

**STAFF RECRUITMENT, RETENTION STRATEGIES AND  
PERFORMANCE OF SELECTED PUBLIC AND PRIVATE  
ORGANIZATIONS IN NIGERIA**

BY

**Daniel Esemé GBEREVBIE  
CU03GP0020**

**A PhD THESIS SUBMITTED TO THE DEPARTMENT OF POLITICAL  
SCIENCE, COLLEGE OF BUSINESS AND SOCIAL SCIENCES  
COVENANT UNIVERSITY  
OTA  
OGUN STATE  
NIGERIA**

**IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE  
AWARD OF DOCTOR OF PHILOSOPHY (PhD) DEGREE IN  
PUBLIC ADMINISTRATION**

**FEBRUARY, 2008**

**COPYRIGHT**

**2008**

**BY**

**Daniel Esemé GBEREVBIE**

## DEDICATION

This thesis is dedicated to GOD Almighty, the Creator of heaven and earth, firstly for giving the vision of Covenant University to His servant, Dr. David O. Oyedepo and secondly, for giving me the sound health, knowledge, understanding, inspiration and wisdom to accomplish this work; also, to my wife, Mrs. Josephine Chinyere Oguike-Gberevbie; my children, Miss Marvellous Ejiro Aghogho Chidinma Gberevbie and Miss Rejoice Eghele Onyinye Gberevbie for their support and understanding throughout the work. Finally, to the memories of my late parents: Mr. Robinson Gabari Gberevbie and Mrs. Mary Atatigho Gberevbie, for their desire to see me obtain a Doctorate degree.

## ACKNOWLEDGEMENTS

The successful completion of this thesis is a direct consequence of invaluable contributions in form of help, advice and proper direction from a lot of sources. I would like to start by expressing my profound gratitude to all those who created the enabling environment that led to the achievement of an academic goal of this nature.

To this end, I must commend my Supervisor, **Professor M. Ola-Rotimi Ajayi**, who offered the necessary advice, guidance and corrections throughout this work. I wish to express my sincere appreciation to Dr. J. Ayam, Head of Department of Political Science for his contributions towards the success of this study, and Drs. A. O. Oladoyin and A. O. Ikelegbe, who at one time or the other took part in the supervision of this work. I am greatly indebted to you all for your constructive contributions and priceless suggestions.

I deeply appreciate the Chancellor of Covenant University, Dr. David O. Oyedepo and his wife Pastor (Mrs.) Faith Oyedepo for the establishment of the University in obedience to God's vision and for initiating the institution's Staff Development Programme. I am grateful to the management of the University especially the Vice-Chancellor, Prof. (Mrs.) Aize Obayan and the Registrar, Dcn. Yemi Nathaniel for their moral and financial support. I also appreciate the pioneer Vice-Chancellor, Prof. Bola Ayeni and Dr. J. Aremu, former Acting Vice-Chancellor of the institution.

Similarly, I wish to express my gratitude to members of management and senior staff of the University towards the completion of this work. They include Professors Olusola Ojo; Charles Ogbulogo; James Katende; J. A. Bello; J. A. T. Ojo; P. F. Izedonmi; C. S. Ige; S. O. Otokiti and E. N. Emenyonu. Others include Drs. P. A. Edewor; P. O. Adelusi; O. I. Ogunrinola; Roy Ndom; S. Lafenwa, (Mrs.) T. Abioye, (Mrs.) A. A. Shobola, A. E & A. O. (Mrs.) Asakitikpi, I. E. Chiluwa and (Mrs.) O. A. Adedayo who guided me through the methodology of this work. I also thank Messrs P. O. Alege; F. O. Iyoha; C. Nkiko; J.N. Taiwo; and Mike Ogbolu-Chi.

I am equally indebted to some external persons. Among these are Prof. Ibiyemi, Miss Hauwa Audu, Drs A. O. Oronsaye, A. O. Ikelegbe - both of the Department of Political Science and Public Administration, University of Benin, Benin City, Nigeria and Prof. T. O. Adewoye currently of Ajayi Crowder University.

My gratitude extends to colleagues in the Department. They include Dr. (Mrs.) Toyin Adegoke, Messrs Moses Duruji, Sheriff Folarin, Bankole Ogundeji, Felix Anuniru, Emmanuel Amoo and Moses Akanbi. I also appreciate Mrs. O. O. Fayomi and E. F. Owolabi, M. O. Aboyade, Mercy Isiavwe-Ogbari and Miss Chinoye Okafor. My special thanks equally go to Messrs D. Yusuf, E. O. Moemeke, A. Dina, S. Adebayo, F. Ojo, A. Dayo, Raphael Olarewaju, Vincent Olumuyiwa and Maxwell Onoche. I thank Mr. & Mrs. S. A. Adeoye for their contribution towards the success of this work

Some members of my family have been very supportive, particularly Air Vice-Marshall Sonni B. E. Gberevbie of the Nigerian Air Force Headquarters, Abuja; Messrs Taiwo Gberevbie, Isaac Gberevbie, Otome Gberevbie, S. O. Oguike and Engr. Christopher Gberevbie for their encouragement. Finally, my profound gratitude goes to my GOD, the Redeemer and Sustainer for enabling me to accomplish my desire for a PhD degree. I owe GOD everything and nothing to myself.

**Daniel Esemé GBEREVBIE (2008)**

[dgberevbie@yahoo.com](mailto:dgberevbie@yahoo.com)

[daniel.gberevbie@covenantuniversity.edu.ng](mailto:daniel.gberevbie@covenantuniversity.edu.ng)

# **STAFF RECRUITMENT, RETENTION STRATEGIES AND PERFORMANCE OF SELECTED PUBLIC AND PRIVATE ORGANIZATIONS IN NIGERIA**

## ***ABSTRACT***

This study focused on the comparative analysis of staff recruitment, retention strategies and performance of public and private organizations in Nigeria. For any organization to experience enhanced performance, a competent workforce is required. Competent workforce on the other hand, required appropriate staff recruitment and adequate retention strategies to bring into the organization the needed workforce and retain them for performance. The challenge facing organizations irrespective of the sector, however, was that of frequent labour turnover and the inability of organizations to achieve their goals arising from inadequate competent workforce. This is in spite of “quality structure and well packaged incentives” put in place to recruit and retain the staff. The purpose of this study was to identify the unique role under-taken by competent personnel in bringing about the realization of the goals and objectives of organizations whether in the public or private sector. The objectives of this study therefore, were to comparatively examine staff recruitment, retention strategies, labour turnover, job satisfaction, reward systems and performance of six selected public and private organizations in Nigeria. The organizations are the Federal, Delta and Lagos State Civil Service (public sector); and Nestle Nig. Plc, Nigerian Breweries Nig. Plc and Zenith Bank Nig. Plc (private sector). The study adopted the Chi-Square ( $X^2$ ) (two-tailed) analytical technique (error,  $\alpha = 0.05$  percent) to test the significant relationship between the independent variables of staff recruitment, retention strategies, labour turnover, job satisfaction and reward systems; and the dependent variable – performance in the public and private organizations in Nigeria. In addition, the study adopted Cramer’s V analytical technique to determine the degree of association between the dependent and independent variables. Furthermore, the Mann Whitney–U (two-tailed) analytical technique (error,  $\alpha = 0.05$  percent) was adopted to compare the views of respondents in public and private organizations on the impact of staff recruitment and retention strategies on organizational performance. The study revealed a significant relationship between staff recruitment, retention strategies and performance in the public and private organizations. The study among others showed that private organizations institute better strategies to aid staff retention hence their enhanced performance, which was manifested in increased profit. Consequently, the study concluded with a prognosis for management across the two sectors in their desire to recruit and retain competent workforce for enhanced performance.

## TABLE OF CONTENTS

|  | <b>Page</b>   |
|--|---------------|
| Title Page-----  | i             |
| Certification-----   | ii            |
| Dedication-----  | iii           |
| Acknowledgement-----   | iv            |
| Abstract-----  | vi            |
| Table of Contents-----   | viii          |
| List of Tables-----  | xv            |
| <i>List of Figures -----</i>   | <i>xviii</i>  |
| <i>List of Pie Charts -----</i>  | <i>xix</i>    |
| <i>List of Bar Graphs -----</i>  | <i>xx</i>     |
| <i>List of Appendices-----</i>   | <i>xxi</i>    |
| <br><b>CHAPTER ONE: INTRODUCTION</b>                                   |               |
| 1.1. Background to the Study-----                                      | 1             |
| 1.2. Statement of the Problem-----                                     | 2             |
| 1.3. Research Questions-----   | 5             |
| 1.4. Objectives of the Study-----                                      | 5             |
| 1.5. Significance of the Study-----                                    | 6             |
| 1.6. Scope and Limitations of the Study-----                           | 8             |
| 1.7. Research Hypotheses-----  | 10            |
| 1.8. Organization of the Study-----                                    | 11            |
| <br><i>References-----</i>   | <br><i>13</i> |
| <br><b>CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK</b>    |               |
| <br><i>2.1. Introduction -----</i>                                     | <br><i>15</i> |
| 2.2. Staff Recruitment and Retention Strategies in Organizations ----- | 15            |
| 2.2.1. Performance Criteria in Organizations -----                     | 18            |
| 2.2.2. Efficiency as Yardstick for Organizational Performance-----     | 19            |
| 2.2.3. Measuring Efficiency in Organizations -----                     | 20            |

|  |    |
|--|----|
| 2.2.4. Local Approach: Self-Evaluation-----                                    | 21 |
| 2.2.5. Process of Staff Recruitment and Performance-----                       | 22 |
| 2.2.5.1. Federal Character and Staff Recruitment in the Public Sector -----    | 23 |
| 2.2.6. Decision-Making and Organizational Performance--                        | 26 |
| 2.2.7. Bureaucratic Practices and Organizational Performance-----              | 27 |
| 2.3. Staff Recruitment and Retention Strategies in Other countries- --         | 30 |
| 2.3.1. Japan-----  | 30 |
| 2.3.2. Australian Public Bureaucracy-----                                      | 31 |
| 2.3.3. The United States of America-----                                       | 32 |
| 2.3.4. Electronic Data System (EDS)-----                                       | 33 |
| 2.3.5. Microsoft Company-----  | 33 |
| 2.3.6. Mckinsey and Company-----   | 33 |
| 2.3.7. South West Airline-----   | 34 |
| 2.3.8. General Electric Company -----  | 37 |
| 2.3.9. Public Bureaucracies in the United States of America-----               | 38 |
| 2.4. General Strategies for Staff Recruitment and Retention in Organizations-- | 40 |
| 2.4.1. Staff Recruitment Sources-----  | 41 |
| 2.4.2. Staff Recruiting Strategies of Organizations in USA-----                | 42 |
| 2.4.3. Cisco Systems -----   | 42 |
| 2.4.4. Home Depot Organization-----  | 44 |
| 2.5. General Strategies for Staff Retention in Organizations-----              | 45 |
| 2.5.1. Motivation as Strategy for Staff Retention in Organizations-----        | 45 |
| 2.5.2. Reward Systems as Strategy for Staff Retention in Organizations-----    | 52 |
| 2.6. Labour Turnover and Organizational Performance -----                      | 58 |
| 2.6.1. Causes of Labour Turnover in Organizations -----                        | 60 |
| 2.6.2. Possible Solution to High Labour Turnover -----                         | 64 |
| 2.6.3. Staffing Organizational Model -----                                     | 66 |
| 2.7. Theoretical Framework-----  | 68 |
| 2.7.1. The Decision-Making Theory -----  | 68 |



CHAPTER THREE: ORGANIZATIONAL APPRAISAL

**3.1. Introduction -----83**

3.2.1. Nestle Nig. Plc – History----- 83

3.2.2. Structure of Nestle Plc----- 83

3.2.2. Products and Locations of Nestle Nig. Plc-----85

3.2.4. Social Responsibility of Nestle Groups to Nigerians----- 87

3.2.5. Staff Recruitment Strategies in Nestle Nig Plc ----- 88

3.2.6. Staff Retention Strategies in Nestle Nig. Plc.----- 90

3.2.7. Staff Remuneration in Nestle Nig. Plc ----- 92

3.2.8. Nestle Nig. Plc – Organizational Performance ----- 97

3.3. Lagos State Civil Service – History, Structure and Performance----- 104

3.3.1. The Structure of the Lagos State Civil Service-----

106

3.3.2. Staff Recruitment Strategies of Lagos State Civil Service - ----- 108

3.3.3. Staff Retention Strategies of Lagos State Civil Service ----- 109

3.3.4. Performance of the Lagos State Civil Service----- 115

3.3.5. Lagos State Education Ministry----- 115

3.3.6. Lagos State Health Ministry----- 117

3.3.7. Lagos State Rural Development Ministry----- 118

3.3.8. Ministry of Youth, Sports and Social Development-----119

3.3.9. Ministry of Physical Planning and Urban Development-----119

3.3.10. Ministry of Transportation----- 119

3.3.11. Ministry of Housing-----120

3.3.12. Ministry of Works and Infrastructure----- 121

3.3.13. Ministry of Science and Technology----- 121

3.3.14. Ministry of Agriculture and Cooperatives----- 122

3.3.15. Ministry of Women Affairs/Poverty Alleviation----- 123

3.3.16. Comments on the Performance of the State Civil Service----- --123

3.4. Nigerian Breweries Nig. Plc – History, Structure and Performance -----124

3.4.1. Structure of Nigerian Breweries Nig. Plc -----125

|   |     |
|---|-----|
| 3.4.2. Products and Location of Nigerian Breweries Nig. Plc -----         | 126 |
| 3.4.3. Social Responsibility of Nigerian Breweries Nig. Plc -----         | 127 |
| 3.4.4. Staff Recruitment Strategies in Nigerian Breweries Nig. Plc -----  | 128 |
| 3.4.5. Staff Retention Strategies in Nigerian Breweries Nig. Plc -----    | 129 |
| 3.4.6. Staff Remuneration in Nigerian Breweries Nig. Plc -----            | 130 |
| 3.4.7. Performance of Nigerian Breweries Nig. Plc -----                   | 135 |
| 3.5. Delta State Civil Service - History, Structure and Performance ----- | 136 |
| 3.5.1. Structure of the Delta State Civil Service -----                   | 137 |
| 3.5.2. Staff Recruitment Strategies in Delta State Civil Service -----    | 139 |
| 3.5.3. Staff Retention Strategies in Delta State Civil Service -----      | 140 |
| 3.5.4. Staff Remuneration in the Delta State Civil Service -----          | 140 |
| 3.5.5. Organizational Performance – Delta State Civil Service -----       | 143 |
| 3.5.6. Infrastructural Development -----                                  | 144 |
| 3.5.7. Education -----  | 144 |
| 3.5.8. Commerce -----   | 145 |
| 3.5.9. Health -----   | 145 |
| 3.5.10. Communication -----   | 145 |
| 3.5.11. Transportation -----  | 146 |
| 3.5.12. Sports Development -----  | 146 |
| 3.5.13. Water Resource Development -----                                  | 146 |
| 3.5.14. Housing -----   | 147 |
| 3.5.15. Electricity Supply -----  | 147 |
| 3.5.16. Comments on the Performance of Delta State Civil Service -----    | 148 |
| 3.6. Zenith Bank Plc - History, Structure and Performance -----           | 149 |
| 3.6.1. Structure of Zenith Bank Plc -----                                 | 150 |
| 3.6.2. Products and Locations of Zenith Bank Plc -----                    | 152 |
| 3.6.3. Social Responsibility of Zenith Bank Plc -----                     | 154 |
| 3.6.4. Staff Recruitment Strategies – Zenith Bank Plc -----               | 155 |
| 3.6.5. Staff Retention Strategies – Zenith Bank Plc -----                 | 156 |
| 3.6.6. Staff Remuneration in Zenith Bank Plc -----                        | 157 |
| 3.6.7. Organizational Performance – Zenith Bank Plc -----                 | 161 |

|   |     |
|---|-----|
| 3.7. Federal Civil Service - History, Structure and Performance ----- | 165 |
| 3.7.1. Structure – Federal Civil Service -----                        | 167 |
| 3.7.2. Staff Recruitment Strategies in Federal Civil Service -----    | 168 |
| 3.7.3. Staff Retention Strategies in Federal Civil Service -----      | 170 |
| 3.7.4. Staff Remuneration in the Federal Civil Service -----          | 170 |
| 3.7.5. Organizational Performance – Federal Civil Service -----       | 172 |
| 3.7.6. Economic Development -----                                     | 173 |
| 3.7.7. Agriculture and Crude Petroleum -----                          | 173 |
| 3.7.8. Transportation Infrastructure -----                            | 173 |
| 3.7.9. Education Development -----                                    | 174 |
| 3.7.10. Electricity Power Supply -----                                | 174 |
| 3.7.11. Comments on the Performance of Federal Civil Service -----    | 175 |

|                        |            |
|------------------------|------------|
| <i>References-----</i> | <i>180</i> |
|------------------------|------------|

#### **CHAPTER FOUR: RESEARCH METHODOLOGY**

|   |     |
|---|-----|
| 4.1. Introduction. -----  | 183 |
| 4.2. Research Design-----   | 183 |
| 4.3. Research Population -----  | 184 |
| 4.4. Sample Size-----   | 184 |
| 4.5. Sampling Technique/Sampling Frame-----                               | 188 |
| 4.6. Method of Data Collection-----                                       | 191 |
| 4.6.1. Five-Point Likert-Style Rating Scale-----                          | 191 |
| 4.6.2. Open Questions-----  | 192 |
| 4.6.3. Historical Research-----   | 192 |
| 4.6.4. Structured Interview-----  | 192 |
| 4.6.5. Validity and Reliability of Instrument for Data Collection -----   | 193 |
| 4.7. Analytical Technique for Data Analysis: Chi-Square (Two-Tailed)----- | 196 |
| 4.7.1. The Formulae for Calculating the Chi-square (Two-Tailed) -----     | 197 |
| 4.7.2. Mann-Whitney U-Test (Two-Tailed) -----                             | 197 |
| 4.7.3. The Formulae for Calculating Mann Whitney U-Test (Two-Tailed) ---- | 198 |
| 4.7.4. The Cramer’s V Analytical Technique and its Formulae-----          | 199 |

|                                       |     |
|---------------------------------------|-----|
| 4.7.5. Measurement of Variables ..... | 199 |
|---------------------------------------|-----|

|                         |     |
|-------------------------|-----|
| <i>References</i> ..... | 201 |
|-------------------------|-----|

## **CHAPTER FIVE: DATA PRESENTATION AND DISCUSSION OF FINDINGS**

|  |      |
|--|------|
| 5.1. Data Presentation-- .....   | -203 |
| 5.1.1. Data Analyses .....   | 206  |
| 5.2. Testing of Hypotheses .....   | 227  |
| 5.2.1. Hypothesis One .....  | 227  |
| 5.2.3. Hypothesis Two .....  | 229  |
| 5.2.4. Hypothesis Three .....  | 231  |
| 5.2.4. Hypothesis Four .....   | 232  |
| 5.2.5. Hypothesis Five .....   | 234  |
| 5.3. Comparative Analysis of Views of Respondents on Impact of Staff<br>Recruitment and Retention Strategies on Organizational Performance - | -236 |
| 5.3.1. Views on Recruitment Strategies and Performance (Public Sector) .....   | 236  |
| 5.3.2. Views on Recruitment Strategies and Performance (Private Sector) .....  | 237  |
| 5.3.3. Views on Retention Strategies and Performance (Public Sector) .....   | 239  |
| 5.3.4. Views on Retention Strategies and Performance (Private Sector) .....  | 239  |
| 5.3.5. Views on Labour Turnover and Performance (Public Sector) .....  | 241  |
| 5.3.6. Views on Labour Turnover and Performance (Private Sector) .....   | 241  |
| 5.3.7. Views on Job Satisfaction and Performance (Public Sector) .....   | 243  |
| 5.3.8. Views on Job Satisfaction and Performance (Private Sector) .....  | 243  |
| 5.3.9. Views on Reward Systems and Performance (Public Sector) .....   | 245  |
| 5.3.10. Views on Reward Systems and Performance (Private Sector) .....   | 246  |
| 5.4. Views of Employees on the Impact of Staff Recruitment and<br>Retention Strategies on Organizational Performance .....                   | 248  |
| 5.4.1 Case Study One: Nestle Nig. Plc .....  | 248  |
| 5.4.2. Case Study Two: Lagos State Civil Service .....   | 250  |
| 5.4.3. Case Study Three: Nigerian Breweries Plc .....  | 252  |

|  |     |
|--|-----|
| 5.4.4. Case Study Four: Delta State Civil Service -----  | 254 |
| 5.4.5 Case Study Five: Zenith Bank Plc -----   | 255 |
| 5.4.6. Case Study Six: Federal Civil Service -----   | 257 |
| 5.5. Staff Recruitment and Retention Strategies: A Comparative<br>Analyses of the Six Case Studies -----                       | 259 |
| 5.5.1. Staff Recruitment Strategies: Comparative Analyses – Six<br>Organizations -----   | 259 |
| 5.5.2. Staff Retention Strategies: Comparative Analyses - Six<br>Organizations -----   | 263 |
| 5.6. Organizational Performance: Comparative Analyses of Six<br>Case Studies – Local Approach/Self Evaluation Techniques ----- | 270 |
| 5.7. Discussion of Research Findings -----   | 275 |
| <i>References</i> -----  | 282 |

**CHAPTER SIX: SUMMARY, RECOMMENDATIONS AND  
CONCLUSION**

|  |     |
|--|-----|
| 6.1. Introduction -----                  | 284 |
| 6.2. Summary-----                        | 284 |
| 6.3. Policy Implication of Findings----- | 292 |
| 6.4. Recommendations -----               | 292 |
| 6.5. Conclusion -----                    | 296 |
| Bibliography-----                        | 297 |
| Appendices -----                         | 313 |

## LIST OF TABLES

|  | <b>Pages</b> |
|--|--------------|
| Table 1: South West Airline’s Aircraft Fleet at 2002 -----                         | 36           |
| Table 2: Causes of Labour Turnover and Retention Strategies in the U.K. -----      | 62           |
| Table 3: Towns and Cities where Nestle Nig. Plc. Distributors are Located--- ----- | 86           |
| Table 4: Staff Salary Range (Nestle Nig. Plc), 2004 and 2005-----                  | 95           |
| Table 5: Nestle Nig, Plc. Performance for 2004 at a Glance-----                    | 102          |
| Table 6: Nestle Nig, Plc. Performance for 2005 at a Glance-----                    | 102          |
| Table 7: Nestle Nig. Plc. Ten-Years Dividend History-----                          | 103          |
| Table 8: Turnover, Profit before Tax, Taxation and Profit after Tax History-----   | 104          |
| Table 9: Staff Salary Range (Lagos State Civil Service)-----                       | 113          |
| Table 10: Social Responsibility of Nigerian Breweries Plc -----                    | 128          |
| Table 11: Staff Salary Range (Nigerian Breweries Plc), 2004 – 2005 -----           | 133          |
| Table 12: Organizational Performance - Nigerian Breweries Plc (2004-2005) ----     | 135          |
| Table 13: Share Data (Nigerian Breweries Plc), 2004 – 2005 -----                   | 136          |
| Table 14: Staff Salary Range – Delta State Civil Service -----                     | 141          |
| Table 15: Social Responsibility of Zenith Bank Plc -----                           | 154          |
| Table 16: Staff Salary Range (Zenith Bank Plc.), 2004 – 2005 -----                 | 160          |
| Table 17: Performance of Zenith Bank, 2002 – 2005 in a Glance -----                | 163          |
| Table 18: Performance of Zenith Bank Plc 1 <sup>st</sup> Half of 2006 -----        | 165          |
| Table 19: Staff Salary Range – 2007 (Federal Civil Service) -----                  | 171          |
| Table 20: Revenue Accrued to the Federal Government (1999 – 2005) -----            | 178          |
| Table 21: Number of Questionnaires Administered and Returned -----                 | 188          |
| Table 22: Computation of Internal Consistency of Data Collection Instrument --     | 195          |
| Table 23: Measurement of Variables -----   | 200          |
| Table 24: Respondents by Type of Organization-----                                 | 203          |
| Table 25: Respondents by Years of Service-----                                     | 204          |
| Table 26: Respondents by Educational Qualification-----                            | 204          |
| Table 27: Respondents by Nature of Employment-----                                 | 205          |

|   |     |
|---|-----|
| Table 28: Respondents by Department-----  | 205 |
| Table 29: Respondents by Gross Annual Income/Pay-----                           | 206 |
| Table 30: Response to Question One on Section B of the Questionnaire-----       | 206 |
| Table 31: Response to Question Two-----   | 208 |
| Table 32: Response to Question Three-----                                       | 209 |
| Table 33: Response to Question Four-----  | 210 |
| Table 34: Response to Question Five-----  | 211 |
| Table 35: Response to Question Six-----   | 212 |
| Table 36: Response to Question Seven-----                                       | 214 |
| Table 37: Response to Question Eight-----                                       | 215 |
| Table 38: Response to Question Nine-----  | 216 |
| Table 39: Response to Question Ten-----   | 217 |
| Table 40: Response to Question Eleven-----                                      | 218 |
| Table 41: Response to Question Twelve-----                                      | 219 |
| Table 42: Response to Question Thirteen-----                                    | 220 |
| Table 43: Response to Question Fourteen-----                                    | 221 |
| Table 44: Response to Question Fifteen-----                                     | 223 |
| Table 45: Response to Question Sixteen-----                                     | 224 |
| Table 46: Response to Question Seventeen-----                                   | 225 |
| Table 47: Staff Recruitment Strategies and Organizational Performance-----      | 227 |
| Table 48: Staff Retention Strategies and Organizational Performance-----        | 229 |
| Table 49: Labour Turnover and Organizational Performance-----                   | 231 |
| Table 50: Job Satisfaction and Organizational Performance-----                  | 233 |
| Table 51: Reward Systems and Organizational Performance-----                    | 234 |
| Table 52: Views on Recruitment Strategies and Performance (Public Sector) ----  | 236 |
| Table 53: Views on Recruitment Strategies and Performance (Private Sector) ---- | 237 |
| Table 54: Views on Retention Strategies and Performance (Public Sector) -----   | 239 |
| Table 55: Views on Retention Strategies and Performance (Private Sector) -----  | 239 |
| Table 56: Views on Labour Turnover and Performance (Public Sector) -----        | 241 |
| Table 57: Views on Labour Turnover and Performance (Private Sector) -----       | 241 |
| Table 58: Views on Job Satisfaction and Performance (Public Sector) -----       | 243 |

|  |     |
|--|-----|
| Table 59: Views on Job Satisfaction and Performance (Private Sector) ----- | 243 |
| Table 60: Views on Reward Systems and Performance (Public Sector) -----    | 245 |
| Table 61: Views on Reward Systems and Performance (Private Sector) -----   | 246 |
| Table 62: Performance of Nestle Nig. Plc (2002-2005) -----                 | 271 |
| Table 63: Performance of Nigerian Breweries Plc (2002-2005) -----          | 272 |
| Table 64: Performance of Zenith Bank Plc (2002-2005) -----                 | 272 |



## LIST OF FIGURES

|  | <b>Pages</b> |
|--|--------------|
| Figure 1: Organogram of Nestle Nig. Plc.-----              | 84           |
| Figure 2: Organogram of the Lagos State Civil Service----- | -107         |
| Figure 3: Organogram of Nigerian Breweries Plc. -----      | 126          |
| Figure 4: Organogram of the Delta State Civil Service----- | 138          |
| Figure 5: Organogram of Zenith Bank Plc -----              | 152          |
| Figure 6: Organogram of the Federal Civil Service-----     | 168          |

## LIST OF PIE CHARTS

|  | <b>Pages</b> |
|--|--------------|
| Pie Chart 1: Total Breakdown of Nestle Nig. Earnings for 2004 -----            | 93           |
| Pie Chart 2: Total Breakdown of Nestle Nig. Earnings for 2005 -----            | 94           |
| Pie Chart 3: Total Breakdown of Nigerian Breweries Plc Earnings for 2005 ----- | 131          |
| Pie Chart 4: Total Breakdown of Nigerian Breweries Plc Earnings for 2004 ----- | 132          |
| Pie Chart 5: Total Breakdown of Zenith Bank Plc Earnings for 2005 -----        | 158          |
| Pie Chart 6: Total Breakdown of Zenith Bank Plc Earnings for 2004 -----        | 159          |

## LIST OF BAR GRAPHS

|   | <b>Pages</b> |
|---|--------------|
| Bar Graph 1: Nestle Nig. Plc. Sales - 2001 and 2005-----                  | 98           |
| Bar Graph 2: Nestle Nig. Plc. Operating Profit – 2001 and 2005-----       | 98           |
| Bar Graph 3: Nestle Nig. Plc. Net Profit – 2001 and 2005-----             | 99           |
| Bar Graph 4: Nestle Nig. Plc. Earning Per Share – 2001 and 2005-----      | 100          |
| Bar Graph 5: Nestle Nig. Plc. Market Capitalization – 2001 and 2005-----  | 100          |
| Bar Graph 6: Nestle Nig. Plc. Shareholders’ Dividend – 2001 and 2005----- | 101          |

## LIST OF APPENDICES

|   | <b>Page</b> |
|---|-------------|
| 1. Acronyms and Abbreviations -----                                     | 313         |
| 2. Sample of Research Questionnaire -- -----                            | 314         |
| 3. Sample of Interview Guide -----                                      | 318         |
| 4. Statistical Calculation – Chi-Square ( $X^2$ ) (two-tailed) -- ----- | 319         |

# CHAPTER ONE

## INTRODUCTION

### 1.1. Background to the Study

Studies have shown that the human resource is the most valuable asset in any organization whether in the public or private sector (Adebayo, 2001; Ejiofor and Mbachu, 2001; Olowu and Adamolekun, 2005). The human factor is therefore fundamental to the achievement of organizational goals. When this vital asset is not properly planned for in terms of whom to recruit, the quality of the people to be recruited in terms of educational qualifications, skill and experience and effective strategies put in place to retain them; meeting organizational goals becomes a mirage. As Ejiofor and Mbachu (op.cit:121) rightly noted:

...without human resource, organizations are no more than mere assemblages of buildings, plants and equipment. No other factor is as important as human resource in maintaining corporate stability, development and profitability of an enterprise whether in the long or short-run.

Therefore, for any organization to achieve its goals, appropriate staff recruitment and adequate retention strategies are *sine-qua-non*. In particular, the nature of modern organization, the advent of technological breakthroughs in information technology and the competitiveness in the business environment in the twenty-first century, make it imperative for organizations to put in place adequate measures capable of engaging competent workforce and the strategies to retain them for the realization of their goals. Similarly, Reid and Barrington (1994) observe that, “If an organization is to achieve its goals, it must have sufficient number of people with the appropriate skills...” (cited in Kassim-Momodu, 2001:8) On their part, Olowu and Adamolekun (op.cit:87) observe that it is becoming more essential to secure and manage competent human resource as the most valuable resource of any organization, because of the need for effective and efficient delivery of goods and services by organizations.

Nigeria, like other countries of the world, has three major types of institutions that engage the workforce. These are: governmental organizations, private organizations, and the non-governmental organizations (NGOs). These three institutions could be classified into two broad groups namely: the public sector (those that work for government in any capacity); and the private sector (those that do not work for government in any capacity). However, one of the underlying factors common to both sectors is the personnel. According to Okoye (2001:127), these are the people who are ready to serve the organization with their ability, talent, and drive in the achievement of organizational goals. This is in line with the view of Mohammed (2006:24) that, “The success and progress of an organization depend on its ability to maximally explore the talent and potentials of its workforce.” But the major differences between the two sectors lie in their objectives.

Public organizations (civil service) are set-up mainly to provide social services, infrastructural development and as avenue for generating employment for the populace. On the other hand, the emphasis of private organizations is profit maximization. This study therefore, seeks to comparatively examine staff recruitment; retention strategies and performance of six selected organizations in public and private sectors in Nigeria. According to Gerring (2004), a comparative case study research enjoys a unique advantage in research of an exploratory nature. The usefulness of comparative studies is summed up in the words of Tocqueville (1966), when he said that without comparisons to make; the mind does not know how to proceed.

## **1.2. Statement of the Problem**

Although organizations in public and private sectors may vary in terms of their objectives, they however have common factors and goals. These are the personnel, equipment and the desire for performance, which is expressed in enhanced service delivery. Ojofeitimi (2004:1279) posits that:

...organizations, without exception, are in the business of providing services to their clientele/customers...service refers to social arrangements that are made to meet public needs; a

facility enjoyed either through direct/cash payment or as benefits accruing from general or specific taxation. Thus public and private organizations are interested in the subject of service delivery as continuing relevance, survival and growth depends on the quantity and quality of service they provide...Thus organizations, private and public must be concerned about and work upon improving their ratings...of their service delivery systems if they are to survive and grow in the ever competitive and turbulent environment.

In order to accomplish their goals, organizations put in place measures to recruit staff and the strategies to retain them in their employment for enhanced performance. In addition, both sectors build capabilities for the achievement of their goals. According to Fasusi (2001:17), “The public service (the civil service) builds capabilities for social infrastructure, economic development and improved quality of life for their people. On the other hand, private organizations build capabilities for survival, growth/expansion, transformation, shareholder values and profitability.” Furthermore, both sectors employ people from common sources, ranging from young school leavers to graduates of tertiary institutions whether locally or from abroad with a view to accomplishing the goals of organizations.

But one of the major problems facing organizations irrespective of the sector they belong is that of how to recruit competent staff and retain them in the employment of organizations for the realization of organizational performance. This problem has deprived many organizations in both the public and private sectors of having in their employment capable staff needed to achieve the desired goals and objectives of these organizations (Cascio, 2003; Heneman and Judge, 2003). Where competent staff are available arising from appropriate recruitment strategies of an organization, frequent staff turnover arising from non-provision of adequate staff retention strategies have made it almost impossible for organizations whether in the public or private sector to have in their employment competent staff to carry out the tasks of these establishments (Cascio, op.cit). The non-realization of the goals and objectives of some organizations is more likely, particularly where there is inadequate competent staff in their employment as it is in the public sector (Adebayo, 2001).

To prevent this negative development, organizations spend a lot of resources to put in place structures to make recruitment of competent staff possible. They workout 'well packaged' incentives to keep these competent staff in the employment of the organizations and proper working environment to enable these staff to contribute meaningfully towards the realization of organizational performance. Despite these measures, the problem still persists in some organizations whether public or private sector. What are the possible reasons for this development?

One of the reasons that informed this study has to do with the unique role undertaken by competent personnel in bringing about the realization of the goals and objectives of organizations whether in the public or private sector. In so far as competent personnel are necessary for organizational performance, there is the need therefore to identify and examine how best to recruit and retain them in the employment of organizations for the achievement of their goals and objectives. Specifically, this study seeks to examine staff recruitment, retention strategies and organizational performance of six selected public and private organizations. Other reasons for this study include identifying and examining how best organizations could prevent frequent labour turnover, put in place adequate reward systems and bring about job satisfaction among the workforce as a basis for retention of competent personnel for organizational performance.

However, it is important to point out that the researcher is not unaware of the fact that personal factors (skills, attitudes and idiosyncrasies etc), social/cultural factors, economic and political considerations could also account for labour turnover in organizations. Comparative studies of this nature would afford the researcher the opportunity to identify variations in staff recruitment and retention strategies and their impact on organizational performance. This study aims to fill the gap between strategies for staff recruitment, retention and performance of organizations and how to curb the frequent incidence of staff turnover resulting into poor performance in some organizations in both the public and private sectors of the Nigerian economy.



### **1.3. Research Questions**

The central questions that underpinned this study are:

- Of what impact are staff recruitment strategies on organizational performance in both public and private organizations?
- How do organizations' staff retention strategies impact on organizational performance in both sectors?
- What significant relationship exists between labour turnover and organizational performance in both sectors?
- What significant relationship exists between job satisfaction and organizational performance in both sectors?
- How do organizations' reward systems impact on organizational performance in both sectors?

### **1.4. Objectives of the Study**

The broad objective of this study is to carry out a comparative analysis of staff recruitment, retention strategies and performance of six selected public and private organizations in Nigeria.

The specific objectives of the study are to:

- compare staff recruitment strategies and organizational performance in both public and private organizations in Nigeria;
- compare organizations' staff retention strategies and organizational performance in both sectors;
- examine organizations' labour turnover and organizational performance in both sectors;
- determine significant relationship that exists between job satisfaction and organizational performance in both sectors; and
- compare organizations' reward systems and organizational performance in both sectors.

### **1.5. Significance of the Study**

If there is any major challenge facing the Nigerian economy today, particularly in the civil service, it is that of performance in terms of efficient and effective utilization of the abundant human and material resources to generate adequate output. The reasons for this anomaly as Ojobo (2004:74) puts it include over-staffing, lack of accountability, public service mentality that ‘government work is nobody’s work,’ indiscipline in the larger society, rigid organizational structure and adherence to formal bureaucratic rules and regulations to the detriment of results. According to Olaopa (2003:1054):

The diagnostic study findings that informed the emergent reform strategy of the Federal Government of Nigeria in the public sector suggest that the volume of resources that pass through government is really not the fundamental issue. The issue is that the resources are used with considerable evidence of wastes, inefficiency and little noticeable development effectiveness and impact on the lives of the citizenry.

The above situation is particularly so because even where the human resource seems to be available in terms of number (quantity), the workforce may not be enough in terms of competence (quality) and technical know-how. This problem could be attributed to the type of strategies put in place for staff recruitment in the public sector that tend to favour such other factors such as nepotism, political influence, quota system or federal character and the ‘god father’ syndrome (Ofoegbu, 1985; McOliver, 2005). Adebayo (2001:169-170) had earlier identified one major problem associated with the public sector organizations in Nigeria in terms of the pattern of staff recruitment that is based on federal character or popular representation from the different sections of the country.

However, this present study is premised on Quible’s (1996:123) assumption that competent staff employed into an organization through appropriate staff recruitment strategies in terms of educational qualifications, skills and experience, rather than strategies based on equal representation play vital roles in the sustenance and achievement of the goals of the organization. But the study also recognizes that it is

possible to employ competent staff into an organization through the strategy anchored on popular representation as the federal character principle in Nigeria has demonstrated. It only requires the adoption of appropriate recruitment strategies. Hence the place of competent staff recruitment and adequate retention strategies put in place to keep such staff for the realization of the organizational performance cannot be over-emphasized. The significance of this study therefore lies in the fact that:

1. It will provide a framework for inter-organizational comparison, particularly in terms of staff recruitment, retention strategies and performance in public and private multi-national organizations in Nigeria.
2. It will serve as a basis for further studies in the area of staff recruitment and retention strategies for organizational performance. Furthermore; it will be helpful to policy makers in organizations particularly in terms of staff acquisition, and the personnel department in terms of implementation of personnel policies and practices that will retain their competent workforce toward achieving the goals of the organization.
3. Staff recruitment strategies that emphasize the need for everyone seeking for employment to have access to recruitment information (Newspaper, Radio, Television and the Internet) and equal opportunity to compete for vacant position could enhance organizational performance in public and private sectors in Nigeria.
4. It will be relevant to both sector organizations to know that application of staff retention strategies that are in line with employees' preference serve to keep competent workforce in the employment of organizations. Such strategies will include humane treatment of staff through kind words of encouragement from management to members of staff, informing staff on a regular basis why certain actions are taken and the likely results from those actions, implementation of policies that show management's confidence in members of staff in their day-to-day activities, organizational policies and practices that view members of staff as friends and partners in progress, and policies on staff recognition and promotion that emphasizes hard work,

honesty and integrity, rather than undue favouritism of staff arising from sentiment on the part of management staff.

5. It will enable organizations to appreciate the usefulness of the provision of adequate reward systems for staff performance. In addition, it will enable them to realize that reward systems need to be meaningful in terms of quality, equitable in terms of hard work, fair in terms of measurable criteria to achieve and just in terms of disparity of volume to be given out to staff as basis for staff performance.

### **1.6. Scope and Limitations of the Study**

For a proper comparison of inter-organizational sector and analysis to take place, the scope of this study covers the staff recruitment and retention strategies put in place by organizations, labour turnover, job satisfaction and reward systems of selected public and private organizations in Nigeria as they impact on organizational performance between 2000 and 2005. Furthermore, the study covers staff recruitment and retention strategies of six selected organizations in Nigeria made up of three private organizations from the food and beverage, banking and breweries industries, represented by Nestle Nig. Plc., Zenith Bank Plc., and Nigerian Breweries Plc., respectively, and three public organizations (civil service) from the states and Federal Civil Service represented by the Delta, Lagos and the Federal Civil Service.

The choice of these private organizations is based on the fact that Nestle Nig. Plc., is reputed to be the largest food and beverage manufacturing company with a market capitalization of ₦98.818 billion in 2005 (NARA, 2005:7). In addition, the company has the highest unit share price in the Nigerian stock market. It emerged number one on the gainers chart by ₦38.10 per share to close at ₦254.10 per share on 21<sup>st</sup> August 2006 (NSE online Report, 2006). Zenith Bank Plc., on the other hand, is reputed to be the most capitalized bank in Nigeria with a total shareholders' fund put at ₦92.1 billion as at March 2006, and has branches all over the country (Zenith Bank online, 2006). The Nigerian Breweries Plc., is reputed to be the pioneer and largest brewing company in Nigeria with a total turnover in the

year 2005 put at ₦= 80.2 billion and operating profit for the same year put at ₦= 15.4 billion (Nig. Breweries online, 2006).

Delta State Civil Service was selected because it is an oil-producing state, which received the highest federal revenue allocation from the federation account to the tune of ₦= 387.4 billion between 1999 and 2005 (Sobowale, 2006: August 6). Also the choice of Lagos State Civil Service is justified as one of the two largest civil service in the country that cater for the largest number of people in terms of social service delivery more than any other single state of the federation, next only to Kano and the Federal Civil Service. The 2006 population census put the total number of Lagos State at 9,013,534 million people (National Population Commission, 2007). However, a United Nations survey had put the population of Lagos State at 12 million inhabitants (LSORD, 2006). In the same vein, the Federal Civil Service deserves our attention because it is reputed to provide services to the largest number of people in the country, with its wide reach and number of general and specialized services it renders.

One unique feature of these organizations is that they all have in their employment people from all parts of the country, irrespective of religion or ethnic affiliation (Nigerian Breweries online, 2006; LSORD, 2006; Zenith Bank online, 2006; Fieldwork, 2006). This is a rare attribute in most states' civil service in the country. In some of the states civil service in Nigeria, at best non-indigenes of the states are employed on contract basis, which is not the case with the public and private organizations in our case studies (Fieldwork, 2006).

The limitation of this study, however, is in the area of methodological constraints in terms of which type of analytical technique is most appropriate for the work. In addition, because of funds and time constraint, the work is further limited to six organizations in the public and private sectors in Nigeria.

## 1.7. Research Hypotheses

In this study, hypotheses were formulated to achieve the objectives of the research work. According to Creswell (2003:109):

The use of variables in research hypotheses is typically limited to three basic approaches – The researcher may compare groups on an independent variable to see its impact on dependent variables; Alternatively, the investigator may relate one or more independent variables to a dependent variable; Third, the researcher may describe responses to the independent, mediating, or dependent variables.

The study employs the second approach that has to do with the investigator or researcher relating one or more independent variables to a dependent variable. The study adopts this approach because it captures the objectives of the research work on staff recruitment, and retention strategies. In this study, the independent variables are: staff recruitment, retention strategies, labour turnover, job satisfaction, and reward systems as provided by organizations. On the other hand, the dependent variable is performance, measured by efficiency. The hypotheses formulated to guide this study therefore are as indicated below and are stated in null form.

1. **Ho:** There is no significant relationship between staff recruitment strategies and organizational performance in both public and private organizations.
2. **Ho:** There is no significant relationship between staff retention strategies and organizational performance in both sectors.
3. **Ho:** There is no significant relationship between labour turnover and organizational performance in both sectors.
4. **Ho:** There is no significant relationship between job satisfaction and organizational performance in both sectors.
5. **Ho:** There is no significant relationship between reward systems and organizational performance in both sectors.

## **1.8. Organization of the Study**

The study is reported in six chapters. The first chapter introduces the study, and highlights the research questions, the statement of problem and objectives of the study, its significance, scope and limitations as well as the research hypotheses.

Chapter two presents the literature review and theoretical framework and it reviews current and relevant literature on staff recruitment and retention strategies. This is done to establish a linkage between the variables and organizational performance in the public and private organizations. The literature review covers empirical scholarly works on staff recruitment and retention strategies both within and outside Nigeria, performance criteria in both the public and private sectors; processes of staff recruitment; pattern of decision-making; bureaucratic practices and staffing organization model – staffing quality: person/organization match as they impact organizational performance. In addition, the study adopts the decision-making theory, as its theoretical framework.

Chapter three examines the history, structure, staff recruitment, retention strategies and organizational performance in our case studies, namely: Nestle Nig. Plc., Zenith Bank Plc, and Nigerian Breweries Plc representing private organizations, and Delta, Lagos and the Federal Civil Service representing public organizations.

Chapter four looks at the methodology of the study – research design, population, sample size, instrument for data collection and the establishment of validity and reliability of the instrument through the use of Cronbach's Alpha Coefficient. The Chi-square ( $X^2$ ) two-tailed, Cramer's V and the Mann-Whitney U (two-tailed) analytical techniques and the simple percentages are used to establish whether or not there is a relationship between staff recruitment, retention strategies, labour turnover, job satisfaction, reward systems and organizational performance.

Chapter five focuses on data presentation, comparative analyses of data on how staff recruitment and retention strategies put in place by these organizations have

been able to impact their performance and discussion of findings. Finally, chapter six summarizes and concludes the study. Recommendations towards overcoming the problem of staff recruitment and retention strategies; labour turnover; job satisfaction and reward systems as they impact organizational performance are also highlighted in this chapter.



## References

- Adebayo, A. (2001) *Principles and Practice of Public Administration in Nigeria*. Ibadan: Spectrum Books Ltd.
- Cascio, W. F. (2003) *Managing Human Resources: Productivity, Quality of Work Life, and Profits (6<sup>th</sup> edition)*. Boston: McGraw-Hill, Irwin.
- Creswell, J. W. (2003) *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches (2<sup>nd</sup> edition)*. London: Sage Publications.
- Ejiofor, P. N. O. and A. U. Mbachu (2001) “Imperatives of Human Resource Practices in the New Millennium” *Journal of the Management Sciences*. Vol. 5. No. 1. January.
- Fasusi, M. (2001) “The Imperative of Change: Organizational Development and Capability Building” *Human Resources Management – Journal of the Institute of Personnel Management of Nigeria*. Vol. 10, No.6.
- Gerring, J. (2004) “What Is A Case Study and What Is It Good For? *American Political Science Review (APSA)*. Vol. 98 (2).
- Heneman, H. G. and T. A. Judge (2003) *Staffing Organization (4<sup>th</sup> edition)*. Boston: McGraw-Hill, Irwin.
- Kassim-Momodu, M. (2001) “Assessing Training Needs: The Organization, The Job and The Individual.” *Petroleum Training Journal*. Vol. 1. No. 1. June.
- Lagos State Official Record Diary (LSORD) (2006) Lagos State Ministry of Information and Strategy Publication. Alausa, Ikeja – Lagos.
- McOliver, F. O. (2005) “Management in Nigeria: Philosophy and Practice.” *International Journal of Communication and Humanistic Studies*. Vol. 2. No. 1. September.
- Mohammed, I. A. (2006) “Personnel Performance Evaluation: A Conceptual Index for the Management and Development of the Nigerian Oil and Gas Industry.” *Petroleum Training Journal: An International Journal*. Vol. 3. No. 1. January.
- Nestle Nig. Plc. (2005) “Annual Reports and Account.” (NARA) Lagos.
- Nigerian Breweries online (2006) “Nigerian Breweries, The Pioneer and Largest Brewing Company in Nigeria.” Retrieved 17<sup>th</sup> August 2006 from the website: (<http://www.nbplc.com>).

- NSE online Report (2006) “Nestle Tops Gainers Chart at NSE.” Retrieved 24<sup>th</sup> August 2006 from the website: (<http://www.thetidenews.com>)
- Ofoegbu, R. (1985) “Personnel Recruitment and Management.” In H. N. Nwosu (ed) *Problems of Nigerian Administration*. Enugu: Fourth Dimension Publishing Company Ltd.
- Ojobo, J. A. (2004) “Privatization Policy and the Future of the Public Sectoring Nigeria” *Nasarrawa University Journal of Administration*. Vol. 1, No. 1. December.
- Ojofeitimi, O. I. (2004) “The Role of Management Consultant in Enhancing Service Delivery in Public and Private Organizations.” *Nigerian Management Review*. Vol. 15, No. 2. July – December.
- Okoye, P. V. C. (2001) “Management of Human Resources and Compliance with Audit Queries” *Journal of the Management Sciences*. Vol. 5. No. 1. January.
- Olaopa, T. (2003) “The Changing Role of the Public Service, the Reform Agenda and the Significance of Policy Research in Development Management.” *Nigerian Management Review*. Vol. 14. Nos. 1 & 2. June – December.
- Olowu, D. and L. Adamolekun (2005) “Human Resources Management.” In L. Adamolekun (ed) *Public Administration in Africa: Main issues and Selected Country Studies*. Ibadan: Spectrum Books.
- Quible, Z. K. (1996) *Administrative Office Management: An Introduction* (6<sup>th</sup> edition). London: Prentice-Hall Ltd.
- Sobowale, D. (2006, August 6) “Frankly Speaking.” *The Sunday Vanguard Newspaper (Nigeria)*. P.13.
- Tocqueville, Alexis de (1966) *Democracy in America*. Reprint (eds) J. P. Mayer and Max Lerner. New York: Harper and Row.
- Zenith Bank online (2006) “Zenith Bank Emerges the Most Capitalized Bank in Nigeria.” Retrieved on 17<sup>th</sup> August 2006 from the website: (<http://www.zenithbank.com/zenithmostcapitalisedbank.htm>).

## **CHAPTER TWO**

### **LITERATURE REVIEW AND THEORETICAL FRAMEWORK**

#### **2.1. Introduction**

This chapter reviewed current and relevant literature. The review covers various positions, authorities and empirical works of scholars on staff recruitment and retention strategies in organization. The reason for review of literature is to establish linkages between staff recruitment, retention strategies, labour turnover, job satisfaction, reward systems and organizational performance, which form part of the basis for the analyses of data in this study. In addition, the review covers three main areas: works of scholars on staff recruitment and retention strategies of organizations in Nigeria, other countries and general strategies for staff recruitment and retention in organizations. There-after, the study examines basic assumptions (in spite of its weaknesses) of decision-making theory as framework for analyses.

#### **2.2. Staff Recruitment and Retention Strategies of Organizations in Nigeria**

Bartol and Martin (1998); and Etomi (2000) see staff recruitment as a crucial personnel function that requires careful execution, if competent staff are to be employed into an organization. Quible (1996:123) observes that the success of an organization in achieving its goals is enhanced because of the quality of its workforce. On his part, Banjoko (2003:41) sees staff recruitment as “the process of reaching out, searching for and attracting a large supply of people or a large pool of interested applicants from which the organization can choose those it considers competent or most qualified for the job.” And it is important to note that the principles of personnel or human resource management are the same in public and private organizations. This is because personnel management is basically concerned with the acquisition of personnel and how to manage them to achieve the goals of organizations (Cascio, 2003). The goal of any organization irrespective of the sector it belongs to is to achieve positive results in terms of what the organization is set out

to achieve. As a result, the need to employ competent staff is very crucial to its business success.

In a study carried out by Amadasu (2003) on Ajaokuta Steel Mill (public sector organization), it was observed that the poor performance of the Steel Mill was partly that of poor performance of staff. The study reports among others that a proper recruitment strategy that emphasizes appropriate educational qualifications, skills and experience, which could have enhanced the employment of competent workforce, was not put in place and as a result, the right personnel were not put in the right position. The outcome of the above development was that of poor performance of staff and the organization.

The above shows that lack of proper staff recruitment strategies that emphasize appropriate educational qualifications, skills and experience for staff employment is capable of bringing about poor performance of an organization. However, the need to take into account adequate staff retention strategies as basis for staff performance is equally important. This is because it is possible that even where competent staff are employed into an organization and adequate strategies to retain them are not put in place, the organization is likely to experience frequent labour turnover resulting from staff de-motivation. This means that lack of adequate staff retention strategies is more likely to affect negatively organizational performance whether in the public or private sector.

The findings of the above study imply that where competent staff are not employed in an organization, and or where they do exist but lack adequate retention strategies, workers are bound to show less interest in their job, and may even resign their appointment with the organization and the tendency is that the organization may not achieve its goals of enhanced performance. What this means is that there is a relationship between proper or appropriate staff recruitment and adequate retention strategies and organizational performance.

It is important to point out that while the finding about Ajaokuta Steel Mill's inability to achieve its goals was attributed to lack of proper recruitment strategies and staff performance, that cannot however, totally account for the failure of the Steel Mill. Other factors like political interference and corrupt practices on the part of past public office holders both in the company and at the Federal Government level could have been responsible for its failure.

In a study by Opara (2005) on the failure of Ajaokuta Steel Mill, it was observed that the major problem that led to the failure of the Steel Company was corruption that took place amongst political leaders in the country between 1979 and 1993, in form of inflated contracts sum, and contracts awarded but which were never executed. He concludes that one major justification for the corrupt practices amongst public officials at the time could be attributed to the fact that the military government that handed over political power to the politicians in 1979 was never probed of any wrong doings, and this encouraged the high level corruption that took place in the organization. The above findings show that the cause of failure of Ajaokuta Steel Company is multi-dimensional.

Whether or not the failure of personnel functions was responsible for the inability of Ajaokuta Steel Mill to achieve its set goals of enhanced performance, it has however been established that sourcing for competent workforce is a strategy that enhances performance in any organization. According to Armstrong (2001:316), proper employee-resourcing strategy is a vital means of bringing into the employment of an organization the competent staff required for the realization of its goals of enhanced performance. Thompson, Gamble and Strickland (2004:3) see strategy as the game plan the management of an organization adopts to stake out market position, conduct operations and achieve organizational performance. Ivancevich, Konopaske and Matteson (2005:636) see organization as an institution that enables society to pursue goals that could not be achieved by individuals acting alone. Performance on the other hand is measured by efficiency.

In this study, we refer to organizational performance as a process whereby an institution that is set up to pursue and accomplish a pre-determined assignment carries it out efficiently for the purpose of achieving the goals of that institution. Idris (2005:59) observes that organizational success (performance) depends on the individual performance of its staff, which could be measured in terms of the organization's quality of products, profitability, productivity and efficiency in service delivery. What then are the criteria for measuring performance in both the public and private organizations?

### **2.2.1. Performance Criteria in Public and Private Organizations**

Boyne, Farrell, Law, Powell and Walker (2003:32) posit that information on performance is very important to management of any organization whether in public or private sector. This is because it helps management to ascertain whether their organizations are improving, deteriorating or stagnant. Performance information is necessary. It enables organizations to adjust with a view to improving on its services for the enhancement of its survival and growth. However, there is the problem of evaluating the performance of organizations in their service delivery to ascertain how well they are performing. This is particularly so in the public sector organizations where multiple objectives, ranging from service delivery for the enhancement of the living standard of the citizenry, to an avenue for job creation in the society. In spite of the above difficulties however, organizational performance in the public and private sectors could be measured by the criterion of efficiency.

Hogwood and Gunn (1984) are of the view that evaluation research is faced with the problem of agreed criteria for judging performance either in public or private organizations. According to Hall (1996), "this reflects wider problems in evaluation of organizational performance." This is so because "there are many dimensions of success or failure and different stakeholder groups who place different weights on these dimensions" (Connolly, Conlon and Deutsch, 1980). For instance, while performance may be judged in the private sector in terms of higher returns on investment for the shareholders of the organization – profitability, it may however be

judged in terms of efficient service delivery on the part of customers (Boyne et al, 2003:14). On the other hand, in public organizations (the civil service):

Service users may pay most attention to service quality and quantity; staff in public organizations may be more concerned with how a service is provided (including their own working conditions) than with what is provided; and taxpayers are likely to place as much emphasis on cost as on effectiveness (Boyne et al, 2003:14).

Pun and White (2005:50) observe, “Many performance systems models and frameworks have been devised to provide means for organizations to implement measures and improve performance.” According to Heinrich (2003:29), there are some important commonalities across local and national boundaries among evolving public sector performance measure systems, which include:

- a. performance measures focused on quality outcomes or results;
- b. formal report requirements for comparing actual performance with performance goals or standards;
- c. multiple levels of performance accountability in decentralized programmes; and
- d. market-oriented provisions such as financial budgetary incentives for performance, and plans to use performance information to promote continuous improvement and increased citizen satisfaction.

### **2.2.2. Efficiency as Yardstick for Performance in Public and Private Organizations**

In this study, our criterion for the measurement of performance is efficiency. According to Boyne et al (op.cit:14), economists distinguish between two concepts of efficiency – Technical and Allocative efficiency. Technical efficiency is the ratio of service ‘inputs’ (e.g. spending to ‘output’) which are the goods or services actually produced by an organization (e.g. how many roads rehabilitated or constructed by the Federal, Delta and Lagos State Civil service, low cost houses built, hospitals built by them). And on the other hand, volume of goods and services produced by Nestle Nig. Plc, Nigerian Breweries Plc., and Zenith Bank Plc., in the

last five years expressed in terms of returns on investment – profits to shareholders. Efficiency is measured in the view of the economists by the formulae:

$$\text{Efficiency} = \frac{\text{Cost of Output}}{\text{Value Input}}$$

Allocative efficiency, on the other hand, is the match between such outputs and the preferences of the public (e.g. whether roads rehabilitated or constructed by the government meet the needs of the inhabitants of the state in terms of smooth drive without pot holes, whether the low cost houses built meet the needs of families who lack suitable accommodation in the country) (Boyne et al, 2003). For the purpose of this study, we conceive efficiency in the technical sense. In this regard, performance is judged in the Federal, Delta and Lagos State Civil service by the infrastructural development put in place for the enhancement of the living standard of the people – roads constructed, schools built and low cost houses constructed in the last four years and the social services provided by them. This is important because:

The task of the public sector is not only to be an organization providing services for citizens. It is equally important for it to be an instrument for realizing the demands of the citizens and for making citizens assume a share of responsibility for its services (cited in Forssell, 2003:270).

### **2.2.3. Measuring Efficiency in Organizations**

Gaster (2001:119-126) identified the following approaches for measuring efficiency in an organization. These are:

1. local approach: self-evaluation;
2. quantitative method: statistical process control;
3. management of information system;
4. opinion surveys and market research;
5. finding out users' views;
6. monitoring the service process;
7. complaints; and
8. observation, inspection and audit.



#### **2.2.4. Local Approach: Self-Evaluation as Criterion for Measuring Efficiency in Public and Private Organizations**

In measuring efficiency in the stated organizations, this study adopts the local approach: self-evaluation technique. According to Gaster (2001), the local approach: self-evaluation technique for the measurement of efficiency puts considerable emphasis on self-evaluation, responsibility of staff to measure their own work and the opportunity to reflect and learn from it. The weakness of the local approach: self-evaluation technique for measuring efficiency, is based on the fact that it requires attitudes and cultures that encourage involvement of all staff to achieve the desired results, and make the best use of time spent on evaluation, and that enable management committees to appreciate the benefits of investing in evaluation as an activity in itself (Gaster, 2001:119).

In spite of the difficulties of the local approach: self-evaluation technique for the measurement of efficiency, this study adopts it for the fact that data on public sector performance are difficult to come by compared to that of the private organizations. This may not be unconnected with the fact that public administrators at all levels are averse to external evaluation of their performance. According to Egonmwan (1991:221), public officials withhold relevant data when outsiders come to evaluate their performance to ascertain the extent to which they have been able to meet the actual responsibilities assigned to them.

As a result of the above, performance of the Lagos State, Delta State and Federal Civil Service (public organizations) and Zenith Bank Plc., Nigerian Breweries Plc., and Nestle Nig. Plc. (private organizations) are measured by efficiency based on the self-evaluation criterion, comparing their performance in the last five years up to 2006. This is in the area of social services delivery and infrastructural development for the enhancement of the living standard of the people in the case of the public organizations and volume of production of goods and services expressed in terms of profit – higher returns on investment for the shareholders in the case of the private

organizations. From the angle of enhanced services provided by the public sector organizations, efficiency is measured by the formulae:

$$\text{Efficiency} = \frac{\text{Goal Accomplished (Output)}}{\text{Public Welfare or Capital and Labour (Input)}}$$

Enhanced performance in service delivery by private organizations culminates in higher profits and returns on investment in form of improved dividends to the shareholders, and better services to the people. Enhanced performance, on the other hand, in the public organizations should culminate in higher standard of living for the people in the area of quality social service delivery and improved infrastructural development in the society. As a result, while profitability shall be used in this study to measure performance in the private organizations, the criteria of life expectancy, infant mortality rate and Human Development Index (HDI) would be the basis for measuring whether public organizations under study have performed well or not in the period under review, taking into consideration the amount of financial resources available to them. This is to allow for uniform comparison since the common underlying factor and desire in both sectors is to achieve enhanced service delivery.

#### **2.2.5. Process of Staff Recruitment and Organizational Performance**

Studies have established a link between staff recruitment that emphasize merit and organizational performance (Ofoegbu, 1985; McOliver, 2005). Ofoegbu (op.cit) in his work, reports that for an organization to achieve its goals of enhanced performance, it must find the right kind of personnel and manage them properly. He contends that it is the responsibility of the organization to create conducive work environment, good induction and training programme, integrating the individual's goals with those of the organization, effective delegation of responsibility and authority, and existence of machinery for conflict resolution as a basis for staff performance.

He points out that in Nigeria's public sector, there is a clash between the pressures for reflecting federal character in recruitment and the pressures for sole

reliance on merit. The work concludes that for the interest of efficiency and effective personnel management for enhanced performance, merit should dominate the choice of recruitment criteria. The study shows that there is a relationship between strategies of staff recruitment based on merit and organizational performance. This means that no organization can achieve its goals without competent workforce. The more qualitative a workforce in terms of competence, the more enhanced performance the organization is likely to achieve.

On his part, McOliver (op.cit:29) posits that in the Nigerian public sector, nepotism, favouritism, political consideration and federal character are the basis for recruitment and selection of personnel into the public organizations. The result, according to him, is that of poor management, disregard for high productivity, ethics and assault on public morality, which has contributed to further under-develop the nation.

#### **2.2.5.1. Federal Character and Staff Recruitment in the Public Service**

Nigeria is a country faced with the problem of multi-ethnic, multi-cultural and multi-religious affiliations. This problem could be traced back to the colonial days, particularly with the amalgamation of the northern and southern protectorates by Lord Lugard in 1914 (Ayoade, 2000). During the post-independence era, the Nigerian state found itself in a dilemma whereby the political setting was dominated by northern executive leaving its administrative functions to a southern dominated bureaucracy (Ayoade, op.cit). For the political executive to successfully carry out its policies and programmes, it required a facilitator in the bureaucracy, which the north was unable to provide in terms of people with required skills, educational qualifications and experience. In this regard, the south with more qualified manpower dominated the public bureaucracy. This meant that while the north dominated the political executive, the south, on the other hand dominated the bureaucracy. It was the fear of domination of one section of the country by the other in the political and administrative affairs that led to the principle of federal character in Nigeria.

The 1999 constitution of the Federal Republic of Nigeria recognized the imperative of federal character to Nigeria's administrative system, hence section 14 (3) states that:

The composition of the government of the federation or any of its agencies and the conduct of its affairs shall be carried out in such a manner as to reflect the federal character of Nigeria and the need to promote national unity, and also to command national loyalty, thereby ensuring that there shall be no predominance of persons from a few states or from a few ethnic or other sectional groups in that government or in any of its agencies.

It was in a bid to resolve the dilemma of the problem of northern political domination and southern dominated bureaucracy in the country that led to the introduction of representative bureaucracy in Nigeria (Ayoade, op.cit). According to Bodunrin (1989:306), federal character principle is a political settlement that enables every section of the Nigerian society to be represented in government. He argued that "the new phrase 'federal character' in its application and implementation is a mere euphemism for ethnic balancing" which has the potential of solving the problem and fear of domination and bring about stability that is needed for development to take place in the country.

Scholars have identified some advantages of representative bureaucracy to include its ability to create support for government policies, include people who are local and indigenous to the environment in the implementation of government programmes in that particular area and its ability to serve as mechanism for the government party to distribute patronage to its supporters (Krislov, 1974; Bodunrin, 1989; Ayoade, op.cit). However, there are contradictions in the application of federal character principle in the civil service in the area of staff recruitment and promotion. According to Ayoade (op.cit:115), subjecting recruitment/appointment and/or promotion to federal character discriminates against merit and is therefore unfair to certain sections of the country to the advantage of others. The outcome is that of acquisition of incompetent workforce into the public service and the result is that of poor performance.

We however believe that predicating staff recruitment on national or federal character does not mean that such a staff cannot contribute meaningfully towards the enhancement of the goals of the organization. This is particularly so where appropriate recruitment strategies involving the screening of potential employees based on relevant skills, experience and educational qualifications are adopted. What is important therefore is the ability of the individual employed and his/her willingness to work for the enhancement of the organization. In addition, through proper staff training and development by organizations of their workforce, organizational productivity is enhanced even where incompetent staff would have been employed through inappropriate recruitment strategies (Okoh, 1998).

Aside from being an administrative mechanism, federal character in Nigeria has come to represent a political necessity to further integrate the diverse elements that comprise the nation. Given the multi-ethnic, multi-religious and multi-cultural state of the country, it is clear that merit as an exclusive principle for recruitment will negate the desire for equal representation of all sections of the country in the civil service. Consequently, the place of federal character in the country's geo-administrative and political equation cannot be over-emphasized.

#### **2.2.6. Decision-Making and Organizational Performance**

Another dimension to organizational performance is that of workers participation in decision-making and the ability of the workers to exhibit their initiative and innovation in their day-to-day activities to promote performance whether in the public or private sector. Workers are motivated to contribute towards the attainment of organizational goals not necessarily because of availability of extrinsic factors - cash or material gifts, as provided by organizations, but by intrinsic factors - on how they perceive themselves as free and accepted by the management to participate in decision-making and exhibit their initiative in their day-to-day activities in the organization (Jike, 2003).

In a study by Jike (op.cit), it was established that the public sector employees in Nigeria are less motivated to work than their counter-part in the private sector. This is attributed to their less involvement in decision-making due to the rigid organizational structures, characterized by systems of formal rules and authority that exist in the public sector. This development does not permit the individual worker's initiative and innovation in their day-to-day activities in the organization. It has been observed that workers are more willing to support the decisions they are involved in making than the one imposed on them (Iyayi, 2002). However, adherence to rules and procedures is not limited to the public organizations, but also found in bigger private organizations (Berman and Murphy, 1996). In spite of this development, the private organizations seem to carry out their assigned role of profit maximization with much ease than that of the public organizations in the area of social service delivery and infrastructural development. This situation could be attributed to differences in the preference of government and the perception of the workforce, rather than on rigid organizational structures, characterized by systems of formal rules and authority (Shafritze and Russell, 2003).

Shafritze and Russell (op.cit) agree with the traditional thinking that organizations whether in the public or private sector are institutions whose primary purpose is to accomplish established goals. They observe that those in formal authority (either by ownership or as the owner's representatives – by appointment) set the goals of the organization. They, however, disagree with the notion that personal preferences of organizational members are restrained by systems of formal rules and authority, and as well as the norms of rational behaviour when the organization is viewed as a complex systems of individuals and coalitions each having its own interest, perspective and perceptions. However, the decision of an organization not to involve staff in decision-making on issues affecting them is likely to de-motivate staff for performance. This means that there is a relationship between staff participation in decision-making and organizational performance.

The above studies show that decision-making is very crucial for an organization to achieve its goals. It further shows that the perceptions and preferences of decisions of those that set up an organization together with the support given to it in terms of participation in decision-making by staff to these perceptions determines which goals to be pursued and attained by the organization. From the foregoing, it is clear that variation exist between staff participation in decision-making in public and private organizations. This study will however address the possibility of decisions of organizations in the area of staff recruitment, retention strategies and organizational performance in the public and private organizations.

### **2.2.7. Bureaucratic Practices and Organizational Performance**

Berman and Murphy (1996) support the view that adherence to formal rules and authority is not limited to public sector organizations, but to any large and complex organization including large private organizations. They posit that bureaucracy is any large and complex organizational system in which tasks; roles and responsibilities are structured to achieve the goals of the organization whether in the public or private sector. According to Brooks (2006:183):

Bureaucracy is a key part of rationalization and embraces several aspects of organizations such as hierarchical structures, employees having clear responsibilities, rules and procedures, managers having legitimate authority based on their position in the organization, and employees that are motivated to achieve organizational goals.

The advocates of the Max Weber's model of bureaucracy for instance, conceived it as the most efficient form of organization, which applies to both the public and private sectors in their quest for enhanced performance. Edigin (1994); and Gomez–Mejia, Balkin and Cardy (2005) view bureaucracy in terms of its emphasis on efficiency and achievement predicated on adherence to procedures. They argue that for an organization to achieve its goals of enhanced performance, applying the principles of bureaucracy as postulated by Weber, which has to do with rationality in terms of resource acquisition (including staff) and utilization, becomes the basis for efficient and effective service delivery in any organization.

Every establishment, whether in the public or private sector desires positive outcome in terms of the goals it planned to achieve. It is the quality of human resource available in an organization that determines the level of results to be expected and achieved. Competent staff in an organization could be said to be a function of the way such staff are recruited into that organization. Weber sees bureaucracy as a rational way for a modern society to conduct its business devoid of sentiment (Edward, Wattenberg and Lineberry, 1996:391). Berman and Murphy (1996), and Anyebe (2004) agree that the application of the principles of bureaucracy in staff recruitment promotes efficiency in the organization. They argue that an impersonal system based on Weber's principles removes arbitrariness in staff recruitment for the achievement of the goals of competent workforce in the organization.

However, the Weber's model of bureaucracy is not without its shortcomings. It has been argued that Weber's model of bureaucracy is an ideal model but that its principles are not realizable in real life situation. This is particularly so in the developing nations like Nigeria where informal relationships and emotional attachments are the basis for staff recruitment and interaction in the workplace. Rao and Narayana (1989:464) observe that Weber's model of bureaucracy does not take into account the informal relationships between individuals working in the organization, and by encouraging conformity to rules and regulations, bureaucracy as postulated by Weber leaves nothing for original or innovative behaviour, and as a result finds coping with change difficult. On his part, Anyebe (2004:25) criticizes Weber's model for producing inertia, lack of enterprise on the part of the staff, red tape, mediocrity and inefficiency, which the model was originally set to correct. In spite of the shortcomings pointed out against Weber's model of bureaucracy, its proper application in public and private organizations worldwide particularly in the area of staff recruitment has proved to be a catalyst for the acquisition of competent workforce for organizational performance.



