. 2020; Dharma & Ku Halim 2019). Consumers' perceptions of the extra value and efficiency that online purchasing can provide are used to determine perceived usefulness (Hu et al., 2009; Lai & Wang, 2012; Yi et al., 2016). Perceived ease of use is another variable seen by researchers to influence online shopping behaviour (Korompot & Handayani, 2021; Oloveze et al., 2021; Aisyaha et al., 2020; Anugrah, 2020). According to Pilk et al. (2017), online shopping is motivated by lower prices as well as the convenience. Customers can purchase more quickly and with more options (Koyuncu & Bhattacharya, 2017).

Based on end-user exposure to risk in any transaction at any given time, a key component of online buying is customer trust (Eshiett, 2021). The lack of confidence in internet shopping has sparked a great deal of scholarly interest. The time it takes for a customer to establish a relationship, trust, and confidence with an online intermediary is one of the main reasons for decreased online shopping patronage, according to numerous studies (Gefen, Karahanna, & Straub, 2003). This is because customers experience numerous fraudulent transactions, which result in a significant loss of investment capital on the virtual platform. But Nigerians are rapidly opening up and starting to accept online buying (Ibikunle, 2013). The search for the factors that influence online shopping patronage is still on and this study is another attempt to close this gap in literature.

Objectives of the study

The main objective of this study was to examine the effect of online shopping experience on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria.

The specific objectives were to;

ascertain the effect of perceived usefulness on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria;

examine the effect of perceived ease-of-use on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria;

determine the effect of online customer experience on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria.

Statement of hypotheses

The following null hypotheses were tested in the study.

- **Ho**₁: Perceived usefulness does not have significant effect on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria.
- **Ho2**: Perceived ease-of-use does not have significant effect on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria.
- Ho_{3:} Online customer experience does not have any significant effect on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria

Theoretical foundation

One of the models that is most frequently used to describe online buying behaviour is the Technology Acceptance Model (TAM) developed by Davis (1989). The Technology Acceptance Model (TAM) has been used to examine and understand the variables that affect whether or not people accept the use of technology (Altinpulluk & Kesim, 2021; Elfeky & Elbyaly, 2021).

The two online shopping dimensions employed in this study - perceived usefulness and perceived ease of use - have been derived from the Technology Acceptance Model (TAM). The model shows that the usefulness variable and the ease of use variable, both of which have strong determinants and experimentally tested, will have an impact on information system users (Internet shoppers). The extent to which a user considers utilizing the internet to be a beneficial tool is known as perceived usefulness (Jeong & Lambert, 2001). One of the advantages of using the Internet as a tool for daily interaction, especially with the expanding e-transformation, is its usefulness. Perceived ease-of-use, according to Davis (1989), is the degree to which a person thinks utilizing a certain system will be effortless.

In addition to being relatively simpler to use and not requiring a lot of effort, TAM thinks that using information systems will increase both individual and organizational performance (Ha, 2020;

Ocampo-Alvarado & Ullauri-Ugarte, 2021). Internet users can access a greater variety of useful information, which helps them make better purchasing decisions (Tam, 2010). Because of this, consumers are persuaded to accept online shopping (Fenech & O'Cass, 2001). This model is crucial to this study because it explains behaviours related to how online shoppers utilize and evaluate online shopping platforms depending on those platforms' perceived value and simplicity.

Online shopping

Online shopping is a kind of e-commerce where consumers can directly purchase goods or services from a seller over the Internet with the help of a web browser or a mobile app (Lakshmi & Manohar, 2021). Online shopping, as defined by Gabriel et al. (2016), involves the consumer's behaviour when making purchases from an online store or website. Customers can identify a product of interest by going to the retailer's website directly or by utilizing a shopping search engine to look up for alternative vendors. Shopping search engines can assist customers in determining the availability and cost of the same goods at other e-retailers stores (Lakshmi & Manohar, 2021).

Nowadays, customers are adopting switching to online shopping because of some certain advantages. Internet shopping has the benefit of giving customers comprehensive information and a variety of options so they can compare goods and prices. It is simpler for a customer to determine about the availability and other features of a product online with more ease and convenience (Butler & Peppard, 2018). From the perspective of the consumer, online shopping offers low and transparent prices, a wide variety of goods and services, and a much more convenient shopping alternative, which has eliminated such traditional shopping, inconveniences of squeezing through crowds, being stuck in a long line at the cashier counter, and fighting for parking spaces at a busy mall (Kofoworola et al., 2022).

Huseynov and Yildirim (2016) discovered that determining and putting into practice an effective Internet marketing strategy requires knowing the motivations and elements that drive online shoppers. The main motivation for online shoppers, according to Pilk et al. (2017), is to discover a lower price as well as the convenience of home buying and online purchasing. Everyone can purchase more quickly, with more options, and at a cheaper cost through internet shopping (Koyuncu & Bhattacharya, 2017).

Online customer experience

One of the elements influencing online consumer behaviour is customer experience. It is the total sum of behaviours as the customer interacts with the product, service, and company at various touch points. This experience is the outcome of the client interacting at different levels with different aspects made by the service provider (Annisa et al., 2019).

A successful customer experience is crucial to every business' success. The emphasis of service marketing academics has recently shifted to the online customer experience (Zare & Mahmoudi, 2020; Jaiswal & Singh, 2020). Businesses may now improve their customers' buying experiences and interactions with brands anytime, anywhere thanks to new advancements in e-commerce and e-commerce technologies, as well as the widespread usage of mobile devices and social media (Zare & Mahmoudi, 2020).

Customers use social media, online recommendation engines, and other enabling technologies to inform their purchasing decisions and use more digital tools to streamline their shopping activities, which improves the customer experience in online shopping (Cheung et al., 2015; Bilgihan et al., 2016). Customers are more likely to make purchases when they are satisfied with their online purchasing experiences. A favorable online experience that is difficult to forget will be created by a positive online impression of a product or service from an online shop. Contrarily, a bad online customer experience will make customers hesitant to make another purchase from a specific business or brand (Febriani & Ardani, 2021). Online customer experience has been shown to have a positive and significant effect on consumer behaviour by authors including Hasman et al. (2019), Safitri (2017), and Annisa et al. (2019).

Perceived Usefulness

According to Davis (1989), perceived usefulness is the idea that a new technology can help a person perform better. Oloveze et al. (2021) asserted that this new technology must offer substantially greater satisfaction than what was previously possible. According to Ajzen (1991), Jahangir and

Begum (2008), and Rahman et al. (2017), perceived usefulness can be interpreted as people's perceptions of whether a new technology would affect the way they conduct business and whether it will improve their performance.

One of the elements that either directly or indirectly influence the inclination to engage in online shopping is perceived usefulness (Oloveze et al., 2021). To put it another way, it may be said that customers will not adopt new products or technologies unless they see some extra benefit from doing so (Tan & Teo, 2000; Polatoglu & Ekin, 2001; Rouibah et al., 2011). In other words, consumers will not engage in online shopping unless it is useful to them. Therefore, whether a company succeeds or fails in online business may be greatly influenced by customers' perceived usefulness of online shopping.

This further implies that an online store will be beneficial if it provides services to customers and satisfies their expectations in terms of product quality, product assortment, convenience, delivery speed, etc. If an online store can successfully meet the needs of the customers, it is then assumed that students will use and continue to use the store. Perceived usefulness has been identified as a key factor influencing repeat online purchases by customers (Atchariyachanvanich et al., 2007; Wangpipatwong et al., 2008; Al-Maghrabi et al., 2011; Li, 2016).

Perceived Ease-of-Use

Perceived ease of use of new technologies has been found to influence users' views about acceptance of new technologies in existing studies on technology acceptance (Bagla, 2018). Precisely, perceived ease of use refers an individual's perception of the amount of time required to learn a new product or technology (Rouibah et al., 2011; Amin et al., 2014; Lok, 2015; Okpala et al., 2021) or utilize the internet for shopping (Vijayasarathy, 2004).

Customers will not purchase a product or utilize a given technology if they believe that it will be difficult to use or that it will take a long time to for them to learn the technology. Instead, they will easily look for alternatives that will essentially perform the same functions with lesser learning time (Usman et al., 2021). Findings from the empirical literature by Davis et al. (1989) demonstrated that perceived usefulness and enjoyment of a technology can be benefits from perceived ease of use of the technology.

Perceived ease of use has been found to significantly and positively impact on consumers' patronage of online shops. Green and Pearson (2011) determined that it had a substantial impact on how users perceived the use of e-commerce websites. It has such a favourable impact on consumer attitudes regarding online shopping that, according to Lim and Ting (2012), consumers will exhibit positive attitudes toward online shopping if the websites are simple to use.

Customer Patronage

Patronage represents a unique and important concept in e-commerce and marketing in general. Consumer patronage is the endorsement or support that consumers provide to a specific brand. Patronage provides the groundwork for a market share that is both established and expanding (Ulaikere et al., 2020). There are various ways to establish patronage behaviour which includes, loyalty, amount of money spent, frequency of repeat purchases, number of repeated visits, degree of satisfaction, amount of time spent, and the quantity of items purchased (Paswan, 2016).

Patronage behaviour involves the process of finding the criteria and characteristics that consumers use to compare alternatives to a product or service (Goddard, 2013). According to Sirgy and Grewal (2014), elements such as location, atmosphere, goods, price, and promotions might affect how consumers behave when making purchases. When online businesses understand the different variables affecting consumers' behaviour, it will assist then to increase sales, encourage repeat business, and foster customer loyalty. With respect to the current study, patronage will refer to an online shopper's willingness to repurchase, recommend, or revisit an online store.

Empirical review

Ahmad et al. (2022) carried of a study on "online customer experience leads to loyalty via customer engagement: moderating role of value co-creation". Data were collected from 189 customers who made online purchases. SPSS 26 and structural equation modeling with Smart-PLS were used for the study and test of the hypothesis. The findings of their study revealed that online customer experience substantially influenced customer engagement, which improved customer loyalty.

Wilson et al. (2021) examined the role of perceived usefulness and perceived ease-of-use toward satisfaction and trust which influence computer consumers' loyalty in China. The survey method was used in the investigation. Data from the respondents was gathered using copies of the questionnaire. A total of 400 respondents in five Chinese cities received the questionnaire electronically via an online survey site. Using SmartPLS 3.3.2 software, the partial least squares-structural equation modeling (PLS-SEM) method was used to evaluate all of the data. Based on the outcomes of the data's analysis, it was discovered that in China's computer sector, perceived usefulness and perceived ease-of-use both had a positive and significant impact on customer satisfaction, trust, and customer loyalty.

Korompot and Handayani (2021) carried a study on perceived ease of use, trust, perceived speed, and risk to customer loyalty with customer experience as an intervening variable to users' types of bank transfer transaction through Shopee Online Marketplace Application. The study used a descriptive methodology and was quantitative in nature. The study sampled 400 respondents using a purposive sampling technique. AMOS 22 was used for the structural equation modeling (SEM) data analysis. According to the findings, perceived ease of use has a positive and significant impact on the customer experience.

Oloveze et al. (2021) carried out a study captioned "from offline shopping to online shopping in Nigeria: evidence from African emerging economy". The sample size for the online survey method was 246 respondents. Reliability and validity were carried out using confirmatory factor analysis and content validity. Using a structural equation model, data was analyzed. The study's findings showed that consumer attitude, perceived usefulness, and social influence all directly affected respondents' intentions to purchase online, with consumer attitude was found to be more significant than perceived usefulness. Consumer attitudes about the intention to use internet purchasing were indirectly positively impacted by perceived ease of use, social influence, and perceived usefulness. Priyatma (2021) looked at the impact of perceived usefulness and perceived ease-of-use on repurchase intention of online shopping App users in Indonesia. The study employed a descriptive methodology and was quantitative in nature. Primary data collected from 182 respondents served as the basis for the study's findings. In the study, a non-probability sampling technique - purposive sampling - was used. Perceived usefulness and perceived ease of use had a positive and significant impact on repurchase intention on the Shopee application in Indonesia, according to the results of multiple regression analysis.

Ertemel, et al. (2021) looked at the role of customer experience in the effect of online flow state on customer loyalty. 538 participants in the study gave their responses. Using a five-point Likert scale, quantitative data were collected. The structural equation modeling approach was used to interpret the survey's results. From the findings, it was revealed that customer experience positively and significantly influenced online customers' behaviour.

In South-West Nigeria, Oluwole and Adeyinka (2020) investigated perceived usefulness as a predictor of undergraduate students' utilization of an online public access catalog. With a sample size of 1,527 chosen from the total population of 239,048 undergraduate students in the universities, a descriptive research design of the ex post facto was used. Data were gathered using a questionnaire. According to the findings, perceived usefulness of the OPAC had influence on its patronage by undergraduate students in the universities. The study concluded that undergraduate students' patronage of OPACs was influenced by perceived usefulness.

Methodology

This cross-sectional study adopted a descriptive survey research design. This design was adopted because it described the state of affairs, as it existed at present in the study (Kothari, 2004). Current undergraduate or graduate students from a variety of universities served as the basis for earlier studies on internet buying (Belanger et al., 2002; Borchers, 2001). In line with this, the population of this study comprised students of two tertiary institutions in Abia State – Abia State Polytechnic, Aba and Michael Okpara University of Agriculture, Umudike Umuahia, Abia State of Nigeria. Students from tertiary institutions were chosen because they are more likely to be long-term online shop loyalists and are more willing to try new things (Kumar, 2021).

For the sample size, the minimum sample calculations suggested by Hair et al., (2010) was used in

the study. According to Hair et al. (2010), with the premise that nx 5 observed variables (indicators) to nx 10 observed variables (indicators) are used in the questionnaire, the number of respondents to be utilized as samples in a study has to be adjusted to the number of indicators employed. Due to the 20 indicator items utilized in this study, 200 respondents were used as a result of multiplying 20 statement items by 10. The study questionnaire was distributed online. The online questionnaire contained 7-point likert scale ratings. The questionnaire items were adapted from empirical works of previous authors on the same or similar subject. The online questionnaire was sent to the students' WhatsApp groups through their various course representatives where it was completed. Data collection spanned a period of three (3) months from July to September 2023.

Only students who had previous online shopping experience were strictly advised to complete the questionnaire. Thus, the bias of having responses from students without online shopping experience filling out the questionnaire was eliminated. Care was taken in designing the online questionnaire and the researchers ensured that the questionnaire captured all the aspects of the study variables. Convenience sampling which is a non-probability sampling method was used in this study as the online questionnaire was only sent to student groups that were accessible during the period of data collection. Such sampling procedure is in line with what has been done by previous researchers (Coomber, 1997; Berson et al., 2002).

The data collected in the study was entered into the Statistical Package for the Social Sciences (SPSS), where internal consistency of each construct was examined using factor analysis and Cronbach's Alpha scores. The study's stated hypotheses were tested using regression analysis at a 0.05 probability level. SPSS Version 25.0 was used for all analyses.

Results and discussion

Table 1: Simple regression analysis showing the effect of perceived usefulness on customer patronage of online stores

Model	В	Std. Error	t-value	P-Value	R	\mathbb{R}^2	F-Ratio
(Constant)	2.724	0.211	12.909	0.000	0.822	0.791	72.523
Perceived useful- ness	0.294	0.038	7.736	0.000			

Source: SPSS Output, 2023

Table 1 provides details summary of regression analysis on the effect of perceived usefulness on customer patronage of online stores in Abia State, Nigeria. The results show that perceived usefulness has positive and significant effect on customer patronage of online stores in Abia State, Nigeria ($\beta = 0.294$, t = 7.736, ρ <0.05). This implies that an increase in perceived usefulness leads to a corresponding increase in customer patronage for online stores in Abia State, Nigeria. The R-squared value reveals that perceived usefulness explained almost 79 percent of the variances in customer patronage of online stores in Abia State, Nigeria (R^2 =0.791), while 21% of the variations are explained by other factors not included in the model. The F-ratio is 72.523, and its p-value was 0.000 which is less than the critical value. This result implies that perceived usefulness significantly affects customer patronage of online stores in Abia State, Nigeria at p <0.05.

From the above regression table, the regression coefficient of perceived usefulness was 0.294, which implies that a unit increase in perceived usefulness would lead to 0.294 increase in customer patronage of online stores in Abia State, Nigeria. Therefore, the null hypothesis one (H0₁) which states that perceived usefulness does not have significant effect on customer patronage of online stores in Abia State, Nigeria is hereby rejected. It can thus be concluded that perceived usefulness has significant effect on customer patronage of online stores in Abia State, Nigeria.

Table 2: Simple regression analysis showing the effect of perceived ease-of-use on customer patronage of online stores

Model	В	Std. Er-	t-value	P-Value	R	\mathbb{R}^2	F-Ratio
		ror					
(Constant)	4.024	0.622	6.469	0.000	0.894	0.862	82.755
Perceived ease-of-use	0.273	0.068	4.014	0.000			

Source: SPSS Output, 2023

Table 2 provides the summary of regression analysis for the effect of perceived ease-of-use on customer patronage of online stores in Abia State, Nigeria. The results reveal that perceived ease-of-use has positive and significant effect on customer patronage of online stores in Abia State, Nigeria (β = 0.273, t = 4.014, ρ <0.05). The R-squared value reveals that perceived ease-of-use explained about 86 percent of the variances in customer patronage of online stores in Abia State, Nigeria (R²=0.862), while 14% of the variations are explained by other factors not included in the model. The F-ratio is 82.755, and its p-value was 0.000 which implies the fitness of the model. It also shows that perceived ease-of-use significantly affects customer patronage of online stores in Abia State, Nigeria at p<0.05.

From the regression table, the coefficient of perceived ease-of-use was 0.273, which implies that a unit increase in perceived ease-of-use would lead to 0.273 increase in customer patronage of online stores in Abia State, Nigeria. This assumption is at the 99% confidence level. With this result, the null hypothesis two (H0₂) which states that perceived ease-of-use does not have significant effect on customer patronage of online stores in Abia State, Nigeria is rejected and the alternative hypothesis accepted. It is concluded that perceived ease-of-use has significant and positive effect on customer patronage of online stores in Abia State, Nigeria.

Table 3: Simple regression analysis showing the effect of online customer experience on customer patronage of online stores

Model	В	Std.	t-value	P-Value	R	\mathbb{R}^2	F-Ratio
		Error					
(Constant)	2.491	0.340	7.326	0.000	0.961	0.914	83.653
Online customer experience	0.331	0.048	6.895	0.000			

Source: SPSS Output, 2023

Table 3 presents the summary of regression analysis on the effect of <u>online customer experience</u> on customer patronage of online stores in Abia State, Nigeria. The results show that online customer experience has positive and significant effect on customer patronage of online stores in Abia State, Nigeria ($\beta = 0.331$, t = 6.895, $\rho < 0.05$). This implies that an increase in online customer experience leads to a corresponding increase in customer patronage for online stores in Abia State, Nigeria. The R-squared value reveals that online customer experience explained about 91 percent of the variances in customer patronage of online stores in Abia State, Nigeria ($R^2 = 0.914$), while 9% of the variations are explained by other factors not included in the model. The F-ratio is 83.653, and its p-value was 0.000 which is less than the critical value. This result implies that online customer experience significantly affects customer patronage of online stores in Abia State, Nigeria at p < 0.05. From the above regression table, the regression coefficient of online customer experience was 0.331,

which implies that a unit increase in online customer experience would lead to 0.331 increase in customer patronage of online stores in Abia State, Nigeria. Therefore, the null hypothesis one $(H0_1)$ which states that online customer experience does not have significant effect on customer patronage of online stores in Abia State, Nigeria is hereby rejected. It can thus be concluded that online customer experience has significant effect on customer patronage of online stores in Abia State, Nigeria. This assertion is at the 99% confidence level.

Discussion of Findings

The main objective of this study was to examine the effect of online shopping experience on customer patronage of online stores among students of tertiary institutions in Abia State, Nigeria. The first regression analysis which was to ascertain the effect of perceived usefulness on patronage of online stores among tertiary institutions students in Abia State, Nigeria showed that perceived usefulness has positive and significant effect on customer patronage of online stores in Abia State, Nigeria. This is in alignment which previous findings. Wilson et al. (2021) revealed that perceived usefulness had a positive and significant impact on customer behaviour.

Priyatma (2021) also revealed a positive and significant effect of perceived usefulness on customer behaviour. Similarly, Oluwole and Adeyinka (2020), found that perceived usefulness positively affects use of online shops by online shoppers. On the effect of perceived ease-of-use on customer patronage of online stores in Abia State, Nigeria regression result revealed that perceived ease-of-use has positive and significant effect on customer patronage of online stores in Abia State, Nigeria. This finding also collaborates previous finding. Previous researchers (Wilson et al., 2021; Korompot & Handayani, 2021; Oloveze et al., 2021; Priyatma, 2021) have all found that perceived ease positively influenced customer behaviour.

Regression result further showed that online customer experience has positive and significant effect on customer patronage of online stores in Abia State implying that online customer experience significantly affects customer patronage of online stores in Abia State, Nigeria. This also aligns with the studies of Ahmad et al. (2022) and Ertemel, et al. (2021) who previously found that online customer experience significantly and positively influenced customer customer behaviour.

Conclusion and policy implication

In the study, the three dimensions of online patronage among students of tertiary institutions in Abia State, Nigeria were analyzed. These factors were perceived usefulness, perceived ease of use and online customer experience. Analyzing these factors revealed that they have significant and positive effect on patronage of online stores among students of tertiary institutions in Abia State, Nigeria. The findings of this study are very important to online retailers who aspire to increase patronage of their products by attracting more online shoppers.

When it comes to perceived usefulness, perceived ease of use, and consumer online experience, a customer's entry into an online platform for a product, the time spent there, and the pleasure experienced there, are all crucial factors. Such online interactions result in more significant consumer experiences than actual purchases since they facilitate and make the shopping process joyful through tailored and personalized products and influential visual designs. Therefore, websites that enhance this online experience will be more favoured. Online retailers must make their site navigation to be very easy since shoppers view online shopping to be useful and easy to use. To increase online customer experience, online retailers must streamline their payment options, delivery options, exchange and return policies, and customer service offerings. In order to reassure customers of their commitment to their satisfaction, online businesses should also make sure that they offer in-store pick-up services and have liberal return policies.

Whether customers will receive exactly what they order is a key concern when using internet retailers. In order to allay this fear, we suggest that online retailers should use feedback rating systems, build strong brands and e-commerce bonding solutions. These solutions will help reassure customers that their e-shopping transactions will not encounter issues as they rely on the retailers to deliver dependable goods and services. In addition, online retailers can make use of popular online payment methods like credit cards, PayPal, Google Checkout, etc. to offer back-end buyer protection solutions to handle any issues that may arise with customers.

