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# International Academic Journal of Management & Marketing



Special Edition

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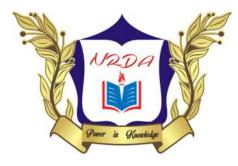


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#### **Network for Research and Development in Africa (NRDA)**

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## Leaders Integrity and Workers Productive Behaviour of Deposit Money Banks in South-South, Nigeria

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Abstract: The purpose of this paper was to examine the relationship between leaders integrity (as a dimension of leaders workplace spirituality) and workers productive behavior (the measures used include employee ambidexterity, work happiness, job satisfaction, and employee commitment) of deposit money bank in South-south, Nigeria. We adopted the cross-sectional research design as the research design method and the unit of analysis was at the individual level of employees in managerial and non-managerial cadre in the head offices of DMBs in the region. The study adopted questionnaire as the research instrument distributed to 367 respondents as the sample size from the study population of 7598 employees in the head offices of the 19 DMBs in South-South Region of Nigeria. Data collected was analyzed using Pearson Product Moment Correlation with 0.05 level of significance given the choice of the confidence interval of 95%. Our findings revealed that leaders integrity significantly and directly influence workers productive behavior vis-à-vis employee ambidexterity, work happiness, job satisfaction, and employee commitment respectively. We therefore recommends that DMBs' leaders should lead by example by demonstrating the virtues of integrity as it play major roles in enhancing workers productive behaviour.

**Keywords**: Leaders Integrity; Workers Productive Behavior; Employee Commitment; Ambidexterity; Work Happiness; Job Satisfaction

#### Introduction

Globally, nowadays business organizations including Deposit Money Banks (DMBs) in Nigeria are success oriented and one of the surest means to achieving that, is to ensure workers demonstrate productive work behaviour. For the reason that employees are the intellectual assets that all other organizational resources rely on to function effectively. Thus, the accomplishment of the DMBs objectives depend upon the employees' productive behaviour that is very critical and essential to the DMBs existence. Factors such as frequent restructuring and downsizing and highly competitive and unpredictable nature of today environment of business, need organization to have employees that possesses right work behaviour that will aid them to contribute positively to their survival in this dynamic environment. However, based on today's highly competitive and unpredictable nature of environment of business, DMBs in Nigeria are forced to adopt frequent restructuring and downsizing which has led to achieving

more with less employees leading to innumerable employee-related problems, as a result, workers are becoming more dissatisfied than before (Mafini, Surujlal & Dhurup, 2013; Karakas, 2010).

In this time of rapid global turbulences, the necessity for a holistic leadership approach has become more important: leadership that integrates whole self of people into work, including their body, mind and heart (Low & Ayoko, 2018). Leaders' workplace spirituality is highly needed today in building an intrinsically motivated employees (Reave, 2005) through the exhibition of integrity towards followers' needs of finding meaning and purpose across the organization (Fry, 2005). Today's business organizations are more constrained in responding and extemporizing faster than before to changes emanating from within and outside the environment. Therefore, there have been a massive move from traditional form of leadership to a more holistically and spiritually inclined leadership where workers value is of upmost importance (Bagga & Srivastava, 2014). Thus, Fry and Kriger (2009) expressed that a spiritual leader recognizes, applies and exhibit spiritual virtues such as integrity worthy of emulation. In order to lead effectively and productively, a leader must develop and reinforce the important characteristic of integrity, which is not something leaders are born with. If you have a high level of integrity, you'll make better decisions and be more trustworthy than if you don't. The lack of integrity might lead to problems, such as a lack of leadership and self-dealing. For example, when organization's practices are discarded in favor of personal gain rather than the interests of the company and its stakeholders and, by extension, society as a whole, integrity is compromised. This is critical since a leader's behavior affects both their own reputation and the reputation of their business.

To encourage the exhibition of integrity among an organization's subordinates, a quick glance at the leadership is necessary. It's for this reason that a leader acts as an excellent role model for subordinates or employees in the company. Leaders who deviate from the organization's established norms, guidelines, and regulations will be followed by their subordinates. Integrity in the workplace is made possible by spiritual leaders. Dishonesty destroys the life model that spiritual leaders depict. In order to determine whether or not an organization's goals will be met, it is necessary to look to its leaders for guidance (Brown & Mitchell, 2010). In the now and in the future, a lack of trust and confidence in the leaders may have a negative impact on the organization's performance. As a result, integrity is a must for all leaders, as it instills trust in the pioneer and guarantees that compulsory tasks are carried out enthusiastically and conciliatorily. Becker and Talsma (2016) found that leaders' everyday interactions with subordinates are more consistent when they exhibit a high level of integrity. This implies that a leader who is renowned for his or her integrity will exhibit a level of consistency in behaviour that is appropriate for his or her subordinates to follow.

The emergence of interest in spirituality is based on the necessity to look for means to get answer in regards to the ills of modern society, influenced by holistic philosophies and shifts in scientific paradigm which has occurred across diverse professions, organization and scientific disciplines (Lawrenz, 2012). By exhibiting spiritual virtues such as integrity within the

organization, leaders will be able to make sound ethical decisions that affects the attitude of workers (Collins, 2010). Spiritual values enabled leaders to intrinsically motivate workers, to build an ethical climate, promoting workplace relationships and ultimately the attainment of objectives of the firm through increased commitment and productivity. Fry (2005) states that leaders who are humble would have the right attitudes and behave more friendly towards employees. Hence, spiritual leaders creates unique atmosphere in the firm which enhances followers' motivation. This atmosphere brings and increase the lucidity and common understanding between the leaders and workers that impact on the working environment positively and the subsequent workers attitude in the firm. A leader with high integrity is able to build an atmosphere within the organization in which workers have true sense of care, admiration and meaning which can enhance productive behaviour.

Furthermore, the workers in the organization are one of the most essential of all resources. However, most leaders treat this all important element with disdain, leading to the deterioration of productive work behaviour such as employee work happiness, commitment, employee ambidexterity and satisfaction. Leaders sets course an enterprise follows, and where the leadership style adopted varies with prevailing employees 'expectations, doubt and mistrust creeps in which often time enhances employee negative work behaviour. The inability of the banking sector to adopt an effective leadership style that meet the totality of the workers' needs has reflected in its frequent workers turnover as well as other negative attitudes (Okoye, Omankhanlen, Okoh, &Areghan, 2018). The decisions of restructuring, downsizing or layoff that has become a norms among DMBs are based on the inability of manager/leaders to build an atmosphere where workers work will be meaningful (Adewale, Dahiru, Aliyu & Bala, 2020). Thus, when individual worker is dissatisfied with his or her leaders, he or she is most likely to exhibit negative work behaviour at the detriment of the firm's purpose and success. Thus, the need to encourage productive work behaviour through the demonstration of spiritual virtues such as integrity by the DMBs leaders.

#### Aim and Objectives of the Study

The aim of this study is to examine the relationship between leaders' integrity and worker productive behaviour of DMBs in South-South Region of Nigeria. More so, the specific objectives of the study are to:

- Examine the relationship between integrity and employee ambidexterity of DMBs in South-South Region of Nigeria.
- ii. Determine the relationship between integrity and work happiness of DMBs in South-South Region of Nigeria.
- iii. Ascertain the relationship between integrity and job satisfaction of DMBs in South-South Region of Nigeria.
- iv. Examine the relationship between integrity and employee commitment of DMBs in South-South Region of Nigeria.

#### **Research Questions**

- i. What is the relationship between integrity and employee ambidexterity of DMBs in South-South Region of Nigeria?
- ii. What is the relationship between integrity and work happiness of DMBs in South-South Region of Nigeria?
- iii. What is the relationship between integrity and job satisfaction of DMBs in South-South Region of Nigeria?
- iv. What is the relationship between integrity and employee commitment of DMBs in South-South Region of Nigeria?

#### **Research Hypotheses**

- H0<sub>1</sub>: There is no significant relationship between integrity and employee ambidexterity of DMBs in South-South Region of Nigeria.
- H0<sub>2</sub>: There is no significant relationship between integrity and work happiness of DMBs in South-South Region of Nigeria.
- H0<sub>3</sub>: There is no significant relationship between integrity and job satisfaction of DMBs in South-South Region of Nigeria.
- HO<sub>4</sub>: There is no significant relationship between integrity and employee commitment of DMBs in South-South Region of Nigeria.

#### **Literature Review**

#### Theoretical Framework

The underpinning theory used in this study was the social exchange theory. The social exchange theory was propounded by Blau (1964) and the theory focused on reciprocity of behaviour. Social exchange theory postulates reciprocity as a necessity for social exchange. That is, a party reaction is dependent on the behaviour of the other party (Blau 1964). Employees often seek a balance in their exchange relationships with organizations by having mindsets and attitude that matches with the degree of leaders' behaviour towards them (Wayne, Shore & Liden, 2017). Consequently, organizational actions that indicate sincerity to workers purportedly create a rush of emotions which leaves workers with no choice but to give their best and hence, work towards improving work behaviour. More so, employees seek to act in ways that increases the possibility of the partner to better notice this effort (Blau, 1964). That is to say, immediately organizational leadership is sensed by workers as having integrity and a major resource that they can rely on during organizational turbulence, the perceived availability of support will fortify their exhibition of productive behaviour such as employee ambidexterity, work happiness, job satisfaction, and employee commitment that play essential roles in increase productivity and performance of the organization even during turbulence times. Thus, if the organization wants employees to display productive work behaviour, its leaders should exhibit moral virtues like integrity. When leaders act morally as regards integrity, their subordinates will mostly reciprocate the goodwill they received, with better and positive work attitude. That means, the exhibition of spiritual virtues and characters and worker productive behaviour go in pari-pasu.

#### **Leaders Integrity**

Leaders' integrity as used here is a dimension of leaders' workplace spirituality (Youssef & Luthans, 2007). Leaders' workplace spirituality incorporates an internal will and ability to live, internal motivation and experience that help to effectively connect to others (Kesken & Unlu, 2011). Leaders' workplace spirituality enables managers to decline the previous methodology of individual initiative that focus on values of personal interest, influence, abundance, and glory (Fairholm, 1996). Leaders' workplace spirituality joins the elements of work and personal life into a comprehensive methodology, which upgrades persistent development, improvement, mindfulness, and self-administration so that leaders notice every individual as a mixture of abilities, information, and capacities, rather than considering past the restricted bounds of occupation necessities (Fairholm & Gronau, 2015). By showing the vital qualities, perspectives and activities, the spiritual leader empowers and naturally rouses his or herself including others towards a feeling of spiritual articulation via calling and involvement (Daft, 2008). Furthermore, the concept of integrity has been defined in a variety of ways. Integrity is derived from the Latin word 'integras,' which signifies fullness or wholeness. Consistency in acts, attitudes, techniques, principles, expectations and outcomes is a fundamental concept of integrity. It has to do with being dependable, trustworthy, sincere, loyal, and honest, and it's something that today's leaders must have (Evwierhurhoma & Oga, 2020). Zarim and Zaki (2016) specifically describe leader integrity as an ethical quality of being consistent in uprightness, which can be measured by the behaviors of a leader when they are not out of the public eye. The strength of the establishment is determined by the amount of leaders' commitment to adhere to a principled moral belief system (Pattison and Edgar, 2011). Thus, a leader's words, actions, and decisions all have an impact on their integrity (Conners & Poutiatine, 2010).

A person's meticulous devotion to his or her statements is an expression of his or her integrity. It then connects to the concept of morality, which involves honesty, straightforwardness, and simplicity in all situations (Milton, 2015). This shows the importance of adhering to one's own standards of honesty and integrity. Integrity, according to Simons (2002), is the apparent example of a leader's words and deeds being in sync. It influences the extent to which a leader is able to keep his or her promises. It is consistency between a leader's stated words and their actions (Yukl, 2013). Ethical foundations of compelling leadership, according to Clawson (1999), are built on four key qualities: truth-telling, guarantee-keeping, decency, and respect for the individual. Trustworthiness and dependability are two of the most important aspects of leaders' integrity because they let their followers have confidence in the leader regarding to any issue. Consequently, leaders who are morally and ethically sound avoid dubious activities and avoid doing anything that might harm the reputation of their organization or others. Integrity also means never settling for less than one's best, accepting responsibility for one's actions, and being honest and open with colleagues. It involves adhering to the organization's policies, making the most of the time and resources available to one, and treating others with respect. In the same way, it is the strength to disregard particular wants and hungers in the face of properly analyzed and camouflaged characteristics. To reach both personal and organizational greatness, one must possess the necessary knowledge, awareness, insight, and commitment to one's own values (Collini, Guidroz & Perez, 2015).

People's integrity is defined as the relationship between their words and actions and their ability to be open and honest. According to Grahek, Thompson, and Toliver (2010), leaders that have integrity are able to maintain a level of consistency that would be natural for them and behave themselves regardless of the circumstances. As a result, leaders who behave ethically and with integrity do what they believe others should do even if it's unpopular (Moorman, Darnold & Priesemuth, 2013). Consistency or harmony between seemingly disparate elements is the foundation of all integrity judgments. Integrity indicates that all of the pieces fit together in a logical way. Leaders' example of alignment, good moral, moral standards, and organizational efficiency are all based on integrity (Simons, 2002). Thus, leaders' integrity is a notion of the consistency of their actions, beliefs, strategies, measurements, standards, assumptions, and outcomes that hints to a moral obligation to make the best option for the right reasons, disregarding the circumstances involved. A leader with integrity acts in accordance with their statements (that is, the leader attempts to demonstrate and do what he says others should do) and owns their shortcomings rather than hiding them. Integrity is regularly proved. Subsequently, a leader has high integrity when their activities are in congruence with the unadulterated qualities the leader in question holds.

#### **Workers Productive Behaviour**

Workers productive behaviour is the inclination an employee has toward the various parts of their workplace (Carpeter, Talya & dan Erdogan, 2009). It is the assessment or individual interests of business-related conduct of an employee (Riketta, 2008). Subsequently, employee productive behaviour is the tendency of an employee to react positively to his or her work environment. In today's business world that is exceeding complicated. It is confirmed that the presentation of positive worker productive behaviour will surely be a differentiator between organizations. Thus, to keep up with and further develop high performing employees and organization it is vital to consider worker productive behaviour. Organizations should in this manner guarantee employees display the right productive behaviour in todays complicated and tempestuous business world. Accomplishing positive worker productive conduct is undeniably very essential today than it has ever been because of the complex and dynamic nature of the business environment. Likewise, no organization in today's serious world can perform adequately except if every employee shows productive behaviour towards the attainment of the organizations' goals. Furthermore, this article focused on four measures of workers productive behaviour vis-à-vis employee ambidexterity, work happiness, job satisfaction, and employee commitment (Delbecq, 1999).

Ambidexterity is the capacity of a person to engage and switch between paraxial tasks. Employee ambidexterity, according to Kobarg, Wollersheim, Welpe and Sporrle (2015), refers to a person's willingness to engage in multitask and profitable activities. Consequently, an employee's ambidexterity is the ability to recognize the value of new knowledge; adapt to it; and apply it to the advantage of the company (Cohen & Levinthal, 1990). It involves a person's

capacity to utilize two hands similarly well. Despite this, it has been used by organizations to strengthen their ability to simultaneously exploit current resources and explore new open doors to achieve supported execution in a supported manner (Raisch, Birkinshaw, Probst, & Tushman, 2009). A person's capacity to see and accept logical contradictions, as opposed to trying to avoid them, is shown by their participation in exploitations and exploration activities (Smith & Tushman, 2005). For workers to have a significant impact on organizational execution, they must participate in exploratory and exploitative activities. As a result, in today's fast-paced commercial environment, personnel must be able to switch between explorative and exploitative exercises swiftly and sequentially to achieve ambidexterity (Good & Michel, 2013). Work happiness is defined by Diener (1984) as an estimate of cheerfulness based on the preponderance of good over negative effects. According to Maenapothi, (2007), happiness at work is the state of affairs in which human resources are glad, creative and productive, both at the individual and organizational levels. Consequently, workers happiness at work is a feeling of excitement about one's employment. A happy disposition at work is incredibly fundamental since it leads to competency building and organizational goals attainment, according to Tseng (2009). The pursuit for happiness may be as ancient as human history, and happiness may be more than only money, accolades, or emotional delight; it is a condition of overall success (Gavin & Manson, 2004). It's all about being delightful. Being happy has long been seen as a highly prized quality by people of all socioeconomic strata. Therefore, it is important for all workers, even at the office, to have a positive outlook in life.

Job satisfaction of employees is an emotional response to their employment and the social context of their workplace, as well as a sense of personal pleasure of the work environment which serves as a motivation to work (Ali, Bin, Piang, & Ali, 2016). In other words, it measures how content and enthusiastic workers feel about their jobs (Dawal, Tahaa & Ismail, 2009). One way an individual can achieve life fulfillment is to have satisfaction in the workplace where most of their lives are spent (Yigit, Dilmac & Deniz, 2011). It is impossible for an employee to be dissatisfied with their work if they are appreciated or get a rise in their salary, as well as if their bosses demonstrate spiritual traits and attributes such as integrity. Employee commitment is a worker's steadfast loyalty to their employer and the organization they work for. It is what motivates an employee to do their best to help the company succeed. Employee commitment, according to Akintayo (2010), is defined as the degree to which an individual feels personally involved in the organization to which they belong. It is a key predictor of excellent performance in any business organization (Chew & Chan, 2008). As a result of employees' long-term commitment to organization, it reduces their desire to quit and increases their productivity, adequacy, and reliability.

#### Methodology

The study was carried out in DMBs operating in the South-South States of Nigeria that included Edo, Delta, Bayelsa, Rivers, Akwa-Ibom and Cross River State. We adopted the cross-sectional research design as the research design method and the unit of analysis was at the individual level of employees in managerial and non-managerial cadre in the head offices of DMBs in the

region. The study adopted questionnaire as the research instrument distributed to 367 respondents as the sample size from the study population of 7598 employees in the head offices of the 19 DMBs in South-South Region of Nigeria. The questionnaire was a five point Likert structured questionnaire which consist of four questions and 5 respond choices with point scales ranging from 1 to 5: 1-strongly disagree; 2- disagree; 3- indifference; 4- agree and; 5- strongly disagree for each of the variables covered in the study. Leaders' integrity (dimension of leader's workplace spirituality: Bouzari & Karatepe, 2017; Youssef & Luthans, 2007) was used as a one-dimensional variable as the predictor variable while workers productive behavior was operationalized using employee ambidexterity, work happiness, job satisfaction, and employee commitment (Delbecq, 1999). The validity of the research instrument was further tested using face and content validity as well as factor analysis. More so, Cronbach's Alpha was used in testing the reliability of the research instrument showing a Cronbach's Alpha greater than 0.7; leaders integrity has 0.875, employee ambidexterity has 0.914, work happiness has 0.922, job satisfaction has 0.974, and employee commitment has 0.927 Cronbach's Alpha value. Furthermore, a total of 319 retrieved questionnaire were useful which were used for data analysis using Pearson Product Moment Correlation with 0.05 level of significance given the choice of the confidence interval of 95%.

#### **Data Analysis and Result**

#### Relationship between Integrity and Employee Ambidexterity

The relationship between integrity and employee ambidexterity of DMBs in South-South Region of Nigeria is analyzed below:

Table 1: Relationship between Integrity and Employee Ambidexterity of DMBs in South-South Region of Nigeria

variables	n r	df	crt.r	p-value	Remarks	
integrity	319 0.942	317	.1045	0.001	Significant	

#### **Employee Amb**

P< 0.05; significant at 0.05 level of significance

Source: Field Survey Data, 2021.

Table 1 revealed the relationship between leaders' integrity and employee ambidexterity of DMBs in South-South Region of Nigeria. The results revealed a very strong positive significant relationship between humility and employee ambidexterity: r(317) = 0.916, crit. .1045, p = 0.001, (p < 0.05). It implies a direct relationship exist between the two variables, suggesting that DMBs in South-South Region of Nigeria with leaders with high integrity also reported high employee ambidexterity, hence, the hypothesis is rejected. Consequently, integrity significantly affects employee ambidexterity. Attached is the scattered graph.

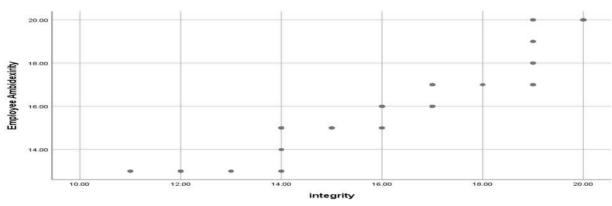


Figure 1: Scattered graph on leaders' integrity and employee ambidexterity.

#### **Relationship between Integrity and Work Happiness**

The relationship between integrity and work happiness of DMBs in South-South Region of Nigeria is analyzed below:

Table 2: Relationship between Integrity and Work Happiness of DMBs in South-South Region of Nigeria

variables	n	r	df	crt.r	p-value	Remarks	
integrity	319	0.957	317	.1045	0.001	Significant	

#### **Work Happiness**

P< 0.05; significant at 0.05 level of significance

Source: Field Survey Data, 2021.

Table 2 revealed the relationship between leaders' integrity and employee work happiness of DMBs in South-South Region of Nigeria. The results revealed a very strong positive significant relationship between integrity and employee work happiness: r(317) = 0.957, crit.r = .1045, p = 0.001, (p < 0.05). It implies a direct relationship exist between the two variables, suggesting that DMBs in South-South Region of Nigeria with leaders with high integrity also reported high employee work happiness, hence, the hypothesis is rejected. Consequently, integrity significantly affects employee work happiness. Attached is the scattered graph.

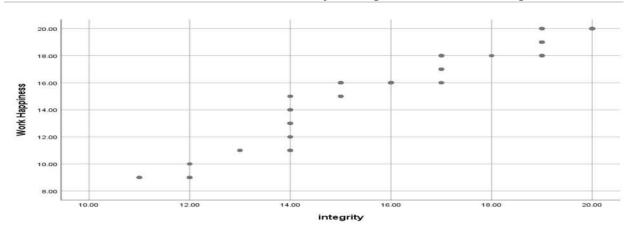


Figure 2: Scattered graph on the relationship between leaders' integrity and employee work happiness.

#### Relationship between Integrity and Job Satisfaction

The relationship between integrity and job satisfaction of DMBs in South-South Region of Nigeria is analyzed below:

Table 3: Relationship between Integrity and Job Satisfaction of DMBs in South-South Region of Nigeria

variables	n	r	df	crt.r	p-value	Remarks	
Integrity	319	0.905	317	.1045	0.001	Significant	

#### Job satisfaction

P< 0.05; significant at 0.05 level of significance

Source: Field Survey Data, 2021.

Table 3 revealed the relationship between integrity and job satisfaction of DMBs in South-South Region of Nigeria. The results revealed a very strong positive significant relationship between integrity and job satisfaction: r(317) = 0.905, crit.r = .1045, p = 0.001, (p < 0.05). It implies a direct relationship exist between the two variables, suggesting that DMBs in South-South Region of Nigeria with leaders that have high integrity also reported high job satisfaction, hence, the hypothesis is rejected. Consequently, integrity significantly affects job satisfaction. Attached is the scattered graph.

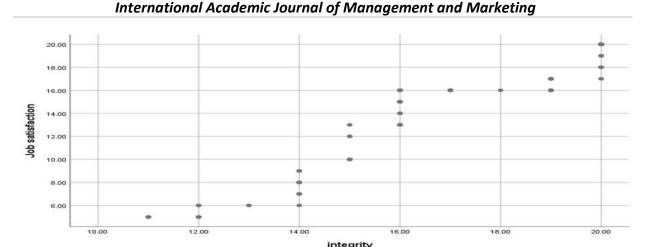


Figure 4.16 Scattered graph on leaders' integrity and job satisfaction.

#### **Relationship between Integrity and Employee Commitment**

The relationship between integrity and employee commitment of DMBs in South-South Region of Nigeria is analyzed below:

Table 4: Relationship between integrity and employee commitment of DMBs in South-South Region of Nigeria

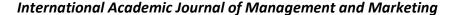
variables	n	r	df	crt.r	p-value	Remarks	
Integrity	319	0.939	317	.1045	0.001	Significant	

#### employee commitment

P< 0.05; significant at 0.05 level of significance

Source: Field Survey Data, 2021.

Table 4 revealed the relationship between integrity and employee commitment of DMBs in South-South Region of Nigeria. The results revealed a very strong positive significant relationship between integrity and employee commitment: r(317) = 0.939, crit.r = .1045, p = 0.001, (p < 0.05). It implies a direct relationship exist between the two variables, suggesting that DMBs in South-South Region of Nigeria with leaders that have high integrity also reported high employee commitment, hence, the hypothesis is rejected. Consequently, integrity significantly affects employee commitment. Attached is the scattered graph.



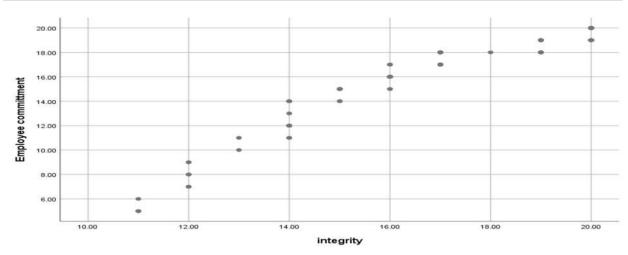


Figure 4 Scattered graph on the relationship between leaders' integrity and employee commitment.

#### **Discussions of Findings**

Leaders' integrity has significant, positive, and direct impact on the ambidexterity, work happiness, satisfaction, and commitment of employees of DMBs in the South-South, Nigeria, according to the results of the data analyzed. The integrity of a leader inspires and motivates his or her subordinates to perform at their highest level, as well as to engage in exploitative behaviors. It's important to note that managers who have integrity play an important role in ensuring that outstanding workers are maintained (Moorman et al., 2013) by developing psychological support for both colleagues and followers. It is easier for people to perform efficiently when they feel free to choose their own working ways in an environment where there is a culture of honesty. Employees who have a sense of security and confidence in their bosses are more likely to take risks and pursue innovative ideas. To be a good manager leaders must be able to support his or her staff, listen to new ideas, inspire, direct, and stay nice with them. This may help motivate personnel to demonstrate ambidextrous behavior to improve the company's success. Oldham and Cummings (1996) say that to manage creative workers and keep them motivated, leaders must be intellectually stimulating, promote participation, support them, and give honest and trustworthy leadership. Employees are psychologically motivated by this quality to seek out solutions to problems or generate new ideas for opportunities. We may expect a rise in both exploratory and exploitative behavior since the positive influence of the leader's honesty will raise intrinsic drive. Workers who are treated fairly and politely by their leaders think about their relationships with their leaders in terms of social exchange, thus experiencing greater job commitment, putting in extra effort on the job, exhibiting greater initiative that enhances the worker's ability to explore profitable opportunities for the firm. To inspire people to take chances and be confident in their abilities, leaders that have integrity improve employee self-efficacy and self-esteem (Zhang & Bartol, 2010). A positive attitude toward mistakes leads to employees developing a willingness to accept them as chances for progress rather than failures.

Furthermore, the long-term happiness and well-being of the organization and its employees may be achieved when executives emphasize the display of integrity (Spector & Fox, 2002). As Simons, Leroy, Collewaert, and Masschelein (2014) noted, leaders who are honest and trustworthy inspire their employees to achieve at their best. Managers that display integrity are consistent in doing the right thing, fulfilling the expectations of their followers, and adhering to ethics, which may lead to a happier work environment for their employees, according to Collini et al. (2015). Integrity is essential in all enterprises, regardless of cultural differences. Because integrity applies to all organizations, big and small, public and private, as well as multinationals, it is not a factor exclusive to a particular company or country. Due to its crucial role in the effectiveness of leadership in encouraging productive employee behavior, Employee work happiness may be impacted by the integrity of managers who create and maintain a work climate that reduces stress, job discontent, complaints, and the tendency to leave among their subordinates. Having a high level of integrity helps leaders create a work atmosphere that fosters a sense of well-being (Lashinger, Wong & Grau, 2012). First, employees must be aware of their leaders' integrity in order for it to have an impact on them. Although a leader's activities have a significant impact on how others view his or her integrity, how an observer reaches to that conclusion has an even greater impact on the following actions and behaviors of the observer. The value of an organization's governance and the foundation for long-term relationships between employees and executives are both enhanced by a culture of integrity. This, in turn, has a positive influence on employee happiness and productivity.

More so, an organization's leaders' capacity to maintain integrity is critical to the satisfaction of its employees (Palanski & Yammarino, 2007). Integrity virtue according to Bui (2018), authenticates a leader's personality profile, particularly in terms of trustworthiness, dependability, and honesty. Leaders who concentrate on these attributes are able to lead effectively toward the improvement of worker contentment, according to Hubberts (2014). For a company to have integrity, the leader must first align his or her words with his or her actions. This is critical because the words and deeds of a leader influence the behavior of their workers. Employees will be eager to follow if leaders' remarks portray integrity and dependence, which may have a wide range of effects on worker satisfaction and productivity. Leaders that are honest and trustworthy inspire their employees to work harder, execute their jobs better, and provide better results for the organization (Good, 2009). Integrity is a principle that should be incorporated into the daily operations of the company by its leaders in order to encourage ethical behavior, avoid destructive lapses, and strengthen human inclinations for moral thinking and action (Bergman, 2006). As a result, leaders who are morally upright inspire greater employee satisfaction and loyalty via standard-based and consistent conduct. Employees are more satisfied with their work if they believe their leaders are trustworthy, honest, sensible, and consistent, according to Kiersch and Byrne (2015). This may help foster a culture of reciprocity amongst employees by encouraging them to become more connected to the company, which speaks volumes about their level of contentment. Workers may rely on managers with integrity to provide them trustworthy and helpful guidance. As a result, a lack of this virtue may lead to dissatisfaction among employees, which can lead to a rise in turnover and a decline in the number of new hires.

Additionally, Rego Ribeiro, Pina and Jesuino (2011) said that promoting corporate virtuousness via the display of honesty, reverence, empathy, and the quality of forgiveness promotes the commitment of employees. Leader integrity is also described by Omar, Anuar, Majid, and Johari, (2012) as an adornment for social, strategic, and employment ties that assures a dedication and loyalty to the stated parameters of the relationship. According to Brown and Mitchell (2010), the effectiveness of a company's ethical code is influenced by the integrity of its leadership, which creates a pleasant working environment and increases employee loyalty. An increase in employee loyalty happens when workers believe that their bosses are honest and trustworthy, and they have a strong emotional connection to the company (Crane & Matten, 2004). Organizations will be able to recruit and retain high-quality staff if their leaders are seen as fair and honest. An honest connection between employees and leaders is essential for fostering organizational commitment.

#### Conclusion

Based on our findings there is a positive and significance relationship between leaders' integrity and workers productive behaviour of DMBs in the South-South, Nigeria. Thus, our study provides a positive and significant relationship between leaders' integrity and ambidexterity, work happiness, satisfaction, and commitment of employees of DMBs in the South-South, Nigeria. Hence, organizations that do not have integrity leaders will have reduction in employee's productive behaviour. Consequently, leaders' humility as a dimension of leaders' workplace spirituality plays vivacious role in developing and enhancing productive behaviour among workers within the organization which also helps in grooming the individual employees, groups, and the organization. Accordingly, the building and display of spiritual virtues of integrity by leaders have the capacity to become an innovative, courageous, and highly beneficial paradigm of management within this period. Because leader's workplace spirituality is among the most impressive leadership approaches for influencing employees by showing pro-work and positive workplace behaviour as it helps employees to realize the potential in their work and provide a workplace of joy, peace and serenity which are the sources of happiness, commitment, satisfaction, high productivity, and the general firm performance. Organizations are steadily confronted with expanding contest and as they plan for new difficulties, one of the key parts of endurance is keeping up with and overhauling the organizations capacity to utilize human resources successfully and proficiently through better display of integrity by leaders.

#### Recommendations

The following are our recommendations:

1. The Management of DMBs should build a culture of honesty, care, and concern within the organization as these core values will enhance workers productive behaviour vis-à-vis happiness, satisfaction, commitment, and ambidexterity

- 2. The management of DMBs should ensure their leaders have integrity to aid create trustworthiness and commitment as it will promote and enhance commitment and workers' productivity within the bank.
- 3. DMBs leaders should be honest and treat their employees well and be quick to praise their subordinates' contributions.

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## Work-Life-Balance of Contact Employee and Customer Loyalty of Healthcare Firms in South-South, Nigeria

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Abstract: This study examined the interplay between work-life-balance of contact employee and customer loyalty of healthcare firms in South-South, Nigeria. The study adopted an explanatory research design and collected data from eighty-five (85) staff and patients of the studied healthcare providers using a structured questionnaire. The Spearman's Rank Order Correlation served as the test statistic relying on SPSS version 21.0. The study observed that work-life-balance have a positive and statistically significant relationship with customer loyalty. The study thus work-life-balance significantly relate to customers loyalty and customers loyalty expressed as resistance to switching, repeat patronage and word of mouth depends on the employee's work-life-balance of the healthcare providers. As such, the study recommends that, the healthcare firms that seek to improve customers' loyalty should consider employee's work-life-balance as a strategy and the healthcare firms should consider work-life-balance as an imperative strategy to improve on customers' resistance to switching behaviour, repeat patronage and positive word of mouth

**Keywords**: Work-Life-Balance, Resistance to Switching, Repeat Patronage and Word-Of-Mouth Customer Loyalty

#### **INTRODUCTION**

The healthcare sector is made up of different institutions with common objective of attracting potential customers, retaining existing ones and expediting their progress in the loyalty ladder. With improved technology adoption among operators in the healthcare sector and globalization of shared healthcare knowledge, the challenge of achieving customers' loyalty ought to have been ameliorated. However, the quickly evolving value requirement of customers, coupled with fierce intra- and inter-industry competition have continually stretched the ability of healthcare providers, especially tertiary healthcare providers in South-South, Nigeria, to win the loyalty of customers. This is in spite of these healthcare providers'

deployment of novel service delivery strategies aimed at commanding customers' loyalty that engender sustainable competitive edge.

Besides, the notable competition among players in healthcare sector, there are also indications of palpable dissatisfaction among patients in Nigeria, with respect to the quality of services delivered by the healthcare providers. Ateke (2020) observe that healthcare providers are accused of "wrong diagnoses, mismanagement of health crises, delayed attention, and nonchalant attitude of service personnel and poor service provider-client relationship". These observations cohere with the way patients easily shift patronage from one hospital to another; and even resorting to medical tourism in search of better healthcare (Taiye *et al.*, 2017). The unending race for new customers by hospitals is a further demonstration to the suspicion that healthcare providers do not command the loyalty of customers (Sik *et al.*, 2014). The prevalence of disloyalty of healthcare's customers may be attributed to healthcare providers' internal marketing mechanism.

The notion of internal marketing according Abbas and Riaz (2018) is to revolutionize service quality of an organization through employees because they are responsible for consistent service delivery. As such, employee's job satisfaction should be held paramount considering its significant impact on their performance and loyalty to the firm (Md & Dewan, 2018). This implies that, healthcare providers that seek to attract new customers, retain existing ones and expedite their progress in the loyalty ladder have to satisfy the internal customers. A preliminary survey on internal marketing mechanism among healthcare providers in South-South, Nigeria shows that the tertiary hospitals regularly train their employees on better ways to serve customers but much is yet to be done on employee motivation through work-life-balance. Premised on these, this study examined work-life-balance of contact employee and customer loyalty by investigating the relationship between the variables in federal tertiary hospitals in South-South, Nigeria. Healthcare firms need to create a sustainable healthy work environment that will allow employees (internal customers) to strike a balance between their work and personal obligations. Work-life-balance as was put forward by Pattu *et al.* (2013), fortify employees' productivity and loyalty to an organization.

Resistance to switching, repeat patronage and word-of-mouth are adopted as proxies of customer loyalty, the criterion variable of the study. According Butcher *et al.* (2001), customers exhibit resistance to switching when they reject offers from competing brands. Repeat patronage is a behavioural demonstration of customers loyalty through re-patronage of a company and continuing association with that company in future purchases while positive word of mouth is a strong recommendation and praises customers make about a brand or its products to potential consumers (AchieveGlobal, 2008; Butcher *et al.*, 2001; Otite & Didia, 2017).

#### LITERATURE REVIEW

#### **Theoretical Foundation**

This study on work-life-balance of contact employee and customer loyalty of healthcare firms in South-South Nigeria is premised on the **resource based theory** (Wernerfelt, 1984) which postulates that, organization's performance depends on its resource profile and further explained why some organizations outsmart others and distinctively maintain a prime place in competitive space (Winnie & Franciss, 2016; Didia & Idenedo, 2017); and the **core competencies theory** (Prahalad & Hamel,1990) which argued that, companies already compete during the creation of competences and not only later in the market for products.

Resource Based Theory: Resource based theory was proposed by Wernerfelt (1984) specifically to ascertain organization's resources that can be effectively and efficiently engaged to gain and sustain an edge over competing brands or companies (Maxwell et al., 2014) in an industry. The theory claimed that, organization's performance depends on its resource profile and further explained why some organizations outsmart others and distinctively maintain a prime place in competitive space (Winnie & Franciss, 2016; Didia & Idenedo, 2017). The theory assumed that; there may be variations in resource profile of organizations within an industry and the resources may not be absolutely moveable across organizations as such, the variations could last long (Barney, 1991).

Resources according Maxwell *et al.* (2014), is "all assets, capabilities, organizational processes, firm attributes, information, knowledge, controlled by a firm that enable the firm to conceive of and implement strategies that bestows on the firm a competitive advantage". Consequently, for firms to achieve sustainable competitive edge (Baker & Sinkula, 2005), they must possess key resources, capabilities, and attributes that are valuable, rare, difficult to imitate and not substitutable which are in turn effectively deployed in the chosen markets (Barney, 1991). Employees (internal customers) of an organization are bestowed with the intangible capabilities and distinctive attributes naturally and through education that are valuable, rare, difficult to imitate and in most cases not replaceable which gives credence to the suitability of this theory for the current study.

The current study adapted resource-based theory as a baseline theory considering healthcare firms where the study is domiciled. The healthcare's employees (internal customers) help to create or implement strategies that enhance its efficiency and effectiveness in the marketplace, utilizes their capabilities in providing excellent customer service that in turn build on the healthcare's reputations. This study proposed that, internal customer's motivation through work-life-balance will increases the employees job satisfaction and in turn enhance their service quality delivery to the external customers premise on the notion that, a satisfied and loyal customer will express his/her loyalty through repeat patronage, resistance to switching and positive word of mouth (Butcher et al., 2001).

The Core Competencies Theory: The theory of core competencies was put forward by Prahalad and Hamel (1990); it argued that, companies already compete during the creation of competences and not only later in the market for products. The authors proposed that, instead of structuring a company around diversified business units and end-products, a company should be structured around a few core competencies (Lavina, 2014) because, core competencies are extremely difficult to copy and can easily be leveraged to other markets. According Prahalad and Hamel (1990) as cited in Lavina (2014), "core competencies allow a company to be flexible, respond to a rapidly evolving environment and be prepared for the future". Core competencies as proposed by Hirindu (2017), comprises of organizations' capabilities, resources and competencies and indistinguishable core competencies pilot to gaining a competitive edge though, it is yet to be prove empirically. Internal customer motivation through work-life-balance may be view as a healthcare firm's competencies because; it will lead to external customers' repeat patronage, resistance to switching and positive word of mouth through service quality delivered by the employee as a result of being satisfied with their job.