On his part, Niskanen (1971) views bureaucracy essentially as acquisitive and like private corporations, except that while private corporations maximize profits, government bureaucracies seek to maximize budgets (Edward et al, 1996:391). He argues that bureaucracies in the private sector are committed to their products in order to maximize profits. The public bureaucracies on the other hand, are committed to their product – National Security, Public Health, Police Protection, Good Roads, Water Supply, Electricity and other social amenities provided by the government for the enhancement of the living standard of the people.

Niskanen contends that apart from the fact that bureaucracies are acquisitive, they are also monopolistic in nature (Edward et al, op.cit:391). For instance, it is the Nigerian government that is the sole provider of armed forces and armed police protection in the country. In terms of personnel recruitment into the armed forces in the country, it is the Nigerian government that solely determines who to be recruited, where and when.

The weak point of the acquisitive and monopolistic view of bureaucracy is based on the fact that as a monopoly, bureaucracy could exact high prices and behave inefficiently without competition from any quarter. Monopoly hinders progress, while competition brings about development in the society. Niskanen observes that “the cost of service in a monopolistic public market is up to twice as high as in a competitive market” (Boyne et al, 2003:16).

From the foregoing, it is clear that though bureaucracy as a way of organizing social conduct for administrative efficiency in organizations whether in the public or private sector has its drawback in its quest for organizational performance, its importance in bringing about administrative effectiveness could not be ignored in any organization in the achievement of its goals. The study shows that there is a relationship between proper bureaucratic practices, recruitment of competent workforce and enhanced performance in any organization. However, considering the Nigerian situation of diversity in religion and ethnic affiliation, it may not be a popular and accepted opinion to recruit people into the public service on the basis of

merit alone without recourse to the federal character principle as it is currently in the Nigerian public service.

## **2.3. Staff Recruitment and Retention Strategies in other Countries**

Staff recruitment and the strategies put in place to retain them in an organization is a vital key to achieving organizational goals.

### **2.3.1. Japan**

In a study by Carrell, Elbert and Hatfield (2000) on the staffing system and retention strategies in Japan, the need for organizations to get the best workforce in their bid to achieve enhanced performance begins with the recruitment process, while would be staff are still in the university based on competitive examination. Merit is the basis for employment. In Japan most companies' retention strategies are based on motivation and reward systems.

The study reports that the compensation system begins with a monthly salary based on level of educational attainment, while salary increases usually take place every twelve months based on seniority. In addition, workers get slow rise in salary increase annually up to the age of 35 years, while from there to 50 years of age gets a high rate increases of salary annually until when wage progression either slows down or stops for the employee. However, there is a steady national pension programme that covers all employees when they reach the age of 65 years (Carrell et al, 2000:36-37).

The report of the study implies that the success recorded in Japanese companies could be attributed to the process of staff recruitment, which is based on the principle of bureaucracy - merit, and quality staff retention strategies – motivation and reward systems put in place by these companies to retain their staff. The study agrees with the position that there is a relationship between process of staff recruitment and retention strategies put in place by organizations and their performance.

### **2.3.2. Australian Public Bureaucracies**

The Australian public service is a classical example of public bureaucracy built on the principles of merit particularly in the area of staff recruitment. The merit principle has helped to a greater extent in promoting efficiency and enhanced performance in service delivery in the Australian society. Halligan (2004:7) reports that even in the area of promotion for all classification levels in the Australian public service is subject to merit principle, based on the relative efficiency test, as set out in the Public Service Act.

In order to retain staff in the public sector organizations in Australia, job security is highly emphasized. Retirement age is set at minimum age of 55 years and maximum age of 65 years. Individual staff is expected to remain in the employment of the public service till the age of retirement except the staff decides to voluntarily disengage or retire, or have their employment terminated on the ground of gross misconduct. In the area of staff motivation and reward systems, public sector workers are rewarded in comparison to what is obtainable in the private sector organizations in Australia. And to further encourage high productivity, in the 1990s, 'performance pay' system was introduced into the Australian public service (Halligan, 1994b).

In the private sector, Shah and Burke (2003) reported high job and occupational labour mobility in Australian labour market. The study also provides information on the effects of demographic, educational and labour market variables on probability of job separation. The implication of the study on the Australian work environment as it relates to types of employment is that part-time workers have a much higher rate of job separation than full-time workers; On migrants, the chances of job separation are significantly higher for recently arrived migrants than for Australian born-workers; On regional areas, workers in non-metropolitan areas are significantly less likely to remain in the same occupation than workers in metropolitan areas; and on occupation, the lower the skill levels of the occupation, the higher the rate of job

separation. The above study implies that what determines whether a worker would be motivated to stay working for long in an organization in the private sector is dependent on demographic, educational and labour variables rather than on the quality of compensation alone as provided by companies in Australia.

The Australian situation implies that in the public sector, there is a relationship between process of staff recruitment – merit, retention strategies put in place to retain staff in the public sector organizations, reward systems – motivation, job satisfaction and organizational performance. In the private sector on the other hand, there is a relationship between demographic, educational and labour variables, and workers motivation to work for an organization rather than on the quality of compensation alone as provided by companies in Australia. Therefore the principles of merit, job satisfaction, adequate staff retention strategies, occupation, educational level and demographic variables are important factors in the enhanced performance of the public and private sectors organizations in Australia.

### **2.3.3. The United States of America**

In a study by Thompson et al (2004) on staff recruitment and retention strategies carried out in various organizations in the USA, the following were observed:

### **2.3.4. Electronic Data System (EDS)**

Electronic Data System (EDS), a world leading company in information technology in the USA, requires college graduates with a grade not less than 3.5 grade point average (on a 4.0 scale) just to be invited for interview. Any grade less than the 3.5 benchmark is regarded not adequate enough to attend interview (nor contemplate working) in EDS. The thinking in EDS is that having a high-calibre pool of employees is crucial to operating the information technology systems of its customers.

### **2.3.5. Microsoft Company**

The study reports that Microsoft, the world most leading company in computer development, hires only the very brightest and most talented programmers it can find. And retains its staff by the quality of staff retention strategies put in place. These strategies include adequate motivation and reward systems of extrinsic and intrinsic factors - good monetary incentives and the challenge of working on sophisticated software design projects. This has brought about job satisfaction on the part of the workforce to want to remain in the employment of the organization.

### **2.3.6. Mckinsey and Company**

The study reports that McKinsey and company, one of the world's premier management and accounting consulting firms in the USA, only recruit the best available staff with MBAs degree at the nation's top ten business schools. The company screens candidate for employment not only on the basis of accounting expertise but also on whether they possess the skills needed to relate well with clients and colleagues. The Company's strategies for staff retention are based on motivation and reward systems of intrinsic and extrinsic factors - good working environment in terms of staff participation in decision-making and monetary incentives, which translate into job satisfaction on the part of the workforce.

### **2.3.7. South West Airline**

The study reports that South West Airline, one of the leading airlines in the USA, is very serious with staff recruitment drive to the extent that only three percent of those who apply to it are offered job. The study observes that in a bid to secure the best possible staff into its employment to bring about its desired goals, South West Airline's management believes that it can train people to do things where skills are concerned, but accepted the fact that there is one capacity it cannot do and that is to change a person's attitude. As a result, the organization's staff recruitment strategies focus much attention on the attitude of its potential employees through series of aptitude and psychological tests.

One of the most remarkable motivational strategies for staff retention in South West Airline apart from the provision of good financial incentives is its policy of ‘no lay-off’ of its staff. The company’s policy of ‘no lay-off’ is an integral both to how it treated its employees and to management efforts to sustain and nurture the culture of togetherness. In the words of the CEO and co-founder of the airline:

Nothing kills your company’s culture like lay-offs. Nobody has ever been furloughed here (since 1971 when the company started), and that is unprecedented in the airline industry... You want to show your people you value them and you’re not going to hurt them just to get a little more money in the short term. Not furloughing people breeds loyalty, it breeds a sense of security, it breeds a sense of trust (Thompson et al, 2004:C544).

However good as the above policy of South West Airline, it may be possible for organizations to lay-off staff for economic reasons, particularly during business down-turn. In addition to the above, the organization also put in place other measures to enable staff experience job satisfaction such as promotion, compensation, training and development:

- **Promotion:** The study reports that it is the strategy of South West Airline to retain its competent workforce for performance; and as a result approximately 80 to 90 percent of its supervisory positions are filled internally. This reflects management belief that people who had ‘been there and done well in their job’ would be the ones most likely to appreciate and understand the demands that people under them were experiencing and also most likely to enjoy the respect of their peers and higher-level managers (Thompson, et al, op.cit).
- **Employees Compensation:** The airline’s pay scales are at levels close to the industry average and its benefit packages are estimated to be good relative to other airlines. In 1997 – 1998 for instance, the airline’s pilots earned on average, about 10 percent above the airline industry average, and in terms of performance, the pilots flew an average of 85 hours per month versus an industries’ average flight of 80.2 hours per month. In addition, the airline introduced a profit sharing plan for senior employees in 1973, the first such

plan in the airline industry. In the mid 1990s, the plan was extended to cover most of the airline's employees. The company's contributions to the profit-sharing plans to employees totaled \$167.1 million in 1998, \$192 million in 1999, \$241.5 million in 2000, \$214.6 million in 2001 and \$155.6 million in 2002. In recent years, these payments had represented 8 – 12 percent of base pay. Employees participating in stock purchases via payroll deduction bought 1 million shares in 2000; 1 million shares in 2001; and 1.4 million shares in 2002 at a price equal to 90 percent of the market value at each payroll period. By this arrangement, the airline's employees owned about 10 percent of South West Airline's outstanding shares and held options to buy some 138 million additional shares over the next 10 years (Thompson, et al, op.cit).

- **Staff Training and Development:** In a bid to equip its workforce with relevant skills for performance, South West Airline's management designed different training activities for its staff. These include: training staff in the United States of America Federal Aviation Administration, and at the South-West University. The idea is to give its workforce adequate training in its quest to achieve its set goals of enhanced service delivery (Thompson, et al, op.cit).
- **Employee Productivity:** The appropriate strategies put in place to recruit competent staff, and adequate incentives provided by the organization to retain and motivate its workforce translate to improved performance of staff. The study reports that when South West Airline pulled up to the gate, ground crews, gate personnel and flight attendants hustled to perform all the tasks required to turn plane quickly. The employees took pride in doing their part to achieve good on-line performance. The performance of staff brought about high returns on investment to its investors in terms of higher profit and dividend; to customers – satisfaction, in terms of quality service; and job satisfaction for the workforce in terms of adequate incentives – rewards and hence staff motivation at work (Thompson, et al, op.cit).

The performance of South West Airline is note worthy. Going into 2003, the airline was the forth-largest USA commercial airline in terms of passengers flown and the sixth largest in terms of revenues. It had revenues in excess of \$5 billion annually and 35,000 employees; and it operated 370 Jets to 59 airports in 58 cities in 30 states of the United States of America. The airline has operated profitably every year since 1973. Below is the table showing South West Airline’s aircraft fleet as at 2002.

**Table 1: South West Airline’s Aircraft Fleet at 2002**

| <b>S/n.</b> | <b>Type of Aircraft</b> | <b>Number</b> | <b>Seats</b> |
|-------------|-------------------------|---------------|--------------|
| 1.          | Boeing 737 - 200        | 27            | 122          |
| 2.          | Boeing 737 - 300        | 194           | 137          |
| 3.          | Boeing 737 - 600        | 25            | 122          |
| 4.          | Boeing 737 - 700        | 124           | 137          |
|             | <b>Total</b>            | <b>370</b>    | <b>518</b>   |

**Source:** Thompson et al (2004:C532).

Other factors about the performance of the airline are:

1. Average age of aircraft fleet – close to 9 years
2. Average aircraft trip length – 540 miles; average duration – 96 minutes
3. Average aircraft utilization in 2002 – 7.2 flights per day and about 12 hours of flight time
4. Fleet size – 1990: 169; 1995: 224; 2000: 344 and 2002: 370.
5. Firm orders for new aircraft – 2003: 21; 2004: 23; 2005: 24; 2006: 22 and 2007: 25 (Thompson et al, 2004:C532).

### **2.3.8. General Electronics Company (GE)**

Thompson et al (op.cit), in their study on staff recruitment and retention strategies as a basis for organizational performance, points out that General Electronics is reputed to be one of the best managed companies in the world. It strives to hire talented people with high potential for executive leadership, business and decision-making capabilities of all its managers. The study reports that having recruited some



of the best staff an organization can find, General Electronics adopts key elements in its efforts to build talent-rich stable managers as follow:

1. Makes a practice of transferring managers across divisional business or functional lines for sustained periods of time. Such transfers allow managers to develop relationships with colleagues in other parts of the company, help break down insular thinking in business 'silos' and promote the sharing of cross-business ideas and best practices. There is an enormous emphasis at General Electronics on transferring ideas and best practices from business to business and making the company a boundary-less organization.
2. All managers are expected to be proficient at what General Electronics calls workout – a process in which managers and employees come together to confront issues as soon as they come up, pinpoint the root cause of the issues, and bring about quick resolutions so that the business can move forward. Workout is General Electronics way of training its managers to diagnose what to do and how to do it.
3. Each year, General Electronics sends about 10,000 newly hired and long time managers to its Leadership Development Centre (LDC), for a three-week course on the company's six-sigma quality initiative. LDC has been found to be one of the best corporate training institutions in the world, which equip managers for enhanced performance of their assignments. The sigma training is an ironclad requirement for promotion to any professional and managerial position and for any stock option award from the company. General Electronics' Leadership Development Centre also offers advanced courses for senior managers that may focus on a single management topic for a month. All classes at the centre involve managers from different parts of the world.

In a bid to motivate and retain staff for organizational performance, the study reports that each of the 85,000 managers and professionals in General Electronics are graded in an annual process that divides them into five tiers: the top 10 percent; the next 15 percent; the middle 50 percent; the next 15 percent; and the bottom 10

percent. Every one in the top tier category gets stock option award, and nobody in the fourth tier category gets stock option award. Most of those in the fifth tier category become candidates for being weeded out for want of performance. One unique strategy put in place by General Electronics to motivate staff for enhanced performance is the fact that the company's Chief Executive Officer (CEO) personally reviews the performance of the top 3,000 managers in the organization to ascertain how-well they are doing with a view to rewarding the high performing staff in the company (Thompson et al, 2004).

The above study in the USA on various organizations' staff recruitment and retention strategies brought to the fore, the process of staff recruitment based on merit as a basis for organizational performance. In addition, appropriate staff retention strategies, which are put in place by organizations and job satisfaction contributed to the high level performance in these organizations. Although, the above factors worked in the USA, there is however, no evidence to support the claim that if applied in Nigeria whether in the public or private organization, would achieve the same measure of success.

### **2.3.9. Public Bureaucracies in the United States of America**

In the USA, public bureaucrats are highly respected by the people because of their level of performance in the discharge of their duties to the members of the public. In a study carried out in the USA, Edward et al (1996) reports that two-thirds or more of those who have had encounter with a bureaucracy evaluate the encounters as positive. The study shows that bureaucrats are described as helpful, efficient, fair and courteous, working to serve the interest of the clients. This could be attributed to the merit system of staff recruitment in place in the public sector organizations in the USA. The merit principle is based on a system of entrance examinations and promotion ratings to reward qualified individuals. The purpose is to produce an administration of talent and skill for enhanced performance (Edward et al, op.cit:388). According to Ingraham and Getha (2005:792):

The career civil service of the US Federal Government has been guided by a merit system. The system was intended to promote three basic merit principle; openness and equality in access; admission by skills and ability; and neutrality in promotion and reward.

From the study report of the USA public bureaucrats' performance, it is clear that public organizations are reputed to have performed creditably, which could be attributed to their strict adherence to bureaucratic principle of merit and rationality in staff acquisition. However, the USA position would seem contrary to the performance of public bureaucrats in Nigeria. The question now is can this also be reported of public bureaucrats in Nigeria?

The study implies that process of staff recruitment that is based on merit and appropriate retention strategies put in place by these organizations whether in the public or private sector and job satisfaction played major role in organizational performance. What this means is that organizations' level of performance will depend largely on its ability to evolve in its system the principles of bureaucracy that emphasize adherence to formal rules and authority and merit in staff acquisition.

#### **2.4. General Strategies for Staff Recruitment in Organizations**

Strategy is the means by which a particular goal is attained. Marketing strategy on the other hand is a game plan which management of an organization adopts to stake out market position, attract competent employees and please customers, compete successfully, conduct operations and achieve organizational goals (Thompson, et al, 2004:3). "A winning strategy must fit the enterprise's external and internal situation, build sustainable competitive advantage and improve company performance" (Thompson et al op.cit: 28). And "excellent execution of an excellent strategy is the best test of managerial excellence – and the most reliable recipe for winning in the marketplace" (Thompson et al op.cit: 28: 32). Strategy could be seen as a set of decision-making behaviour in an organization for the purpose of achieving a pre-determined objective (Ansoff, 1984:31).

The sources from which an organization recruit its staff, the modality for the recruitments, and when it decides to recruit them require crucial decisions, if the organization is to have competent workforce. Staff recruitment is a serious organizational affair. This is because it has been observed that the success and failure of an organization to a greater extent depends on the calibre of staff in an organization arising from the level of importance attached to the recruitment of its workforce (Cascio (2003). Cascio (op.cit:201) argues that

Recruitment is a form of business competition, and it is fiercely competitive, just as corporations compete to develop, manufacture, and market the best product or service, so they must also compete to identify, attract, and hire the most qualified people.

Barber (1998) sees staff recruitment as consisting of any practice or activity carried out by an organization with the primary purpose of identifying and attracting potential employees. As important as staff recruitment is to the successful realization of competent workforce in the organization, organizations do not have the same strategies put in place by them to get the job of recruitment done. Olian and Rynes (1984:170) posit that because of differences in the companies' strategies in terms of who to recruit and how to go about the recruitment exercise, necessitate organizations more often to assign different degrees of interest to staff recruitment.

#### **2.4.1. Staff Recruitment Sources**

No matter how committed an organization may be about staff recruitment process, there is basically two sources open by which organizations can recruit its staff. Noe, Hollenbeck, Gerhart and Wright (2004) identified two major sources of staff recruitment open to the organization as: Internal and External sources.

- 1. Internal Recruitment Process** - This refers to a process whereby an organization decides to recruit from within, staff that are found qualified to fill vacant position. There are advantages to be derived by organizations from recruiting staff within. First, it generates applicants who are well known to the organization. Second, because the internal staff are relatively

knowledgeable about the organization's vacancies, it minimizes unrealistic expectation about the job. Third, internal recruitment of staff to fill vacant position by an organization is cheaper and faster than looking outside the organization for fresh staff (Noe et al, op.cit).

**2. External Recruitment Process** – This refers to a process whereby external candidates fill organization's vacant position. Although this process is costlier and takes more time to accomplish, but have advantages that make organizations not to want to ignore it. Bringing into the organization outsiders in terms of staff recruitment may expose the organization to new ideas or new ways of doing things different from what the organization was used to. Where organization depends solely on internal staff recruitment, the tendency is for that organization to lack people with innovative ideas that could propel the organization to a higher height in achieving its goals of enhanced performance (Noe et al, op.cit). It has been observed that referrals of applicant to an organization by employees is one of the external source, and sure strategies for bringing into the employment of an organization competent staff in its quest to achieve its set goals. It was however found that where poor referral approach is adopted (with employees referring friends and family members to organization for employment instead of on the basis of skill and competence), and if proper selection process is not applied; may lead to the employment of incompetent staff and the outcome may be that of poor organizational performance (Lee, 1997).

#### **2.4.2. Staff Recruiting Strategies of Organizations in USA**

In different parts of the world, staff recruitment has taken a sophisticated dimension in terms of how to locate potential staff and convince them to accept employment in an organization. This is because without competent staff at the disposal of the organization, the major goals of service delivery might be hindered (Cascio, 2003). According to Cascio (op.cit:199) the inability of organizations to find the right candidates to recruit into their employment is curbing growth and possible expansion and have in some cases forced some business operators to shut

down. He reports that to overcome the challenge of staff recruitment, many organizations in the USA are now forced to use creative recruitment strategies in order to attract competent staff into their employment.

Cascio (op.cit) in a study carried out, reports what strategies two leading-edge companies (**Cisco Systems and Home Depot Organization**) are adopting to find and attract talent into their employment.

### **2.4.3. Cisco Systems' Staff Recruitment Strategy**

Recognizing the fact that the best candidates with whom to work for the successful realization of the goals of the organization are not the ones that are currently jobless, moving from one organization to the other seeking employment, Cisco recruiting team targets those who are already in employment and are satisfied with their current place of work as their potential recruits. The team does this by holding focus groups seminar with ideal recruitment targets, such as senior professionals in their various fields to find out how they spend their time, about their likes and dislikes, and what it will require to move them from their current place of employment, this helps the team to identify possible potential recruits for Cisco Systems Company (Cascio, 2003).

Rather than listing specific job openings, Cisco Systems runs advertisement featuring its Internet address and an invitation to job applicants to apply for any employment into the organization. One of the major benefits is that job seekers are directed to company's website to post their application for jobs with the organization. In addition, the company launched its "make friends @ Cisco" programme to help prospective applicants make a friend at Cisco who could describe what it's like to work there and the benefits the staff derives from working for the organization. This strategy for recruitment of staff has no doubt brought into the organization competent workforce for the achievement of its goals of enhanced performance (Cascio, op.cit).

In line with its strategy for the recruitment of competent staff into the organization for enhanced performance, Cisco recruiters attend occasions where competent staff could be found, walk the crowds, collect business cards from achievers in the field they desire people and speaking to them informally about their careers, the company adopts these methods to lure competent staff into its employment. The team also publishes in the newspapers e-mail address of the company where potential candidates could contact the recruiting team for the purpose of getting employed into Cisco Systems Company (Cascio, op.cit).

Although Cisco Systems' staff recruitment strategies seem to be cumbersome and time taking, it has however, proved to be a good avenue for the recruitment of competent staff into Cisco organization. These strategies no doubt, are only open to qualified people in terms of skill, experience and educational qualifications. This implies that the basis for staff recruitment into Cisco Systems is on the principle of merit. Cisco Systems' business success therefore is directly related to its process of staff recruitment strategies adopted by it.

#### **2.4.4. Home Depot Organization's Staff Recruitment Strategy**

Home Depot is a reputable organization in the USA that sells everything from hardware to lumber, to plumbing supplies for home-improvement projects. The company has over one thousand stores and almost \$40 billion in annual revenues. Staff recruitment exercises are everyday activities in order to meet the manpower need of the organization. It does this by the installation of the automated computer hiring strategy put in place to get a pool of competent staff into its employment (Cascio, 2003).

The study observed that Home Depot Organization installed at a total cost of \$10 million, computer kiosks in each of its stores to ensure that a broader pool of applicants would be considered for jobs. The system is networked in such a way that if someone applies to Home Depot Organization for employment in one state of the USA, the application could go to any store within commuting distance of the

applicant. This enables store managers to have a bigger pool of applicants to choose from when there is a vacant position in the organization (Cascio, op.cit).

No doubt, Home Depot Organization took staff recruitment seriously considering the amount it spent on the acquisition of the automated computer system for the purpose of attracting potential employees. This is because of its belief that the quality of the human resource of an organization is a major determinant of the level of success that organization will achieve. In this study, process of staff recruitment that is based on merit and staff recruitment strategies are highly related to the success of Home Depot Organization in its business endeavour. This means that for any organization to achieve its goals of enhanced performance, it must deliberately put in place its own recruitment strategies that will enable it bring into its employment competent staff.

## **2.5. General Strategies for Staff Retention in Organizations**

The importance of developing a strategy for achieving the goals of an organization cannot be over-emphasized. The strategy put in place by an organization to retain competent staff in its employment will determine the extent to which the goals of that organization will be achieved. According to Embugus (2005:86), for any organization to achieve its goals of enhanced performance, it is imperative that it manages the human resource in its employment in the best possible way so as to achieve maximum benefits from the workforce. Two major elements could be identified, as possible strategies which organizations could use to retain staff in its employment: These are motivation and reward systems. According to Okoh (1998:215) there is a positive relationship between rewards, job satisfaction, motivation and organizational performance. He posits, “rewards cause satisfaction and rewards based on current performance influence subsequent performance and therefore motivate.”



### 2.5.1. Motivation as Strategy for Staff Retention in Organizations

Studies have shown that staff are more disposed to put in their best into the workplace for the realization of the goals of the organization when they are adequately motivated. Okoh (1998), reports that there is a relationship between staff motivation, retention and organizational performance. This is because as staff are adequately motivated, the tendency is for them to want to put in their best into the workplace to successfully accomplish their assignments and by extension realize the goals of the organization they work for. Fasusi (2004:83) posits, “Increasingly, practitioners have accepted that the factors of performance, which support self worth, self-actualization and productive relevance are critical elements in the motivation of people.”

If an organization must achieve enhanced performance, the provision of motivation strategies to encourage its staff cannot be over-emphasized. This is because there are a lot of factors like personal problems, background, job situation and societal values that militate against the worker’s ability to perform his/her work well. Beach (1980:427) sees motivation as “a willingness to expend energy to achieve a goal.” Okoh (1998:195) on his part sees motivation as “concerned with why people do or refrain from doing things.” However, this willingness to do or not to do things may not necessarily be by the reason of the availability of rewards particularly the extrinsic type, but by other factors. Okoh (1998); Clardy (2005); Jerez-Gomez, Cespedes-Lorente and Valle-Cabrera (2005); Eboiyehi (2006); and People-Management Magazine (2006), identified some factors that could motivate staff to put in their best into the workplace for the realization of the goals of the organization as follow:

1. **Job Extension** – This refers to job enlargement or job enrichment. A job is enlarged when employee an carries out wider range of tasks at the same level in terms of difficulties and responsibilities. A job is enriched on the other hand when an employee is given greater responsibility and scope to make decisions and use skills, which he/she has, not used before then. This process makes staff feel more important and hence motivate them to want to put in

their best into the workplace for the realization of the goals of the organization. However, job extension has its own disadvantage. If it is not well controlled, staff may be overloaded with assignments that may be difficult for them to accomplish and this could lead to frustration which could affect the output of his/her work and hence negatively, the overall goals of the organization.

2. **Staff Participation in Decision-making** – Staff participation in decision-making in an organization serves as motivating factor for their enhanced performance. Involving staff in decision-making gives the workforce sense of belonging in their day-to-day activities in the organization. Participation in decision-making by staff in an organization can be implemented in the following platform – Consultative, supervision and union/management cooperation. However, while it is good for organization to involve staff in decision-making, management must ensure that it sticks to its core values irrespective of whose interest it may affect or else the goals of the organization may not be successfully realized.
3. **Job Rotation** – Job rotation refers to the exchange of jobs between different employees in the same organization. The fact that employees are trained in many minor skills enables them to exchange jobs amongst staff with ease. The process of job rotation motivates staff to perform better because it gives them the opportunity to understand different work processes in the organization. However, over rotation of jobs amongst staff can render the individual staff skill in a particular area less assertive. Specialization promotes efficient performance of responsibility in the workplace.
4. **Organization's Reputation** – One of the factors that motivate staff to want to stay working for the organization in the foreseeable future is organization's reputation. According to Clardy (2005:280), Organizations, like individual can have reputation. And the ability of organization whether in the public or private sector to fulfill promises made to its staff in terms of welfare and working conditions, and to customers in terms of quality products and services will determine the level or degree of reputation that organization will

command before its workforce and customers. He posits further that an organization's reputation is sensitive to the performance of its employees, and employee's performance is a function of how satisfied they are with their job. He points out that there is empirical evidence to support the claim of a positive relationship between organization's reputation and employee's job satisfaction in bringing about enhanced performance in the organization (Ibid: 290).

5. **Provision of Incentives** – Provision of incentives have been found to be a motivating factor for staff enhanced performance in an organization. According to Jerez-Gomez et al (2005:279), “Organizations use compensation policy to attract, retain and motivate the best personnel, thus encouraging behaviours most beneficial to their aims.” Bamigboye and Aderibigbe (2004:73) in their study on personnel motivation and job performance, observe that staff motivation is an important factor by which organizational objectives could be achieved. The study reports a positive relationship between management style in the provision of quality incentives - good salary, financial support, job security and organizational performance.
6. **Hope for Tomorrow** – Studies have shown that people naturally would want to remain in an employment of an organization based on what they hope to achieve from that organization in the near future in terms of financial security and stability. According to Eboiyehi (2006:247), pension and gratuity paid by organizations have been found to be the major factor that influences people to want to remain in the employment of an organization for long, particularly in the public sector. He argues that pension and gratuity serve as insurance cover for retired workers at old age, and are therefore motivated to put in their best to achieve the goals of the organization while they are still strong and agile to work.
7. **Lack of Opportunity at the top** – Lack of opportunity at the top in an organization in terms of promotion is found to be a staff-demotivating factor for enhanced performance. In a study by People-Management Magazine (2006), carried out in the United Kingdom on staff motivation, it was

observed through exit interview and questionnaires that lack of opportunities at the top of organization in terms of promotion is responsible for competent staff to want to leave their organization, and look for job elsewhere. The study reports that effective career management and mentoring can develop future stars and manage the disappointment of frustrated employees. In addition, “an active salary improvement programme is important, and pay rises to top stars out of the normal cycle can be a great motivator.”

Scala Associates (2006) in its study of staff motivation and retention for organizational performance identified the following as motivating strategies for the enhancement of employee performance in the achievement of organizational goals:

- a. **Leadership and Management Style** – In the modern organization, most employees are knowledgeable workers. They are well aware of their importance to the organization in its quest to achieve its goals, and as a result, would want to resist a controlling and opting out management style based on telling and coercion, since this is no longer appropriate in motivating staff to work harder for the realization of the goals of the organization. The study shows that “leadership is about actively managing others using a coaching style.”
- b. **Training** – The study revealed that high performing organizations train their workforce in response to immediate business objectives, not long-term market trends, and make decisions about development regularly as a basis for staff motivation and retention for the realization of organizational performance.
- c. **Individual Career Development** – The study identified the creation of many career paths as you have people in the organization, as a motivating factor for organization to achieve its goals through its workforce. The study shows that an organization that places greater value on those with generalist skills, rather than those who choose to specialize will lose people and expertise as a result. One unique way of motivating staff to stay in the employment of an organization is the

strategy of allowing people try out jobs internally instead of leaving for other organizations where they could find job fulfillment.

- d. **Open Communication** – The study pointed out that open communication between management and staff is one of the major strategies for the motivation and retention of the workforce for organizational performance. It argues that while staff may understand what really does need to be confidential but they need to feel that management is not keeping any other secret from them or else their confidence rating of management would reduce drastically. The result of the above development could lead to demotivation on the part of the staff to work for the achievement of organizational goals.
- e. **Pride in the Organization and Sense of Belonging** – The study revealed that keeping staff informed about business progress or organizational performance and finding ways of involving every one in the organization in its final product in some way improve morale and hence motivate staff to want to put in their best in the work place to achieve the goals of the organization. On the other hand, alienating staff from the organization's final product brings about lack of sense of belonging on the part of staff and hence lead to demotivation of the workforce from working hard to achieve the goals of the organization.
- f. **Giving Staff feedback on how they are doing and what they can do next** – The study observed that today's workforce has shifted its focus from employment to employability as a basis for staff motivation at work for the realization of organizational performance. It emphasizes that staff are no longer adequately motivated to put in their best at work to achieve the goals of organization by offering them promotion, jobs for life and the trapping of status, but on making staff "have adequate feedback that will give them a clear idea of how they are doing, how they fit into the organization and their future employability." According to the study, this the organization could do by the practice of regular performance appraisal, feedback

on their performance, interesting and challenging work, adequate opportunities for developing their roles and developing their skills and ability to meet future challenges.

- g. **Benefits and Policies** – The study revealed that organizational workforce is motivated to work for the achievement of the goals of an organization when it puts in place adequate benefits and policies that will enhance the living standard of staff. Some of these benefits may include medical insurance, car loan, housing loan, free or subsidized gym membership, a dry-cleaning service, subsidized canteen service, bus service etc.
- h. **Good Relationship with Ex-employees** – The study showed that one of the major motivating strategies that enhance staff retention and performance at work is for an organization to have a good relationship with ex-employees. This is because when an organization makes it a practice of making people leave its employment on good terms and keep in touch with them, and even show willingness to re-employ such staff gives a sense of belonging to its workforce, and in turn encourages them to stay working for the organization in a foreseeable future. On the part of the ex-employees, they are motivated to market the organization they left positively to others wherever they go to.

The outcome of the study above shows that workers are more likely to be motivated to work harder for the realization of organizational goals to the extent that the management of the organization is willing and able to put into practice positive personnel policies and programmes in the organization. On the other hand, where the management of an organization fails to put in place measures to positively motivate its workforce for enhanced performance whether in the public or private sector, staff demotivation becomes the outcome. And in this regard, the ability of the organization to achieve its goals becomes doubtful.

Adequate motivation of staff therefore is crucial to the attainment of the goals of organization. According to Gberevbie (2006:122):

The growth of any organization is brought about by the totality of the contributions of the staff available to it. It is the quality of staff together with adequate equipment in the organization and its proper management in terms of adequate motivation that leads to quality results/products.

It is important to establish that there is difference between motivation and rewards strategies as provided by organizations to retain competent staff in its employment. When an organization provides necessary implements (equipment or tools) in the quantity and quality required to get a job done in the organization, it cannot be regarded as a reward system to the staff, but may be regarded as a motivation strategy for the enhancement of staff performance in the workplace.

On the other hand, adequate reward systems of an organization can motivate a staff to work harder for the realization of the goals of the organization; all motivation strategies therefore cannot be regarded as rewards to the staff. Where an organization solely depends on motivation strategies in terms of the provision of working implements for its workforce as a basis for staff performance, it may find out in no distant time that workers may be demotivated, except adequate care is taken to address reward systems along with the motivation strategies put in place by it. However, there is a relationship between motivation and rewards in retaining staff in the employment of an organization in its quest to achieve enhanced performance. As rightly pointed out by Okoh (1998:215), there is a positive relationship between rewards, job satisfaction, motivation, staff retention and organizational performance.

### **2.5.2. Rewards as Strategy for Staff Retention in Organizations**

Rewards are fringe benefits given to employees by the organization to enhance their performance in the work place. Okoh (1998:150) sees rewards as additional benefits either in kind or in cash given by employers to their employees for definite purpose – enhanced performance.

There are two major types of rewards – extrinsic and intrinsic rewards. Extrinsic rewards are those rewards that have to do with material or cash gift offered to employees by the organization. Intrinsic rewards on the other hand, are those rewards that have to do with staff recognition at work, sense of accomplishment and commendation of staff for a job well done. There is no one type of reward that is better than the other; the preferred type of reward depends on the individual staff at work.

Wang (1994) in his study on reward systems, reports a significant age and organizational position differences in employees' needs for the type of rewards. The study shows that intrinsic needs for technical training and satisfactory jobs were more preferred by young employees, while a bonus – extrinsic rewards, was more important to the middle aged. On the other hand, the study observes that among the older employees, social rewards such as an excellent worker title appeared to be more important. Based on the finding, the researcher recommends that for organization to retain competent staff in its employment, a more flexible and comprehensive multiple compensation structure combining social rewards – intrinsic and material rewards – extrinsic, as an alternative strategy for staff enhanced performance in the organization (cited in Heneman, Fay and Wang, 2001:80).

Gomez-Mejia and Balkin (1992); Folger and Cropanzano (1998); Okoh (1998); Scott, Morajda and Bishop (2002); and Heneman and Judge (2003) agree that for reward to serve as strategy for staff retention in the organization, the following must be present:

1. **Rewards must be Meaningful:** Organizations should provide rewards that are large and unique such that the difference could be noticeable for it to be meaningful. Any reward that is not meaningful or substantial is not likely to motivate staff for enhanced performance in the organization. For instance, when the difference between one grade level and another in terms of pay is small as offered by the organization, and to attain such higher grade level requires time, money and hard-work, this may not motivate the workforce to



get to the next higher grade level because of the small difference in reward involved as offered by the organization. This will further demotivate staff from putting in their best into the workplace for the realization of the goals of the organization.

2. **Organizations must keep to the Rewards Promised its Staff:** If staff must be motivated by rewards as provided by the organization, the organization itself must keep to the rewards it promised its staff. The failure to do so will create crisis of confidence between the staff and the organization in terms of its inability to make the staff believe in whatever it says in the future. Once workers realized that whatever the organization says is different from what it actually carries out, the tendency is for staff to want to look elsewhere for another job.
3. **Organization's Reward System Must be Fair and Just:** Once staff of an organization recognizes that the reward systems put in place by the organization is fair and just, the tendency is for staff to want to work hard to earn the rewards. If on the other hand the staff observes that the organization's reward systems is not fair and just, discouragement may set in, and could even lead to sudden resignation of some staff from the employment of the organization.
4. **The Manager's Inputs to Organization's Rewards System Matters:** The way managers in the organization relate with subordinates may make a difference in the retention of staff in an organization to a greater extent. It has been observed that 'employees do not actually quit their jobs, but they quit their bosses instead' (Heneman and Judge, 2003:694). Studies have shown that some employees have actually left their jobs not because they disliked the job so much, but because of the abusive attitudes of their bosses. In a study by CIPD (2006), it was observed that a poor relationship between a line manager and staff could be an important reason for the individual staff leaving an organization to seek for employment elsewhere. For rewards as provided by organizations to be meaningful, managers must therefore realize that they are conduit pipes through which the reward systems of the

organization are communicated to the staff. It is through such communication by managers that the perceptions of the employees about the just and fairness of the organization in its reward systems may be positively shaped (Heneman and Judge, 2003:694).

Rewards as provided by organizations could be a vital key to motivating staff in the workplace, which may ultimately lead to enhanced organizational performance. Heneman and Judge (2003:690) in their study on reward systems, report that for organization to retain its staff for enhanced performance, it must match its reward systems to employee preferences. They argue that it is the match between rewards desired by employees and offered by the organization that leads to job satisfaction. And job satisfaction in turns guarantees staff retention in an organization.

According to Lather and Goyal (2003:52), “A person with a high level of job satisfaction holds a positive attitude toward the job, while a person who is dissatisfied with his or her job holds a negative attitude about the job.” What this means is that it is not enough for organization to think that all the reward systems put in place by it are the ‘best’ and will automatically motivate staff to want to remain in its employment; there is need for periodic appraisal of the reward systems put in place by its management to know whether it is in consonance with the wish and aspirations of the staff, if their continued stay in the employment of the organization is to be guaranteed. This development calls for regular dialogue between staff and the management of an organization to determine the extent to which the reward systems as provided by the organization are meeting the preferences of the workforce or not, with a view to finding solution to the problem.

The above means that organization may do every thing within its power to provide rewards for the purpose of retaining its staff, however what will determine whether the rewards as provided by the organization will yield its desired results would be based on how acceptable the reward systems are to the staff. And it is the

acceptability of the reward systems that will motivate staff to want to remain in the employment of the organization in realizing its goals of enhanced service delivery.

In a study by Porter, Bigley and Steers (2003) on rewards and job satisfaction, a positive relationship between rewards as provided by organizations, staff retention and organizational performance was observed. The study reports that high reward level leads to job satisfaction and this in turn leads to low staff turnover, which ultimately leads to organizational performance. In the same vein, Heneman and Judge (2003) reports that for an organization to have attraction and retention power, its rewards must be unique and unlikely to be provided by competitors or else the organization will find it difficult to retain its staff particularly in a competitive business environment. The study observes that in overcoming the problem of staff retention, the organization must 'bench-mark' its reward systems against its competitors, and only on that basis provide rewards at levels that exceed competitors or that competitors cannot provide and on that basis retain its staff for the enhancement of organizational performance.

The inability of an organization to provide reward systems that exceed that of its competitors will lead to it losing its valuable staff to rival organizations. An effective reward system as provided by organization is likely to build into the individual staff organizational commitment, which in turn leads to enhanced organizational performance. According to Popoola (2006:184), one of the major problems confronting public sector organizations in Nigeria is the problem of lack of organizational commitment on the part of the workforce. This results in the non-realization of the goals of public sector organizations in Nigeria.

Enhanced organizational reward systems could be said to be a booster to staff retention and organizational performance. However, it has been observed that giving equal rewards to every staff in an organization is detrimental to those staff that are high performers. This is because it could lead to demotivation of hard-working staff. Studies have shown that adequate reward for hardworking staff is the best way to retaining them in the employment of an organization for performance (Bates,

2004:128). According to Bates (op.cit), “About two-thirds of U.S. companies have some sort of variable pay, and about 10 percent of all compensation is variable” (Bates, op.cit:128). This means that rewarding staff according to their level of hard work in an organization is a strategy for retaining competent workforce for organizational performance.

In a study on staff recruitment and retention strategies carried out by Scala Associates (2006), it was observed that paying competitive rates in an organization is one of the vital strategies for retaining competent staff. The study shows that “if pay is well out of line with market rates, an organization will almost have problems recruiting and retaining (competent) staff.” The study suggests that, “a remuneration and benefits programme that reinforces business goals can significantly aid retention (of staff in an organization).” Other measures suggested by the study as strategies for staff retention in an organization include:

1. rewarding loyalty by management through the introduction of benefits package that improves with services, enhances staff retention in the organization;
2. offering some form of deferred compensation, such as share options, does retain staff in the organization; and
3. bonus schemes provide incentives to concentrate employees’ efforts on meeting particular business goals; such as sustaining high levels of customer service, and this enhances staff retention in the organization

Purcell, Kinnie, Hutchinson, Rayton and Swart (2003) in a systematic study on impact of people management on organizational performance undertaken in 30 months in 12 organizations came up, with among others, the following conclusions as implication for human resource policy and practice in any organization:

1. managing performance through people means finding ways to induce or encourage employees to work better or more effectively by triggering the discretionary behaviour that is required to a great or lesser extent in order to do a job well. This happens when people find their jobs satisfying, they feel

motivated and they are committed to their employer in the sense of wishing to stay working for the organization in the foreseeable future. It is the role of the human resource policies and practices, which make work, and working environment, satisfying and motivating to staff;

2. the most successful organizations were concerned to sustain performance and find a means to be flexible. This means that the human resource policies and practices must 'fit' with or be appropriate for the business strategy while at the same time being flexible enough to help organizations adapt to changing circumstances. Enduring values played an important part in achieving this; and
3. there is a clear evidence of a link between attitudes towards human resource policies, levels of satisfaction, motivation and commitment, and operational performance. Furthermore, there is some evidence to suggest that negative employee attitudes towards the job affect attitudes toward human resource policies. For example, employees suffering from poor levels of satisfaction and motivation may well transfer their negative feelings to specific human resource practices (Purcell et al, op.cit).

The outcome of the study by Purcell et al (op.cit) implies that it is the responsibility of the organization to deliberately put in place human resource policies and practices that will encourage staff to want to stay long in the employment of the an organization for the enhancement of its goals. In a study on reward systems as strategy for staff retention in organizations in the UK, CIPD (2006b) reports that many employers, link pay progression, pay and bonus awards to some measure of staff performance as strategy for the overall organizational performance. Adequate retention strategies put in place by organizations to retain their competent staff therefore is at the very heart of organizational performance in the public and private sectors.

## 2.6. Labour Turnover and Organizational Performance

Frequent labour turnover in the workplace has been found to be detrimental to organizational performance. This is especially true where an organization is losing staff to direct competitors (CIPD, 2006). According to Chartered Institute of Personnel Development (CIPD) (op.cit), it is important that employers have full understanding of their labour turnover and how they affect the organization's effectiveness at achieving the overall set goals of the organization (CIPD, Op.cit). This is so because the higher the labour turnover witnessed in an organization, the less likely that organization will experience enhanced performance in the achievement of its set goals due to lack of availability of competent staff in that organization arising from frequent staff resignation. The formula for rate of labour turnover according to CIPD (op.cit) is stated as:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period}}{\text{Average total number employed over period}} \times 100$$

or

$$\text{Turnover stability index} = \frac{\text{Number of staff with one or more years service}}{\text{Number employed a year ago}} \times 100$$

A study on labour turnover carried out by Holton, Mitchell, Lee, and Inderrienden (2005) report a large body of empirical evidence to demonstrate that a modest relationship between dissatisfaction, labour turnover and organizational performance exists in the organization. When workers start to leave an organization for employment elsewhere arising from staff dissatisfaction with the organization's personnel policies and practice, it may get to a point where no competent applicant would be willing to pick-up employment with that organization. And to achieve the goals of the organization, it may resort to hiring people without experience. For as long as the organization continues in the practice of dealing with its workforce on the basis of non-provision of adequate retention strategies, the inexperienced staff may start using the organization as a springboard for gaining work experience and then leave for better employment elsewhere. Once the above situation is allowed to

happen, the dream of that organization to achieve its goals in its area of operation may be in serious doubt.

However, it has been observed that not all cases of labour turnover pose negative challenge to an organization. In a study by CIPD (2006), on labour turnover in an organization, it was observed that:

Some employee turnover positively benefits organizations. This happens whenever a poor performer is replaced by a more effective employee, and can happen when a senior retirement allows the promotion or acquisition of welcome 'fresh blood'. Moderate levels of staff turnover can also help to reduce staff costs in organizations where business levels are unpredictable month on month. In such situations when business is slack it is straightforward to hold off filling recently created vacancies for some weeks.

### **2.6.1. Causes of Labour Turnover in Organizations**

Studies have shown that the causes of labour turnover in an organization cannot be explained based on one factor alone but on a combination of factors (MINTRAC, 2006). In a study by Boxall, Macky and Rasmussen (2003: 196-214) on causes of labour turnover in an organization in New Zealand, it was observed that motivation for job change is multidimensional and that no one factor could account for it. Earlier study on labour turnover in the organization reveals a number of factors linked to turnover of workforce in any organization. In a study on labour turnover by Mobley, Griffeth, Hand and Meglino (1979:493-522), it was observed that variables like age, tenure, overall satisfaction, job content, intentions to remain on the job, and commitment were all negatively related to labour turnover. The study reports that the higher these variables identified above in an organization, the lower the labour turnover in that organization.

On their part, Griffeth, Hom and Gaertner (2000:463-488), identified causes of labour turnover to include job dissatisfaction, lack of organizational commitment, intention to quit and comparison of alternatives. Griffeth et al observed a relationship between pay, performance and labour turnover in an organization. The study

examined the relationship between pay, a person's performance and turnover and concluded that when high performers are insufficiently rewarded, they are most likely to leave the organization to seek employment elsewhere.

Also, Taplin, Winterton and Winterton (2003:1021-1046), identified two main factors as significant reasons for employees leaving their organization to seek employment elsewhere. These factors are: low level of wage rates and industry or organization's image. According to the study, it was observed that where staff perceived the level of their wage rate to be low or low rating of the industry/organization in terms of lack of future prospect they are likely to achieve for working for the organization, staff are more likely to leave their organization and seek employment elsewhere.

Scholars have identified other reasons why staff leave their organization to seek employment elsewhere to include 'event or shock' experienced by staff in an organization, which is a direct outcome of the 'unfolding model' (Morrell, Lean-Clarke and Wilkinson, 2004: 161-173). The model is based on the premise that people leave organization to seek employment elsewhere in very different ways. A study by Morrell et al (2004:161-173) tested the 'unfolding model' of Lee and Mitchell (1994:51-89) by studying the voluntary turnover of nurses in the UK. The study indicated that shocks play a role in many cases where staff decides to leave their organization. They found out that shocks not only prompted initial thought about nurses quitting their organization in the UK, but also typically had a substantial influence over their final leaving decision. They however submitted that decisions to quit prompted by a shock are typically more avoidable in an organization.

In the same vein, Kirschenbaum and Weisberg (2002:109-125) observed in their study on labour turnover that the influence of co-workers intention to leave their organization to seek employment elsewhere has a major influence on staff resignation from the workplace. According to the study, the more positive the



perception of their co-workers desire to leave the employment of their organization, the more employees themselves would want to leave. The study concludes that a feeling about co-workers' intention to change jobs acts as a form of social pressure or justification on the employee to make a similar move.

Studies have also shown that in an organization where there is no union activity, labour turnover is bound to be higher than in organizations where unionism is permitted. This means that there is a relationship between staff unionism and labour stability. A study by Martin (2003:391-412) on effect of unions on labour found clear evidence that unionism is associated with lower labour turnover in an organization. The study points out that lower labour turnover in an organization where union activity is permitted is based on the fact that the union has the ability to secure improved working conditions for its members, thus increasing the attractiveness for workers to want to stay long in the employment of the organization, instead of going to seek for employment elsewhere.

The Table 2 below show Causes of Labour Turnover and Retention Strategies adopted by some Organizations in the United Kingdom.

| Organization/Industry   | Retention Problem/Causes  | Retention Initiatives  |
|---|---|--|
| PricewaterhouseCoopers Management Consultancy Services, 3,400 staff           | Difficulties in balancing work and home life among consultants  | Introduced work-life balance initiatives (e.g. working one day a week at home). Work-life balance workshops, Coaching scheme, Improve graduate retention.  |
| Asda Retailer. 100,000 employees  | Local labour market issues. Expansion highlighted greater need to retain staff  | Extended access to share schemes through an employee share option plan. More promotion options for staff. New management development programme.  |
| GlaxoSmithKline Research & Development (formerly Glaxo Wellcome), 4,600 staff | Skilled staff not returning after maternity leave   | Returner's bonus upon return from maternity leave. Opportunities for more flexible working, including phased return to work and job-sharing, and assistance in making childcare arrangements.                                      |
| Kent County Council – 5,246 staff   | Location (East Kent isolated, West Kent proximity to London). High turnover of social workers. Heavy workloads and high stress. Limited opportunities for career progression. | New competency-based career grade structure. More coordinated recruitment programme (based on attracting newly qualified social workers). Scheme to recruit and train unqualified social workers and reduce administrative burdens |

**Source:** CIPD (2006).

Table 2 above shows the problem faced by some organizations in the UK as regard staff turnover, and retention strategies adopted to remedy the situation for enhanced performance in those organizations. For example, when PricewaterhouseCooper, a consulting firm with a staff strength of 3,400 was faced with the problem of losing staff as a result of difficulties it faced in balancing work and home life among its workforce, it decided to put in place strategies like working one day a week at home, and organized work-balance workshops and coaching scheme to improve graduate retention for organizational enhanced performance.

On its part, when GlaxoSmithKline, a pharmaceutical company observed that skilled staff were not returning after maternity leave, decided to adopt the strategy of paying to its staff returner's bonus upon return from maternity leave as a way of retaining its competent staff for enhanced performance in the organization. And when Asda, a retailer company with 100,000 employees noticed an expansion in the industry it belongs, it took steps to retain its workforce for organizational performance. This it did by extended access to share schemes through an employee share option plan, provided more promotion as an option for staff retention and the introduction of new management development programme, all in its bid to continue to dominate the retailing industry business. As for Kent County Council with a staff strength of 5,246; when it observed high labour turnover arising from heavy workloads and high stress, and limited opportunities for career progression on its workforce, it decided to introduce new competency-based career grade structure, more coordinated recruitment programme and review of workloads to reduce administrative burdens on its employees as strategies to retain its workforce for organizational performance.

What the above means is that any organization that cares for its staff in terms of incentives as a basis for staff retention, places itself in an advantageous position in event of staff resignation. This is because staff naturally may not want to leave the organization to seek employment elsewhere as a result of the adequate retention strategies provided by it to the workforce. On the other hand, where an organization fails to care for its staff in terms of adequate retention strategies it is at the mercy of its staff as regard workers resignation. The implication of the above for the organization will be negative in terms of enhanced productivity.

### **2.6.2. Possible Solution to High Labour Turnover in Organizations**

Ayagi (2001) in his study argued against the traditional strategies for employee retention in the employment of an organization, which include long term career path, long term pension and gratuity benefits, fear, coercion and sometimes intimidation and blackmail, and heavy investment in employee development, which he observed

have failed to prevent high labour turnover and retain staff for organizational performance. Instead, he advocated among others, retention programmes targeted purposely at particular employees or groups of employees; adequate (quality) compensation – good salaries and allowances; creation of social community in the workplace that would enhance social ties such as encouraging employees marriages and siblings employment; and reciprocal loyalty between employers and employees.

The foregoing shows that any organization whether in the public or private sector that rely on the traditional staff retention strategies, particularly that of coercion, intimidation and blackmail of its staff as strategies to retain them may likely achieve its goals in retaining its staff only in the short-run particularly in an environment where unemployment is the order of the day. However, on the long run, the tendency is for staff of the organization to start seeking for employment elsewhere. With frequent resignation of staff from an organization, its goals of enhanced performance are more likely to be in danger. What this means is that coercion, intimidation and blackmail are not appropriate strategies for staff retention in an organization whether in the public or private sector.

On its part, CIPD (2006) in its study on labour turnover found the following elements to have the ability of playing a positive role in improving staff retention for organizational performance:

1. give prospective employees a ‘realistic job preview’ at the recruitment stage. Take care not to raise expectations only to dash them later. Where possible invite applicants to work a shift on the job before committing themselves;
2. make line managers accountable for staff turnover in their teams. Reward managers whose record at keeping people is good by including the subject in appraisals. Train line managers in effective supervision before appointing or promoting them. Offer re-training opportunities to existing managers who have a poor record of keeping staff;

3. maximize opportunities for individual employees to develop their skills and move on in their careers. Where promotions are not feasible, look for sideways moves that vary experience and make the work more interesting;
4. ensure wherever possible that employees have a 'voice' through consultative bodies, regular appraisals, attitude surveys and grievance systems. This helps to ensure that dissatisfied employees have every opportunity to sort out problems before resigning. Where there is no opportunity to voice dissatisfaction, resignation becomes the only option open to aggrieved staff;
5. wherever possible accommodate individual preferences on working hours. Be as flexible as possible in the allocation of shifts. Where people are forced to work hours that do not suit their domestic responsibilities they will invariably be looking for another job, which can offer such hours;
6. avoid the development of a culture of 'presenteeism' where people feel obliged to work longer hours than are necessary simply to impress management. Evaluation of individual commitment should be based on results achieved and not on hours put in;
7. provide as much job security as possible. Employees who are made to feel that their jobs are precarious may put a great deal of effort in to impress management, but they are also likely to be looking out for more secure employment at the same time. Security and stability are greatly valued by most employees;
8. bend backwards to ensure that you do not and are never seen to discriminate against employees on any unfair grounds. A perception of unfairness, whatever the reality when seen from a management point of view, is a major cause of voluntary resignations. While the overall level of pay is unlikely to play major role unless it is way below the market rate, perceived unfairness in the distribution of rewards is very likely to lead to resignations; and
9. defend your organization against penetration by headhunters and others seeking to poach your staff. Keep internal e-mail addresses confidential, train telephonists to spot calls from agents and to avoid giving them useful

information, refuse to do business with agents who have poached your staff, and enter into pacts with other employers not to poach one another's staff.

It has been established in the review of literature that there is a relationship between staff recruitment and retention strategies, labour turnover, job satisfaction, reward systems and organizational performance in the public and private organizations. However, motivation and rewards strategies vary from one sector organization to another. The strategies for identifying higher-performing workforce and the right retention strategies put in place to retain them in the employment of an organization is therefore a catalyst for organizational performance. According to Katzenbach (2000), high-performing workforce refers to any significant group of employees (whether in public or private sector) whose emotional commitment enables them to make or deliver products or services that constitute a sustainable competitive advantage for their employer. It is the dream of any organization that desires enhanced performance in its area of operation to retain in its employment high-performing staff to enable its goals to be realized. The desire to retain high-performing staff for the realization of the goals of an organization, no doubt is a function of organizational decision.

### 2.6.3. Staffing Organization Model – Staffing Quality: Person/Organization Match Model

Several staffing organization models exist in literature, and these include: staffing quality: levels; staffing quality: person/job match; and staffing quality: person/organization match (Heneman and Judge, 2003). However, this study adopts the staffing quality: person/organization match.

The assumption of the staffing quality: person/organization match model is that in a bid for organizations to achieve their goals of enhanced performance, they seek to determine not only how well an employee fits into the job for which he/she applied for and to be recruited, but also the organization itself. It is on the basis of the proper

match between persons/organization that potential employees are considered for recruitment and employed into the organization. In the same vein, applicants in this model assess how well they think they might fit into the organization, and to how well they match the specific job's requirements and the rewards attached to it, and on the basis of these factors, applicants decide whether to pick-up the job in the organization or not. Therefore under this model, there may be a concern for both the organization and the applicant with regard to a person/organization match in a bid for both the organization and the potential employee to achieve their aims (Heneman and Judge, 2003:14).

The justification for the adoption of the staffing quality: person/organization match model in this study is based on the fact that organizations in public and private sectors desire competent workforce in terms of appropriate skills, educational qualifications and experience that would facilitate the realization of their goals and objectives. This is particularly so because private organizations are judged to have performed well in terms of profit maximization and to the extent that shareholders get high returns on their investment in form of higher dividends. The public organizations (civil service) on the other hand, are judged to have performed well to the extent that the policies of government in the area of social service delivery and infrastructural development are carried out reasonably so as to improve upon the living standard of the people.

Therefore organizations whether in the public or private sector desire a workforce that is qualitative in nature in terms of appropriate skills, experience and appropriate educational qualifications, and at the same time could fit into their work environment in a bid to achieve their goals. In order to recruit competent workforce that would fit into the organization, key decisions are required. This is particularly important with regard to whom to recruit, when and the strategies to be adopted to retain the much-needed competent workforce to achieve organizational goals of enhanced performance.

## **2.7. Theoretical Framework**

Different theoretical perspectives on organizational productivity abound. The goal theory (Latham and Locke, 1979; Erez and Zidon, 1984; Robertson, Smith and Cooper, 1992; Armstrong, 2000), structural contingency theory (Burns and Stalker, 1961; Woodward, 1965; Neal and Hesketh, 2001), equity theory (Adams, 1963; 1965; Mowday, 1991; Donovan, 2001), and decision-making theory, among others, are quite prominent in the study of organizational behaviour.

This study adopts the decision-making theory as its analytical framework. The significance of the theory lies in its identification of the importance of decisions in organizations whether in the public or private sector in the area of who to recruit into the organization, the strategies to be adopted for the recruitment, and how the workforce are to be retained for organizational performance. As earlier stated, the six organizations in the case studies are selected from the Federal and State Civil service to represent public organizations; and food and beverage, banking and brewery industries to represent private organizations respectively.

### **2.7.1. The Decision-Making Theory**

The decision-making theory finds its early manifestation in the works of some scholars like Simon (1945; 1960); Weber (1947); Mintzberg (1973); Mintzberg and Waters (1990) and more recent that of Iyayi (2002) and Miller, Hickson and Wilson (2003) in their studies on decision-making in organizations.

One of the major assumptions of decision-making in an organization according to these scholars is that organizational decisions are rational, and that these rational decisions are necessary to facilitate the smooth running of organizations in their quest to achieve enhanced performance (Miller et al, 2003). According to decision-making theorists, decisions are the selection of a proposed course of action (Iyayi, 2002:3; Butler, 1992:42; and Simon, 1960:1). The course of action is to realize the purposes for which the organizations are established to achieve. As observed by



Iyayi (op.cit:4), “A central idea in decision-making is that the process is triggered off by a felt need by decision makers to solve a problem or take advantage of an opportunity”.

Another major assumption of the decision-making in an organization is that the whole concept and purpose of organizations whether in the public or private sector revolve around decision-making (Tonwe, 1994). This means that decision-making is at the very heart of business success of any organization whether in the public or private sector. Furthermore, it implies that the success and failure of any organization at any point in time is considered to be a function of the decisions taken by the management team as it affects a particular or whole aspect of that organization. This assumption is particularly relevant to our study and the success of an organization in its desire for enhanced performance. This is because the decisions on who to recruit, when to carry out the recruitment, the recruitment strategies to be adopted to enable competent staff to be employed into an organization and the strategies to be adopted to retain these employed competent staff of an organization for the realization of its goals is a crucial decisions an organization would have to make if it must achieve its goals and objectives.

These decisions are necessary for instance to enable organizations in public sector to achieve their goals of quality social service delivery and infrastructural development for the enhancement of the living standard of the people. Similarly, in the private organizations, these decisions are necessary to enable them achieve their goals of profit maximization – high returns on investment to its shareholders in form of higher dividends. According to Heneman and Judge (2003:23), “staffing strategies requires making key decisions about acquisition, deployment and retention of the organizations’ workforce” in order to realize the overall organizational goals.

Iyayi (2002) had applied the decision-making model to study decision-making process in underdeveloped organizations and came up with the conclusion that decisions in underdeveloped organizations are based on egocentrism rather than by altruism. According to him, “egocentric decisions will be characterized by a lot of

political activity, less rationality and tend to rely more upon judgment and negotiation”, instead of altruistic decisions that emphasize “computational and inspirational strategies.” The implication of the above findings on staff retention and organizational performance is that rational or altruistic decisions bring about organizational development and survival, which makes it possible for organizations to achieve their set goals. On the other hand, non-rational or egocentric decisions hinder development and organizational survival, and make it impossible for organizations to achieve their set goals.

In a bid for organizations to achieve their goals of enhanced service delivery, decision-making is viewed as a continuous task of those saddled with the responsibility to manage the organization – management team. As a result, it is therefore considered correct to argue that the success of an organization to a large extent is the function of decisions taken by the management team on behalf of the organization in a particular aspect of its operation per time. It has however, been argued by scholars that the assumptions of rationality in human behaviour in decision-making theory are highly contentious. This is because human beings including administrators – management team take decisions on their subjective views of a particular problem. Another major weakness of decision-making is the fact that it is almost impossible to identify and evaluate all possible alternatives open for a particular action before decisions are taken, this is because time and resources may be a constraint in identifying and evaluating all possible options for decisions (Tonwe, 1994; Simon, 1960 and 1945).

Despite the weaknesses of decision-making in organizations as pointed above, it is worthy to state that the decision-making theory is adopted in this study because it identified the importance of decisions in organizations whether in the public or private sector as a catalyst in their desire to realize their goals of enhanced performance.

Due to the unique role rational or quality decisions could play in an organization in its quest for enhanced performance, it is right therefore to posit that to base the success and failure of organizations on the rational or quality of decisions taken by that organization may be accepted as valid. This is because it is possible for organization – the management team to take a decision on the strategies to be adopted for staff recruitment for the employment of competent staff into an organization, yet lack the rational decisions on the best strategies to adopt to retain these competent staff in its employment either because of their subjective views or lack the will to take such decisions. The tendency therefore is for that organization not to achieve its set goals. This may be so, particularly in situations where frequent staff resignation due to non-implementation or availability of adequate (quality) staff retention strategies becomes the order of the day in an organization. This may be despite the fact that workers are available in the quality and quantity required by the organization to achieve its set goals.

It is also possible that an organization may take a rational decision in the area of staff recruitment and even retention strategies for organizational performance and yet experience poor performance. This may be possible in situations where the retention strategies put in place fail to take into consideration the place of proper working environment in terms of leadership and management style, quality personnel policies and practices, and equipment in quantity and quality required by the workforce to perform their assigned tasks properly. This development could also lead to frequent resignation of competent staff from the employment of the organization and hence hinders its quest for enhanced performance.

What the above means therefore is that organizational decisions put in place in form of quality strategies for staff recruitment and the actual employment of competent staff into the organization is not enough to guarantee organizational performance. For organizations whether in the public or private sector to achieve their goals, they must match the decisions to put in place appropriate strategies for staff recruitment together with that of adequate (quality) retention strategies, which

among other things emphasize proper working environment in the work place. The above development is capable of enhancing staff retention for organizational performance.

Viewed from the above argument, rational or quality decisions on staff recruitment and retention strategies therefore are necessary to enable organizations whether in the public or private sector to achieve their goals. According to Miller et al (2003) “The making of decisions especially the larger, consequential ones which govern what things are done and shape the future decisions of the organizations and the lives of the people within it, are of vital significance to organizational stakeholders.”

The statement below therefore, represents the logic for the design of this study. If organizations believe that their decisions for (a) appropriate staff recruitment strategies will yield competent workforce into its employment (b) their efforts at providing reward systems will lead to job satisfaction (c) then workers will be motivated to stay long in the employment of the organization (d) as a result, frequent labour turnover will drastically reduce to its barest minimum and (e) as the rate of labour turnover becomes low in an organization and staff are adequately rewarded, then staff are more likely to put in their best into the workplace, and the probability for the realization of the organization’s quest for enhanced performance will be high.

Banjoko (2006:127) while emphasizing the unique role which adequate (quality) reward systems and job satisfaction play in bringing about staff retention in the employment of an organization and hence its enhanced performance posits, “if the belief that a happy worker is a productive worker hold true, then the view that satisfaction causes performance may hold ground.” To Ikezua (1999:93), it is the individuals that create an organization to accomplish the objectives of the enterprise, and these include enhanced provision of goods and services. What this means is that the more staff are adequately motivated by the provision of quality retention strategies and reward systems as provided by organizations, the more likely the staff

would want to remain in the employment of that organization to achieve its set goals of enhanced performance. Iyanda (2001:23) on his part observes that the human capital is still the most valuable and productive capital for the realization of the goals of an organization. This is because organizations are institutions made up of a collection of individuals employed by it, who work together for the purpose of achieving, the goals for which they are set-up to achieve.

## References

- Adams, J. S. (1963) Towards an Understanding of Inequity. *Journal of Abnormal and Social Psychology*. (67).
- Adams, J. S. (1965) Inequity in Social Exchange. In L. Berkowitz (ed) *Advances in Experimental Social Psychology* (Vol. 2). New York: Academic Press.
- Amadasu, D. E. (2003) "Personnel and the Nigerian Management Crisis: Ajaokuta Iron and Steel Mill Examined. *The Abuja Management Review*. Vol. 1, No. 4. December.
- Ansoff, H. I. (1984) *Implanting Strategic Management*. Englewood Cliffs: Prentice – Hall international.
- Anyebe, A. A. (2004) "An Assessment of the Traditional System of Public Administration" *The Abuja Management Review*. Vol. 2. No. 1. March.
- Armstrong, M. (2000) *A Handbook of Human Resource Management Practice* (7<sup>th</sup> edition). London: Kogan Page.
- Armstrong, M. (2001) *A Hand Book of Human Resource Management Practice* (8<sup>th</sup> edition). London: Kogan Page Ltd.
- Ayagi, I. A. (2001) "Globalization and the Nigerian Environment: A Wake-up Call for the Human Resource Practitioners." *Human Resource Management – Journal of the Institute of Personnel Management of Nigeria*. Vol. 10. No. 6.
- Ayoade, J. A. A. (2000) "The Federal Character Principle and the Search for National Development." In K. Amuwo, Agbaje, A., Suberu, R. and Hault, G. (eds) *Federalism and Political Restructuring in Nigeria*. Ibadan: Spectrum Books.
- Bamigboye, O. B. and N. A. Aderibigbe (2004) "Personnel Motivation and Job Performance in Some Selected Publishing Houses in Ibadan." *Journal of Library and Information Science (JOLIS)*. Vol. 1. Nos. 1 & 2.
- Banjoko, S. A. (2006) *Managing Corporate Reward Systems*. Ibadan: Pumark Nig. Ltd Educational Publishers.
- Banjoko, S. A. (2003) *Human Resource Management: An Expository Approach*. Ibadan: Pumark Nig. Ltd Educational Publishers.
- Barber, A. E. (1998) *Recruiting Employees*. Thousand Oaks, CA: Sage.

- Bartol, K. M. and D. C. Martin (1998) *Management: International Edition* (3<sup>rd</sup> edition). Boston: Irwin, McGraw-Hill.
- Bateman, J. S. and S. A. Snell (1999) *Management: Building Competitive Advantage* (4<sup>th</sup> edition). New-York: Irwin, McGraw-Hill.
- Bates, S. (2004) "Top Pay for Best Performance" *Annual Editions: Human Resources 2004/2005* (14<sup>th</sup> edition). New York: McGraw-Hill/Dushkin.
- Beach, D. S. (1980) *Personnel: The Management of People at Work* (4<sup>th</sup> edition). New York: Macmillan Publishing Co. Inc.
- Bennett, R. (1997) *Management: Framework* (3<sup>rd</sup> edition). London: Financial Times, Prentice Hall.
- Berman, E. M., J. S. Bowman, J. P. West and M. V. Wart (2001) *Human Resource Management in Public Service: Paradoxes, Processes and Problems*. London: Sage Publications, Inc.
- Berman, L. and B. A. Murphy (1996) *Approaching Democracy*. New Jersey: Prentice Hall Publishers.
- Bodunrin, P. (1989) "Federal Character and Social Justice." In P. P. Ekeh and E. E. Osaghae (eds) *Federal Character and Federalism in Nigeria*. Ibadan: Heinemann Educational Books.
- Boxall, P., K. Macky and E. Rasmussen (2003) "Labour Turnover and Retention In New Zealand; The Causes and Consequences of Leaving and Staying with Employers." *Asia Pacific Journal of Human Resources*. Vol. 41 (2).
- Boyne, G. A., C. Farrell, J. Law, M. Powell and R. M. Walker (2003) *Managing The Public Services: Evaluating Public Management Reforms*. Buckingham: Open University Press.
- Brooks, I. (2006) *Organizational Behaviour: Individuals, Groups and Organization* (3<sup>rd</sup> edition). London: Financial Times – Prentice Hall.
- Burns, T. and Stalker, G. M. (1961) *The Management of Innovation*. London: Tavistock Publications (reprinted Oxford: Oxford University Press, 1994).
- Butler, R. (1992) *Designing Organizations: A Decision Making Perspective*. London: Routledge.
- Carrell, M. R., N. F. Elbert and R. D. Hatfield (2000) *Human Resources Management: Strategies for Managing a Diverse and Global Workforce* (6<sup>th</sup> edition). London: The Dryden Press.