References

- Ahmad, F., Mustafa, K., Hamid, S. A. R., Khawaja, K. F., Zada, S., Jamil, S., Qaisar, M. N., Vega-Muñoz, A., Contreras-Barraza, N., & Anwer, N. (2022). Online Customer Experience Leads to Loyalty via Customer Engagement: Moderating Role of Value Co-creation. *Frontiers in Psychology*, 13, 1-15. doi:10.3389/fpsyg.2022.897851
- Aisyaha, R. A., Madyanb, M., & Prihantonoc, G. (2020). The Effect of TAM in an Online Shopping Context. *International Journal of Innovation, Creativity and Change*, 11(11), 678-690
- Ajzen, I. (1991). The theory of planned behaviour. *Journal of Organizational Behaviour and Human Decision Processes*, 50, 179-211.
- Al-Maghrabi, T., Dennis, C., Halliday, S. V., & Bin-Ali, A. (2011). Determinants of customer continuance intention of online shopping. *International Journal of Business Science and Applied Management*, 6, 41-65.
- Altinpulluk, H., & Kesim, M. (2021). A Systematic Review of the Tendencies in the Use of Learning Management Systems. *Turkish Online Journal of Distance Education*, 22(3). https://doi.org/10.17718/tojde.961812
- Amin, M., Rezaei, S., & Abolghasemi, M. (2014). User satisfaction with mobile websites: the impact of perceived usefulness (PU), perceived ease of use (PEOU) and trust. Available at; https://doi.org/10.1108/NBRI-01-2014-0005
- Annisa, A. N., Suwandari, L., & Adi, P. H. (2019). Analisis Pengaruh Customer Experience, User Experience, Dan Hambatan Berpindah Terhadap Minat Beli Ulang (Studi Pada Konsumen Go-Jek Di Kota Purwokerto). Sustainable Competitive Advantage (SCA), 9(1), 1.
- Anugrah, F. T. (2020). Effect of Promotion and Ease of Use on Customer Satisfaction and Loyalty on OVO Application Users. *Quantitative Economics and Management Studies*, 1(2), 44-50
- Atchariyachanvanich, K., Okada, H., & Sonehara, N. (2007). What keeps online customers repurchasing through the internet? *ACM SIGecom Exchanges*, 6, 47-57.
- Bélanger, F., Janine, H., & Wanda, S. (2002). Trustworthiness in electronic commerce: The role of privacy, security, and site attributes. *Journal of Strategic Information Systems*, 11, 245-270.
- Berson, I. R., Berson, M. J., & Ferron, J. M. (2002). Emerging risks of violence in the digital age: lessons for educators from an online study of adolescent girls in the United States. *Journal of School Violence*, 1 (2), 51–72.
- Bilgihan, A., Kandampully, J., & Zhang, T. C. (2016). Towards a unified customer experience in online shopping environments. *International Journal of Quality and Service Sciences*,
- Borchers. S. A. (2001). Trust in Internet shopping: A test of a measurement instrument. *Proceedings of the Association for Information Systems, Atlanta*, GA. August 2001.
- Butler, P., & Peppard, J. (2018). Consumer purchasing on the internet: processes and prospects. *European Management Journal*, 16 (5), 600-610.
- Cheung, C. M., Liu, I. L., & Lee, M. K. (2015). How online social interactions influence customer information contribution behaviour in online social shopping communities: a social learning theory perspective. *Journal of the Association for Information Science and Technology*, 66 (12), 2511-2521.
- Coomber, R. (1997). Using the Internet for Survey Research. *Sociological Research Online*, 2, 14–23.
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319-339.
- Davis, F. D., Bagozzi, R. P., & Warshaw, P. R. (1989). User acceptance of computer technology: a comparison of two theoretical models. *Management Sciences*, 35(8), 982-1003.
- Elfeky, A. I. M., & Elbyaly, M. Y. H. (2021). The use of data analytics technique in learning management system to develop fashion design skills and technology acceptance. *Interactive Learning Environments*. https://doi.org/10.1080/10494820.2021.1943688
- Ertemel, A. V., Civelek, M. E., Pektaş G. O., & C. emberci, M. (2021). The role of customer experience in the effect of online flow state on customer loyalty. *PLoS ONE*, 16(7), 1-15.
- Eshiett, I. (2021). Online Shopping Tendency and Customer Trust in Nigerian Service Sector. Mar-

- keting and Branding Research, 8, 65-75
- Febriani, M. A., & Ardani, K. S. (2021). The Influence of Customer Experience, Ease of Use, and Trust on Repurchase Intention (Case Study of Tokopedia Consumers in Denpasar). *American Journal of Humanities and Social Sciences Research*, 5(2), 378-383
- Fenech, T., & O'Cass, A. (2001). Internet users' adoption of web retailing: user and product dimensions. *Journal of Product and Brand Management*, 10(6), 361-381.
- Gabriel, J. M., Ogbuigwe, T. D., & Ahiauzu, L. U. (2016). Online shopping systems in Nigeria: evolution, trend and prospects. *A sian Research Journal of Arts & Social Sciences*, 1 (4), 1-7.
- Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in Online Shopping: An Integrated Model. *MIS Quarterly*, 27(1), 51-90
- Goddard, E. (2013). Factors Underlying the Evolution of Farm-related Cooperatives in Alberta. *Canadian Journal of Agricultural Economics*, 50(4), 473-495.
- Green, D. T., & Pearson, J. M. (2011). Integrating website usability with the electronic commerce acceptance model. *Behaviour & Information Technology*, 30(2), 181–199.
- Ha, N. T. (2020). The impact of perceived risk on consumers' online shopping intention: An integration of TAM and TPB. *Management Science Letters*, 10(9). https://doi.org/10.5267/j.msl.2020.2.009
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis: A Global Perspective* (7th ed.). Upper Saddle Riwer, Nj: Prentice Hall.
- Hasman, H. C. P., Ginting, P., & Rini, E. S. (2019). The Influence of E-Service Quality on E-Satisfaction and Its Impact on Repurchase Intention in Using E- Commerce Applications on Students of Universitas Sumatera Utara. *International Journal of Research and Review*, 6(10), 299–307
- Hu, P. J., Brown, S. A., Thong, J. Y. L., Chan, F. K. Y., & Tam, K. Y. (2009). Determinants of service quality and continuance intention of online services: the case of eTax. *Journal of the American Society for Information Science & Technology*, 60(2), 292-306.
- Huseynov, F., & Yildirim, S. Ö. (2016). Internet users' attitudes toward business-to-consumer online shopping: A survey. *Information Development*, 32(3), 452–465.
- Ibikunle, O. (2013). E-Commerce in developing nations: issues and challenges. Consumer attitude in the Nigerian market.
- Jahangir, N., & Begum, N. (2008). The role of perceived usefulness, perceived ease of use, security and privacy, and customer attitude to engender customer adaptation in the context of electronic banking. *African Journal of Business Management*, 2 (1), 32-40,
- Jain, R., & Sharma, S. (2020). Determinants of Customer Satisfaction in Online Shopping. *Maharshi Dayanand University Research Journal*, 19(1), 51-66
- Jaiswal, S., & Singh, A. (2020). Influence of the Determinants of Online Customer Experience on Online Customer Satisfaction. *Paradigm*, 24(1) 41–55.
- Jeong, M., & Lambert, C. U. (2001). Adaptation of an information quality framework to measure customers' behavioural intentions to use lodging Website. *International Journal of Hospitality Management*, 20(2), 129-146.
- Keni, K. (2020). How Perceived Usefulness and Perceived Ease of Use Affecting Intent to Repurchase? *Management Journal*, 24(3), 481-496
- Kofoworola, O. J., Mallo, M. J., & Mu'azu, U. A. (2022). Online Shopping Trend and Consumer Buying Behaviour: A Survey of Final Year Students of the Abubakar Tafawa Balewa University, Bauchi. *International Academy Journal of Management, Marketing and Entrepreneurial Studies*, 9(1), 29-42
- Korompot, A. F., & Handayani, S. S. (2021). Perceived east of use, trust, perceived speed, and risk to customer loyalty with customer experience as an intervening variable to users' types of bank transfer transaction through Shopee Online Marketplace Application. *American Journal of Multidisciplinary Research & Development*, 3(7), 54-65
- Kothari, C. (2004). Research methodology (2nd ed.). New Age International (P) Limited, Publishers.
- Kumar, H. (2021). Augmented reality in online retailing: a systematic review and research agenda.

- International Journal of Retail and Distribution Management, 50, 537–559. doi:10.1108/IJRDM-06-2021-0287
- Lai, E., & Wang, Z. (2012). An Empirical Research on Factors Affecting Customer Purchasing Behaviour Tendency During Online Shopping. *Institute of Electrical and Electronics Engineers*, 583-586.
- Lakshmi, B., & Manohar, H. L. (2021). Online vs. Offline shopping a comparative study. *Journal of Emerging Technologies and Innovative Research*, 8(4), 431-438
- Li, Y. P. (2016) Empirical study of influential factors of online customers' repurchase intention. *iBusiness*, 8, 48-60.
- Lim, W. M., & Ting, D. H. (2012). E-shopping: An analysis of the technology acceptance model. *Modern Applied Science*, 6(4), 49-62.
- Lok, C. K. (2015). Adoption of Smart Card-Based E-Payment System for Retailing in Hong Kong Using an Extended Technology Acceptance Model. *Advances in Business Marketing and Purchasing*, 23, 7–290.
- Nebojša, V., Milorad, K., & Tanja, K. (2019). The Influence of Online Shopping Determinants on Customer Satisfaction in the Serbian Market. *Journal of Theoretical and Applied Electronic Commerce Research*, 14(2), 70-89
- Ocampo-Alvarado, J. C., & Ullauri-Ugarte, M. P. (2021). Factors for the acceptance and use of a learning management system in students of an Ecuadorian University. *Revista Electronica Educare*, 25(3). https://doi.org/10.15359/ree.25-3.10
- Okpala, I., Nnaji, C., & Awolusi, I. (2021). Wearable sensing devices acceptance behaviour in construction safety and health: assessing existing models and developing a hybrid conceptual model. *Construction Innovation*. https://doi.org/10.1108/CI-04-2020-0056
- Oloveze, A. O., Ogbonna, C., Ahaiwe, E., & Ugwu, P. A. (2021). From offline shopping to online shopping in Nigeria: evidence from African emerging economy. IIM Ranchi journal of management studies, 1(1), 55-68.
- Oloveze, A. O., Oteh, O. U., Nwosu, H. E., & Obasi, R. O. (2021). How user behaviour is moderated by affective commitment on point of sale terminal. *Rajagiri Management Journal*, doi:10.1108/RAMJ-05-2020-0019.
- Oluwole, A. O., & Adeyinka, T. (2020). Perceived Usefulness as Correlate of Undergraduate Students' Patronage of Online Public Access Catalog in South-West Nigeria. *Cataloging & Classification Quarterly*, 58(5), 520–532 https://doi.org/10.1080/01639374.2020.1765443
- Omotayo, F. O., & Adeyemi, R. O. (2018). Determinants of continuance intention to use online shops in Nigeria. *Journal of Internet Banking and Commerce*, 23(2), 1-44
- Onikoyi, I. A., Babatunde, B. O., Lamidi, W. A., & Odeh, C. D. (2022). Impact of E-Commerce Applications on Non-Financial Performance of Selected Online Retail Enterprises in Lagos State, Nigeria. *Journal of Accounting and Management*, 12(3), 93-108
- Paswan, A. K. (2016). Public opinion and franchising in an emerging market. *Asia Pacific Journal of Marketing and Logistics*, 16 (2), 46-61
- Pilík, M., Juřičková, E., & Kwarteng, M. A. (2017). Online shopping behaviour in the Czech Republic under the digital transformation of economy. *Economic Annals*-XXI, 165 (5), 119–123. https://doi.org/10.21003/ea.V165-24
- Polatoglu, V. N., & Ekin, S. (2001). An empirical investigation of the Turkish consumers' acceptance of internet banking services. *International Journal of Bank Marketing*, 19(4), 156-165.
- Priyatma, J. E. (2021). The impact of perceived usefulness and perceived ease-of-use on repurchase intention of online shopping App users. *International Journal of Social Science and Human Research*, 5(10), 4764-4769 www.DOI:10.47191/ijsshr/v5-i10-49
- Rahman, M. M., Lesch, M. F., Horrey, W. J., & Strawderman, L. (2017). Assessing the utility of TAM, TPB, and UTAUT for advanced driver assistance systems. *Accident Analysis and Prevention*, 108, 361-373
- Rouibah, K., Abbas, H., & Rouibah, S. (2011). Factors affecting camera mobile phone adoption before e-shopping in the Arab world. *Technology in Society*, 33(3/4), 271-283.

- Safitri, K. (2017). Analisis Pengaruh Customer Experience Dan Kepuasan Konsumen Terhadap Minat Beli Ulang Di Storia Caffe MMXVI. *Jurnal Terapan Manajemen Dan Bisnis*, 3(1), 195.
- Sirgy, M. J., & Grewal, D. (2014). Retail environment, self-congruity, and retail patronage: An integrative model and a research agenda. *Journal of Business research*, 49 (2), 127-138.
- Tam, C. T. W. (2010). *An Integrated Online Customer Loyalty Model*. Retrieved May 23, 2010, from http://www.sba.muohio.edu/abas/2003/brussels/tam pb-6310christinetam.pdf
- Tan, M., & Teo, T. S. H. (2000). Factors influencing the adoption of internet banking. *Journal of Assoc. Info. Syst.* 1(5), 22-38.
- Ulaikere, S. A. O., Asikhia, O. U., Adefulu, A. D., & Ajike, E. O. (2020). consumer shopping behaviour affectors and patronage of online students buyers: Validity and Reliability. *International Journal of Scientific & Engineering Research*, 11(2), 1343-1356
- Usman, H., Projo, N. W. K., Chairy, C., & Haque, M. G. (2021). The exploration role of Sharia compliance in technology acceptance model for e-banking (case: Islamic bank in Indonesia). *Journal of Islamic Marketing*. https://doi.org/10.1108/JIMA-08-2020-0230
- Wangpipatwong, S., Chutimaskul, W., & Papasratorn, B. (2008). Understanding citizen's continuance intention to use e-government website: A composite view of technology acceptance model and computer self-efficacy. *Electronic Journal of e-Government*, 6, 55-64
- Wilson, N., Keni, K., & Tan, P. H. P. (2021). The role of perceived usefulness and perceived ease-of -use toward satisfaction and trust which influence computer consumers' loyalty in China. *Gadjah Mada International Journal of Business*, 23(3), 262-294
- Zare, M., & Mahmoudi, R. (2020). The effects of the online customer experience on customer loyalty in e-retailers. *International Journal of Advanced Engineering, Management and Science*, 6 (5), 208-214.

695

Digital Transformation Strategies and Organisational Resilience of Small/Medium Enterprises in Port Harcourt, Rivers State.

Orisah-Godfrey, Lillian Anyanagba

Department of office and Information Management Faculty of Management Sciences Rivers State University Port Harcourt, Nigeria lillian.orisah-godfrey@ust.edu.ng

Modey, Celestine Ishabor

Department of office and Information Management Faculty of Management Sciences Rivers State University Port Harcourt modeycelestine@yahoo.com

Abstract

The study examined digital transformation strategies and organisational resilience of SMEs in Port Harcourt, Rivers State. The study adopted the cross-sectional survey design in its assessment of the study constructs. The population embraced 1200 leaders of registered SMEs in Port Harcourt. However, 30 leaders were chosen through a census, from which 4 leaders were chosen from each SME, based on the focus of the study. Data was analyzed and results presented in tables showing the mean and standard deviation. The hypotheses were tested using the Spearman Rank Order Correlation Coefficient. The findings revealed a positive and significant relationship between digital transformation strategies and organisational resilience using the Pearson Product Moment Correlation tool at a 95% confidence interval. The study concluded that Digital Transformation Strategies: Strategic Leadership, Team structure, and Cultural Change/Communication significantly enhances organisational resilience of SMEs. It was therefore recommended that the leadership of SMEs should adopt the tested attributes of digital transformation strategies in the study so as to drive organisational resilience of SMEs in Port Harcourt, Rivers State.

Keywords: Digital transformation strategies, strategic leadership, team structure, cultural change/communication, adaptability, situational awareness

Introduction

Understanding the attributes of organisational resilience, and integrating them into your organisation's everyday life, philosophy and culture, will ultimately help your organisation to survive in times of adversity. Perception bias can permeate an organisation's thinking about foreseeable risk. This bias tends to discount scenarios that have not occurred in the recent experience of the decision maker and bypasses serious attempts to prove or disprove their plausibility. The constantly changing nature (and accelerating rate of change) of the economy, technology, environment and society mean that past events are not an adequate guide to determining plausible future risks.

Digital transformation strategies take on a different perspective and pursue different goals. Coming from a business-centric perspective, they focus on the transformation of products, processes, and organisational aspects owing to new technologies. Their scope is more broadly designed and explicitly includes digital activities at the interface with or fully on the side of customers, such as digital technologies as part of end-user products. This depicts a clear difference to process automation and optimization, since digital transformation strategies go be-yond the process paradigm, and include changes to and implications for products, services, and business models as a whole. Similar to the previous discussion on the alignment between business strategies and IT strategies (Henderson & Venkatraman 1993), it is critical to get a close fit between digital transformation strategies, IT strategies, and all other organisational and functional strategies. Research has addressed this issue and has sought to consolidate IT strategies and business strategies into a comprehensive "digital business strategy" (Bharadwaj et al. 2013).

Small and Medium Enterprises today are faced with an increasing number of pressures/challenges, these challenges borders on changes in technology, business environment, finances, security, amongst others, especially in Port Harcourt, Nigeria. As a result, the need to be resilient in the face

696

of these changes, pressures/challenges cannot be over emphasised, due to the integral nature of their contributions to the growth of the state/nation economically. Our contribution offers an integrated approach for developing a digital transformation strategy and a set of generic options for such digital strategies such as; strategic leadership, cultural change/communication and team structure, while organisational resilience in this paper is measured in terms of adaptability and situational awareness of small/medium enterprises in Port Harcourt, Rivers State.

Study Variables

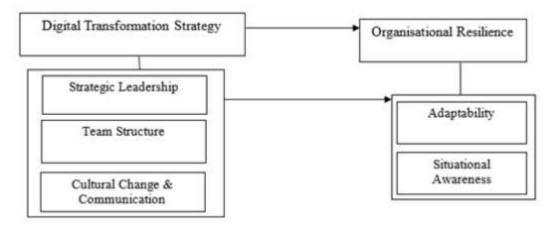


Fig. 1: Researchers Conceptualisation of Digital Transformation Strategies and Organisational Resilience, 2023 The aim of this study was to examine the relationship between <u>digital transformation strategies and organisational resilience of small/medium enterprises in Port Harcourt, Rivers State</u>. In order to achieve the study objectives, the following hypothetical statements guided the study:

Ho₁: There is no significant relationship between <u>strategic leadership and adaptability of small/</u> medium enterprises in Port Harcourt, Rivers State.

Ho₂: There is no significant relationship between strategic leadership and situational awareness of small/medium enterprises in Port Harcourt, Rivers State.

Ho₃: There is no significant relationship between team structure and strategic leadership of small/medium enterprises in Port Harcourt, in Rivers State.

Ho₄: There is no significant relationship between <u>team structure</u> and situational awareness of small/medium enterprises in Port Harcourt, Rivers State.

Ho5: There is no significant relationship between <u>cultural change/communication</u> and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Ho6: There is no significant relationship between cultural change/communication and situational awareness of small/medium enterprises in Port Harcourt, Rivers State.

Foundational Theory: Dynamic Capability Theory

The dynamic capability theory postulates the firm's ability to adapt in dynamic market conditions as the critical source of superior performance (Liu et al. 2012). Dynamic capability affirmed the firm's ability to recognize, integrate, develop, envisage, and reconfigure internal and external capabilities to deal with environmental dynamics. Dynamic capability theory is considered as a source of competitive advantage. It goes beyond the idea that sustainable competitive advantage is based on a firm's acquisition of valuable, rare, inimitable and non-substitutable resources. Dynamic capabilities are responsible for enabling firms to integrate, marshal, and reconfigure their resources and capabilities to adapt to rapidly changing environments. Thus, dynamic capabilities are the strategies that enable firms to reconfigure its strategy and resources to achieve sustainable competitive advantages and superior performance in a rapidly changing business environment.

Concept of Digital Transformation Strategy

The exploitation and integration of digital technologies often affect large parts of companies and even go beyond their borders, by impacting products, business processes, sales channels, and supply chains. Potential benefits of digitization are manifold and include increases in sales or productivity, innovations in value creation, as well as novel forms of interaction with customers, among others. As a result, entire business models can be reshaped or replaced (Downes and Nunes 2013). Owing to this wide scope and the far-reaching consequences, digital transformation strategies seek to coordinate and prioritize the many independent threads of digital transformation. To account for their company-spanning characteristics, digital transformation strategies cut across other business strategies and should be aligned with them for overall efficiency and effectiveness.

Strategic Leadership

Strategic leadership is not a new categorization or type of leadership such as transformational leadership or learning-centred leadership. Rather it is best considered as the strategic element within the broader leadership paradigm. Initially, a definition of strategy can make use of five concepts. First, it is concerned with the idea of direction-setting. To decide on the direction for the institution, it is necessary to understand its history and its current situation. This is articulated by Garratt (2003) who gives an excellent definition of strategic thinking: 'Strategic Thinking' is the process by which an organisation's direction givers can rise above the daily managerial processes and crises to gain different perspectives of the internal and external dynamics causing change in their environment and thereby giving more effective direction to their organisation. Such perspectives should be both future-oriented and historically understood. Strategic thinkers must have the skills of looking both forwards and backwards while knowing where their organisation is now, so that wise risks can be taken by the direction-givers to achieve their organisation's purpose, or political will, while avoiding having to repeat the mistakes of the past.

Second, strategy, while very often associated with planning in traditional definitions (Fidler, 1996) might better be thought of as a perspective, as a holistic way of looking at things. Third, strategy does not get involved in the detailed day-to-day activities but is concerned with the broad major dimensions of the organisation. Fourth, a medium to longer-term time framework is useful when considering strategy. A final useful concept is that strategy can be used as a template against which to set shorter-term planning and activities.

Team Structure

Minterzberg (1972) stated that organisational structure is the framework of the relations on jobs, systems, operating process, people and groups making efforts to achieve the goals. Organisational structure is a set of methods dividing the task to determined duties and coordinates them. Hold and Antony (1991) stresses that structure is not a coordination mechanism and it affects all organisational process. Organisational structure refers to the models of internal relations of organisation, power and relations and reporting, formal communication channels, responsibility and decision making delegation is clarified. Amold and Feldman (1986) Helping the information flow is one of the facilities provided by structure for the organisation (Monavarian, Asgari, & Ashena, 2007). Organisational structure should facilitate decision making, proper reaction to environment and conflict resolution between the units. The relationship between main principles of organization and coordination between its activities and internal organisational relations in terms of reporting and getting report are duties of organisation structure (Daft, Translated by Parsayian and Arabi, 1998). Conceptualization of organisational structure is the manifestation of systematic thinking.

Organisation consists of elements, relations between elements and structure of relations as a generality composing a unit. Structure is high combination of the relations between organizational elements forming existence philosophy of organisational activity. Systematic view of organization to structure shows that structure is composed of hard elements on one side and soft elements on the

other side. At the end of hard dimension, there are tangible elements as groups and hierarchy organisational units. The relations between these units and groups show soft element in organization structure. At the end of soft continuum dimension, judgment of organisation people to structure can be observed. The review of literature views structural relations from various aspects. According to the study of Schine (1971, 1988) regarding the identification of three dimensions: Hierarchy, functional and inclusion, it is a unique study. Three dimensions of his study are as followings:

Hierarchy dimension: It shows relative ranks of organisational units by similar method of organizational chart.

Functional dimension: It shows different works performed in organisation.

Inclusion dimension: The close or far distance of each person in organisation to central core of organisation.

The proper combination of mentioned dimensions shows formal structure as manifested in organisational chart. The reality is that there are many organisational forms and they cannot be easily explained by organisational chart (Foruhi, 2004).

Cultural Change & Communication

The requirements for organisations to achieve adaptation to changes underlie the paths that lead to innovations in various fields, in particular organisational and social field (Davies, et a., 2000). Organisational development partner seems to be the key to those enterprises may face internal and external requirements. To achieve and improve business performance is necessary to understand its elements that business performance is realistic, sustainable and able to provide continuous improvement. One alternative is to provide corrective actions aligned to organisational change as an enabler to support business outcomes (Jensen et al., 2012). Cultural change is necessary for organisations to survive and prosper. In fact, most of the organisations are responsible for the change continuously (Burke, 2002). Cultural change is an initiative undertaken by businesses seeking to tailor its operations in accordance with the market demand. To accomplish this process of organisational improvement, cultural change and communication depends on many factors to get the expected result, among these, systematic support for the development of the initiative, involvement and communication of key stakeholders and the management of critical success factors (Capelli, 2009).

Concept of Organisational Resilience

Organisational Resilience (OR) is one of such branches that address how organisations can combat the uninvited environmental uncertainties. Along with the inaugural work of Weick (1993), OR, which thrived in the face of the accelerated presence of disasters in the world of business, gained greater attention from both scholars and professionals (Vogus & Sutcliffe, 2008; Hillmann & Guenther, 2020). For instance, the pandemic situation that arose due to the new COVID 19 virus compelled businesses to reassess how resilient they are as businesses. Hillmann and Guenther (2020) pointed the threat towards the significance of the concept for practice and research due to deficiencies associated with the definition and the measurement.

On the other hand, OR has become the centre of organisational dialogues with the increased business uncertainties. Likewise, many leading practitioner journals often stage the insights of resilient organisations (Linnenluecke, 2015; DesJardine, Bansal, & Yang, 2017; Hillmann & Guenther, 2020). Despite the immense presence of the term in the empirical inventory, issues of conceptualization are still prevailed (Hillmann & Guenther, 2020).

Adaptability

Adaptability is the ability of an organisation to recognize the need to change and seize opportunities in dynamic environments. In an increasingly complex world, leadership must pay close attention to dynamic, distributed, and contextual aspects in order to position their organisations for adaptability. The theory of dynamic capabilities constitutes a central concept for the requirements that enable organisational adaptability. According to (Uhl-Bien & Arena 2018), Adaptation to changing environmental conditions is a focal subject of organisational studies and deemed a necessity for organisations in every industry. The dynamic nature of most competitive environments requires organisa-

tions to continuously or periodically innovate in order to create a competitive advantage and eventually to survive (Hauschildt et al. 2016).

Situational Awareness

According to Gilson (1995), the concept of situational awareness was identified during World War I by Oswald Boelke who realised 'the importance of gaining an awareness of the enemy before the enemy gained a similar awareness, and devised methods for accomplishing this.' This idea of separation between the human operators understanding of system status and actual system status is at the crux of the definition of situational awareness (Woods, 1988). Woods (1988) points out that in order for people to maintain an adequate awareness of system status, they need to track the development of events as they gradually unfold. He argues that incidents evolve by the propagation of disturbances over time. These problems become exacerbated if human controllers fail to adapt to new events. This can lead to an uncoupling of system state and the human operators understanding of system state. The resulting control actions on the basis of mistaken situational awareness could, potentially, make a bad incident even worse. Such as the events precipitating the explosion at Chernobyl (Reason, 1990).

Methodology

The study population was made up of 1200 registered small and medium enterprises operating within Port Harcourt Metropolis. Four executives occupying leadership positions were chosen through a census from 30 SMEs from the overall population, making a total of 120 participants. There was no need for a sample size since the study adopted the census strategy, also, due the fact that the entire population was manageable. A cross sectional survey method was adopted for the study. The content validity of the instrument was determined by giving a set of the drafted questionnaire which serves as instrument for data collection to four senior executives involved in daily decision-making in their organisations and four questionnaires to other researchers in the specific area of executive decision-making. These executives reviewed the content of the instrument and confirmed that the items were suitable for gathering relevant data for the research study.

Data Analysis

To empirically evaluate the relationship between the predictor and criterion variables of this study (including their dimensions and measures), the spearman's rank order of correlation coefficient (RHO) was adopted. As a tool, it is considered to be more flexible and it is not limited or confined to parameters statistical assumption such as applicable in the Spearman Rank Order Correlation Coefficient. The analysis was executed using the scientific package for social sciences (SPSS) version 23 software.

We begin by showing evidence of a relationship between the variables.

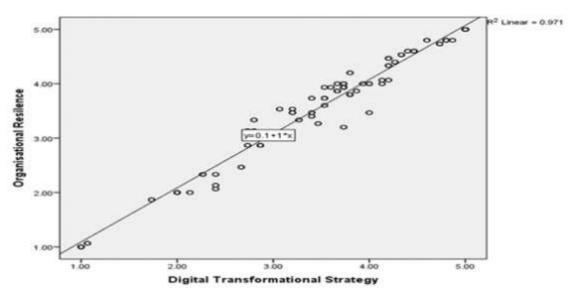


Fig. 2: Scatter plot for digital transformation strategies and organisational resilience

Figure 2 shows a strong relationship between digital information strategy (independent variable) and organisational resilience (dependent variable). The scatter plot graph shows that the linear value of (0.971) depicting a very strong viable and positive relationship between the two constructs. The implication is that an increase in digital information strategy simultaneously brings about an increase in the level of organisational resilience. The scatter diagram has provided vivid evaluation of the closeness of the relationship among the pairs of variables through the nature of their concentration.

Table 1: Corre	Table 1: Correlation for strategic leadership and measures of organizational resilience							
			Strategic Lead- ership	Adaptability	Situation Awareness			
		Correlation Coefficient	1.000	.867	.947			
	Strategic Leadership	Sig. (2-tailed)		.000	.000			
		N	109	109	109			
	Adaptability	Correlation Coefficient	.867	1.000	.884			
Spearman's rho		Sig. (2-tailed)	.000		.000			
		N	109	109	109			
		Correlation Coefficient	.947	.884	1.000			
	Situation Awareness	Sig. (2-tailed)	.000	.000				
		N	109	109	109			
**. Correlation is significant at the 0.01 level (2-tailed).								