#### The Concept of Work-Life-Balance

The need to consider work-life-balance of contact employee as a potential ingredient for internal customer motivation in healthcare firms spurs from the fact that, majority of the nurses and other health workers are women that are known as homemaker with primary responsibility for childcare, thus creating a need to balance work with this particular responsibility (Gattrell *et al.*, 2013).

Work-life-balance mechanism is deliberate changes in programmes or organizational culture that are designed by organization to reduce work-life-conflict and enable employees to be more effective at work and in other personal responsibilities (loan *et al.*, 2010). Employees feel satisfied, healthy and successful when there is work-life-balance and that has made it big deal for employees desiring to have good quality of life (Breitenecker & Shah, 2018). There is a consensus that, a productive employee is a satisfied employee (Khaled, 2019; Joo & Lee, 2017).

Effective policy of work-life-balance embraced by the healthcare service provider as internal marketing mechanism, allows the employees to socialize with the community while assuring quality service delivery to customers (Helmle *et al.*, 2014). Healthy work-life-balance facilitates employees in performing her/his consigned tasks in more effective and efficient manner (Khaled, 2019; Richert-Kaźmierska & Stankiewicz, 2016).

According to Oludayo *et al.* (2018), work-life-balance initiatives in organizations are concerned with employees' interaction between paid and unpaid work activities, leisure and personal development. Work-life-balance is achieved where there are shared benefits for employees and the organization (Mesimo-Ogunsanya, 2017); when organizations create a productive work culture where traces of work-life-conflict are minimized and effectively controlled (Kumar, 2015).

It is about helping employees to maintain healthy, rewarding lifestyles that will in turn lead to improvements in performance (Grimm, 2017). Driving the work-life-balance mechanism has become a joint responsibility between employer and employee. It is no longer a role that resides within the human resource department as all line managers are responsible for seeing to the balance of their staff. In his view, Valcour (2007) explains the work-life support under two major types: formal and informal. The formal support policies to include dependent care initiatives, time policies as expressed in flexible work arrangements and the work-leave programme. On the other hand, he mentioned managerial or supervisor support and co-worker support to be informal support policies. The informal work-family support according to Oludayo et al. (2018) is an expression of organizational leaders' commitment to the employees' wellbeing in accordance with the social exchange theory. This will most likely affect the employees' behavioural outcomes i.e., increase in employees' job satisfaction and enhance service delivery quality when top officials in the workplace become interested in employees' well-being (Oludayo et al., 2018; Kumar, 2017). This will provide stimulation for motivation, energy and willingness to learn new skills as well as cultivating habits that will promote the organization's efficiency through managerial support (Kossek, 2012).

Employees do perceive the top managers as the organization itself, as such any support coming from their end is considered the organization's support thereby increasing the level of loyalty employees has (Oludayo *et al.*, 2018). The concept of work-life-balance (WLB) has been advocated for prime inclusion in the workplace, particularly in the healthcare sector in Nigeria. The dimensions of work-life-balance and it influence on employees behavioural outcomes have not been clearly established in the literature. The expectations of this inclusion are that it will ensure employee well-being and improved organizational productivity. The presence of work-life-balance programme and initiatives also ensure that workers are able to fulfill their work and non-work goals without robbing each domain of the required attention it deserves (Oludayo *et al.*, 2018) and it has triggered series of research by scholars intending to expound the frontier of knowledge on work-life-balance and it impact on employees' job satisfaction and performance.

There are researches concerned with individual results of employees attaining a satisfactory work-life-balance, the works indicated a positive effect of work-life-balance on individual wellbeing (Lingard & Subet, 2002; Lunau *et al.*, 2014; McGinnity & Russell, 2015; Clare *et al.*, 2018) resulting from a policy effect that protects individuals from negative experiences in either domain and which may reduce stress caused by tension between roles.

Besides, considerable research has examined the accomplishments of the employer policies designed to help employees achieve a more satisfactory work-life-balance, such as providing flexible work options (Farivar & Cameron, 2015; Clare *et al.*, 2018). Indeed, helping employees achieve a satisfactory work-life-balance has been advocated as good internal marketing mechanism (Bansal *et al.*, 2001) by a number of policy organizations (Chartered Institute of Personnel and Development, European Union, and International Labor Organization). There is also evidence that employer concern for work-life-balance can have a positive impact on

motivating, recruiting, and retaining employees (Farivar & Cameron, 2015) and on employee attitudes such as organizational commitment and job satisfaction (Kim, 2014) and performance in terms of service delivery quality (Bansal *et al.*, 2001).

The positive impact of work-life-balance of contact employee on performance has been explained by use of social exchange and gift exchange theories, where it is argued that employees respond to opportunities to tailor their working arrangements to fit with their non-work-lives with, for example, enhanced effort or commitment (Kelliher & Anderson, 2010). Signaling theory has as well been used to argue that employees respond positively to signals that their employer is concerned about their work-life-balance, leading to greater organizational attachment (Casper & Harris, 2008). Furthermore, based on notions of the psychological contract, flexibility ideals, negotiated in pursuit of work-life-balance, are seen to create mutual benefit (Clare et al., 2018; Rousseau, 2005).

#### **Concept of Customer Loyalty**

Khan (2013) established that customer loyalty is the highest valuable result of marketing efforts, thus the improvement on customer loyalty has become an imperative focus of achievement for every organization. It is a win-win relationship for both the organization and the customer (Khan, 2013) if the organization is able to win the confidence of the customer through its product offering and service delivery quality. Customers exhibit their loyalty through certain behaviours (like resisting offers from the competition, sticking with the firm, recommending the organization and its offerings to others, and working with the organization when they experience a service breakdown) that benefit organizations in terms of reputation and improved revenue (AchieveGlobal, 2008). Besides, the organization also benefits in terms lower price sensitivity (Khan, 2013) and reduced expenditure on attracting new customers. These gives credence to why customer loyalty has been one of the most recurrent topics of investigation (Didia & Idenedo, 2017; Adepoju & Suraju 2012) with regards to how firms can improve their performance to gain a sustainable prime place in a competitive space. This is also reflected in business mechanism such as internal marketing mechanism, as managers increasingly recognize the imperative of customer loyalty (Didia & Idenedo, 2017).

Customer loyalty is not won by chance; research has it that, it is a function of satisfying customer's expectations because customers compare their subjective perceptions after purchasing a product / service with their expectations before the purchase decision (AchieveGlobal, 2008; Kotler, Keller, 2009; Khan, 2013). This comparison according to Kotler and Keller (2009) leads to a situation of satisfaction, if satisfaction exceeds expectations (customer enthusiasm). Though, the nexus between customer satisfaction and its loyalty is not unswervingly comparative because the evaluation of satisfaction relative to the performance of the service provider or product offered differs with customers (Kotler & Keller, 2009). This implied that, customer can be satisfied but for different reasons.

Customer loyalty as asserted by Bruhn (2001) is part of a cause-effect sequence that involves processes from the initial contact with the client to the economic success of the organization. According to Bruhn (2001), the stages begin with the customer's first contact with the tendered by the purchase of a product or service, compare previous expectations with the product or service and assess the level of satisfaction. If the customer's assessment is favorable or customer expectations have been exceeded, the customer loyalty will be triggered and that will build his/her trust for the organization offerings and wiliness to patronize the same product/service in the future. The mentioned sequences transpire into loyalty when this purchasing conviction becomes repeated purchase and the product or service is being recommended to other potential customers and end when it has resulted to the economic success of the enterprise (Bruhn, 2001).

Similarly, Daffy (2009) stressed that, customer loyalty does not result from strategies implemented by organization or customer club rather through good understanding of customer's needs and behaviour. As such, he defined loyalty as a physical and emotional commitment given by customers in exchange for meeting their expectations. Budică and Barbu (2010) explained the emotion mentioned in Daffy (2009) definition of loyalty as the positive or negative feelings brought to mind by and object or idea.

Customer loyalty is customers' predisposition to prefer one brand and its products than those of the competitors, based on the satisfaction they derive from using the brand's products (Didia & Idenedo, 2017) or other psychological, economic or social reasons. Customer loyalty encourages consumers to shop more frequently, consistently and often inform increase in volume or value of purchases (Sima & Elham, 2015). Customer loyalty is the willingness of customers to purchase the company's products, instead of those of competing brands; and maintain a profitable relationship with the preferred brand (Kendal, 2012; Mohammad *et al.*, 2012; Inamullah, 2012). This implies that there must be something attractive in a brand that motivates a customer to be consistent with the purchase of the brand's product over time without shifting to competing brands (Mohammad *et al.*, 2012). Loyalty is, therefore, the result of customers' past positive experiences with the brand. Customers return to a company for further business based on these positive experiences; regardless of whether the firm has the best product, price or service delivery (Singh & Khan, 2012; Ghavami & Olyaei, 2006).

Apart from the result of customers' past positive experiences with the brand as asserted by Singh and Khan (2012) and Ghavami and Olyaei (2006) as possible function of customer loyalty, Daffy (2009) established an equation (Loyalty = Satisfaction + Affinity + Involvement) to explain loyalty. Daffy (2009) explained further that, to gain customer loyalty, organization should make sure it products or services meet and exceed customer expectation. By involvement, Daffy implies a relationship between the organization and the customer that will enhance their decision quality based on feedback from customers while affinity occurs when there is satisfaction and involvement. Daffy loyalty equation was premise on the notion that increase in customer loyalty is possible if all resources and processes are focused on customers' needs and

expectations and involving them in the process of discovering their needs and desires makes them feel appreciated (Kotler & Keller, 2009).

Customer loyalty is behavioural and attitudinal (Inamullah, 2012) and often a combination of (Ebenuwa & Otite, 2019 citing Bowen & Chen, 2001) both known as composite loyalty for which each broad measures has sub-measures. Customers exhibits behavioural loyalty by willingly repeating patronage and maintaining relationships with the organization, the attitudinal loyalty is expressed through exhibition of positive feelings about the organization and its offering and voluntarily telling others about the organization and its offerings (Ebenuwa & Otite, 2019) while the composite measures capture elements of both behavioural and attitudinal measures (Bowen & Chen, 2001) . Butcher *et al.* (2001) identifies repeat purchase, positive word-of-mouth, resistance to switching, and brand preference as dimensions of loyalty that cut across the behavioural, attitudinal and composite dimensions of loyalty. This study thus adapt resistance to switching, repeat patronage and positive word of mouth as measures of customer loyalty.

**Resistance to Switching:** Resistance to switching is considered as customers' attitudinal expression of loyalty to an organization's brand or services (Butcher *et al.*, 2001; Cronin & Taylor, 1992). Conventionally, customers tend to switch amongst similar brands or services when their perceptions do not match with their expectation in terms of quality, availability and price tag for a service (Sirius, 2009). Besides, attractive promotional offers of other brands such as, attractive gifts or discount could also encourage trying another brand (Shahpar, 2014).

Conversely, Reichheld (1996) as cited in Rahim *et al.* (2013) posits that unsatisfied customers may choose not to switch, because they do not expect to receive better service elsewhere or if the switching cost is high and satisfied customers may seek for competitors because they believe they might receive better service elsewhere. This implies that, there is other factor that triggered resistance to switching behaviour other than satisfaction with services experienced as compared with expectations. In view of that, some marketing scholars (Rahim *et al.*, 2013; Lopez *et al.*, 2008; Watson *et al.*, 2002) considered customers resistance to switching not just indication of being satisfied with an organizations' brand or services but also a function of the switching decision which includes; the cost of the decision, the perceived benefits of any such decision, and a customer's relative assessment of other factors. The switching costs according to Nicolas *et al.* (2018) include financial and search effort costs. These switching costs are barriers to switching and they act as factors that make it difficult and costly for consumers to change service providers (Nicolas *et al.*, 2018; Jones *et al.*, 2000).

Customers switching amongst similar brands or services could be triggered by certain events of times and market disruptions. Son *et al.* (2010) defined market disruptions as major events occurring in the market that threaten customers' loyalty or relationship with a brand. According to Son *et al.* (2010), the events are not individual firm service failures rather; they include aggressive competitors' sales promotion, industry crises, product recalls, negative publicity and disruptive innovations by competitors that can influence the relative standing of brands in the

eyes of customers. As such, a customer resistance to switching even at invents of time and market disruptions are an exhibition of loyalty to an organizations' brand or services.

Repeat Patronage: Repeat patronage is a behavioural (Butcher et al., 2001) demonstration of loyalty by customers through repetitive patronage of a preferred brand or service amidst competitors as a result of being consistently satisfied psychologically, economically, socially, emotionally, physically and intellectually (Nwulu & Asiegbu, 2015) with the brand or service experienced. Considering the healthcare firms, patients will usually repeat patronage of healthcare services when their service experienced exceeds their expectations. Patients would not mind resisting events of times and market disruptions if their service experience with a particular healthcare firm is consistently exceeding their expectation of service economically, psychologically and physically.

As described by Kumar (2016) cited in Nwadike *et al.* (2020), repeat patronage is behaviour in which customers frequently patronize a product and service of a particular company without considering the products and services offered by other competing organizations. This cohere with Panda (2013) assertion that, repeat patronage is a behaviour whereby consumers repeatedly purchase their needs from a particular company despite the fact that there are other companies rendering the same services. Similarly, Curtis *et al.* (2011) defined repeat patronage as a consumer's actual behaviour resulting in the purchase of the same product or service on more than one occasion.

Nwulu and Asiegbu (2015) considered repeat patronage as a measure of loyalty to a brand by consumers. Based on their analysis, higher repeat patronage value means a well retained and satisfied customer and thus recommend service providers to take some actions to ensure repeat patronage of their services by listening to customer comments, suggestion, and feedback, complaints, about the services they are offering and providing value adding services to the customer experience.

**Word-of-Mouth:** Delighted and loyal customers consciously and unconsciously exhibit loyalty behaviourally by willingly repeating patronage and maintaining relationships with the organization and attitudinally through exhibition of positive feelings about the organization and its offering and voluntarily telling others about the organization and its offerings (Ebenuwa & Otite, 2019). Positive word-of-mouth is an indirect marketing through a satisfied and loyal customer by making strong recommendations and praises about a brand or its products to potential consumers (Susanta *et al.*, 2013) and considering the fact that potential customers see information from friends or even strangers as more unbiased and reliable than those of an economic entity (Brown & Peter, 1987), it is thus acknowledged by academics and business practitioners as one of the reasons customer loyalty is believed to be invaluable (Didia & Idenedo, 2017; Peter *et al.*, 2013).

Susanta et al. (2013) as cited in Didia and Idenedo (2017) dramatized the imperative of positive word-of-mouth by stating that, increasing loyalty is achieved by maintaining customers while

increase in market share is achieved through positive word-of-mouth. Empirical literature gave credence that, positive word-of-mouth enhances companies' ability to acquire new customers and maintain the loyalty of existing ones (Alhulail *et al.*, 2018; Peter *et al.*, 2013) hence; it is considered as one of the strongest marketing techniques. Muhammed and Peter (2019) in a study on word-of-mouth communication: a mediator of relationship marketing and customer loyalty found a significant positive association between word of mouth and customer loyalty. Peter *et al.* (2013) established that positive word-of-mouth has a direct association with customer's repeated purchase behaviour which indicates consumer loyalty.

Similarly, Brown *et al.* (2005) study on word-of-mouth facets in eateries established that there is a substantial link between word-of-mouth and customer loyalty and added that, the effect of positive or negative word-of-mouth on customer loyalty differs significantly from industry to industry; while Liyander and Stradvick (1995) advocated the imperative of positive word-of-month for brand success because it removes qualms and convinces potential customers. Word-of-mouth is said to (Didia & Idenedo, 2017) serve as a switching barrier by influencing customer excitement and blocking customers from breaking the connection even when inconsistencies are observed in the firm's service delivery and boosts customer confidence in the company, its services and makes customers feel they made the right choice (Muhammed & Peter, 2019).

Premised on the few cited empirical test postulation on the link between word-of-month and customer loyalty, it is apparently deducible that, adequately satisfied customers will likely talk about their experience with the brand and possibly recommend it to friends and family which cohere with Mohammad *et al.* (2013) assertion that, if customers are satisfied, they will increase the volume or value of their purchases, and also tell others about their pleasurable experience with the brand. Since the most valuable asset of any company is its customer-ship (Ateke & Harcourt, 2017), and the survival of any business depends on customer satisfaction and loyalty, it will be ideal for healthcare companies in Nigeria specifically federal tertiary healthcare in South-South Nigeria to improve on their service delivery quality that will bring about positive customer experience, gain their positive word-of-mouth marketing and other loyalty behaviour and attitudes.

#### **Work-Life-Balance and Customers Loyalty**

In order to establish hypothesized relationship between work-life-balance of contact employee and customer's loyalty, the following empirical works were looked at.

Khaled (2019) studied the relation between work-life balance, happiness, and employee performance. Data was gathered from 289 employees from the (Med Pharma) Pharmaceutical industries in Jordan. Hypotheses were tested with multiple regressions. The results indicated that work-life balance and happiness positively and significantly affect employee performance.

Mmakwe (2018) carried out a study on the relationship between work-life balance and employee performance in the banking sector in Port Harcourt, River State. The population of the study consisted of 769 employees in 5 commercial banks in Port Harcourt City, which were

randomly selected and the sample size was 400, derived from using Taro Yamen formula. Data collected were analyzed with the spearman rank order correlation coefficient. The findings revealed a strong correlation between the measures of work life balance and the measures of employee performance. The study thus recommends that, organizations in the banking sector should promote policies and structures which foster a balance between the personal commitments and responsibilities of an employee and his organizational roles and duties in order to effectively enhance employee performance.

Oludayo *et al.* (2018) ascertained the extent to which work-life balance initiative predicts employee behavioural outcomes in some selected commercial banks in Nigeria. The study adopted a survey research design for an accurate investigation. Three hundred and thirty-nine (339) respondents were surveyed across the top five (5) commercial banks with branches in Lagos State, Nigeria using stratified and simple random sampling techniques. Structural Equation Model (AMOS 22) was used for the analysis to find the resultant effects and the degree of relationship between the exogamous and endogamous variables. Results show that work leave arrangement, flexible work arrangement, employee time out, employee social support and dependent care initiative are predictors of employee behavioural outcomes such as job satisfaction, employees' intention and employees' engagement. The study emphasized the need for top management to review the appropriateness and relevance of work-life balance programmes, policies and activities that support and encourage employees as regards their personal and family life issues that are aimed towards inspiring acceptable workplace behaviour.

Andrea et al. (2020) investigated the importance of other nonworking domains in the WLB with a particular focus on health. Moreover, the importance of the effects of the work–family balance (WFB) and the work–health balance (WHB) on job satisfaction was investigated. Finally, they also explored how the effects of the WFB and the WHB on job satisfaction change according to worker characteristics (age, gender, parental status, and work ability). The study involved 318 workers who completed an online questionnaire. The importance of the nonworking domains was compared with a t-test. The effect of the WFB and the WHB on job satisfaction was investigated with multiple and moderated regression analyses. The results show that workers considered health as important as family in the WLB. The WHB explained more of the variance in job satisfaction than the WFB. Age, gender and parental status moderated the effect of the WFB on job satisfaction, and work ability moderated the effect of the WHB on job satisfaction. The study highlights the importance of the health domain in the WLB and stresses that it is crucial to consider the specificity of different groups of workers when considering the WLB.

Based on the above empirical works, the study hypothesized that;

Ho<sub>1</sub>: Employees work-life-balance does not significantly relate to customers' resistance to switching.

Ho<sub>2</sub>: Employees work-life-balance does not significantly relate to repeat patronage of customers.

Ho<sub>3</sub>: Employees work-life-balance does not significantly relate to word of mouth of customers.

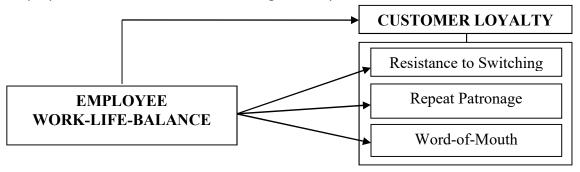


Figure 1: Operational Conceptual Framework of Work-Life-Balance of Contact Employee and Customers Loyalty

Source: The study the measures were adapted from Butcher et al. (2001).

#### **Gap in Literature**

From the empirical literature reviewed, two main gaps were identified. First, it was observed that a significant number of studies have been conducted on work-life-balance but none of these studies related the concept to customer loyalty specifically. Secondly, it was observed that most of the studies conducted on work-life-balance and other constructs in healthcare firms were not conducted in South-South, Nigeria.

#### **METHODOLOGY**

The aim of this study was to explore the interplay between work-life-balance of contact employee and customer loyalty of healthcare firms in South-South, Nigeria. The study adopted explanatory research design. The population of the study comprised federal tertiary healthcare providers specifically in South-South, Nigeria and all in-patients admitted into each of the teaching hospitals. This study was directed at the teaching hospitals because they provide the widest admittance to patients with a completeness of all cadres of healthcare workers. Based on information obtained from Federal Ministry of Health, December, 2020, there are currently four (4) approved university-based federal tertiary healthcare providers in South-South, Nigeria. Namely: University of Port Harcourt Teaching Hospital with staff strength of 2500 and 800 beds space for patients. This information was obtained from info@upth.com; University of Benin Teaching Hospital has staff strength of 3,840 and 850 beds space for patients. This information was obtained from info@ubth.com, University of Calabar Teaching Hospital with staff strength of 2,946 and 415 beds space for patients and this information was obtained from info@ucth.com and University of Uyo Teaching Hospital with staff strength of 2000 and 500 bed spaces for patients and this information was obtained from info@uuth.com. In determining the sample size for this study, a census was taken for the current study. Eighteen (18) different contact

employees and five (5) in-patients of each of the federal university teaching hospitals in South-South, Nigeria formed the study's sample unit, thereby making a total of ninety-eight (98) respondents that participated in this study. The table below exhibits the breakdown of the sampled respondents.

**Table 1: Categories of Respondents** 

S/N	Categories Of Staff Sampled	UPTH	UСТН	UBTH	UUTH
1	Nurse	2	2	2	2
2	Administration	2	2	2	2
3	Doctor	2	2	2	2
4	Lab scientist	2	2	2	2
5	Pharmacist	2	2	2	2
6	Health assistant	2	2	2	2
7	Paramedic	2	2	2	2
8	Physiotherapy	2	2	2	2
9	Optometry	2	2	2	2
	Total Sampled	18 Staff	18 Staff	18 Staff	18 Staff

S/N	Patients Sampled	UPTH	UCTH	UBTH	UUTH
1	In-Patients	5	5	5	5
	Total Sampled	5 In-Patients	5 In-Patients	5 In-Patients	5 In-Patients

These categories of employees were used for this study because they constitute service contacts of each of the federal universities teaching hospitals in South-South, Nigeria. In the healthcare, patients often interact with contact employees (nurse, administration, doctor, lab scientist, pharmacist, health assistant, paramedic, physiotherapy, optometry and etc.) whose role is an ingredient of differentiation. Contact employees could influence service quality perception of patient through their attitude and service delivery while five in-patients were considered enough to provide the necessary information needed for the study.

Questionnaire was utilized as the instrument of primary data collection. Respondents were required to tick from 1-5 on a Likert scale, where 1= strongly disagree; 2= disagree; 3= neutral; 4= agree; 5= strongly agree. To justify the study instrument, a comprehensive reliability test was conducted, with a threshold of 0.7 set by Nunnally (1978); while the opinion of scholars and practitioners with relevant experience on the study constructs was used to validate the instrument. Table 1 below displays the summary of the test of reliability.

**Table 2: Result of Reliability Analysis** 

Variables	Dimensions/Measures	No. Items	Cronbach's Alpha
Work-Life-Balance	Work-Life-Balance	5	0.854
	Resistance to Switching	5	0.844
<b>Customers Loyalty</b>	Repeat Patronage	5	0.842
	Word of Mouth	5	0.935

Source: SPSS Output of Data Analysis on Work-Life-Balance and Customers Loyalty (2020).

#### **DATA ANALYSIS AND RESULT**

**Table 3: Questionnaire Analysis** 

Source: Field Survey Data 2020

Numbers	Questionnaire	Percent
No. Sent out	98	100.0
No. Returned	85	87.0
No. Not Returned	13	13.0

Table 3 shows that a total of 98 copies of questionnaire were distributed, out of which 85 representing (87%) were retrieved while 13 representing (13%) were not retrieved. However, 85 representing (85%) of the retrieved questionnaire were useful. The 13 (13%) of the not retrieved questionnaire were not correctly or completely filled and were consequently discarded.

Having analyzed the questionnaire, the various hypotheses proposed for this study were subjected to statistical tests using the Spearman's Rank Order Correlation Co-Efficient Statistical Tool.

**Table 4: Description of the Degree of Association between Variables** 

Correlation Coefficient (r)	Description/Interpretation
$\pm 0.80 - 1.0$	Very Strong
± 0.60 – 0.79	Strong
± 0.40 – 0.59	Moderate
± 0.20 – 0.39	Weak
± 0.00 - 0.19	Very Weak

Source: SPSS Output of Data Analysis on Work-Life-Balance of Contact Employee and Customers Loyalty (2020).

The positive (+) sign in the value of r indicates a direct/positive relationship while negative (-) sign in value of r indicates an indirect/negative or inverse relationship. Therefore, the sign of the r value explains the direction of association or nature of relationship between the variables.

#### **Decision Rule**

Reject the null hypothesis (H0) if PV < 0.05 for 2-tailed test and conclude that significant relationship exists.

Table 5: Correlation Analysis on Work-Life-Balance and Resistance to Switching

#### Correlations

			Work-Life-Balance	Resistance to Switching
Spearman's	Work-Life-	Correlation Coefficient	1.000	.712**
rho	Balance	Sig. (2-tailed)		.000
		N	85	85
	Resistance to	OCorrelation Coefficient	.712**	1.000
	Switching	Sig. (2-tailed)	.000	
		N	85	85

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output of Data Analysis on Work-Life-Balance of Contact Employee and Customers Loyalty (2020)

Table 5 above shows that the Spearman's correlation coefficient (r) = 0.712\*\*, this value is high and shows that; a strong relationship exists between work-life-balance and resistance to switching. The positive sign of the correlation coefficient shows that, the relationship between the variables is positive. Therefore, an increased in resistance to switching behaviour exhibits by the customers is a function of the level of satisfaction derived by the service contacts of the studied healthcare provider firms through the firms' work-life-balance practice. As shown in Table 5, the probability value is (0.000) < (0.05) level of significance; hence the researcher rejects the null hypothesis and concludes that employees work-life-balance significantly relate to customers resistance to switching.

Table 6: Correlation Analysis on Work-life-Balance and Repeat Patronage

#### Correlations

			Work-Life-Balance	Repeat Patronage
Spear	Work-Life-	Correlation Coefficient	1.000	.681**
man's	Balance	Sig. (2-tailed)		.000
rho		N	85	85
	Repeat	Correlation Coefficient	.681**	1.000
	Patronage	Sig. (2-tailed)	.000	
		N	85	85

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output of Data Analysis on Work-Life-Balance of Contact Employee and Customers Loyalty (2020)

The Table 6 explains that the Spearman's correlation coefficient (r) = 0.681\*\*, this value is high, which means that a strong relationship exists between work-life-balance and repeat patronage. The positive sign of the correlation coefficient connotes a positive relationship and that implies that an increased in repeat patronage of patients (customers) is associated with the level of satisfaction derived by the service contacts of the studied healthcare provider firms through the firms' work-life-balance practice. The probability value is (0.000) < (0.05) level of significance; hence the researcher rejects the null hypothesis and concludes that employees work-life-balance significantly relate to customers repeat patronage.

Table 7: Correlation Analysis on Work-Life-Balance and Word of Mouth Correlations

			Work-Life-Balance	Word of Mouth
Spearman's Work-Life-		Correlation Coefficient	1.000	.656**
rho	Balance	Sig. (2-tailed)		.000
		N	85	85
	Word	ofCorrelation Coefficient	.656**	1.000
	Mouth	Sig. (2-tailed)	.000	•
		N	85	85

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output of Data Analysis on Work-Life-Balance of Contact Employee and Customers Loyalty (2020)

Table 7 above shows that the Spearman's correlation coefficient (r) = 0.656\*\*, this value is high, implying that a strong relationship exists between work-life-balance and word of mouth. The positive sign of the correlation coefficient denotes a positive relationship that exists between the variables. Therefore, an increased in patients (customers) positive word of mouth about the healthcare provider is function of the level of satisfaction derived by the service contacts of the studied healthcare provider firms through the firms' work-life-balance practice. The probability

value is (0.000) < (0.05) level of significance; hence the researcher rejects the null hypothesis and concludes that employees work-life-balance significantly relate to customers word of mouth.

#### **DISCUSSION OF FINDINGS**

## Strong Positive Relationship between Work-Life-Balance of Contact Employee and Customers Loyalty

The study hypothesized that, employees' work-life-balance does not significantly relate to customers resistance to switching, employee's work-life-balance does not significantly relate to customers repeat patronage and employees work-life-balance does not significantly relate to customers word of mouth. However, the tested hypotheses showed a strong positive relationship between work-life-balance and the measures of customer's loyalty. In Table 5, the Spearman's correlation coefficient  $(r) = 0.712^{**}$ , this value is high and shows that; a strong relationship exists between work-life-balance and resistance to switching. In Table 6 the Spearman's correlation coefficient  $(r) = 0.681^{**}$ , this value is high, which means that a strong relationship exists between work-life-balance and repeat patronage. In Table 7 the Spearman's correlation coefficient  $(r) = 0.656^{**}$ , this value is high, implying that a strong relationship exists between work-life-balance and word of mouth.

These various results of the link between work-life-balance of contact employee and measures of customers' loyalty cohere with results of previous studies on work-life-balance. For instance, Khaled (2019) studied the relation between work-life balance, happiness, and employee performance. The results indicated that work-life balance and happiness positively and significantly affect employee performance. Mmakwe (2018) carried out a study on the relationship between work-life balance and employee performance in the banking sector in Port Harcourt, Rivers State. The findings revealed a strong correlation between the measures of work life balance and the measures of employee performance. Oludayo et al. (2018) ascertained the extent to which work-life balance initiative predicts employee behavioural outcomes in some selected commercial banks in Nigeria. Results show that work leave arrangement, flexible work arrangement, employee time out, employee social support and dependent care initiative are predictors of employee behavioural outcomes such as job satisfaction, employees' intention and employees' engagement. Andrea et al. (2020) investigated the importance of other nonworking domains in the WLB with a particular focus on health. Moreover, the importance of the effects of the work-family balance (WFB) and the work-health balance (WHB) on job satisfaction was investigated. The results show that workers considered health as important as family in the WLB. The WHB explained more of the variance in job satisfaction than the WFB.

#### **CONCLUSION(S) AND RECOMMENDATIONS**

Based on the findings, the study therefore concludes that work-life-balance of contact employee significantly relate to customers loyalty and customers loyalty expressed as

resistance to switching, repeat patronage and word of mouth depends on the employee's work-life-balance of the healthcare providers. As such, the study recommends that, the healthcare firms that seek to improve customers' loyalty should consider employee's work-life-balance as a strategy and the healthcare firms should consider work-life-balance as an imperative strategy to improve on customers' resistance to switching behaviour, repeat patronage and positive word of mouth.

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# Virtual Communication and Organizational Responsiveness of Indigenous Oil and Gas Companies in Rivers State

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Abstract: This study examined the relationship between virtual communication and organizational responsiveness of indigenous oil and gas companies in Rivers State. The study utilized a cross-sectional research survey design. Primary data was sourced using structured questionnaire. The population of this study consists of the thirty three (33) registered and functional indigenous oil and gas companies in Rivers State. A census sampling technique was adopted, hence, all the 33 indigenous oil and gas companies in Rivers State was studied because the population was small. However, six (6) managerial staff in each of the indigenous oil and gas companies in Rivers State made up the respondents of the study giving a total of 198 respondents in the 33 indigenous oil and gas companies in Rivers State. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70 selected. The hypotheses will be tested using the Spearman's Rank Order Correlation Statistics. The findings revealed that there is a significant relationship between virtual communication and organizational responsiveness of indigenous oil and gas companies in Rivers State. The study thus concludes that the adoption of virtual organization in indigenous oil and gas companies in Rivers State positively enhances organizational responsiveness. The study recommends that virtual platform should be encourage among employees or team member working upon a particular project for better performance, to enhance the each employee's agility and to creative a better team spirit among staffs from varying department within the same organization.

Keywords: Virtual Communication, Organizational Responsiveness, Adaptability, Proactiveness

#### **INTRODUCTION**

In recent times, the complexities and frequent changes experienced within the environment have necessitated managers to continuously strive for improvement in their product or service offerings. Such changes essentially call for renewal of operations and sustainable market positioning of goods and services. Incidentally, the changes could emanate from threats or shocks within the environment which may lead to organizational failures if not well managed. It is therefore expedient for organisational actors to understand and deal with the changes as they occur (Coleman & Adim, 2019).

The emergence of the virtual environment has progressively enabled businesses and organizations to access skilled employees around the globe. In virtual communication

knowledge-sharing platforms have become ubiquitous within organizations, and have become central to problem-solving in multi-location, geographically dispersed office (Colbert, Yee & George, 2016). Scholars of leadership and management refer to members of the virtual working environment as the digital workforce. Within the context of the digital workforce the younger generation of individuals are referred to as "digital natives" whereas older generation of individuals as digital immigrants (ibid). This distinction of digital workers refers to the habits and usage of technology in society. Colbert *et al.* (2016:731) argue that digital natives cannot remember the first time they accessed the Internet. They are completely at home in the world of digital devices and rely heavily on technology for learning, communicating, and entertainment while the digital immigrants are seen as individuals who have rapidly adopted technology as it has become available - are increasingly comfortable with and reliant on technology (ibid: 731). Digital fluency is referred to as the abilities, competencies and qualities one develops using and interacting with technology "those who are digitally fluent have achieved a level of proficiency that allows them to manipulate information, construct ides, and use technology to achieve strategic goals (ibid, 2016:732).

Information and communication technology (ICT) revolution has continued to drive the wide use of computers and other info-tech infrastructure which accelerate data processing and transmission in compliant organizations. Paradoxically, digital resources are as vital as the conventional/traditional corporate compliments comprising men, money, materials, and machines (the 4Ms). Sensitive investors therefore endeavour to commit funds towards the provision of functional management information system (MIS), coordinated by state-of-the art digital work stations. The emphasis in recent times is on accentuating top-quality preparation, preservation and presentation of information relating to the organizations. On account of this, information managers monitor operational processes, ensuring that inefficient modes are identified and substituted by more cost effective modes that would optimize info-tech investments (ITIs) (Agundu & Bestman, 2014). One of such revolution in the work place is the emergence of virtual organizations.

Virtual organizations allow teams to stay flexible and to position themselves for success in an environment where competition is very high (Mwaniki, 2014). Organizations benefit immensely from the adoption of virtual offices as they are able to source talent from different geographical locations, minimize travel costs in addition to saving the organization expenditure on office space which has been seen to be on the rise especially in the Kenyan market. Given that organizations are growing geographically and engaging in diverse businesses and alliances, the adoption of virtual offices could be deemed inevitable (Larson, Leung & Mullane, 2017).

Many organizations are now benefiting from harnessing virtual work to increase productivity, efficiency, quality, and reduction in reliance on "labor force" skills, to give more strength to "service" strategies and approaches in contemporary industrial workforce. Obviously, the application of modern technology has made it possible to redefine where work is done (Davenport & Pearlson, 1998). A company's workforce has always been its most valuable asset and normally its biggest expense. Attracting and retaining the right talent continues to be a

foremost concern for managers. Today, however, many workforces operate in a virtual environment. The proliferation of the virtual team has had a significant impact on managers, who must reconsider traditional management strategies on how to communicate and collaborate effectively, for example in light of the characteristics of remote teams, whose members live in different time zones, rarely or never see one another in person, and communicate primarily via electronic mediums. The need for companies adopting virtual work has been heightened by the outbreak of the novel coronavirus termed COVID-19.

Despite the benefits experienced from the use of virtual offices, the challenges experienced have also been immense. E-leaders are facing a new set of challenges compared to the traditional managers (Lilian, 2014). The ability of the team to coordinate their work from different locations is a challenge as the ability to build trust from teams that may be miles apart with different languages, and cultural affiliations are difficult. It translates to a situation where the team lack synergy and the effectiveness of work become low (Orta-Castañon, 2018). People in different countries have different manners of doing things meaning that they all have different manners of handling different situations.

Security is a major challenge for organization venturing into the use of virtual communication (Lipińska, 2015). There is immense sharing of confidential information when people are working virtually meaning that organizations need to understand how to manage the risk to avoid litigations that would arise of data was leaked to outside sources. Among the named principles of success when working with virtual teams is ensuring security (Duarte & Snyder, 2006). Volker Rieger, a director of SAP, created a platform where the entire workforce of the organization was incorporated and could communicate virtually through a secure platform. The system has eliminated the complexities of online meetings by allowing it to be only one click away for every employee. It is through this virtual platform that it's over 60,000 employs are able to connect and work together (SAP, 2018).

Overcoming the challenges presented in a virtual working environment requires the teams to stay in constant communication on the tasks they are handling, the challenges they are experiencing and the progress they are making (Lacerenza, Reyes, Marlow, Joseph & Salas, 2017). It calls for having regular video meeting that is scheduled in a manner to incorporate every member of the team. Video meetings are considered a better mode of communication as they enable the members to read into the team, the moods, and create an environment for discussion and additionally contribute to trust (Ferrazzi, 2014). Therefore, the purpose of the study was to examine the relationship between virtual communication and organizational responsiveness of indigenous oil and gas companies in Rivers State.

The specific objectives of the study included:

i. To examine the relationship between virtual communication and adaptability of indigenous oil and gas companies in Rivers State.

ii. To examine the relationship between virtual communication and proactiveness of indigenous oil and gas companies in Rivers State.

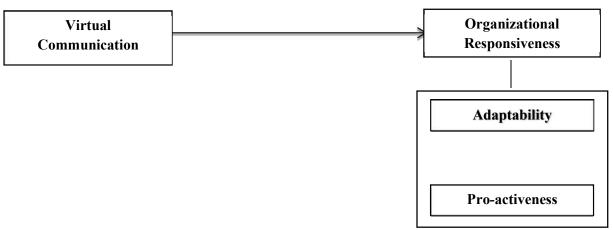


Figure 1: Conceptual model for the relationship between virtual communication and organizational responsiveness.

**Source:** Desk Research (2021)

#### LITERATURE REVIEW

#### Theoretical Foundation Affective Event Theory

The Affective Event Theory (AET), was developed by Weiss and Cropanazano (1996). The theory was designed to explain the cause and results of affective experiences at work. According to this theory, workers' feelings and emotions at workplace events largely determine work-related outcomes. The framework suggests that certain events in workplace are as a result of work environment features. These events, according to Weiss and Cropanazano, stimulate different affective reactions, which in turn, influence employees' attitudes and behaviours.

The Affective Event theory, though does not state the work environment features or work events that stimulate different affective reactions, literature has provided some clues that Human resource practices have a positive relationship link with affective reaction (Mostafa, 2017). Fisher (2002) identifies achievement, recognition, information sharing, advance/growth, and feedback as the most common events to which employees attribute positive affective reactions. In the work of Wegge, Dick, Fisher, West and Dawson (2006), perception of employees' organization practices and policies such as opportunity for participation, supervisory support and concern for welfare, is positively related to positive affective reactions.