- Cascio, W. F. (2003) *Managing Human Resources: Productivity, Quality of Work Life, Profits* (6<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Chartered Institute of Personnel and Development (CIPD) (2006) "Employee Turnover and Retention." Retrieved on 14 November 2006 from the website: ([www.cipd.co.uk/subjects/recruitment/retention/](http://www.cipd.co.uk/subjects/recruitment/retention/))
- Chartered Institute of Personnel and Development (CIPD) (2006b) "Annual Survey Report on Reward Management." Retrieved on 14 November 2006 from the website: ([www.cipd.co.uk/subjects/recruitment/retention/](http://www.cipd.co.uk/subjects/recruitment/retention/))
- Clardy, A. (2005) "Reputation, Good-will, and Loss: Entering the Employee Training Audit Equation." *Human Resource Development (HRD) Review*. Vol. 4. No. 3. September.
- Connolly, T., E. Conlon, and S. Deutsch (1980) "Organizational Effectiveness: A Multiple Constituency Approach." *Academy of Management Review*, 5.
- Donovan, J. J. (2001) "Work Motivation." In Neil Anderson, Deniz S. Ones, Handan Kepir Sinangil and Chockalingan Viswesvaran (eds) *Handbook of Industrial, Work and Organizational Psychology*. Vol. 2. London: Sage Publication.
- Eboiyehi, F. A. (2006) "Life in Retirement: A Qualitative Study of Pensioners in Ibadan, Nigeria." *Ife Psychologia: An International Journal of Psychology in Africa*. Vol. 14. No. 2.
- Edigin, L. U. (1994) "Comparative Public Administration: An Overview." In L. U. Edigin (ed) *The Dynamics of Comparative Public Administration*. Benin: Nationwide Publication Bureau.
- Edward, G. C., M. P. Wattenberg, and R. L. Lineberry (1996) *Government in America: People, Politics and Policy* (7<sup>th</sup> edition). New York: Harper Collins College Publishers.
- Egonmwan, J. A. (1991) *Public Policy Analysis: Concepts and Applications*. Benin City: S. M. O. Aka and Brothers Press.
- Embugus, B. B. (2005) "Resource Mobilization Management in a Developing Economy: The Nigerian Organization in Perspective" *Nasarawa University Journal of Administration*. Vol. 2. No. 1. July.
- Erez, M. and I. Zidon (1984) "Effect of Good Acceptance on the Relationship of Goal Difficulty on Performance." *Journal of Applied Psychology*. Vol. 69. (1).



- Etomi, E. (2002) "The Changing Face of Recruitment and Selection" *Human Resources Management – Journal of the Institute of Personnel Management of Nigeria*. Vol.11, No. 1.
- Fasusi, M. (2004) "Learning Knowledge and Performance." *Petroleum Training Journal: An International Journal*. Vol. 1. No. 2. March.
- Folger, R. and R. Cropanzano (1998) *Organizational Justice and Human Resource Management*. Thousand Oaks, CA: Sage.
- Fossell, A. (2003) "Reform Theory Meets New Public Management." In T. Christensen and P. Laegreid (eds) *New Public Management: The Transformation of Ideas and Practice*. Burlington: Ashgate Publishing Company.
- Gaster, L. (2001) *Quality in Public Services: Managers' Choices*. Buckingham: Open University Press.
- Gberevbie, D. E. I. (2006) "Recruitment and Quality Academic Staff Selection: The Case Study of Covenant University." *Ife Psychologia: An International Journal of Psychology in Africa*. Vol. 14. No. 2.
- Gomez-Mejia, L. R., D. B. Balkin and R. L. Cardy (2005) *Management* (2<sup>nd</sup> edition). Boston: McGraw-Hill, Irwin.
- Gomez-Mejia, L. R. and D. Balkin (1992) *Compensation, Organization Strategy, and Firm Performance*. Cincinnati, OH: Southwestern.
- Griffeth, R. W., P. W. Hom and S. Gaertner (2000) "A Meta-analysis of Antecedents and Correlates of Employee Turnover: Update, Moderator Tests, and Research Implication for Next Millennium." *Journal of Management*. Vol. 26 (3).
- Hall, R. (1996) *Organizations: Structures, Processes and Outcomes*. Englewood Cliffs, NJ: Prentice Hall.
- Halligan, J. (1994b) "Senior Executive Pay Policies in Australian Public Service in Comparative Perspective" *Public Administration Quarterly*. 18(3).
- Halligan, J. (2004) "The Australian Civil Service System." *Comparative Public Administration*. Retrieved on the 22<sup>nd</sup> January 2005 from the website: (<http://basil.stthom.edu/political/compsupp.html>)
- Heinrich, C. J. (2003) "Measuring Public Sector Performance and Effectiveness." In B. Guy Peters and Jon Pierre (eds) *Handbook of Public Administration*. London: Sage Publications.

- Heneman, H. G. and T. A. Judge (2003) *Staffing Organization* (4<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Heneman, R. L., C. H. Fay and Z. M. Wang (2001) "Compensation Systems in Global Context." In N. Anderson et al (eds) *Handbook of Industrial, Work and Organizational Psychology*. Vol. 2. London: Sage Publications.
- Holton, B. C., T. R. Mitchell, T. W. Lee, and E. J. Inderrienden (2005) "Shocks as Causes of Turnover: What They are and How Organizations can Manage Them." *Human Resource Management*. Vol. 44. No. 3.
- Hogwood, B. and L. Gunn (1984) *Policy Analysis for the Real World*. Oxford: Oxford University Press.
- Idris, U. (2005) "Designing Training and Development Programmes to Meet Individual and Organizational Needs." *Petroleum Training Journal: An International Journal*. Vol. 2. No. 2. July.
- Ikezua, C. N. (1999) "Individual Behavioural Processes in Personnel System" *Journal of the management Sciences*. Vol. 3. No. 1. January.
- Ingraham, P. W. and H Getha-Taylor (2005) "Common Sense, Competence and Talent in the Public Service in the USA: Finding the Right Mix in a Complex World." *Public Administration: An International Quarterly*. Vol. 83. No. 4. Blackwell Publishing.
- Ivancevich, J. M., R. Konopaske and M. T. Matteson (2005) *Organizational Behaviour and Management* (7<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Iyanda, O. (2001) "The Human Factor in Policy and Plan Implementation" *Management in Nigeria – Journal of Nigerian Institute of Management*. Vol. 37. No. 3 & 4. July – Dec.
- Iyayi, F. I. O. (2002) "Decision-Making in Underdeveloped Organizations: An Exploratory Investigation." *Nigeria Journal of Business Administration*. Vol. 4. No. 1. January.
- Jerez-Gomez, P., J. Cespedes-Lorente and R. Valle-Cabrera (2005) "Organizational Learning and Compensation Strategies: Evidence from the Spanish Chemical Industry." *Human Resource Management*. Vol. 44. No. 3.
- Jike, V. T. (2003) "Organizational Behaviour and Negative Attitudes in Nigeria's Public Employment Sector: The Empirical Nexus" *The Abuja Management Review*. Vol. 1. No. 4. December.

- Katzenbach, J. R. (2000) *Peak Performance: Aligning the Hearts and Minds of Your Employees*. Boston: Harvard Business School Press.
- Kirschenbaum, A and J. Weisberg (2002) "Employee's Turnover Intentions and Job Destination Choices." *Journal of Organizational Behavior*. Vol. 23 (1)
- Krislov, S. (1974) *Representative Bureaucracy*. Eaglewood Cliffs, New Jersey: Prentice-Hall, Inc.
- Latham, G. and R. Locke (1979) *Goal Setting – A Motivational Technique that Works, Organizational Dynamics*. Autumn.
- Lather, A. S. and S. Goyal (2003) "An Analytical Study of Job Satisfaction in Relation Personality and Psychopathology of Corporate." *Delhi Business Review: An International Journal of Society for Human Transformation and Research*. Vol. 4. No. 1. January – June.
- Lee, G. J. (1997) "Recruitment Sources and Employee Turnover: A South African Test of the Realism and Job-Fit Hypotheses." Retrieved on 14 November 2006 from the website:  
  
([www.wits.ac.za/sebs/downloads/recruitment\\_source\\_effects\\_on\\_employment](http://www.wits.ac.za/sebs/downloads/recruitment_source_effects_on_employment))
- Lee, T. W. and T. R. Mitchell (1994) "An Alternative Approach: The Unfolding Model of Voluntary Employee Turnover." *Academy of Management Review*. Vol. 19 (1).
- Martin, C. (2003) "Explaining Labour Turnover: Empirical Evidence from UK Establishments." *Labour*. Vol. 17 (3).
- McOliver, F. O. (2005) "Management in Nigeria: Philosophy and Practice." *International Journal of Communication and Humanistic Studies*. Vol. 2. No. 1. September.
- Miller, S. J., Hickson, D. J. and Wilson, D. C. (2003) "Decision-Making in Organizations." In S. R. Clegg, C. Hardy and W. R. Nord (eds) *Handbook of Organization Studies*. London: Sage Publications.
- MINTRAC (2006) "Literature Review on Labour Turnover and Retention Strategies." Retrieved on 14 November, 2006 from the website:  
([www.mintrac.com.au/files/newsletter/research%20turnover%20and%20..](http://www.mintrac.com.au/files/newsletter/research%20turnover%20and%20..))
- Mintzberg, H. and Waters, J, A, (1990) "Studying Deciding: An Exchange of Views between Mintzberg and Waters, Pettigrew and Butler." *Organization Studies*. 11(1).

- Mintzberg, H. (1973) *The nature of Managerial Work*. New York: Harper and Row.
- Mobley, W. H., R. W. Griffeth, H. H. Hand and B. M. Meglino (1979) "Review and Conceptual Analysis of the Employee Turnover Process." *Psychological Bulletin*. Vol. 86 (3).
- Morrell, K. M., J. Lean-Clarke and J. Wilkinson (2004) "Organizational Change and Employee Turnover." *Personnel Review*. Vol. 33 (2).
- Mowday, R. T. (1991) Equity Theory Predictions of Behaviour in Organizations. In R. M. Steers and L. W. Porter (eds) *Motivation and Work Behaviour (5<sup>th</sup> edition)*. New York: McGraw-Hill.
- National Population Commission Headquarters (2007) *Census Figures, 2006*. Abuja – Nigeria.
- Neal, A. and Hesketh, B. (2001) Productivity in Organizations. In Neil Anderson, Deniz S. Ones, Handan Kepir Sinangil and Chockalingan Viswesvaran (eds) *Op Cit*.
- Niskanen, W. (1971) *Bureaucracy and Representative Government*. Chicago: Aldine-Atherton.
- Noe, R. A., J. R. Hollenbeck, B. Gerhart and P. M. Wright (2004) *Fundamentals of Human Resource Management*. Boston: McGraw-Hill, Irwin.
- Ofoegbu, R. (1985) "Personnel Recruitment and Management." In H. N. Nwosu (ed) *Problems of Nigerian Administration*. Enugu: Fourth Dimension Publishing Co. Ltd.
- Okoh, A. O. (1998) *Personnel and Human Resources Management in Nigeria*. Lagos: Amfitop Books.
- Olian, J. D. and S. L. Rynes (1984) "Organizational Staffing: Integrating Practice With Strategy." *Industrial Relations* (23).
- Opata, C. C. (2005) "Economic Crisis Management in Nigeria Since The Second Republic: Why Has It Failed?" *Paper presented at the Nigerian Defence Academy (NDA) National Conference on "Crises and Conflict Management in Nigeria Since 1980."* Kaduna. 15<sup>th</sup> – 17<sup>th</sup> June.
- People-Management Magazine (2006) "Recruitment-Talent Management." Retrieved on the 15 November 2006 from the website: ([www.peoplemanagement.co.uk/pm/articles/troubleshooterwostx.htm?name..](http://www.peoplemanagement.co.uk/pm/articles/troubleshooterwostx.htm?name..))

- Popoola, S. O. (2006) "Personal Factors Affecting Organizational Commitment of Records Management Personnel in Nigerian States Universities." *Ife Psychologia: An International Journal of Psychology in Africa*. Vol. 14. No. 1.
- Porter, L. W., G. A. Bigley and R. M. Steers (2003) *Motivation and Work Behaviour*. Boston: McGraw-Hill, Irwin.
- Pun, K. F. and A. S. White (2005) "A Performance Measurement Paradigm for Integrating Strategy Formulation: A Review of Systems and Frameworks." *International Journal of Management Reviews (IJMR)*. British Academy of Management. Vol. 7 No. 1.
- Purcell, J., N. Kinnie, S. Hutchinson, B. Rayton and J. Swart (2003) *Understanding the People and Performance Link: Unlocking the Black Box – Work and Employment Research Centre, School of Management, University of Bath*. London: Chartered Institute of Personnel and Development.
- Quible, Z. K. (1996) *Administrative Office Management: An Introduction* (6<sup>th</sup> edition). London: Prentice-Hall Ltd.
- Rao, V. S. P. and P. S. Narayana (1989) *Management Concepts and Thoughts* (2<sup>nd</sup> edition). New Delhi – India: Konark publishers PVT. Ltd.
- Robertson, I. T., Smith, M. and Cooper, D. (1992) *Motivation. Institute of Personnel Management*. London.
- Scala Associates (2006) "What Do People Want from Work?" Retrieved on the 15<sup>th</sup> of November 2006 from the website:  
(<http://www.scalaassociates.co.uk/recruitment/retention.htm>.)
- Scott, K. D., D. Morajda and J. W. Bishop (2002) "Increase Company Competitiveness" *World at Work Journal*. Vol. 1. No. 1.
- Simon, H. A. (1960) *The New Science of Management Decisions*. New York: Harper and Row.
- Simon, H. A. (1945) *Administrative Behaviour* (2<sup>nd</sup> edition). New York: Free Press.
- Shafritz, J. M. and E. W. Russell (2003) *Introducing Public Administration* (3<sup>rd</sup> edition). New York: Longman.
- Shah, C. and G. Burke (2003) "Labour Mobility: Demographic, Labour Force and Education Effects and Implications for VET." *Report to ANTA, Centre for the Economics of Education and Training*. Monash.

- Taplin, I. M., J. Winterton and R. Winterton (2003) "Understanding Labour Turnover in a Labour Intensive Industry: Evidence from the British Clothing Industry." *Journal of Management Studies*. Vol. 40 (4).
- The Constitution (1999) *Federal Republic of Nigeria*. Abuja: Government Press.
- Thompson, A. A., J. E. Gamble and A. J. Strickland (2004) *Strategy: Winning in the Workplace*. Boston: McGraw-Hill, Irwin.
- Tonwe, D. A. (1994) *Public Administration: An Introduction*. Ibadan: Amfitop Book Company.
- Wang, Z. M. (1994) "Culture, Economic Reforms and the Role of Industrial and Organizational Psychology in China." In H. C. Triandis, M. D. Gunnette and L. M. Hough (eds) *Handbook of Industrial and Organizational Psychology*. Vol. 4. (2<sup>nd</sup> edition) Palo Alto, CA: Consulting Psychologist Press.
- Weber, M. (1947) *The Theory of Social and Economic Organization*, Translated by A. Henderson and T. Parsons. Glencoe, II: Free Press.
- Woodward, J. (1965) *Industrial Organization: Theory and Practice*. London: Oxford University Press.

## **CHAPTER THREE**

### **ORGANIZATIONAL APPRAISAL**

#### **3.1. Introduction**

In this chapter, the history, structure, staff recruitment, retention strategies, and organizational performance of Nestle Nig. Plc., Lagos State Civil Service, Nigerian Breweries Plc., Delta State Civil Service, Zenith Bank Plc and the Federal Civil Service are discussed with particular reference to the relationship between the strategies adopted by them in the area of staff recruitment, retention and their performance.

##### **3.2.1. Nestle Nig. Plc. – History**

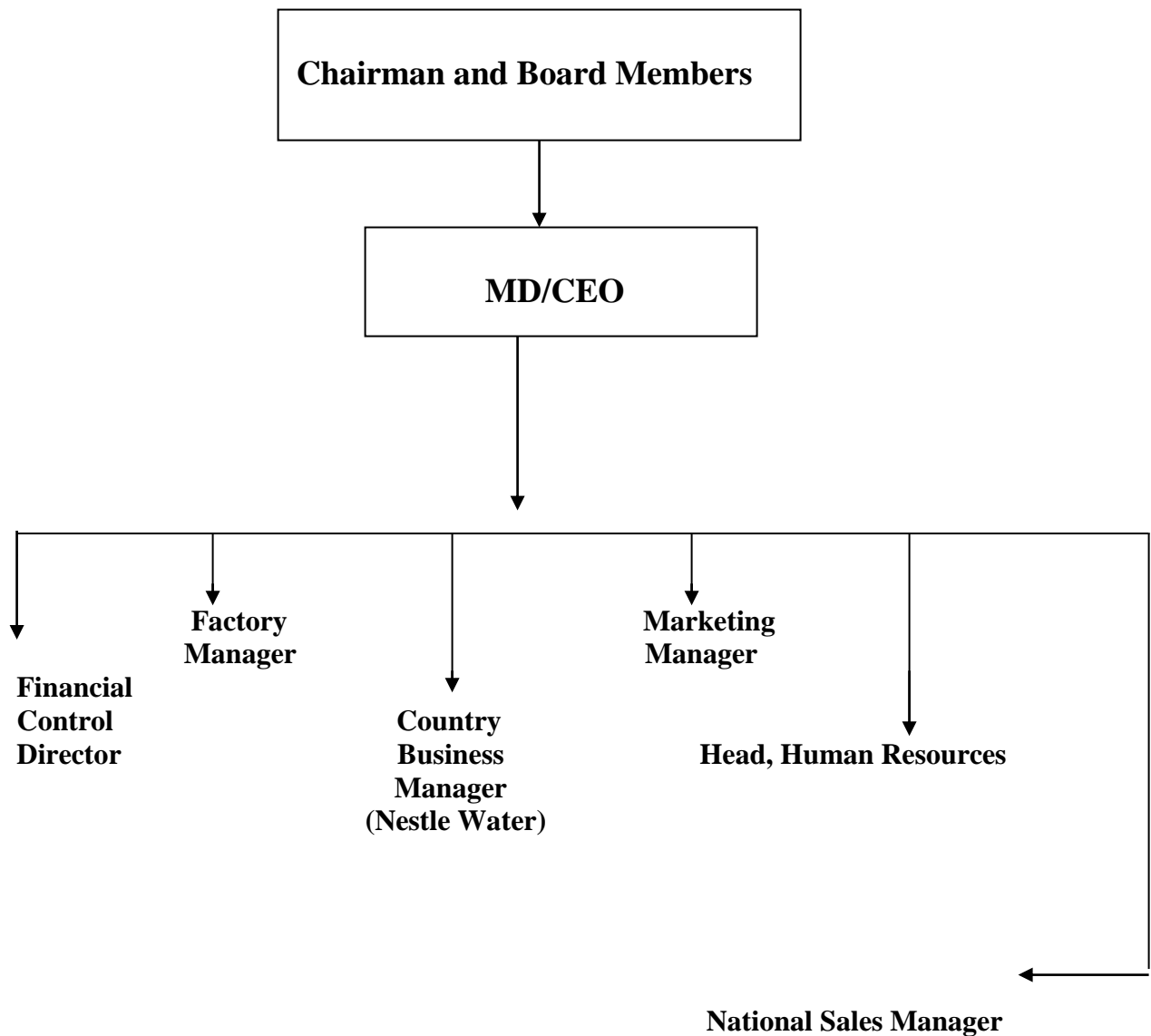
Nestle Nig. Plc. is part of Nestle S. A. of Switzerland. The organization started business as a trading company in Nigeria in 1961. Today, the company has grown into a food and beverage manufacturing, and marketing company. The organization was listed on the Nigerian Stock Exchange on April 20, 1979. As at December 2005, the number of Nigerian shareholders has risen to 30,000. At present Nestle S. A. of Switzerland owns 62 percent of the company's equity (Nestle Annual Report and Accounts (NARA, 2005:2).

##### **3.2.2. Structure**

Nestle Nig. Plc. is under the management of a Board of Directors of ten members made up of three Nigerians including the Chairman, one German – who is the Managing Director/Chief Executive of the organization, one Briton, one French and four Swiss nationals. Below the Board of Directors is a team of management staff that oversees the day-to-day running of the organization. The Managing Director/Chief Executive of the company heads this team. Other members of management team are the Finance and Control Director, Factory Manager, Country Business Manager – Nestle Waters, Marketing Manager, Head of Human Resources

and the National Sales Manager (NARA, 2005:2 & 8). The figure below shows the abridged organogram of Nestle Nig. Plc

**Fig. 1: The Abridged Organizational Chart (Organogram) of Nestle Nig. Plc.**



**Source:** Office of the Head, Human Resource (2006)



### **3.2.3. Products and Locations**

Nestle Nig. Plc. Produces a variety of products, these include: Infant Cereals – Nestle Nutrend, Nestle Cerelac; Family Cereals – Nestle Golden Morn; Beverage Drink – Nestle Milo; Confectionary – Nestle Chocomilo; Bouillon – Maggi Cube, Maggi Chicken, Maggi Crayfish, Maggi Maxi Cube; Sauce – Maggi Machop; and Table Water – Nestle Pure Life. Nestle Nig. Plc. also markets coffee – Nescafe Classic and Nescafe 3-in-1, and full cream milk product – Nestle Nido (NARA, 2005:3).

Nestle Nig. Plc has its corporate headquarters located at Industrial Avenue, Ilupeju – Lagos. It has its factory complex located at Km. 32, Lagos – Badagry Express Road, Agbara Industrial Estate in Ogun State and a distribution center located at Km. 7, Idi-Iroko Road at Sango-Ota in Ogun State. In addition, the company has regional offices in Lagos, Ibadan, Aba, Jos and Kano. For the effective distribution of its products, the company has a network of key distributors of its products nation-wide. Table 3 below shows the 32 towns and cities where Nestle key distributors are located.

**Table 3: Towns and Cities where Key Nestle Distributors are located Nation-wide**

| S/n. | Town/Cities   | Number of Locations |
|------|---------------|---------------------|
| 1.   | Lagos         | 38                  |
| 2.   | Biu           | 1                   |
| 3.   | Enugu         | 3                   |
| 4.   | Yola          | 2                   |
| 5.   | Potiskum      | 1                   |
| 6.   | Bauchi        | 1                   |
| 7.   | Maiduguri     | 4                   |
| 8.   | Kaduna        | 4                   |
| 9.   | Sokoto        | 2                   |
| 10.  | Kontagora     | 1                   |
| 11.  | Benin         | 3                   |
| 12.  | Calabar       | 2                   |
| 13.  | Ibadan        | 7                   |
| 14.  | Warri         | 4                   |
| 15.  | Onitsha       | 1                   |
| 16.  | Gombe         | 1                   |
| 17.  | Akure         | 2                   |
| 18.  | Lokoja        | 1                   |
| 19.  | Port-Harcourt | 2                   |
| 20.  | Abuja         | 2                   |
| 21.  | Aba           | 3                   |
| 22.  | Jos           | 3                   |
| 23.  | Suleja        | 1                   |
| 24.  | Kano          | 3                   |
| 25.  | Minna         | 1                   |
| 26.  | Umuahia       | 1                   |
| 27.  | Ilorin        | 2                   |
| 28.  | Abakaliki     | 1                   |
| 29.  | Agbor         | 1                   |
| 30.  | Ikere-Ekiti   | 1                   |
| 31.  | Shendam       | 1                   |
| 32.  | Owerri        | 1                   |

**Source:** Nestle Annual Report and Accounts (NARA, 2005:57).

The wide distribution of its products across the nation has further enhanced Nestle Nig. Plc's ability to achieve better performance in terms of higher returns on investment to its shareholders, higher reward incentives to its workforce and

enhanced income tax to the government. This would be clearer in the section where we shall discuss the performance of Nestle Nig. Plc.

#### **3.2.4. Social Responsibility**

Nestle S. A. of Switzerland, the parent company of Nestle Nigeria, donated 3 million Swiss Franc (CHF) to the International Federation of Red Cross/Red Crescent Society Africa Health Initiative (ARCHI 2010 Project) in 2002 to prevent transmission of HIV through increased AIDS awareness in Nigeria. In the course of the 3-year programme, about 15 million people were educated; 1.2 million people received life-preserving information; 2,640 HIV/AIDS Peer Youth Educators were trained; 5,000 families were reached through the Home-Based Care Programme; 3 million condoms were distributed free of charge and about 10,000 lives were enhanced through comprehensive voluntary and confidential counseling and testing (NARA, 2005:4).

In order to fight the scourge of HIV/AIDS in Nigeria, Nestle collaborated with the Nigerian Red Cross Society to produce series of educational materials on HIV/AIDS. These are: (i) HIV/AIDS: Questions and Answers, 2003. (ii) Nutrition and HIV/AIDS: Basic Facts, 2004 and (iii) Children and HIV/AIDS, 2005 (NARA, 2005:4).

To further promote the awareness of the ills of HIV/AIDS in local community, Nestle published all three brochures in three major Nigerian languages: Hausa, Yoruba and Igbo. Together with the Nigerian Red Cross Society, the publications were distributed extensively to some key target publics including: Schools, Youth Groups, Parents, Counselors, Community-Based Organizations, Peer Educators and Teachers, Network of People Living with HIV and AIDS in Nigeria, Faith-Based Organization, Social Welfare Workers, Home Care Providers and Non-governmental Organizations, Nestle Employees, Key Business Partners and Customers, Shareholders, Trade and Professional Association and the Nigeria Business Coalition Against AIDS (NARA, 2005:4).

In the area of sporting activities, Nestle continues to support the development of sports and Creative Arts by sponsoring many sporting events and programmes such as the Nestle Milo Secondary School Basket-Ball Championship; Nestle Milo Future Champions Tennis Clinic; the Nestle Milo Friendly Schools Excellence Awards; and Nestle Milo Arts Competition (NARA, 2005:4).

In the area of technical education and manpower development in Nigeria, Nestle donated ₦10million in 2004 to the Institute of Industrial Technology towards the construction and completion of Nestle workshop on the institution's permanent site. Nestle is also sponsoring 15 students every year at the institute at a cost of ₦150,000.00 (NARA, 2005:4).

In the area of agricultural development in Nigeria, Nestle is involved in collaborative research with the University of Agriculture, Abeokuta (UNAAB) on popularization of Soya beans. Nestle donated ₦6 million to UNAAB to procure modern Soya bean threshing machines (NARA, 2005:4). It is important to note that Nestle has been able to carry out these social services to Nigerians because of its successful performance in the goals set for itself in the food manufacturing and marketing industry. What this means is that enhanced performance in the organization benefits not only the shareholders of the organization, the workforce, the government in form of income taxation, but also the larger society.

### **3.2.5. Staff Recruitment Strategies**

In Nestle Nig. Plc., recruitment is based largely on merit. This is because the organization's management believes that for any enterprise to achieve its set goals of enhanced performance in terms of increase dividend to its shareholders, it will require competent workforce in its employment hinged on appropriate recruitment strategies. However, in Nestle Nig. Plc, like any other private sector organizations' employment strategy, there is what could be called 'policy employment' whereby merit is played down to accommodate the interest of board members, financial pillars or people with high status that are essential to the survival of the company. The

equivalent of that in the public sector is known as “man-know-man employment. Another major strategy put in place by Nestle Nig. Plc. to attract competent staff is through the regular newspaper advertisement for vacant positions in the organization. This strategy makes it possible for equal opportunity to be given to every one who considers his/herself qualified and desires to work for the company to apply and compete for the vacant position.

The strategy of employing staff through the regular newspaper advertisement of vacant position has yielded, for the organization, competent workforce in its quest for the achievement of enhanced performance. Another strategy that has helped the organization to attract competent staff into its employment is that of getting its potential employee from unsolicited applications from potential recruits. These unsolicited applications are received from potential employees, and are scrutinized to ascertain the level of compliance to the criteria stipulated for recruitment of an applicant by the organization. Through this means, the organization has succeeded in securing competent staff into its employment for the achievement of its goals of profit maximization (Interview, 2006).

In its quest for quality staff, the company’s policy on employment is based on no discrimination in considering applicants for recruitment including those of handicapped persons who are found qualified to work in the company. In this regard, as at December 31, 2005, the company had 17 handicapped but qualified persons in its employment (NARA, 2005:23).

In a bid to cope with increasing workload due to expansion, the company employed 291 additional staff to bring the total number of staff to 1,368 as at December 31, 2005 and at the same time; five staff left the employment of the organization. The company’s total number of staff is made up of 325 senior and management staff and 1,043 junior staff. The realization in Nestle Nig. Plc. is that success depends on the quality and commitment of staff in bringing about the goals of any organization (NARA, 2005: 23).

### **3.2.6. Staff Retention Strategies**

The strategies put in place by Nestle Nig. Plc. to retain its staff in the employment of the organization include, enhanced incentives in form of competitive salaries, wages, allowances and other reward systems like staff gratuity and pension, training and career development (NARA, 2005:23).

It is the policy of the company that whether or not an employee is handicapped, equal opportunity is given to them to improve on their skills for the purpose of promotion in furtherance of their career in the organization. In the event of members of staff becoming handicapped in the course of their assignments, every effort is made to ensure that their employment with the company continues and appropriate training is arranged to equip the victim with relevant skill for his/her continuous relevance in the workplace. It is the policy of the company that the training, career development and promotion of the handicapped persons in the organization should as far as possible be identical with that of other employees. This policy of the company of not abandoning its staff in time of their needs has made it possible for competent staff to want to remain in the employment of the organization for a longer period and hence contribute their quota towards the achievement of the overall goals of the organization (NARA, 2005: 23).

Nestle Nig. Plc. believes that training brings out the best in staff in the workplace, and hence motivates them to put in their best into their job and thereby realizing the desire of the organization to achieve enhanced performance. Consequently, of the total number of staff of the company, 41 employees have attended various overseas courses, 102 attended external local courses, while 1,038 staff participated in various in-house training programme. It important to note that these trainings have equipped staff to serve the organization and also build in them self confidence needed for effective work and earn promotion (NARA, 2005:17).

In order to further enhance staff retention in Nestle Nig. Plc., the company entered into international management exchange programme. As a result of the

exchange programme, some managers are currently working in various Nestle locations in Egypt, Guinea, Benin Republic, Ghana, Iran and Switzerland. The company is currently involved in the international management exchange programme to enhance staff retention in the employment of the organization for the realization of its goals. According to the company's chairman:

We are determined to give regular and appropriate training to our workforce so that they can acquire the latest methods of performing their duties efficiently, thereby contributing their quota to the progress of the company (NARA, 2005: 17).

Furthermore, the company also put in place other strategies to retain its employees in its workforce. These include free lunch for staff in the company's canteen. The company also caters for the recreational needs of the employees by providing them with games facilities such as table tennis, draught etc. this is in addition to interest-free car loan facility to staff payable over a period of time. In the area of decision-making, employees' representatives are consulted regularly on a wide range of matters affecting their current and future interests. This has helped to motivate staff to remain in the employment of the organization (NARA, 2005: 23-24).

In addition to the retention strategies of the company discussed above, the organization operates its own clinics in order to provide quick health care to its employees, their spouses and four children each free of charge. The company also retains a number of registered private hospitals run by qualified medical doctors, to whom serious cases of illness are referred for treatment. The company takes employees' safety seriously as a strategy to retain them. To this effect, the organization has a corporate safety officer in place to monitor and guide compliance with safety regulations. In the event of accidents occurring in the workplace, there are adequate provisions for medical care (NARA, 2005: 23).

The various staff retention strategies put in place by Nestle Nig. Plc. in its quest for enhanced performance has reduced labour turnover to its barest minimum in the

organization. For instance in 2005 alone, Nestle Nig. Plc employed additional 291 staff, and at the same time five staff left the service of the organization, beside those who left due to retirement on age ground or years of service. The rate of labour turnover in the organization in 2005 therefore was 1.7 percent, by the formula:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period} \times 100}{\text{Average total number employed over period}}$$

$$\text{Rate of Labour turnover} = \frac{5 \times 100}{291}$$

The calculation above shows that the rate of labour turnover in Nestle Nig. Plc for the year 2005 was as low as 1.7 percent (Fieldwork, 2006).

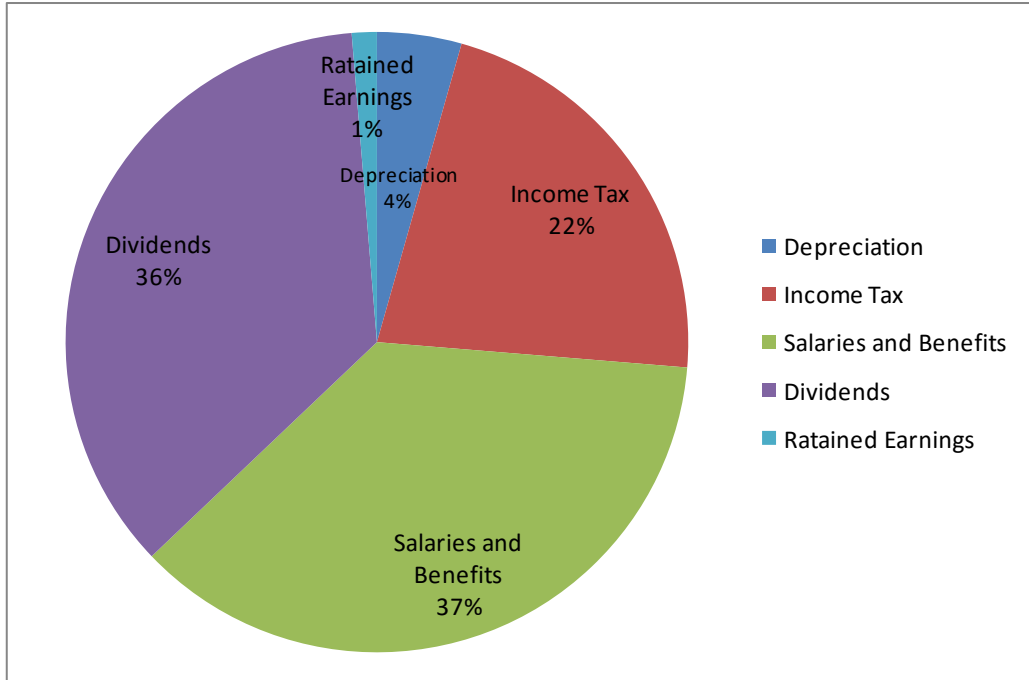
The staff retention strategies currently in operation in Nestle Nig. Plc have gone a long way to retain competent workforce in the organization for the realization of its goals of enhanced performance in the last 10 years (Fieldwork, 2006).

### **3.2.7. Staff Remuneration**

In its bid to retain its competent workforce for the realization of its desired goals of enhanced performance, Nestle Nig. Plc. devoted 31.4 percent or =N= 3.9 billion of its gross income in 2005 and 36.6 percent or =N=3.7 billion of its gross income in 2004 for the maintenance of its workforce in form of salaries, wages, welfare and end of service benefits, as against 0.2 percent or =N=18,753 million in 2005 and 1.3 percent or =N= 136,431 million in 2004 as company's retained earnings. Allowance for equipment depreciation was 5.1 percent or =N= 631,768 million in 2005, and 4.4 percent or =N= 434,240 million in 2004. Income tax to government was 20.9 percent or =N= 2.6 billion in 2005, and 21.9 percent or =N= 2.3 billion in 2004. Shareholders' dividend was 42.4 percent or =N= 5.3 billion in 2005, and 35.8 percent or =N=3.7 billion in 2004 (NARA, 2005:43). Below are the Pie Charts showing in percentages, the total breakdown of the Nestle Nig. Plc's earnings for 2004 and 2005.

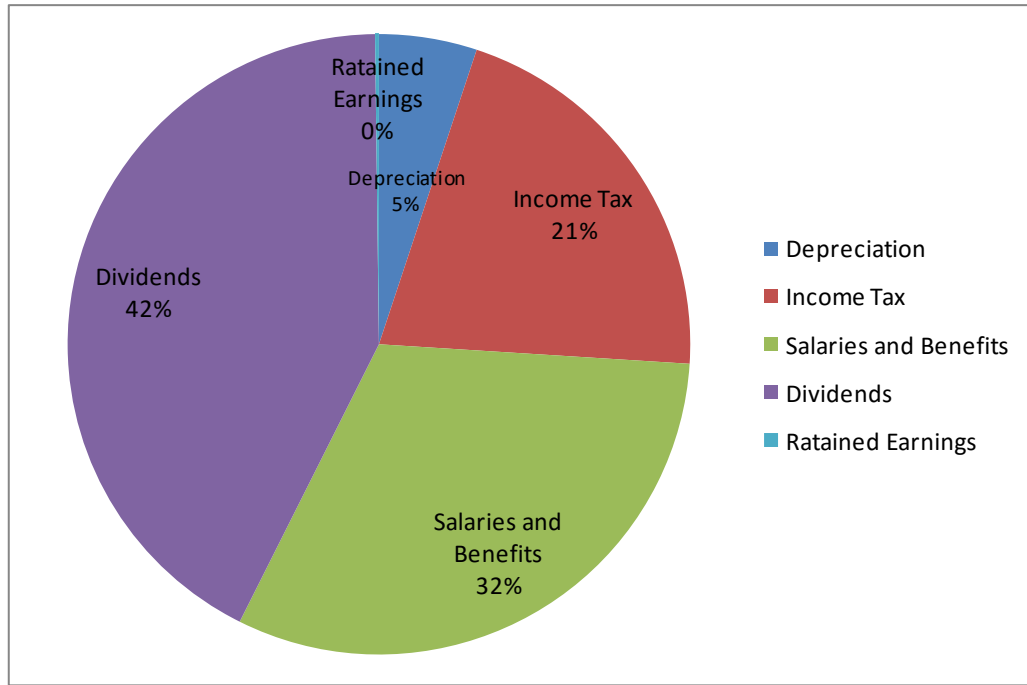


**Pie Chart 1: Breakdown of Nestle Nig. Plc's Total Earnings for the year 2004**



**Source:** NARA (2005:43)

**Pie Chart 2: Breakdown of Nestle Nig. Plc's Total Earnings for the year 2005**



**Source:** NARA (2005:43)

In Nestle Nig. Plc, the welfare of staff is of paramount importance to its management. This is because the organization recognizes that without the quality inputs of its most valuable asset (the human resource of the company); its goals of enhanced performance in form of high dividend for shareholders would not materialize. What the Pie Chart 2 shows is that Nestle Nig Plc. spent a total of =N= 3.9 billion on its 1,368 staff made up of junior and senior/management staff as salaries and allowances in 2005. On the other hand, table 4 below shows how employees of Nestle Nig. Plc. other than directors, whose duties were mainly discharged in Nigeria, received remuneration in 2004 and 2005 (excluding pension costs and certain benefits).

**Table 4: Salary Ranges (per annum) (Excluding Directors) in Nestle Nig. Plc. as at 31<sup>st</sup> December 2004 and 2005**

| S/n. | Salary Range (=N=)    | 2005 (Number) | 2004 (Number) |
|------|-----------------------|---------------|---------------|
| 1.   | 0 --- 200,000         | ---           | ---           |
| 2.   | 200,001 – 400,000     | 85            | 10            |
| 3.   | 400,001 – 600,000     | 426           | 281           |
| 4.   | 600,001 – 800,000     | 379           | 441           |
| 5.   | 800,001 – 1,000,000   | 185           | 212           |
| 6.   | 1,000,001 – 1,200,000 | 85            | 40            |
| 7.   | 1,200,001 – 1,400,000 | 43            | 50            |
| 8.   | 1,400,001 – 1,600,000 | 32            | 26            |
| 9.   | 1,600,001 – 1,800,000 | 11            | 18            |
| 10.  | 1,800,001 – 2,000,000 | 16            | 13            |
| 11.  | 2,000,001 – 2,500,000 | 19            | 20            |
| 12.  | 2,500,001 – 3,000,000 | 24            | 25            |
| 13.  | 3,000,001 – 3,500,000 | 11            | 15            |
| 14.  | 3,500,001 – 4,000,000 | 9             | 7             |
| 15.  | 4,000,001 – 4,500,000 | 7             | 8             |
| 16.  | 4,500,001 – 5,000,000 | 4             | 4             |
| 17.  | 5,000,001 – and above | 29            | 29            |

**Source:** NARA (2005:34).

Table 4 above shows the ranges of amount of monthly salaries Nestle Nig. Plc. paid to its staff other than directors in 2004 and 2005. The least paid category of workers – cleaners, messengers etc, received maximum of =N= 33,333.00 per month, while the highest paid category of workers from the table above – senior and management staff, received =N= 416,666.75 and above per month as salary excluding certain benefits. The data presented above further goes to support the argument that proper reward system – good monthly salaries and incentives as provided to the workforce by organizations are important for competent staff retention for enhanced organizational performance.

In an interview with some of the human resource officers (Anonymous, 2006) in the Department of Human Resource of Nestle Nig. Plc. on the strategy put in place by the organization to review staff salaries upward, it was pointed out that the company normally liaises with bigger organizations such as Guinness Nig. Plc.,

Nigeria Breweries Plc., KPMG etc to ascertain the current salary level put in place by them to retain their staff, and on the basis of that, adjustment is made to its own staff salary structure. The advantage of this strategy according to them is that it has reduced to its barest level labour turnover in the company and the problems associated with it (non-realization of organizational goals). The strategy has also helped Nestle Nig. Plc. to retain quality staff in its employment for enhanced performance.

The importance of appropriate staff retention strategies in bringing about enhanced performance in an organization was re-emphasized by some human resource officers in Nestle Nig. Plc (Anonymous, 2006), in an interview when they argue that any organization that fails to put in place quality staff retention strategies to keep quality workforce in its employment would not achieve its goals of enhanced performance. And where such organization assumes to be performing well at present, it may just be for the short-run, for on the long-run frequent labour turnover will hinder the organization's goals of enhanced performance since in no time the competent staff available to it would have left the employment of the organization for a better employment offer elsewhere. One of them stated further:

Any organization that desires a world-class status in its area of operations must put in place world-class strategies to retain the competent staff in its employment: if its desire to accomplish the goals of enhanced performance that befits a world-class status is to be realized (Fieldwork, 2006).

The above view goes to support the argument that it is not enough for organization to have in its employment competent staff only as the basis to guarantee enhanced performance, but that there is the need to put in place quality retention strategies to keep them in the employment of the organization for its desired goals of enhanced performance to be realized.

### 3.2.8. Organizational Performance

The strategy of Nestle Nig. Plc. is focused on delivering to shareholders value on their shares through the achievement of sustainable, capital efficient and profitable long-term growth (NARA, 2005:14). This goal is manifested in the achievements recorded by the company so far in the past years of its operation. For instance, the company achieved a profit before tax of =N= 6.10 billion in 2004 and recorded a =N= 7.91 billion profit before tax in 2005, an increase of 30 percent over the profit before tax of 2004. There was an increase of 38 percent profit after tax from =N= 3.84 billion in 2004 to =N= 5.30 billion in 2005. The overall turnover of the company increased by 21 percent in 2005, from =N= 28.46 billion in 2004 to =N= 34.34 billion in 2005 (NARA, 2005:4 &14).

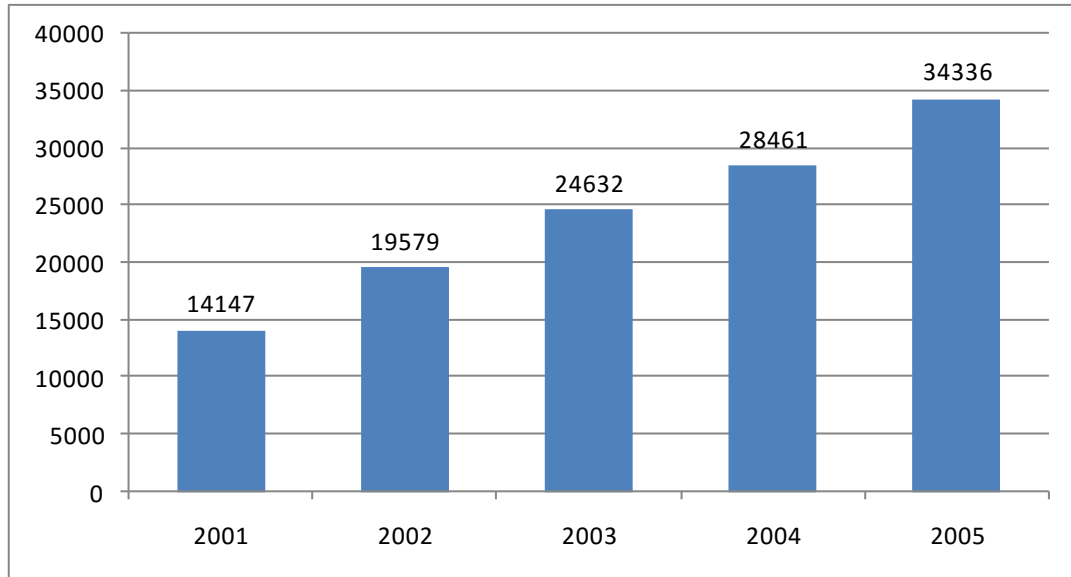
The enhanced performance recorded by Nestle Nig. Plc. in 2005, yielded a final dividend of =N= 4.20 billion or =N= 8.00k per ordinary share of fifty kobo each (as against =N= 5.00k per ordinary share declared in 2004). This is in addition to the interim dividend of =N= 1.06 billion or =N= 2.00k per ordinary share declared and paid in November 2005, bringing the total dividend accrued to shareholders in the year under review to =N= 10.00k per ordinary share held (NARA, 2005:14).

The enhanced performance recorded by Nestle Nig. Plc. not only contributed positively to enriching the pockets of its staff in terms of enhanced incentives and rewards, and that of its shareholders in the area of increased dividend of =N= 10.00k per ordinary share held, but also to the government in form of company income tax. The company paid to the government the sum of =N= 2.60 billion as income tax in 2005 alone, while in 2004 it paid the government the sum of =N= 2.30 billion as income tax (NARA, 2005: 4).

The bar graphs below show Nestle Nig. Plc's volume of sales; operating profit; net profit; earnings per share, market capitalization; and dividend to shareholders in the past 5 years, between 2001 and 2005.

**Bar Graph 1**  
(=N= million)

**Company Sales**



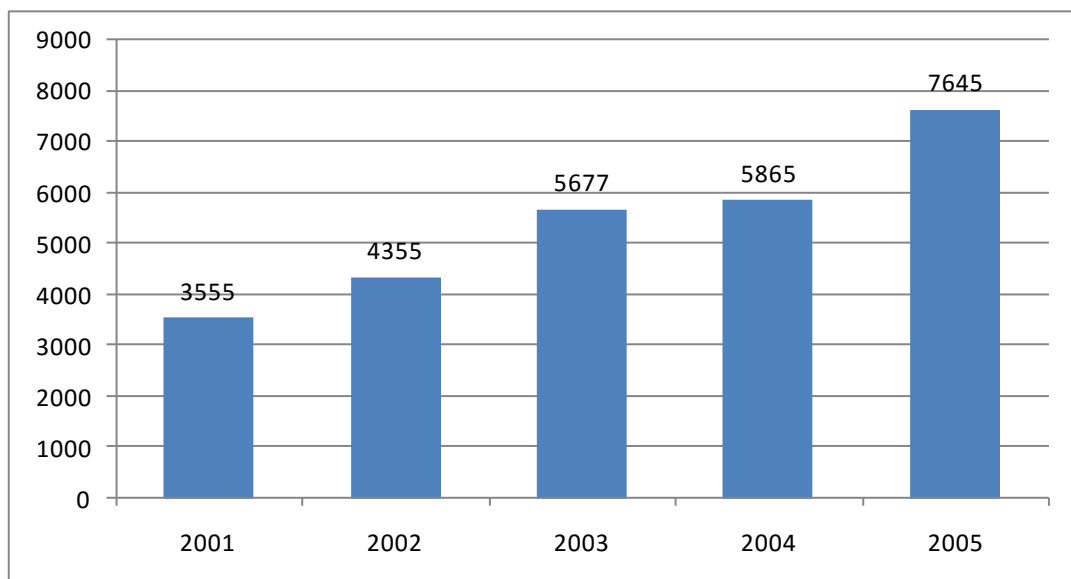
(Year)

Source: NARA (2005:7)

**Bar Graph 2**

**Operating Profit**

(N= million)



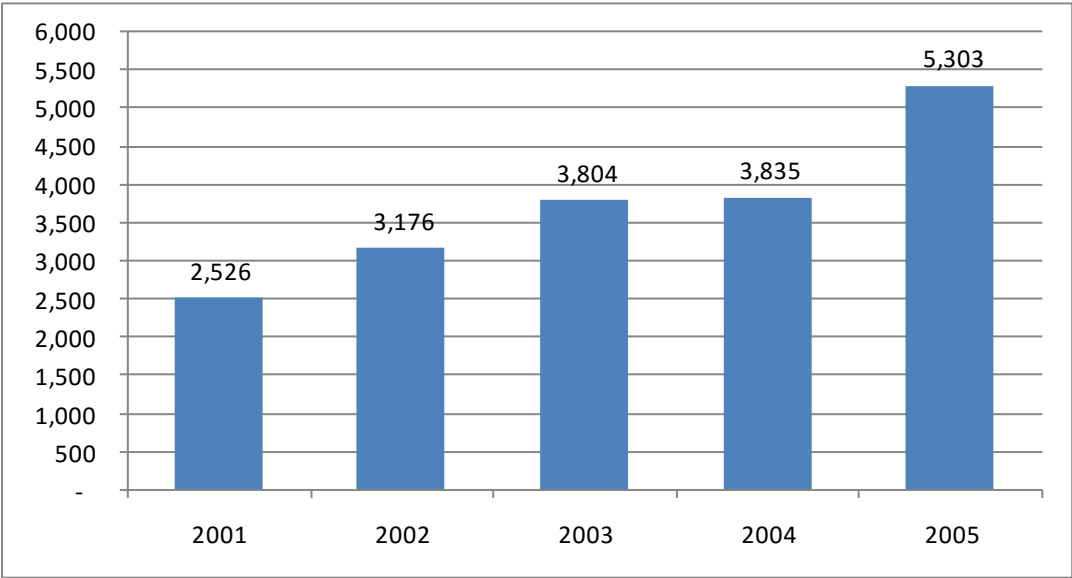
(Year)

Source: NARA (2005:7)

**Bar Graph 3**

**Net Profit**

(₦ million)



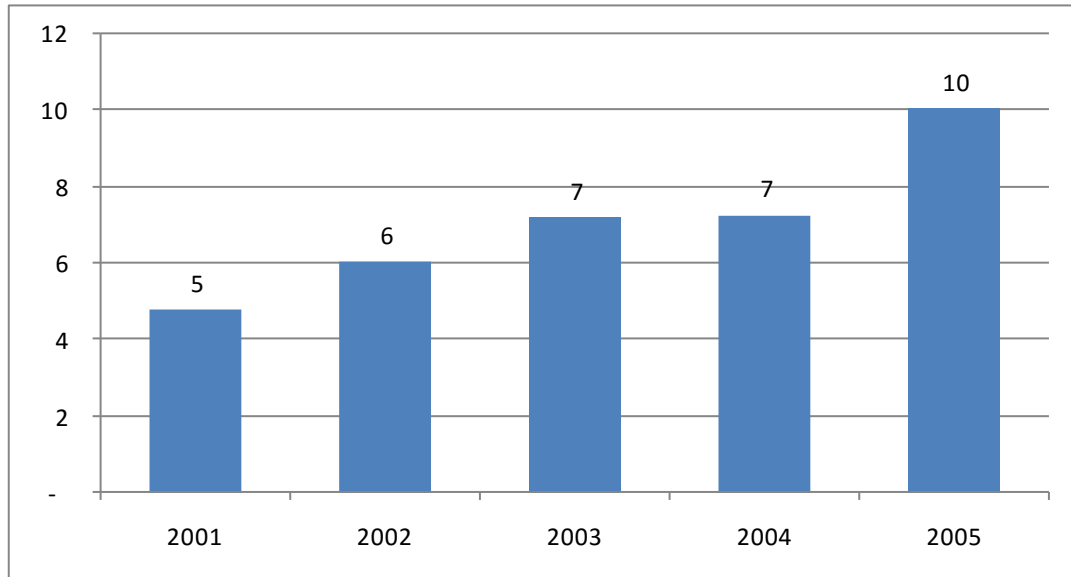
(Year)

Source: NARA (2005:7)

**Bar Graph 4**

**Earnings per Share**

(=N=)



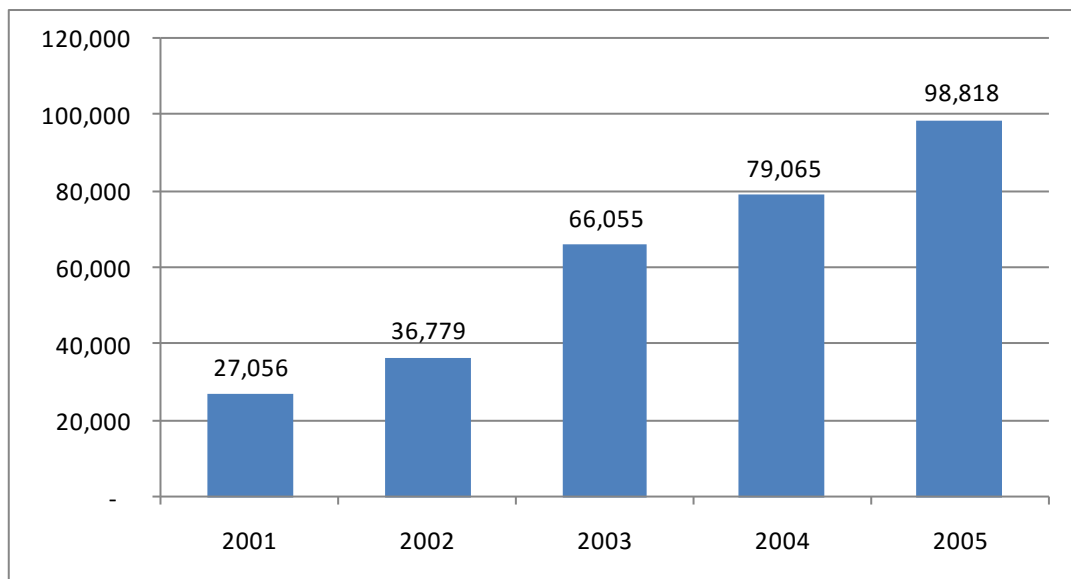
(Year)

Source: NARA (2005:7)

**Bar Graph 5**

**Market Capitalization**

(=N= billion)



(Year)

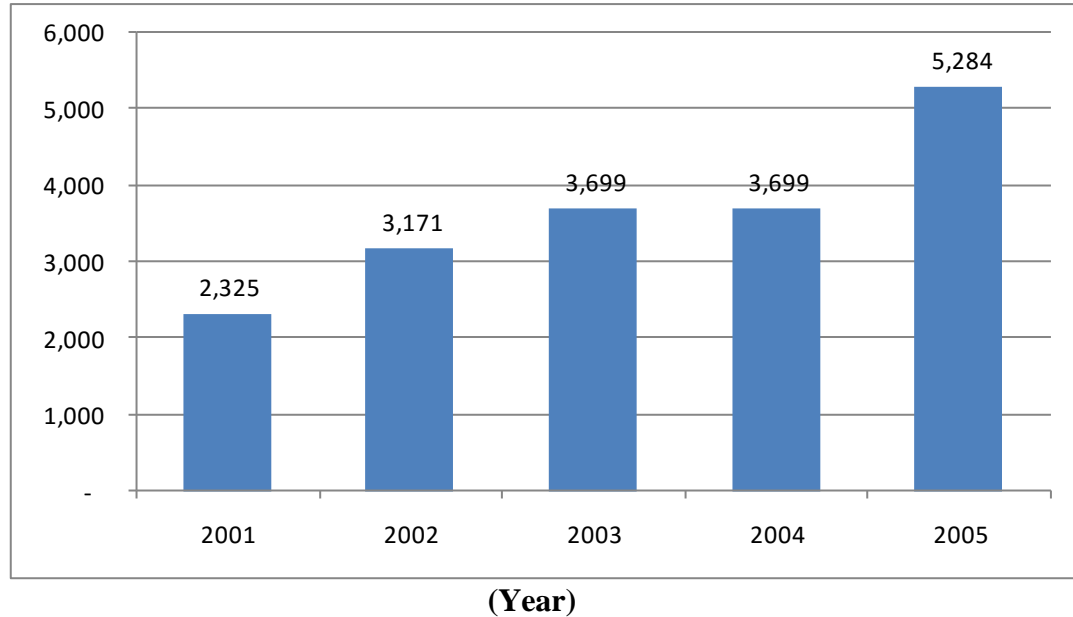
Source: NARA (2005:7)



**Bar Graph 6**

**Shareholders' Dividend**

(=N= million)



**Source:** NARA (2005:7)

The Bar Graphs 1, 2, 3, 4, 5 & 6 above, show that both sales, operating profit, net profit, earning per share, market capitalization and shareholders' dividend increased in Nestle Nig. Plc. between 2001 and 2005. For instance, market capitalization rose from =N= 27.06 billion in 2001 to =N= 98.8 billion in 2005. Shareholders' dividend rose from =N= 2.3 billion in 2001 to =N= 5.3 billion in 2005. These data shows that Nestle Nig. Plc. experienced enhanced performance on a progressive basis in the past 5 years.

**Tables 5 and 6: Nestle Nig. Plc. Performance in the year 2004/2005**

| S/n | Item                   | Year<br>2005<br>=N= 000 | Year<br>2004<br>=N= 000 | %<br>Increase |
|-----|------------------------|-------------------------|-------------------------|---------------|
| 1.  | Turnover               | 34,335,891              | 28,461,078              | 21            |
| 2.  | Profit Before Taxation | 7,907,848               | 6,100,281               | 30            |
| 3.  | Profit After Taxation  | 5,303,128               | 3,835,403               | 38            |
| 4.  | Dividend               | 5,284,375               | 3,699,062               | 43            |
| 5.  | Share Capital          | 264,219                 | 264,219                 | -             |
| 6.  | Shareholders' Funds    | 1,752,812               | 1,734,059               | 1             |

**Source:** NARA (2005:6)

**Table 6: Per 50 kobo Share Data**

| S/n | Item   | Year (2005) | Year (2004) |
|-----|--|-------------|-------------|
| 1.  | Earning per share                                  | =N= 10.04   | =N= 7.26    |
| 2.  | Dividend per share                                 | =N= 10.00   | =N= 7.00    |
| 3.  | Dividend cover (times)                             | 1.0         | 1.04        |
| 4.  | Net asset per share                                | =N= 3.32    | =N= 3.28    |
| 5.  | Stock exchange quotation at 31 December.           | =N= 187.00  | =N= 149.62  |
| 6.  | Market capitalization at 31 December (=N= million) | 98,818      | 79,065      |

**Source:** NARA (2005:6)

Tables 5 and 6 above, show the performance of Nestle Nig. Plc, in the year 2004 and 2005 at a glance. The enhanced performance of the organization as presented above was attributed to the quality staff available to the organization and the enhanced retention strategies put in place to keep them in the employment of the company. As observed by the chairman of the company that the brilliant performance of Nestle Nig. Plc. in the past years could be attributed to the highly skilled and committed management and staff of the company. He posits, "Nestle Nigeria has a dedicated workforce that once again proved its ability to achieve outstanding performance in challenging market" (NARA, 2005:14). The data presented above on Nestle Nig. Plc. go to support the argument that with quality staff at the disposal of an organization, and proper retention strategies put in place to keep

them in the employment of the organization, enhanced performance is a possibility and achievable any day. To further support the fact that Nestle Nig. Plc's enhanced performance has been progressive over the years, the tables 4 and 5 below show the company's ten-years dividend, turnover, and profit before tax, taxation and profit after tax history.

**Table 7: Nestle Nig. Plc's Ten-Years Divided History**

| S/n. | Year | Divided No. | Profit After Taxation (N '000) | Divided Paid (Gross) (N '000) | Dividend Per Share (Kobo) | Divided Type |
|------|------|-------------|--------------------------------|-------------------------------|---------------------------|--------------|
| 1.   | 1996 | 23          | 1,284,113                      | 317,063                       | 150                       | Interim      |
|      |      | 24          |                                | 951,187                       | 450                       | Final        |
| 2.   | 1997 | 25          | 710,161                        | 211,375                       | 50                        | Interim      |
|      |      | 26          |                                | 422,750                       | 100                       | Final        |
| 3.   | 1998 | 27          | 801,829                        | 211,375                       | 50                        | Interim      |
|      |      | 28          |                                | 507,300                       | 120                       | Final        |
| 4.   | 1999 | 29          | 1,250,550                      | 211,375                       | 50                        | Interim      |
|      |      | 30          |                                | 634,125                       | 150                       | Final        |
| 5.   | 2000 | 31          | 1,605,183                      | 634,125                       | 150                       | Interim      |
|      |      | 32          |                                | 951,188                       | 225                       | Final        |
| 6.   | 2001 | 33          | 2,526,450                      | 634,125                       | 150                       | Interim      |
|      |      | 34          |                                | 1,691,000                     | 400                       | Final        |
| 7.   | 2002 | 35          | 3,179,065                      | 1,056,875                     | 250                       | Interim      |
|      |      | 36          |                                | 2,113,750                     | 500                       | Final        |
| 8.   | 2003 | 37          | 3,804,114                      | 1,056,875                     | 200                       | Interim      |
|      |      | 38          |                                | 2,642,188                     | 500                       | Final        |
| 9.   | 2004 | 39          | 3,835,493                      | 1,056,875                     | 200                       | Interim      |
|      |      | 40          |                                | 2,642,188                     | 500                       | Final        |
| 10.  | 2005 | 41          | 5,303,128                      | 1,056,875                     | 200                       | Interim      |
|      |      | 42          |                                | 4,227,500                     | 800                       | Final        |

**Source:** NARA (2005:46)

Table 7 above shows the increased dividend benefited by shareholders in Nestle Nig. Plc between 1996 and 2005. While in 1996, shareholders benefited a total gross dividend of =N= 317,063 million, the dividend rose to all time high of =N= 4.2 billion in 2005. This is an indication of the company's enhanced performance in the years under review.

**Table 8: Nestle Nig. Plc’s Ten-Year Turnover, Profit before Tax, Taxation and Profit after Tax history.**

| S/n. | 31 Dec. | Turnover<br>(N ‘000) | Profit Before Tax<br>(N ‘000) | Taxation<br>(N ‘000) | Profit After<br>Tax (N ‘000) |
|------|---------|----------------------|-------------------------------|----------------------|------------------------------|
| 1.   | 1996    | 6,128,414            | 1,609,986                     | 325,873              | 1,284,113                    |
| 2.   | 1997    | 5,104,326            | 815,768                       | 105,607              | 710,161                      |
| 3.   | 1998    | 6,187,462            | 877,553                       | 75,724               | 801,829                      |
| 4.   | 1999    | 7,724,503            | 1,616,840                     | 366,290              | 1,250,550                    |
| 5.   | 2000    | 10,027,714           | 2,224,667                     | 619,484              | 1,605,183                    |
| 6.   | 2001    | 14,146,932           | 3,699,334                     | 1,172,884            | 2,526,450                    |
| 7.   | 2002    | 19,578,894           | 4,755,061                     | 1,575,996            | 3,179,065                    |
| 8.   | 2003    | 24,631,949           | 5,846,923                     | 2,042,809            | 3,804,114                    |
| 9.   | 2004    | 28,461,078           | 6,100,281                     | 2,264,788            | 3,835,493                    |
| 10.  | 2005    | 34,335,891           | 7,907,848                     | 2,604,720            | 5,303,128                    |

**Source:** NARA (2005:46)

The table 8 above shows that on a yearly basis between 1996 and 2005, Nestle Nig. Plc’s turnover, profit before tax, taxation and profit after tax has been on the rise, from a turnover of =N= 6.1 billion, profit before tax of =N= 1.6 billion, taxation of =N= 325,873 million and profit after tax of =N= 1.28 billion in 1996 to a turnover of =N= 34.3 billion, profit before tax of =N= 7.9 billion, taxation of =N= 2.6 billion and profit after tax of =N= 5.3 billion in 2005, except for the periods of 1997 and 1998 when the total earnings of the company went down briefly, which was attributed to the political situation in the country at the time. What the above means is that Nestle Nig. Plc. could truly be said to have experienced enhanced performance on a progressive manner in the past years under review.

### **3.3. Lagos State Civil Service – History**

The history of the Lagos State Civil Service started with the creation of the state on May 27<sup>th</sup> 1967, by the General Yakubu Gowon’s administration. However, the state did not take off as administrative entity until April 11<sup>th</sup> 1968, with Lagos Island serving the dual role of being the state and federal capital. With the creation of the Federal Capital Territory of Abuja in 1976, Lagos ceased to be the capital of the state, which was moved to Ikeja. And with the formal relocation of the seat of the Federal Government to Abuja on 12<sup>th</sup> December 1991, Lagos ceased to be Nigeria’s

political capital. It is important to note that in spite of the movement of the seat of the Federal Government to Abuja, Lagos remains the nation's economic and commercial capital (LSORD, 2006).

The unique role Lagos occupies in the economic and industrial sustenance of the nation has made it a place of abode for people from different parts of the country. This development made Lagos State to accommodate the largest number of people in the country. This situation placed enormous responsibility on the Lagos State Civil Service to provide the people with the much-needed social services to enhance living standard. Accordingly, Lagos is regarded by the people of Nigeria, what the head is to the body of an individual (LSORD, 2006).

Lagos State is the smallest state in Nigeria with an area size of 358,862 hectares or 3,577 sq. km, yet it has one of the highest population, which is estimated to be over 4 percent of the national population. The state has 9,013,534 million people based on the 2006 national population census (National Population Commission, 2007). However, based on the United Nations (UN) study and the State Regional Master Plan, the state had been estimated to have above 12 million inhabitants at present. Out of the State population, Lagos metropolitan area alone is occupied by over 85 percent of the population on an area that is 37 percent of land area of Lagos State (LSORD, 2006).

Due to the metropolitan nature of Lagos State, its attraction of people from other parts of the country in search of greener pasture is very high. This development makes the rate of population growth to be estimated at 300,000 persons per annum with a population density of about 1,308 persons per sq kilometer. In the built up urban areas of metropolitan Lagos, the average density is estimated at about 20,000 persons per sq. kilometer. According to a recent study by the UN, the City of Lagos is expected to hit the 24.5 million-population mark and thus be among the ten most populous cities in the world by the year 2015 (LSORD, 2006: 2). The above statistics has consequently placed greater responsibility on the Lagos State Civil

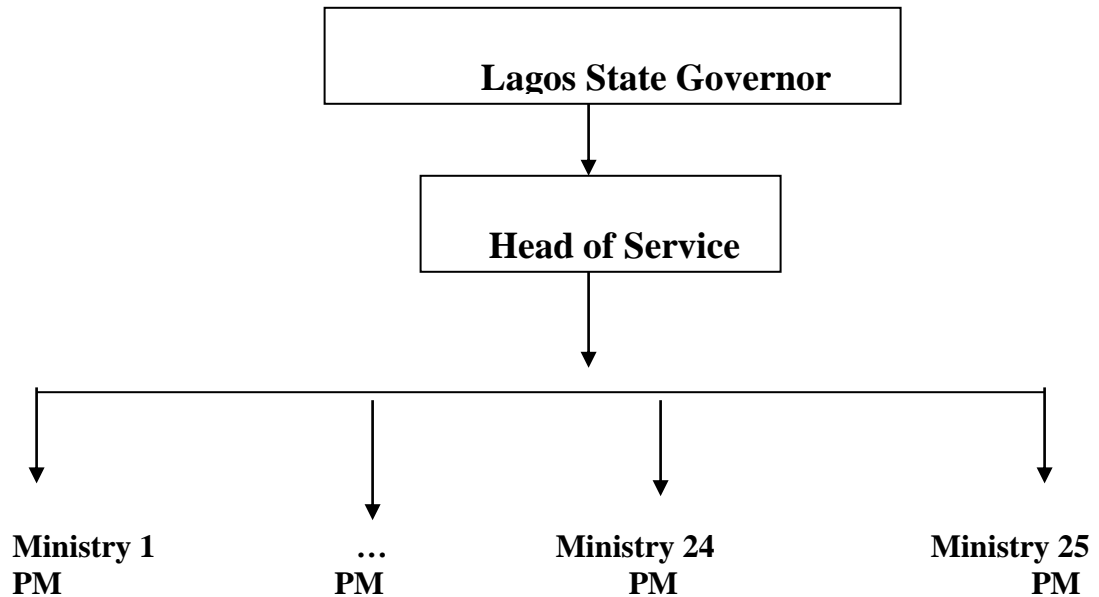
Service to provide quality social services to the people in the area of sanitation, housing, health, education and urban development etc. to meet the ever increasing needs of the inhabitants of the state.

### **3.3.1. Structure**

No government can successfully carry out its policies and programmes without the existence of a well-organized civil service in place; the civil service therefore is the engine room and livewire of any political administration. This is because of its statutory role of implementing policies enunciated by the political authorities. It is important to note that it is the impact of the proper implementation of government policies and programmes that people see as the benefits of good governance.

The Lagos State Civil Service is organized around 25 ministries and departments. These ministries have Commissioners as political heads and Permanent Secretaries as career administrative heads under the supervision of the Head of Service. The purpose of this organizational structure is to bring about effective administration and hence achieve enhanced performance of the provision of social services for the enhancement of the living standard of the people in the state. These ministries and departments are: Ministry of Justice, Finance, Economic Planning and Budget, Commerce and Industry, Education, Health, Environment, Works and Infrastructure, Home Affairs and Culture, Transportation, Youth, Sports and Social Development, Establishment and Training, Agriculture and Cooperatives, Housing, Information and Strategy, Women Affairs and Poverty Alleviation, Physical Planning and Urban Development, Local Government and Chieftaincy Affairs, Rural Development, Science and Technology, Special Duties and Inter-Governmental Affairs, Public Service or Office of the Head of Service, Cabinet Office, Lands Bureau and Civil Service Commission (LSORD, 2006). The figure below shows the abridged version of the Lagos State Civil Service organizational chart.

**Fig. 2: The Abridged Version of the Lagos State Civil Service (Organogram) Organizational Chart**



**Key:** PM = Permanent Secretary.

**Source:** Office of the Head of Service (2006)

It should be noted that under the career setting, the Permanent Secretary is the Administrative Head of the Ministry/Department, and reports to the Head of Service of the Lagos State Civil Service. The Head of Service in turn reports to the Lagos State Governor. However, at the general political setting, the Permanent Secretary reports to the Commissioner, who is the political head of the ministry who in turn report to the State Governor. With the above structure in place, effective supervision of Civil Servants in the ministries for the realization of the goals of the State in its quest for effective provision of social services to the people is enhanced.

### **3.3.2. Staff Recruitment Strategies**

The strategies put in place for the recruitment of staff into the Lagos State Civil Service is based on the mixture of merit and other factors like political influence. This is because the Lagos State Civil Service like any other civil service in the country is a public organization situated within the political environment of the government in power.

Staff recruitment into the state civil service is an ongoing process because of its unique role both as provider of social services to the people and as an avenue to solve the problem of unemployment by using it to provide job opportunity for people in the state. As a result, anyone wishing to pickup employment with the state civil service goes to the State Civil Service Commission at the Secretariat, Alausa – Ikeja, where the applicant is expected to obtain a job application form designed for that purpose. The form is filled out and returned, once there is a vacant position, those that have indicated their interest are invited for interview by the Lagos Civil Service Commission (established for the purpose of staff recruitment and implementation of personnel policies and programmes) and if found qualified, such persons are given employment into the Lagos State Civil Service (Fieldwork, 2006). This process of staff recruitment into the state civil service gives premium to merit.