Source: SPSS Output

Ho₁: There is no significant relationship between strategic leadership and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Table 1 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.867 on the relationship between strategic leadership and adaptability. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in adaptability was as a result of the strategic leadership. Table 1 also shows the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained the sig- calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between strategic leadership and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Ho₂: There is no significant relationship between strategic leadership and situation awareness of small/medium enterprises in Port Harcourt, Rivers State.

Table 1 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.947 on the relationship between strategic leadership and situation awareness. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in situation awareness was as a result of the strategic leadership. Table 1 also shows the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained the sig- calculated is less than

significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between strategic leadership and situation awareness of small/medium enterprises in Port Harcourt, Rivers State.

Table 2: Correlation for strategic leadership and measures of organisational resilience						
			Team Structure	Adaptability	Situation Awareness	
		Correlation Coefficient	1.000	.871	.828	
	Team Structure	Sig. (2-tailed)		.000	.000	
		N	109	109	109	
Γ		Correlation Coefficient	.871	1.000	.884**	
Spearman's rho	Adaptability	Sig. (2-tailed)	.000		.000	
		N	109	109	109	
Situation Awar		Correlation Coefficient	.828	.884**	1.000	
	Situation Awareness	Sig. (2-tailed)	.000	.000		
		N	109	109	109	
**. Correlation is si	ignificant at the 0.01 level	(2-tailed).				

Source: SPSS Output

Ho₃: There is no significant relationship between team structure and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Table 2 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.871 on the relationship between team structure and adaptability. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in adaptability was as a result of the team structure. Table 1 also shows the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained the sig-calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between team structure and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Ho₄: There is no significant relationship between team structure and situation awareness of small/medium enterprises in Port Harcourt, Rivers State.

Table 2 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.828 on the relationship between team structure and situation awareness. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in situation awareness was as a result of the strategic leadership. Table 2 also shows the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained the sig-calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between team structure and situation awareness of small/medium enterprises in Port Harcourt, Rivers State.

Table 3: Correlation for strategic leadership and measures of organisational resilience

			Cultural Change/ Communication	Adaptability	Situation Awareness
	Cultural Change/	Correlation Coefficient	1.000	.831	.846**
	Communication	Sig. (2-tailed)		.000	.000
		N	109	109	109
[A double bility	Correlation Coefficient	.831**	1.000	.884**
Spearman's rho	Adaptability	Sig. (2-tailed)	.000		.000
		N	109	109	109
Situation Awa	City ation Assertance	Correlation Coefficient	.846	.884	1.000
	Situation Awareness	Sig. (2-tailed)	.000	.000	
		N	109	109	109
**. Correlation is s	significant at the 0.01 level	(2-tailed).			

Source: SPSS Output

Ho₅: There is no significant relationship between cultural change/communication and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Table 3 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.831 on the relationship between cultural change/communication and adaptability. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in adaptability was as a result of the cultural change/communication. Table 1 also shows the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained the sig-calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between cultural change/communication and adaptability of small/medium enterprises in Port Harcourt, Rivers State.

Ho₆: There is no significant relationship between cultural change/communication and situation awareness of small/medium enterprises in Port Harcourt, Rivers State.

Table 3 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.846 on the relationship between cultural change/communication and situation awareness. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in situation awareness was as a result of the strategic leadership. Table 3 also shows the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained the sig-calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between cultural change/communication and situation awareness of small/medium enterprises in Port Harcourt, Rivers State.

Discussion of Findings

The result revealed that there is a positive significant relationship between digital transformation strategies and organisational resilience of small/medium enterprises in Port Harcourt, Rivers State. Digital transformation strategies and organisational resilience are crucial for the success and survival of small and medium-sized enterprises (SMEs) in today's rapidly evolving business landscape. As highlighted by Sobczak (2022), digital transformation refers to the integration of digital technologies into all aspects of a business, resulting in fundamental changes to how the business operates

and delivers value to its customers. This transformation is necessary for SMEs to stay competitive, improve operational efficiency, and meet the changing needs and expectations of their customers. Furthermore, Sobczak (2022) emphasizes that organizational resilience is an essential component of a successful digital transformation strategy. Organisational resilience enables SMEs to adapt to disruptions, such as technological advancements, market fluctuations, or unexpected events like the COVID-19 pandemic. By adopting a digital transformation strategy and fostering organizational resilience, SMEs can enhance their agility, responsiveness, and ability to seize new opportunities. This is particularly important for SMEs, as they often have limited resources and face unique challenges in implementing digital transformation initiatives.

He, Huang, Choi and Bilgihan (2023) explored the positive relationship between digital transformation strategies and organisational resilience. They argue that organizations that adopt a digital transformation strategy are better equipped to withstand and recover from disruptions and challenges. The authors highlighted the importance of leveraging digital technologies and capabilities to enhance organizational processes, agility, and flexibility. They emphasize that digital transformation is not just about implementing new technologies, but also about reimagining business models and organisational structures to adapt to the digital age. The study provides evidence from various industries and sectors to support their argument. For instance, the authors cited examples of organizations that have successfully utilized digital technologies to improve their supply chain management, customer engagement, and decision-making processes. Moreover, the review demonstrated that organizations that embrace digital transformation are more likely to be proactive in identifying and addressing potential risks and disruptions. The findings of this study contribute to the understanding of the relationship between digital transformation strategies and organisational resilience by providing empirical evidence and insights into the benefits that organizations can derive from embracing digital technologies (He et al., 2023).

7 Conclusion and Recommendations

The study concludes that digital transformation strategy positively enhances organisational resilience of small/medium enterprises in Port Harcourt, Rivers State. The study's implications highlight that SMEs that invest in digital transformation are likely to gain a competitive advantage in the market. By embracing technology-driven strategies, SMEs can better position themselves to respond to market dynamics, customer preferences, and industry trends. Therefore, based on the foregoing conclusion, the following recommendations were made:

- i. SMEs in Port Harcourt should invest in leadership development programs that emphasize strategic leadership skills. This includes training and workshops that focus on long-term planning, adaptability, and effective decision-making.
- ii. SMEs should consider implementing cross-functional teams that bring together individuals with diverse skills and expertise. These teams can help address multifaceted challenges and contribute to innovative problem-solving.

SMEs should promote transparent and open communication channels throughout the organization. Encourage employees to share concerns, ideas, and information freely.

References

Bharadwaj a, el sawy o, pavlou pa, venkatraman n (2013). Digital Business Strategy: Toward a next generation of insights. MIS quart 37(2), 471-482

Boedker c, vidgen r, meagher k, julie c, mouritsen j & runnalls j, leadership, culture and management practices of high performing workplaces in australia: the high performing workplaces index, (2011). australian school of business, the university of new south wales.

Burke, r. J. (2002). organizational change: theory and practice. Thousand oaks: Ca: sage.

Capelli, a. L. (2009). mudança organizacional e fatores críticos de sucesso: Estudo de caso no sistema fiergs. Dissertation (master in production Engineering). Porto alegre: program of

- post-graduation in production engineering, Ufrgs. Available: Http://www.lume.ufrgs.br/bitstream/handle/10183/18985/000731563.pdf?sequence=1
- Daft, R. (1998). *Theory and Design of Organization*. Translated by Parsian and Arabi. Tehran. Cultural Research Office.
- Davies, h. T. O.; nutley, s. M.; mannion, R. (2000). Organisational Culture and Quality of Health Care. Quality in Health Care, v. 9, p. 111–119.
- Desjardine, m., bansal, p., & Yang, y. (2017). Bouncing back: Building Resilience through Social and Environmental Practices In the Context of the 2008 Global Financial Crisis. *Journal of Management*, (45), 1434-1460.
- Foruhi, M. (2004). *The Structural Dimensions in Knowledge-based Organizations*. Farda Management. Fall and Winter.
- Gilson, R. (1995). Situation Awareness Special Issue Preface Human Factors 37 (1) 3-4
- Hauschildt, jürgen, sören salomo, carsten schultz, and alexander kock. (2016). *Innovations management*, 6th ed. Vahlens handbücher der wirtschafts- und sozialwissenschaften. München: franz vahlen.
- He, Z., Huang, H., Choi, H., & Bilgihan, A. (2023). Building organizational resilience with digital transformation. *Journal of Service Management*, 34(1), 147-171.
- Henderson jc, venkatraman n (1993). Strategic Alignment: Leveraging Information Technology for Transforming Organizations. *IBM SYSTJ 32*(1),4-16
- Hillmann, j., & guenther, e. (2020). Organizational Resilience: a Valuable Construct for Management Research? *International Journal of Management reviews*, 23(1), 7-44.
- Jensen, c. T.; arsanjani, a.; holley, k.; petriuc, j.; nandi. P. (2012). Otimização do processo de negócios, parte 2: planejamento para obter um Resultado de negócios desejado. Available: <u>Www.ibm.com/developerworks/br/websphere/library/techarticles/1204_jensen/1204_j</u>
 Ensen.html
- Linnenluecke, m. K. (2015). Resilience in business and Management Research: a Review of Influential Publications and a Research Agenda. *International Journal of Management reviews*, 19 (1), 4 30.
- Monavarian, a; asgari, n; ashena, m. (2007). Structural and Content Dimensions of Knowledge-based Organizations. The first National Conference of Knowledge Management.
- Reason, J., T. (1990). Human Error Cambridge University Press: Cambridge
- Schallmo, D. Williams and J. lohse (2018). Clarifying Digital Strategy—Detailed Literature Review of Existing Approaches. In Ispim Conference Proceedings, *The International Society for Professional Innovation Management (ISPIM)*.
- Uhl-bien, mary, and michael arena. (2018). Leadership for Organizational Adaptability: a Theoretical Synthesis and Integrative Framework. *The Leadership Quarterly* 29: 89–104.
- Weick, k. E. (1993). The Collapse of Sense Making In Organizations: The Mann Gulch Disaster. *Administrative Science Quarterly*, 38(4), 628-652
- Woods, D. D. (1988). Coping with complexity: the psychology of human behaviour in complex systems In: l. P. Goodstein, h. B. Andersen & s. E. Olsen (eds) Tasks, errors and mental models Taylor & Francis.

Data Quality and organizational sustainability in a Dynamic Globalized Economy

Kenneth C. Adiele (PhD)

Department of Marketing Faculty of Management Sciences Rivers State University

Omunakwe, Priscilla Obunwo

Department of office and Information Management Faculty of Management Sciences Rivers State University

Amachree Ibim (PhD)

Department of office and Information Management Faculty of Management Sciences Rivers State University

Abstract

The collection, representation, and effective use of organizational data are important to a firm because these activities facilitates the increasingly important analysis needed for business operations and business analytics. Poor data quality can be a major cause for damages or losses of organizational processes and sustainability. The many tasks that individuals perform within an organization are linked and normally require access to shared data. However, in such a connected setting, the differences among individuals in terms of their preferences for data attributes such as timeliness, accuracy, and others, can cause data quality problems which may potentially and negatively influence organizational sustainability. Data quality is a major issue in today's world. Many organizations have remained uncompetitive due to the nature of the data contained within their databases. Some organizations are failing as a result of inaccurate, modified, or incorrect data that is contained with organizational records. Still others are losing customers and clients, and yet others are the subject of malicious lawsuits based upon inaccurate decisions and subsequent actions derived from inexact, modified, or missing data. This paper has elaborately discussed the concept of data quality and its influence on organizational sustainability with its proxies as institutional, financial and moral sustainability. Based on the findings obtained from the review of literature, the authors concluded that data quality significantly influence organizational sustainability and recommended that Nigeria organizations should regularly insist on data quality management and innovation in other to evolve successful decisions that can improve their business sustainability.

Keywords: Data quality, institutional, financial, and moral organizational sustainability

Introduction.

Today, and due to the digital age, data have become omnipresent in private, commercial political and scientific environments. Computing underwent drastic transformation within the past 40 years: until the 1980s, centralized data centers gathered data and were business-orientated, and by 2000, data centers expanded their data management capabilities, and individual users increasingly had access to a private computer and the World Wide Web (WWW) (Reinsel, Gantz, & Rydning, 2017). Since 2000 and with the increasing spread of the internet, data centers have expanded their capacities to cloud computing, resulting in considerably increased amounts of data collected and available (Reinsel, Gantz, & Rydning, 2017).

Data quality refers to as the degree to which the data of interest satisfies the requirements, is free of flaws, and is suited for the intended purpose. Data Quality is usually measured utilizing several criteria, which may differ in terms of assigned importance, depending on, e.g., the data at hand, stakeholders, or the intended use.

Databases represent powerful capabilities that are designed to track a host of different organization-

al records, which often include information regarding employees, transactions, finance, inventory, client history, supplier inventory, customer bases, and even internet interactions. Databases have become such an important aspect of organizational activity that without them, many organizations would cease to exist, and the veracity of others (including governments) would be greatly impacted. Why then, does so little attention appear to being given to ensuring the quality of data that is stored in a database? It is important for organizations to monitor the well-being of its workers, and take steps to improve their data quality and integrity (Wahed *et al.*, 2013).

Poor data quality could have a devastating impact on the social and economic well-being of nations if not properly checked. (Diener & Seligman, 2020). The need for organizations to improve data quality with adequate strategies, approaches, techniques, and tools to ensure the reliability of data collection is very important. Several organizations within and outside Nigeria are rendering better products and services with the introduction of information technology (IT), total quality management and data quality (Wahed *et al.*, 2013).

It is important for Nigerian organization to have reliable and quality data for business growth and accurate decision-making. Technological advancement has created a higher demand for IT managers to improve strategies to ensure reliability in data collection (Wang & Strong, 2015). These demands and pressures have placed a renewed focus on quality improvement for long term survival of organizations. The use of unreliable and unrealistic data in most developing countries has resulted in the problem of inaccurate distribution of resources for national development. Decisions made with the use of unreliable data could result to serious setbacks in the economic growth of a nation and could most time, lead to poor organizational resilience (Chukwu *et al.*, 2014).

Access to accurate, reliable, consistent, and timely data is crucial for decision making and resource allocation (Grabowski *et al.*, 2016). High quality and reliable data is the key to growing an economy, making quality decisions, reducing poverty, and increasing shared prosperity. Way's (2015) report on the United Nations Millennium Development Goals showed that 61% of Sub-Saharan African countries lacked adequate data to monitor poverty trends and efficient business management. Some African countries like Nigeria, Cameroun and Ghana who are aware of the power of data for decision making and organizational resilience still lack accurate data. Lynch *et al* (2020), opined that these countries encounter challenges along the way, including barriers to data quality in terms of accuracy, completeness, consistency, and relevancy.

Against this backdrop, this paper is designed to theoretically explore the influence of data quality on organizational sustainability. A conceptual framework showing the major variables of the study is depicted in fig. 1.



Fig. 1: Conceptual framework of the influence of data quality on organizational sustainability
Source: Joseph, B.C. (2022). Organizational Sustainability: The three aspects that matters. Academy of Educational Development Washinton DC

Nature of Data Quality

The word data is the plural form of the Latin noun datum (verbatim "something given") (Lexico English Dictionary, 2022). In general, data is "information, especially facts or numbers, collected to be examined and considered and used to help decision-making, or information in an electronic form that can be stored and used by a computer" (Cambridge Dictionary, 2022). Data is defined as "factual information (such as measurements and statistics) used as a basis for reasoning, discussion of calculation." The meaning of the word has expanded through technology to be more encompassing and is now inclusive of anything that can be stored in digital form, on a computer. Conversely, the word quality has multiple origins, among others, from the Latin noun qualitas (verbatim characteristic, nature). According to International Organization for Standardization. (2015). quality is the "degree to which a set of inherent characteristics of an object fulfills requirements." Nevertheless, the requirements remain undefined at this point. Therefore, in our context, quality broadly refers to the extent of the goodness of a thing (for instance, our data).

Notably, data quality is, in essence, understood as the degree to which the data of interest satisfies the requirements, is free of flaws, and is suited for the intended purpose. Data Quality is usually measured utilizing several criteria, which may differ in terms of assigned importance, depending on, e.g., the data at hand, stakeholders, or the intended use.

With the explosion of the amount of data being captured within organizations, stored in data warehouses, and mined for competitive use, maintaining the quality of the data supporting business decisions continues to be important, but very difficult. High-quality corporate data has become a prerequisite for world-wide business process harmonization, global spend analysis, integrated service management, and compliance with regulatory and legal requirements. Indeed, poor data quality can be a major cause for damages and losses on organizational processes. Furthermore, data management incurs various associated costs with its acquisition, storage, security and maintenance at appropriate quality levels. At the same time, modern business trends are increasingly focusing on data mining and business intelligence as tools for competition due to declining costs of acquisition and storage and sophisticated data analysis techniques.

Although data quality is traditionally considered in terms of information systems, it is also an organizational issue (Michener, 2015). Within information systems, data quality has been regarded as multi-dimensional including, for example, dimensions of data quality: accuracy, completeness, consistency, and timeliness (Wang & Strong ,2016, Kahn, *etal* 2012). Information systems efforts are often aimed at measuring, quantifying and developing guidelines for measurements on these four dimensions. The primary issue with this approach is that data quality is treated as an 'end' goal in itself, rather than as a 'means' to achieving organizational objectives. The importance of the organizational perspective has been recognized for a long time. McCausland, (2021) defines data quality as the measure of agreement between the data views presented by an information system and that same data in the real world. Michener (2015) argues that the quality of data should be accurate enough, timely enough, and consistent enough for the organization to survive and make reasonable decisions (McCausland, 2021)

Concept of Organizational Sustainability

Decisions, which Top-managers have to take, are very important since they primarily affect the long -term future of the entire organization. To carry out their jobs effectively; they base their decisions on accurate, timely, reliable, information system, relevant to the variables needed to make the decision. Manager's decision making ability can lead to the company's success or failure and this is heavily dependent on the quality of data available to the organization. According to Lugli and Bertacchini (2020), in modern organizations, organizational sustenance and longtime survivalist strategies are increasingly managed with the availability of relevant and quality data. systems of rules to reduce the risks in business management.

Organizational sustenance is a function of efficient data generation, quality and management and

available information to support their choices, that is, information of a qualitative and quantitative nature (Smith, 2015). Smith further posits that the largest amount of data, in real-time, can help decision-makers to make the best choices, hence enhancing organizational sustenance. Therefore, to make an effective decision, the decision-maker must recognize and assess the problems, process all essential information, select the best strategy and finally make a decision (Akdere, 2011). However, one of the important assumptions in the decision-making process is the existence of quality and timely financial information, so the information system data quality represents an important tool both for information quality and in the decision-making process (Soudani, 2015. Patel, 2015).

The decision-making process should include procedures that ensure the achievement of corporate objectives effectively and efficiently and contribute positively to organization performance. Literature suggests that Decision-Making Success and organization performance depend on several factors, which supports the contingency theory. According to contingency theory, a company's success "depends on the fit between organizational context and structure" (Cadez, Guilding, 2018). For this applied theoretical lens, there is no universal method for a company to succeed because each company will depend on and conform to its various economic, social, and physical environments. Decision-making is subject to contingencies that vary according to the business environment in which the company operates (Akdere, 2011). Thus, the deposit money banks and other business organization are always dependent on numerous internal and external factors that will be fundamental to a good organization's performance. According to contingency theory, organizational effectiveness depends on a fit between the type of technology, environmental volatility, the organization size and structure, and its information system (Islam, 2012).

Data Quality and Organizational Sustainability

Data quality characterizes the whole business process rather than just the data found in corporate databases. Each step in the process, from data capture to processing for decision support, has an impact on the final quality of the data. This creates interdependencies in the organization where the net value that an individual or department receives from data quality depends upon the choices of others. The result is a source of data quality management problems in an organization. The quality of data available to an organization determines the level of business success that will be achieved. This is one of the reasons why data quality generation is an integral part of an organization. Data serves as a guide for meaningful decision making for all decision-makers.

Data is the track upon which business decisions ought to move. For a firm to compete favourably in any industry, it must recognize the importance of data gathering and data analysis. These will no doubt help to improve the productivity and effectiveness of the business (Houhamdi & Athamena, 2018). All organizations rely on different decisions to drive their operations, and their performance is dependent on the effectiveness of their choices in regards to the quality of data generated. It is for this reason that large firms strive to achieve enhanced data quality and integrity. Effective decision-making demands precise and accurate strategies that would produce maximum success at all times; and the quality and outcome of the decision success depends heavily on the quality of generated data (Ammeh, 2013).

Macharia *et al* (2015) examine the effects of data quality on logistics firm's performance in Nairobi Kenya to realize its significant impact on their operations in order to guarantee their profitability and growth. The target population was logistics firms within Nairobi County. Data were collected from 10 firms in the logistics industry suppliers in Nairobi. The data were analyzed using Regression Analysis with the aid of SPSS and the results of the analysis showed a high significant relationship between data quality and Logistics firms' performance.

Similarly, Meshach, Emelia and Samuel (2019) carried out a study assessing the effects of data integrity (DI) on decision making effectiveness using Unilever Ghana Limited as case study. Frequency distribution was used to analyze the data which revealed that there was a positive relationship between data quality and organizational sustainability in unilever Ghana Limited. Based on the forgoing discussions and from the review of relevant and empirical literature, it appears that there is an influence of data quality on organizational sustainability and on the strength of the above assertion, the authors hypothesizes as thus:

 \mathbf{H}_{A1} : There is a significant influence of data quality on organizational sustainability.

Conclusion

Integrity is the most potentially volatile part of the success of any database. A well-designed and maintained database (by the users, programmers, and management) can ensure key domain, and referential integrity. Accessibility and network security tools are very important aspects of data management activities. However, an understanding of viruses, malware, and other issues that threaten the integrity and security of databases, on the part of the users, may be a primary means of ensuring data integrity. The ability to plan and perform proactive maneuvers is paramount and essential for success of today's businesses. Making all users aware of and skilled at implementing such maneuvers will be a challenge for every organization. Effective decision-making demands precise and accurate strategies that would produce the desired results.

This paper has elaborately discussed the concept of data quality and its influence on organizational sustainability with its proxies as institutional, financial and moral sustainability. Based on the findings obtained from the review of literature, the authors concluded that data quality significantly influence organizational sustainability and recommended that Nigeria organizations should regularly insist on data quality management and innovation in other to evolve successful decisions that can improve their business sustainability.

References

Akdere, M. (2011). An analysis of decision-making process in organization, Implications for quality management and systematic practice. *Total Quality Management*, 22, (12) 1317–1330. https://doi.org/10.1080/14783363.2011.625180.

Bickford, W. (2021). *Database security issues*. Retrieved from http://www.helium.com/ items/446543-database-security-issues

Buchanan, L. (2016). Decision Making. Harvard Business Review, January.

Cadez, S., & Guilding, C.(2018). An exploratory investigation of an integrated contingency model of strategic management accounting. *Accounting, Organizations and Society*, 33, 836-863, https://doi.org/10.1016/j.aos.2018.01.003

Chukwu, P. U., Ibrahim, I. U., Ojosu, J. O., & Iortyer, H. A. (2014). Sustainable energy future for Nigeria: The role of engineers. *Journal of Sustainable Development Studies*, 6(2), 242-259. https://infinitypress.info/index.php/jsds/article/view/649.

Cray, D., Mallory, G., Butler, R., Hickson, D., & Wilson, D. (2017). Sporadic, fluid and constricted processes: Three types of strategic decision-making in organizations. *Journal of Management Studies*, .25, (1), 13-39. doi:10.1111/j.1467-64861988.t

Data. (2018). In *Merriam-Webster.com*. Retrieved from http://www.merriam-webster.com/ dictionary/data

Diener, E., & Seligman, M. E. (2004). Beyond Money: Toward an Economy of Well-Being. *Psychological Science Public Interest*, 5(1):1-31. doi: 10.1111/j.0963- 7214.2004.00501001.x.

Gencia, A., Sandu, A., Puscas, A., & Mates, D. (2016). An international perspective upon the impact of financial statement form on the business decision making process, *Lucara Scientific*, 18,(1), 109-116, 2016.

Grabowski, M., Rizzo, C., & Graig, T. (2016). Data challenges in dynamic, large-scale resource allocation in remote regions. *Safety Science Journal*, 87, 76–86.

Harren, V. A (2019). A model of career decision making for college students, *Journal of tional Behavior*, 14 (2), 119–133. https://doi.org/10.1016/0001-8791(79)90065-4

Islam, J., & Hu, H. (2012). A review of literature on contingency theory in managerial accounting. *African Journal of Business Management*, .6(5), 5159-5164.