Affective Event Theory is relevant to this study because the recognition and information sharing to enhance the effectiveness of virtual team will be operationalised as events that need to be

invested in the organisation so as to attain project performance. It is believed that if members of virtual team perceived that the organisation is interested in improving their wellbeing and capacities, they may be likely to be motivated and assumed positive behaviour and this may lead to project performance.

#### **Virtual Communication**

Havey (2014) defines communication as the exchange of information between a person to a person or accompany to a company. According to Kirkman, et al., (2016), communication differs according to the level of information richness. The Media Richness Theory (MRT), proposed by Hoopes et al., (2014), is used to define the ability of different communication media to transfer information (Zaccaro and Bader, 2014). The communications medium with the highest level of richness is face-to-face communication, followed by video conferencing, phone, and chat respectively. The lowest richness level is represented by e-mail, text messaging and written documents (Cascio, 2014). The basic infrastructure that any organization conducting global projects must be equipped with consists of the computer-mediated communication systems (Majchrzak et al., 2012).

In Malhotra and Majchrzak (2015) view, computer-mediated communication systems are those that use computers to structure and process information and use telecommunications networks to facilitate its exchange. These systems include e-mail, voice messaging, computer conferencing, etc. The rapid development of technologies that support communication and facilitate the exchange of data and information, including the internet, telephony, broadcast media, and all kinds of audio and video transmission technologies, improves the team work undertaken within geographically distributed project teams.

Virtual Communication is the key in getting things done in an organization whether that's through computer-mediated communication or face-to-face because it provides a vehicle enabling employees to make decisions, collaborates, and achieve results as established by the firm (Zbar, 2002). Computer-mediated communication technology allows employees to connect and this connectivity has also enabled employees to communicate in real time wherever they are located across the globe, at minimal cost (Berry, 2011). And, as many firms have become global, the way in which employees are communicating with one another and working together has inevitably changed. Friedman's "Work Flow Software" flattener discusses how people have not just been connecting with other people, but have been working and collaborating with each other. Everyone's applications are now connected with everyone else's applications and so 'workflow' (design, create, buy and sell) can be performed here, there and everywhere across the globe (Friedman, 2005).

Technological developments such as information communication technologies (ICTs), a global talent pool, and a dynamic business environment enable organizations to operate across further distances; and the advent of virtual firm caused a reorientation of business communication from the shift in communication platforms including the incorporation of

computer-mediated communication (Caya, Mortensen, and Pinsonneault, 2013). Managers of virtual employees need the skill of communication to engage their employees by using varied communication mediums (Chen, 2012).

Communication skills are obviously among the most important competences for virtual team managers (e.g. Joshi and Lazarova, 2005). Virtual team managers must be able to facilitate communication and need to have excellent communication skills, particularly regarding asynchronous communication. Leaders have to rely on infrequent and technology-mediated communication to motivate team members to achieve team goals (Fiol and O'Connor, 2005, Malhotra et al., 2007). The lack of physical proximity, fewer possibilities for face-to-face interaction with team members, and competing local demands (Fiol and O'Connor, 2005; Kiesler and Cummings, 2002) cause a need for additional communication skills. Managers should also enhance a psychologically safe communication climate by being consistently accessible, asking frequently for input from members, and encouraging team members to discuss (e.g. Gibson et al., 2014).

#### **Concept of Organizational Responsiveness**

Organizational responsiveness refers to the extent to which firms react rapidly to changes in a business environment to seize potential opportunities (Bernardes & Hanna, 2009). This responsiveness reflects "the efficiency and effectiveness with which firms sense, interpret, and act on market stimuli (Garrett, Covin & Slevin, 2009), and has been treated as a competitive advantage. For example, Wei and Wang (2011) proposed that this responsiveness represents a competitive marketing advantage by deploying resources to satisfy customer needs. Inman Sale, Green, Jr and Whitten (2011) noted that a firm with a high level of responsiveness outperforms its competitors in terms of operations. Inman *et al.* (2011) noted that a firm with a high level of responsiveness outperforms its competitors in terms of operations.

Responsiveness agility in terms of change-enabling capabilities, which are embedded in organizational processes. Responsiveness refers to ability of recognizing changes and quickly taking advantage and benefiting from them. Responsiveness is the ability of a firm to respond to customers' needs in terms of quality, speed and flexibility and it is characterized by combined goals such as time, quality and flexibility (Asree, Zain & Razalli, 2010). An organization's performance is often determined by its ability to respond quickly to changes in the business environment. Responsiveness enables organizations to detect market changes quickly, reconfigure their processes to meet new market requirements, share information across organizational units, take maximum advantage of information processing systems, and adopt new product and process technologies ahead of competitors (Hoyt, Huq & Kreiser, 2007). The level of uncertainty in the operating environment of firms supports the assertion that responsiveness is a key determinant of competitiveness. It is an essential condition that allows firms to develop competitive advantage. Furthermore, organizational responsiveness includes employee response, response time, response speed, information integration and procedural

response. Employee response: service personnel must have sufficient responsibility, flexibility and willingness to help customers.

Parasuraman, Zeithaml and Berry (1988) indicated that, employee service behavior can enhance and maintain service quality, which is important in implementing organizational service strategy. Response time has to do with ability of the organization to meet the needs of their customers on time. Organizations set specific rules regarding response time, provide what the customer wants and handle their requirement instantly. Response speed refers to the ability of an organization's systems to respond to heterogeneous customers' needs instantly and in real-time. Katz and Kahn (1978) argued that, organizations must control internal resources to rapidly respond to threats and environmental changes. Information integration represents the degree to which the organization offers excellent service information system to receive, analyze, record and track customers' needs. Reid, Lxton and Mavondo (2005) indicated that, the basis for enhancing organizational responsiveness is to design an integration marketing communication model from outside to inside (Duncan & Moriarty, 1998). Further, procedural response indicates a standard operational procedure to connect, deliver and record and a different process to cope with varying needs.

Scholars have conducted numerous studies to explore how organizational responsiveness can be enhanced (Wei &Wang, 2011). According to Bernardes and Hanna (2009) central to this concept of organizational responsiveness seems to be the capability to learn fast in an environment where changes are fast-paced and difficult to foresee. Accordingly, scholars have increasingly realized that to develop and maintain responsiveness, a firm must constantly learn from partners with rich experiences in terms of responding to market changes (Yu, Jacobs, Salisbury & Enns, 2013).

From the perspective of dynamic capabilities, organizational responsiveness assumes the role of adaptive capacity, which is reflected in the company's ability to reconfigure its resources and coordinate processes according to the fast-changing environment. Although some recent research has been carried out into the responsiveness of firms from the perspective of dynamic capabilities (Thongsodsang & Ussahawanitchakit, 2011), these investigations are still in their early stages and require more consistent results. What can be observed is that the perspective of dynamic capabilities is a versatile integrated theoretical approach both to the broader theories of management, such as RBV, and the more specific approaches to marketing, as in the case of market orientation (Morgan, 2012).

In dynamic and complex environments, organizational responsiveness presents itself as the adaptive capability of the company. Organizations can anticipate unexpected changes and uncertainties more rapidly when this pattern fits their strategic direction. Zhou and Li (2010) underline this point when point to strategic orientation as an important driver of the adaptive capacity of a company. According to the authors, strategic orientation influences the way.

Market responsiveness is a market-driven behavior of the firm and its units. Responsiveness requires some market maturity, as customers, competitors, and other relevant market actors need to be distinguished. The firm would then be able to specify a suitable degree of responsive action, such as product customization and building customer relationships (Pehrsson, 2014).

#### **Measures of Organizational Responsiveness**

#### **Adaptability**

Adaptability is an aspect of resilience that reflects, learning, flexibility to experiment and adopt novel solutions, and the development of generalized responses to broad classes of challenges (Walter, et al., (2006). According to Bowden (1946) researching the past world war, adaptive capability is the ability or inclination of individuals or group to maintain an experimental attitude towards new situations as they occur and to act in terms of changing circumstances. Adaptability is addressed in this context through two approaches; socio environmental and organizational (Mc Manus, et al., 2008).

An organization's ability to adapt is at the heart of their ability to display resilient characteristics. Starr, et al., (2003) discusses the importance of adaptation and notes that the aim is to create advantages over less adaptive competitors. This suggests that adaptability is also linked to competiveness. Dalziell and Mc Manus (2004) define adaptability as the engagement and involvement of organizational staff so that they are responsible, accountable and occupied with developing the organization's resilience through their work because they understand the links between the organization's resilience and its long term success. It is the ability of the system to respond to the changes in its external environment and to recover from damage of internal structures with the system that affect its ability to achieve its purpose.

Organizational adaptation is a process of adjustment to the change and environmental uncertainty, of maintaining an effective alignment with the environment while internal interdependencies are efficiently managed (Miles & Snow, 2003). The process is considered a dynamic process, with adaptation being the strategic aspect needed to achieve competitive advantage in a long term perspective. The process of adaptation is not seen as phenomenon, but rather as a result of complex interactions that consider the changes in the external environment on one side, and on the other side the internal environment. Further, the process of adaptation is affected by previous decisions on strategic positioning according to this stream of research. While organizational characteristics enable firms to design and implement certain strategies, routines that take a firm to learn, adapt, change and renew itself constantly can be considered dynamic routines (Teece, Pisano & Shuen, 1997).

Eunni, Post and Berger (2005) well-defined adaptation strategy as a firm's ability to obtain the correct alignment of strategy, structure and culture (internal alignment) in order to position it competitively in the market, and alignment with its environment in order to successfully face changes in its environment (external alignment). They further proposed some internal

alignment measures (corporate leadership, strategic planning and approach to workers) and external alignment measures (technological and innovation capacity, corporate social responsibility, market and customer focus and strategic partnerships).

Adaptability - Practically, resilient people are those who are usually aware of and sensitive to the changes and happenings in their environment. In Koontz and Weihrich (1999) they succinctly put that organization does not completely isolate itself from its operating environment, thus, there is a mutual reliance. However, this mutual reliance presents the organization with opportunities and adversity of variable degrees. Hence, adversity is associated with strains and pressures; it requires a progressive adaptive capacity from the organization and its employees to synchronize such changes. This is because; adaptation is a major driver of a sustained resilient behaviour. Specifically, studies indicate that resilient individuals are better equipped to cope with constantly changing workplace (Tugade & Fredrickson, 2004), therefore the employees must be influenced to act in the favour of the organization's objectives. Denison (2007) define adaptability as translating the demand of business environment into action.

To survive and make profit, organizations and their employees need to continuously adapt to the different levels of environment uncertainty (Amah & Baridam, 2012) and Daft, (1998) puts it that environmental complexity is a vital contingency for organizational structure and internal policies. Leaning on these postulates, it therefore, means that organization most have internal behaviours or policies imbedded in its core culture that encourages adaptive behaviour in the event of any adversity emanating from the environment.

#### **Proactiveness**

Proactive behavior refers to anticipatory action that employees take to impact themselves and/or their environments. Existing research provides extensive evidence of the different ways in which employees express proactive behavior, including seeking feedback (Ashford, Blatt, & Vande Walle, 2003; Ashford & Cummings, 1983, 1985), taking initiative in pursuing personal and organizational goals (Frese & Fay, 2001), actively adapting to new environments (Kim, Cable, & Kim, 2005; Wanberg & Kammeyer-Mueller, 2000). Proactiveness means acting in advance to deal with things that might cause problems in the future, but also to identify future opportunities and to act upon this. To be one step ahead. For the entrepreneurial dimension it means that one is active in creating new opportunities and anticipating possible threats. Many scholars since Schumpeter have pointed out the importance of initiative in the entrepreneurial process. In some literature, proactiveness and competitive aggressiveness are used interchangeably. This can be explained by the pervasiveness of Covin and Slevin's theory (1991); competitive aggressiveness was later introduced to the orientation dimensions by Lumpkin and Dess in 1996. It is indeed closely related to competitive aggressiveness; the distinction is that proactiveness pertains to how an organization relates to new market opportunities. By showing initiative and acting with opportune influence on trends, demand

can be created. Competitive aggressiveness pertains to how organizations relate to competitors and how they respond to trends and demand that are already on the market.

Pro-activeness is related to initiative and first-mover advantages and to taking initiative by anticipating and pursuing new opportunities (Lumpkin & Dess, 1996). The oxford dictionary defines pro-activeness as acting in anticipation of future problems, needs, or changes. Lumpkin and Dess (1996) argued that pro-activeness may be crucial to an Entrepreneurial Orientation because it suggests a forward-looking perspective that is accompanied by innovative and entrepreneurial activity. Pro-activeness relates to market opportunity in entrepreneurship by seizing initiative and acting opportunistically in order to shape the environment, that is, to affect trends and, perhaps, even to create demand. The characteristics of a Proactive enterprise involve aggressiveness and unconventional tactics towards rival enterprises in the same market segment, such enterprises shape their environments by actively seeking and exploiting opportunities. Proactive firms introduce new products, technologies, administrative techniques to shape their environment and not react to it (Callaghan, 2009).

#### **Virtual Communication and Organizational Responsiveness**

The impact of technology in the virtual work environment are best mirrored in the work performance of workers or employees. In general, the performance of workers in a virtual dais can be easily supervised and appraised as put side by side to the efficiency of work in the regular offices where appraisals are undertaken by proximate supervisor. Virtual work procedures have a direct impact on work performance and this also impacts on the overall organizational performance. Pfano & Beharry (2016), accentuated that having cutting-edge office technologies upsurges the work performance of both managers, and employees because technologies make works a lot stretchier. To effect increased performance, technology has to be germane and fitting, this means that the accessibility of many unconventional technologies alone by organization does not correlate to enhance performance but the effective use, application and suitability of the technology to the jobs in the workplace. Pfano and Beharry (2016), further reported in his study outcome that there is strong relationship between the appropriate utilization of office technologies and positive change in organizational performance. These technologies, in particular, are computers and telephones which are useful in making communication within offices smooth and effective. On his part, Davenport (2013) pointed out that information and communication technology (ICT), when utilized effectually, can guarantee unremitting collaboration between managers and their subordinates. It is vivacious that in offices, mangers and subordinates create clear lines of communication and it is in this respect that ICT comes in hand to be very useful.

Virtual communication is a team process that is consistently identified as enhancing team performance, as it facilitates the development of integral team processes and outcomes in a fashion distinct from other pertinent team variables, that instigates timely response to customers' expectations or changes in the business environment (Kozlowski & Bell, 2003; Kozlowski & Ilgen, 2006). Consequently, the relationship between virtual communication and

performance outcomes such as responsiveness has not been frequently assessed within the literature. Through transferring timely information and knowledge, firms can make decision quickly and effectively (Eisenhardt 1989). The literature suggests that organizational responsive can be improved by firm's effective communication or knowledge sharing, this vital in expanding its innovation actions in the form of new products, services, or business and making rapid responses to changes (Chakravarty et al. 2013; Tallon & Pinsonneault 2011). Specifically, operational communication can improve firm responsiveness by aiding fast execution or implementation, which focuses on flexible and rapid responding operations (Lu & Ramamurthy 2011).

The effectiveness of virtual employees depends on effective communication and a supportive environment inside the firm and the larger organization (Berry, 2011; Daniel, 2010). Clarity in communication and knowledge transfer between virtual employees can reduce frustration and time required to complete a project and knowledge creation is one of the most important attributes for modern organizations because knowledge is a critical foundation of competitive advantage (Wang, Su, and Yang, 2011). Creating and retaining knowledge allows organizations to compete with other companies in modern business environment.

From the foregoing discourse, the study hypothesized thus:

**Ho**<sub>1</sub>: There is no significant relationship between virtual communication and adaptability of indigenous oil and gas companies in Rivers State.

**Ho<sub>3</sub>:** There is no significant relationship between virtual communication and proactiveness of indigenous oil and gas companies in Rivers State.

#### **METHODOLOGY**

. The study utilized a cross-sectional research survey design. Primary data was sourced using structured questionnaire. The population of this study consists of the thirty three (33) registered and functional indigenous oil and gas companies in Rivers State. A census sampling technique was adopted, hence, all the 33 indigenous oil and gas companies in Rivers State was studied because the population was small. However, six (6) managerial staff in each of the indigenous oil and gas companies in Rivers State made up the respondents of the study giving a total of 198 respondents in the 33 indigenous oil and gas companies in Rivers State. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70 selected. The hypotheses will be tested using the Spearman's Rank Order Correlation Statistics.

#### **DATA ANALYSIS AND RESULTS**

Table 1: Correlations Matrix between Virtual Communication and Adaptability

			Virtual Communication	Adaptability
Spearman's rho	Virtual Communication	Correlation Coefficient	1.000	.736 <sup>*</sup>
		Sig. (2-tailed)		.000
		N	167	167
	Adaptability	Correlation Coefficient	.736 <sup>*</sup>	1.000
		Sig. (2-tailed)	.000	
		N	167	167

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output

**Ho**<sub>1</sub>: There is no significant relationship between virtual communication and adaptability of indigenous oil and gas companies in Rivers State.

The result of correlation matrix obtained between virtual communication and adaptability was shown in Table 1. The correlation coefficient of 0.736 confirms the direction and strength of this relationship. The correlation coefficient reveals that there is a strong relationship between virtual communication and adaptability. The test of significance shows that this relationship is significant at p 0.000<0.05. Therefore, based on observed findings the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between virtual communication and adaptability of indigenous oil and gas companies in Rivers State.

**Table 2: Correlations Matrix between Virtual Communication and Proactiveness** 

			Virtual	Proactivenes
			Communicatio	S
			n	
Spearman's rho	Virtual Communication	Correlation Coefficient	1.000	.738**
		Sig. (2-tailed)		.000
		N	167	167
	Proactiveness	Correlation Coefficient	.738**	1.000
		Sig. (2-tailed)	.000	
		N	167	167

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

Source: SPSS Output

**Ho<sub>2</sub>:** There is no significant relationship between virtual communication and proactiveness of indigenous oil and gas companies in Rivers State.

The result of correlation matrix obtained between integrity and innovativeness was shown in Table 2. The correlation coefficient of 0.738 confirms the direction and strength of this relationship. The coefficient represents a positive correlation between the variables. The test of significance shows that this relationship is significant at p 0.000<0.01. Therefore, based on observed findings the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between virtual communication and proactiveness of indigenous oil and gas companies in Rivers State.

#### **DISCUSSION OF FINDINGS**

The finding of the study reveals that there is a strong positive relationship between virtual communication and organization responsiveness which corroborates with the study on virtual collaboration and organizational responsiveness, according to Gergle, Kraut and Fussell (2012), who proved that virtual collaboration is widely used in corporate businesses for its efficiency, innovation, and ability to gain or keep competitive advantages in the market. Firms commonly use virtual collaboration technology to facilitate problem-solving between employees within the firm, and also to collaborate with another firm. Virtual collaboration improves profit margins by increasing operational efficiency and productivity within the company, either by means of innovating solutions or through the increased sharing of knowledge through virtual means. IBM's use of virtual collaborative spaces, such as 3-D meeting rooms and use of avatars, the virtual universe community provides employees with a way to collaborate which has resulted in more production (Cherbakov & Luba, 2009).

The finding of this study is aligns to an earlier study by Bestman and Kenebara (201) on executive information system and productivity of manufacturing companies in Rivers State, Nigeria and in in which they found that there is a significant relationship between accounting information system effectiveness and productivity of manufacturing companies in Rivers State, Nigeria.

According to Furst *et al.* (2012) explains, that when a team of employees are linked together, they are likely to frequently communicate and exchange information leading to improved performance. When communication and collaboration in a project are only effectuated on-line, usually through the support of a collaboration platform, then we refer to virtual project teams. In line with other authors (Bellarby and Orange, 2013) project teams are structures of independently managed individuals, often distributed, that possess complementary capabilities and who cooperate temporarily to meet predefined objectives within predetermined deadlines through a non-repetitious string of complex activities. According to Wernerfelt (2014), virtual

platform improves projects performance since people in different localities can work as a team through networking.

Cohen and Mankin (2015) claims also proved that when individuals are engaged in non-routine tasks, even partial IT support may facilitate the whole context of collaboration. The creation of a functional collaboration when collaboration intensity is high, since such cases are prone to a high degree of misunderstandings. The intensity of collaboration in a project teamwork context is highly related to the nature of the work tasks carried out by team members and especially the degree of "routineness" of these tasks.

#### **CONCLUSION AND RECOMMENDATIONS**

The study thus concludes that the adoption of virtual organization in indigenous oil and gas companies in Rivers State positively enhances organizational responsiveness. Similarly, the study recommends that virtual platform should be encourage among employees or team member working upon a particular project for better performance, to enhance the each employee's agility and to creative a better team spirit among staffs from varying department within the same organization.

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### Job Enrichment and Employee Innovativeness of Insurance Companies in Rivers State

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Abstract: This study investigated the relationship between job enrichment and employee innovativeness of insurance companies in Port Harcourt. The study utilized a cross-sectional research survey design. Primary source was sourced through structured questionnaire. There are 58 Insurance Companies registered to operate in Nigeria (this information is from the NAICOM website. 36 of the companies have a functional office in Rivers State with a permanent staff strength of 195. The sample size of 131 was determined using the Krejcie and Morgan (1970) table for determining minimum returned sample. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70 selected. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The findings revealed that there is a significant job enrichment and employee performance of insurance companies in Port Harcourt. The result of the findings further revealed that skill variety and all the measures of employee innovativeness of insurance companies in Port Harcourt. The study recommends that insurance companies should ensure that job enrichment is considered in planning and evaluation of employees' jobs and performance respectively. Job rotation are some of the methods that can be adopted to ensure that all employees are part of the organizations entire goal. This can increase the variety of skills that every employee possesses which is a form of motivation.

Keywords: Job Enrichment, Employee Innovativeness, Skill Variety, Creativity, Proactiveness

#### INTRODUCTION

Organizations have increasingly become interested in creativity and innovation, in part as a response to the pressures associated with globalization, competition, economic factors, and technology changes. Many organizational leaders recognize creativity as an opportunity for gaining a sustainable competitive advantage. To remain competitive in the global market, organizations must continuously develop innovative and high quality products and services, and renew their way of operating. In the heart of all innovation lies creative ideas and it is individual employees, who alone or in groups, generate, promote, discuss, modify and realize these ideas

(Scott & Bruce 1994). Clearly, organisations are becoming more vulnerable to environmental threats and shocks, irrespective of their varied objectives or type. It is the duty of managers or heads of organisations to pursue the necessary means through which it can thrive and surmount pressures or changes prevalent in the environment taking into cognisance the nature of such change; be it sudden or otherwise. Changes could come as a result of shock, crisis, or organisations disconnection with the environment (Coleman & Adim, 2019). It is therefore not surprising that innovative employees are the chief currency for contemporary organizations. Arising from this, question how to promote and support employees' innovativeness presents a key issue that faces academics and organizational managers.

Employee innovativeness can be defined as an engagement in innovative behaviours, which includes behaviours related to the innovation process, i.e. idea generation, idea promotion and idea realization with the aim of producing innovations (Ramamoorthy, Flood, Slattery & Sardessai 2005). Innovations which have to do with the implementation or adoption of novel ideas can in turn be categorized as either technological (changes in products, services, production processes) or administrative (changes in activities, social processes, structures), and as either radical or incremental, depending on the extent of their influence for existing products or processes (Damanpour 1991). Employee innovativeness can thus be examined throughout the innovation process, from the initial idea generation to product development and eventually to product commercialization, or to the adoption of new processes or structures in the organization (Axtell, Holman, Unsworth, Wall, Waterson & Harrington 2000, Vincent, Decker & Mumford, 2002).

Employee innovativeness requires that the individual is able and willing to be innovative. With respect to abilities, such employee should possess above average general intellect, certain cognitive capabilities, general skills and task and context-specific knowledge. These are facilitators of innovativeness (Taggar 2002). Beyond knowledge and skills, innovativeness requires intrinsic motivation and a certain level of internal force that pushes the individual to persevere in the face of challenges inherent in the creative work (Shalley & Gilson 2004). Moreover, the internal force keeps the employee going even when the challenges are successfully overcome.

Every employee aspire or hope to maximize satisfaction from their jobs while giving their best to the organization and managers want the employees to deploy their skills and special abilities in performing their jobs in order to achieve the goals and objectives of the organization. The job designed method is crucial to achieving employees' fulfillment. Magaji (2014) noted that managers for decades have been trying to device better means to ensure employees get fulfillment from their current jobs. Enriching an employee's job is one of the various means managers have device to ensure employees get the desired fulfillment and satisfaction from their jobs. The concept of job enrichment is now a vital tool for management of organizations in improving workers' motivation and organizational innovation. Jobs are enriched to motivate employees by adding to their responsibilities with a higher need for skill varieties in their jobs.

Due to rapid environmental changes and competitive rivalry, in insurance companies in Rivers State are now turning from the traditional ideology of seeing monetary reward as the highest motivating element to a situation where employees will continue to value their job, have more control in scheduling their job, and deciding the best way to do their job and to be regarded for the work they perform (Bratton, 2007 and Hover, 2008).

According to Leach and Wall (2004), job enrichment is a design of job that increases the volume of employees' autonomy, control, skill varieties and responsibility which in turn helps to reduce rigidity, tediousness, lack of creativity/innovation and employees dissatisfaction. In the 1950s, Frederick Hertzberg developed and viewed job enrichment as the vertical loading of a job (Davoudi, 2013). This implies that an enriched job should provide a range of tasks to be done with adequate feedback mechanism, encouragement and communication. Job enrichment is the systematic technique of harnessing work processes and procedures for stimulating employees' performance and satisfaction (Robbin& Judge, 2011). This means that employees can sense dissatisfaction in their job when they realize their jobs lack vital challenges, lack of adequate recognition, respect, innovation, repetitive procedures or a highly bureaucratic and over-controlled authority structure. Job enrichment according to Mione (2004) is the managerial activity intended to provide workers with the essential strategies to facilitate skill development opportunities. Enriching employees' job brings about internal work motivation and not just more work for the employees to do. Herzberg (1968) asserted that job enrichment is that form of improvement within the job context which may give the employee higher challenge, opportunity for growth, responsibility, more of a complete task and more chance to contribute innovative ideas. The reason being that excessive specialization of job that was brought about by scientific management and advancement communication/production technology has been dehumanizing work by making jobs meaningless, repetitive, routine, remover of all challenges and making the employees as mere appendage to the machine. Under such conditions, human capabilities are not utilized maximally and it is capable of causing frustration among the employees and alienation from their jobs. This alienation of employees from their job is resulting to serious human relations challenge. Some in insurance companies in Rivers State have been trying to solve the challenge of increasing specialization of jobs by periodic rotation of job to provide variety, but to an extent, it has not been very adequate to minimize work boredom and monotony (Herzberg, Mausner, Peterson & Copwell, 1975; Lawler & Ledford, 1992). As a result, job enrichment was introduced and it is been viewed as the roadmap to job fulfillment by improving the level of workers' responsibility, acknowledgement, crativity or innovative ability, autonomy and control of the jobs to be carried out within the organization. This study examined the relationship between job enrichment and employee innovativeness of insurance companies in Rivers State.

The specific objectives of the study were to:

i. Examine the relationship between skill variety and employee creativity in insurance companies in Rivers State.

ii. Examine the relationship between skill variety and employee proactiveness in insurance companies in Rivers State.

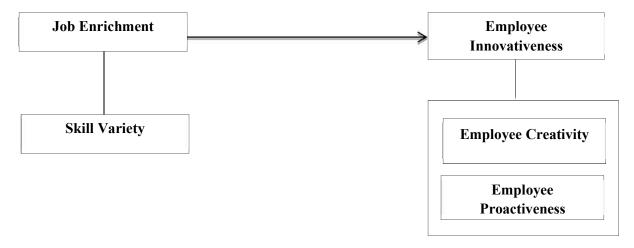


Fig.1 Conceptual framework for skill variety and employee innovativeness

Source: Author's Desk Research (2021)

#### LITERATURE REVIEW

## Theoretical Foundation The Job Characteristics Model (JCM)

This study is based on the job characteristics theory developed by Hackman and Oldham (1976). An important view on factors affecting jobs and motivation is provided by Hackman and Oldham (1974) in the job characteristics model. Hackman and Oldham's framework distinguished five key components of a job that are useful in making jobs more satisfying for staff. Crucial elements of employments are specifically; skill variety, task identity, task significance, autonomy and feedback. This study is based on this model which is the lead model. The JCM model is one of the primary endeavors to configure occupations or jobs with expanded motivational properties. The model proposed by Hackman and Oldham (1975) portrays five center employment measurements prompting three basic mental states, bringing about business related results. The proximity of these five main occupation measurements drives workers to interact with three mental states. They see their work as significant, they feel responsible for the results of their job, and they achieve knowledge of outcomes.

Garg and Rastogi (2005) noted that, this theory was built on the previous knowledge and research from other theories such as Hierarchy of Need Theory, Expectancy Theory, and Frederick Herzberg Two-Factor Theory. According to Hackman and Oldham (1976), job

enrichment is based on job characteristics that offer motivation, satisfaction, commitment, involvement and performance quality.

The theory assumed that the job itself should be designed to possess certain characteristics that create conditions for high work motivation, satisfaction, performance involvement and commitment. The theory identifies the tasks condition in which an employee is predicted to prosper in his work. Job characteristics theory provides management with the insight that employee effectiveness can be enhanced by enriching their jobs with high levels of key characteristics and ensuring that those employees with appropriate individual qualities are assigned to those jobs (Garg, 2006). Organizations exist primarily to achieve their goals and expand business operations/objectives in terms large market share, high profitability, competitive advantage and employees' satisfaction among others. The main reason for adopting the Job Characteristics theory is that, it posit clearly that jobs should be design in such a way that provide autonomy, robust feedback mechanism and opportunity for skills variety development that encourage and support organizational innovation. Skill variety, task identity, task significance autonomy and feedback will not have uniform effects.

#### Job Enrichment

Job enrichment is seen as a process where management gives increasing responsibilities which are often assigned to the superiors to the employees. This helps employees to build the sense of self management and self-sufficiency (Neil Kokemuller, 2008). Williams (2009) also posited that job enrichment is a fundamental aspect of stimulating the effort of employees by expanding job responsibilities and giving increased autonomy over the task processes and completion. Job enrichment is a systematic way of inspiring employees by giving them the opportunity to use a number of different types of skills and capabilities in performing a task. (Feder, 2000). Kotila (2001) added that Job enrichment leads to job satisfaction by increasing the level of responsibility and giving the sense of freedom, autonomy and opportunity for employees to decide what and how the job is to be performed and accomplished.

Job enrichment is redesigning the jobs and work at which the job holders will have bigger chances in handing the responsibilities and enjoy partial independence to perform complete jobs and to be able to provide feedback about the work progress (Nasrallah, 2002). It is the vertical extension to the job which leads to increasing the level of individual monitoring over the processes of planning and implementation and evaluate the performance. The enriched job organizes the tasks and lets the individual perform complete activity which leads to increasing his freedom, independence and responsibility of the performance and it provides him with feedback about his performance in order o modify or correct it in case of doing something wrong (Abbas, 2011).

Job enrichment is a motivational program to design a job, it depends expanding the organizational role of the individual by adding new tasks to his work and give him a bigger chance in planning, organizing, evaluating and making decisions related to it. The employee will

be able to perform the work with more freedom, independence and have feedback which makes the enriched job more challenging and exciting and leads to developing the individual professionally and increase the level of job satisfaction and loyalty (Hamshari, 2002) Job enrichment allows the employee to challenge himself and his abilities which makes the work a motive or reward for him (Al Kalalda, 2011).

Job enrichment necessitates the practices that apportion greater responsibility for arranging, organizing, and designing work to the employees (Behson, Eddy & Lorenzet, 2000) who actually produce product. Job enrichment develops jobs vertically (Robbins & Judge, 2011) and increases the variety of tasks in a job (Robbins & Judge, 2011) while job enlargement increases job scope. What this means is that job enrichment gives room for the employee to have greater control over their work. Rentsch and Steel (1998) asserted that the variety of tasks in an enriched job makes an employee to accomplish a given activity with increased sense of autonomy, individuality and responsibility (Kamal, et., al., 2008); and feedback should be given to allow employees to assess and evaluate the level of completion which is the end result of the task itself (Armstrong, 2010). Where jobs have been enriched, employee satisfaction tends to increase with a decrease in labour turnover and absenteeism (Saavedra & Kwun, 2000).

# **Skill Variety**

This is the first core job dimension which involves the number of different types of skills that are used in performing a task. It focuses on the degree to which a task challenges the job holder to use different kind of skills, abilities and talents. It is believed that when only one skill is adopted in performing tasks repetitively, it tends to bring fatigue, stress and boredom which will in turn affect their morale and productivity at workplace. Derek and Laura (2000), argued that movement of employees from one job to another job within a particular organization and allowing them to adopt a variety of tasks in their work helps in avoiding repetitiveness, dullness and boredom. Several researchers added that the use of skill variety serves as a means of retaining and motivating workers for higher performance. Bratton (2007), also pointed that when a variety of skills are necessary to complete a task and those skills are perceived to be of value to the organization, employees find their work to be more meaningful.

Skill variety is the degree to which a job requires a variety of different activities and involves the use of a number of various skills and talents of the workers. Jobs that are high in skill variety are seen by workers as more challenging because of the range of skills involved; relieve monotony that results from repetitive activity, and gives employees a greater sense of competence. According to Bratton (2007), when a variety of skills are essential to complete a task and those skills are perceived to be of value to the organization, employees find their jobs to be more meaningful. The idea behind providing skill variety in job design is that it will reduce boredom, thereby increasing job satisfaction and motivation. It has been proven that one-skill jobs that lead to repetition and monotony could bring about boredom, fatigue and stress that may negatively affect performance and productivity. According to Laura and Derek (2000), movement of employees from one job-task to another job within the organization and allowing

them to adopt a variety of tasks in their work helps in mitigating the effect of repetitiveness and boredom.

Skill Variety, according to Hackman and Oldham (1975) is the instance where a job requires various tasks in order to carry out a complete piece of work and involves using various skills and abilities by the employee. Just as the job characteristics model indicates, the different skills that are required to complete a task often lead to desired performance by the intervening psychological state of experienced importance of a job. Garg and Rastogi (2005) indicated that skill variety involves the degree of utilization of different skills and abilities. A variety of Skills variety is one factor in the JCM which affects the meaningfulness of a job. A job that is high in the level of skill variety always requires a wide array of skills and abilities (Hackman & Oldham, 1975).

Jobs that are complicated have shown substantial but positive relatedness with job satisfaction, internal employee motivation and employee output (Spector, 2012; Jassen, 2001). Chandler (2007) stated that a wide range of skills are required for employees to grow and a vast range of skills is also necessary for the purpose of being flexible at In other studies, skill variety is considered as the number of various task elements that are necessary for the job fulfilment. Task Variety communicates clarity of knowledge (Pentland, 2003). According to the literature of careers, employees at the start of their careers make attempts to discover tasks from which they attain or achieve their goals (Feldman & Thomas, 2012). Inherent characteristics of a job including significance of a task and skill variety are usually mostly associated with low rates of absenteeism (Taber & Taylor, 1990).

#### **Employee Innovativeness**

Innovativeness of employees is measured by the propensity by which they innovate in their work (Miller and Friesen 1982); their willingness to try new ways which are different from the existing; the enthusiasm to adopt new ideas or new methods to their work operation; and the eagerness to implement the innovation strategy in their work (Khandwalla, 1987). Innovativeness reflects a employee's tendency to engage in and support new ideas, novelty, experimentation and creative processes (Lumpkin and Dess, 1996) that may result in new products, services, or technological processes and which may take the organization to a new paradigm of success (Swiezczek and Ha, 2003). It also implies seeking creative, extraordinary or strange solutions to problems and needs. Schumpeter (1934) considered employees to be essentially a creative activity and entrepreneur as an innovator who carries out new combinations in the field of men, money, material, machine and management. According to him, an entrepreneur is an economic man who tries to maximize his profits by making innovations in any one of the following fields: (1) new products; (2) new production methods; (3) new markets; or (4) new forms of organization.

Employee innovativeness refers to employees propensity to innovate can be conceived as complex behaviour consisting of idea generation, idea promotion and idea realization with

Employee innovativeness refers to employees" propensity to innovate can be conceived as complex behaviour consisting of idea generation, idea promotion and idea realization with the aim of meeting organizational goals in novel ways. Individuals, alone or in groups, undertake innovative activities from the intention to derive anticipated benefits from innovative change. Creativity is central to innovativeness, but the concepts are not synonymous. Innovation can be seen as a successful and intentional implementation of creativity, which is more subjective and context specific by its nature (Miron, Erez & Naveh, 2004). Creativity as such may be limited to idea generation alone but by definition innovation produces benefits for the people involved in the innovative process (Anderson, Qin, Sohn, Stenger, & Carter, 2003). Therefore, employee innovativeness requires creativity, but creativity does not always lead to an innovation.

# Measures of Employee Innovativeness Creative Thinking

Creativity is defined as an effort to make an objective change in social or economic power of organization. Creativity refers to making use of mental capacity for creation of a new notion or idea. Creativity in management is defined as constructing or fostering a new idea and in management; it refers to producing a new production. Creativity means to travel a new road or to make a new journey through a familiar road. According to Woodman (1995) organizational creativity is the creation of a valuable, useful new product service, idea, procedure or process by individuals working within a complex social organization. Various factors contribute to the generation of creative products both at the individual and organizational levels (Mumford and Gustafson, 1998). In organizations including businesses creativity is the process through which new ideas that make innovation possible are developed (Paulus and Nijstad, 2003). Additionally, at least for in Deposit Money Banks in Rivers State, creative ideas must have utility. They must constitute an appropriate response to fill a gap in the production, marketing or administrative processes of the organization. Thus organizational creativity is concerned with both the generation of ideas and the implementation of these ideas.

At an individual level, Amabile's (1997) extensive body of research suggests that individual creativity essentially requires expertise (knowledge, proficiencies and abilities of people to make creative contributions to their fields), creative-thinking skills (cognitive styles, cognitive strategies and personality variables), and intrinsic task motivation (the desire to work on something because it is interesting involving, challenging and rewarding). Her studies confirm that the higher the level that each of these three components, the higher and better the creativity.

# **Proactiveness**

Proactive behavior refers to anticipatory action that employees take to impact themselves and/or their environments. Existing research provides extensive evidence of the different ways in which employees express proactive behavior, including seeking feedback (Ashford, Blatt, & Vande Walle, 2003; Ashford & Cummings, 1983, 1985), taking initiative in pursuing personal and organizational goals (Frese & Fay, 2001), actively adapting to new environments (Kim, Cable, & Kim, 2005; Wanberg & Kammeyer-Mueller, 2000). Proactiveness means acting in advance to deal

with things that might cause problems in the future, but also to identify future opportunities and to act upon this. To be one step ahead. For the entrepreneurial dimension it means that one is active in creating new opportunities and anticipating possible threats. Many scholars since Schumpeter have pointed out the importance of initiative in the entrepreneurial process. In some literature, proactiveness and competitive aggressiveness are used interchangeably. This can be explained by the pervasiveness of Covin and Slevin's theory (1991); competitive aggressiveness was later introduced to the orientation dimensions by Lumpkin and Dess in 1996. It is indeed closely related to competitive aggressiveness; the distinction is that proactiveness pertains to how an organization relates to new market opportunities

Practically, organisations are increasingly decentralised, change is fast-paced, there is a demand for innovation, and operational uncertainty is greater than ever; all trends that mean employees need to use their initiative and be proactive (e. g., Campbell, 2000). Taking charge is also an example of proactive behaviour referring to active efforts to bring about change on work methods (Morrison & Phelps, 1999). Further examples include individuals proactively shaping their work environment as a newcomer (Ashford & Black, 1996), actively building networks (Morrison, 2002), and persuading leaders to take notice of important strategic issues (Dutton & Ashford, 1993). All of these behaviours have an emphasis on taking control of a situation by looking ahead and initiating change in common. To summarise, proactive behaviours are a special type of goal-directed behaviour in which individuals actively take charge of situations to bring about change in a future-focused way.