The Lagos State Civil Service, like any other civil service in the country, is situated within the executive arm of government of the day; the pattern of staff recruitment is influenced by political consideration in favour of political allies. It has been observed that people who are employed into the service in this manner other than merit have been known to pay more allegiance to their political ‘godfather’ through whom they were employed than the civil service itself. And in most cases, the chief executive of the state has a quota to fill in terms of whom to employ into the civil service. People that are closely associated with the chief executive politically fill the employment quota more often than not (Fieldwork, 2006).



Whether the pattern of staff recruitment into the organization could contribute negatively to the realization of the goals of the service in its quest for enhanced performance of service delivery is yet to be ascertained empirically. However, one notable feature of the Lagos State Civil Service that has given it advantage over most states civil service in Nigeria is the fact that people are recruited into the service not on the basis of tribe, state of origin, religion or ethnic affiliation but on the basis of qualification and political affiliation.

This unique feature of the Lagos State Civil Service that has made it possible for people from all parts of the country to be employed irrespective of religion, ethnic affiliation or state of origin, has made it easier for the service to attract a formidable workforce to carry out its function of social service delivery to the people. This recruitment strategy adopted by the state civil service to acquire competent staff from the labour market is rare to come by in most states' civil service in Nigeria. This is because in some states, at best non-indigenes of the states are employed on contract basis, which is not the case with the Lagos State Civil Service that employs such category of people on fulltime basis (Fieldwork, 2006).

### **3.3.3. Staff Retention Strategies**

In order to retain its staff for enhanced performance of social service delivery to the people, the Lagos State government through the state civil service put in place various strategies in form of incentives and rewards to retain them in the employment of the service for the realization of its goals. These strategies include: regular training; promotions; free staff transportation services to and from work; provision of food to staff through highly subsidized canteen services; provision of highly subsidized staff quarters; adequate provision of working implements; provision of adequate staff welfare services – medical services for staff, their spouses and four children free of charge; observance of public holidays; payment of regular salaries and allowances; provision of end of year bonuses; payment of staff leave allowances; and job security (LSORD, 2006).

Aware of the unique role the state civil service plays in the implementation of government policies and programmes to bring about development in the state, the Lagos state government under governorship of Alhaji Ahmed Tinubu put in place incentives to retain and motivate the civil servants in the state for enhanced performance of service delivery to the people. In this regard, 18,000 civil servants have been trained in basic computer knowledge; this is in addition to the regular training enjoyed by civil servants in the institutions of higher learning, professional institutions and distant learning courses within and outside the country. To facilitate the work of civil servants under the Lagos State Transport Management Authority (LASTMA), 18 of its personnel were sent for overseas training on how to manage traffic in bigger cities such as Lagos at the cost \$ 95, 447 Or =N= 13.5 million (LSORD, 2006).

One of the strategies put in place to retain and motivate the civil servants in the state civil service is that of regular promotion of its staff. In the year 2005 alone, 5,000 civil servants in the state were promoted from one grade level to the next grade level, and in the process 1,400 officers were deployed to reflect their new status. The state government also provided the Oracle Human Resource Systems for effective management of staff to make the civil service more efficient and effective in its goals of enhanced service delivery (LSORD, 2006).

To ease staff movement to and from work, the state government successfully put in place measures to overcome the challenges of transportation faced by civil servants in the state. In this regard, the state government successfully established the Staff Bus Scheme, which comprised of 26 large buses plying 22 routes. These buses on a daily basis transport 3,500 civil servants to and from the secretariat free of charge. The purpose of this bus scheme is to ameliorate the suffering faced by commuters in the Lagos metropolis on a daily basis. The bus scheme strategy for staff retention of the state government has gone a long way to retain staff in the employment of the state civil service (LSORD, 2006).

The saying goes that “A hungry man is an angry man.” No hungry staff can put his best into the workplace without complaint. It was in the realization of the above that made the state government to put in place canteen services where mid-day meals are served to staff at a subsidized rate of ₦100 per plate. This subsidized meals provided by the state government has served as a catalyst for staff performance in their day-to-day activities in the government quest for enhanced service delivery to the people of the state (LSORD, 2006).

One major challenge faced by workers in Lagos State, whether public or private sector workers, is housing. In this regard, the Lagos State government in a bid to retain the competent staff in the employment of the state civil service continues to maintain 1,233 units of staff quarters in various sizes and designed all over the state to give staff conducive accommodation. The government also put in place Housing Loan Scheme (HLS) to enable civil servants to own their houses. So far, 965 civil servants benefited from the scheme totaling ₦137 million. In the same vein, the Ministry of Housing on its part established Housing Society, a scheme designed to enable civil servants own their houses. The first set of beneficiaries shared a total sum of ₦4.8 million as housing loan from the Housing Society (LSORD, 2006). This strategy of making it possible for civil servants to own their houses has gone a long way to retain quality staff in the employment of the Lagos State Civil Service. This is because it is the desire of every worker whether in the public or private organization to own his or her house.

The state government recognized the fact that adequate working implements motivate staff to perform better at work. In this regard, the state government established Internet to Computer Resource Centres in all State Government Ministries. It commenced the implementation of Information Technology (IT) driven Hospital Management process. It also provided 40 brand new vehicles and generators to all 36 tax stations in the state to facilitate the tasks of civil servants for performance of service delivery. As a result of the provision of proper working implements to civil servants in the state, tax officials in the Finance Ministry of the

state were able to improve on internally generated revenue collection for the government from ₦= 600 million in 1999 to ₦= 3.5 billion on a monthly basis in 2005 (LSORD, 2006). In addition, the civil service observes public holidays declared either by the federal and state governments. The period of public holidays are used by staff of the civil service to relax and refresh for the next assignments (Fieldwork, 2006).

In the area of medical services, a lot has been put in place by the state government to retain and motivate staff at work for enhanced performance. In this regard, provision is made for staff, spouses and four children to be treated free of charge. For instance, between 2004 and 2005, a total of 6,794 civil servants and their families benefited from the government's programme of free healthcare scheme for public servants in the state. In addition, ₦= 2 million was spent on free eye treatment on civil servants alone in 2005. And to further motivate staff of the Lagos State Civil Service for enhanced performance, ₦= 8 million was expended by the state government on free eye surgery to 4,000 civil servants in Lagos State (LSORD, 2006). This gesture of the state government has further made it possible for civil servants in the state to want to remain working for the Lagos State Civil Service.

In the area of salaries, leave allowances and end of year bonuses, the state government has continued to motivate staff in this direction through regular and prompt payment of civil servants salaries and allowances in the state. For instance, the state government spends ₦= 1.4 billion on a monthly basis for staff salaries and allowances of civil servants alone in the state. What this means is that the Lagos State government, because of the importance it attaches to the role of civil servants in the implementation of its policies and programmes, spends a total sum of ₦= 16.8 billion on staff salaries and allowances of 22,000 civil servants on a yearly basis (LSORD, 2006). The table below shows the salary range of civil servants in the Lagos State Civil Service.

**The Table 9: Salary Range of Civil Servants per annum on Grade Level 01 – 17 of the Lagos State Civil Service**

| S/n. | Grade Level | Salary Range (=N= 000.)   |
|------|-------------|---------------------------|
| 1.   | 01          | 98,400 – 122,743.20       |
| 2.   | 02          | 99,695.04 – 131,525.40    |
| 3.   | 03          | 100,800.96 – 139,921.80   |
| 4.   | 04          | 104,701.44 – 151,701.36   |
| 5.   | 05          | 116,150.64 – 170,757.00   |
| 6.   | 06          | 137,524.44 – 204,086.04   |
| 7.   | 07          | 185,661.36 – 267,706.20   |
| 8.   | 08          | 231,980.04 – 329,628.36   |
| 9.   | 09          | 267,753.24 – 364,019.56   |
| 10.  | 10          | 309,583.80 – 437,434.20   |
| 11.  | 12          | 358,265.64 – 499,917.60   |
| 12.  | 13          | 396,086.64 – 544,444.08   |
| 13.  | 14          | 434,082.60 – 595,307.16   |
| 14.  | 15          | 612,075.84 – 784,555.32   |
| 15.  | 16          | 781,383.36 – 988,673.04   |
| 16.  | 17          | 837,188.76 – 1,072,433.64 |

**Source:** Wages and Salaries Commission (2006).

**Note:** The monetization of benefits of public servants in Nigeria that has started in the Federal Civil Service is yet to commence in the Lagos State Civil Service. Senior staff starts at grade level 07 in the Lagos State Civil Service like any other civil service in the country.

Table 9 above shows the salary range of civil servants in Lagos State. A closer look shows that the least paid staff on grade level 01 earns a maximum salary of =N= 10,228.60 per month apart from other incentives provided by the government. The highest paid staff on grade level 17 earns a maximum salary of =N= 89,369.47 per month. When one compares the salaries paid to staff in Nestle Nig. Plc. and the Lagos Civil service, it is clear that the salary paid to public servants is very small. In Nestle Nig. Plc. for instance, the least paid staff earns a maximum pay of =N= 33,333.00 per month compared to =N= 10,228.60 earned by the least paid staff in the Lagos State Civil Service (Fieldwork, 2006).

In spite of the low salaries paid to staff in the Lagos State Civil Service, as presented above, labour turnover is relatively low in the state civil service. For instance, additional 1,502 workers were employed into the Lagos State Service in 2005, and at the same time 53 staff left the employment of the state civil service, beside those who left due to retirement on age ground or years of service (Fieldwork, 2006). The rate of labour turnover therefore in the Lagos State Civil Service in 2005 was 3.53 percent, by the formulae:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period} \times 100}{\text{Average total number employed over period}}$$

$$\text{Rate of Labour turnover} = \frac{53 \times 100}{1,502}$$

The calculation above shows that the rate of labour turnover in Lagos State Civil Service for the year 2005 was as low as 3.53 percent (Fieldwork, 2006).

What was the reason for this development in staff behaviour in the Lagos State Civil Service? One of the factors, which has made it possible for staff to remain working for the Lagos State Civil Service is that of job security. Workers are hardly sacked from their jobs. People see their employment with the state civil service as “permanent” and this has created in them self confidence in their day-to-day working activities. This feeling of job security amongst the staff has gone a long way to influence their resolve to serve the Lagos State Civil Service for as long as they could. In an interview with a personnel officer in the Lagos State Civil Service Commission on staff retention in the service of the state civil service, Adebayo (2006, June 16) responded thus:

As civil servants, we are aware that remuneration paid to staff by the government in form of monthly salaries is very low compared to what is obtainable in private organizations. This development of low monthly salaries may have contributed to the poor performance of public sector workers in Nigeria. However, workers hardly resign their appointment with the state civil service because; the fear of being dismissed is very low

Job security therefore is one of the main factors keeping us in the employment of the Lagos State Civil Service.

The staff retention strategies has no doubt has created positive impact on the state civil servants in their work. As it is today in the Lagos State Civil Service, there are staff that have served for upward of 35 years. What the above means is that with quality staff retention strategies put in place by an organization, particularly in the area of personnel policies and practices that emphasize job security, staff could be motivated to remain in the service of that organization for effective realization of its goals of enhanced performance (Fieldwork, 2006).

#### **3.3.4. Organizational Performance**

It is the civil service of a state that gives practical expression to the policies and programmes of government at implementation stage. The Lagos State Civil Service is not an exception; it has carried out the implementation of the policies and programmes of government in the past with a view to enhancing the living standard of the people. The performance of the Lagos States Civil Service could be discussed under different areas like: Education, Health, Rural Development, Youth and Sports, Physical Planning and Urban Development, Transportation, Housing, Works and Infrastructure, Science and Technology, Agriculture and Cooperatives and Women Affairs/Poverty Alleviation.

#### **3.3.5. Education**

In a bid to promote education in Lagos State, the state government formulated policies and programmes, which were implemented by the civil service to realize the desire of the state for enhanced performance in the educational sector. To this effect, the state government through the Education Ministry, implemented the programme of the government's Unified Internal Examination for students in the state public secondary schools at the cost of ₦180.5 million between 1999 and 2003, and ₦31.5 million in the 2004/2005 session alone. The purpose of the Unified Internal

Examinations is to improve the quality of teaching and learning in the state's secondary schools (LSORD, 2006 and LSPR, 2005).

The state government through the Ministry of Education, implemented its policies and programmes as it relate to the payment of West African Examination Council (WAEC) examination fees for 74,315 SS III students in the 2003/2004 session at a total cost of =N= 193.4 million, while =N= 244 million was spent for the same purpose in the 2004/2005 session. And between 1999 and 2005, 500,000 students benefited from the government policy of fee payment for JSS III examination at the cost of =N= 1.04 billion (Lagos State Progress Report (LSPR), 2005). The successful implementation of government policy by the Education Ministry of fee payment for JSS III and SS III students in the state secondary schools, have brought about a new lease of life to parents of these benefiting students, and hence enhanced the quality of secondary school enrolment in the state (LSORD, 2006 and LSPR, 2005).

The Ministry of Education, provided furniture for students and teachers of four newly established public secondary schools at a cost of =N= 29.8 million. Sixteen schools were provided with wall fences to ensure safety of students at school in the state at the cost of =N= 11.4 million. The ministry was involved in the rehabilitation/reconstruction of 60 public primary and secondary schools across the state (250 new classrooms already completed out of the 750 projected) at a cost of =N= 1 billion. To further promote the development of education in the state, 800 computer sets were made available to 40 public secondary schools in the state. And 9 secondary schools in the state were upgraded to model college status (LSORD, 2006 and LSPR, 2005).

To further promote the development of education in the state, the Lagos State government through the Ministry of Education implemented the state free education programme at the primary and secondary level for all children in the state public schools. So far 1.5 million children in the 900 primary and 597 secondary schools in



the state have benefited from the programme. In addition, the sum of =N= 135 million was provided by the state government through the Education Ministry as subvention to five special schools for the handicapped in the year 2005 to enable them enjoy the benefits of the free education programme of the Lagos State government (LSORD, 2006 and LSPR, 2005).

### **3.3.6. Health Care Services**

In the area of health care services, the Lagos State government was able to carry out its policies of enhanced health care services through the performance of the Ministry of Health. In 2004 and 2005, the Health Ministry in realizing the goals of enhanced health care services by the state government, successfully implemented government policy of the provision for free health services for children below 12 years of age and adults of 60 years of age and above, and free ante-natal care to women at the cost of =N= 140 million. And =N= 137.44 million was spent to sponsor patients for treatment overseas whose cases could not be treated locally. The ministry provided treatment for 23,000 emergency patients established 18 Ambulance points all over Lagos and purchased 20 mobile intensive care unit Ambulance Vehicles and another 15 Ambulance Vehicles fitted with hi-tech equipment to facilitate health care services in the state. Under the blindness prevention programme, 150,000 citizens were given free eyeglasses, 600,000 citizens enjoyed free eye screening, while 80,000 surgeries were performed (LSORD, 2006 and LSPR, 2005).

The Ministry of Health, through the support of the state government successfully conducted limb deformity corrective surgeries on 82 patients. The ministry successfully performed two batches of open-heart operations with 15 patients benefiting. Doctors, Nurses and other categories of health workers carried out the operations. In the same way, the Lagos State Emergency Medical Services (LASEMS) catered for 26,454 accident/emergency victims, offering free treatment for the first 24 hours. The Lagos State Ambulance Service (LASAMBUS) rescued

1,665 victims of traffic and domestic accidents, gunshots; fire and collapsed building in the years under review (LSORD, 2006 and LSPR, 2005).

In the last one year, the number of chest clinics in the state's hospital for the free treatment of Tuberculosis increased from 6 to 31, this is for the realization of enhanced health care services of the state government. 21,510 people were screened free of charge for hypertension and diabetes, of these 7,366 hypertension and 757 diabetic cases were discovered and treated free. 267 persons were screened free of charge for Breast Cancer, while 33 had lumps surgically removed at no cost. Between 1999 and 2005, 12 million children under 5 years and 100,000 pregnant women were immunized free of charge. 300,000 patients benefited from the free malaria treatment programme. 20,000 patients were screened free of charge; 1,022 operated free for catarat, glaucoma and other defects, and 8,875 provided free medical glass all between 1999 and 2005 (LSORD, 2006 and LSPR, 2005). The above data presented shows the enormous task carried out by the staff of the Health Ministry in the achievement of the goals of government in the health sector in Lagos State.

### **3.3.7. Rural Development**

In its bid to enhance the living standard of the rural dwellers of the state, the Lagos State government through the Ministry of Rural Development carried out the rehabilitation of small water schemes in 24 communities as well as procurement of water equipment such as pumping machines, chemicals and hand pumps at the cost of =N= 64.3 million. Sixty-four rural electrification projects were awarded in the year 2004 and 22 of these have been completed and hooked to the National Grid, while 25 are still under construction. Fourteen rural roads were constructed and rehabilitated in the year 2005 at the cost of =N= 10 million, and the construction of a mini-health clinic at Amikale, Alimosho Local Government of Lagos State at the cost of =N= 4.2 million (LSORD, 2006 and LSPR, 2005).

### **3.3.8. Youth, Sports and Social Welfare**

The Lagos State government through the Ministry of Youth, Sports and Social Welfare handled 6,782 matrimonial cases, reconciled 2,672 couples and helped 206 couples with cases of paternity dispute, processed the adoption of 2,902 children, while 112 others were given out to foster parents. It resuscitated, in conjunction with the private sector, the Principals Cup in secondary schools to promote the development of soccer in the state. In addition, 3,000 beggars, destitute, lunatics and drug addicts are currently being rehabilitated at the Rehabilitation and Training Centre at Majidum, Oko Baba Destitute Camp and Rehabilitation and Skills Acquisition Centre, Tekunle Island (LSPR, 2005).

### **3.3.9 Physical Planning and Urban Development**

The Lagos State government through the Ministry of Physical Planning and Urban Development has put in place various measures to achieve the goals of proper physical planning and urban development in the state. To this effect, it has successfully reviewed the Lagos State Regional Plan that was in operation between 1980 and 2000, completed the Ikoyi/Victoria Island Model City Plans, and commenced the revitalization and re-development of the Lagos Island Central Business District and Marina. In the same vein, it has advanced the sum of ₦5 billion to Julius Berger Construction Company to handle road development projects under the revitalization of the Lagos Island Central Business District at a total cost of ₦15 billion (LSPR, 2005).

### **3.3.10. Transportation**

For a smooth flow of traffic and effective transportation system in the state, the Lagos State government through the Ministry of Transportation has commenced already, the construction of the Luxury Bus Garage at Ojota at the outskirts of Lagos to reduce the menace of Luxury Buses operating within the Lagos metropolis. Also it has completed the lane marking on 30 major roads in the state metropolis as well as 150 signage properly positioned in different locations (LSPR, 2005 and LSORD, 2006).

To further improve the proper traffic system in the state, the Ministry of Transportation established, through the support of the state government, Lagos State Transport Management Authority (LASTMA) to carry out the task of controlling traffic on Lagos roads. To enhance the performance of LASTMA officials in their assigned duties, 100 Motorola GP, 380 Walkie-Talkies and communication mast were provided at a cost of ₦9 million by the state government. ₦5.9 million was paid out already as insurance claims to families of 6 deceased LASTMA personnel. In addition, 18 LASTMA staff went for overseas training at the cost of \$95,447 or ₦13.5 million (LSORD, 2006 and LSPR, 2005). The purpose of the above stated incentives provided to LASTMA personnel is to further motivate them for enhanced performance of proper traffic control in the state.

### **3.3.11. Housing**

In a bid to provide affordable houses to the people of the state in the quantity and quality required, the Ministry of Housing through the support of the state government in its quest for enhanced housing accommodation in the state, completed the Amuwo Odofin Housing Estate comprising 56 units of 8-in-1, three bedrooms flats, the Gbagada Housing Scheme of 32 units of 8-in-1, three bedrooms flats and 20 units of Town Houses, Ibeshe Housing Scheme of 150 units of 2-in-1, bedroom bungalows, 540 units of Low Income Houses at Ojokoro Housing Scheme, 38 detached houses, 26 units of twin duplexes and 24 units terrace building at Lekki Scheme II (LSORD, 2006 and LSPR, 2005).

Other houses completed by the ministry are: 126 units of luxury flats built by the Lagos State Development and Property Corporation (LSDPC) – (a department under the ministry), at the Femi Okunu III Scheme – Lekki, the new Dairy Farm Estate in Agege by LSDPC comprising 54, two-bedrooms and 84, three-bedrooms units (LSORD, 2006 and LSPR, 2005). All these houses were constructed between 1999 and 2005 in the state government's efforts at providing quality and affordable houses for the people in the state.

### **3.3.12. Works and Infrastructure**

In a bid to develop infrastructure in the state, the Ministry of Works and Infrastructure carried out various developmental activities. Between 1999 and 2005, 446 roads have so far been constructed including the popular Adeola Odeku Street – Victoria Island, 2,000 roads rehabilitated under operations “Tax Payers Money in Action”, “Operation Tax It Well” and “Operation 1,000 Roads.” 150 transformers have been distributed to various communities in the state for effective power distribution. Four pedestrian bridges were constructed. 15 roads are currently being upgraded to high street status in Lagos metropolis (LSORD, 2006).

In addition, the ministry through its Public Works Corporation rehabilitated other 58 roads of 485 km tagged “Operation Patch It Well.” In May 2004, 30 roads construction contracts were awarded by the ministry, of this number, 20 roads are fully completed and delivered by the contractor under the supervision of the ministry (LSORD, 2006). To further develop infrastructure in the state, procurement and distribution of additional transformers of 500KVA, 300KVA and 200KVA to 73 communities throughout the state was carried out by the Ministry of Works and Infrastructure in 2005 (LSPR, 2005).

### **3.3.13. Science and Technology**

In order to make the work of the Public Servants in the state more effective and result-oriented, the Lagos State government through the Ministry of Science and Technology successfully trained 40 members of the State House of Assembly and the Judges, in Microsoft Office User Suites (MOUS). Today, all ministries in Lagos State Secretariat – Alausa, are fully provided with Internet and Internet facilities to facilitate their work. Also, Hospitals in Lagos State have commenced the implementation of Information Technology (IT) driven Hospital Management Process (LSORD, 2006).

In line with the goal of the state government to make ICT part of the school curriculum, the ministry through the support of the state government commenced

already, Information and Communication Technology (ICT) education in 40 secondary schools equipped with 800 computers and 112 Teachers trained for the exercise. The ministry was able to facilitate the on-line registration of 80,000 candidates for the May/June 2005 Senior Secondary School Examination, thereby saving parents/government the sum of =N= 30 million (LSORD, 2006).

The ministry has already completed the computerization of the process of Land Registry. In addition, it has commenced implementation of key oracle modules the largest oracle implementation in any part of Africa. It has also initiated a solar pioneered system to service Bishop Village, one of the riverine and rural areas of Amuwo Odofin local government of Lagos State. It has also successfully organized the first ever Lagos Science Festival to showcase potentials of science and technology in the state (LSPR, 2005).

#### **3.3.14. Agriculture and Cooperatives**

In order to boost food production in the state, the Lagos State government through the Ministry of Agriculture and Cooperatives procured 15 tractors at the cost of =N= 158 million for sale at subsidized prices to farmers, and distributed =N= 100 million worth of agricultural implements to 286 farmers. The ministry in addition to the above, released =N= 14 million for Second National Fadama Development Programme to boost agriculture amongst the low-income farmers in the rural areas of the state. To further boost agriculture in the state, 500 agrarian families received fertilizers worth =N= 16 million, 12 outboard engines, 213 fishing nets, 7,226 metric tones of hybrid maize and 26 metric tones of swan maize, which were distributed to farmers by the Lagos State Agricultural Input Supply Authority in 2005. In addition, 1,157 Cooperatives Societies/individuals were assisted in various farm operative ploughing, harrowing and transportation between 2004 and 2005 (LSORD, 2006 and LSPR, 2005).

As a result of the determination of the state to be self-sufficient in food production, improved planting materials, agro-chemicals and various types of

fertilizer valued at ₦= 16 million have been distributed to 500 farming families in 2005 alone. In addition, the sum of ₦= 7 million was spent on land clearing, construction of a 2,000 – capacity poultry farm and 1,000 – capacity Snailery at the Youth Rehabilitation and Skill Acquisition Centre, Tekunle Island - Lagos (LSORD, 2006 and LSPR, 2005).

### **3.3.15. Women Affairs/Poverty Alleviation**

In a bid to alleviate poverty amongst women in the state, and empower them economically, 7,000 women received skill acquisition training in vocations like: Soap and Pomade making, Hat making, Pottery, Weaving, Tie and Dye, Balloon Decoration etc. In addition, 4,000 women were empowered with cash and materials to enable them commence their own businesses. Through the Ministry of Women Affairs/Poverty Alleviation, 700 poverty alleviation equipment such as: Grinding and Block – making machines, Telecommunication equipment etc., were distributed to beneficiaries of government’s Poverty Alleviation Programme in the state (LSPR, 2005).

Furthermore, the ministry through the Women Development Centre (WDC) trained 2,000 youths in various vocational skills, and completed the ₦= 24 million new Skill Acquisition Centre at Egbado to train 1,000 persons free of charge every three months (LSPR, 2005).

### **3.3.16. Comments on the Performance of the Lagos State Civil Service**

The data presented above on the activities of the Lagos State government show that the State Civil Service no doubt is alive to its responsibility of expressing in practical terms, the policies and programmes of the state government in the provision of infrastructural development and social services to the people in the state. It is important to note that whether the data presented above as the performance of the Lagos State Civil Service have actually enhanced the living standard of the people of the state or not is a matter for further research, which is beyond the scope of this work. However, the fact that the civil service of any state or country cannot operate

in a vacuum without the personnel that carry out the day-to-day activities of the service to achieve its goals makes the Lagos State civil Service very relevant to this work. This is because the goal of this study is to find out the strategies put in place for the recruitment and retention of competent workforce for enhanced performance in both the public and private organizations

Considering the large population of people living in Lagos State (9,013,524 million people by the 2006 census figure, National Population Commission, 2007) and the huge amount that accrued to the Lagos State government from the federation account between 1999 – 2005 put at =N= 226.6 billion (Sobowale, 2006, August 6). the performance of the state civil service recorded so far may seem too little to meet the needs of the people in the area of quality social service delivery and infrastructural development. It is right however, to argue that since government policies and programmes are given practical expression by the activities of the civil service of a state, whatever achievements recorded so far by the Lagos State government in the area of infrastructural development and the provision of social services to the people of Lagos State could be attributed to the calibre of staff in the Lagos State Civil Service and the strategies put in place by it to retain them for the realization of the goals of government.

### **3.4. Nigerian Breweries Plc. – History**

Nigerian Breweries Plc. is the pioneer and largest brewing company in Nigeria. The company was incorporated in 1946. The first bottle of star lager beer rolled off from the factory in June 1949 in Lagos, Aba in 1957, Kaduna in 1963, Ibadan in 1982 and Enugu in 2003 (NBplc. Online, 2006)

The company has 135,500 shareholders. The authorized share of Nigerian Breweries Plc. of =N= 4 billion was divided into 7.562 billion ordinary shares of 50 kobo each. The majority shares of 54.10 percent or 4.091 billion shares is held by Heineken N. V. of Holland while 45.90 percent or 3.471 billion shares is held by



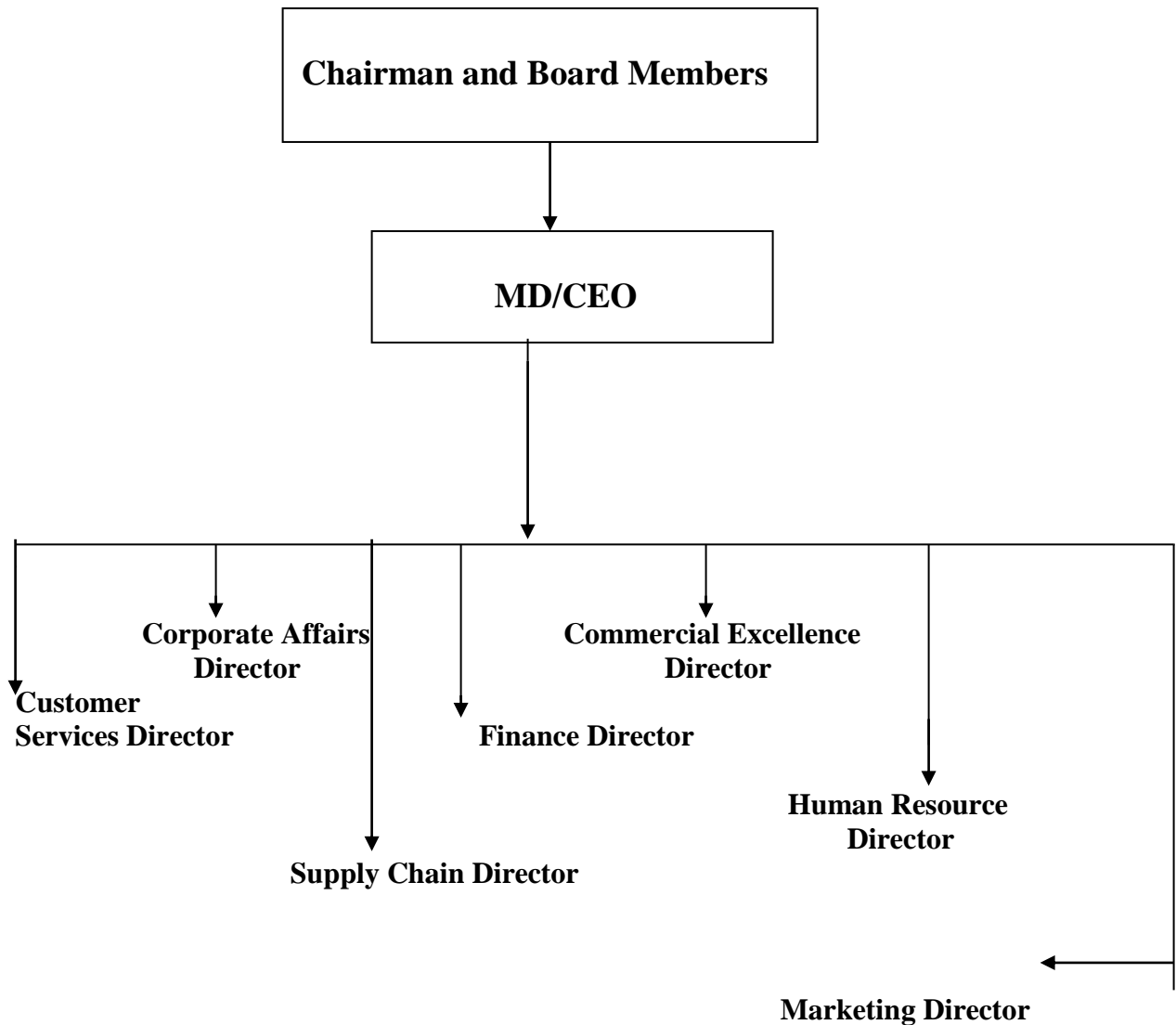
Nigerians, foreign citizens and associations. The company's turnover in 2005 was =N= 80.2 billion, operating profit was =N= 15.4 billion and paid a dividend of =N= 7.9 billion to its shareholders at 105 kobo per share in 2005 (NBFRA, 2005:16; NBplc. Online, 2006)

### **3.4.1. Structure**

Nigerian Breweries Plc. is under the control of a Board of Directors of fourteen members, made up of six Nigerians including the Chairman and the Managing Director/Chief Executive of the organization, one Briton, one Ghanaian and five Dutch nationals. Of the thirteen members of the Board of Directors apart from the chairman, five of them hold a non-executive directorship status in the company. These five non-executive directors include one Nigerian, one Ghanaian, one Briton and two Dutch nationals. Below the board of directors is the team of management staff who oversee the day-day administration of the organization (NBFRA, 2005:8-11).

The managing director/chief executive of the organization heads the management team. Other members of the management team are the Customer Service Director, Corporate Affairs Director, Finance Director, Human Resource Director and the Supply Chain Director (NBFRA, 2005:8-11). The figure below shows the abridged organizational chart (Organogram) of Nigerian Breweries Plc.

**Fig. 3: The Abridged Organizational Chart of Nigerian Breweries Plc.**



**Source:** Office of the Director, Human Resource (2006)

### **3.4.2. Products and Locations**

Nigerian Breweries Plc. has arrays of products ranging from beer to malt drinks. These products include: Star Lager Beer (1949), Gulder Lager Beer (1970), Maltina (1976), Legend Extra Stout (1992), Amstel Malta (1994) and Heineken re-launched into Nigerian market (1998). The company apart from producing its products for the

Nigerian market also exports its products to the United Kingdom, Europe and the West African Sub-region (NBplc. online, 2006).

Nigerian Breweries Plc. has its corporate headquarters located at Abebe village road – Iganmu, Lagos. The organization has its breweries located at Abebe village road Iganmu - Lagos, Factory road – Aba, Kaduna south – Kaduna, Ibadan/Ife road – Ibadan and Amaeke Ngwo – Enugu. In addition, the company has business units that handle customer services at Abuja, Lagos, Enugu, Ibadan, Kaduna and Aba (NBplc online, 2006).

### **3.4.3. Social Responsibility**

The social responsibility of Nigerian Breweries Plc. is towards the government in form of payment of tax and rates, and to the people in form of the provision of social services. For instance, the company paid a total sum of =N= 625.7 million to government as value added tax (VAT) in 1999, =N= 1 billion in 2000, =N= 1.72 billion in 2001 and =N= 3.71 billion in 2004. In the area of excise duty, the company paid the sum of =N= 3.47 billion to government in 2001, =N= 6.24 billion and =N= 5.7 billion in 2002, and additional =N= 12 billion in various taxes, duties and rates to the three tiers of government in Nigeria (federal, state and local) in 2002 alone (NBnewsbrew, 2005:32).

In the same vein, the company established an Education Trust Fund of =N= 100 million in 1994 to fund educational research facilities in higher institutions across Nigeria (NBplc. Online, 2006). In addition, the company gave the sum of =N= 7.6 million in 2004 and =N= 60.1 million in 2005 as gifts and donations to help improve the living standard of the people and institutions in the society NBFRA (2005:17-18). The table below shows the breakdown of gifts and donations made by Nigerian Breweries Plc. in 2005 as part of its social responsibility to society.

**Table 10: Breakdown of Gifts and Donations made by Nigerian Breweries Plc. in 2005 as Part of its Social Responsibility to Society**

| <b>S/n.</b> | <b>Beneficiaries</b>                            | <b>Amount (=N=)</b> |
|-------------|---|---------------------|
| 1.          | Ogbe Stadium Renovation                         | 75,000              |
| 2.          | Ticket for Genevieve Pink Ball event            | 200,000             |
| 3.          | St. Theresa Catholic Church – Enugu             | 200,000             |
| 4.          | 2005 World Youth Day Celebration                | 200,000             |
| 5.          | Rangers Football Club – Enugu                   | 200,000             |
| 6.          | Anti-Piracy Campaign                            | 200,000             |
| 7.          | Institute of Public Relations                   | 275,000             |
| 8.          | Govt. Sec. School Old Boys Association – Owerri | 450,000             |
| 9.          | Sickle Cell Society                             | 500,000             |
| 10.         | Police Community Relations Committee - Yaba     | 500,000             |
| 11.         | Oyo State Police Command                        | 1,000,000           |
| 12.         | Lion Club Ikoyi Water Project                   | 1,000,000           |
| 13.         | FCT. Police Command                             | 1,150,000           |
| 14.         | FIFA Youth Championship                         | 1,220,000           |
| 15.         | 2005 World Tourism Day                          | 1,462,500           |
| 16.         | Niger Famine Relief Fund                        | 2,000,000           |
| 17.         | Obafemi Awolowo University, Ile - Ife           | 3,000,000           |
| 18.         | Nigerian Institute of Management                | 3,500,000           |
| 19.         | Apapa Club                                      | 5,000,000           |
| 20.         | National Action Committee on AIDS               | 5,000,000           |
| 21.         | Nigerian Basket Ball Association                | 6,500,000           |
| 22.         | Child Care Trust – Abuja                        | 7,000,000           |
| 23.         | First Armed Forces Security Games               | 9,500,000           |
| 24.         | NEPAD Business Group Support                    | 10,000,000          |
|             | <b>Total</b>                                    | <b>60,133,050</b>   |

**Source:** NBFRA (2005:17-18)

#### **3.4.4. Staff Recruitment Strategies**

Nigerian Breweries Plc’s staff recruitment strategies are based largely on merit. The idea is that the quality of staff in the employment of an organization determines its ability to achieve its stated goals and objectives. As a result, the staff recruitment strategies for the acquisition of competent workforce into the organization includes the use of external recruitment consultants, in addition to the direct regular staff recruitment by the human resource department of the company through newspaper advertisement for job openings in the organization (Fieldwork, 2006).

Nigerian Breweries Plc's strategies of staff recruitment that is based on the use of external consultants and the direct regular newspaper advertisement for job openings in the company have been found to serve as catalyst for the acquisition of competent workforce. In addition, the organization adopted a recruitment policy of 'no discrimination' against any qualified person on the ground of ethnicity, religion, colour and physical disability. As a result, the organization had in its employment as at December 31<sup>st</sup> 2005, a total workforce of 2,039 comprising both Nigerians and foreign citizens. This number is further broken down to 435 senior/management staff and 1,604 junior staff. And of this total number of staff, there are 12 physically challenged persons. The Company's policy of 'no discrimination' against physically challenged persons is rooted in its "conviction that even in disability, there could be immense ability" (Fieldwork, 2006; NBFRA, 2005:18).

#### **3.4.5. Staff Retention Strategies**

In order to achieve its set goals, Nigerian Breweries Plc. put in place various strategies to retain its workforce. These strategies include, better condition of service; good motivational practices that are based on management practice, which involve staff in decision-making on issues that have direct bearing on their lives; good remuneration practices – good monthly salaries, staff gratuity and pension; training and career development; scholarship scheme for children of employees; and the provision of health, safety and welfare services (Fieldwork, 2006; NBFRA, 2005:18).

In its realization that staff needs regular promotion and career development at work as strategy to retain them, Nigerian Breweries Plc. continuously seeks out the best learning and developmental opportunities within and outside the country, and exposes its employees to them to facilitate their performance at work. The idea is borne out of the genuine belief that a company cannot deploy an effective business strategy without a progressive strategy for developing its people for enhanced performance (Fieldwork, 2006; NBFRA, 2005:18).

In addition to the in-house training provided by the organization both within and outside Nigeria, the organization also provide educational assistance scheme aimed at providing financial support to serving employees who wish to pursue higher qualifications through part-time programmes in local tertiary institutions. Similarly, additional educational scheme is designed by the company to assist the wards of serving, retired or deceased employees (Fieldwork, 2006; NBFRA, 2005:18).

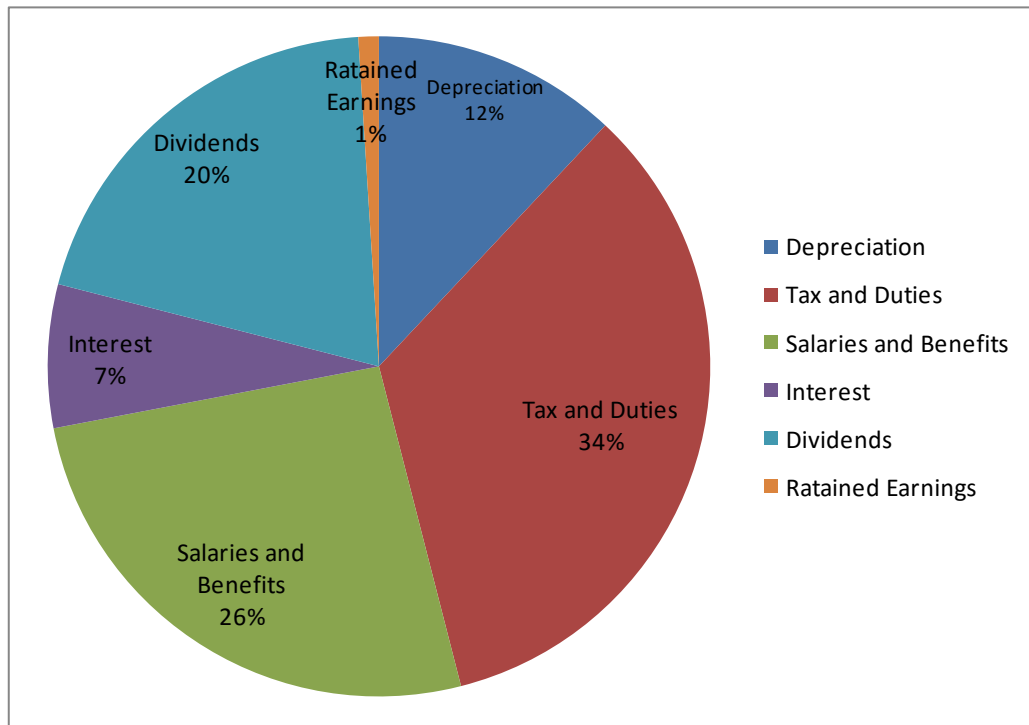
In order to further enhance staff retention in Nigerian Breweries Plc, the company made adequate provision for health, safety and welfare services of its employees. As a result, the company put in place on-site clinics manned by highly qualified medical personnel in its entire production site nationwide that provide proper health care round the clock for employees at work and their dependants free of charge (Fieldwork, 2006; NBFRA, 2005). In addition, free meals at work and bus services are provided to staff to facilitate their performance. Also, housing, furniture and car loans (interest-free) are provided by the company as a booster for staff retention in the employment of Nigerian Breweries Plc. for improved organizational performance (Fieldwork, 2006; NBFRA, 2005).

#### **3.4.6. Staff Remuneration**

In its desire to retain the competent workforce in its employment for enhanced performance, Nigerian Breweries Plc, set aside 26 percent or =N= 10.454 billion of its gross income in 2005 and 25 percent or =N= 8.818 billion of its gross income in 2004 for the maintenance of its workforce in form of salaries, wages, fringe and end of year service benefits. This amount is against 1 percent or =N= 313,866 million in 2005 and 6 percent or =N= 2.061 billion in 2004 as company's retained earnings. Allowance for equipment depreciation was 12 percent or =N= 4.849 billion in 2005 and 12 percent or =N= 4.404 billion in 2004. Company tax and duties to government was 34 percent or =N= 13.749 billion in 2005 and 34 percent or =N= 12.077 billion in 2004. Shareholders' dividend was 20 percent or =N= 7.940 billion in 2005 and 8 percent or =N= 3.025 billion in 2004 (NBFRA, 2005:54). Below are

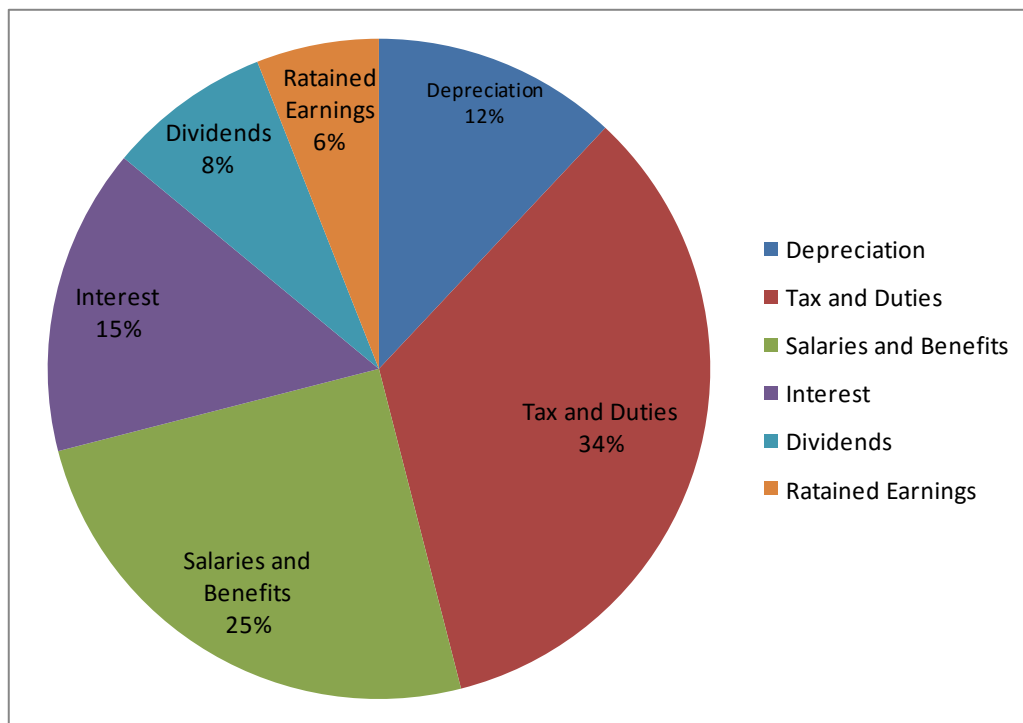
the pie charts showing in percentages, the total breakdown of Nigerian Breweries Plc's earnings for 2005 and 2004.

**Pie Chart 3: Breakdown of Nigerian Breweries Plc's Total Earnings for the year 2005**



**Source:** NBFRA (2005:54)

**Pie Chart 4: Breakdown of Nigerian Breweries Plc's Total Earnings for the year 2004**



**Source:** NBFRA (2005:54)

Nigerian Breweries Plc. took welfare of its staff seriously because of its realization that without them, the company cannot achieve its desired goals of enhanced performance in terms of higher returns on investment to its shareholders. As a result, the company spent the sum of ₦10.454 billion on salaries, wages and benefits for its staff in 2005 excluding the directors. Table 11 below shows how employees of Nigerian Breweries Plc. other than directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration as at 31<sup>st</sup> December 2005 and 2004 (excluding pension contributions and certain benefits) in the following ranges:



**Table 11: Salary Ranges (per annum) (Excluding Directors) in Nigerian Breweries Plc. as at December 31<sup>st</sup> 2005 and 2004**

| S/n. | Salary Range (=N=)     | 2005 (Number) | 2004 (Number) |
|------|------------------------|---------------|---------------|
| 1.   | 240,001 – 250,000      | 42            | 189           |
| 2.   | 250,001 – 260,000      | 2             | 41            |
| 3.   | 260,001 – 270,000      | 18            | 8             |
| 4.   | 270,001 – 280,000      | 8             | 4             |
| 5.   | 280,001 – 290,000      | 3             | 22            |
| 6.   | 290,001 – 300,000      | 45            | 98            |
| 7.   | 300,001 – 310,000      | 48            | 10            |
| 8.   | 310,001 – 320,000      | 17            | 17            |
| 9.   | 320,001 – 330,000      | 36            | 21            |
| 10.  | 330,001 – 340,000      | 7             | 10            |
| 11.  | 340,001 – 350,000      | 13            | 26            |
| 12.  | 350,001 – 360,000      | 17            | 143           |
| 13.  | 360,001 – 370,000      | 103           | 74            |
| 14.  | 370,001 – 380,000      | 51            | 66            |
| 15.  | 380,001 – 390,000      | 46            | 122           |
| 16.  | 390,001 – 400,000      | 38            | 86            |
| 17.  | 400,001 – 410,000      | 46            | 88            |
| 18.  | 410,001 – 420,000      | 34            | 128           |
| 19.  | 420,001 – 430,000      | 52            | 102           |
| 20.  | 430,001 – 440,000      | 96            | 96            |
| 21.  | 440,001 – 450,000      | 46            | 96            |
| 22.  | 450,001 – 460,000      | 90            | 74            |
| 23.  | 460,001 – 470,000      | 50            | 51            |
| 24.  | 470,001 – 480,000      | 40            | 60            |
| 25.  | 480,001 – 490,000      | 45            | 53            |
| 26.  | 490,001 – 500,000      | 32            | 72            |
| 27.  | 500,001 – 550,000      | 177           | 168           |
| 28.  | 550,001 – 600,000      | 108           | 146           |
| 29.  | 600,001 – 650,000      | 94            | 130           |
| 30.  | 650,001 – 700,000      | 159           | 34            |
| 31.  | 700,001 – 750,000      | 26            | 20            |
| 32.  | 750,001 – 800,000      | 15            | 34            |
| 33.  | 800,001 – 850,000      | 25            | 34            |
| 34.  | 850,001 – 900,000      | 25            | 31            |
| 35.  | 900,001 – 950,000      | 25            | 26            |
| 36.  | 950,001 – 1,000,000    | 18            | 17            |
| 37.  | 1,000,001 – 1,050,000  | 14            | 10            |
| 38.  | 1,050,001 – 1,100,000  | 9             | 4             |
| 39.  | 1,100,001 – 1,200,000  | 5             | 1             |
| 40.  | 1,200,001 – 1,500,000  | 47            | 89            |
| 41.  | 1,500,001 – 2,000,000  | 57            | 31            |
| 42.  | 2,000,001 – 3,000,000  | 78            | 117           |
| 43.  | 3,000,001 – 4,000,000  | 68            | 71            |
| 44.  | 4,000,001 – 6,000,000  | 43            | 41            |
| 45.  | 6,000,001 – 8,000,000  | 6             | 7             |
| 46.  | 8,000,001 – 10,000,000 | 10            | 9             |
| 47.  | 10,000,001 and above   | 5             | 4             |
|      | <b>Total Staff</b>     | <b>2,039</b>  | <b>2,781</b>  |

**Source:** NBFRA (2005:42)

Table 11 above shows the ranges of amount of monthly salaries Nigerian Breweries Plc. paid to its staff excluding directors. The table shows that the least paid category of workers – cleaners and messengers, 42 of them in 2005 and 189 of them in 2004, received maximum amount of =N= 20,833.33 kobo per month. The highest paid category of staff from the table – senior and management staff, 5 of them in 2005 and 4 of them in 2004 received =N= 833,333.33 kobo and above per month excluding certain benefits (NBFRA, 2005:42).

The quality of reward systems provided by Nigerian Breweries Plc has made it possible for the rate of labour turnover to be very low in the organization. For instance, in 2005, the company employed 180 staff, and at the same time three staff left the service of the organization, beside those who left due to retirement on age ground or years of service (Fieldwork, 2006). The rate of labour turnover in the organization in 2005 therefore was 1.67 percent, by the formulae:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period} \times 100}{\text{Average total number employed over period}}$$

$$\text{Rate of Labour turnover} = \frac{3 \times 100}{180}$$

The calculation above shows that the rate of labour turnover in Nigerian Breweries Plc for the year 2005 was as low as 1.67 percent (Fieldwork, 2006).

The data on staff remuneration presented above go to support the argument that proper reward systems – good monthly salaries and incentives as provided to workers by organizations are indeed a strategy for retaining competent workforce in the employment of an organization in its quest for enhanced performance. What the above means is that for any organization to achieve its desired goals of enhanced performance, it is not enough for that organization to bring into its workforce competent staff, but it is much more important to put in place strategies to retain

them in the employment of that organization for the realization of its quest for enhanced performance.

### 3.4.7. Organizational Performance

In order for Nigerian Breweries Plc. to enhance its performance in terms of higher dividends to its shareholders, it put in place strategies for quality staff recruitment, retention and management practices. These strategies made it possible for the company to have competent workforce and best management practices, which resulted into enhanced organizational performance in form of higher dividends of 105 kobo per share to its shareholders in 2005 financial year (NBFRA, 2005:12).

The company has consistently enjoyed increases in its profit after tax in the past 10 years resulting from the quality workforce in its employment. For instance, while the profit after tax of the company stood at =N= 1.369 billion in 1994, it rose to all time high of =N= 8.2 billion in 2005. And in 2004, the company paid a total sum of =N= 4.06 billion as company tax to the government, and the amount rose to =N= 4.6 billion in 2005. No doubt this is an indication of enhanced performance of Nigerian Breweries Plc. (NBFRA, 2005).

**Table 12: Performance of Nigerian Breweries Plc. in the year 2004 and 2005 at a glance**

| S/no. | Item                   | 2005 (=N= 000) | 2004 (=N= 000) |
|-------|------------------------|----------------|----------------|
| 1.    | Turnover               | 80,235,361     | 73,594,134     |
| 2.    | Profit before Taxation | 12,897,746     | 9,148,138      |
| 3.    | Profit after Taxation  | 8,254,557      | 5,086,403      |
| 4.    | Dividends              | 7,940,691      | 3,025,025      |
| 5.    | Share Capital          | 3,781,282      | 3,781,282      |
| 6.    | Shareholders' Funds    | 28,674,191     | 28,253,944     |

**Source:** NBFRA (2005:53).

**Table 13: per 50 kobo Share Data for 2005 and 2004**

| <b>S/no.</b> | <b>Item</b>                             | <b>2005</b> | <b>2004</b> |
|--------------|---|-------------|-------------|
| 1.           | Market Capitalization                   | 293 billion | 324 billion |
| 2.           | Earning per share                       | 109 kobo    | 67 kobo     |
| 3.           | Dividend per share                      | 105 kobo    | 40 kobo     |
| 4.           | Net worth per share                     | 379 kobo    | 374 kobo    |
| 5.           | Dividend cover (times)                  | 1.04        | 1.68        |
| 6.           | Stock Exchange Quotation<br>31 December | =N= 38.80   | =N= 42.80   |

**Source:** NBFRA (2005:53).

Tables 12 and 13 above show the performance of Nigerian Breweries Plc. as at 31<sup>st</sup> December 2005 and 2004 in a glance. From the tables, no doubt remarkable improvements could be noticed in the performance of the organization in 2005 over that of 2004 in the area of dividends to shareholders, tax to government, company turnover, profit before and after tax, and net worth per share, and these are attributable to the competent workforce available to the organization to carry out its goals.

### **3.5. Delta State Civil Service – History**

The history of the Delta State Civil Service dates back to 27<sup>th</sup> August 1991, when the state was created from the defunct Bendel State by the then military government of General Ibrahim Babangida. The civil service of the state is saddled with the responsibility of bringing about infrastructural development and social service delivery for the enhancement of the living standard of the people. Currently, the service has a total workforce of 11,456 and this number is made up of 4,786 junior staff on salary grade level 01 – 06 and 6,670 senior staff on salary grade level 07 – 17. In 2005, 1,100 people were employed into the civil service, and in the same year alone 42 staff left the service beside those who left due to retirement (Fieldwork, 2006). The Delta State Civil Service is the policy implementing organ or agency of the Delta State Government. The state is one of the 36 states of the federal republic of Nigeria, with a total of population of 4,098,391 million people going by the 2006 national census figures. Due to its difficult geographical terrain, it was relatively less

developed compared to other states of the federation like Lagos at creation. This situation placed enormous task on the newly created state civil service in 1991 in bringing about development to the state and its citizens (Delta State Government – DSG, 2006, August 17; Omonijo et al, 2007, January 10).

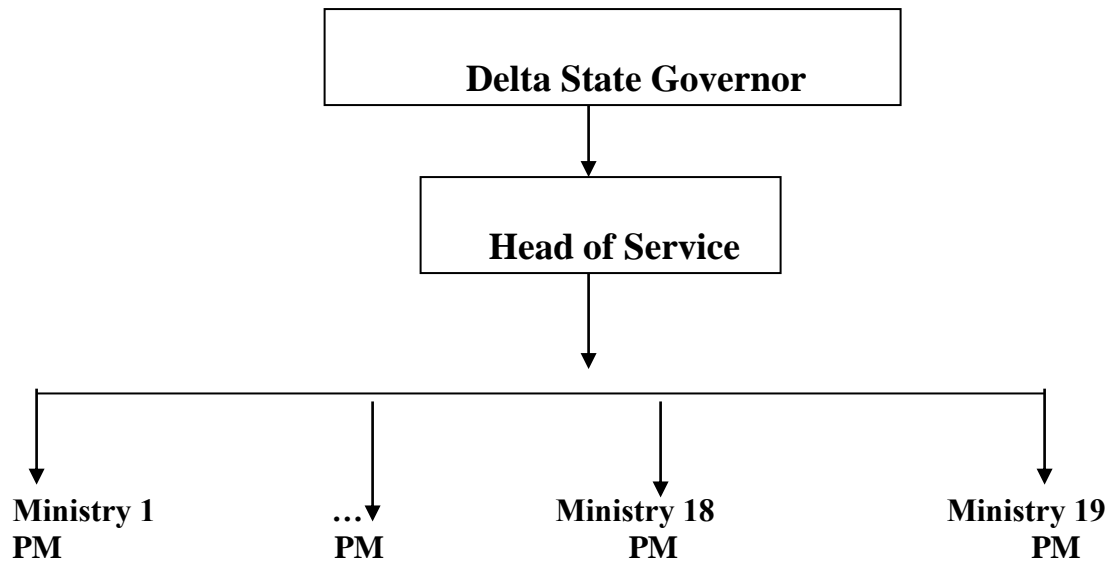
In terms of natural endowment, Delta State is blessed with agricultural and natural resources like: rubber, timber, cassava and crude oil. For instance, the records of the Department of Petroleum Resources (DPR) shows that the state harbours 83 of Nigeria's 159 oil fields, and this consists of 1,481 oil wells that contribute an average of 25 percent crude oil production to the total national crude oil capacity of Nigeria (DSG, 2006:32). The crude oil production from Delta state between 1999 and 2004 was 1.178 billion barrels. This amount yielded part of the total revenue output for Nigeria put at \$37.6 billion or =N= 5.2 trillion. The state in turn received the highest revenue allocation from the federation account to the tune of =N= 387.4 billion between 1999 and 2005 (DSG, 2006: 31 & 32; Sobowale, 2006 August 6).

### **3.5.1. Structure**

Delta State Civil Service, like other states' civil service in Nigeria, is set up primarily to implement or execute the policies and programmes of the state government with the goal of enhancing the living standard of the people. To successfully achieve this goal, The Delta State Civil Service is organized around the structure of 19 ministries and departments. These ministries have commissioners as their political heads and permanent secretaries as career administrative heads under the supervision of the Head of service of the Delta State Civil Service. These ministries are: Information; Justice; Finance; Water Resources; Health; Women Affairs; Environment; Housing; Power and Energy; Works; Education; Culture and Tourism; Youth and Sports; Agriculture and Natural resources; Local Government and Chieftaincy Affairs; Commerce and Industries; Lands and Surveys; Transportation; Economic Planning; State Civil Service Commission and the Office

of the Head of Service of the Delta State Civil Service (Fieldwork, 2006). The figure below shows the abridged Delta State Civil Service organizational chart.

**Figure 4: The Abridged Organizational Chart of Delta State Civil Service**



**Key:** PM = Permanent Secretary.

**Source:** Office of the Head of Service (2006)

It is important to note that under the career setting, the Permanent Secretary is the Administrative Head of the Ministry/Department, and reports to the Head of Service of the Delta State Civil Service. The Head of Service in turn reports to the Delta State Governor. However, at the general political setting, the Permanent Secretary reports to the Commissioner, who is the Political Head of the Ministry who in turn report to the State Governor. With the above structure in place, effective supervision of civil servants in the ministries for the realization of the goals of the state in its quest for effective infrastructural development and social service delivery to the people is enhanced.

### **3.5.2. Staff Recruitment Strategies**

The strategies put in place for staff recruitment into the Delta State Civil Service is based on the mixture of merit and other factors like: political influence; quota system; tribal sentiment; and ‘who you know’ syndrome (Fieldwork, 2006). This development is understandable considering the fact that Delta State Civil Service, like other states’ civil service of the federation is a public sector organization situated within the political environment of the government and political party in power. And also the fact that the state is a multi-ethnic society, craving for integration in all spheres including the area of staff recruitment into the public sector.

Staff recruitment into the Delta state Civil Service is an on going process. This is due to the unique role of the civil service at implementing government policies and programmes, and also as an avenue of providing job opportunity for citizens to bring about development in the state. As a result, anyone wishing to pick-up an employment with the state civil service, either goes to the state civil service Commission to obtain an unsolicited job application form, filled and return to the commission and then wait to be invited for interview or wait for the publication of vacant positions in the state civil service by the State Civil Service Commission in the national newspapers, radio or television. The applicants who applied for job vacancies in either of these ways are called to attend interview and if found qualified, such persons are given employment into the state civil service (Fieldwork, 2006).

We are to note that during job interviews, persons who are found qualified in terms of merit are given employment into the state civil service, to this effect the merit principle is given consideration in employment of staff into the state civil service. And sometimes would be employee have to fulfill the requirement of quota system as regards the person’s local government origin before the applicant could be employed. In addition, staff are employed into the state civil service even without prior job application. The employment of these categories of applicants is based on political influence. These are candidates of top politicians in the state or those connected to the ‘power that be’ at the federal level (Fieldwork, 2006).

In spite of the staff recruitment strategies discussed above, the state civil service possesses a unique feature as that of Lagos State of having in its employment persons from other parts of the country without discrimination on the basis of religion, state of origin or ethnic affiliation. This feature of the state civil service of employing people from other parts of the country has made it possible for the state civil service commission to have a larger pool of potential job seekers to recruit its staff from (Fieldwork, 2006).

### **3.5.3. Staff Retention Strategies**

In a bid to retain its workforce for enhanced performance of infrastructural development and social service delivery to the people, the Delta State Civil Service has put in place various strategies in form of incentives and reward systems to keep competent staff in its employment. These strategies include: provision of computer for all staff to facilitate their work; regular training for staff both within and outside the country; regular monthly salaries; regular promotion; relatively good monthly salaries; good condition of service; payment of outstation allowance; overtime pay; study leave with full pay; maternity leave with full pay for female staff; car and housing loan facilities for staff; payment of special duties allowance; provision of free health care services for staff and their family members; regular consultation with staff in decision-making on issues affecting them; regular commendation of staff for work well done; end of year (Christmas) bonus; payment of transportation allowance; and job security; staff unionism and regular observance of public holidays (Fieldwork, 2006).



### 3.5.4. Staff Remuneration

The table below shows the remuneration paid to staff at the Delta State Civil Service from salary grade level 01 – 17.

**Table 14: Gross Monthly Salaries for Delta State Civil Servants - Grade Level 01 – 17.**

| S/n. | Grade Level | Gross Salary (=N= 000) |
|------|-------------|------------------------|
| 1.   | 01          | 14,035.50              |
| 2.   | 02          | 15,032.60              |
| 3.   | 03          | 15,994.80              |
| 4.   | 04          | 17,396.64              |
| 5.   | 05          | 19,666.80              |
| 6.   | 06          | 23,632.56              |
| 7.   | 07          | 34,456.86              |
| 8.   | 08          | 42,722.96              |
| 9.   | 09          | 50,008.06              |
| 10.  | 10          | 57,160.74              |
| 11.  | 12          | 65,197.91              |
| 12.  | 13          | 71,349.86              |
| 13.  | 14          | 77,973.31              |
| 14.  | 15          | 96,641.64              |
| 15.  | 16          | 117,926.70             |
| 16.  | 17          | 129,144.66             |

**Source:** Wages and Salaries Commission (2006)

**Note:** The above gross salary scale presented on table 14 is the monetized salary structure for Delta State Civil Servants.

Table 14 above show the gross monthly salaries of civil servants in Delta State from salary grade level 01 – 17. A closer look at the table shows that the least paid civil servant on grade level 01 earns a gross monthly salary of =N= 14,035.50 kobo, a senior staff on grade level 07 earns a gross monthly salary of =N= 34,456.86, and the highest paid civil servant in the state on grade level 17 earns =N= 129,144.66. However, when we compare the monthly salaries paid to staff at the Nigerian Breweries Plc and that of the Delta State Civil Service, it is clear that the monthly salaries paid to staff by the private sector organization is higher than that paid to staff by the public organization. This development may have accounted for the higher

level of seriousness attached to their job in terms of performance by the private sector workers than that of the public sector workers in Nigeria.

The difference in monthly salaries of the private sector worker compared to that of the public sector is very wide, even though both sector workers may have graduated from the same institutions and obtained same educational qualifications. For instance, while the least paid civil servant with the Delta State Civil Service earns as low as =N= 14,035.50 per month, his/her counterpart in the Nigerian Breweries Plc earns as much as =N= 20,833.33 kobo per month. And at the highest grade level for instance, while the highest paid civil servant on salary grade level 17 earns as low as =N= 129,144.66 per month, his/her counterpart in the Nigerian Breweries Plc earns as much as =N= 833,333.33 kobo and above per month (NBFRA, 2005; and Fieldwork, 2006).

It is interesting to note that in spite of the high level disparity in salaries between the public sector worker and that of the private sector, staff hardly resign their appointment with the Delta State Civil Service. This development could be attributed to staff perception of job security arising from the belief that government work is permanent. This perception of job security on the part of civil servants in the state is actually a function of the personnel policies and practices put in place by the Delta state government in the way it handles its workforce with care and understanding based on its belief that whatever the state government set out to achieve would only be achievable through the quality staff available in the employment of the state civil service (Fieldwork, 2006). As a result, the rate of labour turnover is relatively low in the Delta State Civil Service.

For instance, additional 1,100 workers were employed into the Delta State Service in 2005, and the same year 42 staff left the employment of the state civil service, beside those who left due to retirement (Fieldwork, 2006). The rate of labour turnover therefore in the Delta State Civil Service in 2005 was 3.82 percent, by the formulae:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period} \times 100}{\text{Average total number employed over period}}$$

$$\text{Rate of Labour turnover} = \frac{42 \times 100}{1,100}$$

The calculation above shows that the rate of labour turnover in Delta State Civil Service for the year 2005 was as low as 3.82 percent (Fieldwork, 2006).

In an interview with Irekpene (Fieldwork, 2006) a senior staff in the Delta State Civil Service Commission on one of the features of the public service as governed by public law, which is helping to retain staff in the State Civil Service, he stated thus:

One of the major features of the civil service that has kept us in the employment of Delta State Civil Service so far is that of job security going by the way staff are treated by the government to believe that their job with the service is permanent. However, if the government could complement its job security policies and practices with higher monthly salaries for staff in addition to the appropriate incentives currently provided by the state government, performance in the civil service would be commensurate, if not more than the performance obtainable at the private sector organizations in Nigeria (Fieldwork, 2006).

The expression above goes to show that the feeling of job security by staff in their place of work is a catalyst to their willingness to want to remain in the employment of their organization. Therefore the ability of organizations to combine personnel policies and practices that promote job security together with good monthly salaries and appropriate incentives are good strategies capable of guaranteeing staff performance at work and hence organizational performance whether in the public or private organizations.

### **3.5.5. Organizational Performance**

As earlier stated, the Delta State Civil Service is saddled with the responsibility of infrastructural development and quality social service delivery for the enhancement of the living standard of the people. To achieve these goals, the policies and programmes of the state government are given practical expression at

implementation by the civil servants. The performance of the Delta State Civil Service could be discussed under different areas like: Infrastructural development; Education; Commerce; Health; Communication; Transportation; Sports development; Water; Housing; and Electricity supply.

### **3.5.6. Infrastructural Development**

To bring about development of infrastructure in the state, the Delta state government through the state ministry of works carried out huge capital investment in the area of construction of roads and bridges across the state. For instance, over 1,500 kilometres of roads were constructed between 1999 and 2005 across the state. These roads include: reconstruction of urban roads in Asaba, local government headquarters and other large towns like Warri, Sapele, Ughelli, and Orerokpe. A stretch of 876.4 kilometres of earth roads has also been constructed across the state. In addition, Direct Labour Agency (DLA) has constructed over 100 city roads. Several bridges were constructed to link the riverine area by land with other parts of the state. In this regard, bridges were constructed at Igbuku, Omadino, Bomadi, and Olomu (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.7. Education**

In its quest to Improve education in the state, the Delta state government through the state ministry of education spent a total sum of =N= 8.06 billion on capital expenditure in the education sector. Part of the amount was spent on the renovation of over 4,692 classrooms and the construction of additional 2,270 new classrooms across the state. The Ministry of Education also established four new institutions of higher learning comprising a polytechnic at Ozoro, Ogwashi-Uku, and Oghara, and a college of physical education at Mosogar. Also successfully constructed were: new faculty and administrative buildings; staff quarters; student hostels; construction of roads on campus; improvement in electricity and water supply at the three campuses of the Delta State University at Abraka, Anwai and Oleh (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.8. Commerce**

In order to enhance commerce in the state, the government through the Ministry of Commerce, constructed modern markets at Ughelli/Ogor and Ugbolokposo/Uvwie. The government has also acquired a site for the establishment of an Export Free Zone at Koko, and development on the project has already commenced. In addition, the state government through the commerce ministry has invested in employment generating enterprises such as Songhai Delta and African Timber/Plywood Company at Sapele. In its bid to diversify the revenue source of the state, the government has acquired significant share holdings in several blue chip companies, namely: Vmobile/Celtel, Oceanic Bank Plc and STB/UBA Plc (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.9. Health**

In its recognition of the importance of quality health services to the people, the Delta state government through the Ministry of Health spent the total sum of =N= 8.01 billion to construct new hospitals and health centres, and also renovated others across the state. The government also upgraded four general hospitals to the status of specialist hospitals, which are located in Agbor, Sapele, Warri and Ughelli. Eight general hospitals have also been located across the state equipped with modern facilities. In addition, the government built new general hospitals at Abraka, Okwe-Asaba, Umutu, Mosogar and Oghara, plus a Specialist Teaching Hospital currently under construction in Oghara, and twelve new hospitals that are currently under construction across the state (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.10. Communication**

To improve information dissemination in the state, the government through the information ministry spent a total sum of =N= 3.3 billion for the construction of an ultra modern Radio/Television Broadcasting station at Warri, and upgraded the existing station at Asaba. The government also assisted the Nigerian Television Authority (NTA) to establish its presence in the state by constructing one television

broadcasting station each at Asaba, Amukpe-Sapele and Warri (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.11. Transportation**

In order to ease the problem of transportation of the people in the state, the Delta state government established the Delta Transport Service Ltd., as a limited liability company. The establishment of the company by the government has contributed towards solving unemployment problem in the state in addition to transportation problem, by providing jobs for more than 450 workers from all parts of the state. The company was able to acquire a total of 55 Peugeot Experts vehicles and 22 Toyota Hiaces buses to the tune of ₦= 330,952,839 million to enhance its services to the people of the state (DSGonline, 2006).