Kreitner, R. (2007). Principles of Management (Eleventh edition). (Canada), Nelson

- Lugli, E., Bertacchini, F. (2020). Can Practical Wisdom Mitigate the Negative Effects of Rule-following and Hyper-codification, *Universal Journal of Accounting and Finance*, 8(3) 75-81, DOI: 10.13189/ujaf.2020.080303.
- Lynch, R., Young, J. C., Jowaisas, C., Rothschild, C., Garrido, M., Sam, J., & Boakye- Achampong, S. (2020). *Data challenges for public libraries: African perspectives*
- Macharia, N. W., Mike, A. I., Ondabu, I. T. & Kepha, O. (2015). Effects of information technology on performance of logistics firms in Nairobi County. *International Journal of Scientific and Research Publications*, 5(4), 1 27.
- Menicucci, E.(2019). Earnings Quality: Definitions, Measures, and Financial Reporting. *Springer*.https://doi.org/10.2308/acch..17.s-1.97.
- Meshach, A., Emelia, D. A. & Samuel, B. (2019). Assessing the effects of information technology (ICT) on the performance of warehouse and inventory operations (The case of Unilever Ghana Limited). *International Journal of Innovative Research and Studies*, 4(9), 29 50.
- Murray, M. C. (2020). Database security: What students need to know? *Journal of Information*, 15(7),10-25
- Nutt, P. C. (2020). Types of organizational decision processes, Administrative Science Quarterly, 29, (3), 50-414,
- Patel, S. B. P. (2015). Effects of accounting information system on organizational profitability, *International Journal of Research and Analytical Reviews*, .2, (1), 72–76.
- Phornlaphatrachakorn, K. (2019). Internal control quality, accounting information usefulness, regulation compliance, and decision- making success: Evidence from canned and processed foods businesses in Thailand. *International Journal of Business*, 24(2), 198–215.
- Powell, V.(1987). *Improving public enterprise performance: concepts and techniques,* International Labour Organization, *ISBN* 9221055639, 9789221055631
- Smith, S. S. (2020). Block chain, artificial intelligence and financial services: Implications and applications for finance and accounting professionals. Springer, Nature. https://doi.org/10.1016/j.paid.2015.06.017
- Soudani, S. N (2012). The Usefulness of an Accounting Information System for Effective Organizational Performance. *International Journal of Economics and Finance*, 4, (.5), 136–145,
- Tarter, J. C., & Hoy, W. K.(2018). Toward a contingency theory of decision making. *Journal of Educational Administration*, 36, (3), 212-228.
- Wahed, T., Kaukab, S. S., & Saha, N. C. (2013). Knowledge of attitudes toward, and preventive practices relating to cholera and oral cholera vaccine among urban 149 high-risk groups: findings of a cross-sectional study in Dhaka, Bangladesh. BMC Public Health. https://doi.org/10.1186/1471-2458-13-242.
- Wang, R. Y., & Strong, M. D. (2015). Beyond Accuracy: What Data Quality Means to Data consumers. *Journal of Management Information Systems*, 12(4), 5-33.
- White, L. C., Pothos, E. M., & Busemeyer, J. R. (2015). Insights from quantum cognitive models for organizational decision making. *Journal of Applied Research in Memory and Cognition*, 4, (3), 229–238. https://doi.org/10.1016/j.jarmac.11.002

Operational Performance: Leveraging Crisis Communication Strategies of Deposit Money Banks in Rivers State

Ikoromasoma, Emmanuel

Department of Office and Information Management Faculty of Management Sciences Rivers State University Port Harcourt Ikoromasoma.emmauel@ust.edu.ng

Abstract

The study examined the relationship between crisis communication strategies and operational performance of deposit money banks in Rivers State. The study adopted clarity, transparency and prompt response as the dimensions of the predictor variable whereas, service quality and customer retention served as the measures of the criterion variable. A Quasi-experimental research design was adopted with a cross-sectional survey approach. The population of the study consisted of management staff of the 21 deposit money banks in Rivers State. Three management staff were studied across each of the deposit money banks; branch manager, head of corporate communication and head of operations from each of the twenty one (21) Deposit Money Banks in Rivers State. A total of sixty three (63) management staff were derived. However, owing to the relatively small population, a census was adopted. Therefore, 63 management staff of the 21 deposit money banks was studied. Data were analysed with Spearman Rank Correlation Statistic. A total of sixty - three (63) copies of questionnaire were administered, however, only 45 copies were retrieved. Therefore, 45 copies of questionnaire was used for the analysis. The findings revealed that, there is a significant positive relationship between crisis communication strategies and operational performance as well as the dimensions to the measures of this study. Based on these findings, the study concluded that there is a significant relationship between crisis communication strategies and operational performance of deposit money banks in Rivers State. Therefore, the study recommended that deposit money banks should encourage clarity, transparency and prompt response as its strategy in communicating crisis situation to its public as it has been found to trigger customer retention and quality ser-

Keywords: Crisis communication, prompt response, clarity, transparency, operational performance

Introduction

Organizations are critical instruments and major contributors to global economy as well as national sustainability. These organizations whether small or large, play an indelible role in supporting or contributing to national growth. However, they are not without crisis and this shows that the inevitability of crisis is not only on humans alone but also on organizations as well. Organizations are faced with one form of crisis or the other which is most likely to cause a blur or a breach in their operations and in return affect the sustainability of a nation's economy. Thus, organizations just as humans are victims of crisis which sometimes affect innovation, stakeholders, operations, patronage, productivity, and sustainability amongst other things.

However, the manner with which organizations respond or communicate such crisis to its public or stakeholders define to a huge extent the degree of damage such crisis would have on its operations and sustainability. It is true that "no organization is immune to the occurrence of crisis" (Meer et al., 2017). Therefore, organizations should not only focus on creating preventive measures to avert or control crisis situations but also go as far as creating crisis communication strategies in event of a possible crisis that is capable of negatively affecting operational performance and by extension global sustainability.

Crisis has the potential to negatively affect the reputation of an organization (Claeys & Cauberghe, 2012). Crisis according to Coombs (2012) is a significant threat to operations that can have nega-

tive consequences if not handled properly. In addition to this, Ring (2015) defined crisis as a situation where the organization cannot operate normally and as such prevents the attainment of the objectives and threatens the viability and survival of the organization. Looking at these definitions, it is clear that crisis in an organization affects organizational operations in one way or the other. This view was confirmed by Akram (2017) who noted that "crisis affects organization operations negatively and also shapes the perception of organizations in crisis and ultimately also affects potential interactions with these organizations".

Crisis communication deals with responding to situations that possess threat to an organization. Accordingly, Crisis communication is the exchange of information between and organization and its public during and after a crisis. A similar view was given by Barrera (2013) who posited that crisis communication is a special area of public relations, designed to protect individuals as well as organizations whose public reputation is compromised. Additionally Cutlip *et al.* (2003) viewed crisis communication as those method and policies used by corporations for the distribution of information during uncomfortable situation affecting the public. Deducing from these definitions, this study defined crisis communication strategies as "those methods organisations adopt in informing internal and external stakeholders in event of a crisis with a view to protect corporate reputation as well as maintain continuous performance of organizations.

Crisis communication is critical aspect of the communication department in every organization because of its instrumental nature in protecting corporate image and ensuring business or operational continuity. Thus, the choice of a message strategy is critical in determining how stakeholders will perceive the crisis, the image and reputation of the organization (Stephens et al., 2005). Therefore, the way organizations communicate to its public in event of crisis consequently increases or decreases the public acceptance of its product.

Crisis communication strategies can either heighten or reduce perceived threats to organization operations (Fearn–Banks, 2011; Coombs, 2014). Communicating crisis situation is not as easy as we think it is, however, when organizations apply the right procedures and methods they tend to get it right. As such, organizations should not wait until a crisis occur before they start planning or thinking on how to respond to their public, rather every well-meaning organization should be proactive by creating or developing procedures that will be followed in communicating to their public in event of a crisis to ensure continuity of operations.

Operational performance of deposit money banks is a critical phenomenon for global sustainability. If organization must achieve its goals and objectives, they must ensure continual operations even in the face of crisis, as this defines to a grave extent the level of business sustainability. However, operational performance of deposit money banks is sometimes un-assured and unsuccessful when crisis situations are not being communicated to its stakeholders in a clear, timely and transparent manner. Zang et al. (2017) defined operational performance as the degree to which operations of an organization can accomplish the goals of being accurate, fast, on time, production and responsive. One of the ways of sustainable operational performance in deposit money banks in the face of crisis is by encouraging effective crisis communication strategies. Operational performance could also mean according to Azim et al. (2015), those measurable aspects of the outcomes of organizations processes, such as reliability, production cycle time and inventory turns. However, this study defined operational performance as a process by which organizations strive to achieve its goals without obstruction to its planned activities or functions with a view to remain in business. When crisis is not being effectively communicated, the tendencies of such crisis affecting operations become high. Consequently, there will be series of protest, picketing, and sometimes restiveness which often leads to poor operational performance of deposit money banks as well as staining the corporate image of these banks which goes as far as costing the organization in terms of service quality and customer retention.

711

Crisis is an inevitable part of both large and small organizations and when it occurs, it goes a long way to destabilize or cause instability in the operations of organizations if it is not adequately communicated. Thus, the problem of crisis is not farfetched to deposit money banks as they are sometimes faced with cyber-attacks, hardware and software failures, robbery, flooding, and liquidity exposure among other things. However, the early 2020 and 2023 gave birth to the Covid 19 pandemic and the introduction of a new currency in Nigeria, these events consequently posed significant threats to banks as this metamorphosed into riots, vandalism, unhappy stakeholders, reputational harm, riots, and looming tensions from the organizations publics which affected operations thereby leading to under performance. Therefore, this study looked at operational performance: leveraging on crisis communication strategies of deposit money banks in Rivers State.

As organizations continue in their respective operations, it will at some point observe or experience instability that would pose a threat to its operations. As Gibson (2012) puts it, crisis is usually the result of management failure to respond appropriately to an issue, emergency or accident that requires a timely response or communication. Several studies explored crisis communication and organization reputation. Some have also touched on crisis communication strategies in media coverage of chemical accidents (Halladay, 2009). Others looked at crisis communication and organization performance. However, there is little or no study on crisis communication strategies and operational performance of deposit money banks in Rivers State and this was the gap this study closed. Below was the conceptual framework that guided this study;

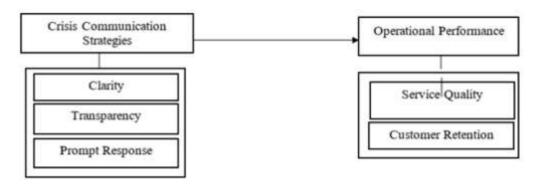


Fig. 1: Conceptual framework of relationship between crisis communication strategies and operational performance of Deposit Money Banks in Rivers State

Crisis Communication Strategies

Crisis communication is an applied field that seeks to provide guidance for crisis managers in order to limit the harm the crisis can inflict on stakeholders as well as the organization. The term crisis has a wide range of definitions but according to Coombs (2007) crisis is "the perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes". Whereas, Seeger et al. (2003) understands crisis as "a specific, unexpected and non-routine organizationally based event or series of events which creates high levels of uncertainty and threat, or perceived threat, to an organization's high priority goals". Consequently, Hermann (1972) sees crises as evens characterized by threat, surprise, and short response time.

Looking at various views, one thing remains mutual and that is the fact that crisis is a threat and can significantly affect organizations and its stakeholders negatively. According to Ulmer (2012) "the notion of crisis as a threat has resulted in a preoccupation with blame reducing strategies amongst crisis communication scholars". Hence, there is need for as conceptual review of the concept crisis communication strategies to facilitate understanding well as unravel how effective crisis communication strategies can improve operational performance by reducing the uncertainties involved in a crisis situation.

It is expedient to note that, crisis could be operational; that is the crisis is such that it disrupts or leads to the disruption of organizational operations. It could also be reputational; such that it places a dent on the corporate image of the organization. Whichever way, they both cost an organization. However, the focus on this study is on crisis leading to poor operational performance of deposit money banks. Although, the operational obstruction leads to reputational damage as well, studies in crisis communication involve a range of phenomenon, such as scandals, product failures, natural disasters and environmental crises (Fearn-Banks, 2011).

This invariably means that crisis could be manmade or naturally induced and this is not farfetched to deposit money banks in Nigeria. In 2020 the Covid pandemic was announced in Nigeria and this had citizens worried as well as businesses and one of such businesses that were really affected were banks as we saw them shutting down operations due to the pandemic. However, it did not stop the demand from customers wanting to know what is happening with their money. And not too long the end SARS protest kicked off which lead to vandalism of banks, businesses and other structures, however not all banks were vandalized.

Consequently, the introduction of new currency also led to huge scarcity and demand of cash which placed the banks all over Nigeria in disarray creating conflict between banks and their customers. It is imperative to note that, most banks were vandalized not because they do not have good conflict management strategies but because they could not communicate these crisis situations to their public properly and this led to vandalism, violence, break-ins, amongst others things that contributed to disruption of operations. In view of this, the importance of clarity, transparency and prompt response in crisis communication cannot be over stressed.

Clarity

Clarity is a critical aspect of the crisis communication strategy whether it is written communication or it is spoken. The importance of being clear and understandable cannot be overstressed as it is "one of the keys to company success" (Forssbeck & Oxelheim, 2014). Clarity according to Rene Descartes cited in Jabeen et al. (2015) means "evident and distinct from other things". When organizations communicate crisis situations to its public with utmost clarity, they avoid using ambiguous words rather they use simple relative words that put their stakeholders on the same page and direction. This literally means that, the message sent is perceived the same way it was conceived. One of the major causes of a gap in crisis communication is the fact that clarity is not being prioritised. With this in view, it is no wonder effective business communication requires clarity in the message. Therefore, this study looked at clarity as the process of being lucid and not ambiguous in communicating such that the message is understood as it was conceived.

In the seven C's of effective communication, clarity is the first item on the list because it is the most important part of good communication. According to Jabeen et al. (2015), "for message to be effective, it should be clear with no ambiguity". Consequently, when thoughts and ideas are not clear, the essence of communicating it becomes defeated and as such the audience becomes lost in the ambiguity of the idea. Therefore, it is imperative to keep the number of ideas in your sentences to a minimum, and avoid anything that distorts the message. Use only facts and figures in communicating the crisis situation to your public and do it repeatedly. The essence is to ensure that it has been absorbed and understood correctly by the public. The choice of words is also critical to communicating crisis situations because the words determine how stakeholders will perceive the crisis situation.

Transparency

Transparency is a worldwide issue discussed both by large and small organizations. Literally communicating transparently means to be open and honest on the message communicated to the public. Although, transparency means a lot of things to different people, scholars have expanded the meaning of transparency by shifting its definition from a means of fighting corruption to a way of encouraging open decision-making, public disclosure, and increased accountability (Schleifer et. al., 2019). In the same vein, Liu et al. (2015) described it as the perceived quality of intentionally

shared information. Additionally, According to Transparency International (2015) transparency is a way of letting out right plans, rules, processes and actions related to the organization to its public and internal stakeholders. Therefore, this study looked transparency as a process of communicating with utmost honesty organizational goals, situations (crisis) and operation with the public with a view to keep them informed.

Abun et al. (2020) posited that transparency leads to profitability or corporate performance. Similarly, O'neill (2006) pointed out that transparency is used to deter corruption and correct poor organizational performance. Therefore, Transparency has become not only a tool for fighting corrupt practices by organizations and government but it is a critical mechanism for communicating crisis situation used by organization to its public. During the period of the introduction of a new currency in Nigeria, most banks did not communicate transparently and this is affected operational performance.

They told the public that there is no cash but where still giving out cash to POS operators and some others whom they tagged special. And because of this act, the public became very angry and took to violence which caused operational disruption that metamorphosed to poor performance. But this would have been avoided if only they were honesty enough to stick to the idea of no cash which they already sold to the public. Therefore, in communicating crisis situation, organizations must strive to be as transparent as possible by not just sharing information, but also ensure that information is correct, relevant and honest.

Prompt Response

Coombs (2007) opined that a crisis prompt response strategy is a form of crisis communication that focuses on how organizational responses are presented to the public and how these messages are narrated to repair the reputation of the organization. Thus, the time an organization takes to respond during and after crisis define to a large extent how its stakeholders will react to the crisis and perceive the organization's reputation. Therefore, Prompt response in crisis situation is crucial in determining how stakeholders will perceive the crisis, its image and reputation (Stephens et al., 2005). When organizations respond promptly, it shows high level of responsiveness to customer demands. According to Seeger et al. (2003) responses are usually critical in reducing, offsetting, and containing harm". Thus, prompt response in a crisis situation is most likely to influence operational performance. Therefore, prompt response means the act of quickly reacting to a crisis situation with clarity and transparency with a view to keep the public informed.

Prompt response can "either improve or make the crisis situation worse for an organization and its various stakeholders" (Coombs et al., 2010). This is because responding fast is not the only ingredient needed in savaging a crisis situation, but responding promptly with clarity and transparency will definitely remedy the situation. Organization may determine the most appropriate crisis response strategy depending on how people perceive the relationship history with the organization (Coombs, 2007). Research suggests that, when organizations have good relationships with the public, the public is more likely to accept the organizations' response messages and less likely to attribute crisis responsibility to the organizations (Coombs & Holladay, 2001). Therefore, organizations should have a prompt response strategy already in place as it will allow them respond to crisis situation in event of one.

Operational Performance

There is plethora of definitions as it concerns the concept operational performance and this is because it is not entirely new in the management literatures. According to Chavez et al. (2015), operational performance is the strategic dimensions in which organisations choose to compete. In the same vein, Sharma and Modgil (2020) view it as the foundation of quality practices and the super ordinate performance of organizations. It is also, an avenue to attain the peak of production by doing things differently, promptly, and at lower cost (Russell & Koch, 2009). However, this study looked at the concept operational performance as a process by which organizations strive to achieve its goals without obstruction to its planned activities or functions with a view to remain in business.

When organizations operate without obstruction or disruption of any kind, the tendency of achiev-

ing their goals and objectives becomes high compared to when operations is being disrupted. According to Salem (2013) operational performance is not just critical but "it is the backbone of organisational performance. This means that without the operations of organizations going as planned, organizational performance would only be mirage. However,

According to Chavez et al. (2015) cited in Princewill and Umoh (2022) operational performance is the strategic variable that promotes competitive advantage. Empirical evidence has shown that higher levels of operational performance are known to improve effectiveness of production activities, product, services and processes quality (Kaynak, 2008; Chavez et al., 2015). Therefore, organizations in crisis situation pay attention to the kind of strategy the employ in communicating such crisis to their public as these strategies can either improve operations or mar it.

Ouality Service

Scholars perceive quality service from a multidimensional perspective; this means that different scholar perceive quality based on their respective expectations about a product. Therefore, according to Oliver cited in Alamgir and Shamsuddoha (2003) sees service quality as the difference between the actual service performance and their expectations. It is also the degree and direction between customer service expectations and perceptions (Newman, 2001). However, this study defined quality service as the perceived perception of service rendered as opposed to actual expectations. This means that a service is said to have quality based on certain factors customers look out for in a service rendered.

Despite these individualistic views about quality service, there seem to be some common factors that cannot be overlooked which includes; timing, responsiveness, credibility and empathy amongst other factors. According to Princewill and Umoh (2022) Quality as a major facet of operational performance entails doing the right things according to specification and customers' satisfaction. According to Sylva (2020), higher quality results in higher loyalty, market share, revenues and user satisfaction. Therefore, when organizations communicate crisis situations in a clear, transparent and prompt manner, operational performance will most likely be triggered which is expressed in terms of quality service, customer retention and most especially leads to competitive edge. "Service quality is one of the critical success factors that influence the competitiveness of an organization" (Shrestha, 2011).

Customer Retention

Customer retention according to Kotler (2008) deals with how organizations are able to maintain existing customers based on establishing good relationship with those who buy their product. In this era of high competitive business environment, customer retention is one of the measure concerns of organizations. Therefore, according to Artha et al. (2022) there is need to explore it and to find out development up to date. With this in view, Ranaweera and Neely (2003) viewed customer retention as the propensity of the customer to say with their service provider. Deducing from this view, this study defined customer retention as the process by which customers remain with an organization based on perceived values. This means that customers stick with organizations because of certain things organizations are doing right that they derive value from which metamorphose into trusting the organization. And because they trust the organization, they will stick with them. Therefore, when organizations communicate crisis situations swiftly, clearly and transparently to their stakeholders, these stakeholders feel loved and a strong sense of being part of the organization and as such they will continue to patronize the organization.

Methodology

The study adopted a quasi-experimental research design using a cross – sectional survey approach. The population of the study consisted of management staff of the 21 deposit money banks in Rivers State as released by the Central Banks of Nigeria (CBN, 2020). Three management staff were studied across each of the deposit money banks; branch manager, head of corporate communication and head of operations from each of the twenty one (21) Deposit Money Banks in Rivers State. A total of sixty three (63) management staff were derived. However, owing to the relatively small popula-

tion, a census was adopted. Therefore, 63 management staff of the 21 deposit money banks were studied. Data were analysed with Spearman Rank Correlation Coefficient. Below was the formula. A total of sixty three (63) copies of questionnaire were administered randomly to the managers of the Deposit Money Banks in Rivers State. However, only 45 copies were retrieved. Therefore, 45 copies of questionnaire were used for the analysis.

$$\rho=1-\frac{6\sum d_i^2}{n(n^2-1)}$$

Where,

 d_i = difference in paired ranks and

n = number of cases.

A mean value of 3.0 was used as the acceptance criteria. Mean values from 3.0 and above was accepted while mean values below 3.0 was rejected.

Table 1: Correlations between Clarity and Service Quality of deposit money banks in Rivers State

		Clarity	Service Quality
Clarity	Correlation Coefficient	1.000	.632**
	Sig. (2-tailed)	.000	.000
	N	45	45
	Correlation Coefficient	.632**	1.000
ceptance	Sig. (2-tailed)	.000	.000
	N	45	45
		Sig. (2-tailed) N Service Ac- Correlation Coefficient	Clarity Correlation Coefficient 1.000 Sig. (2-tailed) .000 N 45 Service Acceptance Correlation Coefficient .632** Sig. (2-tailed) .000

Source: Research Data 2022, (SPSS output version 21.0)

From the result in the Table 1, the correlation coefficient shows that there is a positive relationship between clarity and service quality of Deposit Money Banks in Rivers State. The correlation coefficient 0.632 confirms the magnitude and strength of this relationship and it is statistically significant at p 0.000<0.05. The correlation coefficient represents a high correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated was hereby rejected and the alternate accepted. Thus, there is a significant relationship between clarity and service quality of deposit money banks in Rivers State.

Table 2: Correlation between Clarity and Customer Retention of deposit money banks in Rivers State

			Clarity	Customer Retention
Spearman's	Clarity	Correlation Coefficient	1.000	.800**
rho		Sig. (2-tailed)	.000	.000
		N	45	45
	1	Correlation Coefficient	.800 **	1.000
	Patronage	Sig. (2-tailed)	.000	
		N	45	45

Table 3: Correlation between Transparency and Service Quality of deposit money banks in Rivers State

			Transparen- cy	Service Quality
Spearman's rho	Transparen-	Correlation Coefficient	1.000	.863**
	су	Sig. (2-tailed)	.000	.000
		N	45	45
		Correlation Coefficient	.863**	1.000
	ceptance	Sig. (2-tailed)	.000	.000
		N	45	45

Source: Research Data 2022, (SPSS output version 21.0)

From the result in the Table 3, the correlation coefficient shows that there is a positive relationship between transparency and service quality of deposit money banks in Rivers State. The correlation coefficient 0.863 confirms the magnitude and strength of this relationship and it is statistically significant at p 0.000<0.05. The correlation coefficient represents a high correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated was hereby rejected and the alternate accepted. Thus, there is a significant relationship between transparency and service quality of deposit money banks in Rivers State.

Table 4: Correlation between Transparency and Customer Retention of deposit money banks in Rivers State

			Transparency	Customer Retention
Spearman's	Transparency	Correlation Coefficient	1.000	.826**
rho		Sig. (2-tailed)	.000	.000
		N	45	45
		Correlation Coefficient	.826**	1.000
	Retention	Sig. (2-tailed)	.000	.000
		N	45	45

Source: Research Data 2022, (SPSS output version 21.0).

From the result in the Table 4 the correlation coefficient shows that there is a positive relationship between transparency and customer retention of deposit money banks in Rivers State. The correlation coefficient 0.826 confirms the magnitude and strength of this relationship and it is statistically significant at p 0.000<0.05. The correlation coefficient represents a high correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated was hereby rejected and the alternate accepted. Thus, there is a significant relationship between transparency and customer retention of deposit money banks in Rivers State.

Table 5: Correlations between Prompt Response and Service Quality of deposit money banks in Rivers State

			Prompt Response	Service Quality
Spearman'	Prompt re-	Correlation Coefficient	1.000	.523**
s rho	sponse	Sig. (2-tailed)	.000	.000
		N	45	45
	Service Ac-	Correlation Coefficient	.523 **	1.000
	ceptance	Sig. (2-tailed)	.000	
		N	45	45
**. Correlati	ion is significa	ant at the 0.01 level (2-tail	ed).	

Source: Research Data 2022, (SPSS output version 21.0)

From the result in the Table 5, the correlation coefficient shows that there is a positive relationship between prompt response and service quality of deposit money banks in Rivers State. The correlation coefficient of .523 confirms the magnitude and strength of this relationship and it is statistically significant at p 0.000<0.05. The correlation coefficient represents a high correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated was hereby rejected and the alternate accepted. Thus, there is a significant relationship between prompt response and service quality of deposit money banks in Rivers State.

Table 6: Correlation between Prompt Response and Customer Retention of deposit money banks in Rivers State

			Prompt response	Customer Retention
1 *	Prompt re-	Correlation Coefficient	1.000	.580**
s rho	sponse	Sig. (2-tailed)	.000	.000
		N	45	45
	Increase	Correlation Coefficient	.880**	.891**
	patronage	Sig. (2-tailed)	.000	.000
		N	45	45
**. Correlation	is significant a	t the 0.01 level (2-tailed).	•	

Source: Research Data 2022, (SPSS output version 21.0)

From the result in the table 1.6, the correlation coefficient shows that there is a positive relationship between prompt response and customer retention of deposit money banks in Rivers State. The correlation coefficient .580 confirms the magnitude and strength of this relationship and it is statistically significant at p 0.000<0.05. The correlation coefficient represents a high correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between prompt response and customer retention of deposit money banks in Rivers State.

Discussion of Findings

The findings revealed that there is a significant and positive relationship between crisis communication strategies and operational performance of deposit money banks in Rivers State. The study findings also revealed that there is a significant positive relationship between clarity and the measures of operational performance of deposit money banks. This finding agrees with the assertions of Forssbeck and Oxelheim (2014) that clarity is vital in all forms of communication whether it is written or speech. The study revealed that there is a significant relationship between transparency and the measures of operational performance of deposit money banks.

The findings agree with the postulation of O'neill (2006) that transparency is used to deter corruption and correct poor organizational performance. Lastly, the study findings revealed that prompt response has a significant relationship with the measures of operational performance odd deposit money banks. Prompt response in crisis situations is crucial in determining how stakeholders will perceive the crisis, its image and reputation (Stephens *et al.*, 2005). Additionally, As Gibson (2012) puts it; crisis is usually the result of management failure to respond appropriately to an issue, emergency or accident that requires a timely response or communication.

Conclusion and Recommendations

This study concluded that crisis communication strategies such as clarity, transparency and prompt response relates with operational performance of deposit money banks in Rivers State. This was in line with Meng (2010) that crisis communication as used in this study refers to all the efforts activated to ensure that an unexpected situation is brought under control. Therefore, there is a significant relationship between crisis communication and operational performance of deposit money banks in Rivers State. Based on the findings and conclusion, the following recommendations were made;

- Management of deposit money banks should encourage clarity in communicating crisis situation to its stakeholders as it has been found to trigger operational performance expressed in terms of quality service and customer retention.
- Management of deposit money banks should be transparent in communicating crisis situation to its stakeholders as it has been found to trigger operational performance expressed in terms of quality service and customer retention.
- Management of deposit money banks should encourage prompt response in communicating crisis situation to its stakeholders in event of a crisis as it has been found to trigger operational performance expressed in terms of quality service and customer retention.