#### **Job Enrichment and Employee Innovativeness**

Oganizational Performance Studies revealed that when employees' jobs are enriched, job dissatisfaction and lower commitment tends to appear. Rothwell & Kazanas (2004) discovered that the enhancement of organizational performance becomes vague the moment an employee feels displeased, disgruntled or discouraged about how things are done. Al-Nsour (2012) examined the indispensable role job enrichment played on organizational performance. Part of these roles are internal work motivation, greater commitment, employees retention, job satisfaction, distinctive and competitive advantage, improving work place opportunities which have significant and important effects on corporate success statistically.

Cherati, Mahdavi & Rezaeian (2013) added that the level of job enrichment goes a long way in determining how effective and committed a worker will contribute to organizational goal and objectives. Organizations who seek for greater performance and distinctive advantage must give better chances for employees' freedom, autonomy, control, skill varieties and responsibility (Davoudi, 2013) which invariably helps to reduce rigidity, managerial monotony, lack of creativity and employees dissatisfaction. Employees' autonomy and control has often been seen as a strategic driving force to facilitate peaceful co-existence, affection, recognition, friendliness, freedom that are crucial for efficient performance capable of enhancing

organizational effectiveness (Lawal, 2005). Jobs that are enriched to motivate employees for greater performance hence ensure organizational retention (Kinicki & Kreitner, 2003).

Furthermore, job enrichment is requisite to enhancing workers' efficiencies, innovations, capability, reasoning faculty and competence (Lynton & Pareek, 2000) which will improve organizational performance (Satterfield & Hughes 2007; Kraiger, 2002) and as well help in gaining competitive edge Armstrong (2010). It is important to note that management must be able to attempt to motivate employees by providing them enough opportunities to use all their abilities in their job and also identify the factors that contribute to increasing the level of organizational performance. By implications, the effectiveness of capacity development depends on the pattern of the job related knowledge, skills, capability, competencies and behavior that are important for greater performance which invariably is capable of influencing organizational success.

Sneed and Herman (1990) in their study using supervisory and non-supervisory staff found job characteristics for supervisory and non-supervisory staff to be positively related with organizational commitment while individually they found skill variety, dealing with others, feedback and autonomy to be the only significant individual job characteristics. Obi-Nwosu, Joe-Akuune, Oguegbe (2013) conducted a research on job characteristics as predictors of organizational commitment among private sector workers in Anambra State. The study examined job characteristics as predictors of organizational commitment among private sector workers in Anambra state of Nigeria. The finding shows that only two dimensions of job characteristics namely dealing with others and task identity predicted organizational commitment while the remaining five dimensions; skill variety, task significance, autonomy, feedback from the job, and feedback from agents did not predict organizational commitment. The study strongly suggests that job characteristics are a predictor of employees' commitment.

Neyshabor and Rashidi (2013) also examined the relationship between job enrichment and organizational commitment, and the result showed that job enrichment has a significant positive influence on organizational commitment of employees. The study strongly suggests that the five dimension of job enrichment are important issues need to be considered by managers, to achieve competitive advantage through employees. In essence, all previous studies on job enrichment and employee commitment showed that ob enrichment is a predictor of employee commitment.

Garg and Rastogi (2005) indicated that skill variety involves the degree of utilization of different skills and abilities. A variety of Skills variety is one factor in the JCM which affects the meaningfulness of a job. A job that is high in the level of skill variety always requires a wide array of skills and abilities (Hackman & Oldham, 1975). Jobs that are complicated have shown substantial but positive relatedness with job satisfaction, internal employee motivation and employee output (Spector, 2012; Jassen, 2001). Chandler (2007) stated that a wide range of skills are required for employees to grow and a vast range of skills is also necessary for the purpose of being flexible at work. Chandler (2007) further suggests that to be effective, employees must break their alliance on a contracted assortment of job competencies created when working on a

particular task. Work which needs the input of various skills will allow for workers to complete a meaningful piece of a job as opposed to just repeating simple tasks are viewed to have an impression on other people and also seen as worthwhile and meaningful the employees in these jobs. Skill Variety could also incorporate the influence of task difficulty. Work that involves too much repetition of an exercise and require less skills and talent is seen to be of low task difficulty while the work that involves varying tasks, activities and skills are considered to have high task difficulty (Spector, 2012).

In other studies, skill variety is considered as the number of various task elements that are necessary for the job fulfilment. Task Variety communicates clarity of knowledge (Pentland, 2003). According to the literature of careers, employees at the start of their careers make attempts to discover tasks from which they attain or achieve their goals (Feldman & Thomas, 2012). Inherent characteristics of a job including significance of a task and skill variety are usually mostly associated with low rates of absenteeism (Taber & Taylor, 1990).

Based on this position, the following hypotheses are put forward:

**H**<sub>01</sub>: There is no significant relationship between skill variety and employee creativity in Deposit Money Banks in Rivers State.

**Ho**<sub>2</sub>: There is no significant relationship between skill variety and employee praoctiveness in Deposit Money Banks in Rivers State.

#### **METHODOLOGY**

The study utilized a cross-sectional research survey design. Primary source was sourced through structured questionnaire. There are 58 Insurance Companies registered to operate in Nigeria (this information is from the NAICOM website. 36 of the companies have a functional office in Rivers State with a permanent staff strength of 195. The sample size of 131 was determined using the Krejcie and Morgan (1970) table for determining minimum returned sample. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70 selected. The tests were carried out at a 95% confidence interval and a 0.05 level of significance.

#### **DATA ANALYSIS AND RESULTS**

#### **Bivariate Analysis**

The level of significance 0.05 was adopted as a criterion for the probability of accepting the null hypothesis in (p> 0.05) or rejecting the null hypothesis in (p< 0.05).

			Skill Variety	Employee Creativity	Employee Pro-activeness
Spearman's rho	Skill Variety	Correlation Coefficient	1.000	.857**	.724**
		Sig. (2-tailed)		.000	.000

		N	60	60	60
	Employee Creativity	Correlation Coefficient	.857**	1.000	.840**
		Sig. (2-tailed)	.000		.000
Ĭ		N	60	60	60
	Employee Proactiveness	Correlation Coefficient	.724**	.840**	1.000
Ĭ		Sig. (2-tailed)	.000	.000	
		N	60	60	60
		Sig. (2-tailed)	.000	.000	.000
		N	60	60	60

Source: SPSS output version 23.0

Table 1 illustrates the test for the three previously postulated bivariate hypothetical statements. The results show that for

**Ho**<sub>1:</sub> There is no significant relationship between skill variety and employee creativity in Deposit Money Banks in Rivers State.

The correlation coefficient (r) shows that there is a significant and positive relationship skill variety and employee creativity. The *rho* value 0.857 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a very strong relationship. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between skill variety and employee creativity in Deposit Money Banks in Rivers State.

**Ho<sub>2</sub>**: There is no significant relationship between skill variety and employee praoctiveness in Deposit Money Banks in Rivers State.

The correlation coefficient (r) shows that there is a significant and positive relationship between skill variety and employee praoctiveness. The *rho* value 0.724 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a strong relationship. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between skill variety and employee praoctiveness in Deposit Money Banks in Rivers State.

#### **DISCUSSION OF FINDINGS**

The findings revealed that a significant relationship exists between job enrichment and employee innovativeness in deposit money banks in Rivers State. Using the spearman rank order correlation tool and at a 95% confidence interval. The findings of this study confirmed that Job enrichment has an effect on employee innovativeness in deposit money banks in Rivers State. It implies that it is in the interest of deposit money banks and the entire employees, to implore proper measure to enhance Job enrichment during work hours. This finding agrees with previous finding by Derek and Laura (2000) that the first core job dimension which involves the

number of different types of skills that are used in performing a task. It focuses on the degree to which a task challenges the job holder to use different kind of skills, abilities and talents. It is believed that when only one skill is adopted in performing tasks repetitively, it tends to bring fatigue, stress and boredom which will in turn affect their morale and productivity at workplace. Movement of employees from one job to another job within a particular organization and allowing them to adopt a variety of tasks in their work helps in avoiding repetitiveness, dullness and boredom. Several researchers added that the use of skill variety serves as a means of retaining and motivating workers for higher performance. Bratton (2007), also pointed that when a variety of skills are necessary to complete a task and those skills are perceived to be of value to the organization, employees find their work to be more meaningful.

Taber and Taylor (1990) stated that Jobs that are complicated have shown substantial but positive relatedness with job satisfaction, internal employee motivation and employee output (Spector, 2012; Jassen, 2001). Chandler (2007) stated that a wide range of skills are required for employees to grow and a vast range of skills is also necessary for the purpose of being flexible at In other studies, skill variety is considered as the number of various task elements that are necessary for the job fulfilment. Task variety communicates clarity of knowledge (Pentland, 2003). According to the literature of careers, employees at the start of their careers make attempts to discover tasks from which they attain or achieve their goals (Feldman & Thomas, 2012). Inherent characteristics of a job including significance of a task and skill variety are usually mostly associated with low rates of absenteeism.

#### **CONCLUSION**

From the research findings, it can be concluded that there is a strong positive linear correlation between Job enrichment and employee innovativeness in deposit money banks in rivers state. A workplace in which managers are more concern about workers innovativeness than commanding control and where leadership and decision making is spread across all levels and where individual goals are met tend to enrich the Job. This study therefore concludes that Job enrichment significantly influences Employee innovativeness.

# Recommendations

The following specific recommendations are made based on the findings of this study:

- Insurance companies should ensure that job enrichment is considered in planning and evaluation of employees' jobs and performance respectively. Job rotation are some of the methods that can be adopted to ensure that all employees are part of the organizations entire goal. This can increase the variety of skills that every employee possesses which is a form of motivation.
- 2. HR managers of Insurance companies should consider using the job enrichment technique of task significance to increase worker's scope and workload. This is necessary to increase skills in handling new customers or it can be the requirement of an industry or to offset lack of resources due to lack of hiring or high turnover.

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# Job Enlargement and Organizational Efficiency in the Jos Electricity Distribution Company, Bauchi Zonal Office

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Abstract: This paper examined the relationship between Job Enlargement and Organizational Efficiency in the Jos Electricity Distribution Company, Bauchi Main Office. The study used a cross sectional design. The target population of the study was three hundred and fifty six (356) consisting the entire management and staff of the Jos Electricity Distribution Company, JED, Bauchi offices. The sample size was obtained using the Krejcie and Morgan (1970) table for determining minimum returned sample size for a given population. For our population, the table placed our sample size at one hundred and eighty three (183). After data cleaning, only data of 173 respondents were finally used for data analysis. The sampling procedure to be used in this study is the purposive sampling technique which focused on managers and operators. Descriptive statistics and Spearman's rank correlation were used for data analysis and hypothesis testing. Empirical results confirm that there is a positive significant relationship between Job Enlargement and Organizational Efficiency in the Jos Electricity Distribution Company, Bauchi Main Office. The study concluded that Job Enlargement has a positive and significant relationship with Organizational Efficiency. The study recommended that managers of JED should sponsor continuous training and development programmes to the top management of all their outlets on matters of job enlargement and how it can be aligned to enhance organizational efficiency. Thus, top management will gain knowledge and skills on employee job allocation, monitoring and supervision and thus contribute towards better planning and decision making on job enlargement.

Keywords: Job Enlargement, Organizational Efficiency

#### **INTRODUCTION**

Organizations are, fundamentally, social groups attempting to adapt and survive in their particular circumstances (Adelaiye, Adubasim, & Adim, 2020). To achieve their goals, they must be able to make the correct plans, gather the resources needed to implement those plans, and then deploy resources like cash and labour to carry out those plans. The ability of an organization to carry out its plans with the least number of resources is referred to as organizational efficiency. It is a significant aspect of the form's organizational effectiveness since it determines how easily and successfully the organization can achieve its goals (Alan, 2021). On the other side, efficiency is defined as productivity with estimated effects; especially, productivity without any waste. This has to do with employees' ability to work efficiently while wasting the least amount of energy, time, and money (Shaikh, et al., 2020). Efficiency is a difference between the usage of inputs in a well-defined process and the outputs produced. For

example, if a decision-making entity, whether an individual, a corporation, an administrative institution, or a state, achieves a level of output that is judged to be the greatest feasible given the current situation that entity is said to be efficient. However, it is said to be inefficient if it generates less than what it is expected to yield (Falavigna, & Ippoliti, 2021). As a result of the relationship between inputs and outputs, efficiency is defined as the degree to which outputs are produced while manufacturing costs are minimized (Kumar, 2018).

Job enlargement is a method of job design that aids in identifying an employee's skills, duties, and responsibilities (Zhu, Wu, & Zhang 2021). With increased responsibility and accountability, employees are less likely to perform a single job in a monotonous manner, which can lead to boredom and decreased productivity. Job expansion improves an individual's working efficiency (Chukwuma, 2021). Due to the greater scope of work that is being performed, job enlargement makes the individual realize his increasing importance in the organization. Job expansion necessitates the cooperation of the organization's management in giving suitable training to employees so that they can adjust to the expanded job scope (Harju, Kaltiainen, & Hakanen, 2021). This may take some time, but the strategy's result will always be beneficial to the company (Parker & Jorritsma, 2021).

While you don't want to micromanage your staff, if you want to enhance organizational efficiency and output, you can't let them be unsupervised. Creating effective management controls, such as strategic objectives, operational regulations, and staff guidelines, will enable you to direct rather than merely constrain your employees' activities (Steve 2019). Previous research has identified the importance of job expansion, but it has yet to investigate the relationship between job expansion and organizational efficiency in Nigeria. If the management does not plan adequately, job expansion might harm the employee's efficiency and effectiveness. Various factors influence organizational performance, including job satisfaction, which is determined by the type and design of the assigned duties (Deeb et al., 2020). As a result, the goal of this paper was to assess the relationship between job enlargement and organizational efficiency.

This study provided answers to the following research question:

i. What is the relationship between job enlargement and organizational efficiency in the Jos Electricity Distribution Company?



Fig.1 Conceptual framework showing the relationship between job enlargement and organizational efficiency

Source: Author's Desk Research, 2022

#### LITERATURE REVIEW

#### **Theoretical Foundation**

#### **Resource-Based View Theory**

Resource-based view critically explain resources of organizations that are valuable, rare, imperfectly imitable and imperfectly substitutable are the main source of sustainable competitive advantage for sustained superior performance (Asikhia, et al.,2021). According to Resource-Based View, an organization can be considered as a collection of physical resources, human resources and organizational resources (Malik, et al., 2020). Make it possible for businesses to develop and maintain competitive advantages to utilize these resources and competitive advantages for superior performance (Black & Van-Esch, 2020).

The Resource-Based View takes an inside out view or firm-specific perspective on why organizations succeed or fail in the marketplace (Collins, 2021). According to RBV, resources can be broadly defined to include assets, organizational processes, firm attributes, information or knowledge controlled by the firm which can be used to conceive of and implement their strategies (Zaini, et al.,2018). Examples of resources are brand names, technological abilities, efficient procedures, among others (Teece, 2018). Other researchers have classified different resources as tangible and intangible (Boukis & Kabadayi 2020). When identifying resources, several researchers have grouped specific types of resources that may enable firms to conceive and implement value-creating business strategies (Chen, et al., 2021).

Resource-Based View analyzes and interprets the resources of the organizations to understand how organizations achieve sustainable competitive advantage. The RBV focuses on the concept of difficult to imitate attributes of the firm as a source of superior performance and competitive advantage (Chigara, 2021). Resources that cannot be easily transferred or purchased, that require an extended learning curve or a major change in the organization climate and culture, are more likely to be unique to the organization and therefore, more difficult to imitate by

competitors. Performance variance between firms depends on its possession of unique inputs and capabilities (Luo, et al., 2021).

#### **Concept of Job Enlargement**

Job enlargement is a process of increasing additional related task to the employees horizontally in order to meet the organization goals and reduce boredom at workplace (Nguso, 2019). Employees may consider job enlargement as a strategy for improving their performance, as well as a source for improving their efficiency in implementing their jobs. However, some employees see the increased additional task as additional excises that add more responsibilities to their tiresome jobs. While some of the employees believes that job enlargement practices is the strategy which is used by the organisation for the aim of cutting cost of hiring new employees in an organisation. It is the advice to the management that when providing additional tasks to the employees it should be abide with rewards so as to motivate the employees and increase job satisfaction ((Nguso, 2019).

Most research found out that Repetitive task and specialized jobs contributes to the dissatisfaction of the employees at workplace. They do not like undertaking particular repetitive tasks. One of the main function of human resource department in an organization is to retain and motivate the employees, and ensure employees job satisfaction. When employees are happy, motivated and satisfied with their jobs it contributes to high level of performance, on the other hand employees who are demotivated and dissatisfied with their jobs tend to have frequently absenteeism and high labor turnover in organization since their not happy with their jobs.

It is impossible for demotivated employees to achieve organizational goals. JE is a strategy of designing a job more suitable and motivating the employees to perform their job better. However sometimes through job enlargement they put their employees in a difficult situation as one has to perform large number of tasks within short period of time. Moreover in Economic point one of the major goal for all organization is to maximize profit and decrease cost, and to the stiff competition of organizations/company in the world Job enlargement has been one of the best method for cutting costs as the organization will use few human resources to achieve organizational goals therefore JE is a tool for decreasing cost for hiring new employees (Saleem & Shaheen, 2013).

#### **Concept of Organizational Efficiency**

Organizational efficiency is the organization's degree of success in using the least possible inputs to produce the highest possible outputs. Because organizational efficiency is too wide a concept to be encompassed in a single figure, it is measured using a variety of quantitative data such as production costs and lead times (Alan, 2021). Furthermore, resources encompass both tangible commodities such as cash and more abstract concepts such as human capital, which all

contribute to organizational efficiency. Internal and external factors can both have an impact on the efficiency with which a company uses its resources. For example, the quality of an organization's workforce is frequently dependent on the general education of the region in which it is based. Quality of management is perhaps the most influential factor on organizational efficiency since it is management that chooses how to implement strategic plans including selecting what methods and resources to use, and leading employees to make the most of their labour (Ahmadi, 2021).

Organizational efficiency is a critical paradigm for a company's short-term profitability and long-term viability as a responsible participant in society (Al-Shaiba, et al., 2019). Furthermore, measuring organizational efficiency is essentially focused on tracking the organization's performance using key performance indicators that are developed differently by sectors. Organizational efficiency is a vital factor to the effectiveness of the organization's acquisition of resources and the use of those resources to implement its plans but it less important to the creation of those plans. Increased organizational efficiency makes implementation cheaper and easier, but it's less beneficial if the strategy being implemented is a lousy one (Kitur & Kimutai, 2019).

Sheffield, (2021) in simple terms organizational efficiency examines how to increase the output an organization can achieve, using a specific amount of resources. The more output delivered using those same resources, the more efficient the organization is. Any discussion of organizational efficiency begs the question, what's the difference between efficiency, productivity and effectiveness. These simple definitions help organizational productivity: Capacity of a business to produce desired results with a minimum expenditure of resources.

#### **Job Enlargement and Organizational Efficiency**

Job enlargement refers to broadening the scope of a job by adding new duties and responsibilities (Bruning, & Campion, 2018). Instead of repeating the same steps on each product, employees work on a single item and perform different tasks. Top management believes that a company's competitive advantage is the result of many different departments working together. As a result, almost all organizations are hiring multi-skilled employees to effectively complete various types of tasks to deal with upcoming challenges. Routine work activities are thought to cause boredom and a lack of motivation; as a result, job enlargement is used as a tool for reducing boredom at work and increasing employee motivation and job satisfaction (Tufail, Bashir, &Shoukat, 2017). Employees feel like the organization owns them and consider them an important part of the organization when their jobs are expanded, so their performance improves (Roberge, & Boudrias, 2021). It was discovered that increasing job satisfaction improves performance, and that job satisfaction is increased by broadening their responsibilities, introducing a variety of skills, and giving them a sense of ownership in the organization (Uddin, 2021). Job enlargement can affect the employees efficiently and effectively it doesn't plan well by the management, therefore when planning for JE the

management should plan it well and use good strategies to implement job enlargement in the organization so that it cannot negatively affect the employee's performance (Gift,& Obindah, 2020). (Gift, & Obindah, 2020). As a result, job expansion can be accomplished through job arrangement as well as a review of the job's importance to the organization (Mwinyishehe, 2019).

(Jongsupannapong, 2021) Job enlargement aims at meeting the personal needs of employees by re-organizing and restructuring work such that the nature and content of the assigned tasks meet the social and personal needs of employees. Job enlargement if well applied is very important in any organization because it enhances positive effects on the productivity of its employees (Gichuki, 2017). Posit that as a result of the increase in the pressure of work it is worthwhile to transform employees work activities and expose them to broader levels (Bieber, &Moggia, 2021). Job enlargement impacts motivational and satisfaction levels and organizational level of commitment. Job enlargement increases employee interest to perform the job. Routine tasks without change might make employees bored in the workplace and impact negatively their level of motivation.

Njeri, and Mary (2020) also assessed that contribution of job increase on employees' motivation and satisfaction, and found that well managed and designed jobs cause employees to feel interested and as a result get motivated and satisfied. Employees expressed that enlargement widens abilities and skills while providing staff with a chance to communicate and learn from others. The aim of determining the effect of job upgrade, job enlargement and work-life balance. It was concluded that if implemented properly the job becomes a motivation in itself. This enhances job satisfaction and thus improves work-life balance. It also increases commitment and overall effectiveness and efficiency of organizations making them sustainable (Msofe, 2019). Job enlargement is defined as a process of adding to the responsibilities and duties of a job by extending their range at the same job level (Waschull, et al., 2020).

The natures of increased duties are in sync with the existing responsibilities and more often than not compliment them. The term addition of responsibilities may mean that the responsibilities and duties may be new, or they might have been performed by an existing employee (Kilpone, et al., 2021). The important fact to note here is that the duties are at the same job level (Hitesh, 2020). In addition, not only the duties and responsibilities increased in job enlargement, but also the scope of these duties is also heightened in specific jobs. The primary motive of implementing job enlargement is to increase the flexibility of the staff by carrying out this horizontal structuring. This also helps the employees to come over the job boredom and reduces the monotony that they may have developed on the job over some time. Job enlargement may be carried out for a temporary period, in case of absence or unavailability of the employee (Tessarini et al., 2021).

These arguments led to the following hypothesis:

HO<sub>1</sub>: There is no significant relationship between job enlargement and organizational efficiency in the Jos Electricity Distribution Company.

#### **METHODOLOGY**

The study adopted the cross-sectional survey method in the generation of data. The target population of the study was three hundred and fifty six (356) consisting the entire management and staff of the Jos Electricity Distribution Company, JED, Bauchi offices. The sample size was obtained using the Krejcie and Morgan (1970) table for determining minimum returned sample size for a given population. For our population, the table placed our sample size at one hundred and eighty three (183). The sample size therefore was 183 and was used for the study. The sampling procedure used in this study was the purposive sampling technique which focused on managers and supervisors. Spearman's rank correlation were used for data analysis and hypothesis testing with the aid of the SPSS Package version 23.

Table 1. Reliability statistics for the instruments

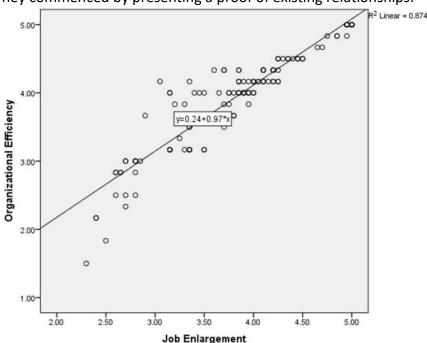
S/No	Dimensions/Measures of the study variable	Number of items	Number of cases	Cronbach's Alpha
1	Job Enlargement	5	173	0.978
2	Organizational Efficiency	5	173	0.834

Source: Research Data, 2022

# **Data Analysis and Results**

#### **Bivariate Analysis**

The test of hypothesis cover hypotheses  $Ho_1$  which was bivariate and stated in the null form. Authors had relied on the Spearman Rank (*rho*) statistic to undertake the analysis. The 0.05 significance level is adopted as criterion for the probability of either accepting the null hypotheses at (p>0.05) or rejecting the null hypotheses at (p<0.05).



They commenced by presenting a proof of existing relationships.

Figure 1: Scatter plot relationship between Job Enlargement and Organizational Efficiency

The scatter plot graph shows at R<sup>2</sup> linear value of (0.874) depicting a very strong viable and positive relationship between the two constructs. The implication is that an increase in job enlargement, simultaneously brings about an increase in the level of efficiency in an organization. The scatter diagram has provided vivid evaluation of the closeness of the relationship among the pairs of variables through the nature of their concentration.

Table 2: Correlation Matrix between Job Enlargement and Organizational Efficiency

		=,,,,		
			Organization al Efficiency	Job Enlargement
Spearman's rho	Organizational Efficiency	Correlation Coefficient	1.000	.904**
		Sig. (2-tailed)		.000
		N	173	173
	Job Enlargement	Correlation Coefficient	.904**	1.000
		Sig. (2-tailed)	.000	
		N	173	173

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data, 2022 (SPSS output, version 23.0)

The table above illustrates the test for the previously postulated bivariate hypothetical statements.

HO<sub>1</sub>: There is no significant relationship between job enlargement and organizational efficiency in the Jos Electricity Distribution Company.

The correlation coefficient coefficient 0.904 shows that there is a strong and positive relationship between job enlargement and organizational efficiency. The p value 0.000<0.05 indicates that the relationship is significant. Therefore, the null hypothesis is hereby rejected and the alternate upheld. Thus, there is a significant relationship between job enlargement and organizational efficiency in the Jos Electricity Distribution Company.

#### **DISCUSSION OF FINDINGS**

Concerning job enlargement, the respondents were of the view that it has a significant relationship with efficiency in the organization. These findings are in line with the submission made by Gichuki and Munjuri (2018) who argued that job enlargement enabled the organization to align tasks, employees easily understood processes and procedures and this acted as a strong motivator for them to work harder and realize organizational goals. The respondents also argued that having a set of various skills did not necessarily contribute to efficiency.

On the contrary, allocation of work based on knowledge and skills improved efficiency in the execution of tasks. These findings are supported by Msofe, (2019) who observes that hiring the right employees for the right job increases employee productivity as opposed to possessing multiple skills. On the contrary, Garg and Rastogi (2018) concluded that the manner in which the job was arranged in an organization did not affect the performance of the employees. The study found that job enlargement contributed towards organizational efficiency as the enable employees to recognize their tasks, understand processes, motivate and achieve work-life balance, this boosts employees' efficiency, motivation and commitment to work and achieve their set targets.

#### CONCLUSION AND RECOMMENDATIONS

Based on the findings, the study concluded that employees that are clear about their tasks at all the organizational levels are the most effective ingredient for job enlargement in the study area. The study concludes that Job enlargement leads to employee performance and motivation and by extension organizational efficiency.

The study thus recommended that managers of JED should sponsor continuous training and development programmes to the top management of all their outlets on matters of job enlargement and how it can be aligned to enhance organizational efficiency. Thus, top management will gain knowledge and skills on employee job allocation, monitoring and

supervision and thus contribute towards better planning and decision making on job enlargement.

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# Passive Viral Marketing and Brand Performance of Soft Drink Companies in Port Harcourt

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Abstract: This study focused on passive viral marketing and brand performance of soft drink companies in Port Harcourt. Its goal was to investigate the relationship between the variables, with soft drink companies in Port Harcourt serving as the database. The study used a correlational research design and a questionnaire as the primary research instrument. The study's population consists of the two soft drink companies in Port Harcourt. Five (5) elements (Managers) were chosen from each of the two (2) companies using a simple purposive sampling method. As a result, the number of respondents increased to ten (10). The statistical tool Spearman Rank Order Correlation was used to test the direction and strength of the relationship between the variables. All statistical analyses were carried out using SPSS version 22.0. According to the findings of the study, active viral marketing has a positive and statistically significant relationship with brand performance. The study concludes that passive viral marketing is an imperative for a positive brand performance and that brand performance depends on how appropriate the viral message is applied. The study therefore recommends that soft drink companies in Port Harcourt that seek to survive, improve, and stand out in their brand performance should consider passive viral marketing as one of their top strategies.

Keywords: passive viral marketing, brand salience, brand performance

#### INTRODUCTION

A company cannot be said to be successful if its brands are underperforming in the marketplace. This is a key factor in achieving marketing objectives (Gupta & Zeithaml, 2006). Before moving on to recall at the point of purchase, optimal brand performance begins with awareness of the brand and its functions. Traditional methods of accomplishing this included word of mouth and print advertisements; but, technology advancements ushered in new forms of marketing, particularly mass marketing. For starters, radios were utilized to reach tens of thousands of people. Then there was television, which drew a broader audience. Today, the internet has supplanted traditional marketing strategies (Wilson, 2012). In today's marketing, the internet plays a critical part in establishing a brand's reputation. As the internet's development, spread, and universality has modified and altered the interaction between organizations and customers, organizations now engage with their customers in a different way than in the past (Singha, Vero-Jackson, and Cullinane, 2008). The internet has also aided in shifting companies and consumer relationships to an interactive level, allowing brands to be

established through the formation and maintenance of long-term customer relationships (Richardson & Domingos, 2012). Organizations realized at the turn of the century that traditional marketing strategies were no longer as effective as they had been, and that something had to be done to reach out to more potential purchasers on a wider scale (Keller, 2002). Marketers soon grasped the power of word-of-mouth in an online context, and they began to contribute to the early emergence of viral marketing (Hassan, 2018).

Passive viral marketing is a type of marketing that makes use of pre-existing social networks such as social networking sites, video sharing sites, email providers, online forums, and blogs. It usually gives consumers something free and valuable in exchange for forwarding and spreading the marketing message to others. Viral content is usually presented as a commercial in the form of a viral video, song, image, meme, or message (Rechman and Stewart, 2013). Smaller organizations and businesses are drawn to it because it has a reputation for being effective and is a reasonably inexpensive alternative to traditional marketing media. Many businesses are using active online viral marketing as one of their primary marketing techniques in order to reach their objectives. The viral "sharing a coke" effort is an example of this. According to Muala (2018), viral marketing taps into human tendencies for communication, knowledge sharing, and socializing. The benefit of viral marketing is that individuals nowadays spend more time online, even more than watching television, thanks to the use of friends-based social media.

This marketing method can readily penetrate any individual's social network with a single mouse click that sends information to others in the circle (Lescovec, Adamic, and Huberman, 2007). When an advertisement is prominent, well-designed, and appealing, it might be shared on other social media platforms. As a result, it spreads like a viral infection online, replacing word of mouth with word of mouse. Almuala (2018) emphasizes that positive brand performance is unavoidable when this is done effectively. This is because viral marketing increases the brand's visibility. To that purpose, this research will contribute to the body of knowledge by determining the association between active viral marketing and brand performance, using soft drink businesses as a database. The soft drink market in Nigeria has continued to grow, having millions of daily drinkers and sales worth billions of dollars per year. The fast growing population of Nigeria, its climate and urbanization drives a continuing demand for soft drinks. Some of these locally made drinks are seen to have gained a widespread acceptance. This is evident in the presence of these brands in grocery stores of even developed countries. That notwithstanding, Soft drink companies in Nigeria are seen to be faced with fierce competition among players as brand owners struggle to be heard in a marketplace surrounded by an alarming rate of new product introduction and modification of existing ones. "The uncertain and dynamic nature of the marketplace has brought challenges to brands in the soft drink sector" (Goldsmith, 2017), ranging from low brand awareness, salience, and patronage, (Ojoma and Bello, 2017). This observed prevalence of poor performance may be attributed to the brand owner's inability to inculcate active viral marketing strategy in their marketing plan. This assumption is based on the conviction that viral marketing is effective in

unsolicited electronic referrals that creates awareness, triggers interest and product adoption. Even in fierce competitions, successful viral campaigns are seen to help companies stand out (Granata and Scoozzeze, 2017). Based on the foregoing, the study sought to scan the relationship that exist between passive viral marketing and brand performance of soft drink companies in Port Harcourt.

#### LITERATURE REVIEW

#### Theoretical Foundation

# **Viral Loop Marketing Theory**

The theory was developed by Adam Penenberg in 2008; it outlines how cultural products or networks gain popularity. According to Lane (2017), viral loop marketing theory describes how consumers are the primary marketers of a product. Companies employ viral loops in their marketing tactics because they want to reach as many people as possible for the least amount of money. Small and medium-sized firms are more likely to use viral marketing and viral loop theory since they have less expenditure than larger companies (Hassan, 2017). The advantages of employing viral loops stem mostly from their low cost – high spread factor, which allows a company's marketing message to reach a broad audience. As a result, employing viral expansion loops is viewed as a straightforward method to address the challenges marketers encounter when identifying the components of content that go viral. The establishment of viral expansion loops is the most essential component of the Viral Loop marketing idea. User Actions, Notifications, and Conversion are the three types of loops. These loops rely on their members' willingness to share and collaborate.

#### Uses and Gratifications Theory (U&G Theory)

Elihu Katz and Jay Blumler formulated this theory in 1974. It emphasizes the sender and the message, focusing on interactive communication. This theory is used to understand motivations for using a media; it focuses on individual use and choice of media. It views individuals as purposeful and active, specifying that people select media based on needs. It asks the reason people attend to media content and what they get from it. The theory shows that motivations influence individual behavioral intention through attitude (Miller and Berry, 1998). It is seen that consumer needs and motivations induces message virility. The significance of uses and gratifications is brought to the fore because of the appearance of computer-mediated communication. Marketers will seek effective marketing messages that can satisfy targeted or desired motivations and thus influence forwarding behaviors that will birth a positive brand performance on the long run, if they understand what motivations drive consumer behaviors. The content of the viral marketing campaigns may likely encourage transmission and consumers may vary in their motivations to pass on viral marketing campaigns.

# **Passive Viral Marketing**

Passive viral marketing is the process of "promoting or broadcasting a brand through some type of media without it being the focus of the content. This can be likened to a viral video. This method has been adopted by many Facebook pages. The result of this is that a vast amount of people will be exposed to, and then see the watermark, not minding that what is happening in the video is indeed the subject of interest (Jakob Ahlberg, 2018). According to Kaplan and Haenlain (2011), passive viral marketing involves a distribution of a message in a frictionless manner. The message is transmitted by the use of an application or service. This can be seen with email providers that integrate the name of a brand or an advertisement automatically at the end of each email. With this, every user of the email service passively distributes the message or advert. In passive viral marketing, the user advertises via the use itself. An excellent example of this is the Hotmail. Here, there was a clever implementation of the principle of virility back in 1996.

There was a call included in the attachment to create a free address for every mail sent with Hotmail. The aftermath of this was the registration the millionth user after seven (7) months. Yang (2012) noted that "the advertising messages and services offers are being spread when using a service. E.g. free email providers, such as Web.de or Hotmail.com". In the process of sending an email, signatures that include advertisements will be automatically attached. In this case, the advertising message is received by the recipients, and it tells him to make use of the service as it clearly works very well. Since the sender is a user of the service as well. One of the good things about passive viral marketing is that you only get to see the message when the adopted platform is used, in this way.

# **Concept of Brand Performance**

In most marketing literature, performance is frequently employed as a dependent variable (Tran Quan Ha Minh, 2006). A brand's performance refers to how effective a brand is in the marketplace and attempts to assess a brand's strategic accomplishments (Kapferer, 1997). Brand performance refers to how effectively a product or service satisfies the functional demands of customers. In the opinion of Chaudhuri and Moris (2001), a brand's performance is determined by its attractiveness and profitability. The goal of brand performance is to increase top line revenue while lowering costs to improve the bottom line. Some researchers examined brand success in two ways. They are the market performance of the brand and the profitability of the brand. They are the market performance of the brand and the profitability of the brand. They come to the conclusion that brand profitability performance is a representation of a brand's financial share in relation to retail profits. Profit and profit margin are used to determine this. Brand market performance, on the other hand, examines market needs and assesses indicators such as sales volumes and market share (Baldauf A, et al 2003).

Aaker (1996) suggested various indices for evaluating brand success that are connected to market behavior evaluation. He regarded market share, pricing, and distribution coverage to be

indices of brand performance assessment, and he said that measuring brand performance using market share typically offers a widespread and realistic picture of a brand's or consumers' situation. When a brand has a competitive edge in the minds of consumers, its market share should rise or at the very least remain stable. He also emphasizes that distribution coverage has a significant impact on market share and sales data. The sale of a brand will be greatly influenced whether it has a primary market, loses it, or is emerging in a new location. Keller and Lehman (2003) consider the price elasticity, price premium, market share, cost structure, profitability and the success in category extension as the main indices of brand performance measurement. Their research shows that the brand premium is in fact the added price that a customer pays for the brand of a product and the price elasticity is the increase or decrease of brand demand as a result of rise or decline in prices.

Market share indicates an index that measures the success of marketing programs in brand unit sales. Cost structure or the ability to reduce the expenditures of marketing programs of a brand is as a result of the prevailing customer mindset. What it means is that, any aspect of the marketing program is likely to be more effective for the same expenditure level, because customers already have favorable opinions and knowledge about a brand. In addition, according to Keller and Lehman, the profitability and the development of opportunities are other factors of performance measurement and demonstrate the brand success in supporting line and category extensions and new product launches to the related categories. It indicates the potential ability of a brand for development and increase of income flow. Chaudhuri and Morris (2001) emphasized on relative price and market share as the result of the performance. To them, relative price is the ratio of a brand price to that of the leading competitors. In th same vein, they introduced the brand market share as the percentage of a brand sale to total sales of all brands of a product. Bradly and Hony (2007), suggest that the effect brand marketing has should be assessed by mixed methods such as financial and consumer oriented measures. Their interrelatedness stems from the fact that consumer-oriented measures (e.g. consumer based brand equity) are seen to be positively associated with financial performance measures (e.g. brand market share and revenue). Lee et al. (2008) support two types of brand performance measures: financial performance measures (e.g. sales growth, margin, market share, and return on investment) and customer-based performance measures (e.g customer acquisition, customer maintenance, customer satisfaction, brand awareness, brand recall, and brand salience).

#### **Brand Awareness**

Brand awareness refers to the capacity of consumers to recognize or remember a brand. There is an existence of a link between the brand and the product class, but the link does not have to be strong. Brand awareness begins with a process where the brand is just known to a particular level up till when it has gotten to a higher rank; it becomes the "top of mind" (Aaker, 1991). There are few purchase decisions that can be done without knowledge about the product. Moreover, without being recognized, learning about the character and advantages of the new merchandise will be difficult. Product identification makes it easy to create a new relationship

to the product. Familiarity is what people like, and knowledge makes the product and brand more well-known and familiar.