### **3.5.12. Sports Development**

In order to enhance sports development in the state, the government through the sports ministry successfully executed different sports projects, notable among them include the construction of a modern indoor sports hall at Asaba, the ultra modern Warri township stadium, community-based sporting facilities at Agbor, Kwale, Ughelli, Oleh, Oghara and Burutu. Work is currently going on in other sports facilities at Ogwashi-Uku, Issele-Uku, Otu-Jeremi, Koko, Isiokolo and Ugbomro. In addition, the government constructed a swimming stretch on the Ethiope River at Obiaruku as well as a modern Squash Court and 18 Straight Hole Golf Course both at Asaba. Other sporting projects embarked upon by the state government are the three Olympic Size Swimming Pools with spectator stands at Asaba, Warri and Oghara (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.13. Water Resource Development**

Due to the importance of clean water to healthy living, the Delta state government spent ₦= 4.75 billion on water resources development. In addition, numerous water schemes have been developed in towns and cities across the state. Over 1000 kilometres of pipeline extensions were laid and several generating sets and

submersible pumps were purchased and installed to improve water supply to various communities in the state by the government (Fieldwork, 2006; DSG, 2006, August 17).

#### **3.5.14. Housing**

In order to improve the housing condition of the people, the government through the housing ministry spent the sum of ₦= 7.53 billion for the construction of housing estate in oil producing communities in the state, which are at various stages of completion. In addition, commercial houses have been constructed in Asaba and Jeddo to ease housing problem. However, the fact that the figure of the number of houses actually constructed could not be determined is an indication that there is a serious problem in the housing sector that needs urgent attention by the state government. The mere fact that huge sum of money was appropriated for housing sector in the state by the government is not a guarantee that adequate houses have been constructed or could be constructed in the state to accommodate people. To ease the housing problem in the state, the government should put in place adequate measures in terms of policies, programmes and competent workforce in addition to the funds at its disposal (Fieldwork, 2006; DSG, 2006, August 17).

#### **3.5.15. Electricity Supply**

To improve electricity supply even to the rural communities in the state, the government through the power and energy ministry earmarked the sum of ₦= 18 billion to connect all communities without electricity supply to the national grid system. The state government undertook the responsibility of maintaining and reinforcing and upgrading existing NEPA/PHCN installations to ensure regular and adequate power supply to promote social and economic development in the state. In addition, the state government spent the sum of ₦= 60.3 million on streetlights in Asaba, Oghara, Sapele, Obior, Owhelogbo, Kokori, Afiesere, Ughelli and Orerokpe (Fieldwork, 2006; DSG, 2006, August 17).

As strategy for rural electricity development in the state, the government introduced the Delta IV Project, stretches from Ughelli to Ozoro, covering four local government areas namely: Isoko-North; Isoko-South; Ndokwa-East and part of Ndokwa-South. It also stretches from Ughelli to Eku, covering Ethiope-East; Ethiope-West; Ukwuani; and Okpe local government area. The line also stretches from Ughelli/Isoko junction to Bomadi, covering the whole of the riverine areas of the state (Fieldwork, 2006; DSG, 2006, August 17).

### **3.5.16. Comments on the Performance of the Delta State Civil Service**

When one looks at the data presented above in their face value, it shows that the Delta State Civil Service no doubt has performed its role of implementing and giving practical expression to government policies and programmes for the enhancement of the living standard of the people. However, when one considers the enormous amount at the disposal of the government in the period under review, which accrued to it from the federation account to the tune of =N= 387.4 billion between 1999 and 2005 alone, and compare same with the level of development on ground and the living standard of the people, it may not be far from the truth to say that much work still need to be done in terms of development, if the living standard of the people is to have any meaningful improvement.

Recent poverty index in the country shows that of the 140 million people in Nigeria, 98 million live on less than one dollar per day (below the poverty line) and as a result, the country is considered one of the 20 poorest nations in the world. This assertion is based on the UN report that:

Seventy percent of the population is classified as poor, with 35 percent living in absolute poverty. Going by the 1991 population figure of 120 million, those living below the poverty line were 84 million...if the country's population has grown to 140 million according to the new census figures, then by analogous reasoning, the number of people living on less than one dollar in a day must be 98 million. This means that another 14 million impoverished people have been unleashed on the country. This figure is more than the population of Bayelsa, Rivers, Delta and Cross-River States put together going by the 2006 census figure. The combined population



of these Niger Delta states is 13.85 million (BusinessDayonline, 2007).

What the above means is that the goals of enhanced performance of infrastructural development and quality social service delivery role of the state civil service are far from being realized as it is presently. The reasons for this development may not be unconnected with the low level performance of the state civil servants, which could be attributed to inappropriate recruitment and inadequate retention strategies currently put in place by the state government to keep competent workforce in its employment for the realization of the goals of enhanced service delivery of the state civil service, and the corrupt practices on the part of some civil servants and public office holders – politicians in the country. In addition, retention in the State Civil Service could be attributed to the features of the public service of job security brought about by public law and probably, fewer employment opportunities in the private sector are responsible for the low labour turnover in the public sector organizations in Nigeria. For instance, recent studies on corruption in Nigeria has established that federal and state government officials stole or wasted a total sum of \$380 billion since the nation's independence in 1960. This is the amount that would have gone into the country's developmental aspiration (BusinessDayonline, 2007).

### **3.6. Zenith Bank Plc. – History**

Zenith Bank Plc. was incorporated on 30<sup>th</sup> may 1990 as Zenith International Bank Limited, as a private limited liability company and was granted a banking licence in June 1990. The name of the bank was however changed to Zenith Bank Plc on 20<sup>th</sup> May 2004 to reflect its status as a public limited liability company. The shares of Zenith Bank Plc, were listed on the Nigerian Stock Exchange on 21<sup>st</sup> October 2004 at =N= 10.90 kobo per share, and rose to =N= 15.05 kobo as at 30<sup>th</sup> June 2005, recording 38 percent return within the first eight months of its listing on the stock exchange. The bank's number of shareholders stood at 288,780. That depicts its stock as one of the most widely held stocks in the Nigerian capital market

in 2005. It is 100 percent owned by Nigerians with two subsidiary companies namely – Zenith General Insurance Limited with 99 percent ownership and Zenith Securities Limited with 94 percent ownership by Zenith Bank Plc. (ZBAR, 2005:9 & 22). We are to note that the performance of these two subsidiary companies is not within the scope of this study.

In order to enhance its profit base, Zenith Bank Plc., acquired majority shareholding in three companies incorporated in Nigeria. These companies are: Qubit Spectrum Limited 40 percent, Venus Telecom Limited 40 percent and Cyberspace Networks Limited 40 percent under the Small and Medium Enterprises Equity Investment Scheme (SMEEIS) (ZBAR, 2005).

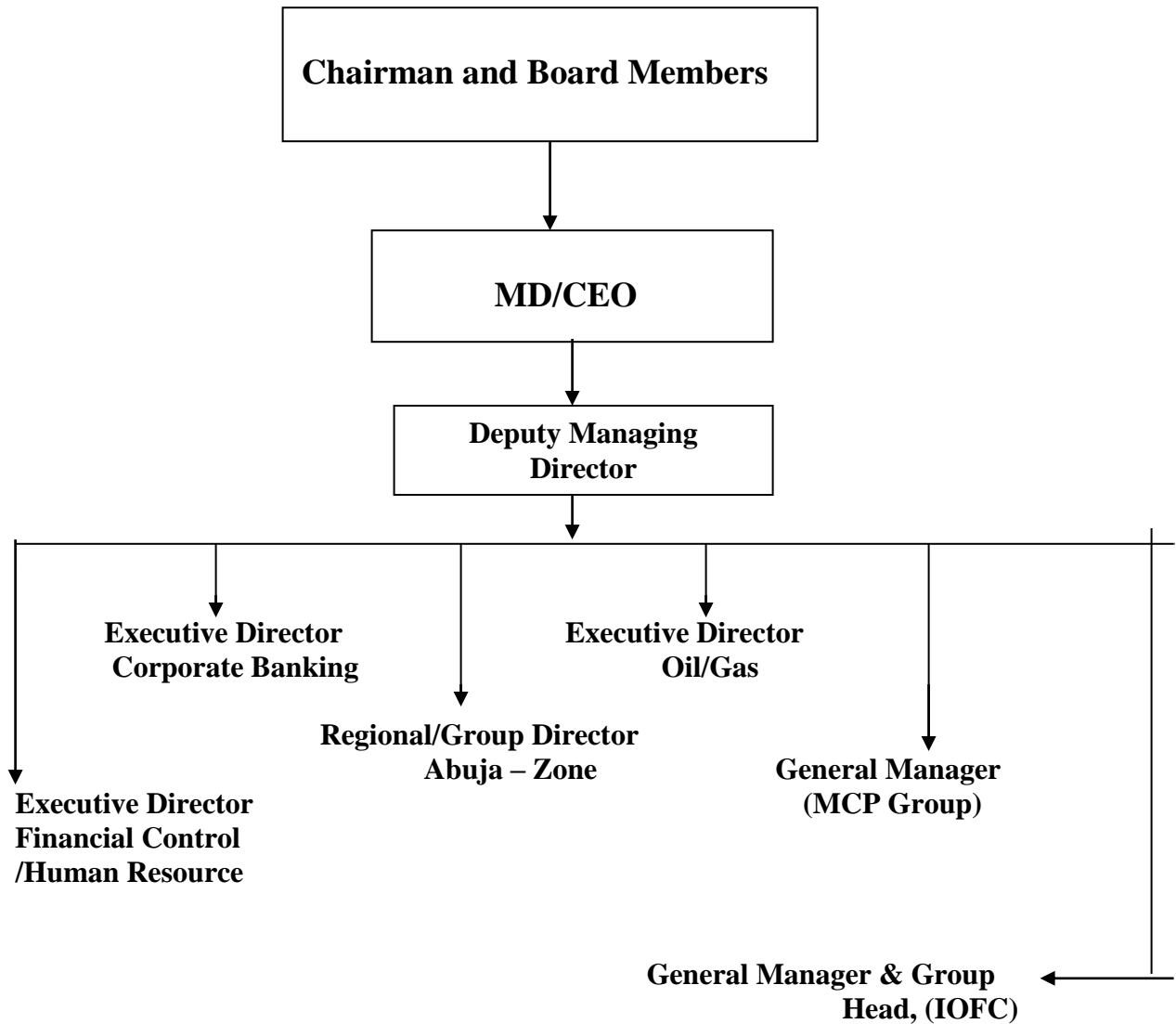
In addition, the bank invested in other establishments like: Federal Government Bond 2003/2006, Lagos State Government Bond 2005/2009, Edo State Revenue Bond 2002/2006, Akwa Ibom State Government Bond 2005/2006, Zenith Registrars Limited 15 percent, Interswitch Limited 5 percent, Omatek Computers Limited 40 percent, Reliance Agro Limited 25 percent, ATM Consortium 7 percent, Best Foods Global 7 percent, Emoota Farms 25 percent, Living Witness 25 percent, Richland Industries Limited 20 percent, Accion Microfinance Limited 10 percent, Socketworks Limited 10 percent, Ondo Plastics Industries Limited 26 percent, Cards Plant Limited 14 percent, Africorp Projects Limited 38 percent, Tinapa Business Resort Limited 3 percent, Trust Hospital Limited 11 percent and Frezone Plant Fabrication International Limited 26 percent (ZBAR, 2005).

### **3.6.1. Structure**

Zenith Bank Plc. is under the management of a board of directors of twelve members made up of the Chairman, the Managing Director/Chief Executive Officer, the Deputy Managing Director, four Executive Directors, and five Directors. All board members are Nigerians (ZBAR, 2005:2). Below the board of directors, is a team of eight top management staff who oversee the day-to-day administration of the bank. The Managing Director/Chief Executive Officer of the bank heads the team.

Other members of the team are: The Deputy Managing Director, Regional/Group Director – Abuja zone, Executive Director – Oil/Gas Multinational, Middle Market and Commercial Banking Department, Executive Director – Corporate Banking, Executive Director – Financial Control/Human Resource, General Manager – Multilateral, Conglomerate and Private Banking (MCP Group)/Group Head, Treasury/Correspondent Banking, and General Manager and Group Head, Income Optimization, Financial Control and Strategic Planning Department (ZBAR, 2005:2; Zenithbankplc online, 2006). The figure below shows the abridged Organizational Chart of Zenith Bank Plc.

**Fig. 5: The Abridged Organizational Chart of Zenith Bank Plc.**



**Source:** Office of the Executive Director, Finance/Human Resource (2006)

### 3.6.2. Products and Locations

Zenith Bank Plc. has arrays of products offers to customers in its quest for enhanced performance. These products are divided into two – Banking Services and E-Business Services. Under the banking services, the products/services are:

1. Corporate finance
2. Corporate banking

3. Retail banking
4. Trade
5. ZECA – Zenith children’s account
6. Multilateral, conglomerate and private banking
7. Investment banking
8. Small business
9. Treasury
10. Zenith Bureau De Change

The e-business services are further divided into corporate e-business services and individual e-business services. Under the corporate e-business services, the bank provides the following products/services:

1. Automated direct payment system
2. Eazy pay Nigeria
3. Automated cheque writing
4. ATM salary solution
5. Alertz
6. Reconciliation tool
7. Internet banking

Under the individual e-business services, the bank provides the following products/services:

1. Western union money transfer
2. Telephone/mobile banking
3. Debit/credit cards
4. Internet banking
5. Online bills Payments (Zenithbankplc, online – 2006/2007).

Zenith Bank Plc. has its corporate headquarters at Ajose Adeogun Street – Victoria Island, Lagos. In addition, it has 161-branch locations nation-wide and one international branch location in Accra – Ghana (Ibid). The purpose of these numerous branch locations of the bank both within and outside Nigeria is based on

its strategic network policy, which anchored on the bank’s commitment to stay close to its customers for the effective delivery of services in its quest to achieve enhanced performance of higher returns on investment in terms of dividends to its shareholders (ZBAR, 2005:7).

### 3.6.3. Social Responsibility

To enhance quality life of the people and promote better society, Zenith Bank Plc. made donations to charitable institutions, individuals and bodies amounting to =N= 76.744 million in 2005 and =N= 155.443 million in 2004. The breakdown of the donations and some of the beneficiaries are stated in the table below:

**Table 15: Breakdown of the Donations by Zenith Bank Plc. to Charitable Bodies in 2004 and 2005**

| S/n. | Beneficiaries  | Amount<br>(=N=) |
|------|--|-----------------|
| 1.   | Infotech Internet Access – University of Lagos             | 4,526,896       |
| 2.   | Redeemer’s University, Lagos                               | 5,000,000       |
| 3.   | The Nigerian Society for the Blind                         | 200,000         |
| 4.   | Sirajo Adamu Surgery Operation                             | 1,000,000       |
| 5.   | Blessed Tansi Major Seminary Endowment                     | 626,950         |
| 6.   | 5 <sup>th</sup> Annual Essay Competition                   | 1,745,000       |
| 7.   | Chartered Institute of Stock Brokers                       | 2,000,000       |
| 8.   | Psychiatric Hospital, Benin                                | 253,000         |
| 9.   | Sokoto State Government Fire Disaster Relief               | 500,000         |
| 10.  | Auchi Erosion Control and Infrastructural Development Fund | 250,000         |
| 11.  | Safinatu Mohammed Cancer Surgery                           | 2,000,000       |
| 12.  | Little Saints Assembly                                     | 200,000         |
| 13.  | Philip Nwachukwu Medical Care                              | 300,000         |
| 14.  | Tsunami Disaster Relief Committee                          | 10,000,000      |
| 15.  | LIB Foundation   | 100,000         |
| 16.  | Sickle Cell Club   | 500,000         |
| 17.  | LEAP AFRICA  | 200,000         |
| 18.  | FCDA Abuja   | 5,000,000       |
| 19.  | Abuja National Health Insurance Scheme                     | 3,000,000       |
| 20.  | Ambrose Alli University                                    | 1,647,000       |
| 21.  | National Productivity Centre Sponsorship                   | 1,250,000       |
| 22.  | Foursquare Gospel Church                                   | 1,000,000       |

**Source:** ZBAR (2005:13-14).

#### **3.6.4. Staff Recruitment Strategies**

In Zenith Bank Plc, staff recruitment is largely based on merit. The strategy of employing staff on merit is based on the firm belief of management of Zenith Bank that it is only competent workforce employed on the basis of merit that could work towards the realization of the goals of enhanced performance of the bank. In the words of the managing director on the calibre of staff and how it has enhanced the performance of the bank, posit "...our capabilities in delivering value is driven by clear well-articulated set of values that are widely shared by our employees" (ZBAR, 2005:7). To achieve the goal of employing competent workforce, the bank puts in place various recruitment strategies, which include: regular direct recruitment by the bank's human resource department through newspaper advertisement, the collection of unsolicited applications from applicants applying for vacant positions in the organization, Internet advertisement/recruitment and the use of recruitment consultants. Candidates that are recruited from these sources are subjected to competitive aptitude test and interview and the most qualified are offered employment in Zenith bank. These strategies have yielded for the bank quality workforce in its quest for enhanced performance (ZBAR, 2005; Fieldwork, 2006).

The quality workforce available to Zenith Bank Plc arising from the recruitment strategies adopted by it has improved the fortune of the bank. This development could be supported by the words of the chairman, board of directors while presenting the performance of the bank in 2005 financial year when he said "I wish to express our profound gratitude to management and staff of the bank for their commitment and loyalty. We are endowed with hordes of good people, good ideas and indeed, the result speaks volume" (ZBAR, 2005:8). What are the improved results the chairman of the bank referred to in his speech during the 2005 financial year?

The results include: shareholders' funds, which went up from =N= 15.674 billion in 2004 to =N= 37.79 billion in 2005, an increase of 141 percent. Gross earnings rose from =N= 23.83 billion in 2004 to =N= 34.91 billion in 2005, an increase of 46 percent. Total deposits rose from =N= 131.095 billion in 2004 to =N= 233.41 billion

in 2005, an increase of 78 percent. Total assets plus contingent liabilities rose from =N= 215.226 billion in 2004 to =N= 370.72 billion in 2005, an increase of 72 percent. And profit before tax also rose from =N= 6.404 billion in 2004 to =N= 9.16 billion in 2005, an increase of 43 percent (ZBAR, 2004:5; 2005:4).

In its quest for quality workforce, the bank's employment policy is largely based on merit and no discrimination against any applicant on the basis of religion, ethnicity, cultural background and physical disability, but on individual's ability to perform. As a result, staff comes from varied educational and cultural background bringing with them a wealth of experience, which encourages a continuous social learning from mixing and inter-cultural interaction for enhanced performance (Zenithbankplc. Online 2006; ZBAR, 2005:14). With these staff recruitment strategies in place, the bank was able to have in its employment in 2005 financial year a total of 2,621 staff (apart from the chairman, managing director, deputy managing director and other directors of the bank) made up of six (6) executive directors, 156 management staff and 2,465 non-management staff (ZBAR, 2005:30).

### **3.6.5. Staff Retention Strategies**

The strategies put in place by Zenith Bank Plc. to retain staff in its employment for enhanced performance include: enhanced incentives in terms of good monthly salaries and allowances, training and career development, regular promotion, good salary structure, clothing allowance, health, safety and welfare services to staff and quality management practices in the area of decision-making on issues affecting staff (Fieldwork, 2006).

Zenith Bank Plc. places high premium on training of its staff as a strategy of enhancing staff career and hence retain them in the employment of the bank for enhanced performance. As a result, facilities of various local and international training institutions and organizations are engaged to give its workforce adequate training to facilitate their performance at work. One other strategy put in place to retain staff in the employment of the bank is the implementation of the contributory



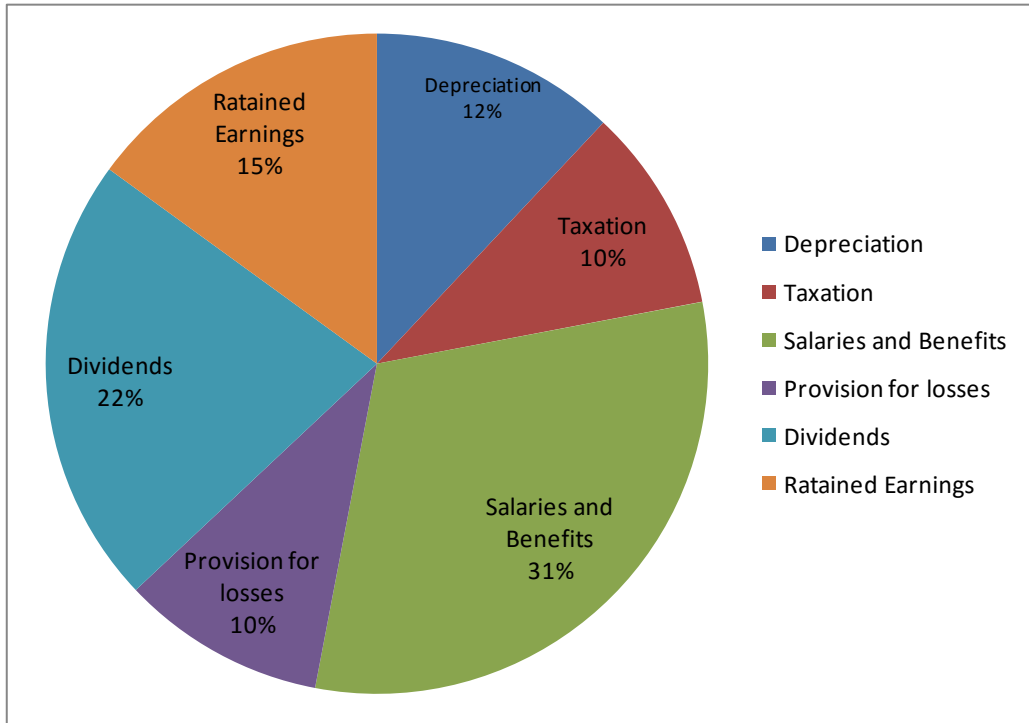
pension Act 2004 put in place by the Federal Government. For instance while staff contributes 2.5 percent of their basic salary as monthly contribution to the fund, the bank contributes 12.5 percent of staff basic salary as its counterpart contribution to the fund. In addition, staff are granted car and housing loans to enable them own their cars and houses (ZBAR, 2005:29).

Furthermore, the bank provides staff buses to take staff to and back from work as part of its welfare services to staff. It also has an extensive network of hospitals and clinics on retainership for use of employees and designed with a view to ensuring the safety of its workforce. In the area of consultation and communication, the bank places high premium on consultation with staff on matters affecting them and encourages formal and informal channels of communication in keeping staff properly aware of various factors affecting the performance of the bank (Ibid: 14). The various staff retention strategies adopted by Zenith Bank Plc. in its desire for enhanced performance has contributed greatly to reducing high labour turnover in the bank to its barest minimum (ZBAR, 2005).

### **3.6.6. Staff Remuneration**

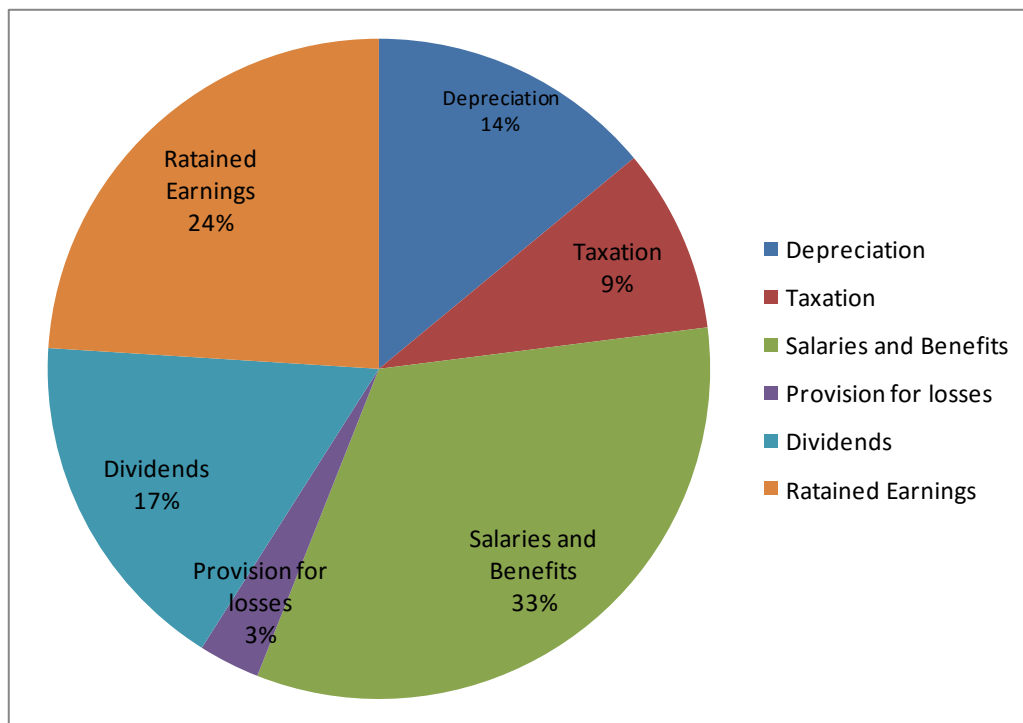
In order to retain its workforce for enhanced performance, Zenith Bank Plc, devoted 31 percent or =N= 5.86 billion of its gross income in 2005 and 33 percent or =N= 4.285 billion of its gross income in 2004 for the maintenance of its workforce in form of salaries and benefits as against 22 percent or =N= 4.2 billion in 2005 and 17 percent or =N= 2.167 billion in 2004 as dividend to shareholders. Retained profit for expansion was 15 percent or =N= 2.95 billion in 2005 and 24 percent or =N= 3.022 billion in 2004. Taxation was 10 percent or =N= 2.008 billion in 2005 and 79 percent or =N= 1.2 billion in 2004. Depreciation was 12 percent or =N= 2.955 billion in 2005 and 14 percent or =N= 1.745 billion in 2004. And provision for losses was 10 percent or =N= 1.97 billion in 2005 and 3 percent or =N= 397.149 million in 2004 (ZBAR, 2005:34). Below are the pie charts showing in percentages, the total breakdown of Zenith Bank Plc's earnings for 2005 and 2004.

**Pie Chart 5: Breakdown of Zenith Bank Plc's Earnings for the Year 2005**



**Source:** ZBAR (2005:34)

### Pie Chart 6: Breakdown of Zenith Bank Plc's Earnings for the Year 2004



**Source:** ZBAR (2005:34)

In Zenith Bank Plc, staff welfare is handled with all seriousness it deserves. This is based on the realization by management that whatever gains desired by the bank would be a direct product of the level of motivation enjoyed by its workforce. This belief is reflected in the data and pie charts 5 and 6 presented above. The data shows that the availability of quality workforce in Zenith Bank in terms competence and quantity made it possible for the bank to experience enhanced performance in 2005 financial year in terms of higher remuneration to staff, tax to government and dividends to shareholders. The data presented above shows that Zenith Bank spent a total sum of =N= 5.860 billion or 31 percent of its total earnings on 2,621 staff made up of 6 executive directors, 156 management and 2,465 non-management staff as salaries and benefits in the year 2005 alone. The table below shows how employees of Zenith Bank Plc. other than directors, who earned salaries and emoluments

(excluding pension and reimbursable expenses) in 2005 and 2004 in the following ranges.

**Table 16: Salary Ranges (Excluding Directors) in Zenith Bank Plc. in 2004 and 2005**

| <b>S/n.</b> | <b>Salary Range (=N=)</b> | <b>2005 (Number)</b> | <b>2004 (Number)</b> |
|-------------|---------------------------|----------------------|----------------------|
| 1.          | Below 1,500,000           | 1,449                | 1,320                |
| 2.          | 1,500,000 – 2,000,000     | 393                  | 220                  |
| 3.          | 2,000,001 – 2,500,000     | 254                  | 116                  |
| 4.          | 2,500,001 – 3,000,000     | 269                  | 148                  |
| 5.          | 3,000,001 – 3,500,000     | 99                   | 218                  |
| 6.          | 3,500,001 – 3,800,000     | 66                   | 109                  |
| 7.          | 3,800,001 – 4,000,000     | 43                   | 35                   |
| 8.          | 4,000,001 – 4,500,000     | 21                   | 7                    |
| 9.          | 5,000,000 – and above     | 27                   | 15                   |
|             | <b>Total</b>              | <b>2,621</b>         | <b>2,188</b>         |

**Source:** ZBAR (2005:31)

Table 16 above shows the salary ranges of staff at Zenith Bank Plc. on a monthly basis other than directors. The least paid categories of staff received the total sum of =N= 125,000 and below, and the least paid staff received =N= 35,000 per month, while the highest paid categories of staff other than directors received a total sum of =N= 600,000 and above per month in 2005.

The data presented above is a pointer to the fact that proper reward systems in terms of good monthly salaries and benefits as provided by an organization to its staff is a strategy for the motivation and retention of competent workforce for enhanced organizational performance. The quality staff retention strategies put in place by Zenith Bank Plc made the rate of labour turnover to be low. For instance in 2005 alone, Zenith Bank Plc employed additional 356 staff, and at the same year

eight staff left the service of the organization (Fieldwork, 2006). The rate of labour turnover in the organization in 2005 therefore was 2.24 percent, by the formulae:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period} \times 100}{\text{Average total number employed over period}}$$

$$\text{Rate of Labour turnover} = \frac{8 \times 100}{356}$$

The calculation above shows that the rate of labour turnover in Zenith Bank Plc for the year 2005 was as low as 2.24 percent (Fieldwork, 2006).

In an interview with Okechukwu (Fieldwork, 2006) a senior staff in the Human Resource Department on staff retention strategies, he points out that Zenith Bank Plc. puts in place a deliberate policy of paying its staff monthly salaries, which is above the industry's average and rewards for individual hard work by management as strategies for keeping its workforce for enhanced performance. He stated further:

The secret of the success of Zenith Bank Plc is not so much on the structure and equipment available to it, but on the quality of the workforce at its disposal, and the proper management of the workforce right from the top. This proper management of the bank's workforce is reflected in the way the managing director of the bank personally recognizes the inputs of individual employee by giving awards to deserving staff on a regular basis (Fieldwork, 2006).

The above expression goes to support the view that the enhanced performance of any organization is a function of the quality of staff at its disposal and the proper management of these staff rather than the level of infrastructure on ground and equipment available to it alone.

### **3.6.7. Organizational Performance**

The goal of Zenith Bank Plc is focused on delivering higher returns on investment of shareholders' fund manifested in higher dividend per share unit to its shareholders. This goal is reflected in the performance of the bank in the past four years of operation. For instance, while the gross earnings of the bank was =N=

12.118 billion in 2002, it rose to =N= 17.844 billion in 2003, an increase of 47 percent. In the year 2004, the gross earnings of the bank rose to =N= 23.931 billion, an increase of 34 percent, a further increase brought the bank's gross earnings to =N= 34.91 billion in 2005, representing an increase of 46 percent. The bank also recorded higher performance between 2002 and 2005 in the area of profit before tax. For instance, while the profit before tax of the bank stood at =N= 3.999 billion in 2002, it rose to =N= 5.440 billion in 2003, representing an increase of 36 percent. In the year 2004, the profit before tax of the bank rose to =N= 6.404 billion, an increase of 18 percent, a further increase brought the bank's profit before tax to =N= 9.16 billion in 2005, representing an increase of 43 percent (ZBAR, 2005:4; 2004:5; 2003:5-6).

In the area of shareholders' funds, the bank also experienced improved performance between 2002 and 2005. The enhanced performance of the bank was attributed to the competent and hardworking workforce of the organization (Ibid). For instance, while the shareholders fund stood at =N= 9.302 billion in 2002, it rose to =N= 12.651 billion in 2003, representing an increase of 36 percent. In 2004, the shareholders' fund rose to =N= 15.674 billion, representing an increase of 24 percent over the performance of the previous year. A further increase brought the shareholders' fund to =N= 37.79 billion in 2005, representing an increase of 141 percent over the performance of the year 2004 (ZBAR, 2005:4; 2004:5; 2003:5-6).

In the same vein, the total assets plus contingent liabilities of the bank also recorded enhanced performance between 2002 and 2005. For instance, while the total assets plus contingent liabilities of the bank at 2002 was =N= 112.549 billion, it rose to =N= 153.446 billion in 2003, representing an increase of 36 percent. In 2004, the total assets plus contingent liabilities of the bank rose to =N= 215.226 billion, representing an increase of 40 percent over the performance of the previous year. A further improvement in the performance of the bank brought its total assets plus contingent liabilities to =N= 370.72 billion, representing an increase of 72 percent over the performance of the year 2004 (ZBAR, 2005; 2004; 2003).

The enhanced performance consistently recorded in Zenith Bank Plc in the past four years has yielded a final dividend of ₦= 923.992 million in 2002, ₦= 1.083 billion in 2003, ₦= 2.167 billion in 2004 and ₦= 4.2 billion in 2005 for its shareholders. Apart from the benefits that accrued to the shareholders in the area of higher dividends, the enhanced performance of the bank also benefited the government in the area of improved company tax and the staff in the area of higher salaries and benefits. For instance, the bank paid tax to the government to the tune of ₦= 495.355 million in 2002, ₦= 1.016 billion in 2003, ₦= 1.214 billion in 2004 and ₦= 2.008 billion in 2005. In the area of staff salaries and benefits, the bank paid its workforce a total of ₦= 1.647 billion in 2002, ₦= 2.982 billion in 2003, ₦= 4.285 billion and ₦= 5.860 billion in 2005 (ZBAR, 2005).

**Table 17: Performance of Zenith Bank Plc. between 2002 and 2005 at a Glance**

| S/n. | Item                            | 2005 (=N=<br>000) | 2004 (=N=<br>000) | 2003 (=N=<br>000) | 2002<br>(=N= 000) |
|------|---------------------------------|-------------------|-------------------|-------------------|-------------------|
| 1.   | Gross Income                    | 34,913,462        | 23,931,255        | 17,844,230        | 9,023,305         |
| 2.   | Profit Before Tax               | 9,164,787         | 6,404,885         | 5,440,471         | 3,999,368         |
| 3.   | Profit After Tax                | 7,155,926         | 5,190,768         | 4,424,186         | 3,504,013         |
| 4.   | Taxation                        | 2,008,861         | 1,214,117         | 1,016,285         | 495,355           |
| 5.   | Dividend (Total)                | 4,200,000         | 2,167,977         | 1,083,989         | 923,992           |
| 6.   | Transfer to Reserve             | 2,955,926         | 3,022,791         | 3,340,197         | 2,580.021         |
| 7.   | Earning Per Share<br>(Basic)    | 136 kobo          | 168 kobo          | 375 kobo          | 341 kobo          |
| 8.   | Earning Per Share<br>(Adjusted) | 136 kobo          | 87 kobo           | 143 kobo          | 113 kobo          |
| 9.   | Dividend Per Share              | 70 kobo           | 70 kobo           | 70 kobo           | 90 kobo           |
| 10.  | Staff Salaries and<br>Benefits  | 5,860,620         | 4,285,445         | 2,982,003         | 1,647,027         |

**Source:** ZBAR (2005; 2004; 2003)

Table 17 above shows the performance of Zenith Bank Plc. in the past four years. It is important to note that while the bank's shareholders' funds stood at ₦= 37.79 billion in 2005, that has however improved to ₦= 92.1 billion shareholders' funds and ₦= 16.90 kobo per unit share price as at March 2006. This development was as a result of the confidence, which members of the public had on the public offer of

its shares at the capital market that ran from 6<sup>th</sup> February to March 20<sup>th</sup> 2006. By the above performance, the bank has grown rapidly to occupy the first in capital base, the third in the area of balance sheet and fourth in the banking industry in Nigeria (Zenith Bank Plc online, 2006).

The latest result of the bank released at the floor of the Nigerian Stock Exchange recently shows that Zenith bank witnessed improved performance in the first half of the 2006 financial year than the same period of 2005. For instance, gross earnings of the bank in the first six months of 2006 financial year stood at =N= 40.492 billion compared to =N= 26.354 billion at the same period of 2005 financial year, representing an increase of 54 percent. In the area of profit before tax, the bank achieved enhanced performance of =N= 10.4 billion in the first half 2006 compared to =N= 6.4 billion in 2005 financial year, representing an increase of 62 percent. In the area of profit after tax, the bank also recorded an improved performance of =N= 8.359 billion in the first half of 2006 financial year compared to =N= 5.147 billion at the same period of 2005 financial year, representing an increase of 62 percent (Zenith Bank Plc, 2007, January 16).

Taxation to government by the bank also improved to =N= 2.04 billion in the first half of 2006 from =N= 1.256 billion at the same period of 2005 financial year, representing an increase of 62 percent. The share price of the bank also appreciated to =N= 27.1 kobo per share at the floor of the Nigerian Stock Exchange as at 12 January 2007, representing a 147.7 percent jump. In addition, “investors in the bank’s shares have reaped from a dividend payout totaling =N= 10.8 billion or =N= 1.80 kobo per share in two years” (Ibid). Below is the table showing the performance of Zenith Bank Plc, in the first half of 2006 financial year compared to that of 2005.



**Table 18: Performance of Zenith Bank in the First Half of 2006 Financial Year over that of 2005**

| S/n. | Item              | 6 Months ended 31 December, 2006<br>(=N= 000) | 6 Months ended 31 December, 2005<br>(=N= 000) | Growth (%) |
|------|-------------------|---|---|------------|
| 1.   | Gross Earnings    | 40,492,112                                    | 26,354,947                                    | 54 %       |
| 2.   | Profit Before Tax | 10,400,114                                    | 6,403,601                                     | 62 %       |
| 3.   | Taxation          | 2,040,503                                     | 1,256,387                                     | 62 %       |
| 4.   | Profit After Tax  | 8,359,611                                     | 5,147,214                                     | 62 %       |

**Source:** Zenith Bank Plc (2007, January 16)

The enhanced performance of the bank has brought lots of awards to it from both within and outside the country. These awards include: Maritime Quality Service Award – Best Customs Duty Collection Bank Award for Year 2000, 2001, 2002, 2003 and 2004, Market Audit and Research Services Limited (MARS), 2002 Best Service Excellence Bank in Lagos, Business Times Award – Bank of the Year 2003, Fame Magazine Award – Bank of the Year 2004, City People Award for Excellence – Bank of the Year for 2004, Banker of the Year Award for 2005 by Banker Magazine, a subsidiary of the influential Financial Times of London, at a ceremony in London (Zenith Bank Plc online, 2006).

### **3.7. Federal Civil Service – History**

The history of the Federal Civil Service of Nigeria could be viewed from three schools of thought: firstly, the one that traced the colonial civil service (Federal Civil Service) to the annexation of Lagos by the colonial masters (Ogundiya, 2005:281). Secondly, the one supported by the view that the colonial civil service actually took-off in 1914 after the amalgamation of the northern and southern protectorates of Nigeria (Ogundiya, 2005:281); and thirdly, the one supported by the view that the colonial civil service actually took-off in 1900 when the colonial masters established an institution to oversee the administration of the then southern and northern protectorates (Jaja, 2001:89). Whatever the case, it is on record that the colonial civil service was a British colonial creation for the maintenance of law and order in society (Ogundiya, 2005:2).

At independence however, the role of the Federal Civil Service of Nigeria changed from that of maintenance of law and order to that of infrastructural development and social service delivery for the enhancement of the living standard of the people of Nigeria. The post-1960 Federal Civil Service was essentially involved in setting and coordinating state policies and programmes in social and economic management and the establishment of public enterprises for the provision of social services in the society. This development resulted in an increased and more direct role of the Federal Civil Service in the infrastructural development and social service delivery. This situation led to an increase in the size of the civil service (Ogundiya, 2005:2). For instance, as at June 2005, the total workforce of the Federal Civil Service of Nigeria stood at 160,000 organized around 27 federal ministries and departments. Of this number, grade level 15 and above are 1.4 percent, grade level 07 to 14 are 33.3 percent and grade level 01 to 06 are 65.3 percent (Anao, 2005:4; and Ogundiya, 2005:7). It is important to note however, that with the current reforms and down-sizing of the Federal Civil Service by the Federal Government, the total number of ministries at the federal level have been reduced from 27 to 19 plus three other ministries directly under the presidency, with a total population of federal civil servants put at 127,000 (Office of the Head of Service of the Federation, 2007).

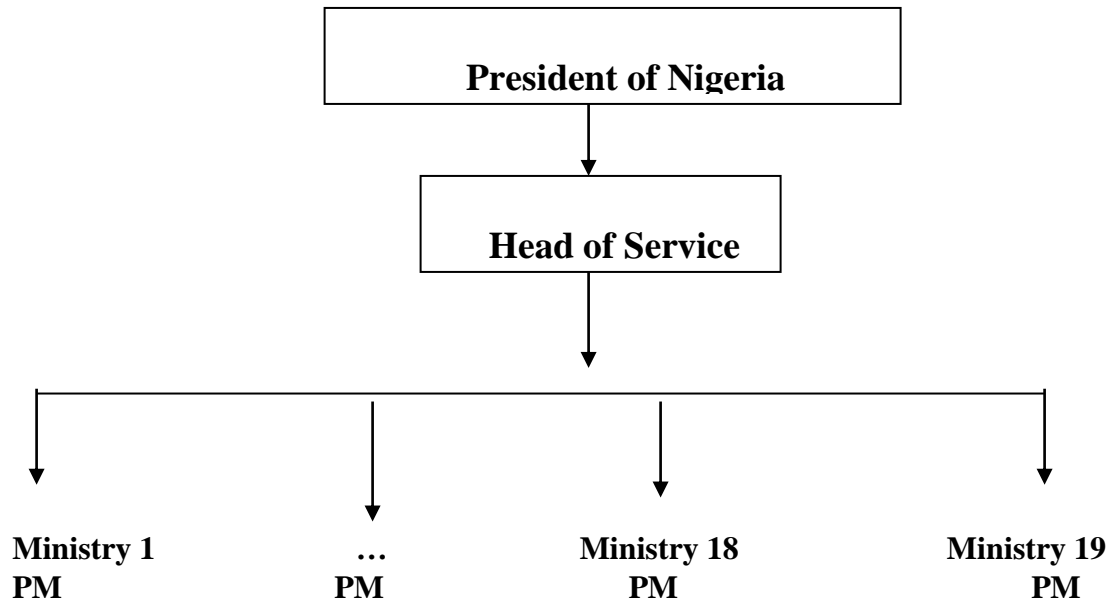
Nigeria for instance is regarded as the most populous black nation on earth, with a total population of 140,003,542 million people going by the 2006 census figures (National Population Commission, 2007). The country has a total land area of 924,000 kilometres and the fourth largest producer of crude oil in the Organization of Petroleum Exporting Countries (OPEC), and seventh largest producer of crude oil in the world, by these data Nigeria ought to experience growth and development in all areas (as cited in African Economic Outlook, 2006; and Ikelegbe, 2004:1). The above should serve as advantage to the country at providing quality social services and infrastructural development for improvement of living standard of Nigerian people.

### **3.7.1. Structure**

As earlier stated in this study no government can successfully carryout its policies and programmes without the existence of an effective and a well-organized civil service either at the federal or state level. The role of the Federal Civil Service is vital to the developmental drive of the government of the Federal Republic of Nigeria. As a result, the Federal Civil Service is organized around 27 and recently 19 ministries and departments plus other three ministries directly under the presidency for effective coordination and performance.

The new federal ministries are: Transportation (merger of former Works, Aviation and Transport Ministries); Foreign Affairs (merger of former Foreign Affairs and Integration and Co-operation in Africa Ministries); Interior Affairs (merger of former Internal and Police Affairs Ministries); Mines and Solid Minerals Development (merger of part of former Power and Steel Ministry); Information and Communication (merger of former Information and Communication Ministries); Energy (from former Petroleum Ministry); Commerce and Industry; Agriculture and Water Resources; Culture and Tourism; Youth Affairs; Education; Environment and Housing; Defence; Justice; Finance; Health; Science and Technology; Labour; and Women Affairs. The other three ministries directly under the presidency are: Federal Capital Territory Administration; National Sports Commission; and National Planning Commission (Ogunjobi, 2007:35; and Ola, 2007:46). The figure below shows the abridged version of the Federal Civil Service organizational chart.

**Fig. 6: Abridged Version of the Federal Civil Service Organizational Chart**



**Key:** PM = Permanent Secretary.

**Source:** Office of the Head of Service of the Federation (2007)

Note that under the career setting, the Permanent Secretary is the Administrative Head of the Ministry/Department, and reports to the Head of Service of the Federal Civil Service. The Head of Service in turn reports to the President of Nigeria. However, at the general political setting, the Permanent Secretary reports to the Minister, who is the Political Head of the Ministry who in turn reports to the President of Nigeria. With the above structure in place, effective supervision of civil servants in the ministries for the realization of the goals of the Federal Government in its quest for effective infrastructural development and social service delivery to the people is enhanced.

### **3.7.2. Staff Recruitment Strategies**

The strategies put in place for staff recruitment into the Federal Civil Service is based on federal character or quota system, merit, political influence, and government discretion (Fieldwork, 2006/2007). Staff recruitment into the Federal Civil Service is an on going process because of the unique role of the service at meeting the ever-increasing social needs of the people, developmental drive of the Federal Government and the need to create job opportunities for the citizenry in the society. As a result, anyone wishing to pick-up employment with the Federal Civil Service, particularly at the senior category, goes to the Federal Civil Service Commission (FCSC) to obtain an unsolicited job application form designed for that purpose, filled and returned to the FCSC. And once there is a vacant position, those that have indicated their interest to work at the Federal Civil Service and have completed the job application form are invited for interview, and if found qualified at the interview stage, such persons are given employment into the Federal Civil Service (Fieldwork, 2006). Viewed from this process, merit plays a vital role in staff recruitment into the Federal Civil Service of Nigeria. According to Babura (2003):

The Federal Civil Service Commission (FCSC) is a constitutional body, established under section 153 (1) D of the 1999 constitution of the Federal Republic of Nigeria. Paragraph 11b of Third Schedule of the constitution vests the commission with powers: (a) to appoint persons to offices in the Federal Civil Service and (b) to dismiss and exercise disciplinary control over persons holding such offices.

However, because of desire to satisfy the employment needs and aspirations of Nigerians from various parts of the country in their quest to work in the Federal Civil Service, merit alone could not be used as the basis for staff recruitment into the Federal Civil Service of Nigeria. This development made it possible for vacancies at the Federal Civil Service to be filled through pattern of staff recruitment other than merit like: federal character or quota system, political influence and government discretion. It is important to note that advertisement in the newspapers, radio and television as a way of attracting potential employees into the Federal Civil Service exist as it is in the private sector organizations and in the Delta State Civil Service.

In spite of this, the service still has a unique feature of having in its employment people from all parts of the country irrespective of ethnic affiliation, religion and cultural background (Fieldwork, 2006).

### **3.7.3. Staff Retention Strategies**

In order to retain staff for enhanced performance of infrastructural development and social service delivery to the people, the Federal Civil Service puts in place various strategies in form of incentives and rewards. These retention strategies include: regular payment of monthly salaries to staff; relatively good monthly salaries and allowances; provision of car, housing and furniture loan facilities to staff; health insurance scheme; job security; regular promotion; health care services to staff and family members through the provision of staff clinics; maternity leave with full pay for female staff; regular training of staff; staff unionism and regular observance of public holidays (Fieldwork, 2006).

### 3.7.4. Staff Remuneration

Table 19 below shows the remuneration paid to staff at the Federal Civil Service from salary grade level 01 – 17.

**Table 19: Gross Salaries per annum for Federal Civil Servants - Grade Level 01 – 17**

| S/n. | Grade Level | Salary Range (=N= 000) |
|------|-------------|------------------------|
| 1.   | 01          | 133,584 – 174,380      |
| 2.   | 02          | 135,754 – 189,094      |
| 3.   | 03          | 137,607 – 203,169      |
| 4.   | 04          | 144,143 – 222,907      |
| 5.   | 05          | 163,329 – 254,833      |
| 6.   | 06          | 199,145 – 310,683      |
| 7.   | 07          | 330,681 – 501,859      |
| 8.   | 08          | 427,322 – 631,064      |
| 9.   | 09          | 501,960 – 744,538      |
| 10.  | 10          | 589,236 – 855,992      |
| 11.  | 12          | 679,669 – 975,219      |
| 12.  | 13          | 758,579 – 1,071,039    |
| 13.  | 14          | 837,855 – 1,174,235    |
| 14.  | 15          | 1,152,648 – 1,533,768  |
| 15.  | 16          | 1,425,883 – 1,883,923  |
| 16.  | 17          | 1,741,808 – 2,271,280  |

**Source:** National Wages and Salaries Commission - Abuja (2007)

**Note:** Table 19 above shows the new salary scale for federal civil servants in Nigeria as approved with effect from 1<sup>st</sup> January 2007 by the Federal Government of Nigeria.

A closer look at the table shows that the least paid federal civil servant on salary grade level 01 earns a gross maximum monthly pay of =N= 14, 531.166 Kobo, senior officer on salary grade level 07 earns gross maximum monthly pay of =N= 41,821.58 Kobo, while the highest paid civil servant at the federal level – Permanent Secretary (PS) on salary grade level 17 earns gross maximum monthly pay of =N= 189,273.33 Kobo (Fieldwork, 2006).

When we compare the salaries paid to staff at Zenith Bank Plc and that of the Federal Civil Service, it is obvious that the salaries paid to staff at the private sector organization (Zenith Bank Plc) is far higher than that paid to staff by the public sector organization (Federal Civil Service). For instance, the least paid senior civil servant on salary grade level 07 with the Federal Civil Service earns as low as =N= 41,821.58 Kobo per month, while his/her counterpart at the private sector with Zenith Bank Plc earns as much as =N= 35,000 per month. At the highest salary grade level for instance, someone on salary grade level 17 earns as low as =N= 189,273.33, while his/her counterpart with Zenith Bank Plc earns as much as =N= 416,666.67 and above (ZBAR, 2005; Fieldwork, 2006).

In spite of the above, the rate of labour turnover in the Federal Civil Service has been observed to be low (Fieldwork, 2007). For instance, in 2004, the Federal Civil Service employed additional 2,351 staff, and in the same year 154 staff left the service, beside those who left due to retirement age (Fieldwork, 2006). The rate of labour turnover in the Federal Civil Service in 2004 therefore was 6.55 percent, by the formula:

$$\text{Rate of Labour turnover} = \frac{\text{Total number of leavers over period} \times 100}{\text{Average total number employed over period}}$$

$$\text{Rate of Labour turnover} = \frac{154 \times 100}{2,351}$$

The calculation above shows that the rate of labour turnover in the Federal Civil Service for the year 2004 was 6.55 percent (Fieldwork, 2006). What is the possible reason for this development? In an interview with Okafor (Fieldwork, 2006) a senior officer in the Federal Civil Service Commission on staff retention in the Federal Civil Service, he stated thus:

...it is important to note that even though the salary paid to staff at the Federal Civil Service is small compared to what is paid to staff at the private sector organizations; the fact that the service guarantees job security makes many civil servants to want to remain in the employment of the Federal Civil Service.



What the above means is that job security or the feeling of it by staff serves as motivating factor for the continuous stay of staff in the employment of the Federal Civil Service in carrying out its goals of social service delivery and infrastructural development Nigeria.

### **3.7.5. Organizational Performance**

As earlier stated, the Federal Civil Service is an institution established for the implementation of policies and programmes of the Federal Government in its quest for the enhancement of the living standard of Nigerians in terms of quality social service delivery and infrastructural development. What this means is that the poor performance of the federal civil servants does affect negatively the realization of the goals of government. The enhanced performance of the civil servants on the other hand affects positively the goals of government, which could be measured by the level of the living standard of the people in terms of life expectancy, infant mortality rate, and Human Development Index (HDI) prevailing in the country at the period under review. In this study, performance of the Federal Civil Service is discussed under the following: economic development, agriculture and crude petroleum, transportation infrastructure, education development and the improvement of electricity power supply.

### **3.7.6. Economic Development**

Economic development in recent years, particularly under the current democratic governance in Nigeria has been encouraging with GDP growth averaging 6 percent for the year 2000 and 2005. Nigeria's GDP got to its peak in 2003 at 10.2 percent and went down to 6.1 percent in 2004 and further down to 4.4 percent in 2005. In spite of this development, oil, agriculture, construction and telecommunication particularly performed well in the years under review (ADB/OECD, 2006:420). For instance, mobile phone lines in Nigeria increased from 230,000 in 2001 to 8.3 million in 2004, and at the same time, fixed land lines increased by 20 percent annually from 600,000 to 1.03 million. Growth in the manufacturing sector in 2004 was 10 percent and 8 percent in 2005 respectively (ADB/OECD, 2006:420).

### **3.7.7. Agriculture and Crude Petroleum**

In the area of agriculture, there was a substantial growth in the years under review. For instance, agriculture accounted for nearly one-third of Nigeria's GDP in 2004. There was also substantial growth in the crude petroleum sector of the Nigerian economy. For instance, crude oil accounted for 36 percent of the nation's GDP in 2005. Crude petroleum production was 2.5 million barrel per day (mbd), and of this production capacity, 2.05 million barrel per day was exported at an estimated average price of \$55 per barrel in 2005 (ADB/OECD, 2006:420).

### **3.7.8. Transportation Infrastructure**

The transportation sector in Nigeria – road, air and maritime contributed about 2.4 percent to the nation's real GDP in 2004, with road transport alone accounting for about 86 percent of transport sector output. In the road sector for instance, number of vehicles increased on the average annual rate of 17 percent from 1.3 million in year 2000 to 2.2 million in the year 2004. In the case of air transportation, there was an improvement of 54 percent freight tonnage and 9.4 percent in passenger traffic per annum between year 2000 and 2004. As for the maritime sector, merchandise shipments increased at average of 14.2 percent and passenger traffic increased at average annual rates of 5.4 percent between year 2000 and 2004 (ADB/OECD, 2006:420).

### **3.7.9. Education Development**

The education sector in Nigeria has suffered from neglect by past governments. Although efforts are currently on to tackle the problem, in spite of the efforts however, total expenditure for education in the country is still very low. For instance, total expenditure on education in the year 2004 was less than 1 percent of Gross National Income (GDI), far below the continental average of 4.71 percent. This development has led to decline of standards and facilities in the education sector (Ibid: 428). The introduction of the Universal Basic Education (UBE) by the present democratic government of Chief Olusegun Obasanjo is a welcome development at encouraging school enrollment particularly at the primary school level. For instance,

the total gross primary-school enrollment rate increased from 98 percent in the year 2000 to 120 percent in 2005, while the total secondary-school enrollment rate rose from 34 percent to 36 percent during the same period (ADB/OECD, 2006:420).

### **3.7.10. Electricity Supply**

To improve electricity supply in Nigeria, the Federal Government through the Ministry of Power and Steel entered into an agreement with Lahmeyer International GmbH (L1) of Germany for the management and supervision of rehabilitation works at thermal power stations in the country located at Afam that has 18 gas turbines with a total electricity power generation capacity of 710 Megawatts (MW), Delta power station – Ughelli that has 20 gas turbines with a total capacity of 912 MW, Sapele power station that has 6 stream turbines and 4 gas turbines with a total capacity of 720 MW and 300 MW respectively and Lagos power station – Egbin that has 6 stream turbines with a total capacity of 1,320 MW. The responsibilities of the agreement include: overall project management, assistance in contract negotiations, supervision of rehabilitation works on site, implementation of quality assurance procedures, witnessing of testing and recommending, progress monitoring and cost control (Lahmeyer Int., 2004).

To further improve on electricity power supply in the country, the Federal Government through the power and steel ministry introduced the National Integrated Power Project (NIPP) designed to fast-track electricity power supply in Nigeria through the implementation of Generation, Transmission, and Distribution and Gas supply projects. The first generation of power is expected for the 1<sup>st</sup> Quarter of 2007 and all projects are to be completed by the end of 2007. The transmission consists of 22 projects including the erection of 17 new substations and the expansion of 32 existing substations. The identified 250 distribution projects cover the entire country. A new system of distribution at a higher voltage level is to be adopted. Villages with 5 km radius of the plants are to be connected to the stations directly. The main data for the NIPP include: 21 Gas turbines, PG 9171E – 2,444 MWel, 3 Stream turbines – 300 MWel, Transmission line (330kv, 132kv – 3,000km, Add.

capacity (330kv, 132kv) – 8,903 MVA, Substation autotransformer, 60 – 300 MVA, Distribution – 3,540 MVA and new distribution transformers – 22,600 Pcs (Lahmeyer Int., 2004).

### **3.7.11. Comments on the Performance of the Federal Civil Service**

The data presented above seems to be a positive indication of performance of the Federal Civil Service at implementing the policies and programmes of the Federal Government at bringing about the much needed development in society when viewed from their face value. But the issue is on how have these performances actually helped in the enhancement of the living standard of the people in the area of quality social service delivery and infrastructural development? The yardstick to measure the performance of the Federal Civil Service at proper implementation of government policies to achieve its goals therefore is to find out the current level of the living standard of the people in terms of infant mortality rate, Human Development Index (HDI) and life expectancy in the country.

Studies have shown that more effort is required in terms of quality provision of social amenities and infrastructural development if the living standard of Nigerians is to improve for the better. For instance, social indicators have improved only marginally between the year 2000 and 2005. Nigeria ranked 158 out of 177 countries in the United Nations Development Programme (UNDP) Human Development Index (HDI) in the year 2005. The country's HDI, at 0.453, is lower than the average HDI for sub-Saharan African countries (0.515) and marginally above the average for countries in the ECOWAS (0.434) (ADB/OECD, 2006:427). A survey conducted by the government in 2003-2004 showed that 54.4 percent of the Nigerian population is poor, with a higher poverty rate in rural areas of 63.3 percent (ADB/OECD, 2006:427).

In the area of transportation, Nigeria's transportation-infrastructure services are inadequate and in deplorable condition. For instance, Nigeria has a total of 193,200 Km of roads, 3,775 Km of rail and currently the rail system is in a total mess in terms of performance, there are also 19 airports, 62 airstrips, 13 major ports and

3,000 Km of navigable waterways. Of the number of roads, only 15 percent of roads are paved, and about 23 percent of the paved roads are in bad conditions. This development led to road accidents, which reached an average of 3.1 percent per annum between year 2000 and 2004, rising from 12,705 in the year 2000 to 14,279 in the year 2005 (ADB/OECD, 2006:427).

Nigeria's welfare system is in a sorry state to the extent that life expectancy is as low as 43.3 years between the year 2000 and 2005, infant mortality at 101 per 1,000 live births, illiteracy rate as at year 2005 of 29.2 percent, and per capita, purchasing-power parity (PPP) valuation as at year 2005 of \$1,776. In the area of health the statistics is the same in terms of poor performance. For instance, public-health expenditure accounted for only 1.2 percent of GDP in the year 2004. Per capita health expenditure (in purchasing-power parity) in the year 2004 was about \$50, compared with nearly \$700 for South Africa, \$400 for Botswana and \$110 for Core d'Ivoire. Similarly, the number of physicians per 100,000 people in Nigeria in 1990-2004 was just 27, lower than that for comparable countries such as Egypt (212), Tunisia (70) and South Africa (69). These figures represent some of the worst in Africa according to recent studies (ADB/OECD, 2006:420-428; and DSGonline, 2007).

The sorry state of welfare system and social service delivery presented above is in spite of the huge revenue that accrued to the Federal Government in the past decades. For instance, studies have shown that in a space of 20 years (1970 to 1990) of the 46 years of Nigeria's independence, the country realized a total sum of \$300 billion and another \$37.6 billion or =N= 5.2 trillion in a space of 5 years (1999 to 2004) from the sale of crude petroleum in the world market (Ikelegbe, 2004:1; and DSG, 2006:31). In addition, the Federal Government realized the total sum of =N= 187 billion from the sale of gas alone in the world market between 1999 and 2007 according to the new Energy Minister, Dr. Edmund Daukoru (Olayinka and Awoyale, 2007 February 23). The revenue accrued to the Federal Government from the federation account between 1999 and 2005 was =N= 451 billion (as cited in

Federal Ministry of Finance (FMF) online, 2006). The detailed revenue of the Federal Government from the federation account is stated in the table below:

**Table 20: Detailed Revenue of the Federal Government from the Federation Account (1999 – 2005)**

| <b>Year</b>  | <b>Allocation (=N= billions)</b> |
|--------------|----------------------------------|
| 1999         | 11,184,058,554.69                |
| 2000         | 32,962,567,974.04                |
| 2001         | 74,237,663,481.71                |
| 2002         | 44,218,399,816.32                |
| 2003         | 68,509,784,143.57                |
| 2004         | 96,904,581,024.21                |
| 2005         | 122,996,328,559.14               |
| <b>Total</b> | <b>451,013,383,551.68</b>        |

**Source:** Federal Ministry of Finance online (2006)

With huge amount of financial resources available to the Federal Government and little development, means that there is a problem of enhanced performance in social service delivery and infrastructural development. This problem could be attributed to either of two major factors or both. These factors are poor performance of the Federal and State Civil service in their assigned role of social service delivery and infrastructural development in the society arising from inappropriate staff recruitment and adequate retention strategies and/or corrupt practices on the part of public officials. To overcome these challenges, the Federal and State Governments at various times instituted a reform in the Federal and State Civil service aimed at reducing the size of the service workforce brought about by over staffing, old age and incompetence of staff. To this effect, the Federal Civil Service has experienced downsizing by about 33,000 civil servants (IRINnews online, 2007). The idea is to free the service of incompetent hands in terms of old age and poor productivity and

to make the service more manageable and responsive in carrying out its assigned role of social service delivery and infrastructural development.

While commenting on the large size of the Federal Civil Service and its negative effects on quality social service delivery and infrastructural development in the country, Onyekwere (2007) points out that “there is no doubt that the Federal Civil Service has many more people than should be there... to keep them or not was always a question for the government to answer, sooner or later” (as cited in IRINnews online, 2007). To further enhance the performance of the federal civil servants, the Federal Government approved a 15 percent pay rise for federal civil servants with effect from January 1<sup>st</sup> 2007 (AllAfrica.com online, 2007).

To overcome the other part of the problem – corruption on the part of public officials, the Federal Government’s effort through the anti-corruption agencies like Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) is yielding positive results at combating corruption in the country (ADB/OECD, 2006:427). It is hoped that by the time these two factors – low performance of the federal civil servants and corruption on the part of public officials are adequately handled through the current reforms effort of the Federal Government, its goals of enhanced performance in the area of infrastructural development and quality social service delivery would have been achieved.

## References

- ADB/OECD (2006) "African Economic Outlook." Retrieved on 20<sup>th</sup> January 2007 from the website: ([www.OECD.org/dev/publications/africaoutlook](http://www.OECD.org/dev/publications/africaoutlook)).
- AllAfrica.com (2007) "Nigeria: FG Approves Pay Rise for Civil Servants, Police and other." Retrieved on 22<sup>nd</sup> January 2007 from the website: ([www.file:///c:/Documents%20and%20settings/Administrator/My%20Documents/c...](http://www.file:///c:/Documents%20and%20settings/Administrator/My%20Documents/c...))
- Anao, A. R. (2005) "Monetisation and Cost of Governance." Being a Paper Presented By Professor A. R. Anao, former Vice-Chancellor of the University of Benin, at the National Conference on Cost of Governance in Nigeria, held at the Faculty of Social Sciences, Ambrose Alli University, Ekpoma. July 4<sup>th</sup> – 6<sup>th</sup> 2005.
- Babura, A. S. M. (2003) "Leading Public Service Innovation: The Case of the Nigerian Civil Service and the Federal Civil Service Commission." Being a Paper Presented By Alhaji Ali Sani Mahmud Babura (mni) Director (Recruitment and Appointment) Federal Civil Service Commission at the Commonwealth-New-Zealand Agency for International Development (NEAID) Programme on "Leading Public Service Innovation" held in Wellington, New Zealand, from 24<sup>th</sup> February to 6<sup>th</sup> March 2003. Retrieved on 20<sup>th</sup> Jan. 2007 from the website: ([www.vuw.ac.nz/commonwealthseminar/paper/2003/Alhaji%20Babura%20Nigeria%20civil%20Reform.pdf](http://www.vuw.ac.nz/commonwealthseminar/paper/2003/Alhaji%20Babura%20Nigeria%20civil%20Reform.pdf)).
- BusinessDayonline (2007) "Nigeria: 140 Million People, 98 Million in Poverty." Retrieved on 27<sup>th</sup> January 2007 from the website: ([www.businessdayonline.com](http://www.businessdayonline.com))
- Delta State Government (DSG) (2007, August 17) "Testimony in Transparency: The Delta State Example." *The Vanguard Newspaper (Nigeria)*. Pp. 31-34.
- Delta State Government online (2006) "2006 Ministerial Press Briefing by Civil Commissioners in Delta State on the Activities of Delta Transport Service Ltd." Retrieved on 26<sup>th</sup> January 2007 from the website: ([www./199.236.119.147/2006TransportDeltaline.html](http://www./199.236.119.147/2006TransportDeltaline.html))
- Federal Ministry of Finance (FMF) (2006) "Office of the Accountant-General of the Federation." Abuja. Retrieved on 30<sup>th</sup> November 2006 from the website: ([www.fmf.gov.ng](http://www.fmf.gov.ng))



- Ikelegbe, A. (2004) "Crisis of Resistance: Youth Militias, Crime and Violence in the Niger Delta Region of Nigeria." Being a Seminar Paper Presented by Dr. A. Ikelegbe at the African Studies Centre. Leiden, The Netherlands. 5<sup>th</sup> August 2004.
- IRINnews online (2007) "Nigeria: One in 5 Civil Servants to be fired, more Poverty Feared." Retrieved on 22<sup>nd</sup> January 2007 from the website: ([www.irinnews.org/report.asp?ReportID...](http://www.irinnews.org/report.asp?ReportID...))
- Jaja, S. O. (2001) "The Colonial Civil Service." In J. I. Elaigwu and G. N. Uzoigwe (eds) *Foundations of Nigerian Federalism Series*. Jos: Institute of Governance and Social Research. Vol. 2.
- Lagos State Progress Report (LSPR) (2005) *Lagos State Ministry of Information and Strategy Publication*. Alausa, Ikeja – Lagos.
- Lagos State Official Record Diary (LSORD) (2006) *Lagos State Ministry of Information and Strategy Publication*. Alausa, Ikeja – Lagos.
- LAHMEYER INTERNATIONAL (2004) "Rehabilitation: Thermal Power Plants In Nigeria." Retrieved on 20<sup>th</sup> January 2007 from the website: ([www.lahmeyer.de](http://www.lahmeyer.de)).
- Nestle Nig. Plc. (NARA) (2005) *Annual Report and Accounts*. Lagos.
- Nigerian Breweries online (2006) "Nigerian Breweries, The Pioneer and Largest Brewing Company in Nigeria." Retrieved 17<sup>th</sup> August 2006 from the website: (<http://www.nbplc.com>).
- Nigerian Breweries Plc. (2005) *nibrewnews*. Vol. 40. No. 4. Lagos.
- Nigerian Breweries Plc. (NBFRA) (2005) *Financial Reports and Accounts*. Lagos
- Ogundiya, I. S. (2005) "Minimizing the Cost of Governance in Nigeria Through Civil Service Reforms: Rightsizing, Downsizing or Retrenchment." Being a Paper Presented at the National Conference on Cost of Governance in Nigeria, held at the Faculty of Social Sciences, Ambrose Alli University, Ekpoma. July 4<sup>th</sup> – 6<sup>th</sup> 2005.
- Ogunjobi, A. (2007) "Cabinet Reshuffle: Five Months to the Expiration of His Tenure, President Olusegun Obasanjo Appoints New Ministers and Redeploys a Few others as He Reduces Federal Ministries." *Tell Magazine*. No. 4. January 22.
- Ola, T. (2007) "Right-Sizing at the Top: President Olusegun Obasanjo Prunes Ministries and Demote Ministers in a Move to Achieve the Appropriate Size

and Structure of Government at the Federal Level.” *Newswatch Magazine*. Vol. 45. No. 2. January 22.

Olayinka, C. and F. Awoyale (2007, February 23) “Nigeria Earns =N= 187 Billion from Gas in Eight Years.” *The Guardian Newspaper (Nigeria)*. Pp. 1 – 2.

Sobowale, D. (2006, August 6) “Frankly Speaking.” *The Sunday Vanguard Newspaper (Nigeria)*. P.13.

Zenith Bank Plc (2007, January 16) “Statement to the Nigerian Stock Exchange and Shareholders on the Un-Audited Results for the Half Year Ended December 31, 2006.” *Vanguard (Newspaper)*. P. 2.

Zenith Bank Plc (ZBAR) (2005) *Annual Report*. Lagos.

Zenith Bank Plc (ZBAR) (2004) *Annual Report*. Lagos.

Zenith Bank Plc (ZBAR) (2003) *Annual Report*. Lagos.

Zenith Bank Plc online (2006) Product and Services. Retrieved on 3<sup>rd</sup> January 2007 from the website: ([www.zenithbankplc.net/productservices.cfm](http://www.zenithbankplc.net/productservices.cfm))

Zenith Bank Plc online (2006) Management Team. Retrieved on 3<sup>rd</sup> January 2007 from the website: ([www.zenithbankplc.net/managementteam.cfm](http://www.zenithbankplc.net/managementteam.cfm)).

### **Primary Source – Interview**

Adebayo, Dele (2006, June 16<sup>th</sup>) Lagos State Civil Service Commission. Lagos.

Anonymous: (2006, June 5<sup>th</sup>) Nestle Nig. Plc Headquarter – Illupeju, Lagos.

Irekpen, James (2006, December 12<sup>th</sup>) Delta State Civil Service Commission. Asaba.

Okafor, James (2006, January 5<sup>th</sup>) Federal Civil Service Commission. Abuja.

Okechukwu, Johnson (2006, December 18<sup>th</sup>) Zenith Bank Plc – Headquarters. Lagos.

# CHAPTER FOUR

## RESEARCH METHODOLOGY

### 4.1. Introduction

The purpose of this chapter is to discuss the methods adopted in this study to determine staff recruitment, retention strategies and performance of selected public and private organizations in Nigeria. Six organizations are selected from the Federal and State Civil service to represent the public organizations, and Food and Beverage, Banking, and Brewery industries represented the private organizations. In doing this, the research design, research population, sampling technique, sample size, method and instrument for data collection and the analytical techniques adopted for data analysis are discussed. Data are presented and analyzed; hypotheses are tested using the two-tailed chi-square ( $\chi^2$ ) test, the Cramer's V analytical technique and the simple percentage. The Mann Whitney U (two-tailed) analytical technique was adopted for the comparative analyses of the variables in our case studies.

### 4.2. Research Design

“A research design is a strategy that guides the researcher in providing answers to research questions. It specifies the evidence needed to reach scientific conclusions” (Goel, 1988:18). This study adopts the survey or correlation research design. This is a process whereby a researcher collects data on a large number of cases – representative sample of some population through questionnaires. Attributes of the cases are compared to see whether there is a tendency for two variables to be related (Goel, 1988; and Ojo, 2003). This study used the cross-sectional survey research design. Under this research design, data relating to the subjects or variables are collected at about the same time to basically describe the relationship between variables under study (Ibid). In addition, data from historical research and structured

interview with senior staff from both sector organizations are also analyzed in this study.