References

- Abun, D., Ruadap Macaspac, L. G., Magallanes, T., & Encarnacion, M. J. (2020). Corporate transparency practices in the school management and work engagement of employees, in the Ilocos Region, Philippines. *Proteus Journal*, 11(10), 176-196.
- Akram, S. (2017). The impact of user-generated and organization's information and sympathy based crisis response strategies on organizational reputation and secondary crisis communication: A case on university of management and technology, Lahore, Pakistan. *Sci.Int* (*Lahore*), 29(1), 231 241.
- Alamgir, M., & Shamsuddoha, M. (2003). Service quality dimensions: A conceptual analysis.
- Artha, B., Zahara, I., Bahri., Sari, N.P. (2022). Customer retention: A literature review. *Social Science Studies*, 2(1), 30-45.
- Azim, M.D., Ahmed, H., & Khan, S.M. (2015). Operational performance and profitability: An empirical study on the Bangladeshi ceramic companies. *International Journal of Entrepreneur*

- *ship and Development Studies, 3*(1), 63-73.
- Barrera, S. (2013). Effective crisis communication. Moving from crisis to opportunity. Sage.
- Chavez, R., Yu, W., Gimenez, C., Fynes, B., & Wiengarten, F. (2015). Customer integration and operational performance: The mediating role of information quality. *Decision Support System*, 80, 83-95.
- Claeys, A.S., & Cauberghe, V. (2012). Crisis response and crisis timing strategies: two sides of the same coin. *Public Relations Review*, 38, 83-88.
- Coombs, W. T. (2007). Protecting organizational reputation during crisis: The development and application of situational crisis communication theory. *Corporate Reputation Review*, 10, 163-176.
- Coombs, W. T. (2014). Ongoing crisis communication: Planning, managing, and responding. Sage.
- Coombs, W. T. (2012). Ongoing crisis management: Planning, managing and responding. (3rd edition). Sage.
- Coombs, W. T., & Holladay, S. J. (2006). Unpacking the halo effect: Reputation and crisis management. *Journal of Communication Management*. 10. 123–137.
- Coombs, W. T., & Holladay, S. J. (Eds.) (2010). *The Handbook of Crisis Communication*. Wiley-Blackwell
- Coombs, W.T., & Halladay, S.J. (2001). An extended examination of the crisis situation: A fusion of the relational management and symbolic approaches. *Journal of Public Relations Research*, 13, 321-340
- Cuplip, S.M., Center, A.H., & Broom, G.H. (2003). *Odnosi s javnoscu (Effective Public relation)*, Mate, Zagreb
- Fearn-Bank, K. (2011). Crisis communications: A casebook approach. Lawrence Erlbaum.
- Forssback, J., & Oxelheim, L. (2014). *The multi-faceted concept of transparency*. Research Institute of Industrial Economics.
- Gibson, P. (2012). *Crisis communication*. http://www.instituteforpr.org/crisis-management-and-communications/
- Hermann, C.F. (1972). *International crisis: Insights from behavior research*. Free Press.
- Jabeen, S.S., Sadique, Z., & Towheed, M.A. (2015). Clarity in communication: An imperative. *Annual Issue*, (1), 18-24.
- Kaynak, J.L.H. (2008). A replication and extension of quality management into supply chain. *Journal of Operations Management*, 26(4), 468-489.
- Kotler, P., Armstrong, G., Wong, V., Saunders, J. (2008). Marketing management.
- Liu, Y., Eisingericch, A. B., Auh, S., Merlo, O., & Chun, H. E. H. (2015). Service firm performance transparency: How, when, and why does it pay off? *Journal of Service Research*, 18 (4), 451-467. http://doi.org/10.1177/1094670515584331
- Newman, K. (2001). Interrogating SERVQUAL: A critical assessment service quality measurement. A high street retail bank. *International Journal of Bank Marketing*, 19(3), 129-139).
- O'neill, O. (2006). Transparency and the ethics of communication. In Hood, C. & Heald, D. (eds). Transparency: The key to better governance? University Press, 75-90.
- Princewill, S.J., & Umoh, G.I. (2022). Continuous Improvement and Operational Performance of Manufacturing Firms: Does Organisational Culture Matter? *International Academic Journal of Management and Marketing*, 7(1), 301-332.
- Ranaweera, C., & Neely, A. (2003). Some moderating effects on the service quality customer retention link. *International Journal of Operations and Production Management*, 23(2), 230-248. https://doi.org/10.1108/01443570310458474
- Russell, R., H., & Koch, J. I. (2009). Operational excellence. The new lever for profitability and competitive advantage. Retrieved from http://www.plantservices.com/assets/wpd ownloads/pdf/100131 SAP.pdf
- Salem, H. (2013). Organizational performance management and measurement. *The Lebanese Experience*, 1-15.
- Schleifer, P., Fiorini, M., & Auld, G. (2019). Transparency in transactional governance: The deter-

- minants of information disclosure of voluntary sustainability programs. *Regulation & Governance*, 13(4), 488-506. http://doi.org/10.1111/rego.12241
- Seeger, M.W., Sellnow, T.L., & Ulmer, R. R. (2003). *Communication and organizational crisis*. Greenwood Publishing Group.
- Sharma, S., & Modgil, S. (2020). TQM, SCM and operational performance: An empirical study of Indian pharmaceutical industry. *Business Process Management Journal*, 1-41
- Sherry, J., & Holladay, J. (2009). Crisis communication strategies in the media coverage of chemical accidents. *Journal of Public Relations*, 21(2), 208-217.
- Shrestha, S. K. (2011). Review of service quality dimensions. *Ganeshman*, 4(4), 48-56.
- Stephens, K.R., & Malone, P. (2005). Communicating with stakeholders during a crisis. *Journal of Business Management*, 42(4)390-419.
- Sylva, W. (2020). Dimensionality and validity of the operational performance construct in the aviation industry: A factor analytic approach. Research *Journal of Business and Management (RJBM)*, 7(4), 299-321.
- Transparency International (2015). Strategy. transparency.org
- Ulmer, R.R. (2012). Increasing the impact of thought leadership in crisis communication. *Management Communication Quarterly*, 26(4), 523-542.
- Van der Meer, T.G.L.A., Verhoeven, P., Beentjes, H.W.J., & Vliegenthart, R. (2017). Communication in times of crisis: *The stakeholder relationship under pressure*, 43(2). 426-440.

Marketing Innovations: Strategy for Organizational Sustainability: A case of the Manufacturing Industries in Rivers State, Nigeria

Lucy Horace Owonte PhD

Department of Marketing Captain Elechi Amadi Polytechnic Rumuola, Port Harcourt

Abstract

The study investigated marketing innovation as strategy for organizational sustainability in the manufacturing industries in Rivers State. It adopted the correlational resign design and operationalised the marketing innovation into the variables of product innovation, technological innovation, and social innovation with sustainable economic performance as the dependent variable. The population of the study was 150 which consisted of staff of manufacturing companies operating in Rivers State. The sample size of 150 was used adopting the census sampling technique in which the entire population was used. A questionnaire instrument tagged, Strategic Innovation and Sustainable Economic Performance Questionnaire (SISEPQ) was used and calibrated into modified likert scale of Very High Extent (4), High Extent (3), Low Extent (2), Very Low Extent (1). The three research questions were tested using Mean and Standard Deviation at mean criterion of 2.5, while the null hypotheses were tested using Pearson Product Correlation Coefficient (PPMC) at .05 significance level. The findings of the study showed that the variables of strategic innovation significantly relate to sustainable economic performance in manufacturing companies in Rivers State. The researcher concluded that marketing innovative measures of product design or innovation, appropriate technology and social innovation, if applied sustainably will lead to improved economic performance of manufacturing industries in Rivers State. It recommended among others that manufacturing industries in Rivers State should from time to time train and retrain their staff on modern technological innovations to improve on their economic performance, among others.

Keywords: Marketing innovation, strategy, sustainability, organizational, economic performance

Introduction

Innovation is the key engine of growth in the market economy. The ability to innovate is crucial not only for the survival of a given firm but for the sustainability of the general economy of to-day's society. This is because the magnitude of global market competition has created dynamism and changes in the business environment and has affected all enterprises including the manufacturing sector. The realization of this has prompted the manufacturing industry to explore, exploit and deploy marketing innovation strategies that will enable them to stay competitive in the changing business world (Carvalno and Costa, 2014).

The market focus of the manufacturing industries is to produce new and/or modified products, packages and designs, promotion techniques, pricing methods as well as explore effective and efficient means of delivering of the finished products to the final consumers. These marketing strategies and practices are generally described as marketing innovations due to the fact that they are unconventional; and because they create an unusual solutions to the market needs.

Marketing innovation is the implementation of new marketing strategies which has to do with significant changes in product designs and packages, product placement, promotion and pricing, which enhances the ability of the manufacturing industries to perform and showcase novel product to the market that are hardly immutable and that can compete domestically and internationally and help in the sustainability of the company. (Ren et al, 2015). These basic attributes of marketing innovation, which are new improved packages and designs, promotions strategies, pricing and distribution networks create competitive advantage for the firms (Chuwiruch et al, 2015). These mar-

keting innovations provides the manufacturing industries the strength to overcome basic challenges associated with the operations of enterprises, hence enhance their competitive advantage in the business world.

To remain competitive and afloat in the business world today, companies must adopt innovative techniques in all their business processes as to have an edge over the competitors and stay relevant in the market place. The most successful businesses are those that aims at building strong and uniquely distinctive competencies in one or more areas crucial to strategic success and then using them as a basis, for gaining competencies that relates to leading competitive edge over rivals.

Distinctive competencies relates to leading-edge products or service, innovation, better mastery of a technological process, expertise in defect-free manufacturing or service delivery, specialized marketing and merchandise know-how, potent global and sales distribution capabilities, better customer services that create valuable strength in producing, distributing or marketing of the company's product or service (Thompson and Strickland 2004)

Marketing innovation is an organization's process of reinventing or redesigning its corporate strategy to drive business growth, generate value for the company and its customers and create competitive advantage. This type of innovation is essential for organizations to adapt to the speed of technological change. Markides, (1998), asset that, strategic innovation is a means by which organizations innovates in their value chain, establish new operating models, alter the rules of competition in the business environment and increase their competitive advantage as to obtain fresh benefits and edge in a chosen target market.

Strategic innovation aims at addressing products availability, affordability, usability and creating of awareness. Markides, (1998), opined that, a company can strategically redefine its business and catch its major competitors off guard by breaking the rules and thinking of new ways to compete as to be relevant in the business arena. Strategic innovation is an imperative element of strategic management for achieving competitive advantage.

Strategic innovation is about competing within an existing industry in a fundamentally different way that re-defines and enhances customer value and satisfaction. In the traditional method, different way of competing in the marketplace does not entail innovation as such rather, superior value for customers is derived from innovation in the organization. Such innovation may relate to the product concept, production, service provision or the marketing of the respective products or services. For strategic innovation to take place, activities and capabilities are leveraged in such a way as to offer customer value that leads to established industry practice and recipes (Debruyne & Schoovaerts, 2016).

Statement of the Problem

Most manufacturing companies in Nigeria are experiencing low – consumer demand except for certain products which demands is quite inelastic. Most companies in Nigeria strive hard to improve on their marketing activities as demanded by environment and at the same time, remain in business. The effect of low-consumer demand would result in low sales performance, shortfall in profit and low consumer patronage, which all have great implications on the attainment of the organizational objective. In order to actualize the organizational objectives, the manufacturing companies (Nurniture) in Rivers State came up with the strategic plan for improving and developing new products to remedy the challenges.

Companies competing in the furniture manufacturing sector are expected to be able to effectively

manage innovation to ensure growth, unfortunately, they are faced with notable challenges in their business. product design, production, processes, product quality and regulatory requirement are more rigorous and complex. From the foregoing, the study is an attempt for an evaluation geared towards looking into the associated challenges as to prefer needed solution and suggest viable recommendations to the companies, that will enable them remain relevant in the business world.

Objectives of the Study

The main objective of this study is to examine the impact of marketing innovation on organizational sustainability of manufacturing industries in Rivers State. The specific objectives are to:

Identify the impact of product innovation on the organizational sustainability of manufacturing industries in Rivers State.

Determine how technological innovation improve on the social performance of the manufacturing industries in Rivers State.

Ascertain the level of relationship between marketing innovation and sustainable economic performance of the manufacturing industries in Rivers State.

Research Questions

Based on the research objectives the following questions were raised:

What is responsible for product innovation in the manufacturing industries?

How does technological innovation contribute to the organizational sustainability

Is there any relationship between marketing innovation and organizational sustainability of the manufacturing industries?

Research Hypotheses

The following hypotheses are formulated to guide the study:

Ho₁: Product innovation has of impact on the economic sustainability of the manufacturing industries.

Ho₂: Technological innovation has no effect on social sustainability of the manufacturing industries.

Ho₃: There is no significant relationship between marketing innovation and organizational sustainability of the manufacturing industries in Rivers State.

Literature Review

Marketing Innovations Strategy

Innovation is the force behind the creation of sustainable values and can be understood as a creative opening to exceptional business ideas, as a task of creating new and novel products, or improved products, and not ultimately as a business strategy (Cavvalho and Costa, 2014). A company's innovations do not only influence it, but they can enhance the viability of the entire market; customers' needs, the structure of the market participants, the modes of delivering the products and the regulations they act on. Marketing adds value to the sales interface and innovative performance of the company.

Marketing innovation focuses on developing the mix of a target market, while determining how organizations can serve the best target markets. Innovation is described as a breakthrough in the marketing mix and must go hand in hand because it reveals the buyers needs beyond the products, while marketing innovation need to assess customer value perceptions and generates opportunities for unsatisfied customers' needs on the grounds on which companies can strategize and produce new and innovative products to offer to customers and also help anticipate market changes more quickly and get ahead of opportunities while maximizing profits (Crupta et al., 2016).

Marketing innovation is the implementation of new marketing methods which include new ideas, or strategies that are significantly different from the previous marketing methods used by companies and that has not been previously used by the company. Obuka (2020), posit that in this pre-

sent 21st century and beyond, organizations should relentlessly improve their product processes and systems following rapid development and changes in technology and innovation, if they hope to outperform their competitors and stay relevant in the business world.

Cupta et al. (2016), asserts that, marketing innovation is a new marketing methods involving either the 4Ps of marketing or some combination and incorporate the 4Ps with information systems and methods of entering new markets. Marketing innovation strategy is one of the activities related to generating competition among organization preserving their advantages as well as increasing their market share. The concept emphasize some of the benefits for manufacturing industries. Jeanine and Hameling (2011), posit that understanding marketing innovation strategies is very important for organizational sustainability, development, and long-term success and survival.

Moreso, the concept of marketing innovation strategy proposes a roadmap for which organizations can overcome different challenges associated with the manufacturing industries in order to achieve successful organizational sustainability. Marketing innovation strategies occurs when an organization completely changes its product, positioning or working processes, for example when the Apple brand released its iPhone, customers had already used smartphones. But Apple's products brought features that changed the market and consumers perceptions. Marketing innovation helps to improve and strengthen company's relationship with customers

Marketing innovation influence various areas of business and can bring new technologies or ideas into practice as to enable companies stand out in the competition. After implementing new and effective ideas, some of this changes results to higher customer satisfaction, more sales, and higher profits. If the manufacturing industries fully implement new designs to their product depending on customers needs and problems, the companies will produce quality product to adapt to customers preference, needs, and behaviour for their higher satisfaction. Marketing innovation strategies and campaigns enables the company to find out the right approach to target customers and helps them to win their attention. Also, through effect marketing research, the company can determine the feature and product needs of customers for a batter user experience. Excellent customer experience brings huge benefits to customers as well as to business organizations.

The following are some examples of marketing innovation:

Radical Innovation:- This kind of innovation brings about drastic changes to the brand, its market or business growth. It occurs when an organization completely changes its product, positioning, or working process, such as when Apple brand released its iPhone, people had already used smartphones. Today, everyone knows that iPhone users can make great images and videos, and don't even need to buy professional cameras for their events coverages.

Incremental Innovation:-This type of innovation doesn't bring about significant changes to product, but involves adding new features to already products; company, or production methods. Some companies use this type of marketing innovation strategy to increase customers satisfaction and to create a value laden relationship with them. For example, Googleuses this types of innovation to improve its services and provide customers with new features, new uses and benefits that keep them satisfied and delighted.

Disruptive Innovation: Emerged as a response to behavioural and technical changes in the business environment. Disruptive innovation reacts to the target market and aims at providing customers with best and quality customers' experience. For example, Netflix started as a DVD-by-Mail, rental service and has millions of subscribers worldwide and maximizing profits drastically.Instagram, L' Oreal, SmartBuyGlasessetc are examples of marketing innovation and can enable companies to seek ways to maximize progress to-

wards their sustainability goals and this helps them to seek strategies that will enhance their effectiveness to stay afloat in this competitive business world. https/sendpuslse.ng

Product Innovation

Innovativeness is one of the fundamental instruments of growth strategies to enter new markets. To perform better in the current market as to increase the market share and provide the company with a competitive edge, the company must innovates. It is motivated by the increasing competition in the global markets, and as a result of this, companies have begun to grasp its importance with the swift changes in technologies and stiff global competition rapidly eroding the value added of existing products and services, innovation has become an indispensable component of cooperate strategies for several reasons, such as to apply more productive manufacturing processes, to perform more better in the market place, to seek positive reputation in customers' perception and as a result gain sustainable competitive advantage (Abubakar, 2014).

Product innovation is the process of introducing a new product service that is new or substantially improved. Successful new products command substantially high profit margin than mature or declining products. Successful new products are profitable at least for a while before competitors roll out their own me too products to the market and eventually compete on price basis. Most companies face the inevitable choice of product innovation on gradually fading products for the market. However, it should be noted that product innovation is not only carried out at the declining stage of a product, it can also be done to a totally novel product at the introductory stage.

Throughout modern history, most product innovation receives increasing support and attention because it helps the product to withstand strong competition from competing products and to suit the changing tastes and desires of the customers that consumes the products. As it is widely recognized, needs change over time and companies must reject these changes in their products and services if they are to achieve the economic objective increase in turnover, product maximization and customer satisfaction. Product innovation is very important for the sustainability of the company, because a product that was successful and profitable yesterday may not be profitable tomorrow (Teec, 1998).

Technological Innovation

Technological innovation is a key factor in a firms that wants to develop and maintain competitive advantage or gain entry into new markets (Becheikli, et al 2006). Manufacturing companies are generally more flexible, they can adapt themselves better to technological innovation, and are better placed to develop and implement new ideas. Henrison and Watson, (1998), posit that, these qualities along with their simple organizational structure, low risk and receptivity are essential features that facilitate their innovativeness. Kremp et al, (2004), established that technological innovation is well established within the manufacturing sector and that it has much influence on their firm's performances. Innovation measurement globally started and has developed using the manufacturing sector.

Measuring innovation and its role on firm's performance in the manufacturing sector has reached advanced stage in some developed countries of the world. One major characteristics of technological innovation in the manufacturing sector is product packaging/branding. Manufacturing firms in Nigeria innovate for several reasons. The ultimate objective is to increase the quality of products, meet customers' expectation and satisfy needs, and profitability through efficient utilization of resources and reduction in cost of production (Arundel, 2005).

Sustainable Manufacturing

Sustainability is the ability to develop and implementation technologies, strategies, methodologies,

that are self-sustaining without balanced relationships among three dimension economic, environmental, and social health of a community, nation and the earth (Zhang et al, 2015) jeopardizing or harming the potential for future generation to meet their need (Nations, 1987). The U.S Department of commerce (2009); defined sustainable manufacturing as the creation of manufactured products that use processes that minimize negative environmental impacts, conserve energy and natural resources, safe for employees, communities, and consumers and are economically sound".

Economic Performance

The economic perspective of sustainable performance is concerned with the maximization of financial benefits for stakeholder and the performance measurement recognizes the metrics effectively measuring relations with customers and suppliers that results in achieving financial goals, value added, contribution to GDP, ethical investments etc. The measures for economic performance are: manufacturing cost, quality, responsiveness and flexibility (Singh et al, 2016). Economist look at the world in terms of stock and flows of capital. This covers not only monetary or economic capital but also "capital" of other types, including natural, human and social capital.

According to Azapadi & Perday (2016), there are two types of capital related indicators, they include: financial and human, natural and social factors. Value added represents the contribution of a business to the Gross Domestic Product (GDP). GDP is one of the indicator most often used to measure economic performance of a country. Despite its limited and often criticized usefulness, it is an easily available indicator and in combination with other indicators can provide an indication of the level of sustainability, a part of the bigger picture. (Forstener, 1997).

Social Performance

Social performance is the outcome of a company's engagement, activities and commitments that can directly and indirectly impact on stakeholders or affect the quality of its relationship with them. Critical to a manufacturing industry's social performance is how well it fulfils its commitments, interactions and activities as they relate to local communities where their organization is located for the operation of their business activities. Singh et al (2016), assets that, social performance can be assessed by looking at how well an organization has translated its social goals into practice. According to them, social performance can be evaluated in terms of the impact of organization's decisions and activities on society that contribute towards sustainable development including health and welfare of society, stakeholders expectations, compliance with applicable laws and integration throughout the organization (Singh et al 2016 and Jaca et al 2018).

Marketing Innovation and Organizational Sustainability

The relationship between marketing innovation and sustainable economic performance of manufacturing firms is dependent on the ability of firms to transfer technology investment into innovation and that in itself is likely to be influenced by firm specific resources such as managerial skill, technology know-how, experience, the presence of technical experts and prior technological investment (Sampson, 2007).

Sustainability can enable an organization to maintain its strengths and continue to gain competitive advantages in already existing competitive industry and for future expansion. Moreso, it will help the organization to grow steadily over a long period of time. Govindarajan and Trimble, (2019), conducted an in-depth review of ten organizations and they found that, through open innovation, companies can leverage knowledge management into asset that promotes sustainable innovation that results to organization's sustainability. In a study conducted by Carayannis, Sindakis and Walter (2015), it was explained that organizational sustainability would be affected when innovation was performed in a given organizational design through the governance of manufacturers in developing countries.

Methodology

The study design adopted for this study was correlational. The population of the study was 150 staff of manufacturing companies operating in Rivers State. It adopted the census sampling technique in which the entire population was studied. It used the questionnaire instrument tagged 'Strategic Innovation and Sustainable Economic Performance Questionnaire (SISEPQ). The modified likert scale of Strongly Agreed (4), Agree (3), Disagree (2) and Strongly Agreed (1). Out of the 150 copies of questionnaires distributed, 130 were duly returned and completed which the study used for its analysis. The three research questions were answered using mean and standard deviation while the null hypotheses were tested using Pearson Product Correlation Coefficient (PPMC) at .05 significance level. **Results**

Table 1: Factors responsible for product innovation of manufacturing firms

S/N	N=130	Mean	Std. Deviation	Remark
Demand and supply forces leads to product innovation		3.68	.67	Agreed
Staff understanding of the market envi- ronment leads to innovation		2.72	1.22	Agreed
Business and environmental factors results to innovation		1.76	1.06	Disagreed
Drive for profitability encourages innovation.		2.83	.64	Agreed
Grand Mean		2.75	.90	

Table 1 above showed in item 1 mean score of 3.68 and SD .67 which implied that respondents agreed that Demand and supply forces leads to product innovation. Item 2 showed that with mean score of 2.72 and SD 1.22 showing that respondents equally agreed that Staff understanding of the market environment leads to innovation. In item 3 mean score of 1.76 and SD 1.06 which showed that respondents disagreed that Business and environmental factors results to innovation. Item 4 with mean score of 2.83 and SD .64 showed that respondents agreed that drive for profitability encourages innovation. Thus aggregate mean score of 2.75>2.5 showed that respondents agreed that there are factors are responsible for product innovation in the manufacturing sector.

Table 2: How technological innovation contribute to the organization sustainability

S/N Items	N=130	Mean	Std. Dev.	Remark
Tech innovation increases profitability for diversification		2.85	1.20	Agreed
Staff get motivated when engaged in in- novation strategies		2.60	.41	Agreed
Tech innovation makes the work easier to facilitate goal attainment		2.76	1.24	Agreed
Grand Mean		2.74	.95	Agreed

Table 2 above showed in item 5 showed mean score of 2.85 and SD 1.20 implied that respondents agreed that Tech innovation increases profitability for diversification. In item 6 mean score of 2.61 and SD .40 which showed that respondents agreed that Staff get motivated when engaged in innovation strategies. In item 7 of the above showed that respondents agreed that Tech innovation makes the work easier to facilitate goal attainment with mean score of 2.76 and SD 1.24. Thus aggregate mean score of 2.74>.95 showed that respondents agreed that technological innovation contribute to

Table 4: Correlation between Product innovation and organizational sustainability

Variables			Product 1	nnovation	
Sustainability	Pearson Correlation	1	.083**	151**	.544**
of the Manufac- turing Indus-	Sig. (2-tailed)		.002	.000	.000
tries	N	130	130	130	130
	Pearson Correlation	.083**	1	.600**	.475**
	Sig. (2-tailed)	.002		.000	.000
	N	130	130	130	130
	Pearson Correlation	151**	.600**	1	.039
	Sig. (2-tailed)	.000	.000		.150
	N	130	130	130	130
	Pearson Correlation	.544**	.475**	.039	1
	Sig. (2-tailed)	.000	.000	.000	Ì
	N	130	130	130	130

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

Table 4 above showed N-value of 130, correlation coefficient (Spearman rho) value of .039, p-value of .002<.05 which showed that there is Product innovation has no impact on the performance of the manufacturing sector. The null hypothesis is therefore rejected.

Table 5: Correlation between Technological innovation effects on social performance

Variables			Technological 1	Innovation	
Social Performance of	Correlation Coefficient	1.000	.048	.613**	.805**
Manufacturing Industries	Sig. (2-tailed)	·	.001	.000	.000
	N	130	130	130	130
	Correlation Coefficient	.048	1.000	.576**	.113**
	Sig. (2-tailed)	.001		.000	.000
	N	130	130	130	130
	Correlation Coefficient	.613**	.576**	1.000	.540**
	Sig. (2-tailed)	.000	.000		.000
	N	130	130	130	130
	Correlation Coefficient	.805**	.113**	.540**	1.000
	Sig. (2-tailed)	.000	.000	.000	
	N	130	130	130	130

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

Table 5 above showed N-value of 130, coefficient value of .805, p-value of .001<.05 which showed that technological innovation has no effect on social performance of the manufacturing sector. The null hypothesis is therefore rejected.