Keller (2008) defines brand awareness as "fostering people's ability to recall or recognize the brand in sufficient detail to make a purchase". He sees brand recognition as consumers having prior exposure to the brand, able to recognize the brand when given it as a cue. Brand awareness is seen as a prerequisite of peoples' buying decisions (Lee et al, 2008). It has been held for a while now that generating and maintaining brand awareness one of the main goals of marketing. According to Mcdonald (2000), "the brands that enter consumer's consideration set, is strongly affected by the brand awareness".

Brand awareness helps a consumer get familiar with the brand, and recalls some favorable, strong, and unique brand associations. This focuses on the individual consumers and his reactions to marketing of a particular product. Aaker (1991) presented three levels of brand awareness. Brand acknowledgement that involves the capacity of shoppers to recognize a certain brand among others i.e. Supported review, which involves a circumstance where individuals are asked to recognize a perceived brand name from a rundown of brands from the same item class. Brand review that has to do with a circumstance where a buyer is relied upon to name a brand in an item class. It is also referred to as "unaided review" as they are not given any piece of information from the item class. The third is top of psyche that is seen as the first brand that a customer can review among a given category of products.

#### **Brand Salience**

Typically, brand salience is seen to be "the prominence or level of activation of a brand in memory" (Alba and Chattopadlyay, 1986). This shows that brand salience involves easy accessibility of a brand in the memory of a consumer. Keller (2001) sees brand salience as "the aspect of the awareness of the brand e.g. how often and easily, is the brand evoked under various situations and circumstances?" From a psychological point of view, brand salience is associated mostly with the level of degree; a brand stands out from its environment (Petrescu, 2012). In simple terms, some items are easily noticed, while some easier to retrieve from long-term memory, with this, there is a higher chance of entering working memory. Brand salience is seen to be often neglected in marketing literatures and research. Instead concepts such as brand image, attitude and recently brand equity are the prevailing ones. This is because "salience is conceptualized as Top of the Mind (TOM) awareness and thus, frequently used either interchangeably with, or as a subset of brand awareness" (Keller, 1993).

Increased salience is effective in retrieving probability of a brand in the choice of consumers. When solving a problem, consumers use the information most salient to them (Wyer and Srull, 1989, Domke, Shah and Wackman, 1998). The meaning of the concept stems from accessing the brand in memory through recall, associative strength, recall position, or the position in the consideration set of the consumer (posovac, sanbonmats and Fasio 1977, Fasion, Powell and Williams, 1989, Miller and Berry, 1998, Leong, Ang and Tham, 1996). According to Salancik &

Conway (1975), salience has an effect on consumer judgment, as it is seen that consumers make judgments based on information salient to them at the decision arena. On a crowed shelf, Pechmann & Stewart (1990) posits that salient brands are more likely to be perceived.

# **Passive Viral Marketing and Brand Performance**

As a truism, it is believed that passive viral marketing if properly applied, will enhance brand performance. (Yang 2012; Al Muala, 2018; Muala 2018). Although Petrescu (2012) argued that the capacity of the success of this competitive tool is not always guaranteed, Yang (2012) noted that properly matching and applying it will help in achieving brand awareness, recall, and salience. In the study on the importance of passive viral advertising in telecommunication firms, Yang (2018) pointed out that brand success is inevitable if the source of campaign is reliable and properly matched. Penchman and Stewart (1990), postulated in his study on the influence of passive viral marketing on brand conspicuousness, carried out in Jordan, that there is a positive relationship between passive viral marketing and the conspicuousness of a brand. This confirms the importance of passive viral marketing. The study shows and concludes that the genuinity and transparency of the platform adverts placed bring about trust and this trust births salience at the point of purchase.

Another remarkable contribution on the influence of passive viral marketing on brand salience was made by Al Muala in 2018. On his study on frictionless viral marketing and brand recall, he stated that recall or salience is mostly achievable through an active viral campaign but that passive viral campaign can also be transformed to active viral message. On this, he stressed that the campaign is done by a customer as he/she will be the one to pass it on to his/her close associates and they in turn pass it on and on until it becomes viral. He concluded that for this to be possible, the customer must have been satisfied with the brand.

#### **METHODOLOGY**

The aim of this study was to determine the relationship between passive viral marketing and brand performance. The study adopted a correlational research design. The two soft drink companies in Port Harcourt quoted in the Nigerian Stock Exchange Report in 2019 constitute the population of the study. Given that the population is below thirty (30), implies that they were all considered. The purposive sampling technique was used to select five (5) managers each in the two (2) companies which amounted to ten (10 managers). This constitutes the total number of respondents that participated in the study.

Questionnaire was used as the instrument of primary data collection. Respondents were required to tick from 1-5 on a Likert scale, where 1= strongly disagree; 2= disagree; 3= neutral; 4= agree; and 5= strongly agree. To determine the reliability of study instrument, the Cronbach's Alpha Coefficient was used and the values were high, with a threshold of 0.7. The opinion of scholars and practitioners with relevant experience on the study constructs was used to validate the instrument.

Table 1: Range of Values and Degree of Relationship

Range of r values	Degree of relationship of r	
± 0.80 to 1.00	Very strong	
± 0.60 to 0.79	Strong	
± 0.40 to 0.59	Moderate	
± 0.20 to 0.39	Weak	
± 0.00 to 0.19	Very weak	

H Source: Adopted from Dunn (2001) degree of relationship categorization

**DATA ANALYSIS AND REPORT** 

**Table 2: Questionnaire Response** 

Questionnaire	Number	Percentage (%)
Distributed	10	100%
Retrieved	10	100%
Not retrieved	0	0%

Source: Questionnaire administration (2019).

Ten (10) copies of the questionnaire were distributed. The ten questionnaires representing 100% of the distributed questionnaire were used in the final analysis, while none was lost or rejected.

Table 3: Correlation Analysis of Relationship between Passive Viral Marketing and Brand Performance

(Correlations)

Туре	Variables1	Statistics	Passive Viral Marketing	Brand Perfor	ance
Spearman's rho	Passive Viral Marketing	Correlation Coefficier	nt 1.000	.739**	
		Sig. (2-tailed)		.000	
		N	10	10	
-	Brand Performance	Correlation Coefficier	nt .739**	1.000	
		Sig. (2-tailed)	.000		
		N	10	10	

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output of Data Analyses on the Relationship between Passive Viral Marketing and Brand Performance (2019).

The information on Table 3 above reveals that the correlation coefficient of the relationship between passive viral marketing and brand performance is  $0.739^{**}$ .this shows that there is a relationship between the variables. The positive sign of the correlation implies a positive relationship between the variables, i.e. increase in brand performance is associated with an increase in passive viral marketing, while the probability value of 0.000 which is less than 0.001 indicates that the relationship between passive viral marketing and brand performance is statistically significant.

Table 4: Correlation Analysis of Relationship between Passive Viral Marketing and Brand Awareness

(Correlations)

Туре	Variables1	Statistics	Passive Viral Marketing	Brand Aware	ess
Spearman's rho	Passive Viral Marketing	Correlation Coefficier	nt 1.000	.739**	
		Sig. (2-tailed)		.000	
_		N	10	10	
	Brand Awareness	Correlation Coefficier	nt .739**	1.000	
		Sig. (2-tailed)	.000		
		N	10	10	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output of Data Analyses on the Relationship between Passive Viral Marketing and Brand Awareness (2019).

The information on Table 4 above reveals that the correlation coefficient of the relationship between passive viral marketing and brand awareness is 0.739\*\*.this shows that there is a relationship between the variables. The positive sign of the correlation implies a positive relationship between the variables, i.e. increase in brand awareness is associated with an increase in passive viral marketing, while the probability value of 0.000 which is less than 0.001 indicates that the relationship between passive viral marketing and brand awareness is statistically significant.

Table 5: Correlation Analysis of Relationship between Passive Viral Marketing and Brand Salience

(Correlations)

Туре	Variables1	Statistics	Passive Viral Marketing	Brand Salience
Spearman's rho	Passive Viral Marketing	Correlation Coefficien	t 1.000	.631**
		Sig. (2-tailed)		.000
		N	10	10
•	Brand Salience	Correlation Coefficien	t .631**	1.000
		Sig. (2-tailed)	.000	•
		N	10	10

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output of Data Analyses on the Relationship between Passive Viral Marketing and Brand Salience (2019).

The information on Table 5 above reveals that the correlation coefficient of the relationship between passive viral marketing and brand salience is  $0.631^{**}$ .this shows that there is a relationship between the variables. The positive sign of the correlation implies a positive relationship between the variables, i.e. increase in brand salience is associated with an increase in passive viral marketing, while the probability value of 0.000 which is less than 0.001 indicates that the relationship between passive viral marketing and brand salience is statistically significant.

#### **Discussion of Findings**

Data were analyzed and tested so as to determine the relationship that exists between the variables of the study. The strength and direction of the relationship between the variables were also identified. The collected data were analyzed and hypothesis was tested to determine the relationship between the variables of the study. The study found that passive marketing has a positive and statistically significant relationship with brand performance and brand salience as well. The study equally found that, there is a positive and strong relationship between passive viral marketing and brand performance in soft drink companies in Port Harcourt. The findings of the study were validated by extant literature which reveals that passive viral marketing if properly applied will enhance brand performance. (Yang 2012; Al Muala, 2018; Muala 2018). Yang (2012) also noted that properly matching and applying it will help in achieving brand awareness, recall, and salience. Recall or salience is also noted to be mostly achievable through an active viral campaign but that passive viral campaigns can also be transformed to active viral messages.

#### CONCLUSION AND RECOMMENDATION

Based on the findings, the study concludes that passive viral marketing is an imperative for positive brand performance i.e. brand performance depends on the virility of a firm's products. This is so because making a brand stand out in today's unpredictable, dynamic, and uncontrollable business environment that births an influx of varieties of brands every day, requires strategic activities like passive viral marketing. In other words, brands will stand out in the competitive sphere if t firms engage passive viral marketing appropriately.

The study also concludes that passive viral marketing relate to brand salience, and that brand salience also depends on passive viral marketing strategy. The study therefore recommends that soft drink companies in Port Harcourt that seek to survive, improve, and stand out in their brand performance should consider passive viral marketing as one of their top strategies.

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## Determinants of University Students' Behavioural Intention to Use Smartphone for Academic Learning in Nigeria

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Abstract: Smartphones offer more affordances to the users because their capabilities can be extended through downloading different kinds of mobile applications. Smartphones are central to the lives of many university students. Although smartphones do not formally exist in the curriculum, they are used by students for their education. The purpose of this study was to examine the factors that influences university students' behavioral intention to use smartphone for academic learning. To address this goal, an empirical framework was drawn based on extending the UTAUT model by adding self-management of learning to the structure of the UTAUT model. A cross sectional survey methodology was employed and a closed ended questionnaire was used to collect data for the study from 363 undergraduate students of Abubakar Tafawa Balewa University (ATBU) Bauchi. The instrument for the data collection was developed using validated items from previous studies. IBM SPSS version 25 application software was used to enter raw data from the questionnaire and Smart PLS 3.0 was used in analyzing both the measurement and the structural model of the study. The results showed that social influence and facilitating conditions of learning had a significant positive influence on the students' behavioral intention to use smartphone for academic learning. The research results also present several theoretical and practical contributions and implications by means of identifying the key factors influencing behavioral intention to use smartphones for academic learning. The study recommended that universities should lay emphasis on the issues that would improve students' performance academically using smartphone which include the provision of stable electricity supply and access to fast free wireless internet connectivity within the university campuses and should constantly ensure that IT systems are most of the time compatible with all the generations of smartphones.

**Keywords**: Behavioural Intention, Smartphone, Academic Learning

#### **INTRODUCTION**

The continuous evolution in mobile technology and the widespread revolution brought by the internet have given rise to one of the smartest digital devices of the era called "Smartphone". With over 2.87 billion users worldwide (Statista, 2017). Smartphone is the most recent

technological innovation of the new media that has defined human progress, creating a new paradigm of modernity and enabling adopters and users to improve on life affairs in terms of connectivity and social interaction with varieties of applications and usage freedom referred to as a new mobile lifestyle (Liew, 2016 & Jesensky, 2016).

The ownership and use of mobile technology in Africa are among the highest globally with Nigeria alone boasting of about 174 million active mobile lines as well as the highest mobile traffic growth in the world (International Telecommunications Commission (ITC), 2018; Nigerian Communications Commission (NCC), 2019; Twinpine, 2017). It has the largest economy and mobile market on the continent (Onyeajuwa, 2017). With fixed line penetration below 0.2%, many Nigerians "leap-frogged" past more expensive fixed-line technology to adopt mobile technologies, which are provided by four main operators: MTN, Globacom, Airtel, and 9mobile, formerly known as Etisalat (Gillwald, Odufuwa, & Mothobi, 2018; Groupe Speciale Mobile Association (GSMA), 2015). As a result, data for 2017 indicate that 71% of the population use mobile phones as a primary platform for communication and accessing the Internet, and significant percentage of this population are students, with 89.79% of the population covered by 2G signal, 62.05% by 3G signal, and 11.04% by 4G signal (Gillwald et al., 2018).

In 21st Century learning, students can use learning technologies to apply knowledge to new situations, analyze information, collaborate, solve problems, and make decisions. Academic learning is now innovative as a result of smartphone and other media in promoting and advancing 21st century needed skills and knowledge (Tulenko & Bailey, 2013; Emerson & Berge, 2018). Smartphones are used everywhere at home, at work, at the playground, and even in the classroom when students are supposed to learn something new. In general, smartphones and other ICTs can be used to improve the education process, e.g. by providing better simulations and models (Condord Consortium, 2016), enabling learning and facilitating better assessment (Coursera, 2016; Glovico, 2016). Smartphones can play a very important role in students' learning, especially in teaching and learning and research (Ebiye, 2015). Ebiye (2015) further regards smartphones as a smart device used for fast access to knowledge geared towards students achieving their teaching and learning and academic research objectives. A great deal of relevant information is available online that students can access through their smartphones.

While prior studies have attempted to investigate m-learning adoption in Nigeria, there is still a paucity of extensive research on the intention of students to embrace the use of their mobile devices such as smartphones for their academic purposes in the country (Oguchinalu & Sunday, 2018). Therefore, this study investigates the factors that determine the intention of university students in Nigeria to use their smartphone for academic learning using Abubakar Tafawa Balewa University (ATBU), Bauchi as a case study. This study is expected to provide many key contributions to previous studies. It is another study that investigated the determinants of ATBU students' behavioral intention to use their smartphone for academic learning.

Universities today invest huge amounts of capital in information technology, e-learning and learning management systems. This expenditure is based upon the presumption of their benefit to students and their preference to use such platforms. At the ATBU Campuses, a free wireless network is provided to students in some locations around the Campuses, and using smartphones among the students is becoming a norm. Students use their smartphones to connect easily to the wireless networks and gain limitless access to internet connections that are aimed at advancing students' learning experience and performance. Furthermore, the deployment of these internet (Wi-Fi) connections is aimed at increasing access to learning contents across the Campuses and beyond. Therefore, an understanding of students' behavioral intention relating to the use of smartphones for academic learning can both guide and facilitate this endeavor.

A measurement model was built based on the Venkatesh, Morris, Davis and Davis (2003)'s Unified Theory of Acceptance and Use of Technology (UTAUT). The theory was used as the baseline model for predicting and understanding the determinants of university students' behavioral intention to use their smartphone for academic learning. Although the UTAUT model has been widely adopted, doubts exist over its capability to explain individuals' technology acceptance and usage. Thus, the original UTAUT model has been extended. The present study extended the UTAUT model by incorporating the construct of self-management of learning from Garrison, (1997)'s model of Self-Directed Learning (SDL) to the original UTAUT model to predict the determinants of university students' behavioral intention to use their smartphones for academic learning.

The aim of this study is to examine the determinants of university students' behavioral intention to use their smartphones for academic learning in Nigeria.

The study was guided by the following research questions:

- 3.0 How does social influence determine the ATBU students' behavioral intention to use smartphone for academic learning?
- 4.0 To what extent does facilitating conditions influence the ATBU students' behavioral intention to use smartphone for academic learning?

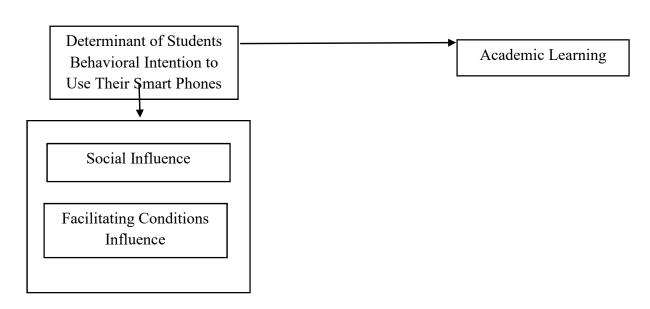


Fig.1 Conceptual framework for determinants of students behavioural intention to use their smart phones on Academic learning

Source: Author's Desk Research, 2022

#### LITERATURE REVIEW

#### **Theoretical Foundation**

In this study, UTAUT is considered for understanding the factors that will determine University students' behavioral intention to use their smartphones for academic learning. The UTAUT model is one of the most outstanding models in explaining technology acceptance and use thus far (Marchewka, Liu, & Kostiwa, 2007; Decman, 2015; Liebenberg, Benade, & Ellis, 2018).

Venkatesh et al. (2003) formulated the UTAUT model based on nearly twenty years of research and studies on technology acceptance and adoption. The model was founded with integration of eight theoretical models: (i) Motivational Model, (ii) Theory of Planned Behaviour, (iii) Technology Acceptance Model, (iv) Theory of Reasoned Action, (v) Model of PC Utilization, (vi) Innovation Diffusion Theory, (vii) Combined TAM-TPB, and (viii) Social Cognitive Theory (Dwivedi, Rana, Jeyaraj, Clement, & Williams, 2017; Liebenberg et al., 2018; Slade, Dwivedi, Piercy, & Williams, 2015; Šumak & Šorgo, 2016; Venkatesh et al., 2003, 2016; Williams, Rana, & Dwivedi, 2015; Yueh, Huang, & Chang, 2015). The UTAUT model is one of the most recent and extensively used models in explanation of technology acceptance and in consideration of individual differences (Cruz, Boughzala, & Assar, 2014; Marchewka, Liu, & Kostiwa, 2007). Abbas, Hassan, Asif, Ahmed, Hassan and Haider. (2018) and Olatubosun, Olusoga, and Shemi

(2014) also echoed that the UTAUT model is one of the most comprehensive, powerful and robust technology acceptance and adoption models to present.

Since its introduction, the UTAUT model have been applied and tested extensively for predicting system usage and making technology-adoption and technology-usage-related decisions in various fields such as interactive whiteboards (Šumak & Šorgo, 2016; Šumak, Pušnik, Herièko, & Šorgo, 2017), near-field communication technology (Khalilzadeh, Ozturk, & Bilgihan, 2017), mobile health (Hoque & Sorwar, 2017), home telehealth services (Cimperman, Brenˇciˇc, & Trkman, 2016), mobile learning (Chao, 2019), and acceptance of Enterprise Resource Planning (ERP) software (Chauhan & Jaiswal, 2016). Applied research regarding the UTAUT model has been extensive. This model provides a framework that not only explains acceptance of IT and ISs but also elucidates the actual use of such technologies and systems. Because of its capability to integrate different the TAMs, the UTAUT model contributes substantially to the exploration of technology acceptance and usage (Venkatesh et al., 2003).

#### **Behavioural intention**

Behavioural intention is the individual's readiness to perform a specific action or behaviour (Davis, 1989). In general, the stronger the intention to perform a certain behaviour, the more likely it is that such performance will take place (Ajzen, 1991). Behavioural intention is the dependent variable in this study and refers to a student's intention to use smartphone for academic learning. According to Ajzen (1991) "Intentions are assumed to capture the motivational factors that influence a behaviour; they are indications of how hard people are willing to try, of how much of an effort they are planning to exert, in order to perform the behaviour. As a general rule, the stronger the intention to engage in a behaviour, the more likely should be its performance". In this study, the behavioural intention can be determine through different factors including performance expectancy, effort expectancy, social influence, facilitating condition and self-management of learning. Generally, the concept that behavioural intention can affect behaviour influences has been well proven in literature (Ahmad, Amr & Zahra, 2018). And found to have a positive effect on actual use of technology (Turner et al., 2010).

#### Social influence

According to Venkatesh et al. (2003), social influence measures the degree or extent to which an individual perceives that significant others believe s/he should use a new technology, like smartphone for academic learning. As humans are always influenced by the environments in which they interact socially and culturally, it is reasonable to say that social influence molds an individual's behavioral intention. These influencing factors force the user to react to how others will view him as a result of using the technology. Venkatesh and Davis (2000) highlighted the importance of social factors as they become more significant in mandated environments.

The role of social influence is complex, which shape individual perception about a particular technology. This was studied in two separate research projects by (Venkatesh et al., 2003;

Venkatesh et al., 2012). Both assessed the impact of Social Influence on Behavioural Intention in the UTAUT1 and UTUAT2 models. Social Influence was found to be a direct determinant on influencing Behavioural Intention in mandatory or voluntary contexts. In a similar study conducted by AlAwadhi and Morris (2008) using UTAUT, the acceptance of e-government services was assessed and it was concluded that peer influence on users is significant.

In the field of learning, Escobar-Rodríguez and Carvajal-Trujillo (2014) investigated factors that influence the perceived advantages and relevance of Facebook as a learning tool. The findings, among others established/identified that social influence has enormous influence on students take up of Facebook as a learning tool, as students were largely influenced by their peers to log onto Facebook, and to use it for learning because they were also there.

#### **Facilitating conditions**

Facilitating condition is defined as the degree to which an individual believes that an organization or infrastructure exists to support the new technology, in this case, smartphone usage for academic learning (Venkatesh et al. 2003). This assertion is corroborated by Joshua and Koshy (2011) who note that the more convenient the access, the more proficient the use of the technology culminating eventually into higher levels or rate of adoption. When a user attempts to adopt a new technology he is expected to have some prior knowledge (Venkatesh et al., 2003; Zhou, 2008). The element of resource, technical support, prior knowledge and peer help can be explained by the facilitating condition construct. Facilitating conditions for a student to use the smartphone for academic learning, is the presence of an organized technical support system, formal or informal, from his fellow classmates and peers at the university.

Triandis (1979) posits that a behavior cannot occur if the objective conditions in the environment prevent it. In the case of mobile technologies, the aspect of conducive environment had demonstrated a positive correlation with facilitating conditions and behavioural intention (Wu, Tao, & Yang, 2007). In an educational environment which fosters learning using mobile devices like smartphones, the satisfaction of the learner is affected by his perception of available technical support, learning content, functionality of personal devices, peer help and encouragement Venkatesh et al. (2008).

With regard to the UTAUT model, the facilitating conditions have a positive relationship with user behavior but no direct impact on behavioral intention. In the context of mobile environment, Baptist and Oliveira (2017) and Krogstie (2012) demonstrated this relationship. To illustrate, Bawack and Kamdjoug (2018) and Cimperman, Brencic and Trkman (2016) argued that facilitating conditions have a direct impact on behavioral intention. Therefore, in this study, the influence of facilitating conditions on university students' behavioral intention will be measured.

#### Role of smartphone in academic learning

The role of smartphone and mobile technologies in education must not be ignored (Tikoria & Agariya, 2017). Academic learning is now innovative as a result of smartphone and other media in promoting and advancing 21st century needed skills and knowledge (Tulenko & Bailey, 2013; Emerson & Berge, 2018). The transformation brought about by smartphones also affects students (Jesse, 2015).

When we look at the students' smartphone usage; they can benefit from smartphones as a learning assistant for many reasons, including ease of use, portability, comprehensive learning experience, multi-resource provisioning and multi-tasking and being eco-friendliness (Anshari, et al., 2017). Many students use the camera of smartphones to receive lecture notes or other notes given by instructors (Anshari, et al., 2017). Smartphones play a very important role in students' learning, especially in teaching and learning and research (Ebiye, 2015).

#### Social Influence and smartphone use for academic learning

Social Influence is the degree to which an individual perceives that others believe he/she should use the new system. According to Venkatesh et al. (2003), social influence measures the degree or extent to which an individual perceives that significant others believe s/he should use a new technology, like smartphone for learning. The previous studies have noted the positive influence of SI towards BI (Bandyopadhyay & Fraccastoro 2007; Im, Hong, & Kang, 2011; Jairak et al. 2009; Slade et al., 2015; Šumak & Šorgo, 2016; Venkatesh et al., 2003). It has been established in the literature that social influence is one of the most critical step towards the technology adoption (Venkatesh et al. 2003), and that for first time patrons of a new technological platform, who may be naive about the technology, just the influence of significant others through recommendation or seeing them use the technology goes a long way to influence trying the new technology (Datta, 2011).

In the field of learning, Escobar-Rodríguez et al. (2014) investigated factors that influence the perceived advantages and relevance of Facebook as a learning tool. The findings, among others established/identified that social influence has enormous influence on students take up of Facebook as a learning tool, as students were largely influenced by their peers to log onto Facebook, and to use it for learning because they were also there. Placing this situation in the context of smartphone usage for academic learning, it is believed that similar results would be obtained as regards students' behavioral intention to use smartphone for academic learning. Hence, it is hypothesised that:

 $H_1$ : Social-influence positively influences the students' behavioral intention to use smartphone for academic learning.

#### Facilitating Conditions and smartphone use for academic learning

Facilitating conditions as a construct in UTAUT refers to the extent to which an individual perceives that organizational and technical infrastructures required to use the intended system are available (Ghalandari, 2012). Facilitating conditions are factors in an environment that make

possible the use of smartphones for academic learning by university students. Facilitating conditions are largely determined by indicators such as perceived behavioral control and compatibility.

In their study investigating mobile learning among students and lecturers in the developing world, Singh, Thomas, Gaffar, and Renville (2016) found facilitating conditions to be most critical variable in students and lecturers take up of mobile devices as learning tools. The effective use of smartphones for learning by university students defends on the availability of organizational resources (human and materials) and appropriate technical infrastructure required for their optimum performance. This implies that the degree to which students believe that organizational resources and technical infrastructure exist to support the effective use of smartphones for academic learning could determine if they will actually use their smartphones for learning or not. Facilitating conditions appears to be an essential construct to determine the students' behavioral intention to use smartphone for academic learning hence, the fourth hypothesis:

H<sub>2</sub>: Facilitating conditions positively influences the students' behavioral intention to use smartphone for academic learning.

#### **METHODOLOGY**

A cross sectional survey methodology was employed and a closed ended questionnaire was used to collect data for the study from 363 undergraduate students of Abubakar Tafawa Balewa University (ATBU) Bauchi. The instrument for the data collection was developed using validated items from previous studies. IBM SPSS version 25 application software was used to enter raw data from the questionnaire and Smart PLS 3.0 was used in analyzing both the measurement and the structural model of the study.

#### **DATA ANALYSIS AND RESULTS**

#### **Hypotheses Testing**

The result of the hypothesized direct relationship/effect of each independent variable on the dependent variable was presented. Two hypotheses were tested in order to obtain the t-values and p-values. If the data is not normal the t-values would be inflated or deflated which would lead to Type I error. Thus, to get the t-values for the item loadings and the path coefficients, there is need to run the bootstrapping procedure (Ramayah, 2015).

The following five direct hypotheses were developed in order to ascertain their acceptance or rejection in line with the research questions:

H<sub>1</sub>: Social-influence positively influences the students' behavioral intention to use smartphone for academic learning.

H<sub>2</sub>: Facilitating conditions positively influences the students' behavioral intention to use smartphone for academic learning.

The two hypotheses tested were directional (Two-tailed), and the results on table 1, shows that the two IVs (SI and FC) have significant effect on the DV (BI).

Bootstrapping is a procedure whereby a large number of subsamples (Hair *et al.*, 2011) are taken from the original sample with replacement to give bootstrap standard errors, which in turn gives approximate *t*-values for significance testing of the structural path and the bootstrap result approximates the normality of data (Wong, 2013). The reason for this is that the character of PLS-SEM is distribution-free (Hair *et al.*, 2012) as such the standard errors used in the calculation of t-values are calculated from the bootstrapping procedure this is to avoid inflation or deflation of the standard errors due to non-normality.

Statistical t-values that are substantially different from 0 is said to be almost always statistically significant. However, it is largely defending on the degree of freedom, confidence interval and the direction of hypothesis, thus p-value is used to ascertain if the paths are significant (Hair et al., 2014).

So if the t-value is greater than 1.645 (p< 0.05), and if the t-value is greater than 2.33 (p< 0.001) then they are significant for 1-tail test, and if the t-value is greater than 1.96 (p< 0.05) and if the t-value is greater than 2.58 (p< 0.001) then they are significant for 2-tail test (Ramayah, 2015). Based on the result on table 1, two hypotheses (SI -> BI, FC -> BI) were statistically significant.

Table 16: Hypotheses Result

Hypotheses	Relationship	t-Value	<i>p</i> -Value	Decision	
H <sub>1</sub>	Social Influence -> Behavioral Intention	2.554	0.011	Significant	
H <sub>2</sub>	Facilitating Conditions -> Behavioral Intention	3.352	0.001	Significant	

<sup>\*</sup>p<0.001, \*p<0.05

Source: Extracted from Smart PLS output, 2022.

#### DISCUSSION

This study sought to find out the determinants of university students' behavioral intention to use their smartphones for academic learning in ATBU Bauchi. The study consist of two independent variables, (social influence and facilitating conditions) which were drawn from UTAUT model. The first research question states that how does social influence determine the ATBU students' behavioral intention to use smartphone for academic learning. This has been answered through the third hypothesis which states that social-influence positively influences the students' behavioral intention to use smartphone for academic learning. The result of the hypothesis shows that it has a t-value of 2.554, and a p-value of 0.011 which revealed that it is significant at less than 5% (p<0.05). This indicates that social influence is a factor that

determines the ATBU students' behavioral intention to use smartphone for academic learning. This finding is consistent with the results of several recent studies (e.g Jairak et al., 2009; Venkatesh et al., 2012; Zhou & Wang, 2010; Alharbi & Drew, 2014; Bere, 2014). According to this finding it can be concluded that students' desire to engage with using smartphone for academic learning is markedly increased when they are encouraged and advised by individuals who are important to them, people who influence their behavior, their family members and their university friends.

The fourth research question states that to what extent does facilitating conditions influences the ATBU students' behavioral intention to use smartphone for academic learning. The question has been answered through the fourth hypothesis which states that facilitating conditions positively influences the students' behavioral intention to use smartphone for academic learning. The result of the hypothesis shows that it has a *t*-value of 3.352, and a p-value of 0.001 which revealed that it is significant at less than 5% (*p*<0.05). This indicates that facilitating conditions is a factor that determines the ATBU students' behavioral intention to use smartphone for academic learning. he finding is in consistent with the research results of (Chang, Ng, Sim, Yap & Yin 2015; Carlsson, Carlsson, Hyvonen, Puhakainen & Walden 2006; Wu, Tao, & Yang 2008; Raman & Don 2013; Alrawashdeh, Muhairat, & Alqatawnah 2012; Wilson, Mao, & Lankton 2010; Abdulwahab & Zulkhairi 2012; Ugur et al. 2016; Zainol et al. 2017; Jairak et al. 2009; Chaka & Govender 2017).

#### **CONCLUSION AND RECOMMENDATIONS**

The main goal of this study has been to explore factors that influence students' behavioral intentions to use smartphone for academic learning in ATBU Bauchi. The study consisted of two independent variables, (social influence and facilitating conditions) which were drawn from UTAUT model. The results suggested that social influence and facilitating conditions has a positive and significant influence on the students' behavioral intention to use smartphone for academic learning.

#### The study recommends that

- 1. The surrounded environment (e.g. family members, university friends) should emphasize upon the importance of using smartphone for academic learning, motivating the students to incorporate it in their daily lives as smartphone-learning can be used together with traditional modes of learning to increase the learning effectiveness.
- 2. To increase the level of facilitating conditions that could enhance smart phone use for academic learning by university students, the management of universities should continue to work assiduously to provide stable electricity supply and access to fast free wireless internet connectivity within the university campuses and should constantly ensure that IT systems are most of the time compatible with all the generations of smartphones.

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### The Use of ICT Adoption as a Business Strategy to Increase Performance of SMES in Bauchi Local Government

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Abstract: The purpose of the study is to examine determine how Small and Medium Enterprises in Bauchi local government area of Bauchi State, Nigeria adopt Information and Communication Technology (ICT) as a business strategy to increase performance and productivity. The study would assist SMEs by making them ready in a way that they would be able to compete within the business environment, create enabling business environment and enhancing customer support services. Effect of perceived ease of use of ICT and effect of perceived ICT cost of deployment, is critically analysed and study gap is identified. The design used for the study was descriptive survey and the instrument was structured questionnaire. The population of the study was all the 165 registered SMEs of small and medium scale enterprises in bauchi local government area from which the respondents, consisting of 158 were drawn. Mean and standard deviation were used in analyzing the data collected. Five hypotheses tested at 0.05 level of significance were upheld. Findings of the study showed that the ICT perceived ease of use has a significant effect on the SMEs performance, there is a significant relationship between perceived cost of deployment and ICT adoption on the performance of SMEs. The study has implications on SMEs, researchers and government agencies. Based on the findings, recommendations were made which include that management of SMEs should support ICT adoption to increase their profitability, government should subsidize the cost of internet sales to reduce the burden of lack of fund on SMEs,

Keywords: ICT Adoption, Business Strategy, SMEs performance

#### **INTRODUCTION**

Small and Medium Enterprises (SMEs) assume a vital part in the economy of numerous nations and they are fundamental parts for the monetary advancement in Nigeria, an emerging nation in sub-Saharan Africa. Along these lines, issues should be addressed to guarantee measures are set up that would assist in SMEs' development. It is fundamental that Nigerian SMEs pursue the fruitful reception and powerful use of Information and Communication Technology (ICT) which has turned into a vital management device for enormous endeavors just as SMEs. In spite of the expanding capability of technology in all part of lives, there are various Nigerian SMEs that are yet to embrace it due to some unresolved issues militating against them. This thus influences

the economic advancement of the country, as a result of the role plays in economic development. SMEs are a significant wellspring of business, advancement, and commercialization of development and a way to. SMEs are a major source of employment, development, and commercialization of innovation and a means to. In developed nations, for example, the USA and United Kingdom, SMEs represent more than close to 100% (99%) of employers and offer more than 50% to the nation's (GDP). In non-industrial nations, for example, Ghana, SMEs contribute around 70% to the GDP and record for roughly 92% of business (Zafar and Mustafa, 2017).

In the same way as other others, Nigeria's economy depends generally on SMEs which establish around 90% of complete organizations in the manufacturing, business and service areas and contribute hugely to the work of its residents yet offer under 10% to the GDP.

The term ICT is likewise used to refer to the convergence of varying media and telephone networks with computer networks through a solitary cabling or connection framework. There are large economic benefit to merge the telephone network with the computer network system using a single unified system of cabling, signal distribution, and management. ICT is an umbrella term that incorporates any specialized gadget, enveloping radio, TV, PDAs, PC and organization equipment, satellite frameworks, etc, just as the different managements and apparatus with them, for example, video conferencing and distance learning. An audit of ICT reception patterns inside both created and creating economies can assist with working on the comprehension of the difficulties of ICT reception, especially those looked by SME pioneers in non-industrial nations. The adoption and utilization of ICT address an empowering system by which authoritative pioneers work on the efficiency and adequacy of their business processes, just as change existing plans of action (Jones et al., 2014).

Bigger organizations are more beneficial for economic development since they are bound to create innovations than smaller firms (Harness et al., 2018; Rahayu and Day, 2015), while others have argued that SMEs play a more significant job in financial improvement than their bigger companies. Bigger organizations enjoy numerous upper hands over Small firms, for example, more profound degrees of specialization, further developed information in science, capacity to use economies of scale, admittance to less expensive and bigger financial assets, and better danger the board. The benefits that SMEs have over bigger organizations are inborn in their size. SMEs and SME pioneers have more noteworthy flexibility, less management, less hierarchical order to make due, casual authoritative societies that work with better correspondence, and more prominent nearness to showcase; SME pioneers are bound to take on new, inventive thoughts.

Despite the fact that innovation is significant as it extraordinarily affects organizational performance in various ways, individuals are the vital HR whose information and performance are significant for propelling the reason, mission, and procedures of an organization (Schermerhon et al., 2019). To put it plainly, organizational performance can be defined as the aggregate exhibition of individual representatives while individual worker performance is

characterized as "An evaluation of the results of a person's behavior: determining how well or poorly a person has accomplished a task given" and it is observed that inspiration, character and capacity are the significant elements influencing workers' presentation. Furthermore, feelings of anxiety in an organization are viewed as decidedly influencing hierarchical performance on the suitable levels yet when stress begins to build, it prompts a reduction in individual and organizational performance (Balzac, 2017).

SMEs work in a competitive climate, and to exist in the current market, they face bunches of difficulties that diminish their presentation. For example, SMEs face these difficulties, for example, lack of common sense, social issues, financial issues, prizes and remuneration issues, regulatory issues, business technique issues, ecological vulnerability issues, initiative issues, abilities issues, and issues with respect to robotic controls. Performance is an essential mark of any business achievement or disappointment. For example, SMEs that have high performance successful in the market and on the other hand those SMEs that perform not well consider failure in the market. These days, SMEs' performance assuming a critical part for endeavors particularly in which grants unhindered use, circulation, and multiplication in any medium, if you give proper credit to the first creators and the source, give a connection to the Creative Commons permit, and demonstrate on the off chance that changes were made (Rehman, et al., 2019).

Several factors establish SMEs performance, for example, plan of action viability (efficiency), effectiveness, and results. The performance of any SMEs depends in huge part on the level of skill its leaders possess when it comes to implementing strategies. The performance of an organization likewise relies upon its representatives, who are a vital piece of the organization and structure the group that pursues accomplishing the organization's objectives. Virtual groups are set up by pioneers to guarantee accomplishment of a particular objective. Remarkably, research demonstrates that virtual groups can't prevail without viable authority (Pech, 2016). Mental capabilities of the two groups and pioneers are additionally viewed as indispensable for successful organizational performance. SMEs performance measures in term of both quantitative just as subjective term, and it is accomplished by the endeavors of individual worker and offices. Additionally, the accomplishment of organization in view of their exhibition that how well an organization accomplishes its destinations (Randeree and Al Youha, 2019).

In view of the foregoing, this research investigate the extent to which SMEs in Bauchi local government area use ICT adoption as a business strategy in increasing their business performance.

The aim of this study is to examine the use of ICT adoption as a business strategy to increase performance of SMEs in Bauchi local government.

The following research questions guide the study:

- i. How does the perceived ease of use of ICT affect SMEs performance?
- ii. How does the perceived cost of ICT deployment affect SMEs performance?