#### **4.3. Research Population**

The population of this study comprises organizations in public and private sectors. This is made up of the Federal Civil Service and the Thirty-Six States Civil service (public organizations); ten Food and Beverage Companies, twenty Banks, and four Breweries (private organizations) listed in the Nigerian Stock Exchange (capital market). The rationale is to find out how staff recruitment and retention strategies put in place by these organizations have impacted on their performance. The justification for choosing these organizations for the study is based on their unique role in the provision of social services, relative performance in their goals and as an avenue for gainful employment for the people.

In addition, questionnaires are administered to 720 senior staff in both public and private organizations based in Lagos, Abuja and Asaba. The purpose is to find out how the personnel policies and practices of staff recruitment and retention strategies of their organizations have helped or not to impact on the performance of their organizations. This category of staff has been chosen because they implement personnel policies of their organizations.

#### **4.4. Sample Size**

The study is based on a sample size of six organizations drawn from public and private sectors based on their ratings in the Nigerian Stock Exchange (capital market), and their unique role in the provision of services in the country. The six organizations are: Nestle Nig. Plc, chosen from Food and Beverage industry, Zenith Bank Plc, chosen from the Banking industry and Nigerian Breweries Plc, chosen from the Brewery industry (private organizations); Delta State and Lagos State Civil service, chosen from the State Civil service and the Federal Civil Service (public organizations).

The choice of these private organizations is based on the fact that Nestle Nig. Plc, is reputed to be the largest food and beverage manufacturing company with a market capitalization of =N= 98.818 billion in 2005. The organization has a total number of senior staff put at 310 (NARA, 2005:7; Fieldwork, 2006). In addition, the company has the highest unit share price in the Nigerian stock market. For instance it emerged number one on the gainers chart by =N= 38.10 per share to close at =N= 254.10 per share on 21<sup>st</sup> August 2006 (NSE online Report, 2006). Zenith Bank Plc on the other hand, is reputed to be the most capitalized bank in Nigeria with a total shareholders' fund put at =N= 92.1 billion as at march 2006. The bank has branches all over the country with a total number of senior staff put at 320 in Lagos locations (Zenith Bank online, 2006; Fieldwork, 2006). Nigerian Breweries Plc on the other hand, is reputed to be the pioneer and largest brewing company in Nigeria with a total turnover in the year 2005 put at =N= 80.2 billion and operating profit for the same year put at =N= 15.4 billion. The organization has a total number of senior staff put at 150 in Lagos locations (NBFRA, 2005; NBplc online, 2006; Fieldwork, 2006).

Delta State Civil Service was selected for this study because it is an oil-producing state, which received the highest federal revenue allocation from the federation account to the tune of =N= 387.4 billion between 1999 and 2005. The state has a population of 4,098,391 million people going by the 2006 population census. It has a total number of 132 senior staff in the State Civil Service Commission and the Office of the Head of Service of the state civil service (National Population Commission, 2007). Also the choice of Lagos State Civil Service is justified as one of the two largest civil service in the country that caters for the largest number of people in terms of social service delivery next only to Kano and the Federal Civil Service. The 2006 population census put the total number of Lagos State at 9,013,534 million people. It has a total number of 153 senior staff in the State Civil Service Commission and the Office of the Head of Service of the State (National Population Commission, 2007).

However, a United Nations survey had put the population of Lagos State at 12 million inhabitants (LSORD, 2006). In the same vein, the Federal Civil Service deserves our attention because it is reputed to provide services to the largest number of people in the country, with its wide reach and number of general and specialized services it renders. It has a total number of 720 senior staff in the Federal Civil Service Commission and the Office of the Head of Service of the federation (Fieldwork, 2006).

One unique feature of these organizations is that they all have in their employment people from all parts of the country, irrespective of religion or ethnic affiliation. This is a rare attribute in most states' civil service in the country. In some of the states civil service in Nigeria, at best non-indigenes of the states are employed on contract basis, which is not the case with the public and private organizations earlier mentioned. The advantage of this strategy is that it has made available larger pool of applicants where potential competent staff could be recruited for the realization of the goals of the organizations in their quest for enhanced performance (Fieldwork, 2006).

Furthermore, a total number of 120 questionnaires are administered in the six public and private organizations to respondents (senior staff). The choice to administer 120 questionnaires each in the six organizations was to make for equal number of respondents in all the organizations. As earlier stated, the justification behind administering the questionnaires to this category of workers (senior staff) in our case studies is to enable the researcher get a balanced view of respondents who implement personnel policies of their organizations on staff recruitment and retention strategies.

Based on the above, in Nestle Nig Plc, 120 questionnaires are administered to respondents, and 99 questionnaires are returned. This figure represents 82.5 percent of the total questionnaires administered. In Nigerian Breweries Plc Lagos locations, 120 questionnaires are administered to respondents, and 105 questionnaires are

returned. This figure represents 87.5 percent of total questionnaires administered. In Zenith Bank Plc Lagos locations, 120 questionnaires are administered to respondents, and 104 questionnaires are returned. This figure represents 86.67 percent of total questionnaires administered (Fieldwork, 2006).

In Lagos State Civil Service – State Civil Service Commission and Office of the Head of Service, 120 questionnaires are administered to respondents, and 105 questionnaires are returned. This figure represents 87.5 percent of total questionnaires administered. In Delta State Civil Service - State Civil Service Commission and the Office of the Head of Service, 120 questionnaires are administered to respondents, and 104 questionnaires are returned. This figure represents 86.67 percent of total questionnaires administered. And in the Federal Civil Service - Federal Civil Service Commission and the Office of the Head of Service of the federation, 120 questionnaires are administered to respondents, and 112 questionnaires are returned. This figure represents 93.33 percent of the total questionnaires administered (Fieldwork, 2006).

The total number of questionnaires returned out of the 720 administered to respondents in the six organizations in our case studies therefore is 629. This figure represents 87.36 percent of the total number of questionnaires administered to respondents in the public and private organizations. However, only 608 or 84.44 percent of the returned questionnaires are analyzed. This is due to improper filling of 21 or 3.34 percent of the questionnaires returned (Fieldwork, 2006). The table below shows how questionnaires are administered to respondents, the rate of questionnaires returned and number of questionnaires rejected (not analyzed) due to improper filling by respondents in the six organizations.

**Table 21, shows how questionnaires are administered to respondents in the case studies, rate of questionnaires returned, number rejected and the total number analyzed.**

| S/n.         | Name of Organization      | No. of Questionnaires Administered | No. of Questionnaires Returned | No. Rejected | No. Analyzed | Total % of No. Analyzed |
|--------------|---------------------------|------------------------------------|--------------------------------|--------------|--------------|-------------------------|
| 1.           | Nestle Nig. Plc           | 120                                | 99                             | 2            | 97           | 15.95                   |
| 2.           | Nigerian Breweries Plc    | 120                                | 105                            | 3            | 102          | 16.78                   |
| 3.           | Zenith Bank Plc           | 120                                | 104                            | 6            | 98           | 16.12                   |
| 4.           | Lagos State Civil Service | 120                                | 105                            | 5            | 100          | 16.45                   |
| 5.           | Delta State Civil Service | 120                                | 104                            | 1            | 103          | 16.94                   |
| 6.           | Federal Civil Service     | 120                                | 112                            | 4            | 108          | 17.76                   |
| <b>Total</b> |                           | <b>720</b>                         | <b>629</b>                     | <b>21</b>    | <b>608</b>   | <b>100</b>              |

**Source:** Fieldwork (2006)

#### **4.5. Sampling Technique/Sampling Frame**

To achieve the objectives of the study, the sample was drawn from the research population consisting of the Federal Civil Service and the State Civil service (public organizations), and Food and Beverage industry, Banking sector, and the Brewery industry (private organizations). The sampling frame was drawn from the list of the civil service in the country for public organizations, and listed companies in the Nigerian Stock Exchange (capital market) for the private organizations. In addition, sample was drawn on senior staff from these organizations – Federal Civil Service, Lagos and Delta States Civil service (public organizations), and Nestle Nig. Plc, Nigerian Breweries Plc, and Zenith Bank Plc (private organizations), by the use of systematic random sample technique. The sampling frame was drawn from the staff lists as provided by the personnel/human resource department of the organizations in our case studies. Three trained research assistants who are public servants on grade level 09 and 14 administered 360 questionnaires to the respondents in the public organizations. And three senior-banking officers, and personnel officers administered 360 questionnaires to respondents in the private organizations.



The systematic random sample is a technique that allows for the selection of item from serially listed population subjects or units after the first sampling unit has been selected at random from the total sampling units. An nth item refers to the elements of the population that are lying at each interval point in the lists of elements. This technique starts with choosing the sample by first determining the sampling interval (Ogbeide, 1997). The justification for this technique is based on the fact that it enables every subject in the sampling frame to be selected without bias in a systematic manner. The formulae for calculating sampling interval according to Ogbeide (1997) is as indicated:

$$\text{Sampling Interval, } N = \frac{\text{Total Population}}{\text{Sample Size}}$$

In the case of Nestle Nig. Plc, 120 questionnaires are administered to the total number of senior staff put at 310. The sampling Interval =  $\frac{310}{120}$

$$\text{Sampling Interval} = 2.58 \text{ or } 2.$$

In the case of Nigerian Breweries Plc, 120 questionnaires are administered to the total number of senior staff in the Lagos locations put at 150.

$$\text{The sampling Interval} = \frac{150}{120}$$

$$\text{Sampling Interval} = 1.25 \text{ or } 1.$$

In the case of Zenith Bank Plc, 120 questionnaires are administered to the total number of senior staff in the Lagos locations put at 320.

$$\text{The sampling Interval} = \frac{320}{120}$$

$$\text{Sampling Interval} = 2.66 \text{ or } 2.$$

In the case of Lagos State Civil Service, 120 questionnaires are administered to the total number of senior staff in the State Civil Service Commission and Office of the Head of Service put at 153. The sampling Interval =  $\frac{153}{120}$

120

Sampling Interval = 1.2 or 1.

In the case of Delta State Civil Service, 120 questionnaires are administered to the total number of senior staff in the State Civil Service Commission and the Office of the Head of Service put at 132. The sampling Interval =  $\frac{132}{120}$

120

Sampling Interval = 1.1 or 1.

In the case of the Federal Civil Service, 120 questionnaires are administered to the total number of senior staff in the Federal Civil Service Commission and the Office of the Head of Service put at 720. The sampling Interval =  $\frac{720}{120}$

120

Sampling Interval = 6

The calculated sampling interval for the six organizations above shows that questionnaires are administered to every second senior staff on the list of employees in Nestle Nig. Plc. Similarly, questionnaires are administered to every senior staff in the Lagos locations of the Nigerian Breweries Plc on the employee list. In addition, questionnaires are administered to every second senior staff in the Lagos locations of Zenith Bank Plc on the employee list. On the other hand, questionnaires are administered to every senior staff in the Lagos State Civil Service Commission and the Office of the Head of Service on the employee list. In the same vein, questionnaires are administered to every senior staff in the Delta State Civil Service Commission and the Office of the Head of Service on the employee list. And finally, questionnaires are administered to every sixth senior staff in the Federal Civil

Service Commission and the Office of the Head of Service on the staff list (Fieldwork, 2006).

#### **4.6. Methods of Data Collection**

The study adopts survey research design for data collection through standardized questionnaires administered to respondents - senior staff of six organizations in our case studies. Questionnaires are administered to the respondents because of its advantage. It enables vital information, which cannot be obtained from written records to be at the disposal of the researcher. This is because in a questionnaire, the respondent's anonymity is assured (Goel, 1988). According to Schachter and Liu (2005:616):

Questionnaires are a data-gathering methodology consisting of a set of written questions that respondents complete and return to the researcher. To answer the questions, respondents usually select from choice prepared by the research team.

The questionnaire is divided into two parts: the first part deals with the personal data of respondents, while the second part is designed in such a way as to elicit respondents' opinion on staff recruitment and retention strategies, labour turnover, job satisfaction and reward systems as they relate to organizational performance in our case studies. The questions are framed based on the five point likert-style rating scale, the open questions style, and in addition the historical research and structured interview with senior staff of the six organizations in our case studies about their views on staff recruitment and retention strategies, labour turnover, job satisfaction and reward systems in their organizations as they relate to organizational performance are adopted.

##### **4.6.1. Five-Point Likert-Style Rating Scale**

Five-point likert-style rating scale method of questionnaire is employed in this study to collect the views of respondents on staff recruitment and retention strategies, labour turnover, job satisfaction and reward systems as they relate to enhanced performance in Nestle Nig. Plc, Lagos State Civil Service, Nigerian Breweries Plc,

Delta State Civil Service, Zenith Bank Plc and Federal Civil Service. According to Saunders, Lewis and Thomhill (1997:259), the likert-style rating method of questionnaire design enables researchers to ask respondents on how strongly they agree or disagree with a statement or series of statements on a five point scale, e.g. 5 – Strongly Agree, 4 - Agree, 3 – Undecided, 2 - Disagree, 1 – Strongly Disagree. The advantage of the likert-style rating questionnaire is that it enables numerical value to be assigned to cases for easy quantitative analysis.

**4.6.2. Open Questions:** This allows the respondents to answer the questions in their own language. According to Saunders et al (1997:255), open questions are widely used in in-depth and semi-structured interviews. Open questions are useful if the researcher is unsure of the response or when the researcher wants to find out what is upper most in the respondent’s mind. Its major weakness however, is that it is difficult to analyze compared to the closed questions (Goel, 1988:80).

**4.6.3. Historical Research:** This is also adopted in this study in the area of literature review, theoretical framework, history, structure, staff recruitment and retention strategies, and the performance of Nestle Nig. Plc, Lagos State Civil Service, Nigerian Breweries Plc, Delta State Civil Service, Zenith Bank Plc and Federal Civil Service. Historical research involves investigating, recording, analyzing and interpretation of past events. Its weakness lies in the fact that it is difficult to delimit the problem so that a satisfactory analysis is possible, and faulty past records means faulty results or findings. However, because of its usefulness in research it could not be ignored (Osunde, 1993:40).

**4.6.4. Structured Interview:** In addition, structured interview with senior staff of the six organizations in our case studies are carried out with a view to eliciting information on staff recruitment and retention strategies, labour turnover, job satisfaction and reward systems as they impact on organizational performance in Nestle Nig. Plc, Lagos State Civil Service, Nigerian Breweries Plc, Delta State Civil Service, Zenith Bank Plc and Federal Civil Service. According to Fontana and Frey

(2000:649), structured interview is a process whereby the interviewer asks all respondents the same series of pre-established questions with a limited set of response categories. The advantage of the structured interview is that it enables respondents to focus on the specific questions put forward to them by the interviewer.

#### **4.6.5. Validity and Reliability of Instrument Used for Data Collection**

In order to ascertain the content validity of the instrument used for data collection in this study, the questionnaire was given to three experts at the Departments of Policy and Strategy Studies and that of Business Studies of Covenant University resulting in useful criticism and correction. And to ensure the reliability of the instrument, the questionnaire was pre-tested at the Delta State Civil Service (public sector organization), and the Nigerian Breweries Plc (private sector organization) using 10 respondents each from both sectors. With the pre-test, the internal consistency reliability of the instrument was determined through the use of Cronbach's alpha coefficient. Internal consistency reliability is used when the researcher wants to know whether the item on the test are consistent with one another in that they represent one dimension or area of interest (Salkind, 2004:282).

When we compute Cronbach's alpha, we are actually correlating the score for each item with the total score for each individual, and comparing that to the variability present for all individual item scores (Ibid: 283). Cronbach's alpha is an index of reliability associated with the variation accounted for by the true score of the hypothetical variable that is being measured (Hatcher, 1994). According to Reynaldo and Santos (1999):

Alpha coefficient ranges in value from 0 – 1 and may be used to describe the reliability of factors extracted from dichotomous (i.e. questions with two possible answers) and/or multi-point formatted questions or scales (i.e. rating scale: 1 = poor, 5 = excellent). The higher the score, the more reliable the generated scale is.

Below is the formula for the computation of Cronbach's alpha coefficient (Salkind, 2004:283):

$$\alpha = \frac{\{k\} \{S_y^2 - \sum S_1^2\}}{\{k-1\} \{ S_y^2 \}}$$

Where:

$K$  = is the number of items

$S_y^2$  = is the variance associated with the observed score

$\sum S_1^2$  = is the sum of the variances for each item

The validity of an instrument is being able to measure what it is supposed to measure, while reliability of an instrument on the other hand is being able to measure whatever it is to measure over and over again ((Salkind, 2004:294). It is important to note therefore that there is a relationship between validity and reliability.

The relationship says that the maximum level of validity is equal to the square root of the reliability coefficient. This means ... that the validity of a test is constrained by how reliable it is ... you cannot have a valid instrument without its first being reliable, because in order for something to do what it is supposed to do, it must first do it consistently...they two work hand in hand (Salkind, 2004:294).

Internal consistency reliability coefficient of the instrument used for data collection in this study was found to be 0.63. The table below shows the computation of the Cronbach's alpha coefficient for the internal consistency reliability of the instrument used for data collection.

**Table 22: Computation of the Internal Consistency Reliability of the Instrument used for Data Collection**

| ID  | Item 1 | Item 2 | Item 3 | Item 4 | Item 5 | Total Scores |
|-----|--------|--------|--------|--------|--------|--------------|
| 1.  | 1      | 2      | 2      | 4      | 5      | 14           |
| 2.  | 4      | 4      | 3      | 5      | 3      | 19           |
| 3.  | 2      | 4      | 4      | 5      | 5      | 21           |
| 4.  | 2      | 3      | 4      | 3      | 3      | 15           |
| 5.  | 2      | 4      | 4      | 3      | 4      | 17           |
| 6.  | 1      | 3      | 4      | 4      | 5      | 17           |
| 7.  | 3      | 3      | 5      | 4      | 5      | 20           |
| 8.  | 4      | 3      | 5      | 4      | 5      | 21           |
| 9.  | 1      | 4      | 5      | 5      | 3      | 18           |
| 10. | 2      | 4      | 3      | 5      | 2      | 16           |
| 11. | 2      | 5      | 2      | 5      | 1      | 15           |
| 12. | 1      | 1      | 2      | 3      | 2      | 9            |
| 13. | 2      | 1      | 2      | 3      | 2      | 10           |
| 14. | 2      | 2      | 3      | 3      | 2      | 12           |
| 15. | 3      | 2      | 2      | 4      | 2      | 13           |
| 16. | 4      | 2      | 3      | 5      | 1      | 15           |
| 17. | 1      | 3      | 3      | 4      | 2      | 13           |
| 18. | 2      | 3      | 2      | 4      | 1      | 13           |
| 19. | 2      | 3      | 1      | 3      | 2      | 11           |
| 20. | 2      | 2      | 2      | 3      | 1      | 10           |

**Source:** Fieldwork (2006)

Observed score variance ( $S^2_y$ )

$$S^2_y = 13.42$$

The sum of the variances for each item ( $\sum S^2_{i1}$ ) Item 1 = 0.97; Item 2 = 1.34; Item 3 = 1.41; Item 4 = 0.62; and Item 5 = 2.27;  $\sum S^2_{i1} = 6.61$

$$\alpha = \frac{k}{k-1} \left\{ \frac{S^2_y - \sum S^2_{i1}}{S^2_y} \right\}. \text{ The difference between each individual score and mean } = \frac{\sum (X - \bar{X})^2}{n-1}$$

$$\alpha = \frac{5}{5-1} \left[ \frac{13.42 - 6.61}{13.42} \right]$$

$$\alpha = (1.25)(0.507)$$

$$\text{Alpha } (\alpha) = \underline{0.63}$$

Since the value of the computed Cronbach's Alpha ( $\alpha$ ) ranges between 0-1,  $\alpha$  of 0.63 is an indication that the instrument for the collection of data in this study is reliable.

#### **4.7. Techniques for Data Analyses**

Chi-square ( $X^2$ ) analytical technique (two-tailed) is used to test for the null hypotheses stated earlier with 0.05% error level allowed. The purpose is to achieve the objectives of the study. The justification for the adoption of the chi-square ( $X^2$ ) (two-tailed) technique for the analyses of variables in this study is based on the fact that it is a non-parametric technique for testing the significance of relationship between two variables in which the data are expressed in terms of frequencies of joint occurrence (Adedayo, 2000:24). In addition, Mann Whitney U-test (two-tailed) with 0.05% error level allowed is used to test significance difference in the views of respondents about the impact of staff recruitment and retention strategies on performance in public and private organizations in our case studies. Cramer's V on the other hand is used to determine the degree of association between variables (Ogbeide, 1997).

The two elements in this study are public and private organizations. The variables are: Independent – staff recruitment and retention strategies, labour turnover, job satisfaction and reward systems on the one other hand, and the dependent variable on the other hand is organizational performance in both the public and private organizations in our case studies. The null hypothesis is usually stated in terms of the independence of the two variables. And it is used to analyze the five objectives raised in this study through the primary data obtained from respondents by the use of questionnaires. According to Ogbeide (1997:185):

The chi-square test is very popular for analyzing 'contingency' tables in which two nominal-scale variables have been cross-tabulated indicating their observed frequencies. The test reports the probability that relationships observed in a random sample are representative of those, which would have been observed if the entire population had been studied. It can also be used for contingency tables in which one of the variables, though



measured with ordinal or ratio scale, has been grouped into categories or interval.

A calculated chi-square ( $X^2$ ) that is greater than the critical or table ( $X^2$ ) suggests that an association exists between variables. The next step would be to find out the degree of association. On the other hand, where the calculated ( $X^2$ ), is less than the critical or table ( $X^2$ ), this suggests that there is no relationship between variables and there would be no need to find out the degree of association. Chi-square major weakness is that its value is affected by the sample size. This means that the larger the sample size, the larger the value of ( $X^2$ ). As a result, the chi-square ( $X^2$ ) may easily exceed 1.00 (Ogbeide, 1997:185). We have decided to use it in this study because of its advantages stated above.

#### **4.7.1. Formulae for Calculating the Two-Tailed Chi-Square ( $X^2$ ) Test**

The formulae for calculating the two-tailed chi-square ( $X^2$ ) test is as indicated:

$$X^2 = \frac{(f_o - f_e)^2}{f_e}$$

Where  $x^2$  is the value of the chi – square calculated for,  $f_o$  is the observed frequency and  $f_e$  is expected frequency.

The degree of freedom for 3x5 variables is 8. The analysis is given by the formulae: degree of freedom =  $(r_r - 1) (C_t - 1)$ . Where  $r$ , is the number of rows and  $c$ , is the number of columns. Comparing the results of the calculated value with that of the tabulated value at the specified level, one takes the appropriate decision (Adedayo, 2000:240).

#### **4.7.2. The Mann Whitney U-Test**

The Mann Whitney U-test (two-tailed) analytical technique is used to compare the views of respondent in two groups to find out whether significant differences exist (Webster, 1998). This study adopts it to compare the two groups of respondents from the public and private sectors organizations about their views on staff

recruitment and retention strategies, labour turnover, job satisfaction and reward systems as they relate to organizational performance in our case studies. The justification for the adoption of Mann Whitney U-test (two-tailed) analytical technique in this study is based on the fact that it is a non-parametric statistical instrument used to compare independent samples. According to Webster (1998:468), Mann Whitney U-test (two-tailed) does not require the assumption that the differences between the two samples are normally distributed.

According to Kress (1988:263), in Mann-Whitney U-test (two-tailed) analytical technique, the computed value must be less than the tabulated or table value for the null hypothesis to be rejected.

Significant level ( $\alpha$ ) = 0.05% (two tailed-test)

Computed or calculated U =?

Tabulated or table U = 23 (Obtained from table showing U values in Mann Whitney U-test)

Hypotheses are stated to reflect the views of the two groups.

**e.g.**

**Ho:** There is no significant difference in the views of public and private sectors workers on staff recruitment strategies and organizational performance

**Hr:** There is a significant difference in the views of public and private sectors workers on staff recruitment strategies and organizational performance

#### **4.7.3. Formulae for Calculating the Mann-Whitney U-Test (Two-Tailed) Analytical Technique**

In Mann-Whitney U-test (two-tailed), data are ordered or ranked from lowest to highest or otherwise. Pairs are not matched in the use of the test. U-statistics for each sample is calculated as indicated in the equation below.

$$(a) \text{ Mann-Whitney U-test Statistics for first sample: } U_1 = n_1 n_2 + \frac{n_1(n_1+1)}{2} - \Sigma R_1$$

$$(b) \text{ Mann-Whitney U-test Statistics for first sample: } U_2 = n_1 n_2 + \frac{n_2(n_2+1)}{2} - \Sigma R_2$$

Where  $n_1$  = sample size – group1;  $n_2$  = sample size – group2;  $R_1$  = sum of ranks – group1;  $R_2$  = sum of ranks – group2 (Webster, 1998).

#### 4.7.4. Cramer’s V, Analytical Technique

Cramer’s V analytical technique is used to calculate the degree of association observed between variables. The association may either be slight or strong between the variables. The justification for the adoption of Cramer’s V in this study is based on the fact that it determines the degree of association only in Chi-square ( $X^2$ ) that is more than 2x2 variables (Ogbeide, 1997). The formulae for calculating the Cramer’s V is as indicated:

$$V = \sqrt{\frac{X^2}{nt}}$$

Where:

$$X^2 = \frac{(f_o - f_e)^2}{f_e} \quad \begin{array}{l} t = \text{smaller of } (r-1) \text{ (c-1)} \\ n = \text{total sample size} \end{array}$$

#### 4.7.5. Measurement of Variables

The table below describes how variables used to study staff recruitment; retention strategies and performance in selected public and private organizations in Nigeria are constructed and measured from items included in the questionnaire.

**Table 23: Measurement of Variables**

| Variables   | Description  |
|---|--|
| <b>Background: Section A</b>  |  |
| Nature of Organization  | Two items: Public, Private   |
| Department  | Two items: Personnel/Human Resource, others  |
| Job Status  | Single item: Senior Staff  |
| Tenure  | Three items: 0 – 10, 11 – 21, 22 – above   |
| Salary Range: Annual  | Two items: Below =N= 500,000, Above =N= 500,000  |
| <b>Recruitment and Retention Strategies: Section B</b>  |  |
| <p>Respondents are presented with questions on staff recruitment, retention strategies, labour turnover, job satisfaction, reward systems and performance in their organizations. The rating scale ranges from 5 – strongly agrees, 4 – agrees, 3 – undecided, 2 = disagrees to 1 – strongly disagrees.</p> |  |
| Appropriate Recruitment Strategies  | Merit – possession of appropriate qualifications: skills education and experience, ‘god father’ syndrome or ‘who you know’, popular representation or federal character, political influence (scales 5 to 1).  |
| Adequate Retention Strategies   | Career development, challenging jobs, good leadership and management style, quality-training programme, existence of machinery for conflict resolution, promotion prospects, staff participation in decision-making, job security, proper working environment, good incentives, humane treatment of staff (Scales 5 to 1).   |
| Rate of Labour Turnover   | Frequent staff resignation or dismissal – Total number of leavers over a period multiply by 100 and divided by average total number of staff employed over same period (Scales 5 to 1).  |
| Job Satisfaction  | Organizational commitment, zeal to work, willingness on the part of staff to take responsibility at work (Scales 5 to 1).  |
| Adequate Reward Systems   | Profit sharing, good and regular monthly salaries, performance pay, proper medical care for staff and family members free of charge, bonus scheme, provision of staff bus to work free of charge, provision of free meal to staff at work, clothing allowance, housing and car loans, good condition of service, children education scholarship scheme, maternity leave with full pay (Scales 5 to 1). |
| Performance – Private Sector  | Quality products, quality service delivery, profitability, efficiency.   |
| Competent staff   | Appropriate skills, educational qualifications, experience required to carry out a task properly (Scales 5 to 1).  |
| Efficiency  | Cost of output in relation to value of input, goal accomplished – output divided by public welfare or capital and labour – input (Scales 5 to 1).  |
| Performance - Public Sector   | Quality service delivery, standard of living, life expectancy, infant mortality rate, human development index, infrastructural development (Scales 5 to 1).  |

**Source:** Fieldwork (2006).

## References

- Adedayo, O. A. (2000) *Understanding Statistics*. Akoka – Lagos: JAS Publishers.
- Central Bank of Nigeria online (2006) *Annual Reports (Year Ended, 31<sup>st</sup> December 2005)*. Retrieved on 11<sup>th</sup> September 2006 from the website: ([www.cenbank.org/OUT/PUBLICATIONS/REPORTS/RD/2006/PART1-4](http://www.cenbank.org/OUT/PUBLICATIONS/REPORTS/RD/2006/PART1-4))
- Delta State Government (DSG) (2007, August 17) “Testimony in Transparency: The Delta State Example.” *The Vanguard Newspaper (Nigeria)*. Pp. 31-34.
- Fontana, A. and J. H. Frey (2000) “The Interview: From Structured Questions To Negotiated Text.” In N. K. Denzin and Y. S. Lincoln (eds) *Hand Book of Quantitative research* (2<sup>nd</sup> edition). London: Sage Publications, Inc.
- Goel, M. L. (1988) *A Methods Handbook: Political Science Research*. Iowa: Iowa State University Press.
- Hatcher, L. (1994) *A Step-by-Step Approach to using the SAS(R) System for Factor Analysis and Structural Equation Modeling*. Cary, NC: SAS Institute.
- Kress, G. (1988) *Marketing Research* (3<sup>rd</sup> edition). Englewood-Cliff, New Jersey: Prentice-Hall.
- Lagos State Official Record Diary (LSORD) (2006) Lagos State Ministry of Information and Strategy Publication. Alausa, Ikeja – Lagos.
- Nestle Nigeria Plc. (2005) *Annual Report and Accounts (NARA)*. Lagos.
- Nigerian Breweries Plc. (NBFRA) (2005) *Financial Reports and Accounts*. Lagos
- Nigerian Breweries online (2006) “Nigerian Breweries, The Pioneer and Largest Brewing Company in Nigeria.” Retrieved 17<sup>th</sup> August 2006 from the website: (<http://www.nbplc.com>).
- NSE (2006) “Nestle Tops Gainers Chart at NSE.” Retrieved 24<sup>th</sup> August 2006 from the website: (<http://www.thetidenews.com>)
- Ogbeide, U. (1997) *Statistical Techniques for Social and Management Sciences*. Lagos: Amfitop Books.
- Ojo, O. (2003) *Fundamentals of Research Methods*. Ibadan: Nelson Clemmy Press.

- Osunde, A. U. (1993) "Historical Research." In Egbe T. Ehiamentalor and M. Nwadiani (eds) *A Guide to Research in Education and Social Sciences*. Benin City: NERA Publications.
- Reynaldo, J. and A. Santos (1999) "Cronbach's Alpha: A Tool for Assessing the Reliability of Scales." *Journal of Extension (JOE)*. Vol. 37. No. 2. April. Retrieved on 17 February 2007 from the website: ([www.joe.org/1999April/tt3.html](http://www.joe.org/1999April/tt3.html)).
- Salkind, N. J. (2004) *Statistics for People who (think they) hate Statistics (2<sup>nd</sup> edition)*. London: Sage Publications.
- Saunders, M., P. Lewis and A. Thornhill (1997) *Research Methods For Business Students*. London: Financial Times – Pitman Publishing.
- Schachter, H. L. and R. R. Liu (2005) "Policy Development and New Immigrant Communities: A Case Study of Citizen Input in Defining Transit Problems." *Public Administration Review (PAR)*. Vol. 65. No. 5. September/October.
- Sobowale, D. (2006, August 6) "Frankly Speaking." *The Sunday Vanguard (Newspaper)*. P.13.
- Thorne, B. M. and J. M. Giesen (2003) *Statistics for the Behavioral Sciences (4<sup>th</sup> edition)*. Boston: McGraw Hill Higher Education.
- Webster, A. L. (1998) *Applied Statistics For Business and Economics: An Essential Version (3<sup>rd</sup> edition)*. Boston: McGraw-Hill.
- Zenith Bank (2006) "Zenith Bank Emerges Most Capitalized Bank In Nigeria." Retrieved on 17<sup>th</sup> August 2006 from the website: (<http://www.zenithbank.com/zenithmostcapitalizedbank.htm>).
- Zenith Bank Plc. (ZBAR) (2005) *Annual Report*. Lagos.

## CHAPTER FIVE

### DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

#### 5.1. Data Presentation

The purpose of this chapter is to present the data generated from respondents in the case studies through the administered questionnaires. Below are the tables showing the frequency distribution of variables and responses of respondents to administered questions.

**Table 24: Respondents by Type of Organization (Comparative)**

| Type of Organization      | No. Questionnaires Analyzed | Total % of Questionnaires Analyzed |
|---------------------------|-----------------------------|------------------------------------|
| <b>Public Sector</b>      |                             |                                    |
| Federal Civil Service     | 108                         | 17.76                              |
| Lagos State Civil Service | 100                         | 16.45                              |
| Delta State Civil Service | 103                         | 16.94                              |
| <b>(1) Total</b>          | <b>311</b>                  | <b>51.15</b>                       |
| <b>Private Sector</b>     |                             |                                    |
| Nestle Nig. Plc           | 97                          | 15.95                              |
| Zenith Bank Plc           | 98                          | 16.12                              |
| Nigerian Breweries Plc    | 102                         | 16.78                              |
| <b>(2) Total</b>          | <b>297</b>                  | <b>48.85</b>                       |
| <b>Overall Total</b>      | <b>608</b>                  | <b>100</b>                         |

**Source:** Fieldwork (2006)

The table 24 above shows that 311 or 51.15 percent of public sector workers and 297 or 48.85 percent of private sector workers are respondents in this study.

**Table 25: Respondents by Years of Service**

| <b>Years of Service</b> | <b>Number</b> | <b>Percentage (%)</b> |
|-------------------------|---------------|-----------------------|
| 0 – 10                  | 156           | 25.66                 |
| 11 – 20                 | 290           | 47.70                 |
| 21 – above              | 162           | 26.64                 |
| <b>Total</b>            | <b>608</b>    | <b>100</b>            |

**Source:** Fieldwork (2006)

The table 25 above shows that 156 or 25.66 percent of those that served 0 – 10 years in both the public and private sectors are respondents, 290 or 47.70 percent of those that served for 11 – 20 years in both sectors are respondents and 162 or 26.64 percents of those that served for 21 years and above are respondents in this study.

**Table 26: Respondents by Educational Qualification**

| <b>Educational Level</b>  | <b>Number</b> | <b>Percentage (%)</b> |
|---------------------------|---------------|-----------------------|
| WASC/OND/NCE              | 95            | 15.63                 |
| HND/B.Sc.                 | 401           | 65.95                 |
| Masters Degree &<br>Above | 101           | 16.61                 |
| Others                    | 11            | 1.81                  |
| <b>Total</b>              | <b>608</b>    | <b>100</b>            |

**Source:** Fieldwork (2006)

The table 26 above shows that 95 or 15.63 percent from both the public and private sectors that obtained WASC/OND/NCE are respondents, 401 or 65.95 percent from both sectors that obtained HND/B.Sc are respondents, 101 or 16.61 percent from both sectors that obtained Master’s Degree and above are respondents and 11 or 1.81 percent from both sectors that obtained other qualifications are respondents in this study.



**Table 27: Respondents by Nature of Employment**

| <b>Nature of Employment</b> | <b>Number</b> | <b>Percentage (%)</b> |
|-----------------------------|---------------|-----------------------|
| Permanent                   | 562           | 92.43                 |
| Casual                      | 20            | 3.29                  |
| Contract                    | 26            | 4.28                  |
| Temporary                   | -             | -                     |
| <b>Total</b>                | <b>608</b>    | <b>100</b>            |

**Source:** Fieldwork (2006)

The table 27 above shows that 562 or 92.43 percent of staff from both the public and private sectors that are under permanent employment are respondents, 20 or 3.29 percent of staff from both sectors that are under casual employment are respondents, and 26 or 4.28 percent of staff from both sectors that are under temporary employment are respondents in this study.

**Table 28: Respondents by Department**

| <b>Department</b> | <b>Number</b> | <b>Percentage (%)</b> |
|-------------------|---------------|-----------------------|
| HR/Personnel      | 515           | 84.70                 |
| Others            | 93            | 15.30                 |
| <b>Total</b>      | <b>608</b>    | <b>100</b>            |

**Source:** Fieldwork (2006)

The table 28 above shows that 515 or 84.70 percent staff personnel department are respondents and 93 or 15.30 percent of staff in other departments are respondents in this study.

**Table 29: Respondents by Gross Annual Income/Pay**

| Gross Annual Income/Pay  | Number     | Percent (%) |
|--------------------------|------------|-------------|
| 0 - =N= 500,000.00       | 311        | 51.15       |
| =N= 501,000.00 and above | 297        | 48.85       |
| <b>Total</b>             | <b>608</b> | <b>100</b>  |

**Source:** Fieldwork (2006)

The table 29 above shows that 311 or 51.15 percent of those that earns =N= 500,000.00 and below as annual income from both the public and private sectors are respondents and 297 or 48.85 percent of those that earns =N= 501,000.00 and above as annual income from both sectors are respondents in this study.

### 5. 1. 1. Data Analysis

Below are the analyses of data generated from the administered questionnaires to respondents in the public and private organizations earlier mentioned in the case studies.

**Table 30: Responses to Question One:** An organization’s strategies for staff recruitment that are based on ‘whom you know’ will result in poor organizational performance.

| Weights      | Options           | No. of Respondents | (%) of Respondents | Weighted score |
|--------------|-------------------|--------------------|--------------------|----------------|
| 5            | Strongly Agree    | 369                | 60.69              | 1,845          |
| 4            | Agree             | 155                | 25.49              | 620            |
| 3            | Undecided         | 43                 | 7.08               | 129            |
| 2            | Disagree          | 10                 | 1.64               | 20             |
| 1            | Strongly Disagree | 31                 | 5.10               | 31             |
| <b>Total</b> |                   | <b>608</b>         | <b>100</b>         | <b>2,645</b>   |

**Source:** Fieldwork (2006)

$$\begin{aligned}\text{Weighted Arithmetic Mean} &= \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}} \\ &= \frac{2,645}{608}\end{aligned}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.35}}$$

To answer question one above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 30 above. As expected, the responses are varied. The 369 respondents representing 60.61 percent of the sampled size from both the public and private sectors in this study strongly agree that an organization's basis for staff recruitment that is based on 'whom you know' will result in poor organizational performance, 155 or 25.49 percent of the respondents agree, 43 or 7.08 percent of the respondents are undecided, 10 or 1.64 percent of the respondents disagree, while 31 or 5.10 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.35, we can confirm that the staff of both sector organizations (public and private sectors) in this study, agree that an organization's basis for staff recruitment that is based on 'whom you know' will result in poor organizational performance. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 31: Responses to Question Two:** The criteria for employment in my organization are based on other factors than merit and this is affecting the performance of my organization negatively.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 232                       | 38.16                     | 1,160                 |
| 4              | Agree             | 118                       | 19.41                     | 472                   |
| 3              | Undecided         | 53                        | 8.72                      | 159                   |
| 2              | Disagree          | 70                        | 11.51                     | 140                   |
| 1              | Strongly Disagree | 135                       | 22.20                     | 135                   |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,066</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,066}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{3.40}}$$

To answer question two above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 31 above. The respondents' responses are varied. The 232 respondents representing 38.16 percent of the sampled size from both public and private organizations in this study strongly agree that the criteria for employment in their organizations are based on other factors than merit and it is affecting the performance of their organizations negatively, 118 or 19.41 percent of the respondents agree, 53 or 8.72 percent of the respondents are undecided, 70 or 11.51 percent of the respondents disagree, while 135 or 22.20 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 3.40, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that the criteria for employment in their organization are based on other factors than merit and it is affecting the performance of their organizations negatively. This is based on the mean result stated above,

which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 32: Responses to Question Three:** Recruitment in an organization that is based on merit such as possession of appropriate qualifications in terms of skill, education and experience enhances organizational performance.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 434                       | 71.38                     | 2,170                 |
| 4              | Agree             | 130                       | 21.38                     | 520                   |
| 3              | Undecided         | 19                        | 3.13                      | 57                    |
| 2              | Disagree          | 18                        | 2.96                      | 36                    |
| 1              | Strongly Disagree | 7                         | 1.15                      | 7                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,790</b>          |

**Source:** Fieldwork (2006)

$$\begin{aligned} \text{Weighted Arithmetic Mean} &= \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}} \\ &= \frac{2,790}{608} \end{aligned}$$

Weighted arithmetic mean = **4.59**

To answer question three above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 32 above. As expected, the responses of the respondents are varied. The 434 respondents representing 71.38 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that recruitment in an organization that is based on merit such as possession of appropriate qualifications in terms of skill, education and experience enhances organizational performance, 130 or 21.38 percent of the respondents agree, 19 or 3.13 percent of the respondents are undecided, 18 or 2.96 percent of the respondents disagree, while 7 or 1.15 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.59, we can confirm

that the staff of both sector organizations (public and private sectors) in this study agree that recruitment in an organization that is based on merit such as possession of appropriate qualifications in terms of skill, education and experience enhances organizational performance. This is based on the mean result stated above, which shows that most of the respondents agree with the fact stated.

**Table 33: Responses to Question Four:** The strategies put in place to motivate staff such as career development and opportunity to earn promotion in my organization have helped to retain competent staff for the realization of organizational performance.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 352                       | 57.89                     | 1,760                 |
| 4              | Agree             | 195                       | 32.07                     | 780                   |
| 3              | Undecided         | 29                        | 4.77                      | 87                    |
| 2              | Disagree          | 28                        | 4.61                      | 56                    |
| 1              | Strongly Disagree | 4                         | .66                       | 4                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,687</b>          |

**Source:** Fieldwork (2006)

$$\begin{aligned} \text{Weighted Arithmetic Mean} &= \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}} \\ &= \frac{2,687}{608} \end{aligned}$$

Weighted arithmetic mean = **4.42**

To answer question four above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 33 above. As expected, the responses are varied. The 352 respondents representing 57.89 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that the strategies put in place to motivate staff such as career development and opportunity to earn promotion in their organization has helped to

retain competent staff for the realization of organizational performance, 195 or 32.07 percent of the respondents agree, 29 or 4.77 percent of the respondents are undecided, 28 or 4.61 percent of the respondents disagree, while 4 or .66 percent of respondents strongly disagree. Thus with the weighted arithmetic mean of 4.42, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that the strategies put in place to motivate staff such as career development and opportunity to earn promotion in their organization have helped to retain competent staff for the realization of organizational performance. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 34: Responses to Question Five:** The strategies adopted by my organization to retain staff such as implementation of policies on job security and proper working environment motivate staff to work harder for the achievement of organizational goals.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 322                       | 52.96                     | 1,610                 |
| 4              | Agree             | 222                       | 36.51                     | 888                   |
| 3              | Undecided         | 34                        | 5.59                      | 102                   |
| 2              | Disagree          | 27                        | 4.44                      | 54                    |
| 1              | Strongly Disagree | 3                         | 0.49                      | 3                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,657</b>          |

**Source:** Fieldwork (2006)

$$\begin{aligned} \text{Weighted Arithmetic Mean} &= \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}} \\ &= \frac{2,657}{608} \end{aligned}$$

Weighted arithmetic mean = **4.37**

To answer question five above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 34 above. The responses are varied. The 322 respondents representing 52.96 percent of the sampled size from both public and private sectors organizations in this study strongly agree that the strategies adopted by their organizations to retain staff such as implementation of policies on job security and proper working environment motivate staff to work harder for the achievement of organizational goals, 222 or 36.51 percent of the respondents agree, 34 or 5.59 percent of the respondents are undecided, 27 or 4.44 percent of the respondents disagree, while 3 or 0.49 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.37, we can confirm that the staff of both public and private sectors organizations in this study agree that the strategies adopted by their organizations to retain staff such as implementation of policies on job security and proper working environment motivate staff to work harder for the achievement of organizational goals. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 35: Responses to Question Six:** The more adequate retention strategies put in place by organization such as proper training programme and existence of machinery for conflict resolution, the more loyal I will be to my organization in its quest for enhanced performance.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 349                       | 57.40                     | 1,745                 |
| 4              | Agree             | 234                       | 38.49                     | 936                   |
| 3              | Undecided         | 12                        | 1.97                      | 36                    |
| 2              | Disagree          | 13                        | 2.14                      | 26                    |
| 1              | Strongly Disagree | -                         | -                         | -                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,743</b>          |

**Source:** Fieldwork (2006)



$$\begin{aligned} \text{Weighted Arithmetic Mean} &= \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}} \\ &= \frac{2,743}{608} \end{aligned}$$

Weighted arithmetic mean = **4.51**

To answer question six above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 35 above. As expected, the responses are varied. The 349 respondents representing 57.40 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that the more adequate retention strategies put in place by their organizations such as proper training programme and existence of machinery for conflict resolution, the more loyal they will be to their organizations in their quest for enhanced performance, 234 or 38.49 percent of the respondents agree, 12 or 1.97 of the respondents are undecided, while 13 or 2.14 percent of the respondents disagree. Thus with the weighted arithmetic mean of 4.51, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that the more adequate retention strategies put in place by their organizations such as proper training programme and existence of machinery for conflict resolution, the more loyal they will be to their organizations in their quest for enhanced performance. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 36: Responses to Question Seven:** Frequent staff resignation or dismissal in an organization brings about a sense of job insecurity and hence affect negatively organizational performance.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 370                       | 60.86                     | 1,850                 |
| 4              | Agree             | 187                       | 30.76                     | 748                   |
| 3              | Undecided         | 28                        | 4.16                      | 84                    |
| 2              | Disagree          | 20                        | 3.29                      | 40                    |
| 1              | Strongly Disagree | 3                         | 0.49                      | 3                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,725</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,725}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.48}}$$

To answer question seven above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 36 above. The responses are varied. The 370 respondents representing 60.86 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that frequent staff resignation or dismissal in an organization brings about a sense of job insecurity and hence affect negatively organizational performance, 187 or 30.76 percent of the respondents agree, 28 or 4.61 percent of the respondents are undecided, 20 or 3.29 percent of the respondents disagree, while 3 or 0.49 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.48, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that frequent staff resignation or dismissal in an organization brings about a sense of job insecurity and hence affect negatively organizational

performance. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 37: Responses to Question Eight:** Unstable working environment brings about high labour turnover and hence affect the performance of organizations negatively.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 348                       | 57.24                     | 1,740                 |
| 4              | Agree             | 173                       | 28.45                     | 692                   |
| 3              | Undecided         | 42                        | 6.91                      | 126                   |
| 2              | Disagree          | 40                        | 6.58                      | 80                    |
| 1              | Strongly Disagree | 5                         | 0.82                      | 5                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,643</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,643}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.35}}$$

To answer question eight above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 37 above. The responses are varied. The 348 respondents representing 57.24 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that unstable working environment brings about high labour turnover and hence affect the performance of organizations negatively, 173 or 28.45 percent of the respondents agree, 42 or 6.91 percent of the respondents are undecided, 40 or 6.58 percent of the respondents are undecided, while 5 or 0.82 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.35, we can confirm that the

staff of both sector organizations (public and private sectors) in this study agree that unstable working environment brings about high labour turnover and hence affect the performance of organizations negatively. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 38: Responses to Question Nine:** Labour turnover is reduced to its barest minimum because of the reward systems provided by my organization such as good and regular monthly salaries, and performance pay, which motivate staff for performance.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 342                       | 56.25                     | 1,710                 |
| 4              | Agree             | 174                       | 28.62                     | 696                   |
| 3              | Undecided         | 50                        | 8.22                      | 150                   |
| 2              | Disagree          | 39                        | 6.42                      | 78                    |
| 1              | Strongly Disagree | 3                         | 0.49                      | 3                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,637</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,637}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.34}}$$

To answer question nine above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 38 above. As expected, the responses are varied. The 342 respondents representing 56.25 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that labour turnover is reduced to its barest minimum because of the

reward systems provided by their organization such as good and regular monthly salaries, and performance pay, which motivate staff for performance, 174 or 28.62 percent of the respondents agree, 50 or 8.22 percent of the respondents are undecided, 39 or 6.42 percent of the respondents disagree, While 3 or 0.49 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.34, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that labour turnover is reduced to its barest minimum because of the reward systems provided by their organizations such as good and regular monthly salaries, and performance pay, which motivate staff for performance. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 39: Responses to Question Ten: Job satisfaction – organizational commitment enables staff to work harder for the achievement of organizational goals.**

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 383                       | 62.99                     | 1.915                 |
| 4              | Agree             | 213                       | 35.03                     | 852                   |
| 3              | Undecided         | 7                         | 1.15                      | 21                    |
| 2              | Disagree          | 5                         | 0.82                      | 10                    |
| 1              | Strongly Disagree | -                         | -                         | -                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,798</b>          |

**Source:** Fieldwork (2006)

Weighted Arithmetic Mean =  $\frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$

$$= \frac{2,798}{608}$$

Weighted arithmetic mean = **4.60**

To answer question ten above, the generated data are analyzed and the result reveals respondents' answers as stated in table 39 above. The responses are varied. The 383 respondents representing 62.99 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that job satisfaction – organizational commitment enables staff to work harder for the achievement of organizational goals, 213 or 35.03 percent of the respondents agree, 7 or 1.15 percent of the respondents are undecided, while 5 or 0.82 percent of the respondents disagree. Thus with the weighted arithmetic mean of 4.60, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that job satisfaction – organizational commitment enables staff to work harder for the achievement of organizational goals. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 40: Responses to Question Eleven:** Job satisfaction – zeal to work prevents frequent staff resignation and promotes organizational performance.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 386                       | 63.49                     | 1,930                 |
| 4              | Agree             | 194                       | 31.91                     | 776                   |
| 3              | Undecided         | 19                        | 3.13                      | 57                    |
| 2              | Disagree          | 6                         | 0.99                      | 12                    |
| 1              | Strongly Disagree | 3                         | 0.48                      | 3                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,778</b>          |

**Source:** Fieldwork (2006)

Weighted Arithmetic Mean =  $\frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$

$$= \frac{2,778}{608}$$

Weighted arithmetic mean = **4.57**

To answer question eleven above, the generated data are analyzed and the result reveals respondents' answers as stated in table 40 above. The responses are varied. The 386 respondents representing 63.49 percent of the sampled size from both the public and private sectors organization in this study strongly agree that job satisfaction – zeal to work prevents frequent staff resignation and promotes organizational performance, 194 or 31.91 percent of the respondents agree, 19 or 3.13 percent of the respondents are undecided, 6 or 0.99 percent of the respondents disagree, while 3 or 0.49 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.57, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that job satisfaction – zeal to work prevents frequent staff resignation and promotes organizational performance. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 41: Responses to Question Twelve:** Job satisfaction – willingness on the part of staff to take responsibility at work has contributed to higher performance in this organization.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 400                       | 65.79                     | 2,000                 |
| 4              | Agree             | 177                       | 29.11                     | 708                   |
| 3              | Undecided         | 11                        | 1.81                      | 33                    |
| 2              | Disagree          | 18                        | 2.96                      | 36                    |
| 1              | Strongly Disagree | 2                         | 0.33                      | 2                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,779</b>          |

**Source:** Fieldwork (2006)

Weighted Arithmetic Mean =  $\frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$

$$= \frac{2,779}{608}$$

Weighted arithmetic mean = 4.57

To answer question twelve above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 41 above. The responses are varied. The 400 respondents representing 65.79 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that job satisfaction – willingness on the part of staff to take responsibility at work has contributed to higher performance in their organization, 177 or 29.11 percent of the respondents agree, 11 or 1.81 percent of the respondents are undecided, 18 or 2.96 percent of the respondents disagree, while 2 or 0.33 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.57, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that job satisfaction – willingness on the part of staff to take responsibility at work has contributed to higher performance in their organization. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 42: Responses to Question Thirteen:** I am ready to work harder to enable my organization achieve its desired goals of enhanced performance if I am provided with good reward system.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 402                       | 66.12                     | 2,010                 |
| 4              | Agree             | 189                       | 31.09                     | 756                   |
| 3              | Undecided         | 11                        | 1.81                      | 33                    |
| 2              | Disagree          | 6                         | 0.98                      | 12                    |
| 1              | Strongly Disagree | -                         | -                         | -                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,811</b>          |

**Source:** Fieldwork (2006)

Weighted Arithmetic Mean =  $\frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$



$$= \frac{2,811}{608}$$

Weighted arithmetic mean = **4.62**

To answer question thirteen above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 42 above. As expected, the responses are varied. The 402 respondents representing 66.12 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that they are ready to work harder to enable their organizations achieve their desired goals of enhanced performance if they are provided with good reward system, 189 or 31.09 percent of the respondents agree, 11 or 1.81 percent of the respondents are undecided, while 6 or 0.98 percent of the respondents disagree. Thus with the weighted arithmetic mean of 4.62, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that they are ready to work harder to enable their organizations achieve their desired goals of enhanced performance if they are provided with good reward system. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 43: Responses to Question Fourteen:** I will continue to work for my organization to achieve its goals because of the rewards I am currently enjoying.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 338                       | 55.59                     | 1,690                 |
| 4              | Agree             | 183                       | 30.09                     | 732                   |
| 3              | Undecided         | 64                        | 10.53                     | 192                   |
| 2              | Disagree          | 19                        | 3.13                      | 38                    |
| 1              | Strongly Disagree | 4                         | 0.66                      | 4                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,656</b>          |

**Source:** Fieldwork (2006)

$$\begin{aligned} \text{Weighted Arithmetic Mean} &= \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}} \\ &= \frac{2,656}{608} \end{aligned}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.37}}$$

To answer question fourteen above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 43 above. The responses are varied. The 338 respondents representing 55.51 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that they will continue to work for their organizations to achieve their goals because of the rewards they are currently enjoying, 183 or 30.09 percent of the respondents agree, 64 or 10.53 percent of the respondents are undecided, 19 or 3.13 percent of the respondents disagree, while 4 or 0.66 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.37, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that they will continue to work for their organizations to achieve their goals because of the rewards they are currently enjoying. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 44: Responses to Question Fifteen:** Provision of adequate reward systems such as children education scholarship scheme and end of year bonus by organizations will enhance staff performance at work.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 310                       | 50.98                     | 1,550                 |
| 4              | Agree             | 253                       | 41.61                     | 1,012                 |
| 3              | Undecided         | 35                        | 5.78                      | 105                   |
| 2              | Disagree          | 8                         | 1.32                      | 16                    |
| 1              | Strongly Disagree | 2                         | 0.33                      | 2                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,685</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,685}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.42}}$$

To answer question fifteen above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 44 above. As expected, the responses are varied. The 310 respondents representing 50.98 percent of the sampled size from both public and private sectors organizations in this study strongly agree that provision of adequate reward systems such as children education scholarship scheme and end of year bonus by organizations will enhance staff performance at work, 253 or 41.61 percent of the respondents agree, 35 or 5.76 percent of the respondents are undecided, 8 or 1.32 percent of the respondents disagree, while 2 or 0.33 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.42, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that provision of adequate reward systems such as children education scholarship scheme and end of

year bonus by organizations will enhance staff performance at work This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 45: Responses to Question Sixteen:** My organization is performing well in terms of the purpose it is established to achieve such as enhanced service delivery and/or profit maximization.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 414                       | 68.09                     | 2,070                 |
| 4              | Agree             | 187                       | 30.76                     | 748                   |
| 3              | Undecided         | 3                         | 0.49                      | 9                     |
| 2              | Disagree          | 2                         | 0.33                      | 4                     |
| 1              | Strongly Disagree | 2                         | 0.33                      | 2                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,833</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,833}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.66}}$$

To answer question sixteen above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 45 above. The responses are varied. The 414 respondents representing 68.09 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that their organizations are performing well in terms of the purpose they are established to achieve such as enhanced service delivery and/or profit maximization, 187 or 30.76 percent of the respondents agree, 3 or 0.49 percent of the respondents are undecided, 2 or 0.33 percent of the respondents disagree, while 2 or 0.33 percent of

the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.66, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that their organization is performing well in terms of the purpose they are established to achieve such as enhanced service delivery and/or profit maximization. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

**Table 46: Responses to Question Seventeen:** Organizational performance is a function of availability of competent staff in an organization in terms of appropriate skills, educational qualification and experience.

| <b>Weights</b> | <b>Options</b>    | <b>No. of Respondents</b> | <b>(%) of Respondents</b> | <b>Weighted score</b> |
|----------------|-------------------|---------------------------|---------------------------|-----------------------|
| 5              | Strongly Agree    | 372                       | 61.18                     | 1,860                 |
| 4              | Agree             | 229                       | 37.67                     | 916                   |
| 3              | Undecided         | 3                         | 0.49                      | 9                     |
| 2              | Disagree          | 2                         | 0.33                      | 4                     |
| 1              | Strongly Disagree | 2                         | 0.33                      | 2                     |
| <b>Total</b>   |                   | <b>608</b>                | <b>100</b>                | <b>2,791</b>          |

**Source:** Fieldwork (2006)

$$\text{Weighted Arithmetic Mean} = \frac{\text{Total Weighted Score}}{\text{Total Number of Respondents}}$$

$$= \frac{2,791}{608}$$

$$\text{Weighted arithmetic mean} = \underline{\underline{4.59}}$$

To answer question seventeen above, the generated data are analyzed and the result reveals the respondents' answers as stated in table 46 above. The responses are varied. The 372 respondents representing 61.18 percent of the sampled size from both the public and private sectors organizations in this study strongly agree that organizational performance is a function of availability of competent staff in an

organization in terms of appropriate skills, educational qualification and experience, 229 or 37.67 percent of the respondents agree, 3 or 0.49 percent of the respondents are undecided, 2 or 0.33 percent of the respondents disagree, while 2 or 0.33 percent of the respondents strongly disagree. Thus with the weighted arithmetic mean of 4.59, we can confirm that the staff of both sector organizations (public and private sectors) in this study agree that organizational performance is a function of availability of competent staff in an organization in terms of appropriate skills, educational qualification and experience. This is based on the mean result stated above, which shows that most of the respondents sampled in this study agree with the fact stated.

## 5. 2. Testing of Hypotheses

In this section, the five hypotheses earlier stated in the study are tested to achieve the objectives of this research work. The objectives of the study are to comparatively determine staff recruitment, retention strategies, labour turnover, job satisfaction, reward systems and organizational performance of six selected public and private organizations using the two-tailed chi-square ( $\chi^2$ ) analytical technique to test for significant relationship between variables and the Cramer's V analytical technique to determine the degree of relationship or association between the variables.

**5.2.1. Hypothesis One:** It was hypothesized that there is no significant relationship between staff recruitment strategies and organizational performance in both public and private organizations. The table 47 below shows the reaction of respondents to the questions raised.

**Table 47 Shows the Relationship between Staff Recruitment Strategies and Organizational Performance in both Public and Private Organizations.**

| <b>Staff Recruitment Strategies and Organizational Performance</b> | <b>Public Organizations</b> | <b>Private Organizations</b> | <b>Total</b> |
|--|-----------------------------|------------------------------|--------------|
| Strongly Agrees  | 697                         | 376                          | 1,073        |
| Agrees   | 210                         | 178                          | 388          |
| Undecided  | 36                          | 75                           | 111          |
| Disagrees  | 28                          | 72                           | 100          |
| Strongly Disagrees   | 21                          | 157                          | 178          |
| <b>Total</b>   | <b>992</b>                  | <b>858</b>                   | <b>1,850</b> |

**Source:** Fieldwork (2006)

Three questions are used to compute the two-tailed  $X^2$  test. These questions are:

1. An organization's strategies for staff recruitment that is based on 'whom you know' will result in poor organizational performance.

2. The criteria for employment in my organization are based on other factors than merit and this is affecting the performance of my organization negatively.
3. Recruitment in an organization that is based on merit such as possession of appropriate qualification in terms of skill, education and experience enhances organizational performance.

The purpose of these questions is to find out the impact of staff recruitment strategies and performance in both public and private organizations.

### **Research Decision**

$$\text{Calculated } x^2 = 227.1$$

$$\text{Critical or table } x^2 = 7.78$$

$$\text{Degree of freedom (d/f)} = 4$$

$$\text{Alpha } (\alpha) = 0.05 \text{ percent}$$

### **Interpretation**

The calculated  $x^2$  of 227.1 is greater than the critical or table  $x^2$  of 7.78 @ alpha ( $\alpha$ ) level of 0.05 percent. This means that data are statistically significant.

### **Research Result**

The research result is to reject the null hypothesis ( $H_0$ ) and accept the research hypothesis ( $H_r$ ), which states that there is a significant relationship between staff recruitment strategies and organizational performance in both public and private organizations. With the establishment of a relationship between the variables, the Cramer's V was then calculated to determine the degree of association or relationship between the variables under consideration.



### Degree of Association between Variables

The degree of relationship or association between the variables is found to be 0.61, which indicates that there is a strong association or relationship between staff recruitment strategies and organizational performance in both public and private organizations. This means that 61 percent of the sampled population in this study from public and private organizations agrees that there is an association or relationship between staff recruitment strategies and organizational performance.

**5. 2.2. Hypothesis Two:** It was hypothesized that there is no significant relationship between staff retention strategies and organizational performance in both public and private organizations. The table 48 below shows the reaction of respondents to the questions raised.

**Table 48 Shows the Relationship between Staff Retention Strategies and Organizational Performance in both Public and Private Organizations.**

| <b>Staff Retention Strategies and Organizational Performance</b> | <b>Public Organizations</b> | <b>Private Organizations</b> | <b>Total</b> |
|--|-----------------------------|------------------------------|--------------|
| Strongly Agrees  | 479                         | 526                          | 1,005        |
| Agrees   | 355                         | 280                          | 635          |
| Undecided  | 44                          | 31                           | 75           |
| Disagrees  | 35                          | 27                           | 62           |
| Strongly Disagrees   | 4                           | 3                            | 7            |
| <b>Total</b>   | <b>917</b>                  | <b>867</b>                   | <b>1,784</b> |

**Source:** Fieldwork (2006)

Three questions are used to compute the two-tailed  $X^2$  test. These questions are:

4. The strategies put in place to motivate staff such as career development and opportunity to earn promotion in my organization have helped to retain competent staff for the realization of organizational performance.
5. The strategies adopted by my organization to retain staff such as implementation of policies on job security and proper working environment motivate staff to work harder for the achievement of organizational goals.

6. The more adequate retention strategies put in place by my organization such as proper training programme and existence of machinery for conflict resolution, the more loyal I will be to my organization in its quest for enhanced performance.

The purpose of these questions is to find out the impact of staff retention strategies on performance in both public and private organizations.

### **Research Decision**

$$\text{Calculated } x^2 = 13.05$$

$$\text{Critical or table } x^2 = 7.78$$

$$\text{Degree of freedom (d/f)} = 4$$

$$\text{Alpha } (\alpha) = 0.05 \text{ percent}$$

### **Interpretation**

The calculated  $x^2$  of 13.05 is greater than the critical or table  $x^2$  of 7.78 @ alpha ( $\alpha$ ) level of 0.05 percent. This means that data are statistically significant.

### **Research Result**

The research result is to reject the null hypothesis ( $H_0$ ) and accept the research hypothesis ( $H_r$ ), which states that there is a significant relationship between staff retention strategies and organizational performance in both the public and private organizations. With the establishment of a relationship between the variables, the Cramer's V was then calculated to determine the degree of association or relationship between the variables under consideration.

### **Degree of Association between Variables**

The degree of association or relationship between the variables is found to be 0.15, which indicates that there is a slight association or relationship between staff retention strategies and organizational performance in both public and private organizations. This means that 15 percent of the sampled population in this study

from both public and private sectors agrees that there is an association or relationship between staff retention strategies and organizational performance.

**5.2.3. Hypothesis Three:** It was hypothesized that there is no significant relationship between labour turnover and organizational performance in both public and private organizations. The table 49 below shows the reaction of respondents to the questions raised.

**Table 49 Shows the Relationship between Labour Turnover and Organizational Performance in both Public and Private Organizations.**

| <b>Labour Turnover and Organizational Performance</b> | <b>Public Organizations</b> | <b>Private Organizations</b> | <b>Total</b> |
|---|-----------------------------|------------------------------|--------------|
| Strongly Agrees                                       | 554                         | 504                          | 1,058        |
| Agrees  | 271                         | 251                          | 522          |
| Undecided   | 49                          | 71                           | 120          |
| Disagrees   | 55                          | 46                           | 101          |
| Strongly Disagrees                                    | 4                           | 7                            | 11           |
| <b>Total</b>  | <b>933</b>                  | <b>879</b>                   | <b>1,812</b> |

**Source:** Fieldwork (2006)

Three questions are used to compute the two-tailed  $X^2$  test. These questions are:

7. Frequent staff resignation or dismissal in an organization brings about a sense of job insecurity and hence affect negatively organizational performance.
8. Unstable working environment brings about high labour turnover and hence affect the performance of organizations negatively.
9. Labour turnover is reduced to its barest minimum because of the reward systems provided by my organization such as good and regular monthly salaries, and performance pay, which motivate staff for performance

The purpose of these questions is to find out the impact of labour turnover on performance in both public and private organizations.

### **Research Decision**

$$\text{Calculated } x^2 = 7.11$$

$$\text{Critical or table } x^2 = 7.78$$

$$\text{Degree of freedom (d/f)} = 4$$

$$\text{Alpha } (\alpha) = 0.05 \text{ percent}$$

### **Interpretation**

The calculated  $x^2$  of 7.11 is less than the critical or table  $x^2$  of 7.78 @ alpha ( $\alpha$ ) level of 0.05 percent. This means that data are not statistically significant.

### **Research Result**

The outcome of research is to reject the research hypothesis (Hr.) and accept the null hypothesis (Ho.), which states that there is no significant relationship between labour turnover and organizational performance in both public and private organizations. This means that there is no sufficient evidence to prove that the sectors, to which respondents belong, have influence on their views about labour turnover and organizational performance in both public and private organizations. This fact could be supported by the data presented in table 49 above, which show that 87.19 percent of the views of the respondents sampled in this study irrespective of the sector organizations they belong, agrees that frequent labour turnover in an organization has impact on organizational performance.

**5.2.4. Hypothesis Four:** It was hypothesized that there is no significant relationship between job satisfaction and organizational performance in both public and private organizations. The table 50 below shows the reaction of respondents to the questions raised.

**Table 50 Shows the Relationship between Job Satisfaction and Organizational Performance in both Public and Private Organizations.**

| <b>Job Satisfaction and Organizational Performance</b> | <b>Public Organizations</b> | <b>Private Organizations</b> | <b>Total</b> |
|--|-----------------------------|------------------------------|--------------|
| Strongly Agrees  | 572                         | 587                          | 1,159        |
| Agrees   | 308                         | 266                          | 574          |
| Undecided  | 17                          | 20                           | 37           |
| Disagrees  | 14                          | 15                           | 29           |
| Strongly Disagrees                                     | 2                           | 3                            | 5            |
| <b>Total</b>   | <b>913</b>                  | <b>891</b>                   | <b>1,804</b> |

**Source:** Fieldwork (2006)

Three questions are used to compute the two-tailed  $X^2$  test. These questions are:

10. Job satisfaction – organizational commitment enables staff to work harder for the achievement of organizational goals.
11. Job satisfaction – zeal to work prevents frequent staff resignation and promotes organizational performance.
12. Job satisfaction – willingness on the part of staff to take responsibility at work has contributed to higher performance in this organization.

The purpose of these questions is to find out the impact of job satisfaction on the part of staff on performance in both public and private organizations.

### **Research Decision**

$$\text{Calculated } x^2 = 3.45$$

$$\text{Critical or table } x^2 = 7.78$$

$$\text{Degree of freedom (d/f)} = 4$$

$$\text{Alpha } (\alpha) = 0.05 \text{ percent}$$

## Interpretation

The calculated  $\chi^2$  of 3.45 is less than the critical or table  $\chi^2$  of 7.78 @ alpha ( $\alpha$ ) level of 0.05 percent. This means that data are not statistically significant.

## Research Result

The result is to reject the research hypothesis (Hr.) and accept the null hypothesis (Ho.), which states that there is no significant relationship between job satisfaction and organizational performance in both public and private organizations. This means that there is no sufficient evidence to prove that sectors, to which respondents belong, have influence on their views about the impact of job satisfaction on organizational performance in both public and private organizations. This fact could be supported by the data presented in table 50 above, which shows that 96.06 percent of the views of the respondents sampled in this study irrespective of the sector organizations they belong agree that job satisfaction has impact on organizational performance.

**5.2.5. Hypothesis Five:** It was hypothesized that there is no significant relationship between reward systems and organizational performance in both public and private organizations. The table 51 below shows the reaction of respondents to the questions raised.

**Table 51 Shows the Relationship between Reward Systems and Organizational Performance in both Public and Private Organization.**

| <b>Reward Systems and Organizational Performance</b> | <b>Public Organizations</b> | <b>Private Organizations</b> | <b>Total</b> |
|--|-----------------------------|------------------------------|--------------|
| Strongly Agrees                                      | 508                         | 527                          | 1,035        |
| Agrees   | 347                         | 266                          | 613          |
| Undecided  | 44                          | 66                           | 110          |
| Disagrees  | 21                          | 9                            | 30           |
| Strongly Disagrees                                   | 2                           | 4                            | 6            |
| <b>Total</b>   | <b>922</b>                  | <b>872</b>                   | <b>1,794</b> |

**Source:** Fieldwork (2006)

Three questions are used to compute the two-tailed  $X^2$  test. These questions are:

13. I am ready to work harder to enable my organization achieve its desired goals of enhanced performance if I am provided with good reward system.
14. I will continue to work for my organization to achieve its goals because of the rewards I am currently enjoying.
15. Provision of adequate reward systems such as children education scholarship scheme and end of year bonus by organizations will enhance staff performance at work.

The purpose of these questions is to find out the impact of reward systems on performance in both public and private organizations.

### **Research Decision**

$$\text{Calculated } x^2 = 19.49$$

$$\text{Critical or table } x^2 = 7.78$$

$$\text{Degree of freedom (d/f)} = 4$$

$$\text{Alpha } (\alpha) = 0.05 \text{ percent}$$

### **Interpretation**

The calculated  $x^2$  of 19.49 is greater than the critical or table  $x^2$  of 7.78 @ alpha ( $\alpha$ ) level of 0.05 percent. This means that data are statistically significant.

### **Research Result**

The research result is to reject the null hypothesis ( $H_0$ ) and accept the research hypothesis ( $H_r$ ), which states that there is a significant relationship between reward systems and organizational performance in both public and private organizations. With the establishment of a relationship between the variables, the Cramer's V was then calculated to determine the degree of association or relationship between the variables under consideration.

### **Degree of Association between Variables**

The degree of association or relationship between the variables is found to be 0.17, which indicates that there is a slight association or relationship between reward systems and organizational performance in both public and private organizations in our case studies. This means that 17 percent of the sampled population in this study from both public and private organizations agrees that there is an association or relationship between reward systems and organizational performance.