Table 6: Relationship between marketing innovation and organizational sustainability

Variables			Marketing 1	Innovation	
Organizational Sustainability of the Man-	Correlation Coefficient	1.000	056*	.127**	.652**
ufacturing Industries	Sig. (2-tailed)		.040	.000	.000
	N	130	130	130	130
	Correlation Coefficient	.056*	1.000	.780**	.026
	Sig. (2-tailed)	.000		.000	.000
	N	130	130	130	130
	Correlation Coefficient	.127**	.780**	1.000	.233**
	Sig. (2-tailed)	.000	.000		.000
	N	130	130	130	130
	Correlation Coefficient	.652**	.026	.233**	1.000
	Sig. (2-tailed)	.000	.003	.000	
	N	130	130	130	130

Table 6 above showed n-value of 130, coefficient value of .652, p-value of .003<.05 which showed that there is a significant relationship between strategic innovation and sustainable economic performance of the manufacturing sector in Rivers State. The null hypothesis is therefore rejected.

Discussion of Findings

Product innovation and performance of manufacturing firms

The findings of the study showed that Product innovation has impact on the performance of the manufacturing sector. Thus in support of the findings of the present study, Abubakar, (2014) stated that innovativeness is one of the fundamental instruments of growth strategies to enter new markets. To perform better in the current market as to increase the market share and provide the company with a competitive edge, the company must innovates. It is motivated by the increasing competition in the global markets, and as a result of this, companies have begun to grasp its importance with the swift changes in technologies and stiff global competition rapidly eroding the value added of existing products and services, innovation has become an indispensable component of co-operate strategies for several reasons, such as to apply more productive manufacturing processes, to perform more better in the market place, to seek positive reputation in customers' perception and as a result gain sustainable competitive advantage.

Technological innovation and social performance of the manufacturing firms

The findings of the study showed that technological innovation has effect on social performance of the manufacturing sector. Becheikli, et al (2006) stated that technological innovation are necessary prerequisites for a knowledge-oriented business which promote not only the economic competitiveness of the whole country, but also the business. Technological innovation is a key factor in a firms that wants to develop and maintain competitive advantage or gain entry into new markets

(Becheikli, et al 2006). Manufacturing companies are generally more flexible, they can adapt themselves better to technological innovation, and are better placed to develop and implement new ideas. Henrison and Watson, (1998), posit that, these qualities along with their simple organizational structure, low risk and receptivity are essential features that facilitate their innovativeness.

Strategic innovation and sustainable economic performance of manufacturing firms

The findings of the study revealed that there is a significant relationship between strategic innovation and sustainable economic performance of the manufacturing sector in Rivers State. Sampson, (2007) position aligned with the present findings that he relationship between strategic innovation and sustainable economic performance of manufacturing firms is dependent on the ability of firms to transfer technology investment into innovation and that in itself is likely to be influenced by firm specific resources such as managerial skill, technology know-how, experience, the presence of technical experts and prior technological investment (Sampson, 2007). Strategic innovation is a methodology or strategy deployment, but interdisciplinary consolidation for organization's sustainability. The requirement for strategic innovation of an organization denotes that in the process of pursuing long-term survival and sustainability, an organization needs to accomplish its ambitions as to ensure a leading position in the target market (Markides, 1998)

Conclusion

Marketing innovation is a strategy that helps companies promote their projects and services in a new and unique ways. The goal of marketing innovation in the manufacturing industries is to break away from traditional marketing practices and be unique in a special way. Marketing innovation is not only the incorporation of new technology but also the implementation of new and effective ideas that is essential to improve products and service efficiency. With marketing innovation, companies can reach new markets, increase sales, generate more revenue, and attract new customers that will be delighted. Marketing innovation helps companies to improve productivity, reduce cost of production, increase competitiveness, improve brand image, recognition and value, new partnerships and relationships and also increased turnover and improved profitability.

Marketing innovation enhances companies' ability to increase competitiveness by offering higher quality products more efficiently and at lower cost, it help to improve staff retention, because staff love to work in organizations that promote teamwork and that have problems solving ability. Marketing innovation help managers in been proactive as to enable them keep up with changes in the industry and make significant changes in the face of stiff competition in the manufacturing industries.

Companies today need to establish their purposes of existence in the market; and in so doing they will persuade customers to trust them and their products to be loyal to the brand and establish a long-term relationship that comes close to patriotism. Companies will need to use sustainable marketing practice but these will only work if they are part of a transformation if the company mission. Companies cannot bear the burden of becoming sustain alone they will need increasing support from consumer who are willing to make sacrifices themselves to make the world better.

Recommendations

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

Product innovation should be encouraged for the sustainability of the manufacturing industries in Rivers State.

Technological innovation should be encouraged through training and retraining of staff of manufacturing industries in Rivers State.

Social innovation should be incorporated into the other forms of innovation to encourage sustainable economic performance of the manufacturing industries in Rivers State.

References

- Abubakar, R.A. (2014): Impact of product innovation on the performance of manufacturing company (A case study of Nigerian Bottling Company Plc, Kaduna). http://oer.uduosk.edu.ng>ha
- Azapagic, A. & Perdan, S. (2000). Indicators of sustainable development for industry: A general framework. Journal of institution of chemical engineers. 78(B)
- Barney, J. (1991). Firms resources and sustained competitive advantage. Journal of management. 17(1), 99-120.
- Becheikh, N. Randry R. & Amara, N. (2006). Lessons from innovative empirical studies in the manufacturing sector: A systematic review of literature from 1993-2003.
- Carayannis, E.G. Sindakis, S. and Walter, C. (2015). Business model innovation as lever of organizational sustainability. J. technol 40,36.
- Cavalho, Land Costa, T. (2014): "Small and Medium enterprises (SMES) and competitiveness: an empirical study". Journal of Management studies Vol. 2 No.2, Pp. 88-95.
- Churwiruch, N., Ihunda-Indra, P., & Boonlua, S. (2015). Marketing innovation strategy and marketing performance: a conceptual framework. Allied academy of marketing studies, 20(2) 82-93.
- Cohen, W.M, Goto, A, Nagata, A. Nelson, R.R. Walsh, J.P. (2002). R&D Spillover patents and the incentives to innovate in Japan and the United States Research Policy. 31(8-9) 1349-1367.
- Farr, J.L. & Ford, C.M. (2008). Innovation and creativity at work: psychological and organizational strategic, UK, Chichester: John Wiley and sons.
- Gonzalez-Benito, O. Munoz-Gallego, P.A, Gacia-Zamora, E. (2015). Entrepreneurship and Market orientation as determinants of innovation: The role of business size. International journal of innovation management, 19(04), 1550035.
- Gupta, S, Malhotra, N.K., Czinkota, H, and Foroudi, P. (2016). Marketing innovation: A consequence of competitiveness. Journal of business research. 6(12), 5671-5681.
- Hobday, M. (2005). Firm-level innovation models: perspective on research in developed and developing countries. Technology analyst & strategic management 17(2), 121-146.
- Huang, Aishua and Badurdeen Fazleena (2016). Sustainable manufacturing performance evaluatuion; intergrating product and process metrics for systems level assessment. Proceedings of 14th Global Conference on Sustainable manufacturing. Stellen Bosch South-Africa 3-5.
- Jawahir, I.S. Badurdeen, F. & K, Rouch, K. (2014). Innocation in sustainable manufacturing education. Proceedings of the 11th Global Conference on sustainable manufacturing, Berhlin, Germany, 9-16.
- Kalay, F. & Lynn, G. (2015). The impact of strategic innovation management practices on firm innovation performance. Research journal of business and management, 2(3), 412-429.
- Koellinger, P. (2008). The relationship between technology innovation, and firm performance empirical evidence from e-business in Europe. Research policy, 3(8), 1317-1328.
- Kotler, P. & Bes, F.T. (2005). Innovation marketing: Jak Kreativrim Myslenim vitezit is Zakazniku. Praha: Grad, publishing.
- Laforst, S. (2011). A framework of organizational innovation and outcomes in SMEs. International journal of entrepreneurship behavior and research 17(4). Pp 380-408.

- Lopes, C.M, Scavarda, A, Hofmeister, L.F,T. Home, A. M.T, Vaccaro, G.L.R. An analysis of the interplay between organizational sustainability, knowledge management and open innovation. J, Clean Prod 142, 476-488.
- Maier, D.(2018). Integration of management systems-key issues for the sustainable development of an organization. International journal of advanced engineering and management research, 3 (6).
- Markides, C. Strategic innovation in established companies. Sloan management Review, 3(9), 31-32.
- Ren, S. Eisingerich, A.B and Tsai, H.t, (2015). "How do marketing research and development capabilities synergically affect the innovation enterprises (SME)? A panel data study of Chinese SME." International Business review, Vol. 24, No.4 pp. 642-651.
- Sampson, R.C. (2007). R&D Alliance and firm performance: the impact of technological diversity and alliance organization on innovation. Academy of management journal, 50(2), 364-386.
- Singh, Olugu, E.U. and Musa, S.N. (2016). Development of sustainable manufacturing performance evaluation expert system for small and medium enterprises: proceedings of 13th global conference on sustainable manufacturing developing growth from resource use.
- Suraksha, Gupta (2016) Marketing innovation: A consequence of competitiveness. Journal of business research, 69(3).
- Yang, J and Hou, G.S. (2019). Study on innovation and industrial development effect of manufacturing industry. J. Coast Res 94, 581-548.

733

Quality Management and Supply Chain Performance of Food and Beverages Manufacturing Companies in South-South Nigeria

Idadokima, Samuel

Department of marketing, Rivers State University, Port Harcourt idadokimasamuel@gmail.com

Nwaonuma, U. Darlington

Department of Engineering Management, Aston University Birmingham nwaonumauchenna@gmail.com

Abstract

This study examined the relationships between quality management and supply chain performance of the food and beverages manufacturing companies in south-south Nigeria. The study adopted a cross sectional survey research design. The population of this study was seven six (76) food and beverages manufacturing companies in south-south Nigeria. Primary data was generated through structured questionnaire. In this study, however, there was no need to venture in to the rigorous procedures for determining an appropriate samples size because our population of the study was not large. Hence, we study the entire accessible population (census) of the seven six (76) food and beverage manufacturing companies. However, the researcher selected one (1) respondents from each of these companies' which are Procurement managers to whom copies of questionnaire was administered. Thus, the total number of respondents were (76).how ever 12 copies questionnaire were return but unusable hence sixty four (64) copies were used for data analysis. The research instrument was validated by supervisors' vetting and approval while the reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Statistics. Findings revealed that there is a significant positive relationship between quality management and supply chain Performance. Specifically; quality management has a positive significant relationship with supply chain effectiveness, supply chain efficiency and supply chain reliability. Hence, the study concludes that, quality management practices such as supplier selection, quality control, continuous improvement, customer satisfaction, and risk management all contributes to the overall performance of the supply chain. Hence, the study recommends that, food and beverages manufacturing companies should implement quality management strategies, companies can enhance supply chain efficiency, reduce cost, and untimely improve customers' satisfaction.

Keywords: continuous improvement, customer satisfaction, quality management, supply chain performance, supplier selection, quality control

Introduction

Manufacturing firms are under a lot of pressure to develop and incorporate eco-friendly measures (Murphy, 2012). Many countries have put in place programs with a purpose of reducing production to landfill, (Hasan, 2013). As a result, eco-friendlier activities are being embraced by various industries such as the integration of design for the environment into their products (Murphy, 2012) and the use of sustainable distribution practices. Nigerian Manufacturers therefore must appreciate the requirements and ensure that their products conform to the social and regulatory obligations. The consumption of products manufactured in Nigeria is threatened by international and local green trade barriers" which directly affect business competitiveness in the global and local market.

Consumers, investors, shareholders and regulatory agencies are increasingly demanding that organizations should behave in an environmentally responsible manner (Mwaura, Letting, Ithinji & Orwa, (2016). Srivastava (2010) argue that success in the environmental protection contributes to the building of a positive image for customers and provide new opportunities to expand business thus improving the environmental as well as the overall supply chain performance of a firm.

However, it is not just about being environment friendly; it is about good business sense and higher profits. With increase in environmental such concerns during the past decade, a consensus is growing that environmental pollution issues accompanying industrial development should be addressed (Sheu, Chou & Hu, 2015). The undertaken initiatives involve the relevant stakeholders such as manufacturers, materials suppliers, service contractors, vendors, distributors and end users have done little or nothing to reduce or eliminate adverse environmental issues such as; Pollution, Ozone layer depletion, loss of biodiversity, degradation and the depletion of air, water, minerals and land which can possibly give rise due to their activities (Beamon, 1999; Vachon & Klassen, 2006; Hanim, 2012).

In the face these uncertainty the researcher investigated the relationship between quality management on supply chain performance in the context of food and beverage manufacturing firms in South-South Nigeria. This, study specifically establish the relationship between quality management and supply chain effectiveness, supply chain efficiency

734

and supply chain reliability of the food and beverages manufacturing companies in south-south, Nigeria. This study conceptualized a frame work as shown in Figure 1.

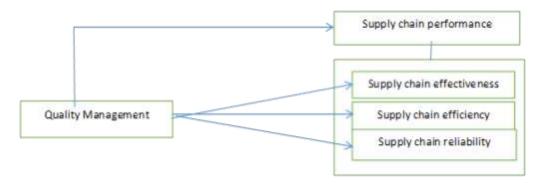


Fig. 1: Conceptual frame work of Quality Management and supply chain performance Source: Researcher conceptualization from review of literature (2023).

Theoretical Foundation of the Study Institutional Theory

This theory was proposed by (DiMaggio & Powell in 1983; Meyer & Rowan 1999), and it states that organizations should incorporate environmental safety issues into their management policies in order to be successful in the global competitive market. This is as a result of the huge attention given to environmental safety worldwide which has pressurized organizations to comply with environmental safety standards set up by the environmental regulatory bodies at both global and national levels. As noted above, green procurement is now seen as a matter of strategic partnering (Mann et al, 2010), and appropriate theory needs to consider adoption from the perspective of interactions with a wide range of stakeholders encompassing multiple dimensions (Krause, Vachon & Klassen 2009).

Pagell, et al. (2010), has posited, to understand the emergence of sustainability, in their view such approaches have limitations in addressing the complex and multidimensional aspects of green procurement (Carter & Jennings 2004). A number of authors have already applied the management theories in the framework and combinations of studies which centered on green procurement. Husted and Allen's (2006) survey based approach has strongly indicated the importance of institutional theory rather than strategic analysis in driving green procurement initiative. As Brammer, et al., (2012) argue, institutional theory allows for a better understanding of the 'diversity and dynamics' of green procurement initiative, a point supported by a number of scholars (Campbell, 2007; Matten & Moon, 2008).

Institutional theory has been applied to explain explicit and implicit nature of sustainable procurement. The considerable overlap between green procurement and Sustainable Supply Chain Management which causes us to suggest that institutional theory may also be useful as an approach to understanding sustainable supply chain management adoption. Moreover, as Brammer *et al.*, (2012), point out, taking an institutional lens widens our approach to the study of a particular area of organizational behavior or performance - a point very relevant to green initiative, a highly interdisciplinary area of study, as exemplified by the disciplinary scope of this paper. Hence, only those institutions that comply with environmental safety rules by incorporating them into their management policies are likely to be successful in the local and global market as compared to those that refuses to comply.

Quality Management

Quality Management (QM) is a management system that concentrates on quality improvement through the application of instruments, values, and processes (Mahmood, Hashmi, Shoaib, Danish & Abbas, 2014). Quality Management aims to raise consumer satisfaction by increasing the quality of goods and services, while at the same time consuming the lowest number of resources

(Almahamid & Qasrawi, 2017). The root of Quality Management's definition comes from total quality management. In general, quality was defined as a predictable degree of uniformity and dependability at a low cost and suited to the Market.

Deming, (1986).On the other hand, Cosby and Juran's (2017), definition focused on designing products and services that meet customers' needs and expectations Madu, (1998). Kiran, (2016) defined quality as fitness for use, "fitness for purpose", "customer satisfaction", "conformance to the requirements", or as a pragmatic interpretation relating to the non-inferiority (or superiority) of something. In ISO 140001, quality was described as "the degree to which a set of inherent characteristics fulfills requirements. Therefore, According to Peter Drucker (1997) quality is not what the supplier puts in. It is what the customer gets out and is willing to pay for. Based on the concept of quality, the idea of total quality management has been developed as a result of intense global competition (Ahmad, Zakuan, Jusoh, Yusof, Takala & Arif, 2014).

Defining Quality Management is a matter of controversy among researchers because of distinctions between Total Quality Management's content, elements, and processes. When focused on content, Quality Management has been considered as a management philosophy, the major business strategy in the 1990s, or as one form of operations management practices (Witcher, 1994; Jung & Wang, 2006). According to Abdullah (2010), quality Management is "a philosophy and a set of guiding principles" to combine not only management techniques, but also technical tools, as well as improvement efforts in a stable technical system with continuous improvement targets for managing a firm.

Quality Management is generally defined as practices that focus on controlling processes and products through techniques and tools in order to conform to and satisfy established requirements (Psomas, Vouzas & Kafetzopoulos 2014; Fotopoulos & Psomas, 2009). Similar to Zeng, Zhang, Matsui & Zhao, 2017) we consider the following two most important hard QM elements: process management and quality information. Soft QM can be generally defined as the QM practices that are directed toward involvement and commitment of management and employees, training, learning, and internal cooperation or team work in other words, promoting the human aspects of the system Psomas, et al., 2014; Vouzas & Psychogios, 2017). In this this study, the hard side is covered by process management and information and analysis, while the soft side is based on strategic planning, customer focus, and human resource management.

Quality management is a relevant factor that could help firms meet their green performance objectives (Almahamid & Qasrawi, 2017). Quality Management is a control structure which can increase both individual and firm performance. This system enables companies to gain a competitive advantage and helps them maintain their advantage through improvements in standards and quality, at the lowest possible delivery time and at favorable Cost (Yusr, Mokhtar, Othman, Sulaiman, 2017; Shafiq, Lasrado & Hafeez, 2019). Quality management is an environment-oriented method which can help diminish waste through the effective and efficient consumption of resources and reserves Masocha, (2018).

Likewise, it involves the delivery of continuous progress, training, and development, and it enriches individual competencies to transform or better the performance of existing services or products Shafiq, 2019; Pettigrew 1979). Quality Management therefore plays a vital role in boosting the ability of organization to attain green performance goals. Hence, quality management enhance the overall supply chain performance in the food and beverages manufacturing companies. The next section discuss the concept of supply chain performance.

Supply Chain Performance

The performance of business firms, which essentially, is a reflection of how they performed, or are performing, with respect to attaining objectives, fulfilling missions, and operating based on core values has consistently been a focus of business theorists and practitioners. This is largely due to the notion that a firm ability to survive, prosper and attract investors' interest is hinged on its performance records and feature performance potentials. A company performance could be measure in

both financial and non-financial terms, and such measurement criteria are expected to represent key performance indicators that are universal in the firms industry (Chen & paulraj, 2004; Gawanka, Kamble & Verma, 2013).

Nevertheless, companies realize that the goodness or badness of their business performance is strongly linked to the performance wellness of the supply chain they depend on. Hence, increase attention is accorded to supply chain performance. A supply chain is a network of independent business and individual that undertake critical activities that are directly or indirectly instrumental to fulfill customer requirements by facilitating movement of product from source of supplies of input materials to the delivery of finished product to users Supply chain are galvanized to satisfy customers' needs and in the process, generate profit for the conceived participants in the chain (Marwah, Thakar & Gupta, 2014).

Supply chain performance is thus, conceived as the level of effective efficient with which a supply chain meet Customers' needs of product availability, responsiveness, ability to deliver desired variety ,capacity utilization, and on time delivery of customer orders (Wachira, Mburu & Kiai, 2022; Gunasekaran., Patel & McGaughey, 2004). Supply chain performance cross companies boundaries because it includes basic materials, components, subassemblies and finished products, and distribution through various channels to the end customer and also cross traditional functional lines. Supply chain are pliant; they consistently adjust to changing supply and demand structure of the product they handle (Douglas, 2004), a firms supply chain is cardinal to its business wellness; this is true now that competition in the business world is increasingly shifting from a focus on individual firm to supply chain networks.

Supply Chain Effecticveness

One of the supply chain performance indicators is effectiveness which is referred as firm' ability to come up with solutions aimed at providing value to customers at various customers' points of collection than available prices or offers (Möller & Törrönen, 2003). The above definition appears to match effectiveness to commercial action as being capability to come up with fresh resolutions with additional significance is accentuated. Therefore firms need to ensure that their processes are effective and being effective means customers are getting required products in time as per the ordered quantity.

Effectiveness is generated in an association by the practice of courtesy to diverse interdependencies, i.e. the assessor is prejudiced in its assessment hence it is heavily recommended that effectiveness should be assessed without any alterations because it adds value in supply chain and is groupings of ancillary paybacks got over the merchant and the vendor networks (Walter, Achim, Thomas Ritter & Hans, 2001). Effectiveness is a crucial component of long-term SCM success. It's also crucial to protecting competitive strength, availability of working capital, and business continuity during times of plenty while providing adequate operational agility and flexibility to solve problems and overcome the negative impact of disruptions to the global supply chain.

Supply chain effectiveness includes cost reduction in shipping and handling, as well as lowering distribution costs. These efforts will lead to a decline in overall logistic cost and product price. A much broader perspective in continuity planning is essential, as many threats to business survival lie outside the focal firm. Thus, resilience should be designed in supply chain development to mitigate vulnerability. Adoption of a mitigation strategy would enable a firm to manage operational risks effectively, sustain supply chain operation and recover from disruptions (Tang, 2006). These factors would enable supply chain operations to be more responsive to customer demand with less inventory and at lower cost (Faisal, Banwet & Shankar, 2006).

Mitigation strategies should be incorporated into supply chain development. Effectiveness could also be viewed as the ability to meet operational goals, which enhance the ability to adapt to changing business environment and further survival. Richard, Devinnea, yip and Johnson (2009), viewed it as the combination of organizational performance and a multitude internal outcomes usually related with more efficient operations and other outside measures that are associated to consideration

that are larger than those related with economic valuation, such as social corporate responsibility.

Supply Chain Efficiency

Efficiency in supply chain operations relates to optimal resource utilization and cost and waste reduction (Nwokah, 2006). Efficiency is a metric used to measures the output of a system from each unit of input (Maheswari, Kumar & Kumar, 2006). Output is what is produced, while input represents the resources that go into the production. Traditionally, efficiency is an aspect of the productivity discourse; and addresses attempts to minimize cost of operations and reduce wastages (Sodhi & Sons, 2009). In the view of Weber (2002, as cited in Nwokah, 2006) by improving efficiency, costs of operations are controlled in order to cause an increase of return to shareholders. The concept of efficiency thus focuses on improving a system's processes to run on less cost, minimize resource consumption, and reduce wastage, while providing consistent quality of services.

It is not just about achieving goals but streamlining operations to deliver better products at better prices and to reduce unnecessary expenses (Vereecke & Muylle, 2006). Efficiency is paramount to the success of a supply chain. Through efficiency, processes are simplified; resources are freed for alternative used, while growth and profitability is achieved (Youn, Yang, Hong & Park, 2013).

Companies strive to become more efficient and less wasteful in their operations. One avenue through which they pursue this goal is their supply chain; and to measure the performance of their supply chains, companies resort to several key performance indicators (Vereecke & Muylle, 2006). Efficiency, an essentially internal standard of performance that measures of how best, financial, human, technological and material resources are harnessed is one of such metrics (Arawati, 2011). In supply chain contexts, efficiency is the ability of a supply chain to use resources, technology, and expertise in ways that minimize costs and wastages and maximize profits. The goal of an efficient supply chain is to save money and maximize profits by optimizing processes and stages.

Supply Chain Reliability

A supply chain needs high reliability to insure its effectiveness and efficiency (Burkovskis, 2008). The increasing reliability-related researches in engineering and management fields are carried out; how- ever, they seldom refer to concepts in the literature of the academic supply chain. Up to now, there has not been a generally acknowledged definition of supply chain reliability. Thomas, (2002) was the first who explicitly presented the concept of Supply Chain Reliability defined as 'the probability of the chain meeting mission requirements to provide the required supplies to the critical transfer points within the system'. Some sources presented the concept of Supply Chain Reliability from a specific perspective, for example, arrival time (Van Nieuwenhuyse & Vandaele, 2006) or potential failure (Quigley & Walls, 2007).

According to PLS Logistics (2016), supply chain reliability refers to the degree to which a supply chain yields consistent performance. Increasing reliability, reducing inventory and preparing for demand are top priorities for supply chain professionals. The top priorities activities for supply chain professionals include Increase of reliability, reduction of inventory as well as forecasting and preparing for demand. The reliability of a supply chain is critical in efforts of implementation of an operative supply chain management strategy in manufacturing organizations since it enhances the speed on relief response and most importantly, brings down costs.

Quality Management and Supply Chain Performance

Chu-Hua, Christian and Madu (2014), studied the relationship between quality management and supply chain performance in Taiwan food and beverage manufacturing companies, two instruments were used for the study: a revised version of Sancha *et al.*(2015) quality management instrument and Chu, *et al.*'(2014) organizational performance instrument. The data were classified into three groups based on the level of supply chain quality practices. It is observed that high quality-tend to perform better than low quality-tendency on cost savings. High quality-tendency organizations can be differentiated from medium quality-tendency organizations in areas such as productivity, sales growth, and earnings growth. Medium quality-tendency seems to be differentiated from low quality-tendency systems on indicators like employee satisfaction, productivity, and sales growth. Our re-

sults suggest that organizational performance could be enhanced through improved supply chain quality management.

Grekova, Bremmers, Trienekens, Kemp and Omta (2014), studied the relationship between quality management and supply chain performance in Dutch food and beverage manufacturing companies. This study expands the understanding of the factors that influence managers to develop Extending—Environmental Management with a multi-period empirical research. The study address the effects of external institutional pressures regulative, normative, and culturally-cognitive and the level of incompany environmental management (I-EM) on Extending—Environmental Management, which involves information exchange in the chain, cooperation with suppliers and customers.

The analysis relies on survey data of 255 and 96 Dutch food and beverage (F&B) processors from 2002 and 2010 respectively. The findings indicate that respondents have considerably improved in company-Extending environmental Management over time. I-EM requires in-company procedures ranging from environmental strategy formulation to the managerial review of achieved results to assure continuous improvement of environmental performance. F&B processors that had already achieved a high level of I-EM are more likely to develop E-EM. Also growing normative and culturally-cognitive pressures from supply chain partners and increasingly from long-term public—private environmental covenants significantly influenced supply chain performance. However, regulative pressure from public authorities had no impact. It appeared that E-EM is influenced mostly by institutional pressures when the firms are less experienced with in company-Environmental Management.