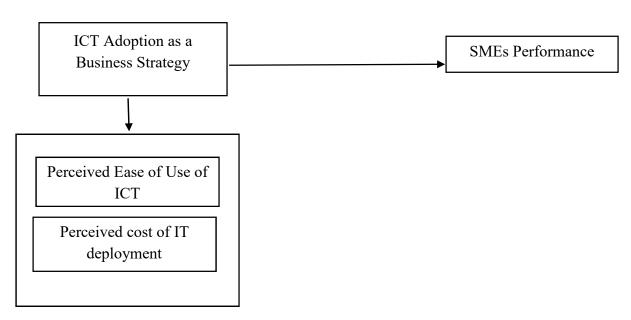


Fig.1 Conceptual framework of the study variables

Source: Author's Desk Research, 2022

#### LITERATURE REVIEW

# Theoretical Foundation Davis' Technology Acceptance Model

The Technology Acceptance Model (TAM) is an expansion of Ajzen and Fishbein's Theory of Reasoned Action (TRA) (Priyanka and Kumar, 2013) which was a hypothesis started by Fred Davis in1986 and from that point forward has gone through a few changes and approval. The point of the hypothesis is to portray factors that decide innovation acknowledgment, data innovation use conduct and to give a closefisted hypothetical logical model (Bertrand and Bouchard, 2018). Ducey (2013), clarifies that the TAM incorporates Perceived Ease of Use and Perceived Usefulness which are the significant determinants of innovation acknowledgment and client conduct.

In this review, TAM would be applied as a structure to clarify the ICT reception techniques of SME pioneers in Bauchi neighborhood government. The TAM specifies the connection between saw helpfulness, saw convenience, demeanor toward PC use, and goal to utilize innovation (Wunnava, 2015; Yeh, 2015). The TAM is a set up hypothetical model used to clarify and anticipate client conduct toward ICT, where seen value is one of two causal predecessors of reception and utilization of new innovation (Abdullah and Ward, 2016; Rahayu and Day, 2017; Toft et al., 2014). The most proper structure for examining the business procedures of SME pioneers toward settling on choices on ICT reception is TAM, which is suitable for investigating the impact of various variables, including society, on the apparent convenience and saw

usability of ICT (Olise et al., 2016). Innovation Acceptance Model has six factors that are characterize at beneath:

External factors: External elements incorporates any elements like organizational elements, social elements, PC frameworks elements, for example, equipment and programming, how to educate and help of others in the utilization of PC frameworks that impacts on the view of the handiness and simplicity of utilizing data innovation. Outside factors offer this understanding that how much the utilization of innovation upgrades the exhibition and how much exertion it requires. As per this model, saw value and convenience is affected by outside factors that impacts on the disposition (Porter and Donthu, 2016).

#### Information and Communication Technology (ICT) Adoption

The implementation of Information and Communication Technology (ICT) in Small-to Medium-Enterprises (SMEs) is indispensable for the financial turn of events, particularly in non-industrial nations (Rahayu and Day, 2017; Yunis, et al., 2017). Heads of SMEs gradually use ICT-based electronic trade to acquire upper hand in the worldwide commercial center (Rahayu and Day, 2017; Tob-Ogu et al., 2018; Zafar and Mustafa, 2017). Notwithstanding the development of ICT-based electronic business inside SMEs in created nations, the pace of ICT reception inside SMEs in non-industrial nations has remained moderately low (Napitupulu, et al., 2018; Rahayu and Day, 2017). The low reception pace of ICT by SME pioneers in non-industrial nations, for example, Nigeria has added to a low pace of monetary advancement in these nations as well as the other way around (Jones et al, 2014; Rahayu and Day, 2017; Tob-Ogu et al., 2018; Zafar and Mustafa, 2017).

The reception and utilization of ICT have assisted organizations with accomplishing development by turning out to be more efficient, compelling, imaginative and all around the world cutthroat (Jones et al., 2014; Rahayu and Day, 2015, 2017; Tarute and Gatautis, 2017). The utilization of ICT empowers SMEs to contend at similar level as their bigger partners in the worldwide market (Agwu and Murray, 2015). ICT reception inside both enormous and independent ventures in created nations has significantly expanded starting around 2015 (Niebel, 2018; Rahayu and Day, 2017). Notwithstanding, the pace of ICT reception inside SMEs in agricultural nations has remained somewhat low and has added to the low pace of financial development in the district (Jones et al., 2014; Napitupulu et al., 2018; Rahayu and Day, 2017). Contrasted with enormous organizations that have observably profited from ICT reception, the pace of ICT reception inside SMEs has remained somewhat low (Agwu and Murray, 2015; Harness et al., 2018; Rahayu and Day, 2017; Tob-Ogu et al., 2018).

#### Perceived Ease of Use on ICT Adoption by SMEs

Davis (1999) contended that perceived ease of use is the extent to which an individual considers that making use of a specific system would be effortless and hassle free; at the end of the day, ease of use means freedom from complexity and trouble. Hence, an application that is seen to be more straightforward to utilize is by and large acknowledged and used by more

individuals. Zhu, Linb and Hsu (2016) add that Perceived Ease of Use connotes how much an individual acknowledges that utilizing specific innovation would be easy and bother free. The framework attributes can assist the usability of innovation and framework use with canning similarly lead to the procurement of Information Literacy ability.

Nanthida (2017) counts specific factors that might impact the convenience of current assets, for example, qualities of data assets, the professional training, specialized hardware and backing.

Coming up next are the elements to think about when assessing Perceived Ease of Use: PC self-adequacy, impression of outer control, web self-viability, PC tension, data nervousness, saw satisfaction and objective, convenience and conduct aim to utilize.

#### Perceived Cost of Deploying ICT on Adoption by SMEs

Surviving research has demonstrated that Cost connected with organization of ICT framework is a component that influences SMEs behaviour of adoption (Ernst and Young, 2014). SMEs are bound to take on ICT frameworks that are seen to have lower monetary inflications that those that do as such, SMEs are more averse to take on ICTs when their underlying organization costs are high (Dixon et al., 2016). Likewise research directed by Poon and Swatman (2019) observed that SMEs frequently have moves in gaining funds to put resources into ICT as they might have really squeezing administrative responsibilities, and don't see the quick need to contribute. Likewise because of the scant idea of capital SMEs might think that it is difficult to legitimize the need to burn through cash on ICT foundation and frameworks (Reynold et al., 2018). Tan and Wu (2018) showed that monetary issues are crucially critical to proprietors and administrators and such issues frequently impact the reception of ICT in SMEs.

#### **Concept of Organizational Performance**

In the present cutthroat business climate, organizations should perform better compared to the adversary firms in any industry. The fundamental errand of an organization's design should serve a climate, which urges individuals to buckle down, and can facilitate their endeavors to guarantee more significant levels of hierarchical performance (George and Jones 2015). Better performance relies upon the general exhibition of the organizations that is straightforwardly connected with HR, as such, representatives. In spite of the fact that innovation is significant as it incredibly affects hierarchical performance in various ways, individuals are the fundamental HR whose information and performance are significant for propelling the reason, mission, and methodologies of an organization (Schermerhon et al., 2019). So, organizational performance can be characterized as the aggregate presentation of individual representatives while individual worker performance is characterized as "an assessment of the consequences of an individual's conduct: deciding the way in which well or ineffectively an individual has achieved an errand given" and it is observed that inspiration, character and capacity are the significant elements influencing workers' exhibition (George and Jones 2015). Also, feelings of anxiety in an organization are viewed as decidedly influencing hierarchical performance on the proper

levels yet when stress begins to expand, it prompts a reduction in individual and organizational performance (Greenberg, 2015).

SMEs performance encompasses three specific areas of outcomes: (1) financial performance (profits, return on assets, return on investment); (2) market performance (sales, market share); and (3) shareholder return Organizational performance involves the recurring activities to establish organizational goals, monitor progress towards the goals, and make adjustments to achieve those goals more effectively and efficiently (Adubasim, Unaamm Akaninyene & Ejo-Orusa, 2018).

#### **Concept of Small and Medium Enterprises (SMEs)**

The idea of SMEs is relative and dynamic (Apulu, 2016). There is no widespread meaning of SMEs that is broadly acknowledged as the definition is dynamic and relies to a great extent upon a nation's level of advancement (Aruwa and Gugong, 2017). Shifting definitions among nations might emerge from contrasts in organizations at various degrees of financial turn of events. For instance, the Department of Business, Enterprise and Regulatory Reform (BERR) (2019) utilizes the accompanying definitions: Micro firm: 0-9 representatives; Small firm: 0-49 workers; Medium firm: 50-249 representatives; and Large firm: north of 250 representatives. In Nigeria, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) characterizes SMEs in view of the accompanying models: a miniature undertaking as a business with under 10 individuals with a yearly turnover of under \\$5,000,000.00, a Small endeavor as a business with 10-49 individuals with a yearly turnover of \\$5 to 49,000.000.00; and a medium venture as a business with 50-199 individuals with a yearly turnover of \\$50 to 499,000.000.00.

This examination embraces the meaning of SMEDAN (2015).

SMEs are an indispensable piece of advancement and development in a powerful economy; accordingly, SMEs play a fundamental part in work creation (Napitupulu et al., 2018; Niebel, 2018; Zafar and Mustafa, 2017). Creating SMEs through business has turned into a famous methodology for making occupations, producing income, taking out destitution, and establishing a climate for financial development inside both created and non-industrial nations just as further developing the worldwide market intensity (Elbeltagi, et al, 2016; Rahayu and Day, 2017; Tob-Oguetal., 2018; Zafar and Mustafa, 2017).

#### Perceived Ease of Use of ICT on SMEs performance

Celik and Yilmaz (2017) also used the Technology Acceptance Model in a study about the acceptance of the Internet for customer's commercial transactions in Turkey. Their findings show that perceived ease of use effects on attitude, attitude effects on intention and intention effects on actual use of the internet for buying. In another study by Seyal and Rahim (2019) in the field of electronic commerce acceptance in small and medium-sized businesses that was conducted in Brunei, the result showed that variable that is perceived ease of use of technology in electronic commerce acceptance by small and medium business were effective in Brunei. Lee and Kim (2019) used technology acceptance models to assess the acceptance of E-commerce

technology. According to the survey results, perceived ease of use, perceived usefulness and shopping pleasure effect on attitude.

Research on factors that contribute to perceived ease of use which is a factor that influences adoption behavior of individuals and organizations in regards to ICT adoption, found that control over the technology, motivation to use and emotion towards the technology are proposed as general building blocks in the formation of perceived ease of use in regards to a new technology (Ajzen & Fishbein, 1980). Hence it was hypothesized that:

There is no significant relationship between perceived ease of usage and ICT adoption on the performance of SMEs.

#### Perceived ICT cost of deployment on SMEs performance

According to Cloete et al.,(2017) finding in a study of SMEs in South Africa they discover that ICT adoption is significantly influenced by lack of access to computer software, other hardware, and telecommunication at a reasonable cost; security concerns and unclear benefits from ICT. A similar study in China by Kunda and Brooks (2018) confirm that limited diffusion of computers, high cost of internet access and a lack of online payment processes are the major factors that directly inhibit ICT adoption by SMEs. Similarly, a survey conducted by Lal (2017) on globalisation and the adoption of ICT in Nigerian SMEs discovers that high cost of ICT infrastructure is a major factor inhibiting ICT diffusion. Arendt (2018) agrees with previous researchers that cost of ICT equipment and networks, software, and re-organisation are barriers to ICT adoption in most SMEs.

Okwuonu, (2018), concludes that poor communications infrastructure leads to limited access and higher costs. Many SMEs operating in Nigeria still experience this, as they still use outdated equipment and state owned monopolies, which often lead to expensive charges and limited coverage, especially in the rural areas. Also due to the scarce nature of capital SMEs may find it hard to justify the need to spend money on ICT infrastructure and systems (Reynold, et al., 2018). Tidd et al. (2018) research also revealed that SMEs challenges in the formation of ICT policies and strategies, due to the lack of expert knowledge and skills brought by specialized staff, which most companies find too costly to engage with. Hence it was hypothesized that

There is no significant relationship between cost of deployment and ICT adoption on the performance of SMEs

#### **METHODOLOGY**

The design used for the study was descriptive survey and the instrument was structured questionnaire. The population of the study was all the 165 registered SMEs of small and medium scale enterprises in Bauchi local government area from which the respondents, consisting of 158 were drawn from the Krejcie, and Morgan (1970) table. The instrument for the data collection was developed using validated items from previous studies and has a

reliability value not less than 0.7 using the Cronbach Alpha. Mean and standard deviation were used in analyzing the data collected. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for Social Sciences version 26.0. The tests were carried out at a 95% confidence interval and a 0.05 level of significance.

#### **RESULTS AND DISCUSSION**

#### Answers to Research Question and Hypotheses Testing

A standard multiple regression was performed between the independent variables: Perceived ease of use and Perceived cost of deployment and the dependent variable as SMEs performance on 0.05 level of significance. The analyses was performed using SPSS regression for evaluation of assumptions confirmed that there was no outliers (an extreme deviation from the mean), the data have good normality and linearity. N = 158.

**Table 1: Hypotheses Results** 

		Unstandardized Coefficients		Standardized Coefficients			Hypothesis Testing
Model		(β)	Std. Error	(Beta)	t	Sig.	
Perceived ease of use		.279	.083	.311	3.376	0.001	Accept
Perceived deployment	cost o	f .178	.087	.191	2.046	0.043	Accept

a. Dependent Variable: SPR1

Table 1 displays the regression between the variables, the standard coefficients show that perceived ease of use  $\beta$  (0.311) and had p-value of (0.001); perceived cost of deployment  $\beta$  (0.191) and a significance value of (0.043). This means that at a significance value of (0.05); perceived ease of use and perceived cost of deployment were significant.

#### **Discussion of Findings**

The result of the hypothesized direct relationship/effect of each independent variable on the dependent variable was presented. Two hypotheses were tested in order to obtain the t-values and p-values.

## There is a significant relationship between perceived ease of use and ICT adoption on the performance of SMEs.

Hypothesis two was formulated to find out whether there is a significant relationship between ICT perceive ease of use and ICT adoption on the SMEs performance. The result of the hypothesis revealed that ICT perceived ease of use has a significant effect on the SMEs performance. This is in line with the findings of Lee and Kim (2019) that shows that ICT perceive ease of use is significant. TAM proposes the perceived ease of use (PEOU) as one of the two most important factors for explicating technology acceptance (Davis 1989).

## There is a significant relationship between perceived cost of deployment and ICT adoption on the performance of SMEs.

Hypothesis three was formulated to find out whether there is a significant relationship between perceived cost of deployment and ICT adoption on the performance of SMEs. The result of the hypothesis revealed that there is a significant relationship between perceived cost of deployment and ICT adoption on the performance of SMEs. This is in line with the findings of Lal (2017) on globalisation and the adoption of ICT in Nigerian SMEs discovers that high cost of ICT infrastructure is a major factor inhibiting ICT diffusion. This means that perceived ICT cost of deployment significantly affects its adoption by SMEs.

According to Vankatesh et al., (2003) there is a significant relationship between perceived cost of deployment and ICT adoption on the performance of SMEs.

#### CONCLUSION AND RECOMMENDATIONS

Based on significant relationship between perceived cost of deployment and SMEs performance, we concludes that perceived cost of deployment can influence the SMEs ICT adoption decision.

Based on insignificant relationship between perceived usefulness and SMEs performance we concludes that perceived ease of use cannot influence the SMEs ICT adoption decision.

The study recommends that:

- i. SMEs in bauchi local government should adopt ICT because it makes their job easier which in turn boost their performance level.
- ii. Perceived cost of deployment should not prevent SMEs from adopting ICT because it boost performance level.

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## Mobile Banking Service Quality and Customer Satisfaction of Deposit Money Banks in Port Harcourt

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Abstract: This study tried investigating mobile banking service quality and customer satisfaction of deposit money banks in Choba, Port Harcourt. And the problem that necessitates this study is the issue of customers' complaint of the long time it takes to do cash transfer at deposit money bank premises within Port Harcourt or automated teller machines (ATM). The study suggests mobile banking as the solution to the problem. Data were drawn from copies of questionnaire distributed to 169 students of the department of nursing, school of basic studies as identified in 2018/2019 admission list. The data collection instruments were validated using Cronbach Alpha Test. Combination of descriptive and inferential statistics tools was employed to analyze data with the aid of SPSS (version 20.1) and spearman rank correlation coefficient and multiple regression were used to test hypotheses. The study revealed that all the dimensions of mobile banking service quality (mobile convenience, accessibility and security) have significant relationships with the measures of customer satisfaction (customer loyalty and word of mouth). Hence, the study recommends that management should ensure their mobile banking process is convenient for the customers to use through making it easy since it has been proven to help improve customer satisfaction, should also make the mobile banking process to be accessible all round through ensuring its sound and running with good networks for customers to use.

Keywords: Customer Complaint, Customer Satisfaction, Mobile Banking, Service Quality

#### 1.1 Introduction

Customer satisfaction is a key objective any bank that wants to survive and stay competitive in this dynamic business environment must try to achieve. Customers today changes their taste and preference more often to attune to the current trends and innovations. And for banks to satisfy their customers in this ever changing business environment have adopted the use of modern digital innovative technologies such as mobile banking. CIO (2018) defined mobile banking as "a service provided by a bank or other financial institution that allows its customers

to conduct financial transactions remotely using a mobile device such as a smart phone or tablet".

Nganga (2017) stated that the disrupting style of technology simply shows that customers does not necessarily have to visit a physical brick and mortar branch of their banks but can have access to the same services they get at the bank premises online or via their mobile phones. This is made possible due to e-banking. Rahman *et al.* (2017) opine that the banking industry of today concentrates on electronic banking technologies in order to offer their customers branchless banking service. E-banking brings about speedy, convenient, and dependable service to the customers (Nupur, 2010). Mobile banking services are the type of digital banking service that became very popular among customers of banks in recent times (Rahman *et al.*, 2017).

Several studies have tried evaluating mobile banking service quality and its impact on customers. Fozia, (2016) conducted an empirical study on "impact of mobile banking on overall customer satisfaction in India using regression analysis found that dimensions of mobile banking i.e. security & privacy in public banks, accessibility and ease of use variables have significant impact on overall customer satisfaction. Also, Amiri *et al.* (2012) conducted an empirical study on mobile banking service quality and customer satisfaction in Iran using Pearson moment correlation coefficient and found out that tangible, reliability, responsiveness and empathy has a significant relationship with customer satisfaction. Ramseook-Munhurrun and Naidoo (2011) examined the potential dimensions of mobile internet banking and its impact on customer satisfaction using factor analysis, paired t-test and regression analysis and found out that reliability-responsiveness and accessibility were important in determining overall customer satisfaction, with accessibility having the most significant impact.

But there exist scarce empirical studies on mobile banking service quality and customer satisfaction of deposit money banks within the context of Choba in Port Harcourt. And this creates a gap which this study will fill when conducted.

#### 1.2 Statement of Problem

The problem of this study is the customers' complaint of the long time it takes to do cash transfer at deposit money bank premises within Port Harcourt or automated teller machines (ATM) which mostly customers have to join long queue when trying to make e-payments or transfer money electronically. This long queues consumes customers ample time and is physically stressful due to the long period of time customers have to stand on the line waiting for their turn either to use the ATM or get serviced at the counter.

Uwaleke (2017) states that "long queues at the Automated Teller Machines have become a common sight especially during festive periods". He also states that recent reports in the media speak of grueling experiences that bank customers went through in a bid to withdraw cash from the ATMs during the Eid el Kabir celebrations (Uwaleke, 2017). This study is pointing towards mobile banking as the solution to this problem so as to satisfy the customers.

#### 1.3 Objectives of The Study

The aim of the study is to discover the impact of mobile banking service quality on customer satisfaction in deposit money banks in Choba, Port Harcourt.

While it's specific objectives includes:

- 1. To investigate the extent mobile convenience affects customer satisfaction in deposit money banks in Choba, Port Harcourt.
- 2. To investigate the extent accessibility influences customer satisfaction in deposit money banks in Choba, Port Harcourt.
- 3. To find out the extent security affects customer satisfaction in deposit money banks in Choba, Port Harcourt.

#### 1.4 Research Questions

- 1. To what extent does mobile convenience affects customer satisfaction in deposit money banks in Choba, Port Harcourt?
- 2. To what extent does accessibility influences customer satisfaction in deposit money banks in Choba, Port Harcourt?
- 3. To what extent does security affects customer satisfaction in deposit money banks in Choba, Port Harcourt?

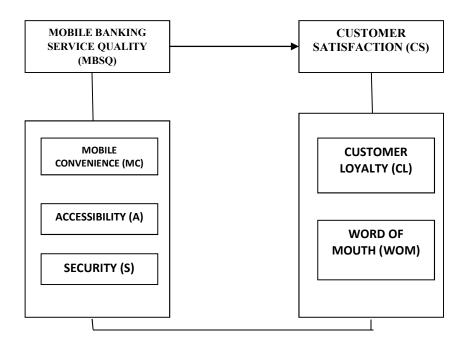
#### 1.5 Research Hypotheses

From the research questions, we formulated the following hypotheses:

- Ho<sub>1</sub>: There is no significance relationship between mobile convenience and customer loyalty in deposit money banks in Choba, Port Harcourt.
- Ho<sub>2</sub>: There is no significance relationship between mobile convenience and word of mouth in deposit money banks in Choba, Port Harcourt.
- Ho₃: There is no significance relationship between accessibility and customer loyalty in deposit money banks in Choba, Port Harcourt.
- Ho<sub>4</sub>: There is no significance relationship between accessibility and word of mouth in deposit money banks in Choba, Port Harcourt.
- Ho₅: There is no significance relationship between security and customer loyalty in deposit money banks in Choba, Port Harcourt.

Ho<sub>6</sub>: There is no significance relationship between security and word of mouth in deposit money banks in Choba, Port Harcourt.

# 1.6 Conceptual Framework for Mobile Banking Service Quality and Customer Satisfaction of Deposit Money Banks in Choba, Port Harcourt



Source: Researcher's conceptualization from review of related literature (2021)

#### 2.0 Literature Review

#### 2.1 Theoretical Review

The theoretical underpinning to this study is the theory of service quality, "popularly known as the *gaps model* which was developed by a group of American authors, A. Parasuraman, Valarie A. Zeithaml and Len Berry, in a systematic research program carried out between 1983 and 1988". The model identifies the principal dimensions (or components) of service quality; proposes a scale for measuring service quality (SERVQUAL) and suggests possible causes of service quality problems. The model's developers originally identified ten dimensions of service quality, but after testing and retesting, some of the dimensions were found to be auto correlated and the total number of dimensions was reduced to five, namely - reliability, assurance, tangibles, empathy and responsiveness. These five dimensions are thought to represent the dimensions of service quality across a range of industries and settings (Zeithaml, *et al.*, 1988).

And this study on mobile banking service quality which is considering the quality in the use of mobile banking is underpinned to the SERVQUAL theory due to its applicability on the immediate dimensions of this work.

# 2.2 Concept of Mobile Banking Service Quality

Mobile banking according to Shilpa and Veena (2018) is "a system that allows customers of mobile financial institution (MFI) to offer banking services of making deposits, withdraw, and to send or receive funds from a mobile account through a mobile device such as a mobile phone or personal digital assistant". CIO (2018) defined mobile banking as "a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device such as a smart phone or tablet". Also, Islam (2015) opine that "mobile banking offers services of banking such as, account information; payments, deposits, withdrawals, and transfers; investments and other content services". Ibrahim *et al.* (2006) defined "mobile banking as an application of mobile accessing which offers the customers with the support required to be able to bank anywhere, anytime using a mobile handheld gadget and a mobile facility such as Short Message Service (SMS)". While Parasuraman *et al.* (1985) defined service quality as "the difference between service expectation and service performance". Lewis and Booms (1983) saw it as "a comparison of perceived expectations (E) of a service with perceived performance (P), giving rise to the equation SQ = P-E".

Shilpa and Veena (2018) argues that "the customers in mobile banking services are increasing day by day due to the security measures taken by the banks and more and more numbers of customers are being drawn to the mobile banking as they have been satisfied due to the measures taken by banks to secure the mobile banking transactions". It is a known fact now that "through mobile banking customers can now add as many beneficiaries in the list as they want for fund transfer etc. and it saves huge amount of time for those kinds of transactions" (Sharma & Gautam, 2017). According to Shilpa and Veena (2018) "mobile phones can be carried everywhere and used by large number of people to complete the financial transactions by sitting at home". Ibrahim et al. (2006) also reasoned in this line of thought when they stated that "banks need to provide services to their customers whenever they require it and wherever they are and we can rather call this facility as anywhere and any moment banking, but it is confined to only information about an individual's account and not the cash services".

Banks need to provide services to their customers whenever they require it and wherever they are. We can rather call this facility as "Anywhere and any moment banking", but it is confined to only information about an individual's account and not the cash services. "In the age of globalization and digitalization mobile banking has shown a way to reach the top of the pyramid in the banking business through its variety of services" (Lalitha balakrishan, 2016). Ibrahim *et al.* (2006) listed the following benefits of mobile banking:

- a) Time saving: As an alternative for allocating time to walk into a bank, you can check account balances, schedule and get payments, transfer money and organize your accounts when you are on the go.
- b) Convenient: The capability to access bank accounts, make payments, and also track investments irrespective of where you are can be a big benefit. Do your banking at any time and place that suits you, instead of waiting in long lines.
- c) Secure: Predominantly, good mobile banking applications have a safety guarantee or send you an SMS verification code you have to input to authorize a payment for additional safety. Mobile banking is supposed to be even more safe than online or internet banking.
- d) Easy access to your finances: With the emergence of mobile banking, you are able to avail your financial information even surpassing the working hours. It helps to access banking facilities even by making a call to the bank.
- e) **Increased efficiency:** Mobile banking operations are functional, efficient, effective and competitive. It even helps in decongesting the banking halls and discards the amount of paperwork for both the banker and the consumer.
- f) **Fraud reduction:** One very real benefit to implementing mobile banking. Consumers are being deputized in real time to check their accounts.
- g) It avails oneself of the mobile networking of telecom operators and therefore does not demand for an internet connection.
- h) You can watch out on your account balance, re-evaluate recent transaction, transfer funds, pay bills, locate ATMs, deposit cheques, handle investments, etc.
- i) Mobile banking is accessible anywhere and anytime by anyone who wishes to, it is easy and convenient and a suitable choice for accessing financial facilities for most mobile phone owners in the rural areas.

# 2.2.1 Dimensions of Mobile Banking Service Quality

Fozia (2016) used security & privacy, accuracy, accessibility and easy to use as dimensions of mobile banking service quality. While Ramseook-Munhurrun and Naidoo (2011) used security, responsiveness, convenience, reliability, satisfaction, accessibility and ease of use. Amiri, Aghdaie and Faghani (2012) used five dimensions of SERVEQUAI to measure mobile banking service quality and these include: tangibles, reliability, responsiveness, assurance and empathy. Rahman *et al.* (2017) listed reliability, responsiveness, assurance, empathy and tangibles as the dimensions of mobile banking service quality.

In this study, we selected convenience, accessibility and security as our dimensions for mobile banking service quality.

# 2.3 Concept of Customer Satisfaction

Customers are the key to any organizations survival and no company can exist without customer patronage. Therefore, Baruk (2008) opine that "a crucial factor of building a long-

term success of the company is ongoing satisfaction of client's needs". According to Gomachab and Maseke (2018), "customer satisfaction is a measure on how the services provided or supplied by an organization meets or exceeds the expectations of a consumer". Farris, Neil, Philip and David (2010) defined it as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals". While Hansemark and Albinson (2004) saw it as "an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some needs, goals or desire".

Gitman, and McDaniel (2005) asserts that "in a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy". This implies that businesses can differentiate themselves based on the rate of satisfaction they give to customers. Customers will likely repatronize any business that offers them the highest satisfaction. That is why Angelova and Zekiri (2011) opine that "satisfied customers form the foundation of any successful business because customer satisfaction leads to repeat purchases, brand loyalty, and positive word of mouth".

#### 2.4 Measures of Customer Satisfaction

Several measures have been used for customer satisfaction. Smith (2014) listed the following as measures of customer satisfaction: survey customers, understand expectations, pinpoint specifics, assess the competition and measuring emotional aspect. Felix (2017) measured customer satisfaction using; customer loyalty and word of mouth.

In this study we measure customer satisfaction with customer loyalty and word of mouth according to Felix (2017).

# 2.4.1 Customer Loyalty

Customer loyalty according to Beyond Phylosophy (n.d.) "is the result of consistently positive emotional experience, physical attribute-based satisfaction and perceived value of an experience, which includes the product or services". Management study guide (2018) defined customer Loyalty as "the measure of success of the supplier in retaining a long term relationship with the customer". Uncles *et al.* (2002) "used the term customer loyalty as opposed to brand loyalty; this is to emphasize that loyalty is a feature of people, rather than something inherent in brands".

Isoraite (2016) states that "loyalty can be treated as a customer desire, willingness to be a regular customer for a long time, buying and using the goods of the chosen companies by

recommending them to friends and colleagues". Hence deposit money bank customer loyalty happens when they are satisfied with the banks services over and over again, then they will stick to that very bank and will not want to defect to competitors.

#### 2.4.2 Word of Mouth

Word of mouth, or viva voce is the passing of information from person to person by oral communication, which could be as simple as telling someone the time of day (<a href="www.thefreedictionary.com">www.thefreedictionary.com</a>). Westbrook (1987 as cited in Chan & Ngai, 2011) described WOM as "all informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services or their sellers". File et al (1992 as cited in Cengiz & Yayla, 2007) define WOM as recommending the firm and the service to others".

Story telling is a common form of word-of-mouth communication where one person tells others a story about a real event or something made up. Khazaei *et al.* (2014: 17) assert that:

"In the past, consumers used to talk to other people when looking for opinions on a particular brand, product or company. This became known as word of mouth (WOM) in the marketing literature. WOM is probably the oldest mechanism by which opinions on products, brands, and services are developed, expressed, and spread".

# 2.5 Empirical Review on mobile Banking Service Quality and Customer Satisfaction

Several empirical works have pointed to the fact that mobile banking service quality which mostly used SERVQUAL constructs has a significant influence on customer satisfaction. Take for instance, Amiri *et al.* (2012) study which evaluates "customer's perception of mobile banking quality in Iran concludes that increase in service quality of the mobile banking can satisfy and develop customer satisfaction that ultimately retains valued customers". The study of Jannat and Ahmed (2015) "revealed that the most influential factors that have an influence on customer satisfaction of mobile banking of second-generation banks includes - security and trust, convenience accuracy of transaction, ease of use, system availability, responsiveness, transaction speed, and cost effectiveness are the most influential factors for customer satisfaction".

Kahandawa and Wijayanayake (2014) conducted an empirical study on "impact of mobile banking services on customer satisfaction: and the study revealed that "mobile banking customer satisfaction is influenced by relative advantage, perception on risk and user lifestyle and current needs of customers. It brings out a positive relationship and highlights the factors which any bank or financial institution should focus on improving mobile banking services". Rahman *et al.* (2017) also conducted a study on "the influence of mobile banking service quality

on customer satisfaction in Bangladesh using Pearson correlation and multiple regression analysis found out that the four variables tangible, reliability, responsiveness, and empathy have significant positive relationship with customer satisfaction". The empirical works evaluated above points to the fact that mobile banking service quality has a positive influence on the satisfaction of customers, hence we will try to individually investigate the impact of our dimensions (mobile convenience, accessibility and security) on customer satisfaction.

#### 2.5.1 Mobile Convenient and Customer Satisfaction

Convenience according to Chang and Polonsky (2012) is the ability to reduce consumers non-monetary costs (i.e. time, energy and effort) when purchasing or using goods and services. Thuy (2011) defined Service convenience "a judgment made by consumers according to their sense of control over the management, utilization and conversion of their time and effort in achieving their goals associated with access to and use of the service". "It has been reported that 52 percent of consumers surveyed want to spend less time shopping in the future (Seiders *et al.*, 2000), thereby highlighting the importance of convenience" (Khazaei, *et al.*, 2014).

Several empirical studies have tried proving the relationship that exists between convenience and customer satisfaction. For instance Kaura (2013) conducted an empirical study on service convenience, customer satisfaction, and customer loyalty: study of Indian commercial banks using structural equation modeling found out that service convenience has a significant impact on customer satisfaction which furthers leads to customer loyalty. Also, Khazaei et al. (2014) conducted an empirical research on "the effect of service convenience on customer satisfaction and behavioral responses in bank industry using structural equation model (SEM) found out that service convenience has a positive effect on customer satisfaction and behavioral responses while customer satisfaction has a positive effect on word of mouth communication "The findings of Dai et al. (2001) also suggest that convenience influences Chinese internet shoppers' levels of satisfaction, which, in turn, influences their loyalty and word-of-mouth intentions". Chang and Polonsk, (2012) empirical studies confirm that "convenience is an important service attribute that influences consumers' evaluation of service encounters and that behavioral intention are important outcomes of consumer satisfaction". Chang et al. (2010) in their own empirical research "reported that in a Taiwanese fast-food context, convenience influences satisfaction and that satisfaction, in turn, influences loyalty". Colwell et al. (2008) conducted an empirical study and found that "all five types of convenience influence satisfaction in the Canadian internet context"

Based on these assertions and findings, we formulate our first set of hypotheses:

Ho₁ There is no relationship between mobile convenience and customer loyalty.

Ho<sub>2</sub> There is no relationship between mobile convenience and word of mouth.

# 2.5.2 Accessibility and Customer Satisfaction

Accessibility of digital banking according to Muluka *et al.* (2015) "has to do with the ease with which customers have access to financial tools, their accounts, ease of making payments from their accounts and access to money available in the accounts using various digital channels namely, online banking facilities, ATMs, POS terminals, mobile banking to mention but a few". Villers (2012) states that "It determines whether customers find the products to be serving their needs when they want it, in a way that makes their banking convenient". Hence the accessibility of mobile banking is that it helps consumers get the services they so desire at the time and place it is needed. Tamin (2000) opines that "accessibility indicators include time, distance and transportation costs".

Several empirical studies pointed to the fact that convenience is a crucial factor that determines customer satisfaction. Muluka *et al.* (2015) conducted an empirical study on "accessibility of digital banking on customer satisfaction: National bank of Kenya using both Pearson moment correlation coefficient and chi-square found out that a significant relationship exists between accessibility of digital banking and customer's satisfaction". Also Jannang and Abdullah (2016) conducted a study on "effect of Servqual and accessibility on customer loyalty through customer satisfaction (study at Ternate Jati land mall) using GSCA (Generalized Structured Component Analysis) and found that service quality and accessibility has a significant effect on customer loyalty through customer satisfaction".

The empirical study of Ernawati and Laksono (2008) show that "health centers accessibility and equity services create fairly high level of satisfaction". Jannang (2010) reinforced these findings by his discovery that "accessibility can enhance customer satisfaction".

Therefore, we develop our next set of hypotheses:

Ho<sub>3</sub> There is no relationship between accessibility and customer loyalty.

Ho<sub>4</sub> There is no relationship between accessibility and word of mouth.

# 2.5.3 Security and Customer Satisfaction

Deposit money banks mobile app security is very vital to customer usage and satisfaction with electronic banking. Park and Kim (2006) "define security as the ability of online shop in controlling and guarding the transaction data". WhatIs.com defined mobile app security as "the extent of protection that mobile device applications (apps) have from malware and the activities of crackers and other criminals". "The term can also refer to various technologies and production practices that minimize the risk of exploits to mobile devices through their apps" (WhatIs.com).

RiverWind Bank (2018) asserts that "mobile banking is safe and secure and all reputable banks and financial institutions use encryption to safeguard and protect your privacy and identity information on mobile apps". And also More, Park and Kim (2006) says that "the security guarantees plays an important role in the establishment of trust to reduce consumer concern about the misuse of personal data and transaction data that can be easily damaged". This

implies that the security aspect of mobile banking app will encourage customers to use the app without fear of losing money and private information when using the app. That is why Safitri (2017) asserts that "when the level of security can be accepted is when it meets the expectations of consumers, then consumers may be willing to open their personal information and will buy with a secure feeling".

Empirical works have proven the importance of security towards customer satisfaction. Safitri (2017) conducted an empirical study on "security and ease of use effect on customers' satisfaction shopping in Tokopedia using Structural Equation Model (SEM) found out that security has a positive and significant effect on the customer satisfaction". Asfour and Haddad (2014) also conducted an empirical study on "the impact of mobile banking on enhancing customers' e-satisfaction of Jordanian banks using simple regression and found that significant relationship exists between security and e-satisfaction of customers". Maseke (2018) carried out an empirical study on "the impact of mobile banking on customer satisfaction of Commercial banks of Namibia, using descriptive statistics; this included mean, mode, standard deviation, frequency and found a significant relationship between security and customer satisfaction." Devalage and Kulathunga (2019) conducted an empirical study on "work factors affecting online customer satisfaction: the Sri Lankan perspective, using multiple regression analysis and found that security perception were significantly associated with online customer satisfaction".

Therefore, we develop our next set of hypotheses:

Ho<sub>5</sub> There is no relationship between security and customer loyalty.

Ho<sub>6</sub> There is no relationship between security and word of mouth.

# 3.0 Research Methodology

The philosophical stand for this study is that of objectivist view point since the research adopted a quantitative method of Nomothetic approach. The target population comprised of 294 Uniport students of the department of nursing, school of basic studies as identified in 2018/2019 admission list (Source: <a href="https://www.uniport.edu.ng/news/latestnews/1283-school-of-basic-studies-2018-2019-admission-list.html">https://www.uniport.edu.ng/news/latestnews/1283-school-of-basic-studies-2018-2019-admission-list.html</a>). A sample of 169 was generated from the population of 294 using Taro Yamen formula. And the sample of 169 was actually selected from the 294 using simple random sampling which is a probability sampling techniques. Both primary and secondary data collection method was used in the study, and the main research instrument which is the copies of questionnaire was validated via an expert checking. While Cronbach's Alpha technique was used to check for its reliability. The reliability coefficients of our constructs were above 0.70 benchmark recommended by Nunnally (1978).

**Table 3.1 Reliability Statistics** 

S/N	Construct	No of items	Cronbach's Alpha
1.	Mobile Convenience	3	0.986
2.	Accessibility	3	0.926
3.	Security	3	0.955
4.	Customer loyalty	3	0.887
5.	Word of mouth	3	0.948

Source: SPSS Result

# 4.0 Analyses of Data

The statistical tool used to analyze the earlier stated hypotheses is Spearman's Rank Correlation Coefficient which was employed to test if a relationship exists between the predictor and criterion variables. These were transferred to SPSS spread sheet for easy, clear and timely computation.

# 4.1 Questionnaire Distribution and Retrieval

**Table 4.1: Questionnaire Administration and Responses** 

	Number Involved	Percentage (%)
Distribution	169	100
Useful Copies Returned	140	82.8%
Discarded Reponses	23	13.6%
Lost in Transit	6	3.6%

Source: Field Survey, 2021.

The table 4.1 above shows that 169 copies of the questionnaire were distributed amongst students of the department of nursing, school of basic studies as identified in 2018/2019 admission list. Out of the 169 copies of questionnaire administered, only 140 copies returned were considered useful. This accounted for 82.8% responses rate. Due to obvious mistakes and incomplete responses, 23 copies accounting for 13.6% were dropped, while 6 copies representing 3.6% could not be retrieved due to misplacement and other reasons given by the respondents. Therefore, the total response rate that formed the basis of our analysis was 140 representing 82.8%.

#### 4.2 Test of Hypotheses

The hypotheses earlier stated in chapter one was tested in this section. Two – tailed test was used and the significant level was 0.01.

#### **Decision Rule**

The decision rule was that the null  $(H_0)$  should be rejected if p-value < 0.01 for 2 – tailed test and conclude that there is a significant relationship between the two variables involved.