### **5.3. Comparative Analyses of Views of Respondents on Staff Recruitment, Retention Strategies and Organizational Performance.**

In this section, the views of respondents in both public and private organizations on staff recruitment, retention strategies, labour turnover, job satisfaction, reward systems and organizational performance are comparatively analyzed using the Mann Whitney U-test (two-tailed) analytical technique. The tables 52 and 53 below show the views of respondents' mean scores on staff recruitment strategies and organizational performance in both public and private organizations.

#### **5.3.1. Table 52 Shows the Views of Respondents in Public Organizations on Staff Recruitment Strategies and Organizational Performance.**

| <b>Organizations</b> | <b>Sample Size</b> | <b>SA (5)</b> | <b>A (4)</b> | <b>U (3)</b> | <b>D (2)</b> | <b>SD (1)</b> | <b>Weighted Scores</b> | <b>Mean Scores</b> |
|----------------------|--------------------|---------------|--------------|--------------|--------------|---------------|------------------------|--------------------|
| Federal Service      | 108                | 77            | 25           | 5            | -            | 1             | 501                    | 4.63               |
| Delta Service        | 103                | 70            | 24           | 8            | -            | -             | 470                    | 4.56               |
| Lagos Service        | 100                | 65            | 22           | 10           | 2            | 1             | 448                    | 4.48               |

**Source:** Fieldwork (2006)



**5.3.2. Table 53 Shows the Views of Respondents in Private Organizations on Staff Recruitment Strategies and Organizational Performance.**

| Organizations          | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|------------------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Nigerian Breweries Plc | 102         | 72     | 23    | 1     | 1     | -      | 454             | 4.45        |
| Zenith Bank Plc        | 98          | 59     | 19    | 7     | 1     | 12     | 405             | 4.13        |
| Nestle Nig. Plc        | 97          | 21     | 32    | 18    | 2     | 24     | 315             | 3.24        |

**Source:** Fieldwork (2006)

Number one question was used to compute the comparative views of respondents in both public and private organizations on staff recruitment strategies and organizational performance, using the Mann Whitney U (two-tailed) analytical technique.

1. An organization's strategies for staff recruitment that are based on 'whom you know' will result in poor organizational performance.

From the above tables 52 and 53, the following mean data on the views of respondents in both public and private organizations on staff recruitment strategies and organizational performance are generated and compared using the Mann Whitney U-test (two-tailed) analytical technique.

| Public Sector            |                               | Private Sector           |                               |
|--------------------------|-------------------------------|--------------------------|-------------------------------|
| Number of Cases          | Rank                          | Number of Cases          | Rank                          |
| 108                      | 4.63                          | 102                      | 4.45                          |
| 103                      | 4.56                          | 98                       | 4.13                          |
| 100                      | 4.48                          | 97                       | 3.24                          |
| <b>n<sub>1</sub> = 3</b> | <b>Σ<sub>R1</sub> = 13.67</b> | <b>n<sub>2</sub> = 3</b> | <b>Σ<sub>R2</sub> = 11.82</b> |

Mann-Whitney U-test (two-tailed) for first Sample:  $U_1 = n_1n_2 + \frac{n_1(n_1 + 1)}{2} - \sum_{R1}$

2

$$= (3)(3) + \frac{(3)(3+1)}{2} - 13.67$$

$$= 9 + 6 - 13.67$$

$$U_1 = 1.33$$

Mann-Whitney U-test (two-tailed) for Second Sample:  $U_1 = n_1n_2 + \frac{n_2(n_2+1)}{2} - \sum R_2$

$$= (3)(3) + \frac{(3)(3+1)}{2} - 11.82$$

$$= 9 + 6 - 11.82$$

$$U_2 = 3.18$$

**The Rule:** Take the smaller of the two  $U_1, U_2$  value. In this test the computed value must be less than the tabulated or table value to reject the null hypothesis. On the other hand, if the tabulated or table value is higher than the computed value, the result is to accept the research hypothesis (Thorne and Giesen, 2003:349)

**Ho:** There is no significant difference in the views of respondents in both public and private organizations on staff recruitment strategies and organizational performance.

**Hr:** There is a significant difference in the views of respondents in both public and private organizations on staff recruitment strategies and organizational performance.

Significance level ( $\alpha$ ) = 0.05 (two tailed test)

Computed U (Small) = 1.33

Tabular or table  $U_1 = 23$  (obtained from table – Mann Whitney U-test)

### **The Result**

Computed (smaller)  $U_1 = 1.33$ , is less than tabulated or table  $U = 23$ , @ alpha 0.05 percent. The result is to reject ( $H_0$ ) and accept ( $H_r$ ), which states that there is a significant difference in the views of respondents in both public and private organizations on staff recruitment strategies and organizational performance. This

means that the sector organizations, which respondents belong, have influence on their views about staff recruitment strategies and organizational performance in this study.

**5.3.3. Table 54 Shows the Views of Respondents in Public Organizations on Staff Retention Strategies and Organizational Performance.**

| Organizations   | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|-----------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Federal Service | 108         | 70     | 23    | 7     | 8     | -      | 479             | 4.43        |
| Delta Service   | 103         | 64     | 28    | 2     | 9     | -      | 456             | 4.42        |
| Lagos Service   | 100         | 49     | 30    | 9     | 11    | 1      | 415             | 4.15        |

**Source:** Fieldwork (2006)

**5.3.4. Table 55 Shows the Views of Respondents in Private Organizations on Staff Retention Strategies and Organizational Performance.**

| Organizations          | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|------------------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Nigerian Breweries Plc | 102         | 60     | 28    | 5     | 6     | 3      | 442             | 4.33        |
| Zenith Bank Plc        | 98          | 52     | 28    | 16    | 1     | 1      | 422             | 4.30        |
| Nestle Nig. Plc        | 97          | 50     | 34    | 7     | 3     | 3      | 416             | 4.28        |

**Source:** Fieldwork (2006)

Number four question was used to compute the comparative views of respondents in both public and private organizations on staff retention strategies and organizational performance, using the Mann Whitney U (two-tailed) analytical technique.

4. The strategies put in place to motivate staff such as career development and opportunity to earn promotion in my organization has helped to retain competent staff for the realization of organizational performance.

From the above tables 54 and 55, the following mean data on the views of respondents in both public and private organizations on staff retention strategies and

organizational performance are generated and compared using the Mann Whitney U-test (two-tailed) analytical technique.

| Public Sector            |                            | Private Sector           |                               |
|--------------------------|----------------------------|--------------------------|-------------------------------|
| Number of Cases (3)      | Rank                       | Number of Cases (3)      | Rank                          |
| 108                      | 4.43                       | 102                      | 4.33                          |
| 103                      | 4.42                       | 98                       | 4.30                          |
| 100                      | 4.15                       | 97                       | 4.28                          |
| <b>n<sub>1</sub> = 3</b> | <b>Σ<sub>R1</sub> = 13</b> | <b>n<sub>2</sub> = 3</b> | <b>Σ<sub>R2</sub> = 12.91</b> |

Mann-Whitney U-test (two-tailed) for first Sample:  $U_1 = n_1n_2 + \frac{n_1(n_1 + 1)}{2} - \sum_{R1}$

$$= (3)(3) + \frac{(3)(3 + 1)}{2} - 13$$

$$= 9 + 6 - 13$$

$$U_1 = 2$$

Mann-Whitney U-test (two-tailed) for Second Sample:  $U_1 = n_1n_2 + \frac{n_2(n_2 + 1)}{2} - \sum_{R2}$

$$= (3)(3) + \frac{(3)(3 + 1)}{2} - 12.91$$

$$= 9 + 6 - 12.91$$

$$U_2 = 2.09$$

**H<sub>0</sub>:** There is no significant difference in the views of respondents in both public and private organizations on staff retention strategies and organizational performance.

**H<sub>r</sub>:** There is a significant difference in the views of respondents in both public and private organizations on staff retention strategies and organizational performance.

Significance level ( $\alpha$ ) = 0.05 (two tailed test)

Computed U (Small) = 2

Tabular or table  $U_1 = 23$  (obtained from table – Mann Whitney U-test)

### The Result

Computed (smaller)  $U_1 = 2$ , is less than tabulated or table  $U = 23$ , @ alpha 0.05 percent. The result is to reject  $H_0$  and accept ( $H_r$ ), which states that there is a significant difference in the views of respondents in both public and private organizations on staff retention strategies and organizational performance. This means that the sector organizations, which respondents belong, have influence on their views about staff retention strategies and organizational performance.

#### 5.3.5. Table 56 Shows the Views of Respondents in Public Organizations on Labour Turnover and Organizational Performance.

| Organizations   | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|-----------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Federal Service | 108         | 69     | 32    | 6     | 1     | -      | 492             | 4.55        |
| Delta Service   | 103         | 65     | 33    | -     | 2     | 3      | 464             | 4.50        |
| Lagos Service   | 100         | 63     | 32    | -     | 1     | 4      | 448             | 4.48        |

Source: Fieldwork (2006)

#### 5.3.6. Table 57 Shows the Views of Respondents in Private Organizations on Labour Turnover and Organizational Performance.

| Organizations          | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|------------------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Nigerian Breweries Plc | 102         | 69     | 22    | 4     | 7     | -      | 459             | 4.50        |
| Zenith Bank Plc        | 98          | 67     | 20    | 1     | 4     | 3      | 433             | 4.41        |
| Nestle Nig. Plc        | 97          | 41     | 44    | 9     | 3     | -      | 414             | 4.26        |

Source: Fieldwork (2006)

Number seven question was used to compute the comparative views of respondents in the public and private organizations on labour turnover and organizational performance, using the Mann Whitney U (two-tailed) analytical technique.

7. Frequent staff resignation or dismissal brings about a sense of job insecurity and hence affect negatively organizational performance.

From the above tables 56 and 57, the following mean data on the views of respondents in both public and private sectors organizations on high labour turnover and organizational performance are generated and compared using the Mann Whitney U-test (two-tailed) statistical Instrument

| Public Sector            |                               | Private Sector           |                               |
|--------------------------|-------------------------------|--------------------------|-------------------------------|
| Number of Cases (3)      | Rank                          | Number of Cases (3)      | Rank                          |
| 108                      | 4.55                          | 102                      | 4.50                          |
| 103                      | 4.50                          | 98                       | 4.41                          |
| 100                      | 4.48                          | 97                       | 4.26                          |
| <b>n<sub>1</sub> = 3</b> | <b>Σ<sub>R1</sub> = 13.53</b> | <b>n<sub>2</sub> = 3</b> | <b>Σ<sub>R2</sub> = 13.17</b> |

Mann-Whitney U-test (two-tailed) for first Sample:  $U_1 = n_1n_2 + \frac{n_1(n_1 + 1)}{2} - \sum_{R1}$

$$= (3)(3) + \frac{(3)(3 + 1)}{2} - 13.53$$

$$= 9 + 6 - 13.53$$

$$U_1 = 1.47$$

Mann-Whitney U-test (two-tailed) for Second Sample:  $U_2 = n_1n_2 + \frac{n_2(n_2 + 1)}{2} - \sum_{R2}$

$$= (3)(3) + \frac{(3)(3 + 1)}{2} - 13.17$$

$$= 9 + 6 - 13.17$$

$$U_2 = 1.83$$

**Ho:** There is no significant difference in the views of respondents in both public and private organizations on labour turnover and organizational performance.

**Hr:** There is a significant difference in the views of respondents in both public and private organizations on labour turnover and organizational performance.

Significance level ( $\alpha$ ) = 0.05 (two tailed test)

Computed U (Small) = 1.47

Tabular or table  $U_1 = 23$  (obtained from table – Mann Whitney U-test)

### The Result

Computed (smaller)  $U_1 = 1.47$ , is less than tabulated or table  $U = 23$ , @ alpha 0.05 percent. The result is to reject  $H_0$  and accept ( $H_r$ ), which states that there is a significant difference in the views of respondents in both public and private organizations on labour turnover and organizational performance. This means that the sector organizations, which respondents belong, have influence on their views about labour turnover and organizational performance.

#### 5.3.7. Table 58 Shows the Views of Respondents in Public Organizations on Job Satisfaction and Organizational Performance.

| Organizations   | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|-----------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Federal Service | 108         | 80     | 20    | 6     | 1     | 1      | 500             | 4.62        |
| Delta Service   | 103         | 72     | 26    | 1     | -     | -      | 465             | 4.51        |
| Lagos Service   | 100         | 55     | 40    | 1     | 2     | 2      | 442             | 4.          |

Source: Fieldwork (2006)

#### 5.3.8. Table 59 Shows the Views of Respondents in Private Organizations on Job satisfaction and Organizational Performance.

| Organizations          | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|------------------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Nigerian Breweries Plc | 102         | 77     | 18    | 3     | 4     | -      | 474             | 4.64        |
| Zenith Bank Plc        | 98          | 56     | 38    | 1     | 1     | 2      | 436             | 4.44        |
| Nestle Nig. Plc        | 97          | 53     | 30    | 6     | 5     | 3      | 416             | 4.28        |

Source: Fieldwork (2006)

Number eleven question was used to compute the comparative views of respondents in both public and private organizations on job satisfaction and organizational performance, using the Mann Whitney U (two-tailed) analytical technique.

11. Job satisfaction – zeal to work prevents frequent staff resignation and promotes organizational performance.

From the above tables 58 and 59, the following mean data on the views of respondents in both public and private organizations on job satisfaction and organizational performance are generated and compared using the Mann Whitney U-test (two-tailed) analytical technique.

| <b>Public Sector</b>       |                               | <b>Private Sector</b>      |                               |
|----------------------------|-------------------------------|----------------------------|-------------------------------|
| <b>Number of Cases (3)</b> | <b>Rank</b>                   | <b>Number of Cases (3)</b> | <b>Rank</b>                   |
| 108                        | 4.62                          | 102                        | 4.64                          |
| 103                        | 4.51                          | 98                         | 4.44                          |
| 100                        | 4.42                          | 97                         | 4.28                          |
| <b>n<sub>1</sub> = 3</b>   | <b>Σ<sub>R1</sub> = 13.55</b> | <b>n<sub>2</sub> = 3</b>   | <b>Σ<sub>R2</sub> = 13.36</b> |

Mann-Whitney U-test (two-tailed) for first Sample:  $U_1 = n_1n_2 + \frac{n_1(n_1 + 1)}{2} - \sum_{R1}$

$$= (3)(3) + \frac{(3)(3 + 1)}{2} - 13.55$$

$$= 9 + 6 - 13.55$$

$$U_1 = 1.45$$

Mann-Whitney U-test (two-tailed) for Second Sample:  $U_1 = n_1n_2 + \frac{n_2(n_2 + 1)}{2} - \sum_{R2}$



$$= (3)(3) + \frac{(3)(3+1)}{2} - 13.36$$

$$= 9 + 6 - 13.36$$

$$U_2 = 1.64$$

**Ho:** There is no significant difference in the views of respondents in both public and private organizations on job satisfaction and organizational performance.

**Hr:** There is a significant difference in the views of respondents in both public and private organizations on job satisfaction and organizational performance.

Significance level ( $\alpha$ ) = 0.05 (two tailed test)

Computed U (Small) = 1.45

Tabular or table  $U_1 = 23$  (obtained from table – Mann Whitney U-test)

### The Result

Computed (smaller)  $U_1 = 1.45$ , is less than tabulated or table  $U = 23$ , @ alpha 0.05 percent. The result is to reject  $H_0$  and accept ( $H_r$ ), which states that there is a significant difference in the views of respondents in both public and private organizations on job satisfaction and organizational performance. This means that the sector organizations, which respondents belong, have influence on their views on job satisfaction staff and organizational performance.

### 5.3.9. Table 60 Shows the Views of Respondents in Public Organizations on Reward Systems and Organizational Performance.

| Organizations   | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|-----------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Federal Service | 108         | 70     | 28    | 6     | 2     | 2      | 486             | 4.50        |
| Delta Service   | 103         | 60     | 36    | -     | 3     | 4      | 454             | 4.40        |
| Lagos Service   | 100         | 43     | 46    | -     | 6     | 5      | 416             | 4.16        |

**Source:** Fieldwork (2006)

**5.3.10. Table 61 Shows the Views of Respondents in Private Organizations on Reward Systems and Organizational Performance.**

| Organizations          | Sample Size | SA (5) | A (4) | U (3) | D (2) | SD (1) | Weighted Scores | Mean Scores |
|------------------------|-------------|--------|-------|-------|-------|--------|-----------------|-------------|
| Nigerian Breweries Plc | 102         | 65     | 27    | 7     | 2     | -      | 458             | 4.49        |
| Zenith Bank Plc        | 98          | 60     | 18    | 10    | 3     | 7      | 415             | 4.23        |
| Nestle Nig. Plc        | 97          | 32     | 48    | 17    | 0     | 0      | 403             | 4.15        |

**Source: Fieldwork (2006)**

Number fifteen question was used to compute the comparative views of respondents in both public and private organizations on reward systems and organizational performance, using the Mann Whitney U (two-tailed) analytical technique.

15. Provision of adequate reward systems such as children education scholarship scheme and end of year bonus by organizations will enhance staff performance at work.

From the above tables 60 and 61, the following mean data on the views of respondents in both public and private organizations on reward systems and organizational performance are generated and compared using the Mann Whitney U-test (two-tailed) analytical technique.

| Public Sector            |                               | Private Sector           |                               |
|--------------------------|-------------------------------|--------------------------|-------------------------------|
| Number of Cases (3)      | Rank                          | Number of Cases (3)      | Rank                          |
| 108                      | 4.50                          | 102                      | 4.49                          |
| 103                      | 4.40                          | 98                       | 4.23                          |
| 100                      | 4.16                          | 97                       | 4.15                          |
| <b>n<sub>1</sub> = 3</b> | <b>Σ<sub>R1</sub> = 13.06</b> | <b>n<sub>2</sub> = 3</b> | <b>Σ<sub>R2</sub> = 12.87</b> |

Mann-Whitney U-test (two-tailed) for first Sample:  $U_1 = n_1n_2 + \frac{n_1(n_1 + 1)}{2} - \sum_{R1}$

$$= (3)(3) + \frac{(3)(3+1)}{2} - 13.06$$

$$= 9 + 6 - 13.06$$

$$\mathbf{U_1 = 1.94}$$

Mann-Whitney U-test (two-tailed) for Second Sample:  $U_1 = n_1n_2 + \frac{n_2(n_2+1)}{2} - \sum R_2$

$$= (3)(3) + \frac{(3)(3+1)}{2} - 12.87$$

$$= 9 + 6 - 12.87$$

$$\mathbf{U_2 = 2.13}$$

**Ho:** There is no significant difference in the views of respondents in both public and private organizations on reward systems and organizational performance.

**Hr:** There is a significant difference in the views of respondents in both public and private organizations on reward systems and organizational performance

Significance level ( $\alpha$ ) = 0.05 (two tailed test)

Computed U (Small) = 1.94

Tabular or table  $U_1 = 23$  (obtained from table – Mann Whitney U-test)

### **The Result**

Computed (smaller)  $U_1 = 1.94$ , is less than tabulated or table  $U = 23$ , @ alpha 0.05 percent. The result is to reject  $H_0$  and accept ( $H_r$ ), which states that there is a significance difference in the views of respondents in both public and private organizations on reward systems and organizational performance. This means that the sector organizations, to which respondents belong, have influence on their views about reward systems and organizational performance.

## **5.4. Views of Employees on Staff Recruitment, Retention Strategies and Organizational Performance in Public and Private Organizations: Six Case Studies**

This section presents the views of employees on staff recruitment and retention strategies of Nestle Nig. Plc, Nigerian Breweries Plc, and Zenith Bank Plc (private organizations), and the Federal Civil Service, Lagos State Civil Service and Delta State Civil Service (public organizations) and organizational performance. In this regard, case studies of these six organizations are presented below.

### **5.4.1. Case Study One: Nestle Nig. Plc.**

In the case study one, the views of employees on what the organization is currently doing to prevent frequent staff resignation from Nestle Nig. Plc are considered; and the following question was asked: Kindly list measures put in place by your organization to prevent high labour turnover. Presented below are the staff responses: Out of the 120 questionnaires administered in Nestle Nig. Plc., 97 questionnaires are analyzed, and this represents 80.83 percent of questionnaires administered. The 76 respondents that answered the above question listed the following as measures put in place by Nestle Nig. Plc to prevent frequent staff resignation as:

1. end of year bonus plus good monthly salary;
2. extra pay for meeting set target;
3. proper working environment;
4. confirmation of staff appointment in six months after successful confirmation interview;
5. prompt payment of pension and gratuity to discharged staff;
6. constant rewards for job well done;
7. staff recognition in decision-making on issues affecting their welfare;
8. ability of management to fulfill promises made to staff;
9. humane treatment of staff in terms of words and actions;
10. support for staff unionism;
11. free medical services for staff, spouse and four children;

12. constant training programme for staff; and
13. rewards for individual staff performance (Fieldwork, 2006).

In addition, employees' views are also considered concerning current reward systems put in place by Nestle Nig. Plc to retain competent staff in its employment. In this regard, the following question was asked: Kindly list those rewards you are currently enjoying that will enable you to remain in the employment of your organization. Presented below are the staff responses: The 82 respondents that answered the above question, listed the following as reward systems they are currently enjoying, which would enable them to stay long in the employment of Nestle Nig. Plc as:

1. good condition of service;
2. free medical services for staff, spouse and four children;
3. good salary structure;
4. maternity leave with full pay for female staff;
5. loan facility opportunity for staff;
6. food served in the company's canteen free of charge;
7. provision of staff buses; and
8. regular quality monthly salaries (Fieldwork, 2006).

The provision of the above rewards by Nestle Nig. Plc did not only reduced incidences of frequent staff resignation from the employment of the organization, but also brought about job satisfaction, which is required by staff to perform their duties better (Fieldwork, 2006). In the area of staff recruitment strategies, the employees' views are also considered. The following question was asked: Kindly state the strategies for staff recruitment in your organization. The 88 respondents that answered the above question unanimously agree that the strategies for staff recruitment in Nestle Nig. Plc are based to a large extent on merit – possession of appropriate qualification in terms of skills, education and experience (Fieldwork, 2006).

#### **5.4.2. Case Study Two: Lagos State Civil Service**

In the case study two, the views of civil servants on what the Lagos State Civil Service is currently doing to prevent frequent staff resignation from the organization are considered; and the following question was asked: Kindly list measures put in place by your organization to prevent high labour turnover. Presented below are the staff responses: Out of the 120 questionnaires administered in Lagos State Civil Service, 100 questionnaires are analyzed, and this represents 83.33 percent of questionnaires administered. The 68 respondents that answered the above question listed the following as measures put in place by the Lagos State Civil Service to prevent frequent staff resignation as:

1. housing and car refurbishing loan;
2. provision of highly subsidized staff quarters;
3. provision of staff bus services;
4. prompt payment of staff salaries;
5. payment of pension and gratuity to discharged staff;
6. support for staff unionism;
7. confirmation of staff appointment in two (2) years after successful confirmation interview;
8. free medical services for staff and their family members;
9. proper working environment free of tension and anxiety;
10. encouragement of staff by management;
11. constant training programme for staff; and
12. job security (Fieldwork, 2006).

In addition, employees' views are also considered as regard the reward systems put in place by the organization to retain staff in its employment, which they are currently enjoying that would make them to stay long in the employment of the company. In this regard, the following question was asked: Kindly list those rewards you are currently enjoying that will enable you to remain for long in the employment of your organization. Presented below are the staff responses: The 63 respondents

listed the following as reward systems currently being provided by the Lagos State Civil Service:

1. free medical services for staff, spouse and four children;
2. provision of staff bus services;
3. maternity leave with full pay for female staff;
4. prompt payment of staff salaries;
5. housing and car refurbishing loan facility for staff;
6. provision of highly subsidized staff quarters; and
7. highly subsidized food served in the civil service's Canteen (Fieldwork, 2006).

The provision of the above reward systems, increased job satisfaction of the workforce and the result is that of low staff turnover in the service even where their monthly pay was found to be small compared to what people earn in the private sector (Fieldwork, 2006). In the area of staff recruitment strategies, the employees' views are also considered. The following question was asked: Kindly state the strategies for staff recruitment in your organization. The 74 respondents that answered the above question unanimously agree that the strategies for staff recruitment in Lagos State Civil Service are a mixture of merit and political influence. In an interview with Adebayo (fieldwork, 2006), a senior staff in Lagos State Civil Service Commission on staff retention and performance, he stated thus:

As civil servants, we are aware that remuneration paid to staff by the government in form of monthly salaries is very low compared to what is obtainable in private sector organizations. This development of low monthly salaries may have contributed to the poor performance of public sector workers in Nigeria. However, workers hardly resign their appointment with the state civil service because; the fear of being dismissed under a flimsy excuse is very low. Job security therefore is one of the main factors keeping us in the employment of the Lagos State Civil Service.

The view expressed above by the staff interviewed means that adequate retention strategies in form of good monthly salaries, allowances and workers' perception of job security brings about staff retention in the employment of an organization for

enhanced performance. Furthermore, where an organization pays its workforce good monthly salaries and other allowances, yet fail to guarantee job security through its personnel policies and practices is not likely to retain competent staff in its employment. The outcome of this development would be that of non-realization of the goals of the organization in its quest for enhanced performance due to the absence of competent workforce in its employment.

#### **5.4.3. Case Study Three: Nigerian Breweries Plc.**

In the case study three, the views of employees on what Nigerian Breweries Plc. is currently doing to prevent frequent staff resignation from the company are considered, and the following question was asked the workers: Kindly list measures put in place by your organization to prevent high labour turnover. Presented below are the staff responses: Out of the 120 questionnaires administered to staff of Nigerian Breweries Plc, 102 questionnaires are analyzed, and this represented 85 percent of questionnaires administered. The 80 staff that answered the above question listed the following as measures put in place by Nigerian Breweries Plc to prevent frequent staff resignation as:

1. proper working environment and good condition of service;
  2. good monthly salaries;
  3. constant appreciation of staff for a job well done in form of incentives;
  4. free medical services for staff and family members;
  5. prompt payment of gratuity and pension to disengaged staff;
  6. end of year bonus for staff;
  7. confirmation of staff appointment in one year after successful confirmation interview;
  8. encouragement of staff unionism;
  9. prompt fulfillment of promises to staff by management; and
  10. provision of children education scholarship scheme to staff wards
- (Fieldwork, 2006).



In the same vein, employees' views are also considered in the area of rewards put in place by Nigerian Breweries Plc to retain competent workforce in its employment. In this regard, the following question was asked the staff: Kindly list those rewards you are currently enjoying that will make you to stay long in the employment of your organization. Presented below are the staff responses: The 75 staff that answered the question above listed the following as some of the rewards they are currently enjoying as provided by Nigerian Breweries Plc as:

1. maternity leave with full pay and allowance for female staff;
2. housing and car loan facilities for staff;
3. provision of free meal at work and staff buses;
4. good salary structure;
5. quality medical attention free of charge to staff and their family members;
6. outstanding performance awards to staff;
7. outstation allowance;
8. annual increment of salaries based on appraisal;
9. provision of free drinks to staff on a monthly basis;
10. profit sharing;
11. provision of children education scholarship scheme to staff wards;
12. health insurance scheme; and
13. long service awards (Fieldwork, 2006).

In the area of staff recruitment strategies, the employees' views are also considered. The following question was asked: Kindly state the strategies for staff recruitment in your organization. The 71 respondents who answered the above question unanimously agree that the strategies for staff recruitment in Nestle Nig. Plc are based largely on merit – required qualification in terms of skill, education and experience (Fieldwork, 2006).

In an interview with Dauda (fieldwork, 2006), a senior officer in the Human Resource Department on staff retention strategies as provided by Nigerian Breweries Plc to its employees, he stated thus:

Even if I ever contemplate leaving this organization now and I decide to mention it to my family members, certainly I will not get their support as regard my leaving. This is because not only have I benefited immensely from the incentives provided by Nigerian Breweries Plc, but my family too, in terms of quality health care services and children education scholarship scheme.

#### **5.4.4. Case Study Four: Delta State Civil Service.**

In the case study four, the views of civil servants on what Delta State Civil Service is currently doing to prevent frequent staff resignation are considered; and the following question was asked: Kindly list measures put in place by your organization to prevent high labour turnover. Presented below are the staff responses: Out of the 120 questionnaires administered to staff of Delta State Civil Service, 103 questionnaires are analyzed, and this represented 85.83 percent of questionnaires administered. The 75 respondents that answered the above question listed the following as measures put in place by the Delta State Civil Service to prevent frequent staff resignation as:

1. job security;
2. consultation with staff in decision-making on issues affecting them;
3. overseas scholarship awards to staff;
4. provision of free health care services for staff and their family members;
5. regular commendation of staff for work well done;
6. payment of outstation allowance;
7. confirmation of staff appointment in three (3) years after successful confirmation interview;
8. provision of computer to all staff to facilitate their work;
9. maternity leave with full pay for female staff;
10. proper working environment;
11. payment of special duties allowance; and
12. overtime pay (Fieldwork, 2006).

In addition, views of employees as regard the reward systems put in place by the Delta State Civil Service to retain its staff are also considered. In this regard, the

following question was asked: Kindly list those rewards you are currently enjoying that will enable you stay long in the employment of your organization. Presented below are the staff responses: The 72 respondents that answered the question above listed the following as the rewards they are currently enjoying that will enable them stay long in the employment of the Delta State Civil Service as:

1. regular monthly pay;
2. regular promotion;
3. study leave with full pay;
4. provision of health care services for staff and family members free of charge;
5. end of year (Christmas) bonus;
6. payment of outstation allowance;
7. observance of public holidays;
8. payment of transportation allowance; and
9. maternity leave with full pay for female staff (Fieldwork, 2006).

In the area of staff recruitment strategies, the views of employees are also considered. In this regard, the following question was asked: Kindly state the strategies for staff recruitment in your organization. The 77 respondents agree that the strategies of staff recruitment into the Delta State Civil Service are based on a mixture of merit, political influence, quota system and 'god father' syndrome (Fieldwork, 2006).

#### **5.4.5. Case Study Five: Zenith Bank Plc.**

In the case study five, the views of employees on what Zenith bank is currently doing to prevent frequent staff resignation are considered. In this regard, the following question was asked the respondents: Kindly list measures put in place by your organization to prevent high labour turnover. Presented below are the staff responses: Out of the 120 questionnaires administered in Zenith Bank Plc, 98 questionnaires are analyzed, and this represented 81.67 percent of questionnaire

administered. The 80 respondents listed the following as measures put in place by Zenith Bank Plc to prevent frequent staff resignation as:

1. Zenith bank's 12.5 percent contribution of staff basic salary to the contributory pension fund and prompt payment gratuity to staff at disengagement from the service of the bank;
2. quality medical services for staff free of charge;
3. provision of car and housing loans to staff;
4. staff recognition in decision-making;
5. prompt fulfillment of promises made by management;
6. provision of training opportunities for staff in both local and international institutions for career progression;
7. clothing allowance;
8. confirmation of staff appointment in six (6) months after successful confirmation interview;
9. proper working environment; and
10. provision of incentives in form of awards to individual staff for hard work (Fieldwork, 2006).

In addition, employees' views are also considered as regard reward systems put in place by Zenith bank to retain and motivate its staff for enhanced performance. In this regard, the following question was asked the respondents: Kindly list those rewards you are currently enjoying that will enable you to remain for long in the employment of your organization. Presented below are the staff responses: The 76 respondents listed the following as reward systems provided by the bank, which they are currently enjoying that would enable them stay for long in the employment of Zenith Bank Plc as:

1. good monthly salary compare to other banks;
2. good condition of service;
3. prompt payment of reasonable gratuity at disengagement from the service of the bank;
4. quality medical services;

5. maternity leave with full pay for female staff;
6. provision of free transport (buses) to staff;
7. loan facilities to staff;
8. clothing allowance;
9. observance of public holidays; and
10. end of year bonuses and awards (Fieldwork, 2006).

The provision of the above reward systems by Zenith Bank Plc have led to the reduction of labour turnover and brought about enhanced performance of the workforce. What this means is that adequate reward systems provided by organizations are vital strategy for staff retention in an organization. On staff recruitment strategies of the bank, the following question was asked the respondents: Kindly state the staff recruitment strategies in your organization. The 73 staff agrees that the staff recruitment strategies in Zenith Bank Plc are based largely on merit, which has to do with what the individual is capable of contributing to the progress of the bank, based on appropriate qualifications, skills and experience (Fieldwork, 2006).

#### **5.4.6. Case Study Six: The Federal Civil Service**

In the case study six, the views of civil servants on what the Federal Civil Service is currently doing to prevent frequent staff resignation and hence reduce labour turnover was considered; and the following question was asked: Kindly list measures put in place by your organization to prevent high labour turnover. Presented below are the staff responses. Out of the 120 questionnaires administered to staff of the Federal Civil Service, 108 questionnaires are analyzed, and this represented 90 percent of questionnaires administered. The 78 respondents listed the following as measures put in place by the Federal Civil Service to prevent frequent staff resignation as:

1. provision of medical care for staff and family members;
2. maternity leave with full pay for female staff;
3. job security;

4. proper working environment;
5. confirmation of staff appointment within six (6) months and two (2) years after successful confirmation interview;
6. regular payment of monthly salaries;
7. monetisation of employee benefits;
8. provision of health insurance scheme for staff;
9. regular staff training; and
10. regular promotion (Fieldwork, 2007)

In addition, views of staff are also considered as regard reward systems put in place by the Federal Civil Service to retain its staff for enhanced performance in infrastructural development and social service delivery, which they are currently enjoying. In this regard the following question was asked: Kindly list those rewards you are currently enjoying that will enable you to remain long in the employment of your organization. Presented below are the staff responses. The 70 respondents listed the following, as the rewards they are currently enjoying that would enable them stay long in the employment of the Federal Civil Service as:

1. regular monthly salaries;
2. maternity leave with full pay for female staff;
3. provision of health care for staff and family members; and
4. housing and car loan facilities (Fieldwork, 2007).

In the area of staff recruitment strategies, the views of staff of the Federal Civil Service are also considered. The following question was asked the workers: Kindly state the staff recruitment strategies in your organization. The 74 respondents agree that the staff recruitment strategies in the Federal Civil Service are based on both merit and other factors such as federal character or quota system (popular representation) and political influence (Fieldwork, 2007). Commenting on the shortcomings of staff recruitment strategies in the Federal Civil Service on performance, Musa (fieldwork, 2006), a senior staff in the Office of the Head of Service of the Federation, stated thus:

In my opinion, if the Federal Civil Service is to achieve its goals of quality service delivery, then it must adopt the business strategies of the private sector organizations in terms of staff employment, remuneration, provision of appropriate incentives and strict business discipline and practices of the 21<sup>st</sup> century business organizations.

The above goes to show that the poor performance of the civil servants in their assigned role of social service delivery and infrastructural development for the enhancement of the living standard of the people, either at the federal or state level could be attributed to poor staff recruitment and retention strategies - poor remuneration and provision of poor incentives by public organizations and non-adherence to strict business discipline and practices as compared to what are obtainable in private organizations.

## **5.5. Staff Recruitment and Retention Strategies: Comparative Analyses of Six Case Studies**

The purpose of this section is to comparatively analyze the strategies put in place by Nestle Nig. Plc., Lagos State Civil Service, Nigerian Breweries Plc., Delta State Civil Service, Zenith Bank Plc, and the Federal Civil Service to recruit and retain competent workforce in their employment for the realization of their desire for enhanced performance. In carrying out the analyses of staff recruitment and retention strategies of organizations in the case studies, the views of management in form of their organization's records as well as that of the employees through interviews and questionnaires are considered.

### **5.5.1. Staff Recruitment Strategies: Comparative Analyses of Six Case Studies**

The study observes, through the secondary data (organizational records) and primary data generated from the questionnaires, which are administered to respondents, that the strategies put in place to employ competent staff into Nestle Nig. Plc include: regular advertisement in the newspapers of vacant positions in the company and the collection of unsolicited applications from applicants applying for vacant positions in the organization. These strategies have made it possible for

people that are wishing to work for the company to have equal opportunity to apply and be employed if found qualified. These staff recruitment strategies adopted by Nestle Nig. Plc have brought into its workforce competent staff required to achieve the goals of the organization in its area of operations.

It was also observed in the study that the strategies for staff recruitment in Nestle Nig. Plc are based largely on merit to the extent that even handicapped people are given the opportunity to compete for vacant positions in the organization for possible employment. Currently, the company has 17 handicapped staff in its employment (NARA, 2005:23). These strategies for staff recruitment, which are based largely on merit have accounted for the level of performance recorded so far in the organization in form of improved profit and higher returns on investment for its shareholders, which rose to all time high of ₦10.00k per share unit dividend in the 2005 financial year (NARA, 2005:6). This is because staff recruitment strategies based largely on merit make it possible for the organization to have competent workforce in its employment for the realization of its goals of enhanced performance. This goes to reinforce the result from the tested hypothesis, which states that there is a significant relationship between staff recruitment strategies and organizational performance in both public and private organizations (Fieldwork, 2006).

In the Lagos State Civil Service, it was observed that the strategies for the recruitment of staff are that of applicant going to the office of the Lagos State Civil Service Commission to obtain job application form. The applicant is invited for an interview and if found qualified he/she is employed into the state civil service irrespective of the applicant's religious affiliation or ethnic background. In this regard merit is given top priority. However, regular newspaper advertisements for vacant position are not a regular feature as it is in Nestle Nig. Plc (Fieldwork, 2006). What this means is that capable potential employees that would have applied for employment in the state civil service may be denied the opportunity of doing so by the strategies for staff recruitment that are in operation in the Lagos State Civil Service due to non-regular advertisements of vacant position in the newspaper as it is



done in private organizations. We however consider this development as weak point in the strategies for staff recruitment by the state civil service. This is because the strategy is capable of making it impossible for competent staff to be recruited from a larger pool of potential applicants. This development may have accounted for the presence of some incompetent workforce and hence poor performance of some of the staff in their assignments in Lagos State Civil Service.

In addition, the study shows that political influence plays a major role in staff recruitment into the Lagos State Civil Service (Fieldwork, 2006). This is however not the case with Nestle Nig, Plc whose strategies for staff recruitment are based largely on merit. The study shows that majority of the civil servants and private sector workers sampled agree that the strategies for staff recruitment other than merit affect staff performance negatively. What this means is that there is a relationship between staff recruitment strategies and organizational performance. This by extension means that organizational performance is determined to a greater extent by the strategies of staff recruitment put in place by the organization concerned.

In the same vein, it was observed that the strategies put in place to employ competent staff into Nigerian Breweries Plc include: regular advertisement in the newspaper for vacant positions in the organization through the human resource department and the services of recruitment consultants. These strategies have made it possible for the organization to have in its employment competent workforce for the realization of its quest for enhanced performance.

In addition, the study reveals that the strategies for staff recruitment into Nigerian Breweries Plc are based largely on merit to the extent that every one seeking employment is given equal opportunity to compete for vacant position. By this personnel policy of employing staff based on their ability to perform, the company has 12 physically challenged (handicapped) persons in its employment (NBFRA, 2005:18). The company's personnel policy of recruiting staff on merit have accounted for the high performance recorded so far in the organization in form of

high profit and improved returns on investment (dividends) for its shareholders, which rose to 105 kobo per share in the 2005 financial year (NBFRA, 2005: 53).

In the Delta State Civil Service, the study reveals that the strategies put in place for the recruitment of staff are mixture of merit based on appropriate qualifications in terms of skills and experience. This is done through the advertisement of vacant position in the state civil service on newspapers, radio and television by the Delta State Civil Service Commission. Other factors such as political influence, quota system, tribal sentiment and 'who you know' syndrome also influence staff recruitment. Although the newspapers, radio and television advertisement for vacant position makes it possible for the state civil service commission to have larger pool of applicants to recruit from, the political influence, quota system and the 'who you know' syndrome as recruitment strategies of the state civil service have brought about the employment of inefficient workforce into the state civil service (Fieldwork, 2006). The effect of this development is that of poor performance of the workforce and hence that of the state civil service in the achievement of its goals of infrastructural development and enhanced social service delivery (Fieldwork, 2006).

The study also observes that the strategies put in place to employ staff into Zenith Bank Plc include: regular advertisement in the newspaper for vacant positions in the bank through the Human Resource Department, the collection of unsolicited applications from applicants applying for vacant positions in the bank, Internet advertisement/recruitment and the use of recruitment consultants. These strategies no doubt have made it possible for Zenith Bank Plc to have in its employment competent employees for the achievement of its quest for enhanced performance in the Nigerian banking industry (Fieldwork, 2006).

The study reveals that the strategies for staff recruitment into Zenith Bank Plc are based largely on merit to the extent that every one seeking employment is given equal opportunity to compete for a vacant position in the organization including physically challenged people (ZBAR, 2005:14; Zenithbankplc online, 2006). Zenith

Bank Plc's personnel policy of recruiting staff based largely on merit have accounted for the high performance recorded so far in the bank in form of improved profit and high returns on investment (dividends) for its shareholders, which stood at 70 kobo per share in the 2005 financial year (ZBAR, 2005:14; Zenithbankplc online, 2006).

In the Federal Civil Service, the study reveals that the strategies put in place for staff recruitment was that of a prospective employee going to obtain an unsolicited job application form at the Federal Civil Service Commission (FCSC) filled and return back. The applicant is called for an interview as soon as there is vacancy, and if found qualified is given employment into the service. In addition, federal character – equal representation from all parts of the country, political influence and government discretion plays vital role in staff recruitment into the Federal Civil Service as against merit as obtainable in Zenith Bank Plc (Fieldwork, 2006).

#### **5.5.2. Staff Retention Strategies: Comparative Analyses of Six Case Studies**

The study reveals that the six organizations in our case studies recognize the importance of adequate staff retention strategies as a catalyst for retaining competent workforce for enhanced performance in an organization. This view could be reinforced by the secondary data obtained from organization's records and primary data generated through interview and questionnaires on the retention strategies put in place by these organizations to retain competent workforce in their employment for enhanced performance.

In Nestle Nig. Plc for instance, staff are retained in the employment of the organization by the application of the following staff retention strategies: (i) end of year bonuses; (ii) good monthly salaries; (iii) confirmation of staff appointment in six months after confirmation interview; (iv) free medical services for staff, (v) spouse and four children; (vi) career development for staff; (vii) free food at the company's staff canteen; (viii) support for staff unionism; (ix) regular training for staff; (x) job security through its personnel policies and practices; and (xi)

employees' recognition in decision-making on issues affecting them and maternity leave with full pay for female staff. In addition, the least paid staff at Nestle Nig. Plc receives =N= 33,333 as monthly salary, while the top paid staff receives =N= 416,666.75 and above as monthly salary excluding directors (NARA, 2005:34; Fieldwork, 2006)).

In the Lagos State Civil Service, the situation in terms of staff retention strategies is similar to some extent with what is obtainable in Nestle Nig. Plc. For instance, the state civil service through the Lagos state government put in place the following retention strategies to retain and motivate staff for enhanced performance: free bus services for staff transportation to and from work; highly subsidized canteen (food) services for staff; regular staff training; career development for staff; confirmation of staff appointment in two years after confirmation interview; free medical services for staff, spouse and four children; provision of highly subsidized staff quarters; staff unionism; maternity leave with full pay for female staff and the civil service personnel policy and practice, which encourages job security for workers and staff perception of it. However, in the area of staff salaries, the case is radically different. For instance, the least paid staff in the Lagos State Civil Service receives as monthly salary of =N= 10,228.60 as against the =N= 33,333 paid to same categories of staff at Nestle Nig Plc. On the other hand, the top paid civil servant at the Lagos State Civil Service receives as monthly salary the sum of =N= 89,369.47 as against =N= 416,666.75 and above paid to same categories of staff in Nestle Nig. Plc (NARA, 2005:34; Fieldwork, 2006).

As regard the views of employees on the strategies put in place by their organizations to retain their workforce for enhanced performance, the secondary and primary data collected through organization's records, interview and questionnaires shows that majority of staff in Nestle Nig. Plc and Lagos State Civil Service identified the following as staff retention strategies as what they are currently enjoying that will enable them to stay long in the employment of their organizations. In Nestle Nig. Plc, the following are available: good working conditions; good salary

structure; good monthly salary for staff; job security; loan facilities for staff; canteen services for staff free of charge; free medical services for staff and family members; provision of staff buses free of charge; regular monthly salaries; encouragement from management; constant training; housing and car loan facilities for staff; maternity leave with full pay for female staff; and proper working environment free of tension and anxiety (Fieldwork, 2006).

In the Lagos State Civil Service, the following are obtainable: good working conditions of service; relatively good monthly salary; regular monthly salaries; job security as practiced by management and perceived by staff; highly subsidized canteen services for staff; free medical services for staff and family members; provision of staff buses free of charge; regular training; housing and car refurbishing loan facilities for staff; and maternity leave with full pay for female staff (Fieldwork, 2006).

In the Nigerian Breweries Plc staff are retained in the employment of the organization by the application of the following staff retention strategies: training opportunity for staff in institutions within and outside Nigeria; staff's children education scholarship scheme; end of year bonuses; good monthly salaries; confirmation of staff appointment in one year after confirmation interview; free medical services for staff and family, career development for staff; free food at the company's staff canteen; support for staff unionism; job security through company's personnel policies and practices; maternity leave with full pay for female staff; long service awards to staff; health insurance scheme for staff; profit sharing; outstation allowance; outstanding performance awards; provision of free (packs) drinks for staff on a monthly basis; annual increment of staff salaries based on appraisal; and employees' recognition in decision-making on issues affecting them. In addition, the least paid staff receives the sum of =N= 20,833 as monthly salary, while the top paid staff receives the sum of =N= 833,333 and above as monthly salary (NBFRA, 2005:18 & 42; Fieldwork, 2006).

In the Delta State Civil Service, the staff retention strategies are some what similar to that of the Nigerian Breweries Plc except that while free transportation service and free meal are provided for staff at the Nigerian Breweries Plc, that is not the case with the Delta State Civil Service. While monthly salaries paid to staff are quite high particularly at the higher-grade level in Nigerian Breweries Plc, it is very low in Delta State Civil Service. For instance, the least paid staff in Delta State Civil receives the sum of =N= 14,035.50 as monthly salary as compared to =N= 20,833 for same categories of staff in Nigerian Breweries Plc. On the other hand, the top paid staff receives the sum of =N= 129,144.66 as monthly salaries as compared to =N= 833,333 and above as monthly salary for same categories of staff in Nigerian Breweries Plc (NBFRA, 2005:42; Fieldwork, 2006).

Other staff retention strategies of the Delta State Civil Service, which are similar to that obtainable in Nigerian Breweries Plc are regular training for staff both at home and abroad; confirmation of staff appointment in three years after confirmation interview; prompt and regular payment monthly salaries; regular promotion; job security; maternity leave with full pay for female staff; housing and car loan facilities; provision of free health care for staff and family members; end of year bonus; and consultation with staff in decision-making on issues affecting them. The study shows that the above retention strategies have helped to keep staff in the employment of these organizations (Fieldwork, 2006).

In Zenith Bank Plc, staff are retained in the employment of the organization by the application of the following staff retention strategies: end of year awards and bonuses; good monthly salaries; free medical services for staff; confirmation of staff appointment in six months after confirmation interview; career development for staff; payment of 12.5 percent basic salaries of staff as contribution towards pension contributory scheme; clothing allowance; regular training for staff both within and outside the country; job security through its deliberate personnel policies and practices; and employees' recognition in decision-making on issues affecting them. In addition, the least paid staff receives the sum of =N= 35,000 as monthly salary,

while the top paid staff receive the sum of =N= 600,000 and above as monthly salary (ZBAR, 2005:31; Fieldwork, 2006)

In the Federal Civil Service, the staff retention strategies are some-what different particularly in terms of the amount paid as monthly salaries and other incentives. For instance, the least paid staff in Federal Civil Service receives the sum of =N= 14,531.166 as monthly salary, the top paid staff receives the sum of =N= 189,273.33 as monthly salary under the new salary regime approved for public servants with effect from 1<sup>st</sup> January 2007 (National Wages and Salaries Commission , 2007). In addition, the Federal Civil Service put in place the following as staff retention strategies to keep staff in its employment: regular payment of monthly salaries, housing and car loan facilities, confirmation of staff appointment within six months and two years confirmation interview; health insurance scheme, job security, regular promotion, health care services to staff and family members, maternity leave with full pay for female staff, regular staff training and observance of public holidays. Zenith Bank Plc on its part went further to include the following staff retention strategies: payment of 12.5 percent staff basic salaries as counterpart contribution towards the new staff contributory pension scheme, clothing allowance and higher monthly salaries to staff at =N= 35,000 for least paid staff and =N= 600,000 and above for top paid staff (ZBAR, 2005:31; Fieldwork, 2007).

The above shows that Zenith Bank Plc's staff retention strategies are more enhanced than the staff retention strategies put in place by the Federal Civil Service. Since it has been established in the data analyzed that a relationship exists between the level of staff retention strategies provided by organizations and staff performance, which is by extension an enhanced performance of the organization. It goes to support the view that private organizations performed better in their assigned role of profit maximization through enhanced service delivery than that of the public organizations' assigned role of social service delivery and infrastructural development for the enhancement of the living standard of the people.

One common underlying factor that features prominently in all six organizations whether in public or private sector that contributed to their performance is that of proper working environment. In this study, we refer to proper working environment in an organization as the availability of the combination of human, policy and physical factors in an adequate manner for the motivation of staff for enhanced performance.

Proper human factor refers to the quality of leadership that management exhibits for the motivation of the workforce for the performance of their assigned task effectively for the realization of the goals of the organization. By proper policy factor on the other hand, we mean the extent to which personnel policies and practices prevalent in an organization make it possible for staff to want to remain working for the organization to achieve its goals of enhanced performance. And by proper physical factor, we mean the extent to which an organization is ready to provide reasonable structures and equipment at the quantity and quality required to enable staff carry out their assignments for the realization of the goals of the organization.

The implication of the above on organizational performance is that any organization, whether in public or private sector that fails to put in place the combination of the human, policy and physical factors (proper working environment) in a reasonable and adequate manner to motivate the workforce is not likely to achieve its goals of enhanced performance.

In addition, the study shows that the rate of labour turnover in Nestle Nig, Plc in 2005 was 1.7 percent, Nigerian Breweries Plc was 1.6 percent and Zenith Bank Plc was 2.24 percent. The average rate of labour turnover in the private organizations in 2005 therefore was 1.85 percent. On the other hand, the rate of labour turnover in the Lagos State Civil Service in the same period was 3.53 percent, Delta State Civil Service was 3.82 percent and Federal Civil Service was 6.55 percent in 2004. The rate of labour turnover in the Federal Civil Service was based on 2004 because of the



retrenchment exercise that took-off effectively in 2005 due to the Federal Government reforms in the Federal Civil Service. The average rate of labour turnover in the Lagos and Delta States Civil service in 2005 therefore was 3.68 percent.

The above figures show that labour turnover in the six organizations is low. This means that staff retention is high in both the public and private organizations. The study shows that staff retention in the private sector is a function of adequate staff retention strategies. On the other hand, one of the main factors that enhanced high staff retention in the public sector is that of perception of job security on the part of staff arising from the personnel practices of the public organizations. Therefore, appropriate and adequate retention strategies in terms of good monthly salaries and other allowances, in addition to personnel practices that encourage job security together with staff perception of it is a catalyst for staff retention in an organization whether in the public or private sector.

## **5.6. Organizational Performance - Comparative Analyses of Six Case Studies: Local Approach/Self Evaluation Technique as Criterion**

In the review of literature, it was established that the local approach/self-evaluation technique would be the criterion for the measurement of organizational performance in public and private organizations in the case studies. According to Gaster (2001:119), local approach/self-evaluation technique puts considerable emphasis on self-evaluation, responsibility of staff to measure their own work and the opportunity to reflect and learn from it. The justification for the adoption of this technique for the study is based on the fact that public sector employees are averse to external evaluation of their performance. According to Egonmwan (1991:221), public officials withhold relevant data when outsiders come to evaluate their performance to ascertain the extent to which they have been able to meet the actual responsibility assigned to them. It is on this basis that this study decides to employ

the local approach/self-evaluation as a technique for the comparative analyses of the performance of public and private organizations.

The study shows that there is a relationship between staff recruitment and retention strategies and organizational performance. It was observed in the study that Nestle Nig. Plc, Nigerian Breweries Plc and Zenith Bank Plc (private organizations) put in place quality staff recruitment and retention strategies than the public organizations. This development is reflected in the performance of these organizations. For instance, between 2001 and 2005, private organizations in the case studies experienced enhanced performance in their assigned role of quality service delivery, which culminated into profit maximization and hence higher returns on investment to their shareholders. This position could be supported by the data presented below.

Nestle Nig. Plc sales that was at =N= 14.147 billion in 2001, rose to =N= 34.336 billion in 2005. It's operating or gross profit that was at =N= 3.555 billion in 2001, rose to =N= 7.645 billion in 2005. It's net or after tax profit that was at =N= 2.526 billion in 2001, rose to =N= 5.303 billion in 2005. The company's market capitalization that was at =N= 27.056 billion in 2001, rose to =N= 98.818 billion in 2005. The company's shareholders' dividend that was at =N= 2.325 in 2001, rose to =N= 5.284 billion in 2005. Finally, the company's earning per share to its shareholders that was at =N= 4.78 kobo in 2001, rose to =N=10.04 kobo in 2005 (NARA, 2005:7). No doubt, the data presented above is a reflection of enhanced performance on the part of Nestle Nig. Plc in its assigned role of quality service delivery for profit maximization.

The Nigerian Breweries Plc could be said to have experienced enhanced performance in its operations between the year 2001 and 2005. This position could be supported by the data presented below. The company's turnover that was at =N= 39.09 billion in 2001, rose to =N= 80.23 billion in 2005. The company's operating profit that was at =N= 10.03 billion in 2001, rose to =N= 15.45 billion in 2005. The

company's gross profit that was at =N= 7.48 billion in 2001, rose to =N= 12.89 billion in 2005. The company's net or after tax that was =N= 4.53 billion in 2001, rose to =N= 8.25 billion in 2005. The company's market capitalization that was at =N= 66 billion in 2001, rose to =N= 293 billion in 2005. Finally, the company's total dividend earnings to its shareholders that was at =N= 4.25 billion in 2001, rose to =N= 7.94 billion in 2005 (NBFRA, 2005:53).

The Zenith Nig. Plc could be said to have experienced enhanced performance in its operations between the year 2001 and 2005. This position could be supported by the data presented below. The bank's gross income that was at =N= 9.02 billion in 2001, rose to =N= 34.91 billion in 2005. The bank's gross profit that was at =N= 2.80 billion in 2001, rose to =N= 9.16 billion in 2005. The bank's net or after tax profit that was at =N= 2.41 billion in 2001, rose to =N= 7.15 billion in 2005. The banks' total assets plus contingent liabilities that was =N= 112.55 billion in 2001, rose to =N= 370.72 billion in 2005. Finally, the bank's total dividend to its shareholders that was at =N= 513.32 million in 2001, rose to =N= 4.20 billion in 2005 (ZBAR, 2005:35). The tables below show the performance of Nestle Nig. Plc, Nigerian Breweries Plc and Zenith Bank Plc between 2001 and 2005.

**Table 62: Nestle Nig. Plc**

| <b>Organizational Performance</b> |                                   |                                   |                          |                                   |                                  |                                   |
|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| <b>Year</b>                       | <b>Profit Before Tax (N '000)</b> | <b>Percentage Improvement (%)</b> | <b>Taxation (N '000)</b> | <b>Percentage Improvement (%)</b> | <b>Profit After Tax (N '000)</b> | <b>Percentage Improvement (%)</b> |
| 2001                              | 3,699,334                         |                                   | 1,172,884                |                                   | 2,526,450                        |                                   |
| 2002                              | 4,755,061                         | 28.5                              | 1,575,996                | 34.4                              | 3,179,065                        | 25.8                              |
| 2003                              | 5,846,923                         | 23                                | 2,042,809                | 29.6                              | 3,804,114                        | 19.7                              |
| 2004                              | 6,100,281                         | 4.3                               | 2,264,788                | 10.7                              | 3,835,493                        | 0.82                              |
| 2005                              | 7,907,848                         | 30                                | 2,604,720                | 15                                | 5,303,128                        | 38.2                              |

**Source:** NARA (2005)

**Table 63: Nigerian Breweries Plc.**

| Organizational Performance |                            |                            |                   |                            |                           |                            |
|----------------------------|----------------------------|----------------------------|-------------------|----------------------------|---------------------------|----------------------------|
| Year                       | Profit Before Tax (N '000) | Percentage Improvement (%) | Taxation (N '000) | Percentage Improvement (%) | Profit After Tax (N '000) | Percentage Improvement (%) |
| 2001                       | 7,489,351                  |                            | 2,954,307         |                            | 4,535,044                 |                            |
| 2002                       | 10,382,429                 | 38.6                       | 3,085,983         | 4.45                       | 7,296,446                 | 61                         |
| 2003                       | 10,992,037                 | 5.87                       | 3,639,750         | 18                         | 7,352,287                 | 0.77                       |
| 2004                       | 9,148,138                  | (16.77)                    | 4,061,735         | 11.6                       | 5,086,403                 | (30.8)                     |
| 2005                       | 12,897,746                 | 40.98                      | 4,643,189         | 14.3                       | 8,254,557                 | 69.3                       |

Source: NBFRA (2005)

**Table 64: Zenith Bank Plc.**

| Organizational Performance |                            |                            |                   |                            |                           |                            |
|----------------------------|----------------------------|----------------------------|-------------------|----------------------------|---------------------------|----------------------------|
| Year                       | Profit Before Tax (N '000) | Percentage Improvement (%) | Taxation (N '000) | Percentage Improvement (%) | Profit After Tax (N '000) | Percentage Improvement (%) |
| 2001                       | 2,802,580                  |                            | 384,337           |                            | 2,418,243                 |                            |
| 2002                       | 3,999,368                  | 42.7                       | 495,355           | 28.9                       | 3,504,013                 | 44.9                       |
| 2003                       | 5,440,471                  | 36                         | 1,016,285         | 105                        | 4,424,186                 | 26.3                       |
| 2004                       | 6,404,885                  | 17                         | 1,214,117         | 19                         | 5,190,768                 | 17.3                       |
| 2005                       | 9,164,787                  | 43.1                       | 2,008,861         | 65.5                       | 7,155,926                 | 37.9                       |

Source: ZBAR (2005)

The organizations surveyed in this work improved in performance on a yearly basis as revealed by the percentage increases in profit before tax, taxation and profit after tax. The only exception however was in 2004 when Nigerian Breweries Plc showed a negative growth in respect of profit before and after tax. In spite of the negative growth, all the organizations performed well in all the parameters measured.

Also the study shows that the Federal, Lagos and Delta State Civil service (public organizations) put in place inappropriate staff recruitment and retention strategies to employ their workforce and retain them for performance than the private organizations. This development is reflected in the level of performance of these

organizations. For instance, the study shows that the Federal, Lagos and Delta State Civil service did not experience enhanced performance in its assigned roles of quality social service delivery and infrastructural development. This is based on data presented below.

The poverty level that was estimated in Nigeria to be 42.7 percent in 1990 rose to 54 percent in 2004. In the same vein, the proportion of households living in extreme poverty – core poor in 1992 that was estimated to be 13.9 percent, rose to 22.01 percent in 2004 (MDG, 2005:63). In a recent report on Africa’s economic outlook released by the African Development Bank/Organization of Economic Community Development (ADB/OECD, 2006) shows that Nigeria is among the very poorest nations of the United Nations Development Programme (UNDP) Human Development Index (HDI) in 2005 on a position of 158 out of the 177 member countries. Nigeria’s HDI at 0.453 is lower than the average HDI of Sub-Saharan African countries of 0.515 and marginally above the average for ECOWAS countries at 0.434.

Health expenditure in Nigeria in 2004 was as low as 1.2 percent of the nation’s GDP. Per capita health expenditure in 2004 was estimated to be \$50 compared to \$700 for South Africa, \$400 for Botswana and \$110 for Cote’ Ivore. In the area of physician, the story was not in any way good for health delivery in Nigeria. For instance, the number of physicians per 100,000 people in 1990 to 2004 was 27, lower than 212 for Egypt, 70 for Tunisia and 69 for South Africa. Life expectancy at 2005 was 43.3 years, infant mortality declined from 140 to 98 per 1,000 live births, and literacy rate was 29.2 in 2005 (ADB/OECD online, 2006; CBN online, 2006).

The above data on Nigeria is an indication of poor performance in the public sector organizations in their assigned roles of social service delivery and infrastructural development. This development is in spite of huge revenue that accrued to the Federal Government mainly from the sale of crude oil, which was put at over =N= 5 trillion within a space of 5 years (DSG, 2006:31-32). This situation

could be attributed to two main factors, namely, poor performance in the public sector organizations and corrupt practices by civil servants and public officials. What the above means is that while the private sector organizations have been found to achieve enhanced performance in their goals of profit maximization arising from quality service delivery, the same could not be said of public sector organizations. This is due to the poor performance in their assigned roles of social service delivery and infrastructural development for the living standard of Nigerians. It is therefore right to argue that private sector organizations performed better than their public sector counterpart in their collective goals of enhanced service delivery.

### **5.7. Discussion of Research Findings**

The purpose of this section is to discuss the findings of this research work in line with the objectives of the study. Five hypotheses were formulated and tested to address the research objectives using the two-tailed chi-square ( $\chi^2$ ) test, the Crammer's V, and Mann Whitney U-test (two-tailed) analytical techniques. The result of the test shows that three of the five stated hypotheses are statistically significant. This means that there is a significant relationship between staff recruitment, retention strategies, reward systems and organizational performance in both the public and private organizations that represented the case studies.

The hypotheses that are not statistically significant include, (1) labour turnover and (2) job satisfaction as they impact on organizational performance. This outcome reinforces the study carried out by the Chartered Institute of Personnel and Development (CIPD) in the United Kingdom (2006) in which they posit that although high labour turnover is detrimental to organizational performance, particularly where an organization is losing staff to direct competitors, they however, accepted that not all cases of labour turnover lead to negative challenge for an organization. This is particularly so when a more effective employee replaces a staff that is a poor performer or when it is used to reduce staff cost in an organization where business levels are unfavourable. Based on the analyses of data on staff

recruitment, retention strategies, labour turnover, job satisfaction, reward systems and organizational performance, the study found out that:

1. The public and private organizations recognize the importance of appropriate staff recruitment and retention strategies as basis for staff performance. This finding shows that there is a relationship between appropriate staff recruitment and adequate retention strategies as adopted by organizations and organizational performance. Furthermore, with the application of the Crammer's V analytical technique, it was found that 61 percent of the respondents agree that there is an association or relationship between staff recruitment strategies and organizational performance. In the same vein, it was found that 15 percent of the respondents agree that there is an association or relationship between staff retention strategies and organizational performance. The implication of these findings to organizations in their quest for enhanced performance is that the more inappropriate staff recruitment and inadequate retention strategies in operation in an organization whether in the public or private sector, the more likely poor performance would be experienced in that particular organization.

The finding was further supported by the application of Mann Whitney U-test analytical technique, which shows two main things. The first is that significant difference exists between the views of respondents in the public and private organizations on staff recruitment strategies as they relate to organizational performance. Second, it shows that the public organizations believed that appropriate staff recruitment strategies enhance organizational performance more than the private organizations. The lesson from this finding is that for the public sector to experience enhanced performance in service delivery as it is in the private sector; there is need for the public organizations to adopt the staff recruitment strategies of the private organizations, which is based largely on merit, if its goals are to be achieved.

2. Further finding in this study reveals that the private sector organizations actually put in place adequate strategies for staff retention as a basis for their enhanced performance more than public sector organizations. This implies that any organization whether in public or private sector that put in place adequate retention strategies is more likely to retain its workforce for performance than the one that fails to put in place adequate retention strategies.

The finding further shows that organizational performance is not depended on the sector an organization belong or the type of services provided by such organization, rather the workers and ability of such organizations will be measured by the retention strategies put in place to retain the workforce. We can therefore conclude that adequate staff retention strategies as provided by an organization for its workforce is at the very heart of organizational performance whether in public or private organization.

3. Another finding of this study is that proper working environment is one of the major strategies put in place by the private sector organizations that have contributed to their successful staff retention and organizational performance. In this study, we refer to proper working environment in an organization as the availability of the combination of human, policy and physical factors in an adequate manner for the motivation of staff for enhanced performance.

Proper human factor means the quality of leadership that management exhibits for the motivation of staff to enable them perform their assigned task effectively for the realization of the goals of the organization. By proper policy factor on the other hand, we mean the extent to which personnel policies and practices prevalent in an organization motivate staff to want to remain working for the organization to achieve its goals of enhanced performance. And by proper physical factor, we mean the extent to which an organization is ready to provide reasonable structure and equipment at the quantity and quality required to enable staff carry out their assignments for the realization of the goals of the organization.



The implication of this finding to organizational performance is that any organization, whether in public or private sector that fails to put in place the combination of the human, policy and physical factors (proper working environment) in a reasonable and adequate manner to motivate its workforce is not likely to achieve its goals of enhanced performance.

4. Another finding in this study reveals that the average staff appointment confirmation period in private organizations is eight months compared to that of the public sector organizations, which is 16 months. The fact is that all the organizations in the case studies recognized the importance of confirmation of staff employment as a vital strategy for staff retention in the organization. The study further reveals that this strategy gives a staff sense of belonging, acceptability and recognition of their contribution to the growth of the organization. The importance of this finding on staff retention in public or private organization is that if staff appointments are not confirmed early enough, it will de-motivate the workforce and not many would want to remain in the employment of that organization.

5. Another finding of this study through the application of Mann Whitney U-test (two-tailed) analyses is that the public organizations believed that frequent labour turnover affect organizational performance more than the private organizations. The implication of this finding on labour turnover in an organization is that for the public sector to experience enhanced performance as it is in private organizations, there is need for public organizations to put in place appropriate measures in form of incentives to prevent labour turnover if its goals of enhanced performance of social service delivery and infrastructural development is to be achieved.

This implies that any organization whether in public or private that fails to put in place adequate incentives for the motivation of its staff to prevent frequent labour turnover is not likely to achieve its goals of profit maximization and hence higher returns on investment to shareholders in private sector on one part, and that of

enhanced social service delivery and infrastructural development. in public organizations on the other.

This finding could be interpreted to mean that the lower the rate of labour turnover in an organization, the higher the performance that organization is likely to experience. Conversely, the higher the rate of labour turnover in an organization the lower the performance that organization is likely to experience. This finding goes to validate earlier studies which affirm that when labour turnover is low in an organization, and the staff are adequately motivated through the provision of appropriate incentives, staff are more likely to put in their best into the workplace, and the probability for the realization of an enhanced performance in the organization would be high.

6. Another finding of this study through the application of Mann Whitney U (two-tailed) analyses is that significant difference exists between the views of respondents in public and private organizations on the relationship between job satisfaction and organizational performance. The work shows that public organizations hold unto their view that job satisfaction enhances organizational performance more than private organizations. The importance of the above finding on job satisfaction in an organization is that for the public organizations to experience enhanced performance as it is in the private organizations; there is need for public organizations to adopt appropriate incentives that would motivate its workforce towards satisfaction on their job like their counterparts in the private organizations.

The above finding on job satisfaction could be interpreted to mean that the more workers of an organization are satisfied with their job, the more enhanced performance that organization is likely to experience. Conversely, the less satisfied workers are about their job, the less performance the organization is likely to experience. This finding goes to validate earlier studies that when workers are satisfied with their job, they are more likely to stay long in the employment of the organization and contribute to its goals of enhanced performance.

The finding also agrees with the work of Purcell et al (2003), in which they found that when workers find their job satisfying, they feel motivated and are committed to their employer in the sense of wishing to stay working for the organization in the foreseeable future to achieve its goals. The study also confirms Lather and Goyal (2003) position that “A person with a high level of job satisfaction holds a positive attitude towards the job, while a person who is dissatisfied with his or her job holds a negative attitude about the job.” A staff with a negative attitude towards his/her job therefore is not likely to be a high performing staff at work.

7. One of the features of the public service found in this study to have enhanced staff retention in the public sector organizations is that of job security. In an interview, respondents are of the view that job security as a feature of the public organizations and the perception of it by the workforce enhanced their retention in the employment of the public organizations.

The importance of this finding on staff retention and performance in an organization is that any organization in the private sector that is keen on retaining its staff should, in addition to the provision of appropriate incentives, put in place proper organizational personnel policies and practices that place adequate premium on security of tenure.

8. Another finding in this study is the impact of adequate reward systems as provided by organizations and performance. Through the application of Crammer’s V analytical technique, it was found that 17 percent of those sampled in public and private sectors organizations agree that association exists between rewards and organizational performance.

The application of the Mann Whitney U-test (two-tailed) analytical technique on rewards and organizational performance reveals two things. First, that significant difference exists between the views of respondents in public and private sectors on the nexus between rewards and organizational performance. Second, it shows that

the public organizations believed that rewards enhance organizational performance more than private organizations. The importance of this finding on performance in an organization is that for public sector organizations to experience enhanced performance as it is in the private organizations; there is need for the public organizations to adopt adequate reward systems similar to the private organizations.

The above finding could be interpreted to mean that the more qualitative an organization's reward systems, the more motivated the workforce would be in carrying out the assignment of the organization with a view to achieving its quest for enhanced performance. This finding agrees with the work of Henneman and Judge (2003), in which they posit that for organization to have attraction and retention power, its reward systems must be unique and unlikely to be provided by competitors or else the organization will find it difficult to retain its staff in the long-run in a competitive business environment. On their part, Porter, Bigley and Steers (2003) also discovered in their work a positive relationship between reward systems as provided by organizations, staff retention and organizational performance. This means that adequate reward systems retain staff in the employment of an organization and this in turn helps to enhance organizational performance.

In concluding this section, it is hereby stated that constraints associated with the sample size and methodology appropriate for the study are recognized. Therefore, for the purpose of generalization of our findings to other organizations in other sectors, the need for similar studies to test these same hypotheses in other organizations are hereby recommended. Furthermore; studies should test larger sample size and measurement of variables to confirm its validity. It is to be noted however that this study constitutes a useful direction for further studies. This should be particularly directed towards the area of sampling individual citizens to ascertain the extent to which social services provided by public sector organizations have impacted positively on their standard of living or not and how organizations could procure competent workforce and the appropriate strategies to retain them in their

employment to prevent frequent labour turnover in the public and private organizations of the Nigerian economy.