Cyril, Okwandu and Adiele (2021) investigated the relationship between Cost Management and Supply Chain Performance of food and Beverages firms in Port Harcourt. The population for this study consists of seventeen (17) food and beverages firms in Port Harcourt. The researcher conducted a census study due to the small size of the population. However, a total of Eighty Five (85) top managerial staff of the firms constituted the respondents for the study. Furthermore, Eighty five (85) copies of the questionnaire were administered to the top managers of each of the 17 food and beverages companies while seventy (70) copies were retrieved and used for the study.

The result of the analysis revealed that Cost Management significantly influenced Supply Chain Performance of food and Beverages firms in Port Harcourt. Hence, the authors concluded that Cost Management significantly affect Supply Chain Performance and therefore recommended that the management of food and Beverages firms in Port Harcourt should adopt appropriate cost management strategies in other to increase their level of supply chain performance. Although the empirical review does not actually fit in but is relative (sub dimension) of quality management.

The study contributes to academia as there is better understanding of the sets of drivers and barriers and how these affect supply chain performance. Thus, we state the following alternative hypothesis:

- Ho₁: Quality management does not significantly relate with supply chain effectiveness of food and beverages manufacturing companies in South-South Nigeria.
- Ho₂: Quality management does not significantly relate with supply chain efficiency of food and beverages manufacturing companies in South-South Nigeria.
- Ho₃: Quality management does not significantly relate with supply chain reliability of food and beverages manufacturing companies in South-South Nigeria.

Methodology

The study adopted a cross sectional survey research design to establish the relationship between quality management and supply chain performance of the food and beverages manufacturing companies in south-south Nigeria. The population consist of seventy six (76) food and beverages manu-

facturing companies in south-south Nigeria. No need to venture into rigorous process of determining a sample size because our population was not large, so we studied the entire accessible population (census) study. The questionnaire was the instrument used to collect primary data from respondents.

The instrument was subjected to academic scrutiny to determine its face, content and construct validity. Furthermore, to determine the reliability of the research instrument, a pilot study was (pretest) was conducted and the data was subjected to cronbach,s Alpha reliability test a threshold of 0.7 which indicate that it was reliable. Shown in table1.1 the spear man rank correlation coefficient were used in testing the three (3) hypotheses stated in the study with the aid of statistical Package for social sciences (SPSS) version 23.0.

Table 1: Reliability Coefficients of Variable Measures

S/No	Dimensions/Measures of the study variable	Number of items	Cronbach's Alpha	Comment
1	Quality management	7	0.781	Reliable
2	Supply Chain Effectiveness	6	0.798	Reliable
3	Supply Chain Efficiency	6	0.843	Reliable
4	Supply Chain Reliability	6	0.799	Reliable

Source: SPSS Output, (2023).

Table 2: Descriptive Statistics for Quality Management

	N	Minimum	Maximum	Mean	Std. Deviation
Does the adoption of Total quality environmental management enhance greening practice	64	1.00	5.00	3.9250	1.11912
The existence of environmental management systems enhance quality?	64	1.00	5.00	3.9143	.80754
Our organization Procure products that are made using recycled materials	64	1.00	5.00	3.9250	1.11912
Our firm Develop environmental awareness of procurement staffs	64	1.00	5.00	3.7786	1.32290
Our organization Buys products for which the packaging material is bio-degradable or recyclable		1.00	5.00	3.7143	1.16265
We Purchase energy saving equipment in our organization	64	1.00	5.00	3.7286	1.15992
Valid N (listwise)	64				

Source: SPSS Output

The data (4) illustrates that there is a high level of affirmation (where x > 2.50) as regards the indicators of quality management which is a dimension of green procurement drivers. The construct examined the context and manifestations of quality management within the target organizations

|--|

with indicators aimed at examining respondents' perception of quality management through its indicators. The results affirm to all six indicators of quality management within the target organizations as also supported by the low disparity in response (SD <2.00). The implication of these responses is that the respondents in food and beverage companies in South-South, Nigeria are strongly of the opinion that quality management is an observed phenomenon in their organizations and hence are largely on the agreement range of the scale.

Table 3: Descriptive Statistics for Supply Chain Effectiveness

-	N	Minimum	Maximum	Mean	Std Deviation
We strive to provide value driven services to our supply chain partners	64	1.00	5.00	3.4286	1.39709
We develop after Supply services to enhance customer satisfaction	64	1.00	5.00	4.0679	1.19394
We develop action plans to make us timely in meeting consumers expectation	64	1.00	5.00	3.8929	1.00676
We always meet our clients desired supply chain goals	64	1.00	5.00	3.8643	1.05891
Green procurement adoption enhances our organizational performance	64	1.00	5.00	3.5643	1.34517
We get feedback from our supply chain clients in order to improve on their services	64	1.00	5.00	3.7000	1.33172
ValidN (listwise)	64				

Source: SPSS Output

The data (3) illustrates that there is a high level of affirmation (where x > 2.50) as regards the indicators of supply chain effectiveness which is a measure of supply chain performance. The construct examined the context and manifestations of supply chain effectiveness within the target organizations with indicators aimed at examining respondents' perception of supply chain effectiveness through its indicators. The results affirm to all six indicators of supply chain effectiveness within the target organizations as also supported by the low disparity in response (SD <2.00). The implication of these responses is that the respondents in food and beverage companies in South-South, Nigeria are strongly of the opinion that supply chain effectiveness is an observed phenomenon in their organizations and hence are largely on the agreement range of the scale.

F	roceedings of the 4th Annual International Academic Conferen	ce

Table 4: Descriptive Statistics for Supply Chain Efficience	Table 4: L	escriptive	Statistics:	for Supply	Chain Effici	ency
---	------------	------------	-------------	------------	--------------	------

	N	Minimum	Maximum	Mean	Std Deviation
We utilized organizational scarce resources prudently in order to meet supply chain goals	64	1.00	5.00	3.4143	1.35987
We provide exceptional product to supply chain partners witting the appropriate cost structure		1.00	5.00	3.9250	1.11912
Does supply chain department utilized time and effort for the intended plans and purpose	64	1.00	5.00	3.9143	.80754
Our supply chain department work hard in achieving maximum efficiency	64	1.00	5.00	3.6357	1.09878
We train our staffs annually to increase their knowledge in work flow	64	1.00	5.00	3.9536	1.21873
Our supply chain visibility are always improve to keep abreast with current reality	64	1.00	5.00	3.8929	1.00676
ValidN (listwise)	64				

Source: SPSS Output

The data (table 4) illustrates that there is a high level of affirmation (where x > 2.50) as regards the indicators of supply chain efficiency which is a measure of supply chain performance. The construct examined the context and manifestations of supply chain efficiency within the target organizations with indicators aimed at examining respondents' perception of supply chain efficiency through its indicators. The results affirm to all six indicators of supply chain efficiency within the target organizations as also supported by the low disparity in response (SD <2.00). The implication of these responses is that the respondents in food and beverage companies in South-South, Nigeria are strongly of the opinion that supply chain efficiency is an observed phenomenon in their organizations and hence are largely on the agreement range of the scale.

Table 5: Descriptive Statistics for Supply Chain Reliability

	N	Minimum	Maximum	Mean	Std. Deviation
Our supply chain department constantly delivers superior services to customers	64	1.00	5.00	3.8643	1.05891
Our supply chain partners pose confidences on us in terms of value added services	64	1.00	5.00	3.5643	1.34517
We delivers our supply chain partners in record time	64	1.00	5.00	3.3429	1.40542
We provides service as promised to our customer	64	1.00	5.00	3.7000	1.33172
Our supply chain department is dependable when handling customers service	64	1.00	5.00	3.4143	1.35987
There is an increased level of reliability that influences the operations	64	1.00	5.00	3.9250	1.11912
we are committed in service delivery to customer in all standard	64	1.00	5.00	3.9143	.80754
Valid N (listwise)	64				

The data (5) illustrates that there is a high level of affirmation (where x > 2.50) as regards the indicators of supply chain reliability which is a measure of supply chain performance. The construct examined the context and manifestations of supply chain reliability within the target organizations with indicators aimed at examining respondents' perception of supply chain reliability through its indicators. The results affirm to all seven indicators of supply chain reliability within the target organizations as also supported by the low disparity in response (SD <2.00). The implication of these responses is that the respondents in food and beverage companies in South-South, Nigeria are strongly of the opinion that supply chain reliability is an observed phenomenon in their organizations and hence are largely on the agreement range of the scale.

Table 6: Correlation for Quality Management and Supply Chain Performance Measures

			Quality Management	Supply Chain Effectiveness	Supply Chain Efficiency	Supply Chain Reliability
	2 3	Correlation	1.000	.808**	.786	.803**
	Quality	Coefficient		200	000	200
	Managem ent	Sig. (2-tailed)		.000	.000	.000
		N	64	64	64	64
		Correlation	.808**	1.000	.952**	.940**
	Supply Chain	Coefficient				
	Effectiveness	Sig. (2-tailed)	.000		.000	.000
Spearm an's		N	64	64	64	64
rho		Correlation	.786**	.952**	1.000	.944**
	Supply Chain	Coefficient				
	Efficiency	Sig. (2-tailed)	.000	.000		.000
		N	64	64	64	64
		Correlation	.803**	.940**	.944**	1.000
	Supply Chain	Coefficient				
	Reliability	Sig. (2-tailed)	.000	.000	.000	99
	en e	N	64	64	64	64
**. Correlati	on is significant a	t the 0.01 level (2	-tailed).			

Source: SPSS Output Version 23.0

The correlation coefficient (rho) result in table (6) was used to answer research questions 12& 3 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.808 on the relationship between quality management and supply chain effectiveness. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in supply chain effectiveness was as a result of the adoption of quality management. Therefore, there is a very strong positive correlation between quality management and supply chain effectiveness of food and beverage companies in South-South, Nigeria. Similarly, Table 3 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.786 on the relationship between quality management and supply chain efficiency. This value implies that a strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in supply chain efficiency was as a result of the adoption of quality management. Therefore, there is a very strong positive correlation between quality management and supply chain efficiency of food and beverage companies in South-South, Nigeria.

Furthermore, Table 4 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.803 on the relationship between quality management and supply chain reliability. This value implies that a

very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in supply chain reliability was as a result of the adoption of quality management. Therefore, there is a very strong positive correlation between quality management and supply chain reliability of food and beverage companies in South-South, Nigeria.

Discussion of Findings

The statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained from table (6) the sig- calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between quality management and supply chain effectiveness. This findings collaborate with the position of Chu-Hua, Christian and Madu (2014), studied the relationship between quality management and supply chain performance in Taiwan food and beverage manufacturing companies, two instruments were used for the study: a revised version of Sancha *et al.*(2015) quality management instrument and Chu, et al.'(2014) organizational performance instrument.

The data were classified into three groups based on the level of supply chain quality practices. It is observed that high quality- tend to perform better than low quality-tendency on cost savings. High quality-tendency organizations can be differentiated from medium quality-tendency organizations in areas such as productivity, sales growth, and earnings growth. Therefore, there is a very strong positive significant relationship between quality management and supply chain effectiveness in food and beverage companies in South-South, Nigeria.

Also displayed in the table (6) is the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained from table (6) the sig-calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between quality management and supply chain efficiency.

The findings collaborates with Cyril, Okwandu and Adiele (2021) investigated the relationship between Cost Management and Supply Chain Performance of food and Beverages firms in Port Harcourt. The population for this study consists of seventeen (17) food and beverages firms in Port Harcourt. The researcher conducted a census study due to the small size of the population. However, a total of Eighty Five (85) top managerial staff of the firms constituted the respondents for the study. Furthermore, Eighty five (85) copies of the questionnaire were administered to the top managers of each of the 17 food and beverages companies while seventy (70) copies were retrieved and used for the study.

The result of the analysis revealed that Cost Management significantly influenced Supply Chain Performance of food and Beverages firms in Port Harcourt. Hence, the authors concluded that Cost Management significantly affect Supply Chain Performance and therefore recommended that the management of food and Beverages firms in Port Harcourt should adopt appropriate cost management strategies in other to increase their level of supply chain performance. Although the empirical review does not actually fit in but is relative (sub dimension) of quality management. Therefore, there is a strong positive significant relationship between quality management and supply chain efficiency in food and beverage companies in South-South, Nigeria.

Also displayed in the table (6) is the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained from table 6 the sig-calculated is less than significant level (p = 0.000 < 0.05). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between quality management and supply chain reliability.

The findings collaborates with Grekova, Bremmers, Trienekens, Kemp and Omta (2014), studied the relationship between quality management and supply chain performance in Dutch food and beverage manufacturing companies. This study expands the understanding of the factors that influence managers to develop Extending–Environmental Management with a multi-period empirical research. The study address the effects of external institutional pressures regulative, normative, and

culturally-cognitive and the level of in-company environmental management (I-EM) on Extending—Environmental Management, which involves information exchange in the chain, cooperation with suppliers and customers. The analysis relies on survey data of 255 and 96 Dutch food and beverage (F&B) processors from 2002 and 2010 respectively.

The findings indicate that respondents have considerably improved in company-Extending environmental Management over time. I-EM requires in-company procedures ranging from environmental strategy formulation to the managerial review of achieved results to assure continuous improvement of environmental performance. F&B processors that had already achieved a high level of I-EM are more likely to develop E-EM. Also growing normative and culturally-cognitive pressures from supply chain partners and increasingly from long-term public—private environmental covenants significantly influenced supply chain performance. However, regulative pressure from public authorities had no impact. It appeared that E-EM is influenced mostly by institutional pressures when the firms are less experienced with in company-Environmental Management. Therefore, there is a very strong positive significant relationship between quality management and supply chain reliability in food and beverage companies in South-South, Nigeria.

Conclusion and Recommendations

The study concludes that quality management positively enhances supply chain performance through it performance indicators; supply chain effectiveness, supply chain efficiency and supply chain reliability. This suggests that when these companies implement quality management and environmentally friendly practices in their procurement processes, it leads to improvements in their overall supply chain performance and recommends Food and beverage manufacturing companies should adopt and implement quality management strategies, with that companies can enhance supply chain efficiency, reduce cost, and untimely improve customers' satisfaction.

References

- Ahmad, M.F., Zakuan, N., Jusoh, A. Yusof, S.M., Takala, J., & Arif, M.S.M. (2014). Comparative study of TQM practices between Japanese and non-Japanese companies: Proposed conceptual framework. In Proceedings of the Advanced Materials Research; Trans Tech Publications Ltd.: Bäch, Switzerland, 903, 371–377.
- Akenroye, T.O., & Aju, O., (2013). Barriers to SMEs participation in public procurement in Nigeria: Some preliminary results. *International Journal of Entrepreneurship and Innovation Management* 17(4/5/6) 314-328.
- Almahamid, S.M. & Qasrawi, S.T. (2017). The impact of Total Quality Management practices and KM processes on organizational performance. *International Journal of Quality Reliability Management*, 34, 1034–1055.
- Arawati, A. (2011). Supply chain management, supply chain flexibility and business performance. Journal of Global Strategic Management, 7(4), 23-35.
- Beamon, B. M. & Fernandes, C. (2004). Supply chain network configuration for product recovery. *Production Planning & Control*, 15(3), 270-281.
- Brammer, S., & Walker, H. (2011). Sustainable procurement in the public sector: an international comparative study. *International Journal of Operations & Production Management*, 31(4), 452 476.
- Burkovskis, R. (2008). Efficiency of freight forwarder's participation in the process of transportation, *journal of Transport*, 23(3), 208–213.
- Campbell, L. (2007). Why would corporations behave in socially responsible ways? an institutional theory of corporate social responsibility. The Academy of Management Review, 32(3), 946-967.
- Carter, C., & Jennings (2004). The role of purchasing in corporate social responsibility: A structural equation analysis', *Journal of Business Logistics*, 25 (1), 145-186.
- Chen, J. J. & Paulraj, A. (2004). Understanding supply chain management: Critical research and a theoretical framework. *International Journal of Production Research*, 42(1), 131-163.

- Chu, H, Christian N., & Madu, C. (2001). The relationship between supply chain quality management practices and organizational performance. *International Journal of Quality & Reliability Management*, 18(8), 280 872.
- Crosby, L.A., Evans, K. R. & Cowles, D. (1990). Relationship quality in services selling: an interpersonal influence perspective, *Journal of Marketing*, 54(3), 68–81.
- Cyril, I. A., Okwandu, G. A. & Kenneth, C.A. (2021). Correlational evaluation of cost management and supply chain performance of food and beverages firms in Port Harcourt. Archives of Business Research, 9(4), 143-159.
- Deming, W.E. (1986). Out of the crisis; Massachusetts institute of technology, Center for Advanced Engineering Study: Cambridge, MA, USA.
- DiMaggio, P. J. & Powell, W. W. (1983). The iron cage revisited: institutional isomorphism and collective rationality in organizational fields, American Sociology Review, 48(1), 147–160.
- Faisal, M.D., Banwet, D.K. & Shankar, R. (2006). Supply chain risk mitigation: modeling the enablers, *Business Process Management Journal*, 12(4), 535-552.
- Fotopoulos, C. B., & Psomas, E.L. (2009). The impact of soft and hard TQM elements on quality management results. *International Journal of Quality and Reliability. Management*, 26(1), 150–163.
- Gawankar, S., Kamble, S. S. & Verma, R. (2013). Effect of Supply Chain Management Practices on Supply Chain Profitability: An Empirical Investigation Using Structural Equation Modelling in Indian Retail Sector. *International Journal of Services and Operations Management*, 16, 145-173. https://doi.org/10.1504/ IJSOM.2013.0561280
- Grekova, K., Bremmers, H. J., Trienekens, J. H., Kemp, S. R. G. M., & Omta, W. F. (2014). Extending environmental management beyond the firm boundaries: An empirical study of Dutch food and beverage firms. *International Journal Production Economics*, 152(1), 174-187.
- Gunasekaran, A., Patel, C. & McGaughey, R. E. (2004). A framework for supply chain performance measurement. *International Journal of Production Economics*, 87(3), 333-347.
- Hanim Mohamad Zailani, S. Eltayeb, T.K. Hsu, C.C. & Choon Tan, K. (2012). The impact of external institutional drivers and internal strategy on environmental performance. *International Journal of Operational Production Management*, 32, 721–745.
- Hoejmose, S.U., Grosvold, J. & Millington, A. (2014). The effect of institutional pressure on cooperative and coercive green supply chain practices. *Journal of Purchasing and Supply Management*, 20, 215–224.
- Jung, J.Y. & Wang, Y.J. (2006). Relationship between total quality management (TQM) and continuous improvement of international project management (CIIPM). Technology innovation, 26, 716–722. Abdullah, A. (2010). Measuring TQM implementation: A case study of Malaysian SMEs. Measuring Business Excellent, 14, 3–15.
- Kiran, D.R. (2016). Total Quality Management: Key Concepts and Case Studies; Butterworth-Heinemann: London, UK.
- Krause, D., Vachon, S., & Klassen, R. (2009). Special topic forum on sustainable supply chain management: introduction and reflections on the role of purchasing management, Journal of Supply Chain Management, 45(4), 18-25.
- Madu, C.N. (1998). Strategic total quality management. In Handbook of Total Quality Management; Springer: Berlin Heidelberg, Germany, 165–212.
- Maheswari, B., Kumar, V. & Kumar, U. (2006). Optimizing success in supply chain partnerships. Journal of Enterprise Information Management, 9(3), 277-291.
- Mahmood, H.K., Hashmi, M.S., Shoaib, M., Danish, R. & Abbas, J. (2014). Impact of TQM practices on motivation of teachers in secondary schools empirical evidence from Pakistan. Journal of Basic Applied Science Research, 4, 1–8.
- Marwah, A.K., Thakar, G. & Gupta, R.C.(2014). Determinants of supply chain performance of Indian manufacturing organizations. *International Journal of Business Research and Management*, 5(1), 14-27.
- Matten, D., & Moon, J.(2018).Implicit and Explicit Cooperate Social Responsibility: A Conceptual Framework for a Comparative Understanding of Corporate Social Responsibility: The

- Academy of Management Review, 33, (2),404-424.
- Möller, K. & Törrönen, P. (2003). Business suppliers value creation potential: A capability-based analysis. *Journal of Industrial Marketing Management*, 32, 109-118.
- Murphy, P.R. & Poist, R.F.(2003). Green perspectives and practices: a 'comparative logistics' study of Supply Chain Management: *An International Journal*, 8 (2), 122-31.
- Mwirigi, P.M. (2007). Green supply chain management practices by manufacturing firms in Kenya. Unpublished MBA Project, University of Nairobi.
- Nwankwo, I.C.K. & Nadube, P.M. (2019). Technological Capability and operational effectiveness of Logistics firms in Port Harcourt. *Journal of Marketing Development*, 4, 171-181.
- Nwokah, N. G. (2006). Operational efficiency and business performance. *Nigerian Journal of Business and Society*, 5(1), 89-106.
- Pagell, M. & Shevchenko, A. (2014). Why research in sustainable supply chain management should have no future. *Journal of supply chain management*, 50(1), 44-55.
- Peter, D.(1997). The Impact of Senior-Managerial Leadership Culture on Value Creation for Shareholders A Study of Local and Multinational Companies in Portugal, *Journal of Intercultural Management*, 12, (2). 134-175.
- Pettigrew, A.M. (1979). On studying organizational cultures. Administrative Science Quality, 24, 570–581.
- Preuss, L. (2001).In Dirty Chains? Purchasing and Greener Manufacturing. *Journal of Business Ethics*, 34(3), 345-359.
- Psomas, E., Vouzas, F. & Kafetzopoulos, D. (2014). Quality management benefits through the soft and hard aspect of TQM in food companies. *Journal of Total Quality Management*, 26, 431–444.
- Quigley, J. & Walls, L. (2007). Trading reliability targets within a supply chain using Shapley's value. Reliability Engineering and System Safety, 92(10), 1448–1457.
- Rao, P. (2002), Greening the supply chain: a new initiative in South East Asia. *International Journal of Operations and Production Management*, 22 (6), 632-55.
- Rha, J.S. (2010). The impact of green supply chain practices on supply chain performance. Unpublished MA Thesis, University of Nebraska-Lincoln. Available Online: http://digitalcommons.unl.edu/cgi/viewcontent. Review, May, 79–91.
- Sancha, C., Longoni, A. & Giménez, C. (2015). Sustainable supplier development practices: Drivers and enablers in a global context. *Journal of Purchasing and Supply Management*, 21, 95–102.
- Schneider, L. & Wallenburg C.M. (2012). Implementing sustainable sourcing Does purchasing need to change? *Journal of Purchasing and Supply Management*, 18(4), 243-257.
- Shafiq, M., Lasrado, F. & Hafeez, K. (2019). The effect of TQM on organizational performance: Empirical evidence from the textile sector of a developing country using SEM. Total Quality Management and Business Excellent, 30, 31–52.
- Sodhi, M.S. & Son, B.G. (2009). Supply-chain partnership performance. Transportation Research Part E. Logistics and Transportation Review, 45(6), 937-945.
- Srivastava, S.K. (2007). Green supply-chain management: a state-of-the-art literature review. *International Journal of Management Reviews*, 9(1), 53-80.
- Tang, C.S. (2006). Robust strategies for mitigating supply chain disruptions. *International Journal of Logistics Research and Applications*, 9(1), 33-45.
- Vachon, S. & Klassen, R. (2007). Supply chain management and environmental technologies: the role of integration. *International Journal of Production Research*, 45(2), 401-23.
- Vereecke, A. & Muylle, S. (2006). Performance improvement through supply chain collaboration in Europe. *International Journal of Operations & Production Management*, 26(11), 1176-1198.
- Vouzas, F. & Psychogios, A.G. (2017). Assessing managers' awareness of Total Quality Management. *Journal of Total Quality Management*, 19, 62–75.
- Wachira, K.M., Mburu, D. K. & Kiai, R. (2022). Total quality management practices and supply chain performance among manufacturing and allied companies listed at Nairobi securities

- exchange, Kenya. European Journal of Business and Management Research, 7(1), 269-279.
- Walter, A., Thomas R. & Georg, H.G. (2001). Value Creation in Buyer-Seller Relationships: Theoretical Considerations and Empirical Results from a Supplier's Perspective. *Journal of Industrial Marketing Management*, 30, 365-77.
- Witcher, B. (1994). The adoption of total quality management in Scotland. *Journal of Total Quality Management*, 6, 48–53.
- Worthington, I., Ram, M., Boyal, H. & Shah M. (2008). Researching the Drivers of Socially responsible purchasing: A Cross-National Study of Supplier Diversity Initiative. *Journal of Business Ethics*, 79, 319-331.
- Youn, S., Yang, M. G., Hong, P. & Park, K.(2013). Strategic supply chain partnership, environmental supply chain management practices, and performance outcomes: An empirical study of Korean firms. *Journal of Cleaner Production*, 56, 121-130.
- Yusr, M.M., Mokhtar, S.S.M., Othman, A.R. & Sulaiman, Y. (2017). Does interaction between Total Quality Management practices and knowledge management processes enhance the innovation performance? *International Journal Quality and Reliability Management*, 34, 955–974.

Innovation Orientation and Tourism Sector Performance in a Globalized Economy

Kenneth. C. Adiele (PhD)

Department of Marketing Faculty of Management Sciences Rivers State University adiele.kenneth@ust.edu.ng

Nne Kenneth-Adiele (PhD)

Department of Corporate Entrepreneurship Faculty of Entrepreneurship Rivers State University kennethnne3@gmail.com

Abstract

The relevance of the tourism to the prosperity of nations has long been acknowledged. However, it appears that there is dearth of studies linking the innovation orientation to tourism sector performance. The contribution of tourism to economic growth and development cannot be over emphasized. Globally, the tourism industry is one of the key sectors of the world economy that contributes immensely to the creation of jobs, generation of huge revenues, and the promotion of economic prosperity. It is also one of the fastest-growing sectors. This paper elaborately discussed the concept of innovation orientation and Tourism sector performance in a globalized economy. Based on the findings obtained from the review of literature, the authors concluded that the adherence and efficient adoption of innovation orientation in the tourism sector of Nigeria economy will enhance tourism sector performance and thus recommended that the tourism sector of the Nigerian economy should regularly improve on the adoption of service innovation orientation practices in other to enhance organizational performance. Furthermore, the authors suggested that more scholars should conduct empirical investigation using the innovation orientation and tourism sector performance model provided in this paper to validate the theoretical findings obtained in this study.