#### **Test of Hypothesis 1**

Ho<sub>1</sub>: There is no significance relationship between mobile convenience and customer loyalty in deposit money banks in Choba, Port Harcourt

Ha<sub>1</sub>: There is a significance relationship between mobile convenience and customer loyalty in deposit money banks in Choba, Port Harcourt

Table 4.2: Correlation Analysis on Mobile Convenience and Customer Loyalty

,	Variables 1	Statistics	Mobile Convenience (MC)	Customer Loyalty (CL)
	Mobile Convenience	Correlation Coefficient	1.000	.831**
	(MC)	Sig. (2-tailed)		.000
Spearman's rho				
	Customer Loyalty (CL)	Correlation Coefficient	.831**	1.000
		Sig. (2-tailed)	.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output (based on 2021 Field Survey Data)

Table 4.2 above explains the outcome of the correlation analysis, which the spearman's rank correlation coefficient is estimated as 0.831\*\*. This proves that a significant positive relationship exists between mobile convenience and customer loyalty. Since the p-value (0.000) < 0.01, we reject the null hypothesis while accepting its alternative and conclude that a significant relationship exists between the two variables.

b. Listwise N = 140

#### **Test of Hypothesis 2**

Ho<sub>2</sub>: There is no significance relationship between mobile convenience and word of mouth in deposit money banks in Choba, Port Harcourt.

Ha<sub>2</sub>: There is a significance relationship between mobile convenience and word of mouth in deposit money banks in Choba, Port Harcourt.

Table 4.3: Correlation Analysis on Mobile Convenience and Word of Mouth

,	Variables 1	Statistics	Mobile Convenience (MC)	Word of Mouth (WOM)
	Mobile Convenience	Correlation Coefficient	1.000	.864**
	(MC)	Sig. (2-tailed)		.000
Spearman's rho				
	Word of Mouth (WOM)	Correlation Coefficient	.864**	1.000
		Sig. (2-tailed)	.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N = 140

Source: SPSS Output (based on 2019 Field Survey Data)

Table 4.3 above indicates that the correlation coefficient (r) is 0.864. This shows that a very strong relationship exists between mobile convenience and word of mouth. Again, the sign of (r) value is positive, indicating a direct link between the variables. Since the probability value (p-value) = 0.000 < 0.01, we conclude that a significant positive relationship exists between mobile convenience and word of mouth.

#### **Test of Hypothesis 3**

Ho<sub>3</sub>: There is no significance relationship between accessibility and customer loyalty in deposit money banks in Choba, Port Harcourt.

Ha<sub>3</sub>: There is a significance relationship between accessibility and customer loyalty in deposit money banks in Choba, Port Harcourt.

Table 4.4: Correlation Analysis on Accessibility and Customer Loyalty

٧	/ariables 1	Statistics	Accessibility (A)	Customer Loyalty (CL)
	Accessibility	Correlation Coefficient	1.000	.800**
	(A)	Sig. (2-tailed)		.000
pearman's				
	Customer Loyalty (CL)	Correlation Coefficient	.800**	1.000
		Sig. (2-tailed)	.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

#### Source: SPSS Output (based on 2019 Field Survey Data)

Based on the result of the table above which shows a correlation coefficient (r) value is 0.800, we conclude that a strong relationship exists between accessibility and customer loyalty. The positive sign of the (r) value indicates a positive relationship. Again, the p-value (0.00) < 0.01 meaning that the relationship between accessibility and customer loyalty is statistically significant.

# **Test of Hypothesis 4**

Ho<sub>4</sub>: There is no significance relationship between accessibility and word of mouth in deposit money banks in Choba, Port Harcourt.

Ha<sub>4</sub>: There is a significance relationship between accessibility and word of mouth in deposit money banks in Choba, Port Harcourt.

Table 4.5: Correlation Analysis on Accessibility and word of mouth

\	/ariables 1	Statistics	Accessibility (A)	Word of Mouth (WOM)
	Accessibility	Correlation Coefficient	1.000	.810**
	(A)	Sig. (2-tailed)		.000
Spearman's rho	Word of Mouth (V	VOM) Correlation Coefficient	.810**	1.000
	·	Sig. (2-tailed)	.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N = 140

b. Listwise N = 140

Source: SPSS Output (based on 2019 Field Survey Data)

Also, Table 4.5 above shows that the correlation coefficient (r) is 0.81. This implies that there is a very strong relationship between accessibility and word of mouth. The sign of the estimated value of (r) is positive while the p-value is 0.000 < 0.01. Therefore, we reject the null hypothesis and conclude that there is a significant positive relationship between accessibility and word of mouth.

# **Test of Hypothesis 5**

Ho<sub>5</sub>: There is no significance relationship between security and customer loyalty in deposit money banks in Choba, Port Harcourt.

Ha<sub>5</sub>: There is a significance relationship between security and customer loyalty in deposit money banks in Choba, Port Harcourt.

**Table 4.6: Correlation on Security and Customer Loyalty** 

V	'ariables 1	Statistics	Security (S)	Customer Loyalty (CL)
	Security (S)	Correlation Coefficient	1.000	.758**
		Sig. (2-tailed)		.000
pearman's ho				
10	Customer Loyalty (CL)	Correlation Coefficient	.758**	1.000
		Sig. (2-tailed)	.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output (based on 2019 Field Survey Data)

As revealed in table 4.10 above, the estimated value of the coefficient of correlation is 0.758. This indicates a strong positive relationship between security and customer loyalty. The p-value of 0.000 < 0.01, further proves that the said relationship is significant thereby supporting the rejection of the null hypothesis and concluding that there is a statistical significant relationship between security and customer loyalty.

#### **Test of Hypothesis 6**

Ho<sub>6</sub>: There is no significance relationship between security and word of mouth in deposit money banks in Choba, Port Harcourt.

b. Listwise N = 140

Ha<sub>6</sub>: There is a significance relationship between security and word of mouth in deposit money banks in Choba, Port Harcourt.

Table 4.7: Correlation Analysis on Security and Word of Mouth

V	'ariables 1	Statistics	Security (S)	Word of Mouth (WOM)
	Security (S)	Correlation Coefficient	1.000	.876**
		Sig. (2-tailed)		.000
Spearman's rho	Word of Mouth (	WOM) Correlation Coefficient	.876**	1,000
	Word of Wouth	wow) correlation coefficient	.870	1.000
		Sig. (2-tailed)	.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output (based on 2019 Field Survey Data)

The correlation analysis as shown in table 4.11 above indicates that the correlation coefficient (r) = 0.876. This implies that a moderate relationship exists between security and word of mouth. The direction of the relationship as indicated by the sign of the correlation coefficient is positive, suggesting that the more security the mobile banking process has, the more customers will tell their friends about it through word of mouth. Also, the probability value (p-value) = 0.000 < 0.01, therefore, we conclude that there is a significant relationship between security and word of mouth.

#### 4.3 Discussion of Findings

The focus of this section is to discuss the findings obtained from the study in comparison with findings of similar studies by other scholars.

#### 4.3.1 Mobile Convenience

The study found that mobile convenience has significant positive relationship with the measures of customer satisfaction (Customer Loyalty and Word of mouth). This finding was realized from the test of hypotheses  $H_{o1}$ ,  $H_{o2}$ . The test of  $H_{o1}$  had r = 0.831, p-value< 0.01, hence we proposed that the more mobile banking process is convenient with customers use, the more loyal customers will to the deposit money bank.

Test of  $H_{o2}$  had r = 0.864, p-value< 0.01 which reveals that mobile convenience results in a significant positive correlation coefficient and indicates that increase in mobile convenience will bring about an increase in word of mouth.

b. Listwise N = 140

These findings are in line with that of several authors which include Kaura (2013) who found out from his empirical study that service convenience has a significant impact on customer satisfaction which furthers leads to customer loyalty. Also, Khazaei et al. (2014) discovered that service convenience has a positive effect on customer satisfaction and behavioral responses while customer satisfaction has a positive effect on word of mouth communication. Salam and King (2001) findings also suggest that "convenience influences Chinese internet shoppers' levels of satisfaction, which, in turn, influences their loyalty and word-of-mouth intentions".

# 4.3.2 Accessibility

Accessibility was found to have a significant positive relationship with the measures of Customer Satisfaction (Customer Loyalty and Word of Mouth).

In  $H_{03}$ , r=0.800, p-value < 0.01 indicating that accessibility attracted significant positive correlation coefficient and also strong positive relationship exists between accessibility and customer loyalty. In terms of  $H_{04}$ , the result shows that accessibility also attracts significant positive relationship as indicated by significant correlation coefficient (0.810, p-value < 0.01). Therefore, increase in accessibility commands an increase in word of mouth by customers.

From the above, it is evident that accessibility has a significant positive relationship with Customer satisfaction in terms of customer loyalty and word of mouth. This implies that accessibility of mobile banking enables deposit money banks generate customer satisfaction. This finding agrees with the submission of Muluka, Kidombo, Munyolo and Oteki (2015) who found that "a significant relationship exists between accessibility of digital banking and customer's satisfaction". Also Jannang and Abdullah (2016) found out that "accessibility has a significant effect on customer loyalty through customer satisfaction".

#### 4.3.3 Security

Security was found to have a significant relationship with the measures of customer satisfaction. This claims resulted from the findings of the statistical test of hypotheses  $H_{05}$ , and  $H_{06}$ . In testing  $H_{05}$ , security attracted significant positive correlation coefficient (0.758, p-value < 0.01) implying strong positive relationship between security and customer loyalty. In terms of  $H_{06}$ , the result shows that security also attract significant positive relationship as indicated by significant correlation coefficient (0.876, p-value < 0.01). Hence, increase in mobile banking security commands an increase in word of mouth by the customers who tells their friends and relative about how safe it is to use the mobile banking.

Our findings are in agreement with popular views in literature. Safitri (2017) found out that security has a positive and significant effect on the customer satisfaction. Also in Maseke (2018) finding proves that a significant relationship between security and customer satisfaction.

Kulathunga (2019) empirical study discovered that "security perception were significantly associated with online customer satisfaction."

# 5.0 Conclusion, Recommendations and Contribution

From our discussion of finding, we conclude that mobile banking service quality has significant positive impact on customers' satisfaction in deposit money banks in Choba, Port Harcourt. .

The study therefore recommends that deposit money bank management should ensure their mobile banking process is convenient for the customers to use through making it easy since it has been proven to help improve customer satisfaction. Secondly, management should also make the mobile banking process to be accessible all round through ensuring its sound and running with good networks for customers to use. Lastly, management should often do routine maintenance on their mobile banking applications and processes to ensure it's free from loop holes that will allow hackers to hack customers account and banking details.

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# Marketing Communication Tools and Brand Identity of Some Fast Moving Consumer Goods (FMCG) in Nigeria

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Abstract: This study was conducted to identify the creative influences of marketing communication tools on consumer brand identity for some fast moving consumer goods in Nigeria. Explorative method was used in addition to relevant marketing literature (journals, online materials, text books). The following findings were made: that Fast Moving Consumer Goods (FMCG) through the communication media does not only communicate brand core attributes but also transmit to the audience some human behavioral traits of brands. Most media brand messages carry metaphoric influence that is, meaning one thing and with several latent impact. Also, media brand content is meant to induce some form of favorable behavior from consumer in favor of brand and its owners. The implication of this is that brand users display latent behavioral attributes of brands. This is as a result of the emotional attachment to brand due to media influence. The study recommended that producers and media expert should link brand quality to human personalities which brands tend to portray. social identity theory, The likelihood elaboration model was also explored.

**Keywords**: Marketing communication, brand identity, consumer brand lifestyle

#### **INTRODUCTION**

#### 1.1 BACKGROUND TO THE STUDY

One of the incontrovertible things about the concept of communication is its derivation. It originated from the Latin word 'communis meaning commonness.

In essence, to communicate is to make common between ones idea and the other (recipient) action Anyanwu (1999). Ruesch identified over forty approaches to the definition of communication. Richard in topical encyclopedia 1928, gave one of the first definitions of communication thus (Britannica, 1981) "communication takes place when one mind so acts upon its environment that another mind is influenced, and in that other, an experience occurs which is like the experience in the first mind, and is caused in part by that experience. Sigband

(1976) defined it as "the transmission and reception of ideas, feelings and attitudes. Verbally and, or non-verbally which produces a response.

Chester Barnard, taking a managerial stand, defined communication as the means by which people are linked together in an organization to achieve a common purpose. Our emphasis will be on the marketing oriented form of communication and brand identity. Marketing communication is an element of the marketing mix. Precisely, marketing communication consists of such elements as advertising, personal selling, sales promotion, publicity, public relations, direct marketing, online marketing etc. These elements are used to promote the activities of a marketing firm whose business is to convey a commercial message about a product, a service, an organization or an idea with respect to its price, and distribution.

Mostly importantly, the organization may have to position its product or service to the target market in such a way that will stimulate its demand. Most consumers see products in different perspective depending on the kind of promotional messages they carry. The process of using these communication tools to appeal to varied levels of the markets or consumers and the way they associate each product bring to bear the concept of brand identity. Brand identity is a widely used concept with a number of variations. David Aaker (1996) sees it as a set of association that the brand strategist seeks to create or maintain in contrast to brand image. Brand identity is inspirational, in a fundamental sense, it represent what the organization wants the brand to stand for. Most fast moving consumers goods in Nigeria appeal differently to different class of users. The producers and the marketing agents tailor their promotional messages to target each customer according to their peculiarities.

#### 1.2 STATEMENT OF PROBLEM

Since most consumers falls into different demographic segments or social class, perception about producers of fast moving consumer products with their associated promotional messages differs. It is a common place truth that people can produce the right quality of goods, the right quantity etc but lack the right promotional message to reach their respective target customer group base on customers demographic variations. In recent times, consumers have become dynamic in their choices to buy consumers goods. They listen to advertising messages that appeal to them in terms of promoting their personality, association, cultural affinity, relationship etc. Before they can be aroused to buy.

This incidence has affected the sales of producers of fast moving consumers goods who have not factored out these behavioural changes. There have been stiff competition, arising from this and it has resulted to brand switching or defection despite huge expenditure on promotion. Reiched (1990) opined that brand switching or defection account for over 25 percent of the net present value to the receiving companies and 85 percentage loss of revenue to the other companies. In recent times, consumers (actual and potential) do not buy products whose promotional message do not have identity with a personality, culture, reflection etc.

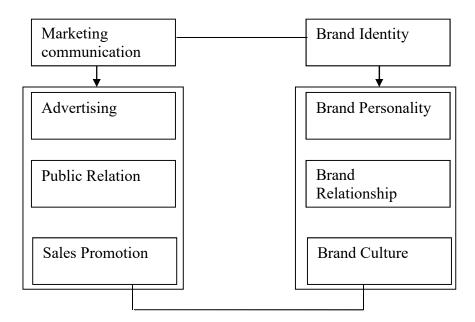
they view the purchase of products as equally associating themselves with the above social attributes. A good example is the sporting items.

#### 1.3 AIM AND OBJECTIVES OF THE STUDY

The aims or objective of this study is to examine the role of marketing communication tools and brand identity of some fast moving consumers' goods in Nigeria. The following are the specific objectives of this study:

- How does advertising as a tool influence brand identity creation.
- How does public relation activities influence customer brand relationship.
- How does sales promotional tactics influence brand culture

# 1.4 CONCEPTUAL FRAMEWORK OF MARKETING COMMUNICATION TOOLS AND BRAND IDENTITY OF SOME FAST MOVING CONSUMERS PRODUCTS IN NIGERIA



**Source: Prasanna and Punnyamorthy (2007)** 

# 1.5 IMPLICATION OF THE STUDY

The findings of this study will give stakeholders like media practitioners an overview on the characteristics of various market segments with respect to the kind of communication tools to apply.

The findings will also add to the plethora of literature on marketing communication and how to associate a group with product peculiarities. Psychologist will also benefit from this

because of the inclusion of communication to indentify behavioural tendencies of consumers about what they feel about a brand when they fall into a group.

Finally, the study will be of immense benefit to the general public in knowing the influence of a message to a consumer.

#### **REVIEW OF RELATED LITERATURE**

#### 2.1 CONCEPTUAL REVIEW

Over the years promotion was the term which assumed various meaning with its Latin connotation as "to move forward". Just recently, the meaning was narrowed than to communication. This rebirth from promotion to communication as an activity undertaken to persuade others to accept ideas, concepts or things is a major item in programme of marketing effort (Worha, 2000).

Marketing communication is a fundamental and complex part of a company's marketing which include all messages and media institutions deployed to communicate to its markets and with the expectation of a favourable action or response. It is also a strategy used by a company or individual to reach their target market. It is an essential component of marketing mix. According to business dictionary, marketing communication are coordinated promotional messages delivered through one or more channels such as print, radio, television, direct mail, sales promotion, public relation etc to influence, persuade, arouse a group, a public or potential users of a company's offering. These coordinated approaches are aimed at inducing commercially significant responses from the target audience. Although, the process of passing these business oriented messages may suffered some encumbrances. One major barrier to this is noise, clutter consumer apathy, brand parity and poor innovative ideas. Noise is an interruption in sensory stimulus that often divert the attention of consumers from receiving messages. Clutter is the high number and concentration of advertisement, presented to a consumer at any time hence, there is a point to which he can take in and processed. Anyanwu (1999) affirmed that noise has the capacity of affecting marketers message at any point in time while consumer apathy is the attitude of consumers in avoiding promotional messages. This attitude erodes relevant marketing stimuli, pertinent to take purchase decisions. Some of them may not know current brands or product existing. A way to avert this apathy is through the creation of incentives, loyalty awards, and competitive pricing.

Brand parity exists when there is a major difference between one company product and the other, no separate value preposition. Brand preference or association does not count rather price consideration. One important objective of marketing communication is to develop a strong brand identity that allows a brand to be position separately from its competitors.

Marketing communication begins with a process which ascertains where the investment is carried out. The process begins at the strategic development stage. This is done by developing a concept or program. That is, you decide what will fall into your message having

done that, you are expected to track responses of your consumers. These responses are documented and will be analyzed by the executives. Many small-business owners sum up their marketing communication activities together but knowing the major six types of marketing communication will help any organization in their selling effort.

**Advertising:** This is most common form of marketing communications to sponsor a company's product. In today's competitive environment, media platform are numerous Okpara, G et al (1999). It is a paid form of non-personal presentation by an identified sponsor. E.g running advert on TV or radio station, newspapers, outdoor media such as bill boards or vehicles or placing banner. Retail adverts, trying to generate sales, while image advertising reinforces brand message.

One major tool business entities use in creating image for their product is advertising. It is the most reliable strategy companies deploy to attain their targets and operate the business successfully (Brassington & Pettitt, 2000).

Orji (2003) opined that advertising involves all activities (religious, business, social or cultural) that educates, inform or persuade the audience about the existence and usefulness of a good or service by an identified sponsor. One basic fact to know is that the main purpose of advertising is to pass product oriented messages with the aim of inducing positive reaction. This message is paid by a sponsor and the advertiser does not speak or act on his behalf. He represents a principal. Abedin & Ferdous (2015) affirmed that advertising helps companies whose products or services are targeted at mass consumer market. The basis for advertising is to create awareness, remind, persuade and provide information about a brand. The message may be found in such media like television, outdoor advertisement such as road shows, bill boards, radio jingles, newspapers, online/internet. One basic way of measuring consumers perceptions is through advertising.

In the light of the foregoing, advertising messages are usually meant to target a group of consumers both actual and potential ones, when messages are targeted at actual users, it assumed that the idea is to restrict the spirit of defection and create an impressive mind set to users that they are still on the right track. When the same message goes to the potential users, it creates an idea that the sponsors are still active to satisfy their needs when patronage is obtained. Advertising message can also be directed to trade middlemen. Most sponsors use these avenues to communicate their incentive plan to them through various media. Advertising media are vehicles by which advertisers convey their messages to target groups (Wright et al 1977). The media can be either print or electronic in nature. Media owners are service or manufacturing agents who desire to fulfill audience need for information, education, entertainment about a product. Advertising media is actually seen as a link between the marketing organizations and the various markets either consumers or industrial. However, for the expansion in the definition of the subject "advertising" it is a paid form of a commercial news, ideas or information about a company's product by an identified sponsor to create a favourable actions that will stimulate need for a product or energize the continuous use

(Ohochukwu, 2019). Advertising messages expressly communicate the central intention of the sponsor which is primary to elicit purchase from the target audience. Although, advertising tend to be far from reality. Most of the advert messages about some products do not have direct bearing. Consumers hear different messages but in product performance variation exist.

#### **Public Relations**

Kottler and Armstrong (2012) opined that public relations and publicity facilitate the building of good relationship with a company's various publics by obtaining favourable publicity, building up a good corporate image, and handling or heading off unfavourable rumours, stories, and events relating to such an organization. This is usually achieved through dialogue and consensus. Public relations promote mutual understanding, peaceful co-existence between various publics and an organization. Public relations mirrors out an organizations credible image.

Orji (2003) noted that public relations is an indispensable tool in maintaining good relationship between an organization and its public. This can be deliberate plan of action to improve and maintain mutual understanding with the aim of conversing for patronages from a target group. This is achieved through such events like press releases, newsletters, blogs, social media. From real perspective, public relation is all about a sustained image about an organization. This image ought to be favourable to the organization and evaluated by various publics who are in constant dealings with the respective firm.

Offonry, (1985) defined public relations as the business of creating and maintaining public understanding and support through effective communication, a continuing and constructive interchange between those who are affected by or interested in a function which attempts to create good will for an organization and its products including services with group of people which can affect its present or future welfare. Public relations follows a system which requires a two-way communication since it emphasizes a mutual understanding between concerned parties.

Black (1989) opined that public relation is the art and science of achieving harmony with the environment through mutual understanding based on truth and full information. Nwosu (1996) through his definition identified clearly the management orientation of modern public relations practice, as well as the current emphasis on the practice of effective organizational or management performance, research, planning and communication as the way to success in modern public relation management. Idemili (1990) identified four basic characteristics of public relations as:

- A social philosophy and function of management
- It under studies and evaluates public attitudes
- Identifying the policies and procedures of the organization with public interest
- Execution of programme of action to earn public understanding and acceptance.

Public relations efforts may include institutional advertising, publicity and personal appearance to enhance a firms image.

Nwosu (1996) divided the functions of public relations as follows:

- 1. Information and communication function
- 2. Advisory or counseling function
- 3. Corporate strategy and policy formulation, corporate image-building and sustenance
- 4. Event marketing function
- 5. Protocol function
- 6. Community relations function
- 7. Employees relation function
- 8. Marketing support function
- 9. Financial relations function
- 10. International public relation function etc.

These functions are usually performed irrespective of the size of the firm. However, from the above definition one can define public relation as planned and conscious programme of actions to be timely executed with the intention of building confidence in the minds of target markets which will result in favourable responses about an organization with its offerings (Ohochukwu, 2019). All public relation approaches are planned actions and these actions are usually executed within a time frame because management anticipates its responses to be rewarding for image making. The very essence for this mutual communication is to tamper with the minds sets of various publics for a favourable outcome.

#### **Sales Promotion**

Most times, companies sponsor public shows. Sales promotion is a non-current selling effort, undertaking to stimulate demand for a product or service. It is also a variety of tactical ways by a sponsor which is non-selling effort to stimulate the demand for a product. Keller (1980) opined that sales promotion is a wide variety of tactical promotional tools of a short-term nature, designed to stimulate earlier and/or stronger target market response.

Etzel et al (1997) defines sales promotion as demand stimulating devices designed to supplement advertising and facilitate personal selling. This can be inform of coupons, loss leaders, point of purchase of displays, premiums, prizes, product samples etc Orji (2003). Companies use this tactics to persuade potential customers to make a trail.

Blythe (2006) view sales promotion as any activity intended to generate a temporary boost in sales which included several communications activities pursued in an attempt to provide added value or incentives to consumers, wholesalers, retailers, or other organizational customers.

Gazie et al (1999) affirmed that even non-business organization executes sales promotion in form of raffle draws, crusades, rallies etc. Didia (2000 in Stanley 1982) identified several objectives for sales promotion to include:

- Identification and attraction of new customer
- Introduction of new product
- Increasing the total number of users for an established brand
- Encouraging greater usage by current customers
- Educating consumers on product improvement
- Bringing more customers into retail stores
- Stabilizing fluctuating sales pattern
- Increasing resellers inventories
- Combating or offsetting competitive marketing effort
- Obtaining more and better shelf space and displays

However, sales promotion from my own perspective have to do with all tactical measures by an organization to stimulate demand from potential and actual users in a social arena

The fact remains that expositions, demonstration and other non-current selling efforts deployed in sales promotion are all tactical means of stimulating demand for a product. All of these are done through the media or social arena.

Other marketing communication tools are:

**Direct Marketing:** This is a form advertising where organization communicate directly to customers through a variety of media including cell phone text messaging, email, websites, online adverts, data marketing, fliers, catalogue distribution, promotional letters and targeted television, newspapers and magazines. It is includes various media activities used to generate a series of communications and responses with an existing or potential customer (Ful, 2009).

**Personal Selling:** This is a face to face interaction with one or more prospective purchasers for the purpose of making presentations answering questions, and procuring orders (Kottler & Keller, 2012); it creates the single most important link with the customer (Jobber & Lancaster, 2009).

**Publicity:** When awareness is created through a mass media about an organization and its offerings then publicity function has been undertaking, usually this is not paid for by the organization. Bush and Houston (1985) opined that it is any message concerning an organization appearing in mass media as an item of news, for which organization does not pay for and is not general considered to be source. It is designed to attract public interest. In this digital age, there are two major types of publicity, offline and online publicity. Offline publicity include print media (magazines, journals, newsletters, post cards, bill, fliers) television, radio, bill boards etc. Online publicity is done through the internet.

**Internet Marketing:** This refers to advertising and marketing effort that use the web and email to drive direct sales via electronic commerce, in addition to sales leads. Internet marketing is broken down into more specialized pattern such as web marketing, email marketing, social media marketing, search engine optimization.

#### **Brand Identity**

Brand identity as a concept is significant in creating a brand or its equity. Aaker and Joachimsthaler (2002) posited that brand identity is a "set of brand associations that the brand strategist aspires to create or maintain.

Brand identity becomes a wider scope because it becomes more than a symbol, graphical and visual attributes that are traceable to a brand and its owners. Brand identity literarily may mean an internal construct which indicates the direction of management thought of what a brand should be. It is an inward point of view expressed externally by consumers and other critical stakeholders. It is understood that brand identity, brand image and brand positioning frequently overlap. (Silveira et al 2013). Brand identity creates an image in the mind of consumers and also dictates terms on what and how the brand or its owners be positioned

In social context, consumer identifies a brand with certain economic, social, cultural, psychological variables. Promotional influences exert these variables in the mind of consumers with the aim of obtaining a favourable outcome.

# **Brand Personality**

Advancement in media technology has open several new channels of communication for business institutions to develop closer relationship between their brands and the target market. This has resulted in strong personality which is capable of inspiring trust, advocacy and a consistent involvement. Listening to message about brand creates a personal relationship.

This relationship makes consumers to ascribe certain personality traits to brand. There are brands that differentiate themselves with outstanding personalities. Brand personality is summarily the association of certain traits to a brand.

Monga and Lau-Gesk, (2007) identified five different ways consumers perceive brands. These five orthogonal personality measures are sincerity, competence, excitement, sophistication and ruggedness. It is worthy to note that a brand can still have multiple dimensional facets in terms of personality. Brand personality is a major component of brand image, in addition to the product physical attributes and benefits (Diamantopoulos et al 2005). Brand personality is difficult to mimic than the tangible product attributes, it becomes advantageous to business practitioners. Aaker (1997) identified five dimensions of brand personality. Sincerity (down to-earth, honest, wholesome and cheerful), excitement (daring, spirited, imaginative and up-to-date, competence ( reliable, intelligent and successful), sophistication (upper class and charming) and ruggedness (outdoorsy and tough) despite the

criticism, Aaker's five scale analysis has been useful to most researchers. When these personality trait becomes actively visible, consumers start forming a group as a point of referencing, this lead, to brand identification and Consumers Start having strong emotional attachment with the brand with a heavy sense of belonging (Donavan et al, (2006).

#### **Brand Relationship**

Brand relationship is the repeated interactions between a brand and a customer which reflect similar characteristics of relationship between people, such as love, connection, interdependence, intimacy and commitment. (Yoo won Lee et al, 2005) presented a five dimension to measure brand relationship quality.

- Self-connective attachment
- Satisfaction
- Behavioral commitment
- Trust
- Emotional intimacy

People give their possessions their personal attributes.

Blackstone (1993) redefined brand relationship as an interaction between consumers attitude towards the brand and the brands attitude toward the consumer. Thus, he argued that the consumer's recognition of a brands attitude should be incorporated into the study of brand image.

Fournier (1998) opined that brand relationship is a ties resulting from the interaction between the consumer and his/her brand. In this regard brands are personified, and should be repurchased based on that mutual relationship. Fournier laid down six factors leading to a long-lasting brand relationship:

- a. Love and passion
- b. Self-connection
- c. Interdependence
- d. Commitment
- e. Intimacy
- f. Brand partner quality

To put things in perspective, brand relationship is an intimate affection which consumers attach to brands due to human relationship attributes that the brand possess and exert same on them. Most brands exert same human attributes especially when they are communicated to a target market.

Traditionally, a brand is a name, term, sign, symbol or design or combination of these intended to identify the product or service of one seller or group of seller and to differentiate

them from those of competitors (Bennet, 1988). It is the identification process that creates human behavioural pictures in the mind of consumers.

#### **Brand Culture**

Culture which is the totality of the way of life of a people, play crucial role in product branding. Cultural variation creates distinctive explanation why some communities differs from others, cultures represents a set of beliefs, modes of worship, religion, language, dressing, greeting, eating etc which are peculiar to a set of people. There exist a link between culture and brands. A brand culture represents a set of values and norms which a brand communicate through its inspiration and power to consumers who are in close contact with the it.

Brands do not always present its intangible or tangible elements but also involves some socio, psychological attributes, beliefs and values, hence, its management must have holistic meaning in market place (Schroeder, 2009) Brands are driven by cultural principles or habits which they eventually transmit to their target audience and cultural influence affect brands. It is worthy to note that while brands transmit culture which I termed as brand lifestyle. In the same way culture influences brands. Cultural assets form core values of brands and create their identities (Kapferer, 2008). The culture which brands transmit to the audience is usually meaningful and in consonance with the existing audience cultural heritage.

Barbu (2012) opined that brand culture refers to the cultural codes developed by brands at a significant level (history, images, myths, art, belief) which influence the comprehension and the value of a brand to the market. Brand culture affects the senses of the customer, and thus, their consumption experiences (Holt 2003). From the foregoing, all brands carries distinct cultural heritage which has the capacity of influencing any domain either the community or the market depending on how the media present them.

In Nigeria, for example the mobile telecommunication companies adopt colours as branding strategy. Local communities, cities and towns have been influenced by these colours. These colours are yellow, green for MTN and Glo respectively. The impact of their promotional tools have made virtually all parts of Nigeria to appreciate the value of these colours. Brand culture are strongly affected by national culture which is defined as a collective programming of the mind (Hofstede, 1980). For example the cultural signal which the Nigerian flag transmit to the minds of its citizens is that it is a peaceful agrarian society. This was before the advent of liquid gold (Oil). Brand comes with its own peculiar cultural forces, establish behavioural life style to the market.

#### **Theories and Models**

The term theory" suggest an abstract understanding of a process. Miller says it is a process, Hoover (1984) defines it as 'a set of proposition related, which suggest why events occur in the manner they do" Foss and Griffin (1999) opined that it 'a way of framing an experience or event-an-effort to understand and account for something and the way it

functions in the world". Marketing communication process involves the use of media vehicle to convey brand related attributes for a remarkable marketing response or reaction. Theories are real world phenomenon and such can be used to relate to several circumstances. It is in this context, I relate social identity theory to the study and likelihood elaboration model.

#### **Likelihood Elaboration Model**

Elaboration likelihood model was developed by Richard E. Peety and John T. in 1980's. According to this model, persuasion which is part of our daily life occurs when readers, listeners or viewers learns a message from what they read, listen or which is translated to them inform of ideas and will be persuaded by it. One learns something from and be persuaded. However, learning does not combine with persuasion as when one hate an advert or message and do not want to hear it, it will be difficult to persuade such individual. (ELM) Explains how persuasion helps in changing the altitude of reader or viewer. Companies design their promotional strategies, by understanding altitude of people. (ELM) further explains how each and every message undergoes stages of persuasion. They are central and peripheral route, acting as persuasive techniques. Central route occurs when altitudinal changes occurs because of purposeful evaluation of a message while peripheral route occurs when elaboration and altitude change do not occur from the inference but rather by association. The relevance of this theory to the study involves the application of Communication tools to inform, stimulate and persuade users and potentials users of a product or service. Again, constant reminders of adverts about a brand will normally make the audience to have full grasp of brand core functions or benefits. The result may trial purchase or sustained patronage.

#### **Social Identity Theory**

Social identity theory originated by British social psychologists Henri Tajfel and John Turner in 1979. The theory explains that a person's concept of self, emanate from the group to which he or she associate himself. An individual does not have selfhood, but several selves and identities associated with his or her affiliated groups.

An individual action is based on varying social context according to the group he falls into. When an individual perceives himself as part of a group, it becomes familiar with the norms of the group. Other comparable groups that person does not identify with are called out groups. As individual strive to improve their self-image by trying to enhance their self-esteem. There are three processes that create this in-group/out-group syndrome.

- **Social Categorization:** Here people are categorized before they are identified. By knowing the categories people belong to, one understand things about them with appropriate definition about their behavior based on the group they belong to.
- Social Identification: This happens by adopting the identity of group people belong to, and to act in a way to perceive members of that group.

E.g, if you identify a genuine Christian, you will likely conduct yourself to the norms and values of the Christian faith.

Social Comparison: Once the group have been categorize, within the same group and members of the group identified. There has to be comparism from one group which is the ingroup against another group (an out group). This explains prejudice, discrimination, as one group will tend to view members of competing groups negatively to increase self-esteem. This theory is relevant to the study in the sense that, most consumers patronages brand based on brand relatable humans social attributes more than measurable satisfaction. For instance, a notable Nigerian footballer Kanu Nwakwo who is a peak milk brand advocate draws attention to audience about the quality of peak milk not that it is better than others in reality but his approval should be accepted by his football fans. Consumers buy base on group affiliation. A man U fan will wear Man U T. Shirt because he belongs to that club even when his team is not the best.

#### 2.2 CONTEXTUAL REVIEW

Fast-moving consumer goods (FMCG) are products sold easily and at relatively low cost. They are consumer's products with minimal shopping effort; examples include non-durable items like packed foods, beverages, toiletries, over-the-counter drugs and other consumables. Some of them like fruits, vegetables, dairy products are perishable. The turnover rate for (FMCG) is usually high. Durable ones includes electronics product such as mobile phones, mp3 players, digital cameras, lap tops and of course other household electronic items like refrigerators, TVs, etc.

It is worthy to note that FMCGs are also classified as convenience items, shopping and specialty items. Those that requires minimum shopping effort are convenience items sold in domestic stores. Shopping's items will require a considerable level of deep and wide range of shopping efforts just to compare price and quality whereas the specialty ones usually require narrow and deep search for quality. FMCG has a standard industrial classification with seven main categories as household care items, personal wash items, personal care items, skin care items, hair care items, oral care items and food and beverages.

All FMCG companies in Nigeria can be grouped separately, depending on the number of represented brands in the portfolio.

- Mono brand- representing brands for one category e.g seven 7up
- Offering 2-3 products- for example juice and dairy products, drinks and confectionary (Cabbury Schweppes)
- Mult-product-procter and gambles, nestle, unilver.

Nigeria fast moving consumer goods sector (FMCG) has faced a lot of challenges in the past years due to the decline in global oil prices and the disturbances in the Niger-delta region of Nigeria. The problem of forex accessibility with its attendant economic failure resulted in poor

patronage and turnover. However, the post-recession quarterly report of 2018 declared by the Central Bank of Nigeria shows a performance GDP growth of 1.95 percent with a record of growth rate of 5:46 percent. The introduction of exporters' foreign exchange policy which boosted liquidity in forex market caused an expansion in FMCG sector. Nestle Nigeria Plc based on 2018 report of CBN, recorded robust revenue sales up to 10.9% to \$\frac{1}{2}\$135.3bn. This was driven primary by growth in its sales volume of both its food and beverage segment.`

Interestingly, these FMCG companies in Nigeria make use of marketing communication tools as "vehicles to convey their promotional messages to target groups of prospects, and thereby aid in closing the gap between producers and consumer". (Wright et al 1977). The media serves as an independent platform to educate the audience about a company and its products. Once basic truth is that product positioning strategies are carried out by the mass media with a definite intention to reflect what the sponsors have in mind about a product which should have ties with their various target and potential audience.

# The Effect of Advertising (Marketing Communication Tool) on Brand Personality Creation

It has been established that the basic objective of advertising is awareness creation about a product or service. However, this awareness is likely to create so-many bi product of ideas, perceptions, images etc in the mind of the target audience. The advertising world has become competitive and creative hence the term media is limited by the imaginative thoughts of the advertiser.

Okpara, G. (1999) this is because what one perceive as advert message for a brand for a particular firm may vary in perception to another. Summarily, Didia, (2000 in Kotler 1984) identified advertising as any paid form of non-personal promotion and presentation of goods, ideas or services by an identified sponsor. This persuasive message to the market, influences thoughts and perception of consumers in such a way that it induces emotional, psychological and sociological reactions. That is, even when the advert message has ended, post advert action begins to play out.

The creative force of advertising results in consumers ascribing some personality traits to brand whose advert and usage appeal to them as seen from this perspective as brand personality. Brands starts wearing human outlook. Aaker (1997) defined brand personality as personality traits associated with a brand. One can posit based on the above definition, brands apart from the symbolic or graphical features, carries inherent human personality attributes such attributes represents what the advertiser and the organization seek to communicate to the target audience in additional to the core, generic and augmented features of a brand. In Nigerian, where this study was conducted most advertisers attach human personalities on bill boards, sometimes, they use them to announce the brand on electronic media in other pattern, they become the actual users even when they not in real sense but all is to communicate to the target audience that such a personality is involved in the promotion and consumption of a particular brand. For example, advertising campaign for peak milk in the media e.g newspapers,

bill boards, radio etc usually has a notable a Nigerian who is a respected international football star Kanu Nwankwo. The advertiser pushed through the message, the human personality attributes of Kanu Nwankwo. The meaning of this action will be that those who are Nwankwo Kanu's football fans automatically begin to associate themselves with peack milk.