## References

- ADB/OECD (2006) "African Economic Outlook." Retrieved on 20<sup>th</sup> January 2007 from the website: ([www.OECD.org/dev/publications/africaoutlook](http://www.OECD.org/dev/publications/africaoutlook)).
- Central Bank of Nigeria online (2006) *Annual Reports (Year Ended, 31<sup>st</sup> December 2005)*. Retrieved on 11<sup>th</sup> September 2006 from the website: ([www.cenbank.org/OUT/PUBLICATIONS/REPORTS/RD/2006/PART1-4](http://www.cenbank.org/OUT/PUBLICATIONS/REPORTS/RD/2006/PART1-4))
- Chartered Institute of Personnel and Development (CIPD) (2006) "Employee Turnover and Retention." Retrieved on 14 November 2006 from the website: ([www.cipd.co.uk/subjects/recruitment/retention/](http://www.cipd.co.uk/subjects/recruitment/retention/))
- Delta State Government (DSG) (2007, August 17) "Testimony in Transparency: The Delta State Example." *The Vanguard Newspaper (Nigeria)*. Pp. 31-34.
- Egonmwan, J. A. (1991) *Public Policy Analysis: Concepts and Applications*. Benin City: S. M. O. Aka and Brothers Press.
- Gaster, L. (2001) *Quality in Public Services: Managers' Choices*. Buckingham: Open University Press.
- Heneman, H. G. and T. A. Judge (2003) *Staffing Organization* (4<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Lather, A. S. and S. Goyal (2003) "An Analytical Study of Job Satisfaction in Relation Personality and Psychopathology of Corporate." *Delhi Business Review: An International Journal of Society for Human Transformation and Research*. Vol. 4. No. 1. January – June.
- MDG (2005) Abuja: *Nigerian Millennium Development Goals Report*. P. 63.
- Nestle Nigeria Plc. (2005) *Annual Report and Accounts (NARA)*. Lagos.
- Nigerian Breweries Plc. (NBFRA) (2005) *Financial Reports and Accounts*. Lagos
- Nigerian Breweries online (2006) "Nigerian Breweries, The Pioneer and Largest Brewing Company in Nigeria." Retrieved 17<sup>th</sup> August 2006 from the website: (<http://www.nbplc.com>).
- Porter, L. W., G. A. Bigley and R. M. Steers (2003) *Motivation and Work Behaviour*. Boston: McGraw-Hill, Irwin.
- Purcell, J., N. Kinnie, S. Hutchinson, B. Rayton and J. Swart (2003) *Understanding the People and Performance Link: Unlocking the Black Box – Work and*

*Employment Research Centre, School of Management, University of Bath.  
London: Chartered Institute of Personnel and Development.*

Zenith Bank Plc. (ZBAR) (2005) *Annual Report*. Lagos.

### **Primary Source – Interview**

Adebayo, Dele (2006, June 16<sup>th</sup>) Lagos State Civil Service Commission: Lagos State Secretariat, Alausa – Ikeja.

Anonymous: (2006, June 5<sup>th</sup>) Nestle Nig. Plc Headquarter – Illupeju, Lagos.

Dauda, Saliu (2006, November 7<sup>th</sup>) Nigerian Breweries Plc - Headquarters. Lagos.

Irekpene, James (2006, December 12<sup>th</sup>) Delta State Civil Service Commission. Asaba.

Musa, Yakubu (2006, January 5<sup>th</sup>) Office of the Head of Service of the Federation: Federal Civil Service. Abuja.

Okafor, James (2006, January 5<sup>th</sup>) Federal Civil Service Commission. Abuja.

Okechukwu, Johnson (2006, December 18<sup>th</sup>) Zenith Bank Plc – Headquarters. Lagos.

## **CHAPTER SIX**

### **SUMMARY, RECOMMENDATIONS AND CONCLUSION**

#### **6.1. Introduction**

The chapter summarizes the entire research work and its findings with a view to drawing reasonable policy implications for organizations in the area of staff recruitment, retention strategies and their performance level. In addition, the study advances some recommendations towards improved performance of service delivery in society for the enhancement of the living standard of the people and of profit maximization.

#### **6.2. Summary**

The objectives of this study were to: compare staff recruitment strategies and organizational performance in both public and private organizations; compare organizations' staff retention strategies and organizational performance in both sectors; examine organizations' labour turnover and organizational performance in both sectors; determine significant relationship that exists between job satisfaction and organizational performance in both sectors; and compare organizations' reward systems and organizational performance in public and private organizations.

To achieve the above stated objectives, the study employed research design and concepts that were developed in previous studies on staff recruitment and retention strategies and organizational performance in public and private sectors. This was done to successfully accomplish a comparison between studies in Nigeria and studies carried out in the same area in other societies such as Japan, and the United States of America.

This study found out that in spite of the 'quality' structures and 'well packaged' incentives put in place by some organizations in public and private sectors to recruit



and retain competent staff in their employment, frequent staff resignation and poor performance of organizations in their assigned roles still persisted in public and private organizations in Nigeria. This generated some research questions, including the following: What is the impact of staff recruitment strategies on organizational performance? How do organizations' staff retention strategies impact organizational performance in both sectors? What significant relationship exists between labour turnover and organizational performance in both sectors? What significant relationship exists between job satisfaction and organizational performance in both sectors? How do organizations' reward systems impact organizational performance in both public and private sectors?

Furthermore, to achieve the objectives of the study, the sample for the study was based on six organizations in public and private sectors. The sample of the public sector was drawn from the thirty six states and Federal Civil Service of the federation. The selected areas are: Lagos, Delta and the Federal Civil Service, which represented the public organizations. In the private sector, the sample was drawn from ten food and beverage companies, four breweries and twenty banks in Nigeria. The selected areas are: Nestle Nig. Plc, Nigerian Breweries Plc and Zenith Bank Plc, which represented the private organizations. The private organizations were considered based on their relative performance in the capital market as listed in the Nigerian Stock Exchange, while the choice of the public institutions was based on the level of their social service delivery and infrastructural development.

In chapter two, experiences drawn from the literature reviewed threw up the following lacuna in this field. These include; One, lack of appropriate strategies for staff recruitment in addition to inadequate retention strategies are the reasons for poor performance of staff in public and private organizations rather than the employment of staff based on inappropriate recruitment strategies alone. Two, the federal character principle or quota system is not the reason for poor performance in the public sector in Nigeria. Three, the sector an organization belongs is not a factor that determines its performance be it public or private. Four, equitable reward

systems as provided by an organization is what leads to job satisfaction of staff and hence their performance at work. Five, rigid structures characterized by system of formal rules and authority is not exclusive to public organizations alone and hence has little or no effect on organizational performance as put forward by some scholars.

In an attempt to address the above noticeable lacuna that this study took-off with the following new divergent emphasis that the basis for organizational performance is not the sector to which it belongs, but the appropriate staff recruitment and adequate retention strategies put in place to recruit and retain staff by such organization. In addition, the popular view of some scholars that staff recruitment based on quota system or federal character principle is responsible for poor performance of staff in the public sector may not be true since merit can also be applied in the recruitment of staff even with the adoption of the quota system or federal character principle. This is particularly so where proper screening of potential employees based on appropriate educational qualifications, skills and experience are adopted within the available candidates. Furthermore, rather than the rigid structure of formal rules and authority, which inhibits organizational performance, it is lack of organizational management to involve workers in decision-making on issues affecting them and lack of adequate incentives to motivate the workforce that bring about poor performance of organizations in public or private sector.

The decision-making theory was adopted for the study. Specifically, the theory explained how organizational decisions on the best strategies to adopt for staff recruitment and retention could bring about the achievement of the goals of the organization in the area of enhanced service delivery and/or profit maximization.

The decision-making theory assumes that the decisions of organizations are rational and this is fundamental for the smooth running of organizations. Another assumption is that the whole concept and purpose of organization revolves around

decision-making. This means that decision-making is at the very heart of business success of any organization whether in public or private sector, and the success and/or failure of any organization at any point in time is a function of decisions taken by that organization in terms of the strategies adopted for staff recruitment and retention of its workforce. This implies that the more quality decisions taken by organizations on how to recruit their staff and the strategies put in place to retain them, the more competent staff would be available in the employment of that organization for the achievement of its goals.

In chapter three, the study looked at the history, structure, staff recruitment, retention strategies, and organizational performance of Nestle Nig. Plc, Nigerian Breweries Plc, Zenith Bank Plc and Federal, Lagos and Delta States Civil service. Generally, it was discovered from the study that private organizations put in place appropriate staff recruitment strategies in terms of educational qualification, skills and experience and adequate retention strategies to retain their staff more than the public organizations.

Usually, sourcing of competent workforce in private organizations is largely through advertisement of vacant positions in newspapers, the Internet, collection of unsolicited applications from applicants and the use of recruitment consultants. Under these strategies the emphasis is on merit - that is, recruitment is based on relevant qualifications in terms of education, skills and experience as opposed to political influence, quota system or federal character, which are open to abuse by public officials through recruitment of unqualified candidates as obtainable in public organizations in Nigeria.

Also, the retention strategies put in place by these private organizations are: proper working environment, good condition of service, confirmation of staff appointment in an average of eight months after successful confirmation interview, encouragement of staff unionism, prompt fulfillment of promises made to staff by management, job security, observance of public holidays, staff participation in

decision-making on issues affecting them, and provision of training opportunities for staff in both local and international institutions for career development.

In the same vein, the study revealed that the rate of labour turnover was higher in public organizations because of the nature of reward systems put in place by them compared to that put in place by private organizations to retain their workforce. For instance, the average rate of labour turnover in the year 2005 in private organizations was 1.67 percent and 3.68 percent in public organizations respectively. This development was attributed to level of reward systems put in place by private organizations, which was higher than what was obtainable in public organizations.

The reward systems put in place for staff performance in the private organizations in the case studies include, constant appreciation of staff for a job well done in form of quality incentives, free medical services for staff, spouse and four children, payment of end of year bonus to staff, good and regular monthly salaries to staff, maternity leave with full pay to female staff, interest-free housing and car loans to staff, outstanding performance award to staff, provision of free meal to staff at work, robust outstation allowance, annual increment of staff salaries based on appraisal, clothing allowance, profit sharing, long service award to deserving staff, provision of children education scholarship scheme to staff wards, health insurance scheme to staff, and provision of staff buses free of charge.

The robust picture of the private sector reward systems painted above is at variance with the public organizations in terms of working condition of low monthly salaries and other reward systems of staff. For instance, the average monthly salaries to the least paid staff in public organizations was =N= 12,000. On the other hand, the average monthly salaries to the least paid staff in private organizations was =N= 32,000. Furthermore, the average monthly salaries to the highest paid staff in public organizations was =N= 135, 666.67. And the average monthly salaries to the highest paid staff in private organizations was =N= 566,666.67 and above.

In addition, the study showed that organization's policies and practices that encourage job security usually engender retention of competent workforce. What the above means therefore is that job security as reflected in organization's policies and practices, and the perception of it by employees is a major strategy for retention of competent staff in an organization.

Also, it was found that the private organizations performed better in terms of their assigned goals of profit maximization and high returns on investment i.e. high dividends to their shareholders, than the public organizations. The poor performance was partly due to incompetent staff in these public organizations arising from inappropriate staff recruitment strategies in addition to inadequate retention strategies put in place by them as compared to what is obtainable in private organizations.

In chapter four, hypotheses stated earlier in chapter one were tested. The Chi-Square ( $X^2$ ) (two-tailed) analytical technique (error,  $\alpha = 0.05$  percent) was adopted to test the significant relationship between the independent variables – staff recruitment, retention strategies, labour turnover, job satisfaction and reward systems; and the dependent variable – performance in public and private organizations.

In addition, the study adopted the Cramer's V analytical technique to determine the degree of relationship or association between the dependent and independent variables in public and private organizations. Furthermore, the Mann Whitney – U (two-tailed) analytical technique (error,  $\alpha = 0.05$  percent) was adopted to compare the views of respondents in public and private organizations on impact of staff recruitment and retention strategies on organizational performance.

The five hypotheses tested showed that there was significant relationship between staff recruitment, retention strategies, reward systems and organizational

performance in public and private sectors. On the other hand, the study revealed that there was no significant relationship between job satisfaction, labour turnover and organizational performance in public and private organizations. The finding on labour turnover reinforces the earlier findings in a study by Chartered Institute of Personnel and Development (CIPD) (2006) in the United Kingdom, which stated that not all labour turnovers lead to poor organizational performance.

Furthermore, the Mann Whitney – U (two-tailed) analytical technique employed to compare the views of respondents in public and private organizations showed that respondents in public organizations believed that staff recruitment, retention strategies, labour turnover, job satisfaction and reward systems affect organizational performance more than respondents in private organizations.

In chapter five, the findings of the research were discussed. The study showed that private organizations have better strategies to aid staff retention hence their better performance, which is manifested in increased profit. The implication of the above finding is that the sector an organization belongs or the type of services provided by such organization has no effect on organizational performance. Rather the workers and ability of such organizations will be measured by the appropriateness of their recruitment strategies and plans put in place to retain the workforce.

Another finding of the study is that job security as embodied in organization's policies and practices, and employees perception of these constitute a major strategy for staff retention in an organization. The implication of this finding is that any organization whether public or private that fails to put in place personnel policies and practices that encourage job security is not likely to retain its competent staff needed to realize the organizational goals.

Similarly, the study revealed that confirmation of staff appointment in an organization gives them a sense of belonging and self-fulfillment, and the

recognition of their contribution towards the growth of the organization. Conversely, lack or delay in confirmation of staff appointment in organization demotivates staff to perform at work. This implies that any organization that fails to confirm or delay in confirming appointment of its staff is not likely to retain competent workforce in its employment for the realization of its goals.

Also, it was found out from the study that adequate reward systems are a *sine-qua-non* for job satisfaction on the part of employees whether in public or private sector. This finding reinforces the outcome of the study by Henemann and Judge (2003) in which they posited that for organization to have attraction and retention power, its reward systems must be unique and unlikely to be provided by competitors or else the organization will find it difficult to retain its staff in the long-run, particularly in a competitive business environment. On their part, Porter et al (2003) also discovered a positive relationship between reward systems as provided by organizations, staff retention and organizational performance.

Similarly, Purcell et al (2003) discovered that when workers find their job satisfying, they feel motivated and are committed to their employer in the sense of wishing to stay working for the organization in the foreseeable future. The finding also confirms Lather and Goyal (2003) position that “A person with a high level of job satisfaction holds a positive attitude towards the job, while a person who is dissatisfied with his/her job holds a negative attitude about the job.” No doubt, a staff with a negative attitude towards his/her job is not likely to be a high performing staff as the one who holds a positive attitude about his/her job.

### **6.3. Policy Implication of the Findings for Organizations**

The major policy implications of the findings for organizations in this study are identified as follow:

- A. Appropriate staff recruitment strategies enhance the sourcing of competent staff into the employment of an organization. However, if it is not properly carried out, it could lead to the employment of incompetent staff, which could result in inefficiency in the accomplishment of organizational goals of enhanced performance.
- B. Organizations in public and private sectors are likely to experience frequent staff turnover for as long as they fail to put in place adequate staff retention strategies to keep competent workforce in their employment.
- C. Frequent labour turnover is detrimental to organizational performance. Therefore, if an organization must relieve some of the staff of their appointment, it must be done in such a way as to clearly state the reasons behind it so that other staff in the organization would not be discouraged. If the reasons are not clearly stated, it could lead to lack of motivation of staff at work and hence affect negatively the performance of the organization.
- D. Adequate reward systems are motivating factors for staff retention and organizational performance. Putting into consideration the level of reward systems that will motivate staff for retention and performance is vital for organizational performance. Therefore, organizational policies tailored towards ensuring proper reward systems could bring about higher productivity in the work place.

### **6.4. Recommendations**

Organizations are set up primarily to achieve definite goals, whether in public or private sector. These goals include for public organizations, social service delivery and infrastructural development for the improvement of the living standard of the



people; and for private bodies higher returns on investment to their shareholders. The personnel or human resource is the most valuable asset in an organization for the realization of its goals. This is so because without the availability of competent workforce in the number required in an organization, its goals of enhanced performance may not be achieved as planned. As rightly noted by Ejiofor and Mbachu (2001:121):

...Without human resource, organizations are not more than mere assemblages of buildings, plants and equipment. No other factor is as important as human resource in maintaining corporate stability, development and profitability of an enterprise whether in the long or short-run.

Based on the findings in this study, the following recommendations are relevant to organizations whether in public or private sector in their quest for enhanced performance. First, Organizations should put in place appropriate staff recruitment strategies that will enable everyone seeking employment to have access to recruitment information (Newspapers, Magazines, Radio, Television and the Internet) and equal opportunity to compete for vacant position in the organization. However, where candidates are to be recruited to fill vacant positions without advertisement, such candidates should be made to pass through proper recruitment screening exercise in terms of appropriate educational qualifications, skills and experience. This will enable organizations in the public or private sector to bring into their employment competent staff required to achieve their goals.

It is also important to note that it is possible for an organization to adopt staff recruitment strategies that encourage federal character principle or popular representation and still have competent staff to achieve its goals of enhanced performance. This is possible if proper screening of potential employees based on appropriate skills, educational qualifications and experience are adopted within the framework of available potential employees acquired through the federal character or popular representation principle. Furthermore, studies have shown that proper staff training and development helps to improve the performance of organizational

workforce even where incompetent staff are recruited into the organization resulting from the adoption of inappropriate recruitment strategies.

Second, adequate staff retention strategies have been found in this study to be one of the major motivating factors that keep competent staff in the employment of an organization and propel them to work harder to achieve organizational goals. Therefore, the following staff retention strategies are hereby recommended:

- a. Humane treatment of staff through words of encouragement from management to members of staff.
- b. Informing staff on a regular basis on why certain actions are taken and the likely results from those actions.
- c. Implementation of policies that show management's confidence in members of staff in their day-to-day activities.
- d. Organizational policies and practices that view members of staff as friends and partners in progress.
- e. Policies on staff recognition and promotion that emphasize hard work, honesty and integrity rather than undue favouritism of staff arising from sentiment on the part of management staff.
- f. Encouragement by management of intra-organizational transfer of staff to reflect new skills, educational qualifications and fresh desire to work in other sections or units of the organization.
- g. Organizations' ability to exhibit integrity in terms of implementation of all promises made to staff.
- h. Devising other mode of sanction by organizations different from outright dismissal. These could be in form of reduction in pay, rank or both. This is important because frequent labour turnover in an organization is an indication of poor performance of personnel functions of working through staff to achieve the goals of an organization by the personnel or human resource department of organizations.

These staff retention strategies are more likely to motivate staff for performance and retain them in the employment of their organization. This is because the above recommended retention strategies are more likely to engender in the workforce self-worth and confidence in carrying out their assignments for the achievement of organizational goals.

Third, the personnel/human resource department of organizations whether in public or private sector should encourage the formulation and implementation of personnel policies by their organizations that emphasize job security and future career prospect for staff and their family members in the organization. This is more likely to reduce to its barest minimum frequent labour turnover in the workplace. This is important because with every staff that either resigned or dismissed from the employment of organization sends negative signals to other members of staff about the unstable nature of that organization in terms of job security. It has been found in this study that an insecure job environment demotivates staff from putting in their best in the workplace for the realization of the goals of the organization.

Fourth, since job satisfaction of workers in an organization has been found to be a catalyst for organizational performance, organizations should realize that whatever gains they are currently making could be improved upon. Therefore organizations should sample the opinion of their workers to determine appropriate incentives that could enhance their job satisfaction and by extension lead to the performance of the organization.

Finally, it has been found that having competent staff in an organization is not a guarantee for organizational performance, but there is need for such staff to be motivated through the provision of adequate reward systems. Therefore organizations should take staff rewards at work as a matter of top priority. Organizations could reduce or even eliminate frequent labour turnover in the workplace through the provision of adequate reward systems such as:

- a. Contribution towards the educational training of staff's children who have spent upward of ten years in the organization.
- b. Provision of interest-free loan for the acquisition of landed property to members of staff that have spent upward of twelve years and above in the organization.
- c. Robust housing allowance or highly subsidized staff quarters.
- d. Regular annual increment of salaries and promotion.
- e. Assisting staff with interest-free loan to acquire shares in the capital market.

The above rewards are more likely to encourage competent staff to stay longer in the employment of an organization than when they are not provided either adequately or not at all. This is because the provision of such rewards is more likely to give hope to staff in terms of post-retirement condition of living.

## **6.5. Conclusion**

Appropriate staff recruitment and adequate retention strategies are needed if organizational pursuit for competent staff is to be meaningful. To achieve this, organizations must take into consideration; the preferences of their staff in terms of what would motivate them to want to stay working for the realization of their goals whether in public or private sector. This is necessary since the availability of competent staff enhances organizational goals, therefore their absence due to lack of appropriate recruitment and adequate retention strategies in the workplace could hinder organizational performance.

## BIBLIOGRAPHY

### Books

- Adams, J. S. (1965) Inequity in Social Exchange. In L. Berkowitz (ed) *Advances in Experimental Social Psychology* (Vol. 2). New York: Academic Press.
- Adebayo, A. (2001) *Principles and Practice of Public Administration in Nigeria (2<sup>nd</sup> edition)*. Ibadan: Spectrum Books Ltd.
- Adedayo, O. A. (2000) *Understanding Statistics*. Akoka – Lagos: JAS Publishers.
- Ansoff, H. I. (1984) *Implanting Strategic Management*. Englewood Cliffs: Prentice – Hall international.
- Araoye, M. O. (2003) *Research Methodology: With Statistics for Health and Social Sciences*. Ilorin: Nathadex Publishers.
- Armstrong, M. (2000) *A Handbook of Human Resource Management Practice (7<sup>th</sup> edition)*. London: Kogan Page.
- Armstrong, M. (2001) *A Hand Book of Human Resource Management Practice (8<sup>th</sup> edition)*. London: Kogan Page Ltd.
- Ayoade, J. A. A. (2000) “The Federal Character Principle and the Search for National Development.” In K. Amuwo, Agbaje, A., Suberu, R. and Hault, G. (eds) *Federalism and Political Restructuring in Nigeria*. Ibadan: Spectrum Books.
- Banjoko, S. A. (2006) *Managing Corporate Reward Systems*. Ibadan: Pumark Nig. Ltd Educational Publishers.
- Banjoko, S. A. (2003) *Human Resource Management: An Expository Approach*. Ibadan: Pumark Nig. Ltd.
- Barber, A. E. (1998) *Recruiting Employees*. Thousand Oaks, CA: Sage.
- Bartol, K. M. and D. C. Martin (1998) *Management: International Edition (3<sup>rd</sup> edition)*. Boston: Irwin, McGraw-Hill.
- Bateman, J. S. and S. A. Snell (1999) *Management: Building Competitive Advantage (4<sup>th</sup> edition)*. New-York: Irwin, McGraw-Hill.
- Beach, D. S. (1980) *Personnel: The Management of People at Work (4<sup>th</sup> edition)*. New York: Macmillan Publishing Co. Inc.

- Bennett, R. (1997) *Management: Framework* (3<sup>rd</sup> edition). London: Financial Times, Prentice Hall.
- Berman, E. M., J. S. Bowman, J. P. West and M. V. Wart (2001) *Human Resource Management in Public Service: Paradoxes, Processes and Problems*. London: Sage Publications, Inc.
- Berman, L. and B. A. Murphy (1996) *Approaching Democracy*. New Jersey: Prentice Hall Publishers.
- Bodunrin, P. (1989) "Federal Character and Social Justice." In P. P. Ekeh and E. E. Osaghae (eds) *Federal Character and Federalism in Nigeria*. Ibadan: Heinemann Educational Books.
- Boyne, G. A., C. Farrell, J. Law, M. Powell and R. M. Walker (2003) *Managing The Public Services: Evaluating Public Management Reforms*. Buckingham: Open University Press.
- Brooks, I. (2006) *Organizational Behaviour: Individuals, Groups and Organization* (3<sup>rd</sup> edition). London: Financial Times – Prentice Hall.
- Burns, T. and Stalker, G. M. (1961) *The Management of Innovation*. London: Tavistock Publications (reprinted Oxford: Oxford University Press, 1994).
- Butler, R. (1992) *Designing Organizations: A Decision Making Perspective*. London: Routledge.
- Carrell, M. R., N. F. Elbert and R. D. Hatfield (2000) *Human Resources Management: Strategies for Managing a Diverse and Global Workforce* (6<sup>th</sup> edition). London: The Dryden Press.
- Cascio, W. F. (2003) *Managing Human Resources: Productivity, Quality of Work Life, Profits* (6<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Cole, G. A. (2002) *Personnel Management: Theory and Practice* (5<sup>th</sup> edition). London: Elbs, Continuum.
- Creswell, J. W. (2003) *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (2<sup>nd</sup> edition). London: Sage Publications.
- Dessler, G. (2002) *Human Resource Management* (8<sup>th</sup> edition). Delhi – India: Replika Press Ltd.

- Donovan, J. J. (2001) "Work Motivation." In Neil Anderson, Deniz S. Ones, Handan Kepir Sinangil and Chockalingan Viswesvaran (eds) *Handbook of Industrial, Work and Organizational Psychology*. Vol. 2. London: Sage Publication.
- Edigin, L. U. (1994) "Comparative Public Administration: An Overview." In L. U. Edigin (ed) *The Dynamics of Comparative Public Administration*. Benin: Nationwide Publication Bureau.
- Edward, G. C., M. P. Wattenberg, and R. L. Lineberry (1996) *Government in America: People, Politics and Policy* (7<sup>th</sup> edition). New York: Harper Collins College Publishers.
- Egonmwan, J. A. (1991) *Public Policy Analysis: Concepts and Applications*. Benin City: S. M. O. Aka and Brothers Press.
- Folger, R. and R. Cropanzano (1998) *Organizational Justice and Human Resource Management*. Thousand Oaks, CA: Sage.
- Fontana, A. and J. H. Frey (2000) "The Interview: From Structured Questions To Negotiated Text." In N. K. Denzin and Y. S. Lincoln (eds) *Hand Book of Quantitative research* (2<sup>nd</sup> edition). London: Sage Publications, Inc.
- Fossell, A. (2003) "Reform Theory Meets New Public Management." In T. Christensen and P. Laegreid (eds) *New Public Management: The Transformation of Ideas and Practice*. Burlington: Ashgate Publishing Company.
- Gaster, L. (2001) *Quality in Public Services: Managers' Choices*. Buckingham: Open University Press.
- Goel, M. L. (1988) *A Methods Handbook: Political Science Research*. Iowa: Iowa State University Press.
- Gomez-Mejia, L. R., D. B. Balkin and R. L. Cardy (2005) *Management* (2<sup>nd</sup> edition). Boston: McGraw-Hill, Irwin.
- Gomez-Mejia, L. R. and D. Balkin (1992) *Compensation, Organization Strategy, and Firm Performance*. Cincinnati, OH: Southwestern.
- Griffin, R. W. (1999) *Management* (5<sup>th</sup> edition). India: AITBS Publishers.
- Hall, R. (1996) *Organizations: Structures, Processes and Outcomes*. Englewood Cliffs, NJ: Prentice Hall.
- Hatcher, L. (1994) *A Step-by-Step Approach to using the SAS(R) System for Factor Analysis and Structural Equation Modeling*. Cary, NC: SAS Institute.

- Heinrich, C. J. (2003) "Measuring Public Sector Performance and Effectiveness." In B. Guy Peters and Jon Pierre (eds) *Handbook of Public Administration*. London: Sage Publications.
- Heneman, H. G. and T. A. Judge (2003) *Staffing Organization* (4<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Heneman, R. L., C. H. Fay and Z. M. Wang (2001) "Compensation Systems in Global Context." In N. Anderson et al (eds) *Handbook of Industrial, Work and Organizational Psychology*. Vol. 2. London: Sage Publications.
- Henry, N. (2004) *Public Administration and Public Affairs* (9<sup>th</sup> edition). New Jersey: Pearson, Prentice Hall.
- Hogwood, B. and L. Gunn (1984) *Policy Analysis for the Real World*. Oxford: Oxford University Press.
- Hubbard, G., G. Pocknee and G. A. Taylor (1997) *Practical Australian Strategy*. Sydney: Prentice – Hall.
- Ivancevich, J. M., R. Konopaske and M. T. Matteson (2005) *Organizational Behaviour and Management* (7<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Janda, k., J. M. Berry and J. Goldman (1997) *The Challenge of Democracy* (5<sup>th</sup> edition). Boston: Houghton Mifflin Co.
- Katzenbach, J. R. (2000) *Peak Performance: Aligning the Hearts and Minds of Your Employees*. Boston: Harvard Business School Press.
- Klinger, D. E. and J. Nalbandian (2003) *Public Personnel Management: Contexts and Strategies* (5<sup>th</sup> edition). London: Pearson Education Ltd.
- Kreitner, R. (1995) *Management* (6<sup>th</sup> edition). Boston: Houghton Mufflin Company.
- Kreitner, R. and A. Kinicki (2004) *Organizational Behaviour* (6<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- Kress, G. (1988) *Marketing Research* (3<sup>rd</sup> edition). Englewood-Cliff, New Jersey: Prentice-Hall.
- Krislov, S. (1974) *Representative Bureaucracy*. Eaglewood Cliffs, New Jersey: Prentice-Hall, Inc.
- Latham, G. and R. Locke (1979) *Goal Setting – A Motivational Technique that Works, Organizational Dynamics*. Autumn.



- Luthans, F. (2005) *Organizational Behaviour* (10<sup>th</sup> edition). Boston: McGraw-Hill, Irwin.
- McShane, S. L. and M. A. V. Glinow (2005) *Organizational Behaviour* (3<sup>rd</sup> edition). Boston: McGraw-Hill, Irwin.
- Miller, S. J., Hickson, D. J. and Wilson, D. C. (2003) "Decision-Making in Organizations." In S. R. Clegg, C. Hardy and W. R. Nord (eds) *Handbook of Organization Studies*. London: Sage Publications.
- Mintzberg, H. and Waters, J, A, (1990) "Studying Deciding: An Exchange of Views between Mintzberg and Waters, Pettigrew and Butler." *Organization Studies*. 11(1).
- Mintzberg, H. (1973) *The nature of Managerial Work*. New York: Harper and Row.
- Mowday, R. T. (1991) Equity Theory Predictions of Behaviour in Organizations. In R. M. Steers and L. W. Porter (eds) *Motivation and Work Behaviour* (5<sup>th</sup> edition). New York: McGraw-Hill.
- Mullins, L. J. (1999) *Management and Organizational Behaviour* (5<sup>th</sup> edition). London: Financial Times, Prentice Hall.
- Neal, A. and Hesketh, B. (2001) Productivity in Organizations. In Neil Anderson, Deniz S. Ones, Handan Kepir Sinangil and Chockalingan Viswesvaran (eds) *Op Cit*.
- Niskanen, W. (1971) *Bureaucracy and Representative Government*. Chicago: Aldine-Atherton.
- Noe, R. A., J. R. Hollenbeck, B. Gerhart and P. M. Wright (2004) *Fundamentals of Human Resource Management*. Boston: McGraw-Hill, Irwin.
- Ofoegbu, R. (1985) "Personnel Recruitment and Management." In H. N. Nwosu (ed) *Problems of Nigerian Administration*. Enugu: Fourth Dimension Publishing Co. Ltd.
- Ogbeide, U. (1997) *Statistical Techniques for Social and Management Sciences*. Lagos: Amfitop Books.
- Ojo, O. (2003) *Fundamentals of Research Methods*. Ibadan: Nelson Clemmy Press.
- Okoh, A. O. (1998) *Personnel and Human Resources Management in Nigeria*. Lagos: Amfitop Books.

- Olowu, D. and L. Adamolekun (2005) "Human Resources Management." In L. Adamolekun (ed) *Public Administration in Africa: Main issues and Selected Country Studies*. Ibadan: Spectrum Books.
- Osunde, A. U. (1993) "Historical Research." In Egbe T. Ehiamezor and M. Nwadiani (eds) *A Guide to Research in Education and Social Sciences*. Benin City: NERA Publications.
- Porter, L. W., G. A. Bigley and R. M. Steers (2003) *Motivation and Work Behaviour*. Boston: McGraw-Hill, Irwin.
- Rosenbloom, D. H. (1993) *Public Administration, Understanding Management, Politics and Law in The Public Sector* (3<sup>rd</sup> edition). New York: McGraw-Hill Inc.
- Thompson, A. A., J. E. Gamble and A. J. Strickland (2004) *Strategy: Winning in the Workplace*. Boston: McGraw-Hill, Irwin.
- Thorne, B. M. and J. M. Giesen (2003) *Statistics for the Behavioral Sciences* (4<sup>th</sup> edition). Boston: McGraw Hill Higher Education.
- Tonwe, D. A. (1994) *Public Administration: An Introduction*. Ibadan: Amfitop Book Company.
- Torrington, D. and L. Hall (1998) *Human Resource Management* (4<sup>th</sup> edition). London: Financial Times, Prentice Hall.
- Quible, Z. K. (1996) *Administrative Office Management: An Introduction* (6<sup>th</sup> edition). London: Prentice-Hall Ltd.
- Rao, V. S. P. and P. S. Narayana (1989) *Management Concepts and Thoughts* (2<sup>nd</sup> edition). New Delhi – India: Konark publishers PVT. Ltd.
- Salkind, N. J. (2004) *Statistics for People who (think they) hate Statistics* (2<sup>nd</sup> edition). London: Sage Publications.
- Saunders, M., P. Lewis and A. Thornhill (1997) *Research Methods For Business Students*. London: Financial Times – Pitman Publishing.
- Shafritz, J. M. and E. W. Russell (2003) *Introducing Public Administration* (3<sup>rd</sup> edition). New York: Longman
- Simon, H. A. (1960) *The New Science of Management Decisions*. New York: Harper and Row.
- Simon, H. A. (1945) *Administrative Behaviour* (2<sup>nd</sup> edition). New York: Free Press.

- Tocqueville, Alexis de (1966) *Democracy in America*. Reprint (eds) J. P. Mayer and Max Lerner. New York: Harper and Row.
- Wang, Z. M. (1994) "Culture, Economic Reforms and the Role of Industrial and Organizational Psychology in China. In H. C. Triandis, M. D. Gunnette and L. M. Hough (eds) *handbook of Industrial and Organizational Psychology*. Vol. 4. (2<sup>nd</sup> edition) Palo Alto, CA: Consulting Psychologist Press.
- Watson, T. (1994) "Recruitment and Selection." In K. Sisson (ed) *Personnel Management: A Comprehensive Guide to Theory and Practice in Britain* (2<sup>nd</sup> edition). United Kingdom: Blackwell.
- Weber, M. (1947) *The Theory of Social and Economic Organization*, Translated by A. Henderson and T. Parsons. Glencoe, II: Free Press.
- Webster, A. L. (1998) *Applied Statistics For Business and Economics: An Essential Version* (3<sup>rd</sup> edition). Boston: McGraw-Hill.
- Woodward, J. (1965) *Industrial Organization: Theory and Practice*. London: Oxford University Press.

## **Journals**

- Adams, J. S. (1963) Towards an Understanding of Inequity. *Journal of Abnormal and Social Psychology*. (67).
- Amadasu, D. E. (2003) "Personnel and the Nigerian Management Crisis: Ajaokuta Iron and Steel Mill Examined. *The Abuja Management Review*. Vol. 1, No. 4. December.
- Anyebe, A. A. (2004) "An Assessment of the Traditional System of Public Administration" *The Abuja Management Review*. Vol. 2. No. 1. March.
- Ayagi, I. A. (2001) "Globalization and the Nigerian Environment: A Wake-up Call for the Human Resource Practitioners." *Human Resource Management – Journal of the Institute of Personnel Management of Nigeria*. Vol. 10. No. 6.
- Bamigboye, O. B. and N. A. Aderibigbe (2004) "Personnel Motivation and Job Performance in Some Selected Publishing Houses in Ibadan." *Journal of Library and Information Science (JOLIS)*. Vol. 1. Nos. 1 & 2.
- Bates, S. (2004) "Top Pay for Best Performance." *Annual Editions: Human Resources 2004/2005* (14<sup>th</sup> edition). New York: McGraw-Hill/Dushkin.

- Boxall, P., K. Macky and E. Rasmussen (2003) "Labour Turnover and Retention In New Zealand; The Causes and Consequences of Leaving and Staying with Employers." *Asia Pacific Journal of Human Resources*. Vol. 41 (2).
- Clardy, A. (2005) "Reputation, Good-will, and Loss: Entering the Employee Training Audit Equation." *Human Resource Development (HRD) Review*. Vol. 4. No. 3. September.
- Connolly, T., E. Conlon, and S. Deutsch (1980) "Organizational Effectiveness: A Multiple Constituency Approach." *Academy of Management Review*, 5.
- Eboiyehi, F. A. (2006) "Life in Retirement: A Qualitative Study of Pensioners in Ibadan, Nigeria. *Ife Psychologia: An International Journal of Psychology in Africa*. Vol. 14. No. 2.
- Ejiofor, P. N. O. and A. U. Mbachu (2001) "Imperatives of Human Resource Practices in the New Millennium" *Journal of the Management Sciences*. Vol. 5. No. 1. January.
- Embugus, B. B. (2005) "Resource Mobilization Management in a Developing Economy: The Nigerian Organization in Perspective" *Nasarawa University Journal of Administration*. Vol. 2. No. 1. July.
- Erez, M. and I. Zidon (1984) "Effect of Goal Acceptance on the Relationship of Goal Difficulty on Performance." *Journal of Applied Psychology*. Vol. 69. (1).
- Etomi, E. (2002) "The Changing Face of Recruitment and Selection." *Human Resources Management – Journal of the Institute of Personnel Management of Nigeria*. Vol.11, No. 1.
- Fatile, J. O. (2004) "Ethics and Performance in the Nigerian Public Sector" *Nasarawa University Journal of Administration*. Vol. 1, No. 1. December.
- Fasusi, M. (2004) "Learning Knowledge and Performance." *Petroleum Training Journal: An International Journal*. Vol. 1. No. 2. March.
- Fasusi, M. (2001) "The Imperative of Change: Organizational Development and Capability Building." *Human Resources Management – Journal of the Institute of Personnel Management of Nigeria*. Vol. 10, No.6.
- Gberevbie, D. E. I. (2006) "Recruitment and Quality Academic Staff Selection: The Case Study of Covenant University." *Ife Psychologia: An International Journal of Psychology in Africa*. Vol. 14. No. 2.

- Gerring, J. (2004) "What Is A Case Study and What Is It Good For? *American Political Science Review (APSA)*. Vol. 98 (2).
- Griffeth, R. W., P. W. Hom and S. Gaertner (2000) "A Meta-analysis of Antecedents and Correlates of Employee Turnover: Update, Moderator Tests, and Research Implication for Next Millennium." *Journal of Management*. Vol. 26 (3).
- Halligan, J. (1994b) "Senior Executive Pay Policies in Australian Public Service in Comparative Perspective" *Public Administration Quarterly*. 18(3).
- Holton, B. C., T. R. Mitchell, T. W. Lee, and E. J. Inderrienden (2005) "Shocks as Causes of Turnover: What They are and How Organizations can Manage Them." *Human Resource Management*. Vol. 44. No. 3.
- Idris, U. (2005) "Designing Training and Development Programmes to Meet Individual and Organizational Needs." *Petroleum Training Journal: An International Journal*. Vol. 2. No. 2. July.
- Ikezua, C. N. (1999) "Individual Behavioural Processes in Personnel System." *Journal of the management Sciences*. Vol. 3. No. 1. January.
- Ingraham, P. W. and H Getha-Taylor (2005) "Common Sense, Competence and Talent in the Public Service in the USA: Finding the Right Mix in a Complex World." *Public Administration: An International Quarterly*. Vol. 83. No. 4. Blackwell Publishing.
- Iyanda, O. (2001) "The Human Factor in Policy and Plan Implementation." *Management in Nigeria – Journal of Nigerian Institute of Management*. Vol. 37. No. 3 & 4. July – December.
- Iyayi, F. I. O. (2002) "Decision-Making in Underdeveloped Organizations: An Exploratory Investigation." *Nigeria Journal of Business Administration*. Vol. 4. No. 1. January.
- Jaja, S. O. (2001) "The Colonial Civil Service." In J. I. Elaigwu and G. N. Uzoigwe (eds) *Foundations of Nigerian Federalism Series*. Jos: Institute of Governance and Social Research. Vol. 2.
- Jerez-Gomez, P., J. Cespedes-Lorente and R. Valle-Cabrera (2005) "Organizational Learning and Compensation Strategies: Evidence from the Spanish Chemical Industry." *Human Resource Management*. Vol. 44. No. 3.
- Jike, V. T. (2003) "Organizational Behaviour and Negative Attitudes in Nigeria's Public Employment Sector: The Empirical Nexus." *The Abuja Management Review*. Vol. 1. No. 4. December.

- Kassim-Momodu, M. (2001) "Assessing Training Needs: The Organization, The Job and The Individual." *Petroleum Training Journal*. Vol. 1. No. 1. June.
- Kirschenbaum, A and J. Weisberg (2002) "Employee's Turnover Intentions and Job Destination Choices." *Journal of Organizational Behavior*. Vol. 23 (1)
- Lather, A. S. and S. Goyal (2003) "An Analytical Study of Job Satisfaction in Relation Personality and Psychopathology of Corporate." *Delhi Business Review: An International Journal of Society for Human Transformation and Research*. Vol. 4. No. 1. January – June.
- Lee, T. W. and T. R. Mitchell (1994) "An Alternative Approach: The Unfolding Model of Voluntary Employee Turnover." *Academy of Management Review*. Vol. 19 (1).
- Martin, C. (2003) "Explaining Labour Turnover: Empirical Evidence from UK Establishments." *Labour*. Vol. 17 (3).
- McOliver, F. O. (2005) "Management in Nigeria: Philosophy and Practice." *International Journal of Communication and Humanistic Studies*. Vol. 2. No. 1. September.
- Mobley, W. H., R. W. Griffeth, H. H. Hand and B. M. Meglino (1979) "Review and Conceptual Analysis of the Employee Turnover Process." *Psychological Bulletin*. Vol. 86 (3).
- Mohammed, I. A. (2006) "Personnel Performance Evaluation: A Conceptual Index for the Management and Development of the Nigerian Oil and Gas Industry." *Petroleum Training Journal: An International Journal*. Vol. 3. No. 1. January.
- Morrell, K. M., J. Lean-Clarke and J. Wilkinson (2004) "Organizational Change and Employee Turnover." *Personnel Review*. Vol. 33 (2).
- Ojobo, J. A. (2004) "Privatization Policy and the Future of the Public Sectoring Nigeria." *Nasarrawa University Journal of Administration*. Vol. 1, No. 1. December.
- Ojofeitimi, O. I. (2004) "The Role of Management Consultant in Enhancing Service Delivery in Public and Private Organizations." *Nigerian Management Review*. Vol. 15, No. 2. July – December.
- Okoye, P. V. C. (2001) "Management of Human Resources and Compliance with Audit Queries" *Journal of the Management Sciences*. Vol. 5. No. 1. January.

- Olaopa, T. (2003) "The Changing Role of the Public Service, the Reform Agenda and the Significance of Policy Research in Development Management." *Nigerian Management Review*. Vol. 14. Nos. 1 & 2. June – December.
- Olian, J. D. and S. L. Rynes (1984) "Organizational Staffing: Integrating Practice With Strategy." *Industrial Relations* (23).
- Popoola, S. O. (2006) "Personal Factors Affecting Organizational Commitment of Records Management Personnel in Nigerian States Universities." *Ife Psychologia: An International Journal of Psychology in Africa*. Vol. 14. No. 1.
- Pun, K. F. and A. S. White (2005) "A Performance Measurement Paradigm for Integrating Strategy Formulation: A Review of Systems and Frameworks." *International Journal of Management Reviews (IJMR)*. British Academy of Management. Vol. 7 No. 1.
- Purcell, J., N. Kinnie, S. Hutchinson, B. Rayton and J. Swart (2003) Understanding the People and Performance Link: Unlocking the Black Box – *Work and Employment Research Centre, School of Management, University of Bath*. London: *Chartered Institute of Personnel and Development*.
- Schachter, H. L. and R. R. Liu (2005) "Policy Development and New Immigrant Communities: A Case Study of Citizen Input in Defining Transit Problems." *Public Administration Review (PAR)*. Vol. 65. No. 5. September/October.
- Scott, K. D., D. Morajda and J. W. Bishop (2002) "Increase Company Competitiveness." *World at Work Journal*. Vol. 1. No. 1.
- Shah, C. and G. Burke (2003) "Labour Mobility: Demographic, Labour Force and Education Effects and Implications for VET." *Report to ANTA, Centre for the Economics of Education and Training*. Monash.
- Simon, A. and V. Kumar (2001) "Clients' Views on Strategic Capabilities Which Lead To Management Consulting Success." *Management Decision – Journal of Management History*. Vol. 39, Nos. 5 and 6.
- Robertson, I. T., Smith, M. and Cooper, D. (1992) *Motivation. Institute of Personnel Management*. London.
- Taplin, I. M., J. Winterton and R. Winterton (2003) "Understanding Labour Turnover in a Labour Intensive Industry: Evidence from the British Clothing Industry." *Journal of Management Studies*. Vol. 40 (4).

## Internet Sources

- ADB/OECD (2006) “African Economic Outlook.” Retrieved on 20<sup>th</sup> January 2007 from the website: ([www.OECD.org/dev/publications/africaoutlook](http://www.OECD.org/dev/publications/africaoutlook)).
- AllAfrica.com (2007) “Nigeria: FG Approves Pay Rise for Civil Servants, Police and other.” Retrieved on 22<sup>nd</sup> January 2007 from the website: ([www.file://c:\Documents%20and%20settings\Administrator\My%20Documents\c...](http://www.file://c:\Documents%20and%20settings\Administrator\My%20Documents\c...))
- Babura, A. S. M. (2003) “Leading Public Service Innovation: The Case of the Nigerian Civil Service and the Federal Civil Service Commission.” Being a Paper Presented By Alhaji Ali Sani Mahmud Babura (mni) Director (Recruitment and Appointment) Federal Civil Service Commission at the Commonwealth-New-Zealand Agency for International Development (NEAID) Programme on “Leading Public Service Innovation” held in Wellington, New Zealand, from 24<sup>th</sup> February to 6<sup>th</sup> March 2003. Retrieved on 20<sup>th</sup> Jan. 2007 from the website: ([www.vuw.ac.nz/commonwealthseminar/paper/2003/Alhaji%20Babura%20Nigeria%20civil%20Reform.pdf](http://www.vuw.ac.nz/commonwealthseminar/paper/2003/Alhaji%20Babura%20Nigeria%20civil%20Reform.pdf)).
- BusinessDayonline (2007) “Nigeria: 140 Million People, 98 Million in Poverty.” Retrieved on 27<sup>th</sup> January 2007 from the website: ([www.businessdayonline.com](http://www.businessdayonline.com))
- Central Bank of Nigeria online (2006) *Annual Reports (Year Ended, 31<sup>st</sup> December 2005)*. Retrieved on 11<sup>th</sup> September 2006 from the website: ([www.cenbank.org/OUT/PUBLICATIONS/REPORTS/RD/2006/PART1-4](http://www.cenbank.org/OUT/PUBLICATIONS/REPORTS/RD/2006/PART1-4))
- Chartered Institute of Personnel and Development (CIPD) (2006) “Employee Turnover and Retention.” Retrieved on 14 November 2006 from the website: ([www.cipd.co.uk/subjects/recruitment/retention/](http://www.cipd.co.uk/subjects/recruitment/retention/))
- Chartered Institute of Personnel and Development (CIPD) (2006b) “Annual Survey Report on Reward Management.” Retrieved on 14 November 2006 from the website: ([www.cipd.co.uk/subjects/recruitment/retention/](http://www.cipd.co.uk/subjects/recruitment/retention/))
- Delta State Government online (2006) “2006 Ministerial Press Briefing by Civil Commissioners in Delta State on the Activities of Delta Transport Service Ltd.” Retrieved on 26<sup>th</sup> January 2007 from the website: ([www./199.236.119.147/2006TransportDeltaline.html](http://www./199.236.119.147/2006TransportDeltaline.html))
- Federal Ministry of Finance (FMF) (2006) “Office of the Accountant-General of the Federation.” Abuja. Retrieved on 30<sup>th</sup> November 2006 from the website: ([www.fmf.gov.ng](http://www.fmf.gov.ng))



- Halligan, J. (2004) "The Australian Civil Service System." *Comparative Public Administration*. Retrieved on the 22<sup>nd</sup> January 2005 from the website: (<http://basil.stthom.edu/political/compsupp.html>)
- IRINnews online (2007) "Nigeria: One in 5 Civil Servants to be fired, more Poverty Feared." Retrieved on 22<sup>nd</sup> January 2007 from the website: ([www.irinnews.org/report.asp?ReportID...](http://www.irinnews.org/report.asp?ReportID...))
- Lahmeyer International (2004) "Rehabilitation: Thermal Power Plants In Nigeria." Retrieved on 20<sup>th</sup> January 2007 from the website: ([www.lahmeyer.de](http://www.lahmeyer.de)).
- Lee, G. J. (1997) "Recruitment Sources and Employee Turnover: A South African Test of the Realism and Job-Fit Hypotheses." Retrieved on 14 November 2006 from the website: ([www.wits.ac.za/sebs/downloads/recruitment\\_source\\_effects\\_on\\_employment](http://www.wits.ac.za/sebs/downloads/recruitment_source_effects_on_employment))
- MINTRAC (2006) "Literature Review on Labour Turnover and Retention Strategies." Retrieved on 14 November, 2006 from the website: ([www.mintrac.com.au/files/newsletter/research%20turnover%20and%20..](http://www.mintrac.com.au/files/newsletter/research%20turnover%20and%20..))
- Nigerian Breweries online (2006) "Nigerian Breweries, The Pioneer and Largest Brewing Company in Nigeria." Retrieved 17<sup>th</sup> August 2006 from the website: (<http://www.nbplc.com>).
- NSE (2006) "Nestle Tops Gainers Chart at NSE." Retrieved 24<sup>th</sup> August 2006 from the website: (<http://www.thetidenews.com>)
- People-Management Magazine (2006) "Recruitment-Talent Management." Retrieved on the 15 November 2006 from the website: ([www.peoplemanagement.co.uk/pm/articles/troubleshooterwostx.htm?name..](http://www.peoplemanagement.co.uk/pm/articles/troubleshooterwostx.htm?name..))
- Reynaldo, J. and A. Santos (1999) "Cronbach's Alpha: A Tool for Assessing the Reliability of Scales." *Journal of Extension (JOE)*. Vol. 37. No. 2. April. Retrieved on 17 February 2007 from the website: ([www.joe.org/1999April/tt3.html](http://www.joe.org/1999April/tt3.html)).
- Scala Associates (2006) "What Do People Want from Work?" Retrieved on the 15<sup>th</sup> November 2006 from the website: (<http://www.scalaassociates.co.uk/recruitment/retention.htm>)

Zenith Bank (2006) “Zenith Bank Emerges Most Capitalized Bank In Nigeria.” Retrieved on 17<sup>th</sup> August 2006 from the website: (<http://www.zenithbank.com/zenithmostcapitalizedbank.htm>).

Zenith Bank Plc. online (2006) Product and Services. Retrieved on 3<sup>rd</sup> January 2007 from the website: ([www.zenithbankplc.net/productservices.cfm](http://www.zenithbankplc.net/productservices.cfm))

Zenith Bank Plc. online (2006) Management Team. Retrieved on 3<sup>rd</sup> January 2007 from the website: ([www.zenithbankplc.net/managementteam.cfm](http://www.zenithbankplc.net/managementteam.cfm)).

### **Government Publications**

Lagos State Progress Report (LSPR) (2005) *Lagos State Ministry of Information and Strategy Publication*. Alausa, Ikeja – Lagos.

Lagos State Official Record Diary (LSORD) (2006) Lagos State Ministry of Information and Strategy Publication. Alausa, Ikeja – Lagos.

MDG (2005) Abuja: *Nigerian Millennium Development Goals Report*.

National Population Commission Headquarters (2007) Census Figures, 2006. Abuja – Nigeria.

The Constitution (1999) *Federal Republic of Nigeria*. Abuja: Government Press.

### **Company’s Annual Reports**

Nestle Nigeria Plc. (2005) *Annual Report and Accounts (NARA)*. Lagos.

Nigerian Breweries Plc. (2005) nibrewnews. Vol. 40. No. 4. Lagos.

Nigerian Breweries Plc. (NBFRA) (2005) *Financial Reports and Accounts*. Lagos

Zenith Bank Plc. (ZBAR) (2005) *Annual Report*. Lagos.

Zenith Bank Plc (ZBAR) (2004) *Annual Report*. Lagos.

Zenith Bank Plc (ZBAR) (2003) *Annual Report*. Lagos

## Conference Papers

- Anao, A. R. (2005) "Monetisation and Cost of Governance." Being a Paper Presented By Professor A. R. Anao, former Vice-Chancellor of the University of Benin, at the National Conference on Cost of Governance in Nigeria, held at the Faculty of Social Sciences, Ambrose Alli University, Ekpoma. July 4<sup>th</sup> – 6<sup>th</sup> 2005.
- Ikelegbe, A. (2004) "Crisis of Resistance: Youth Militias, Crime and Violence in the Niger Delta Region of Nigeria." Being a Seminar Paper Presented by Dr. A. Ikelegbe at the African Studies Centre. Leiden, The Netherlands. 5<sup>th</sup> August 2004.
- Ogundiya, I. S. (2005) "Minimizing the Cost of Governance in Nigeria Through Civil Service Reforms: Rightsizing, Downsizing or Retrenchment." Being a Paper Presented at the National Conference on Cost of Governance in Nigeria held at the Faculty of Social Sciences, Ambrose Alli University, Ekpoma. July 4<sup>th</sup> – 6<sup>th</sup> 2005.
- Opata, C. C. (2005) "Economic Crisis Management in Nigeria Since The Second Republic: Why Has It Failed?" *Paper presented at the Nigerian Defence Academy (NDA) National Conference on "Crises and Conflict Management in Nigeria Since 1980."* Kaduna. 15<sup>th</sup> – 17<sup>th</sup> June.

## Newspapers and Magazines

- Delta State Government (DSG) (2007, August 17) "Testimony in Transparency: The Delta State Example." *The Vanguard Newspaper (Nigeria)*. Pp. 31–34.
- Ogunjobi, A. (2007) "Cabinet Reshuffle: Five Months to the Expiration of His Tenure, President Olusegun Obasanjo Appoints New Ministers and Redeploys a Few others as He Reduces Federal Ministries." *Tell Magazine*. No. 4. January 22.
- Ola, T. (2007) "Right-Sizing at the Top: President Olusegun Obasanjo Prunes Ministries and Demote Ministers in a Move to Achieve the Appropriate Size and Structure of Government at the Federal Level." *Newswatch Magazine*. Vol. 45. No. 2. January 22.
- Olayinka, C. and F. Awoyale (2007, February 23) "Nigeria Earns =N= 187 Billion from Gas in Eight Years." *The Guardian Newspaper (Nigeria)*. Pp. 1–2.
- Sobowale, D. (2006, August 6) "Frankly Speaking." *The Sunday Vanguard Newspaper (Nigeria)*. P.13.

Zenith Bank Plc (2007, January 16) "Statement to the Nigerian Stock Exchange and Shareholders on the Un-Audited Results for the Half Year Ended December 31, 2006." *The Vanguard Newspaper (Nigeria)*. P. 2.

### **Primary Source – Interview**

Adebayo, Dele (2006, June 16<sup>th</sup>) Lagos State Civil Service Commission: Lagos State Secretariat, Alausa – Ikeja.

Anonymous: (2006, June 5<sup>th</sup>) Nestle Nig. Plc Headquarter – Illupeju, Lagos.

Dauda, Saliu (2006, November 7<sup>th</sup>) Nigerian Breweries Plc - Headquarters. Lagos.

Irekpen, James (2006, December 12<sup>th</sup>) Delta State Civil Service Commission. Asaba.

Musa, Yakubu (2006, January 5<sup>th</sup>) Office of the Head of Service of the Federation: Federal Civil Service. Abuja.

Okafor, James (2006, January 5<sup>th</sup>) Federal Civil Service Commission. Abuja.

Okechukwu, Johnson (2006, December 18<sup>th</sup>) Zenith Bank Plc – Headquarters. Lagos.

## **APPENDIX ONE**

### **ACRONYMS AND ABBREVIATIONS**

- **ADB** – African Development Bank
- **CIPD** – Chartered Institute of Personnel and Development
- **FCSC** – Federal Civil Service Commission
- **GDP** – Gross Domestic Product
- **HDI** – Human Development Index
- **LASTMA** – Lagos State Transport Management Authority
- **LSORD** – Lagos State Official Record Diary
- **LSPR** – Lagos State Progress Report
- **NARA** - Nestle Annual Reports and Accounts
- **NBFRA** – Nigerian Breweries Financial Reports and Account
- **NSE** – Nigerian Stock Exchange
- **X<sup>2</sup>** – Chi-Square
- **ZBAR** – Zenith Bank Annual Report

## APPENDIX TWO

### SAMPLE OF RESEARCH QUESTIONNAIRE

*Department of Polical Science*  
*Covenant University*  
*Ota*  
**Ogun State**  
**Nigeria**

**Dear Respondents,**

Kindly respond appropriately to each section of the questionnaire. Feel free to give your sincere opinion and feelings as demanded by each question. Your response will be kept in absolute confidence. It is purely for academic purpose.

**Thank you.**

**Signed**

**Daniel Esem Idowu Gberevbie**

#### SECTION A

**Kindly tick ( ) and fill where applicable.**

1. **Type of Organization:** Public ( ), Private ( )
2. **Name of Organization:** -----
3. **Status of Staff:** -----
4. **Years of Service:** 0 – 10 ( ), 11 – 20 ( ), 21 and above ( )
5. **Highest Educational Qualification**-----
6. **Nature of Employment:** Permanent ( ), Casual ( ), Contract ( ),Temporary ( )
7. **Department/Section:** -----
8. **Gross Annual Income/Pay:** =N= 500,000 and below ( ), =N= 501,000 and above ( )

## SECTION B

**Note the following abbreviations where applicable:**

**SA** – Strongly Agree

**A** - Agree

**UD** - Undecided

**D** - Disagree

**SD** – Strongly Disagree

### STATEMENTS

### RESPONSE ALTERNATIVES

| S/n. | Questions  | SA<br>5 | A<br>4 | UD<br>3 | D<br>2 | SD<br>1 |
|------|--|---------|--------|---------|--------|---------|
| 1.   | An organization's strategies for staff recruitment that are based on 'whom you know' will result in poor organizational performance  |         |        |         |        |         |
| 2.   | The criteria for employment in my organization are based on other factors than merit and this is affecting the performance of my organization negatively   |         |        |         |        |         |
| 3.   | Recruitment in an organization that is based on merit such as possession of appropriate qualifications in terms of skills, education and experience enhances organizational performance                                |         |        |         |        |         |
| 4.   | The strategies put in place to motivate staff such as career development and opportunity to earn promotion in my organization have helped to retain competent staff for the realization of organizational performance  |         |        |         |        |         |
| 5.   | The strategies adopted by my organization to retain staff such as implementation of policies on job security and proper working environment motivate staff to work harder for the achievement of organizational goals. |         |        |         |        |         |
| 6.   | The more adequate retention strategies put in place by my organization such as proper training programme and existence of machinery for conflict resolution, the more loyal I will be to my organization in its        |         |        |         |        |         |

|     |   |  |  |  |  |  |
|-----|---|--|--|--|--|--|
|     | quest for enhanced performance  |  |  |  |  |  |
| 7.  | Frequent staff resignation or dismissal in an organization brings about a sense of job insecurity and hence affect negatively organizational performance  |  |  |  |  |  |
| 8.  | Unstable working environment brings about high labour turnover and hence affect the performance of organizations negatively   |  |  |  |  |  |
| 9.  | Labour turnover is reduced to its barest minimum because of the reward systems provided by my organization such as good and regular monthly salaries and performance pay, which motivate staff for performance. |  |  |  |  |  |
| 10. | Job satisfaction – organizational commitment enables staff to work harder for the achievement of organizational goals.  |  |  |  |  |  |
| 11. | Job satisfaction – zeal to work prevents frequent staff resignation and promotes organizational performance   |  |  |  |  |  |
| 12. | Job satisfaction – willingness on the part of staff to take responsibility at work has contributed to higher performance in my organization.  |  |  |  |  |  |
| 13. | I am ready to work harder to enable my organization achieve its desired goals of enhanced performance if I am provided with good reward systems.  |  |  |  |  |  |
| 14. | I will continue to work for my organization to achieve its goals because of the rewards I am currently enjoying.  |  |  |  |  |  |
| 15. | Provision of adequate reward systems such as children education scholarship scheme and end of year bonus by organizations will enhance staff performance at work.   |  |  |  |  |  |
| 16. | My organization is performing well in terms of the purpose it is established to achieve such as enhanced service delivery and /or profit maximization.  |  |  |  |  |  |
| 17. | Organizational performance is a function of availability of competent staff in an organization in terms of appropriate skills, educational qualifications and experience.                                       |  |  |  |  |  |



18. Kindly list those rewards you are currently enjoying that will enable you to remain for long in the employment of your organization. -----

-----  
-----  
-----  
-----  
-----

19. Kindly state the strategies for staff recruitment in operation in your organization. -----

-----  
-----  
-----  
-----  
-----  
-----  
-----

20. Kindly list measures put in place by your organization to prevent high labour turnover. -----

-----  
-----  
-----

**Thank you.**

## **APPENDIX THREE**

### **Sample of Interview Guide**

#### **Staff Interview Guide**

1. What is the name of your organization? -----
2. What are the strategies provided to enhance staff retention in your organization?
3. How is labour turnover in your organization like?
4. What are the measures put in place by your organization to bring about job satisfaction of staff?
5. What are the strategies put in place by your organization to recruit competent staff into its employment?
6. What are the suggestions on how to bring about staff retention in the organization?
7. What do you consider as the effect of high labour turnover on organizational performance?

**Thank you.**

## APPENDIX FOUR

### Statistical Calculations

#### Statistical Calculation for Hypothesis One – Relationship between Staff Recruitment Strategies and Organizational Performance in both Public and Private Organizations

##### Computation of two-tailed Chi-square ( $\chi^2$ ) Test (2 x 5) Table

| cell | $f_o$ | $f_e$  | $(f_o-f_e)$ | $(f_o-f_e)^2$ | $(f_o-f_e)^2/f_e$ |
|------|-------|--------|-------------|---------------|-------------------|
| A    | 697   | 575.36 | -121.64     | 14,796.28     | 25.72             |
| B    | 376   | 497.64 | 121.64      | 14,796.28     | 29.73             |
| C    | 210   | 208.05 | -1.94       | 3.79          | 0.01              |
| D    | 178   | 179.94 | 1.94        | 3.79          | 0.02              |
| E    | 36    | 59.52  | 23.52       | 553.19        | 9.29              |
| F    | 75    | 51.48  | -23.52      | 553.19        | 10.74             |
| G    | 28    | 53.62  | 25.62       | 656.46        | 12.24             |
| H    | 72    | 46.37  | -25.62      | 656.46        | 14.15             |
| I    | 21    | 95.44  | 74.44       | 5,542.27      | 58.07             |
| J    | 157   | 82.55  | -74.44      | 5,542.27      | 67.13             |

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$\chi^2 = \underline{\underline{227.1}}$$

Cramer's V, for the determination of degree of relationship or association of variables in a table 2 x 5 two-tailed  $\chi^2$  test. The formula is as indicated:

$$V = \sqrt{\frac{\chi^2}{nt}}$$

$$\text{Where } \chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

t = smaller of (r-1) (c-1)  
n = total sample size

$$\begin{aligned} \text{Degree of freedom (d/f)} &= (r-1) (c-1) \\ &= (2-1) (5-1) \\ &= (1) (4) \end{aligned}$$

(t) Smaller of (r-1) (5-1) d/f = 1

$$\begin{aligned} V &= \sqrt{\frac{227.1}{608 (1)}} \\ &= \underline{\underline{0.61}} \end{aligned}$$

**Statistical Calculation for Hypothesis Two – Relationship between Staff Retention Strategies and Organizational Performance in both Public and Private Organizations**

**Computation of Two-Tailed Chi-square ( $\chi^2$ ) Test (2 x 5) Table**

| cell | $f_o$ | $f_e$  | $(f_o-f_e)$ | $(f_o-f_e)^2$ | $(f_o-f_e)^2/f_e$ |
|------|-------|--------|-------------|---------------|-------------------|
| A    | 479   | 516.58 | 37.58       | 1,412.52      | 2.73              |
| B    | 526   | 488.41 | -37.58      | 1,412.52      | 2.89              |
| C    | 355   | 326.39 | -28.60      | 818.04        | 2.50              |
| D    | 280   | 308.60 | 28.60       | 818.04        | 2.65              |
| E    | 44    | 38.55  | -5.44       | 29.69         | 0.77              |
| F    | 31    | 36.44  | 5.44        | 29.69         | 0.81              |
| G    | 35    | 31.86  | -3.13       | 9.80          | 0.30              |
| H    | 27    | 30.13  | 3.13        | 9.80          | 0.32              |
| I    | 4     | 3.59   | -0.40       | 0.16          | 0.04              |
| J    | 3     | 3.40   | 0.40        | 0.16          | 0.04              |

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$\chi^2 = \underline{\underline{13.05}}$$

Cramer's V, for the determination of degree of relationship or association of variables in a table 2 x 5 two-tailed  $\chi^2$  test. The formula is as indicated:

$$V = \sqrt{\frac{\chi^2}{nt}}$$

$$\text{Where } \chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$t = \text{smaller of } (r-1) (c-1)$$

$$n = \text{total sample size}$$

$$\begin{aligned} \text{Degree of freedom (d/f)} &= (r-1) (c-1) \\ &= (2-1) (5-1) \\ &= (1) (4) \end{aligned}$$

$$(t) \text{ Smaller of } (r-1) (5-1) \text{ d/f} = 1$$

$$\begin{aligned} V &= \sqrt{\frac{13.05}{608 (1)}} \\ &= \underline{\underline{0.15}} \end{aligned}$$

**Statistical Calculation for Hypothesis Three – Relationship between Labour Turnover and Organizational Performance in both Public and Private Organizations**

**Computation of two-tailed Chi-square ( $\chi^2$ ) Test (2 x 5) Table**

| cell | $f_o$ | $f_e$  | $(f_o-f_e)$ | $(f_o-f_e)^2$ | $(f_o-f_e)^2/f_e$ |
|------|-------|--------|-------------|---------------|-------------------|
| A    | 554   | 544.76 | -9.23       | 85.28         | 0.15              |
| B    | 504   | 513.23 | 9.23        | 85.28         | 0.16              |
| C    | 271   | 268.77 | -2.22       | 4.93          | 0.01              |
| D    | 251   | 253.22 | 2.22        | 4.93          | 0.01              |
| E    | 49    | 61.78  | 12.78       | 163.53        | 2.64              |
| F    | 71    | 58.21  | -12.78      | 163.53        | 2.80              |
| G    | 55    | 52.00  | -2.99       | 8.97          | 0.17              |
| H    | 46    | 48.99  | 2.99        | 8.97          | 0.18              |
| I    | 4     | 5.66   | 1.66        | 2.76          | 0.48              |
| J    | 7     | 5.33   | -1.66       | 2.76          | 0.51              |

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$\chi^2 = \underline{\underline{7.11}}$$

**Statistical Calculation for Hypothesis Four – Relationship between Job Satisfaction and Organizational Performance in both Public and Private Organizations**

**Computation of two-tailed Chi-square ( $\chi^2$ ) Test (2 x 5) Table**

| cell | $f_o$ | $f_e$  | $(f_o-f_e)$ | $(f_o-f_e)^2$ | $(f_o-f_e)^2/f_e$ |
|------|-------|--------|-------------|---------------|-------------------|
| A    | 572   | 586.56 | 14.56       | 212.19        | 0.36              |
| B    | 587   | 572.43 | -14.56      | 212.19        | 0.37              |
| C    | 308   | 290.50 | -17.50      | 306.25        | 1.05              |
| D    | 266   | 283.50 | 17.50       | 306.25        | 1.08              |
| E    | 17    | 18.72  | 1.72        | 2.97          | 0.15              |
| F    | 20    | 18.27  | -1.72       | 2.97          | 0.16              |
| G    | 14    | 14.67  | 0.67        | 0.45          | 0.03              |
| H    | 15    | 14.32  | -0.67       | 0.45          | 0.03              |
| I    | 2     | 2.53   | 0.53        | 0.28          | 0.11              |
| J    | 3     | 2.46   | -0.53       | 0.28          | 0.11              |

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$\chi^2 = \underline{\underline{3.45}}$$



**Statistical Calculation for Hypothesis Five – Relationship between Reward Systems and Organizational Performance in both Public and Private Organizations**

**Computation of two-tailed Chi-square ( $\chi^2$ ) Test (2 x 5) Table**

| cell | $f_o$ | $f_e$  | $(f_o-f_e)$ | $(f_o-f_e)^2$ | $(f_o-f_e)^2/f_e$ |
|------|-------|--------|-------------|---------------|-------------------|
| A    | 508   | 531.92 | 23.92       | 572.31        | 1.07              |
| B    | 527   | 503.07 | -23.92      | 572.31        | 1.13              |
| C    | 347   | 315.04 | -31.95      | 1021.29       | 3.24              |
| D    | 266   | 297.95 | 31.95       | 1021.29       | 3.42              |
| E    | 44    | 56.53  | 12.53       | 157.07        | 2.77              |
| F    | 66    | 53.46  | -12.53      | 157.07        | 2.93              |
| G    | 21    | 15.41  | -5.58       | 31.15         | 2.02              |
| H    | 9     | 14.58  | 5.58        | 31.15         | 2.13              |
| I    | 2     | 3.08   | 1.08        | 1.17          | 0.38              |
| J    | 4     | 2.91   | -1.08       | 1.17          | 0.40              |

$$\chi^2 = \frac{(f_o - f_e)^2}{f_e}$$

$$\chi^2 = \underline{\underline{19.49}}$$

Cramer's V, for the determination of degree of relationship or association of variables in a table 2 x 5 two-tailed  $\chi^2$  test. The formula is as indicated:

$$V = \sqrt{\frac{\chi^2}{nt}}$$

Where  $\chi^2 = \frac{(f_o - f_e)^2}{f_e}$

t = smaller of (r-1) (c-1)  
n = total sample size

$$\begin{aligned}\text{Degree of freedom (d/f)} &= (r-1) (c-1) \\ &= (2-1) (5-1) \\ &= (1) (4)\end{aligned}$$

(t) Smaller of (r-1) (5-1) d/f = 1

$$\begin{aligned}V &= \sqrt{\frac{19.49}{608 (1)}} \\ &= \underline{\underline{0.17}}\end{aligned}$$