Keywords: Economic growth, innovation orientation, tourism sector performance, Nigeria economy

Introduction

Innovation is widely recognized, from both academics and managers, as a fundamental requisite of a company in order to grow in today's competitive context, and as one of the key drivers of the firms' long-term success (Baker & Sinkula, 2002; Balkin *et al.*, 2000). The reason is that innovative companies will be able to respond to environmental challenges faster and better than the non-innovative ones (Jimenez *et al.*, 2011). Therefore, organizations have been forced to embrace innovation orientation as an integral part of their corporate strategy, and to offer products that are adapted to the needs of target customers in order to create a sustainable competitive advantage and to stay ahead of the competition (Damanpour & Gopalakrishnan, 2014; Scarborough & Zimmerer, 2002).

Success, they argue, is earned. It is not the ad hoc result of situational or environmental influences. Firms that offer products that are adapted to the needs and want of target customers and that market them faster and more efficiently than their competitors are in a better position to create a sustainable competitive advantage which is increasingly derived from knowledge and technological skills and experience in the creation of new products (Alegre, Lapiedra & Chiva, 2006).

The competition amongst firms in the environment to grab opportunities and conquer threats has increased alongside the pressure for constant improvements in meeting customer demands. The dwindling sectorial contribution to the GDP therefore is a pointer to the fact that there may be some problems existing in the individual firms in the sector as to explain the drop in the competitiveness of food and beverage firms in Nigeria as evidenced in reduced growth of sales and profits in recent times (Nigerian Stock Exchange, 2020).

Tourism is the process where people travel from one place to another for enjoyment and spending of time. It plays a great role for the development of a country. Through tourism demand of different commodities, increasing and different cultures of the world are homogenized in one culture. On one side, development occurs but on the other side different diseases are transferred from one country to another in the world. Tihinen and Kääriäinen, (2016) posit that the tourism industry is linked with every sector of the economy in the world which positively and negatively affects the GDP of the country.

Through tourism industry, many employments were generated which play great role in poverty re-

749

duction and socioeconomic improvement of the world. Tourism improves the trade of the country and also boosts the industrial sector of the world. Due to the adoption of information and communication technology, tourism globalization is made easier. ICT which is a product of organizational innovation is a catalyst of changes in the environment and has a strong impact on tourist movement and destination performance.

The growing importance of the tourism industry arouses the interest of researchers and policymakers to evaluate the impact of the sector and understand the drivers of its performance over time and across countries and regions. This attracted a great deal of interest in the empirical investigation of the tourism-led growth studies. Most of the studies supported the hypothesis (Belloumi, 2014; Roudi, Arasli, & Akadiri, 2019). Furthermore, the importance of innovation in propelling economic growth makes it imperative to understand the drivers of the performance of the tourism sector. In light of this, few studies have evaluated the determinants of tourism demand and supply in many countries and regions (Tardieu & Tuffery, 2019; Petrovic & Milićević, 2019; Rosselló-Nadal & HE, 2020; Takahashi, 2020).

However, to the best of our knowledge, it appears that there is a dearth of studies linking innovation orientation to tourism sector performance. Most of the related studies are narrow in terms of their spatial coverage and the variables considered. They considered a particular region, ignoring heterogeneity of tourism destination and the global effects (Croes & Ahmad, 2016; Martins *et al.*, 2017). In terms of tourism performance determinants, most of the early studies focused on the causal relationship between tourism demand and few macroeconomic fundamentals for individual countries and regions (Song *et al.*, 2016).

There was no broad-based study on innovation orientation and the determinants of tourism sector performance. Thus, the previous studies lack universality and wider applicability of their findings for policymaking hence making it difficult if not impossible. Consequently, against this backdrop, this study is theoretically designed to examine the influence of innovation orientation on Nigeria tourism sector performance. The conceptual framework depicting the influence of innovation orientation on tourism sector performance is shown in fig. 1.

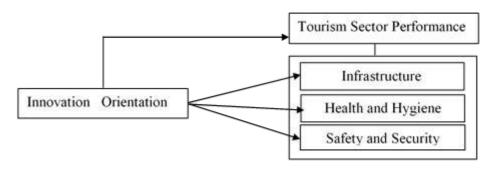


Fig. 1. Conceptual framework of the influence of innovation orientation on tourism sector performance Source: <u>Barth, A. L. & De Beer, W. (2017)</u>. *Performance Management Success: A best practices and implementation guide for leaders and managers of all organizations*. Springer International Publishing.

Literature Review

Study Theoretical Foundation: Resource Based Theory of the firm (RBV)

Hunt (1976) argued that the aim of theory is to increase scientific understanding through systemized structures capable of both explaining and predicting phenomena. The relevant sociological baseline theory appropriate for this paper is the resource based theory of the firm.

The Resource Based View (RBV) analyzes and interprets internal resources of the organizations and emphasizes resources and capabilities in formulating strategy to achieve sustainable competitive advantages. Resources may be considered as inputs that enable firms to carry out their activities. Internal resources and capabilities determine strategic choices made by firms while competing in their external business environment. Firm's abilities also allow some firms to add value in customer value chain, develop new products or expand in new marketplace. The RBV draws upon the

750

resources and capabilities that reside within the organization in order to develop sustainable competitive advantages. According to RBV, not all the resources of firm will be strategic and hence, sources of competitive advantage. Competitive advantage occurs only when there is a situation of resource heterogeneity and resource immobility.

Furthermore, resource based view (RBV) analyzes and interprets resources of the organizations to understand how organizations achieve sustainable competitive advantage. The RBV focuses on the concept of difficult-to-imitate attributes of the firm as sources of superior performance and competitive advantage (Barney, 1986; Hamel & Prahalad, 1996). Resources that cannot be easily transferred or purchased, that require an extended learning curve or a major change in the organization climate and culture, are more likely to be unique to the organization and, therefore, more difficult to imitate by competitors. According to Conner, performance variance between firms depends on its possession of unique inputs and capabilities (Barney, 1991).

A resource must fulfill 'VRIN' criteria in order to provide competitive advantage and sustainable performance. A 'VRIN' criterion is explained below.

Valuable (V): Resources are valuable if it provides strategic value to the firm. Resources provide value if it helps firms in exploiting market opportunities or helps in reducing market threats. There is no advantage of possessing a resource if it does not add or enhance value of the firm;

Rare (R): Resources must be difficult to find among the existing and potential competitors of the firm. Hence resources must be rare or unique to offer competitive advantages. Resources that are possessed by a several firms in the market place cannot provide competitive advantage, as they cannot design and execute a unique business strategy in comparison with other competitors;

Imperfect Imitability (I): Imperfect imitability means making copy or imitate the resources will not be feasible. Bottlenecks for imperfect imitability can be many viz., difficulties in acquiring resource, ambiguous relationship between capability and competitive advantage or complexity of resources. Resources can be basis of sustained competitive advantage only if firms that do not hold these resources cannot acquire them.

Non-Substitutability (N): Non-substitutability of resources implies that resources cannot be substituted by another alternative resource. Here, competitor cannot achieve same performance by replacing resources with other alternative resources.

According to Barney valuable resource 'must enable a firm to do things and behave in ways that lead to high sales, low costs, high margins, or in others ways add financial value to the firm'. Barney (1991) also emphasized that 'resources are valuable when they enable a firm to conceive of or implement strategies that improve its efficiency and effectiveness'. RBV helps managers of firms to understand why competences can be perceived as a firms' most important asset and, at the same time, to appreciate how those assets can be used to improve business performance. RBV of the firm accepts that attributes related to past experiences, organizational culture and competences are critical for the success of the firm (Campbell & Luchs, 1997; Hamel & Prahalad, 1996).

The main thrust of the RBV is the relationship between customer value, competitive advantage and superior performance. The firm can provide value to customers in many ways, through superior production systems, lower cost structures and emphasis on customer service (Clulow, 2007). The RBV of the firm posits those key resources such as; intangible assets (client trust and relationships) and capabilities (skills and knowledge) are characteristics which enable the firm to implement strategies to meet with the needs of customers, thereby enhancing the firm's ability to secure a sustained competitive advantage.

According to the resource-based theory, "firm resources and capabilities determine firm performance - sustainable competitive advantage" (Clulow, 2007; Andersen, 2010). Therefore, a firm should develop innovation strategies on its core competencies in order to remain competitive and maximize their value offer (Worren, Moore, & Cardona, (2020).; Ramirez *et al.* 2011).

The relevance of the resource based view theory to this study is that it will enable the firms in the Nigerian Tourism sector to identify and harness their internal, valuable, rare, imperfectly imitable and imperfectly substitutable resources in other to enhance their competitive advantage for sustained superior performance. Product or service innovation—is a function of a company's internal resources, capabilities and strategic choices while competing in their external business environ-

ment. Firm's abilities also allow them to add value in customer value chain, develop new products or expand in new marketplace in other to increase their level of competitiveness in their chosen industry.

Nature of Innovation Orientation

The term innovation orientation has been frequently used in the innovation literature, but with a mix of conceptualizations and meanings. Drawing from work found in the innovation, management, and marketing literatures over the past 35 years, the concept of innovation orientation as a system is conceptualized and defined in this study. There are many definitions of innovation orientation just as we have different authors who attempted to define the concept from their perspectives. Innovation Orientation refers to actions and policies undertaking by companies in devoting their energies to inventing and perfecting of superior new products or entering new markets with existing products.

Very few studies have addressed the concept of innovation orientation (Siguaw et al., 2006). One of the first definitions of innovation orientation—came from the study of Manu (1992) who defines innovation orientation "as the total innovation programs of companies and is strategic in nature because it provides direction in dealing with markets." Manu and Sriram (1996) argue that a multidimensional conceptualization of innovativeness should enable us to consider the interaction among its various aspects, in terms of timing, inputs, and outputs, and their relationships to marketing strategy attributes, environments, and performance. A conceptualization by Manu and Sriram (1996) defines innovation orientation in terms of new product Introductions, R&D expenditures and order of market entry. According to Siguaw et al. (2006, p. 1) Innovation Orientation is composed of learning philosophy, strategic direction, and trans functional beliefs within an organization that define and direct the organizational strategies and actions toward specific innovation enabling competencies and processes."

Innovation orientation stands for the tendency of the organization to accept and promote an idea or behavior that is new to the organization (Vij & Sharma, 2016). Ionescu and Ionescu (2015) explain that a company's success is based on the innovation orientation at a global level within the company. This orientation produces continuous innovation capabilities with multiple effects on the performance of the organization both internally and externally.

Worren, Moore, and Cardona (2020) conceptualize innovation orientation as consisting of entrepreneurial intent, the linkage between "product modularity and the firm's strategic intent for developing new items or entering new markets with existing products, and innovation climate where new ideas are encouraged and employees share a common mission. The employees are also integral in the innovation orientation conceptualizations of both Atuahene-

Gima and Ko (2018), consider it to be human resource practices that foster support for innovative and risky behavior and that enable employees to keep up with changing technologies. Amabile (2010), posited that the most important elements of the innovation orientation are: a value placed on creativity and innovation in general, an orientation toward risk (versus an orientation toward maintaining the status quo), a sense of pride in the organization's members and enthusiasm about what they are capable of doing, and an offensive strategy of taking the lead toward the future (versus a defensive strategy of simply wanting to protect the organization's past position).

Buenechea-Elberdin (2017) asserted that tourism firms that strengthen their innovativeness grab greater opportunities in the marketplace. In the view of the authors, long-term tourism performance enhancement are products of innovation. Nguyen and Pham (2009), Bigliardi and Domio (2009) and Aksoy (2017) averred that since innovation is seen as a strong weapon for firms to acquire competitive superiority and increase their profits, it can be considered as an important construct for the long-term survival of establishments. This, therefore, suggests that firms that do not engage in innovation would soon face out from the competitive arena, as they will not be able to counter the competitive pressures from innovative establishments.

Understanding Tourism Sector Performance

Tourism performance refers to the extent to which tourist perceived expectation meets the destination performance. Moreso, it is defined as the extent to which destination managers are seen to have

performed well in some outlined organizational criteria. In addition, it refers to the economic, institutional, technological and living space benefits of production and reproduction with characteristics of tourism industry in the original material environment by means of capital, rights, innovation and living habits. Similarly, (Astuti,, 2021) posits that tourism performance is an assessment of visitor's numbers, growth, expenditure, satisfaction, destination preference conversion and length of stay.

According to Ruky (2010) performance is a form of business activity or program that is initiated and implemented by the leadership of the organization or company to direct and control employee performance. Meanwhile, according to Mangkunegara (2009) performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Etymologically, performance comes from the word performance. (Astuti, 2021) Performance is the result of a process or the level of success of a person or the whole during a certain period in carrying out their duties both in quality and quantity (Purwanto, 2020). Performance is always measured from the aspect of results, not the efforts made by individuals, namely how well individuals can meet the demands of their work (Hosmani & Shambhushankar, 2014). From the definition of performance above, it can be concluded that employee performance is the result of employee work as a whole or during a certain period both in quality and quantity based on predetermined and agreed upon criteria.

Globally, tourism and hospitality contribute significantly to the national economies in terms of employment creation and revenue generation (Musavengane *et al.* 2019; UNWTO 2018a, b). Understanding travel motivations and shifts in the global tourism marketplace is critical for unpacking future travel patterns and consumption perspectives, and also for tourist destinations to leverage on tourism spin-offs. Anton *et al*, (2017) observed that growing competition in the tourism landscape has resulted in destinations increasingly becoming concerned with balancing tourists with attracting new visitors.

In its broadest sense, the tourism industry is the total of all businesses that directly provide goods or services to facilitate business, pleasure and leisure activities away from the home environment. Measuring and analyzing performance is an essential task of business management. Performance management (PM) is a continuous process of identifying, measuring, and developing the performance of individuals and teams. PM is considered a key tool of strategic management, as it is directly related to strategic planning and implementation. (Papulová, & Gažová, 2022). Performance indicators represent the measurable evidence necessary to demonstrate the achievement of planned and desired results.

Countries try to evaluate the success of the tourism sector in different ways and use several measurable indicators. These indicators can be found primarily on the statistical portals of every country, but some of them are summarized in Tourism Satellite Account (TSA). TSA provides a summary of various economic indicators development from the tourism industry and their impact on the country's economy (Statistical Office of the Slovak Republic, 2021).

The measurable indicators listed in the complex TSA of individual countries include, for example, the Tourism Direct Gross Domestic Product, employment indicators in the tourism industry, spending, consumption in tourism and others (United Nations Department of Economic and Social Affairs, 2010). Other well-established and widely used tourism performance indicators on an individual country's level are the number of visitors (domestic and foreign), the number of nights spent by visitors (domestic and foreign), the total number of available.

Notably, the measures of performance differ from one industry to another. In some firms, patronage may be used interchangeably with business performance. In a study carried out by Adiele *et al* (2011), on "the impact of corporate Citizenship on Business Performance: Marketing implications for Nigerian organization; profit margin was used as one of the measures of business performance which was predicated on consistent customer patronage.

Asiegbu et al (2011), in measuring the "marketing performance of Nigeria Domestic and Industrial Product organizations adopted profitability, sales volume and market share. Johan and Dion (2013), in their study "Airline service quality in south Africa and Malaysia- An International customer expectations approach used brand loyalty and flight frequency and aircraft type as the measures of customer patronage. Similarly, Okeudo and Chikwendu in their study on "Effects of airline service"

quality on airline image and passengers" loyalty: Findings from Arik and Nigeria passengers used airline image and repeat purchase to proxy customer patronage.

In addition, recently, Ikeogu *et al* (2013), in their study "A comparative analysis of quality of customer service and the relationship with the level of patronage in the Nigerian Aviation Industry adopted customer retention and customer service as measures of customer patronage in the Nigeria aviation sector. Therefore, in this study, we adopted the measures posited by Barth and De Beer (2017), as attributes of tourism sector performance which include: Infrastructure, health and hygiene, safety and security.

Innovation Orientation and Tourism sector Performance

Innovation is recognized as one of the main elements of a company's success. Its role is fundamental in determining higher tourism performance and in ensuring the survival of a company in the market. Innovation can also be considered as pivotal for a company in creating competitive advantage (Darroch & McNaughton, 2002). Efforts in achieving success, the main task of the company is to determine market perceptions, needs and demands to be able to create products with superior value. Innovation orientation is an important organi-zational capability because the success of new products is a growth engine and has an impact on increasing sales, profits, and competitive power for many organizations (Pauwels, 2000). Some research findings agree that there is a direct and positive relationship between innovation orientation and superior performance. Hult (2004) describe innovation as a new process, product and organizational idea. In-novation is defined as a process that begins with ideas, results of discovery and introductory results of new products, processes and services on the market (Thornhill, 2006). The impact of innovation on performance has been intensively tested in recent research and the results show a significant effect. Research conducted by Lee and Hsich (2010) concluded that the innovation capability directly affects the company's competitive advantage. Furthermore, Dorson (2018) found that innovation had significant effect on the competitive advantage.

Karanja (2014) studied the effects of innovation capability on performance of tourism and hospitality firms in Kenya. The study revealed that tourist destinations in Kenya employed value creation strategies by enhancing their availability of resources, customer satisfaction, pricing and retention and entry in other markets through innovation. To further support this is the findings of Worren, Moore and Cardona (2020) who conducted a study on the effectiveness of service innovation capability on performance of Ghana domestic airline operators. It was established that service innovation had a positive significant effect on the financial performance of the domestic airlines in Ghana.

Also, the current study finding concurs with Birkinshaw and Mol (2015) who investigated the relationship between organizational innovation capability and firm performance with Irish SMEs. The findings revealed that innovation process and leadership management were two innovative capabilities that directly and positively affected the financial and operational performance of the firms. It is true to say that organizations that take up these two aspects seriously are able to increase their financial and operational performance. Based on the forgoing discussions and from the review of relevant and empirical literature, it appears that there exists an influence of innovation orientation on organizational performance and on the strength of the above assertion, the authors hypothesize as thus:

H_{A1}: There is a significant influence of innovation orientation on tourism sector performance in Nigeria.

Conclusion

The Nigeria tourism and hospitality firms in the 21st century often compete for customers in order to increase their market share. The possibility of any of these firms to achieve their aims is predicated on their ability to evolve or innovate products and services that will satisfy the needs and wants of their chosen target tourists better than their competitors. Also, their service quality delivery strategies is expected to be improved while looking for new avenues to regularly attract and retain their customers

This paper elaborately discussed the concept of innovation orientation and Tourism sector performance in a globalized economy. Based on the findings obtained from the review of literature, the authors concluded that the adherence and efficient adoption of innovation orientation in the tourism

sector of Nigeria economy will enhance tourism sector performance and thus recommended that the tourism sector of the Nigerian economy should regularly improve on the adoption of service innovation orientation practices in other to enhance organizational performance. Furthermore, the authors suggested that more scholars should conduct empirical investigation using the innovation orientation and tourism sector performance model provided in this paper to validate the theoretical findings obtained in this study.

References

Adiele, K. C. John, M. & Didia J.U.D. (2011). The impact of corporate citizenship on business performance: Marketing Implications for Nigerian Organizations, *Benin Journal of Social Science*, 19(1 & 2), 319-330.

Adiele, K.C, & E.J. Etuk (2017). <u>Determinants of airline patronage in Nigeria: a path analytica approach.</u> *International Journal of Marketing and Communication Studies,* 2(1) 46-69

Aguinis, H. (2018) Performance Management, Chicago Business Press, Saint Charles.

Aksoy, H. (2017). How do innovation culture, marketing innovation and product innovation affect the market performance of small and medium-sized enterprises (SMEs)? *Technology in Society*, 51, 133-141. doi:http://dx.doi.org/10.1016/j.techsoc.

Alegre, J., Lapiedra. R., & Chiva, R. (2006). A Measurement Scale for Product Innovation Performance. *European Journal of Innovation Management*, 9(4,) 333–346.

Amabile, T. M. (2010). Motivating Creativity in Organizations: On Doing What You Love and Loving What You Do. California *Management Review 40* (1),39–58.

Asiegbu, F.I. & Powei, D. M. (2012). Sales Force Competence: Its Nature, Need, and Dimensions in selling contexts for sustainable Economic Development. *Journal of Economics and Sustainable Development*, 3(9), 120-128.

Astuti, J. P., & Soliha, E. (2021). The effect of quality of work life and organizational commitment on performance with moderation of organizational culture: study on public health center puskesmas in gabus district. *International Journal of Social and Management Studies*, 2(6), 89–99. https://doi.org/10.5555/ijosmas.v2i6.83

Atuahene-Gima, K., & Ko, A. (2018). An Empirical Investigation of the Effect of Market Orientation and Entrepreneurship Orientation Alignment on Product Innovation. *Organization Science* 12 (1), 54–74.

Baker, W.E., & Sinkula, J.M. (2002). The synergistic effect of market orientation and learning orientation on organizational performance, *Journal of Academy of Marketing Science*, 27, (4), 411-427.

Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of* Advantage and Optimal Organizational Performance (A Study of Unilever Nigeria Plc). *European Scientific Journal*, 9(34), 10-25.

Barth, A.L. & De Beer, W. (2017). Performance Management Success: A best practices and implementation guide for leaders and managers of all organizations. Springer International Publishing (Management for Professionals), Cham.

Bigliardi, B., & Domio, A. I. (2009). An empirical investigation of innovation determinants in food machinery enterprises. *European Journal of Innovation Management*, 12(2). doi: https://doi.org/10.1108/14601060910953988

Birkinshaw, J. & Mol, M.J. (2006). How management innovation happens. MIT Sloan Management Review, 47(4), 81-88.

Buenechea-Elberdin, M. (2017). Structured literature review about intellectual capital and vation. *Journal of Intellectual Capital*, 18(2),262–285.

Damanpour, F. (2014). Footnotes to research on management innovation. *Organization Studies*, 35 (9), 1265-1285. https://doi.org/10.1177/0170840614539312

Damanpour, F., & Gopalakrishnan, S.(2001). The Dynamics of the Adoption of Product and Pro-

cess Innovations in Organizations, Journal of Management Studies, 38, (1), 45-65.

Darroch, J. & McNaugton, R. (2002). Examining the link between knowledge management practices and types of innovation, Managing paradoxes of innovation. *Organization Science* 22 (4), 690–719.

Dorson, T.A, (2018). Innovation and competitive advantage creation: The role of organizational leadership in ser-vice firms from emerging markets, *International Marketing Review*, 35 (4), 580-600. https://doi.org/10.1108/imr-11-2015-0262.

Hamel, G. & Prahalad, C. (1996). Competing for the Future, Harvard Business School Press.

Hult, G. T., Hurley, R., & Knight, G. (2004). Innovativeness: Its antecedents and impact on business performance. *Industrial Marketing Management*, 33(5),429-438.

Jménez-J. D., & Sanz-Valle, R. (2011). Innovation, organizational learning, and performance. *Journal of business research*, 64(4), 408-417.

Lee, J. S., & Chia, J. H. (2010). Research in relating entrepreneurship, marketing capability, innovative capability and sustained competitive advantage, *Journal of Business & Economic Research*, September, 109-119. https://doi.org/10.19030/jber.v8i9.763

Manu, F.A. & Sriram, V. (1996). Innovation, marketing strategy, environment, and mance. *Journal of Business Research*, 35 (1), 79-91.

Manu, F.A. (1992). Innovation orientation, environment and performance: a comparison of US and European markets, *Journal of International Business Studies*, 23(2), 333-359.

Musavengane, R. (2018). Toward pro-poor local economic development in Zimbabwe: The of pro-poor tourism. *African Journal of Hospitality, Tourism and Leisure, 7*(1), 1–15.

Nguyen, T. H., & Pham, N. (2009). Information technology adoption in SMEs: An integrated framework. *International Journal of Entrepreneurial Behavior & Research*, 15(2), 162–186. doi: https://doi.org/10.1108/13552550910944566.

Okeudo, G. & Chikwendu D. U. (2013). Effects of Airline Service Quality on Airline Image and Passengers" Loyalty: Findings from Arik Air Nigeria Passengers. *Journal of Hospitality and Management Tourism*, 4(2), 19-28.

Papulová, Z., Papula, J. & Gažová, A. (2022) Procesný manažment: Analýzy, modelovanie, implementácia, Wolters Kluwer ČR, Prague.

Pauwels, K., Silva-Risso, J., Srinivasan, S., & Hanssens, D.M. (2004). New products, sales promotions, and the firm value: The case of the automobile industry. *Journal of Marketing*, 68 (4), 142 https://doi.org/10.1509/jmkg.68.4.142.42724–156.

Purwanto, A., Purba, J. T., Bernarto, I., & Sijabat, R. (2021). Effect of transformational leadership, job satisfaction, and organizational commitments on organizational citizenship behavior. Inovbiz: Jurnal Inovasi Bisnis, 9(1), 61-69

Rao, T.V. (2016) Performance Management: *Toward Organizational Excellence*, SAGE Publications (EBL-Schweitzer), New Delhi

Scarborough, N., & Zimmerer, T. (2002). Essentials of Entrepreneurship and Small Business Management, Paperback.

Siguaw, J.A., Simpson, P.M. & Enz, C.A. (2006). Conceptualizing innovation orientation: a framework for study and integration of innovation research. *Journal of Product Innovation Management*. 23

Statistical Office of the Slovak Republic (2021) .Satelitný účet cestovného ruchu SR za rok , [online], Štatistický úrad SR, https://lnk.sk/clzc

Thornhill, S. (2006), Knowledge, innovation and firm performance in high- and low-regimes. *Journal of Business Venturing*, 21(5), 687–703.

Tihinen, M. & Kääriäinen, J. (2016). *The Industrial Internet in Finland: on route to success?*. Espoo, Finland: VTT, VTT Technology; 278.

United Nations Department of Economic and Social Affairs (2010). Tourism Satellite Account: Recommended Methodological Framework. United Nations, Commission of the European Communities, Eurostat, World Tourism Organization Organization for Economic Co-operation and Development, Luxembourg, Madrid, New York, Paris.

UNWTO. (2018a). United Nations World Tourism Organisation, World tourism barometre.

Proceedings of the 4th Annual International Academic Conference

Proceedings of the 4th Annual International Academic Conference

UNWTO. (2018b). *UNWTO tourism highlights 2018 edition*. Retrieved August 15, 2020 from https://www.unwto.org/

Vij, S. & Sharma, D. (2016). *Knowledge management orientation model an empirical study available* at: http://ssrn.com/abstract=1826523 (accessed 20 June 2018).

Worren, N., Moore, K., & Cardona, P. (2020). Modularity, Strategic Flexibility, and Firm Performance: A Study of the Home Appliance Industry. *Strategic Management Journal* 23(12), 1123–40.

757