Marketing practitioners sees a lot of sustainable advantage in brand personality since it cannot be imitated like the tangible attributes (Any and Lim 2006) especially when positioning and differentiating a product. In Nigeria, most radio jingles, newspaper adverts, online advert for consumers goods are usually introduced by well known personalities. The strategic thought on this method is that the brand in question is hidden rather, the personality traits of media figure that reflects on the brand whether popular brand or not. The image of personality rubs on the brand hence a consumer begins to ascribe human qualities to those brands. When this happens the advocates of the human personality eventual becomes the brand advocates because of the strong emotional attachment. This is one of social identity or categories to which consumers belong (Jajfel and Turner 1985). In current social context, social categories may be in form of political membership, clubs, sport teams, institution of learning etc for which one identifies himself probably because of some personalities involved including the choice of brands. Again, in Nigeria, this is more in the football and political scenes. If a known footballer associates himself with a brand on advert, his "fans" begins to be that brand advocate

# The Influence of Public Relation (Marketing Communication Tool) in Fostering Brand Relationship

Public relations is usually a two way system that is, the source (the organization) which communicates programmes that can foster mutual understanding and the receiver (decoder) who through responses delivers favorable outcomes on the media content of the public relation messages. The very essence of these actions by the organization is to command business friendly related influence on some group's attitude or opinion toward that public (Stanton 1981). However, some friendly organization through their public relation activities exerts these relationship traits on their brand. There are consumers who extend the same friendly relationship they have with some organizations to the organization's brand even when brands are inanimate beings. That is, a metaphoric transfer of love/passion which is the central concept in theories of attraction (Berscheid and Reis 1998). Hence, brand relationship is the transfer of human relationship metaphor to a consumer-brand. Metaphors create meaning by the understanding of one phenomenon by means of another in a way that encourages discovery of what is (Morgan 1983): some consumers transmit some human qualities to their choice brands and this creates some form of relationship. In Nigeria, there are people who make use of Coca-Cola container or bottles for storage and will not use anything else if it is not Coca-cola product. This is as a result of the inherent passion they have gotten due to Coca-Cola's public relation extension services they receive from. Thorbjomsen (2008) identified two models of consumers-brand relationship. The brand relationship quality (BRQ) model and relationship investment (RI) model. The BRQ model was developed to evaluate the strength of consumer-brand ties (Fournier 1998) whereas the RI model was developed to understand

satisfaction and commitment in romantic relationships (Rusbuit, 1980) and friendship Rusbuit (1980)This model originated from theories of interpersonal relationship. BRQ has been used for brand extension success (park and Kim 2001), online brand relationships (Thorbimsen et al 2001) and gender differences in brand relationship Monga (2002). Etc the RI model has been use to investigate consumer brands (Geyer, Dotson and King 1991). (Sung and Campbell 2007) for predicting brand web site usage (Librown, and W4etherbe 2006) and explaining the effects of mobile services (Nysveen et al 2005). In Nigeria, the PR initiative of some mobile communication companies like MTN and Glo have made their subscribers to allow these companies to paint their houses with colours peculiar to mobile telecom companies trademark. People now name their dog with the name of their favorite brands like "whisky"

# Sales Promotion (Marketing Communication Tools) As a Driver of Brand Culture

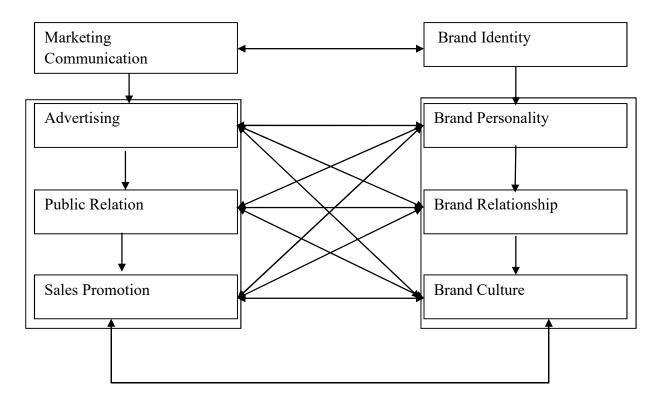
Sales promotion is viewed by various marketing minds as non-selling approach, designed to stimulate the demand for a brand. This non-current selling is usually tactical by description Keller (1980). It is designed to stimulate demand and to supplement advertising and personal selling. (Etzel et al (1997). This demand creation approach can be in form of demonstrations, free samples, premiums, and etc all with the aim of inducing non-brand users to try the brand at the same time rewarding loyalist Orji (2002).

It worthy to note that this promotional activities that stimulates and persuade consumers through tactical means, conveys some inherent set of values, norms about the brand to the target audience. While trying to stimulate demand through sales promotion, there are inherent cultural traits which a brand possesses that are equally transmitted to influence the target audience. For example, a promotional display of indomie instant noodles, a product of Dufil Limited, may means to the advertiser a fast means of putting food on the table in less than 5 minutes. Whereas, the audience may receive the same message but an additional cultural orientation of a fast way of survival.

If the audience are lazy ones, the culture of fast way to survive have be planted in them. Also, just as the brand cultural traits influences the audience the target group lives in a society that has cultural practices of influences the brand and brand users. In some parts of Nigeria where people are not allowed to dance half naked or sell brand of drinks with alcoholic contents, sales promotional tactics may warrant the use of decent dressing and the production of non-alcoholic brand in those areas. The culture is now influencing or suppressing the cultural traits of the brand. In Igbo speaking areas of Nigeria the promotional tactics for alcoholic drinks creates a scenario on local villages with elders on a traditional mission. The tactical means will be to link the brand as the people culture. One basic example was a display of local dry gin called "schnapps". One displaying the role of an elder on the bill board with a language "don't pollute our elders with fake". Even in the mobile telecommunication sector. People adopt various colours base on their mobile network. The subscribed brands are driven by culture, while at the same time transmitting this culture. They infuse cultural traits with meaning. In the branded world we live, (Shroeder, 2007) some brands become cultural artefacts and are

identified with their country or culture. E.g Mercedes products are traceable to Germany. Sales promotional tactics influences how a customer values a brand. Like Coca-Cola product, they transmit a sporting culture to Nigeria healthy users. This is due to sports oriented promotion.

# 2.3 OPERATIONALIZATION OF CONCEPTUAL FRAMEWORK OF MARKETING COMMUNICATION TOOLS AND BRAND IDENTITY FOR SOME FAST MOVING CONSUMER GOODS IN NIGERIA



Source: Researchers Desk

#### 3.0 METHODOLOGY

This study adopted explorative research method. Exploratory research is research conducted for a problem that has not been studies more clearly, intended to establish priorities, develop operational definitions and improve the final research design.

Secondary sources of data were basically used to come out with realistic findings and observations. Report, journal, text books and other relevant marketing literature were used and at the end inference was drawn based on convictions.

# 3.1 ISSUE/GAPS AND OUTCOMES

Communication is an essential part of human co-existence. Life and business will be boring without communication. Marketing communication or promotional activities which serves as vehicle to convey what a producer has in his brand to the target audience often have metaphorical implication. Apart from brand attributes which the media conveys to audience, there are also some latent influences which a brand exerts on consumers. Most consumers display behavior that is peculiar to the brand message they receive. Recently, in Nigeria there are children that are being refereed as "indomie children" indomie is one FMCG easy family meal. The character trait of children with this name is that they always want the easy way for life. Hence, every action that tends to portray is to make life easy or short cut which indomie food preparation portrays become a name. This action is what I describe as brand life style. When consumers begin to act up the inherent human behavioural properties of a brand, it becomes a brand lifestyle.

#### 3.2 FINDINGS

The following were observed during the study

- Producers of FMCG through the media communicate not only the benefits of a product but equally transmit human behavioural attributes to consumers.
- Marketing communication tools directed to target audience for a brand have metaphoric impact on them.
- Consumers are attracted to brand most times based on the human personality which the media portrays as a core user of that particular brand
- In the communication process, the main attention of the sponsor or the media practitioners is to induce a favourable outcome for patronage and all the promotional tactics are aimed at capturing the mind of the consumer.

#### 3.3 DISCUSSION OF FINDINGS

From the study, the researcher discovered that most producers of FMCG seek media services apart from creating awareness of a brand also to convey certain social benefits of a brand

Every piece of communication has its burden of interpreting the real meaning of the advertiser or sponsor. This burden is the sole responsibility of the recipient which is the target audience. Messages come with a metaphoric action. There are hidden meaning for every brand message one receives. The strategy of using the services of human personality like Kanu Nwankwo for peak milk, Zebudayah for Amatem malaria drug is to attract the lover of these personalities to become active users. These are personalities in the sports and entertainment industries.

Every marketing communication tool is aimed at inducing some form of predicted behaviors that has favorable outcome to the sponsors. Sometimes, it is the content of the media message that sells or makes the brand popular to the audience. Finally, from the study, there are inherent characteristics which most brands have and are exerted to the consumers. The individual user of these brands begins to display it in form of behavior.

#### 4.0 CONCLUSION

The influence or creative power of marketing communication on consumers brand identity cannot be over emphasized. Marketing communication involves the use of promotional tools to convey commercially significant message about a product or service. While brand identity is a set of human behavioral traits which consumers are attracted to fast moving consumers goods companies use promotional tools like advertising, public relation, sales promotion, publicity, direct marketing etc as vehicles in transmitting brand attributes to a target audience with the hope that they will show concern for the brand. In Nigeria, a promotional message which primarily conveys brand attributes has multiplier effect in the mind of recipients. The message a consumer receivers from a brand often have metaphoric impact. The reason for this is that the sponsors create a picture of relationship, personality and cultural traits about brands through the media. Alcoholic drinks like schinnap create a picture of culture in the mind of most consumers. These promo tools possess multidimensional creative power through various media outfit; several theories in psychology and other human behavioral sciences have supported the notion that communication has the capacity to induce certain actions.

#### 4.1 RECOMMENDATIONS

For the purpose of this study I recommended these measures for Fast Moving Consumer Goods (FMCG) companies, government and the consumers.

Product quality and assurance should be the basic for including high ranking personalities in advert. Consumers should be more interested in core benefits of a product rather than the emotional attachment brought about by the media content for a brand.

Since brands transmit culture to the audience. The media should ensure that brands do not transmit unethical cultural traits to consumers. Producers of FMCG's should strengthen their Scustomers' relations and resolve all complains about their brands so that consumers will not switch to another brand. Producers should ensure that their brands are "green compliant" both in content and in their promotional messages.

#### 4.2 CONTRIBUTION TO KNOWLEDGE

This research intends to add this to the body of literature as contribution and to assist others who may want to carryout full empirical studies. It has been established that the media promotional contents exert certain behavioral tendencies to the audience some consumers

who are brand loyalist often mimic various media comments in their daily living. Children will display some traits that one will believe to be the influence of the promotion they have seen either in the print or electronic media.

When an individual consumer begins to personify promotion about his or choice brand in open society, in terms of dressing, talking, that is, post media promotional reaction, it becomes what I called brand life style. Take for instance children display sign of laziness because of the metaphoric impact of fast food. That is why they refer to them as indomie children. Hence when a brand exert its human behavioral forces on consumers with the effect that consumers begin to exhibit the latent or open attributes of that brand in behavior then consumer brand life style is said to be existing in individual.

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#### **APPENDIX**

#### **Top FMCG Companies in Nigeria**

- Nigeria Breweries- Producers of quality drinks
- Vital Product Pharmaceutical and soft drinks
- Flour Mill- Golden penny, penny floor
- **Dangote Group-** Producer of groceries to steel, cement, oil and gas
- Nestle Nigeria Plc- Producer baby foods, cereals, chocolate, confectionary, coffee, diary and drinks
- **Unilever Nigeria-** Known for the production of royco, lipton, Vaseline, pears, blue band, omo
- Cormart Nigeria Ltd- Produces vegetable oil, soft drinks, bottled water, frozen foods etc
- **Beloxxi Group-** Famous for cream crackers and biscuit
- **Friesland Campina Wamco Nigeria Plc-** Involves in the production of dairy product tops brands peak, three crowns and frisco
- **PZ Cussons-** they are know for household goods, toiletries, robb, venus, cussons baby, zip, morning fresh.
- May and Baker who are known for pharmaceutical products
- **Dufi Prima Food-** Instant noodles
- **Nexans Nigeria-** Cable product
- **Ok Foods-** High quality biscuits chocolate etc. the list are endless.
- **Chi limited-** Produces refreshing fruits drinks and juices, milo products, snacks muffins.
- **Ntri C-**Producers of nutria c of different flavours
- **Dis and Dat Mart-** Making goods for kids and babies
- Fareast Mercantile Company- An electrical equipment dealers
- **Nexans Nigeria-** production of cables
- British American Tobacco- The leader in tobacco manufacturing in Nigeria
- **Dansa Foods Limited-** Drinks and beverages
- **Bimzy Super Stores Ventures** Biscuits and beverages
- Honey Land Foods- Producers of fresh natural juices and drinks.



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### Influence of Performance Expectancy and Government Regulations on Electronic Commerce Adoption in Nigeria

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Abstract: This study focused on the influence of performance expectancy and government regulations on electronic commerce adoption in Nigeria. The study adopted the cross-sectional survey method in the generation of data. The target population of the study consisted of the Academic staff of Abubakar Tafawa Balewa University Bauchi. The number of academic staff gave a total population of 700 Staff. The sample size was obtained using the Krejcie and Morgan (1970) table for determining minimum returned sample size for a given population. For our population, the table placed our sample size at two hundred and forty eight (248). After data cleaning, only data of 213 respondents were finally used for data analysis. Descriptive statistics and Spearman's rank correlation were used for data analysis and hypothesis testing. Empirical results confirm that performance expectancy and government regulations significantly influenced electronic commerce adoption in Nigeria. The study recommended that online retailers should organize workshop and create public awareness on the benefits of e-commerce in Nigeria and as well providing the products and services that can meet the requirements and expectations of the consumers. Government through its agencies should provide technology infrastructures that can facilitate the ease and secure use of e-commerce platforms in Nigeria. A lot should be done to regularly update the framework to keep up with the changing environment of business.

Keywords: Performance Expectancy. Government Regulations and Electronic Commerce

#### INTRODUCTION

The field of electronic commerce has been the subject of many contemporary researches (Prashant, 2009; Kim et al., 2009; Wang et al., 2010; Roca et al., 2009; Martín & Camarero, 2009; Pereira et al., 2016; Safa & Ismail, 2013; Pilík et al., 2017a). Some of these studies have dealt with factors concerning trust, loyalty and riskiness in e-commerce during online shopping

processes. This research has also built up models of shopping behavior based on factors currently influencing the whole online process of electronic commerce.

With the global development, electronic commerce has increased considerably. According to the E-business Index Report 2018, E-commerce Association estimated that the growth rate of e-commerce in 2017 compared to the previous year was over 25% and forecasted this trend would continue to experience growth in the following years. The development of e-commerce in recent time confirms that the trend of online shopping has become more and more popular in Nigeria. The retailing channel attracts lots of attention from retailers and businessmen because of its significant impact on other traditional channels (Doan, 2020). Further, its benefits such as ease for shopping and price comparison, 24/7 service act as stimulants to internet shopping. Singh et al. (2017) emphasized that to boost the intention of shoppers is a strategy of online firms to improve profits.

According to Meher and Burhan (2020), almost all kinds of business organizations are trying to adopt online transactions. Some business elements, like finance, production, transportation, payment systems, electronic fund transfer, supply chain management, internet marketing, online transaction processing, electronic data interchange, automated inventory management systems, and automated data collection systems have a significant impact on electronic commerce in Nigeria. E-commerce is conducive to decreasing production costs, improving productivity, increasing business communication, ensuring quality products and services, and improving overall business performances. It also helps to come up with new ideas and provide an innovative way of doing business. As a result, e-commerce has a great and significant impact on businesses (Meher & Burhan 2020)

According to Doan (2020), Internet has brought rapid development to electronic commerce business. According to data from Internet World Stats, 52% of the world population is internet users in 2018. This shows enormous potential of online shopping. Specifically, in the recent years, online shopping has grown dramatically. According to eMarketer, global online sales reached 2,300 billion US dollars in 2017 and is anticipated to keep growing to be 4,880 billion US dollars in 2021 (Doan 2020).

According to Gabriel et al, (2016), a complete online shopping and e-commerce transaction consists of series of actions, especially: (1) the customer searching for the desired product online (2) making a choice and placing the order online (3) the payment stage (which could be done online or offline) and finally (4) the delivery of the products. These can be referred to as the major stages of a typical ecommerce transaction. Online vendors are therefore faced with the responsibility of ensuring that these four major stages operate in a seamless manner that creates a pleasurable and functional shopping experience for online customers. Online shopping has experienced a rapid growth during the recent years due to its unique advantages for both consumers and retailers, such as shopping at round the clock facilities, decreasing dependence to store visits, saving travel costs, increasing market area, decreasing overhead expenses and access to multiple options (Gabriel et al, 2016).

The government regulations deal with the regulation of E-Commerce as it relates to trading practices in many diverse communities and practices that have long existed before the advent of E-Commerce and these regulations have a lot of influence on the use of e-commerce in

Nigeria. The financial framework deals with the need to encourage the development of E-commerce by making banking procedures within developing countries to be aligned compatible with digital trade transactions, so that consumers and buyers can easily make purchases locally through the Internet. Most African countries are yet to legalize digital signatures and contracts as well as intellectual property rights and consumer protection in digital arena.

The formation of performance expectancy was based on several constructs from a number of technology related models and theories. Performance expectancy is comparable with perceived usefulness from Technology Acceptance Model, extrinsic motivation from Motivational Model, job-fit from Model of PC Utilisation, relative advantage from Innovation Diffusion Theory, and outcome expectations from Social Cognitive Theory (Venkatesh et al., 2003). The concept of performance expectancy emphasizes the extent of individual's perception of the usage of technology that could improve their performance while performing an action (Doan, 2020). This paper would provide answers to the following research questions:

- i. What influence does performance expectancy have on E-commerce adoption in Nigeria?
- ii. What influence does government regulations have on E-commerce adoption in Nigeria?

#### Literature Review

#### **Theoretical Reviews**

#### Unified Theory of Acceptance and Use of Technology (UTAUT)

Based on the work of Venkatesh et al., (2012), Unified Theory of Acceptance and Use of Technology (UTAUT) Model in e-commerce adoption which was modified by Venkatesh et al., (2012) from the original UTAUT model is used for this research.

The concept of the unified theory of acceptance and use of technology (UTAUT, Venkatesh et al., 2003) serves as a basic model and has been applied to various studies that use basic technology in both organizational and non-organizational settings. There is a lot of research on the application and replication of all models or parts of models in organizational settings that have contributed to strengthening generalizations (Venkatesh et al., 2012).

Unified Theory of Acceptance and Use of Technology (UTAUT) is a theory about the acceptance of the latest technology that was first developed by Venkatesh et al., (2003). as a connection of eight previous theories, namely Theory of Reasoned Action (TRA), Theory of Planed Behavior (TPB), Technology Acceptance Model (TAM), Motivational Model (MM), Combined TAM-TPB (C-TAM-TPB), Model of Personal Computer Utilization (MPCU), Innovation Diffusion Theory (IDT), and Social Cognitive Theory (SCT). The UTAUT model was developed with four types of core constructs, namely expectations for performance (expectancy performance), expectations for effort (social expectancy), social influence (social expectancy), and conditions support (facilitating expectancy).

#### **Concept of Online Shopping**

According to Gabriel et al (2016), online shopping refers to the shopping behavior of consumer in an online store or a website used for online purchasing purposes. Online shopping is one of the widely and commonly used mediums for convenient shopping. One advantage of internet shopping is that it provides the consumers with detailed information and multiple choices so

that they can compare products and prices. The more the choice and convenience, the easier it is to find what you are looking for online (Butler & Peppard, 2018). It has been seen that online shopping provides more satisfaction to the modern day consumers who are seeking convenience as well as speed (Yu & Wu, 2007). Online shopping has experienced a rapid growth during the recent years due to its unique advantages for both consumers and retailers, such as shopping at round the clock facilities, decreasing dependence to store visits, saving travel costs, increasing market area, decreasing overhead expenses and access to multiple options. The Internet has made online shopping not only a possibility but also a huge success contributing to economies around the globe.

#### **Motivation for Online Shopping**

According to Gabriel et al (2016), there are various measures used to probe consumers' online involvement, the most in-depth dimensions identified are entertainment gratification, in formativeness gratification and web irritation. The entertainment gratification construct indicates the extent to which media users are entertained by the web media. When shopping online, consumers expect a certain level of satisfaction from the entire experience which if provided by the web media serves as a motivation for them to return. Sites that provide superior entertainment value have a higher propensity to motivate consumers to use the media more (Gabriel et al 2016).

As Internet usage is increasing, so is online shopping particularly in those countries whose shopping infrastructures are well developed (Salehi, 2012). Customers can shop at any time and have access to products not available in their geographic region. Moreover, they are now able to access the Internet, not only from their personal computers, but also from advanced electronic devices such as Palm Pilots and mobile phones. The growth of Internet technology in Malaysia has enormous potential as it reduces the costs of product and service delivery and extends geographical boundaries in bringing buyers and sellers together (Salehi, 2012). Also, due to an increase in high-speed Internet access connections, lower connection costs, and increasing consumer competence, e-commerce activity will continue to grow as the availability and ease with which the Internet provides consumers the ability to handle needed tasks increasingly develops. However, not all consumers are turning to the Internet for shopping (Gabriel et al, 2016).

#### Performance Expectancy as a Measure of Online Shopping

According to Shin (2009), performance expectancy is defined as the degree to which an individual believes that using the system or technology will help him or her to attain gains in his job.2010). Zhou (2010) found that performance expectancy, task technology fit, social influence, and facilitating conditions have significant effects on user adoption. In addition, we also found a significant effect of task technology fit on performance expectancy. The result showed that perceived usefulness, perceived enjoyment, trust, cost, network influence, and trust have significant influence on consumer's e -commerce adoption intentions. The online shopping intention is positively influenced by: (1) the levels of performance and effort expected with regard to the transaction; (2) the level of innovativeness of users. In addition, the

innovativeness construct has a moderating effect on the relationship between performance expectancy and online shopping intention (Martín & Herrero, 2012).

HO<sub>1</sub>: Performance expectancy does not significantly influence E-commerce adoption in Nigeria.

#### **Government Regulations as a Measure of Online Shopping**

Government regulations or legal framework deals with the regulation of E-Commerce as it relates to trading practices in many diverse communities and practices that have long existed before the advent of E-Commerce. The financial framework deals with the need to encourage the development of E-commerce by making banking procedures within developing countries to be aligned compatible with digital trade transactions, so that consumers and buyers can easily make purchases locally through the Internet. Most African countries are yet to legalize digital signatures and contracts as well as intellectual property rights and consumer protection in digital arena. Though there is now Cybercrimes (Prohibition, Prevention, etc.) Act, 2015 which was enacted by the former president of the federal republic of Nigeria; Dr. Goodluck Ebele Jonathan. Federal government should continue to make this cybercrime Acts 2015 more effective to encourage Nigerians to participate in online shopping.

HO<sub>2</sub>: Government regulations does not significantly influence E-commerce adoption in Nigeria.

#### **Concept of E-Commerce**

According to Turbman, King, MacKay, Marshall, Lee and Viehland (2008), E-commerce is the practice of buying and selling or exchanging information, products and services over the internet and other paperless media. Huy and Filiatrault (2006) describe E-commerce as any business or economic activity that makes use of ICT-based applications to facilitate the transaction among businesses, business-to-business (B2B), individuals, customers to customers (C2C), or business to customers (B2C). E-commerce, therefore, is the umbrella concept that refers to the incorporation of a range of prevailing and new technological applications in business transactions. When the internet and the web were commercialised in the late 1990s, E-commerce technology experienced tremendous growth and has not let up the momentum to-date (Heng, 2003).

E-commerce has transformed business processes in many ways in several organizations and is expected to continue in the future (Al-Qirim, 2007). Some of these benefits include access to a wider market, improved operational efficiency, increased potential to partner with suppliers, better customer service, flexibility and accessibility among others, (Vaithianathan, 2010). Another study by Chaffey (2009), on the other hand, has distinguished the benefits of E-commerce into tangible and intangible benefits as follows: the tangible advantages include increased sales, acquisition of new customers, cross-selling, and access to new markets. The other benefits are reduced marketing cost, reduced distribution cost, and reduced advertising cost. There is also the reduction in the supply-chain cost due to shortened ordering process and reduced inventory. Businesses also experience a reduction in administrative costs. Whereas the intangible benefits of E-commerce include improved marketing communication, increased

brand awareness, ease of finding new partners, better corporate image, improved product development process, faster customer feedback, and improved efficacy of marketing information.

With the proven potential of E-commerce in improving effectiveness and productivity in various sectors, it has received an increasing amount of attention in many countries. E-commerce has changed people"s lifestyle and access to modern fashion and how companies carry out their activities. Studies on the adoption of E-commerce by SMEs (Olatokun & Kebonye, 2010: Wanjau, Macharia, & Ayodo, 2012) found that the strategic technological approach adopted by users influenced the adoption of E-commerce. However, inadequate infrastructures, lack of government ICT strategies, cultural and socioeconomic issues has created significant barriers to Ecommerce technology diffusion into businesses in the emergent economies. Kabanda, (2011) found that small companies do not understand the concept of E-commerce. Their opinion is that E-commerce equals having a website and using the basic features of mobile phones.

#### **METHODOLOGY**

The study adopted the quantitative research design base on the cross-sectional survey method. The target population of the study was Academic staff of Abubakar Tafawa Balewa University Bauchi. The number of academic staff gave a total population of 700 Staff. (Establishment office ATBU, 2019). The sample size was obtained using the Krejcie and Morgan (1970) table for determining minimum returned sample size for a given population. For our population, the table placed our sample size at two hundred and forty eight (248). The simple random sampling technique was adopted for the purpose of this study in order to grant the respondents, equal opportunity to be selected. Descriptive statistics and Spearman's rank correlation were used for data analysis and hypothesis testing with the aid of the SPSS Package version 23.

Table 1. Reliability statistics for the instruments

S/No	Dimensions/Measures of the study variable	Number of items	Number of cases	Cronbach's Alpha
1	Performance Expectancy	4	213	0.775
2	Government Regulations	4	213	0.821
3	E-Commerce	4	213	0.798

Source: Research Data, 2022

#### **Data Analysis and Results**

#### **Bivariate Analysis**

The test of hypothesis cover hypotheses  $Ho_1$  and  $Ho_2$  which were bivariate and all stated in the null form. We have relied on the correlation analysis. The 0.05 significance level is adopted as criterion for the probability of either accepting the null hypotheses at (p>0.05) or rejecting the null hypotheses at (p<0.05).

#### **Testing of Hypothesis**

Table 2: Correlation Matrix between Performance Expectancy, Government Regulations and E-Commerce

				Performanc	Governmen
			E-	е	t
			Commerce	Expectancy	Regulation
Spearman's rho	E-Commerce	Correlation Coefficient	1.000	.881**	.841**
		Sig. (2-tailed)		.000	.000
		N	169	169	169
	Performance Expectancy	Correlation Coefficient	.881**	1.000	.578**
		Sig. (2-tailed)	.000		.000
		N	169	169	169
	Government Regulation	Correlation Coefficient	.841**	.578**	1.000
		Sig. (2-tailed)	.000	.000	
		N	169	169	169

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data, 2022 (SPSS output, version 23.0)

The table above illustrates the test for the previously postulated bivariate hypothetical statements.

HO<sub>1</sub>: Performance expectancy does not significantly influence E-commerce adoption in Nigeria.

The correlation coefficient coefficient 0.881 shows that there is a performance expectation strongly influenced E-commerce. The p value 0.000<0.05 indicates that the influence is significant. Therefore, the null hypothesis is hereby rejected and the alternate upheld. Thus, performance expectation significantly influences E-commerce in Nigeria.

HO<sub>1</sub>: Government regulation does not significantly influence E-commerce adoption in Nigeria.

The correlation coefficient coefficient 0.841 shows that there is a government regulation strongly influenced E-commerce. The p value 0.000<0.05 indicates that the influence is significant. Therefore, the null hypothesis is hereby rejected and the alternate upheld. Thus, government regulation significantly influences E-commerce in Nigeria.

#### **DISCUSSION OF FINDINGS**

The findings revealed that performance expectation and government regulations had a significant influence on e-commerce using the Spearman's rank order correlation tool and at a 95% confidence interval. This finding supports the views of Salehi (2012) whose findings indicated that the first five factors influence consumers towards e-commerce included performance expectation as well as the regulation by agencies of government.

Another study that agrees with the findings of this study is that of Gabriel, et al (2016) who suggested that e-commerce providers should introduce product reviews for their products and encourages customers who have bought and used a product to honestly share their experiences on the product page as a way to create improved customer expectations. They concluded that the issue of trust has been identified as the most relevant factor that seems to be affecting consumers' expectations on e-commerce usage. They said if the consumers trust the performance, they will be more disposed to patronizing the e-commerce sites. Also, in agreement to the findings of this work is that of Muhammad, et al (2015) whose results showed that performance expectation was considered as the most relevant factor that seems to be affecting consumer buying behaviour towards online shopping when it came to the younger generation. They concluded that if the consumers has a positive expectation from the website, they are likely to buy more from it.

Similarly, Ibikunle (2013) finding on the study issues and challenges of E-commerce in developing nations, with a focus on consumer attitude in the Nigerian market corroborates with the finding of our study as it was clear that the consumer attitude towards e-commerce is on the positive side thanks to the legal frameworks that supports it.

#### **SUMMARY AND RECOMMENDATIONS**

It is without doubt that e-commerce is the way to go in our contemporary world, as it remain an important platform in human life as far as transaction is concerned. Today people are harvesting tremendously from its existence not only from buyer's point of view but also from retailer's end. Different items have been sold and bought through e-transactions. Purchasing of varieties of items from one's comfort zone at any time is no longer a struggle as compared to the traditional way of shopping but a lot still need to be put in place to build and sustain the expectations of users when it comes to performance as well as the effectiveness and efficiency of agencies of government in carrying out their oversight functions. It on this bases that this paper concludes that performance expectation and government regulation influences ecommerce adoption among Academic staff in Nigerian Higher Educational Institutions.

Based on this conclusions, the following recommendations were made:

i. Online retailers should organize workshop and create public awareness on the benefits of e-commerce in Nigeria and as well providing the products and services that can meet the requirements and expectations of the consumers.

ii. Government through its agencies should provide technology infrastructures that can facilitate the ease and secure use of e-commerce platforms in Nigeria. A lot should be done to regularly update the framework to keep up with the changing environment of business.

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### The Impact of Physicians Word of Mouth Advertisements on Consumer Behaviour towards Over-The-Counter Medicine

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Abstract: This study determines and establishes the effect of physicians' prescription on patients' behaviour towards over-the-counter medicine (OTC) in Nigeria. Survey method of design was adopted for the work. The primary source of data was utilized with questionnaire being the main instrument to sift data from the randomly selected consumers that patronize three major pharmacies in Ibadan metropolis. The population of the study comprised of the consumers that patronize Kunle-Ara, Midas, and Pharmadex Pharmacies in Ibadan between certain selected times. The population was 9339 from which a sample of 477 respondents were drawn and used for the study. The hypothesis formulated was tested using regression analysis. The result showed that physicians' prescription on patients' positively affected their buying behaviour towards over-the-counter medicine (OTC). In line with the finding, the study recommended that pharmaceutical companies should conduct a market research on the different markets to ensure that the advertising initiatives being implemented suits the targeted markets to improve product purchases.

**Keywords**: Over-The-Counter Medicine, Buying Behaviour, HealthCare System; Word Of Mouth Advertisements

#### INTRODUCTION

According to Chaar (2017), Over-the-counter drugs are the drugs, which are sold to consumers directly without prescription from physicians unlike prescription drugs, which are sold to consumers by physicians consent with prescription. In many countries regulatory agency selects a drug to ensure that Over-the-counter drugs contain ingredients that are safe and effective. Instead of final product Over-the-counter drugs are regulated according to active pharmaceutical ingredient. Over-the-counter drugs are available in general stores, supermarkets in many countries. In U.S as of 2011 about one-third of older adults reported use

of Over-the-counter drugs. It has reached to 81% by 2018 as first line treatment for minor illnesses. The regulation of Over-the-counter drugs is overseen by Food and Drug Administration (FDA). FDA put the requirement that every Over-the-counter drug should be labeled with set of facts which includes the following: active ingredients; inactive ingredients; indications; purpose; safety warnings; directions for use. With Over-the-counter most courts have decided that labeling is enough and manufacturers need not find a way to advice consumers. A license is not required if sold by shop other than chemist shop in terms of rule 123, for sale of drugs listed in schedule K of D & C act Rules, 1945. Schedule K drugs includedrugs not intended for medicinal use, quinine and other anti-malarial drugs, magnesium sulfate, insecticides, disinfectants and aspirin tablets, paracetemol, analgesic balms, antacids, inhalers for treating cold and nasal congestion, ointments for external use, absorbent cotton, bangles, adhesive plaster, liquid paraffin.

According to Gurbani, (2011) Consumer behaviour is the study of how individual customers, groups or associations select, purchase, use and dispose ideas, products and services in order to fulfill their needs and wants. There is diversity among consumers as well as marketers. Behaviour is a mirror in which everyone shows his or her image. Consumer behaviour inspects how emotions, attitudes and preferences influence purchasing behaviour. Characteristics such as demographics, personality, lifestyle and behavioral variables such as usage rates, usage occasion, loyal and brand advocacy of individual customers affect people's wants and consumption. All aspects of consumer behaviour are concerned from pre purchase activities through post-purchase consumption, evaluation and disposal activities. It is considered about all people included either directly or indirectly, in acquiring choices and utilization activities including brand influencers and opinion leaders. Even for the experts in the field, research shows that consumer behavior is difficult to predict. However, new research strategies such as ethnography and consumer neuroscience are revealing new insight into how customers make decision. Customer relationship management (CRM) databases have turned into a benefit for the analysis of customer behavior. Databases additionally did market segmentation, particularly behavioral segmentation, for example, creating loyalty segments, which can be utilized to grow tightly targeted, customized marketing strategies on a one-to-one basis.

The role of advertising in determining consumer behavior and brand preference has been undermined by many firms in Nigeria over the years. Some firms spend huge amounts of money advertising their products and still claim about indifference in their sales volume. The misconception seems to be based on entirely understandable initiative reaction: how can advertisers claim that advertising does not increase consumption and sales and still spend so much money on it. According to Ambler (2010), advertising has major influences on consumption volume of consumers, as well as sales volume. Adverts may not necessarily bring about huge volumes of sales in the short-run, but certainly increased sales and profits in the long run if done properly. Even if some marketers believe that accurate knowledge about consumers, how they buy, why they buy, and where they buy- is unnecessary as it was possible to manipulate hapless buyers into parting with their money in return for products that they do

not want. However, models about advertising as a strong force have survived despite various empirical studies showing that the view of advertising as a strong persuasive force was largely unfounded. Hence, this study evaluates the impact of advertisement on consumer buying behavior of over the rights counter (OTC) medicines in Oyo state. The study specifically examines the effects of prescription from physicians' drugs on consumer preference.

#### **REVIEW OF LITERATURE**

#### 2.0 Conceptual Framework

#### 2.1 Concept of Advertisement

According to Webstar (2016), Advertising is used for communicating, exchanging/delivering business information to the present and prospective customers. It usually provides information about the advertising firm, its product qualities, place of availability of its products, etc. Advertisement is indispensable for both the sellers and the buyers. However, it is more important for the sellers. In the modern age of large scale production, producers cannot think of pushing sale of their products without advertising them. Advertisement supplements personal selling to a great extent. Advertising has acquired great importance in the modern world where tough competition in the market and fast changes in technology. According to Gardner (2018), Advertising is the means of mass selling that has grown up parallel with and has been made necessary to mass production". Advertising is used for communicating business information to the present and prospective customers. It usually provides information about the advertising firm, its product qualities, place of availability of its products, etc. Advertisement is indispensable for both the sellers and the buyers. However, it is more important for the sellers. In the modern age of large scale production, producers cannot think of pushing sale of their products without advertising them. Advertisement supplements personal selling to a great extent. Advertising has acquired great importance in the modern world where tough competition in the market and fast changes in technology, we find fashion and taste in the customers.

### Pharmaceutical Advertisement For Over the Counter (OTC) Medicine or Direct Consumer Advertising

According to Hutchison (2014), Prescription drugs are the drugs which are required to be dispensed under the supervision of a physician. On the other hand, over the counter drugs can be sold directly to the consumers/patients without any doctor's prescription. The traditional pharmaceutical media for exposing and raising the product message of prescription drugs are professional journals, magazines or newspapers, direct mail, convention or hospital displays and service items such as educational films, medical illustrations and photographs, office supplies, text books, and exhibitions etc. pharmaceutical advertisement for direct consumer is normally done by print media advertising. The print media consists of newspapers, magazines, journals, handbills, etc. No newspaper or journal today can survive without advertising revenue. Print media advertising, even today, is the most popular form; and revenue Derived by mass media from advertising has, therefore, been progressively increasing year after year. Print media appeals only to the sense of sight, i.e. eyes. Printed advertisements have the advantage

of being directly in front of the consumer who elects to read them. By reading an advertisement the consumers becomes better informed and are more likely to follow-up on the product.

#### **Strategies for New and Switched OTC Pharmaceutical Products**

According to Hutchison and Barrier (2014), Over The Rights Counter marketing strategies are most important and unavoidable aspect of any pharmaceutical organization especially what happens when a pharmaceutical products losses the patent protection, it is important to consider whether radical change is really necessary. It may be that the pharmaceutical product is operating in a niche category that is too small to attract challenging generic competition, at least in the short term. It could also be that the awareness and image of the brand is so strong in patients and doctors minds that it would retain most of its equity even after the loss of patent protection. In most cases however, the entry of generic competitors radically alters the competitive setting and calls for appropriate radical responses, the few major strategies available to pharmaceutical brands facing competition from OTC and generic products are briefly reviewed. Marketing strategies available for a prescription drug facing competition from existing generic product involve a trade-off between brand building and price competition. A company can also resort to no marketing oriented strategies such as legal efforts to extend patent protection or tactical alliances with generic makers and can simultaneously implement different strategies, thereby creating a hybrid model. It is nevertheless useful to review each strategy independently, starting from the most common to the least common. Some of the strategies are discussed here

- i) Low Price strategy: This strategy has the lowest potential for brand building. On the other hand, narrowing the price gap with revital addresses the main problem created by the expiry of the patent; that the equity of the brand can no longer sustain a large price differential with what is, essentially, the same product.
- ii) Innovation strategy sort of introducing a completely new molecule, pharmaceutical companies can innovate by launching new forms and dosages or by demonstrating effectiveness for new indications. They can also innovate by offering better services for doctors and better communication on the illness and on the brand through higher promotion by the medical representatives. Compared with the 'Milk and Divest strategy, this option also entails low price competition, but can improve the equity of the off-patent brand by offering additional patent protection. On the other hand, innovations require years of research before being authorized and, in some countries, do not necessarily extend the duration of the patent. Provide more value for the money introducing new and improved flavors, packaging, or delivery systems (e.g. easy to swallow pills, or patches) can lead to additional emotional or functional consumer benefits. The resulting differentiation enhances the awareness and image of the brand and hence increases its equity. Because these innovations typically do not extend patent life however, it is more difficult to pass the costs on to the

- consumer when facing generic competition and hence, this strategy's lead is one step ahead towards price competition.
- iii) Invest in generics: Pharmaceutical companies can try to fight at both ends of the market by introducing their own generic. This will reduce the profitability of generic9 makers and may discourage them from entering the category. On the other hand, pharmaceutical companies have realized that producing and marketing generics requires different skills to their traditional business and that it is difficult to be a strong player in both business models. Finally it is inevitable that the competition from generics will erode the profitability of the original brand and pharmaceutical companies should not put up a fight and the continuous investments in brand building, coupled with price cuts and at the end consumers, marketers both are happy.

#### **Consumer Behavior and Characteristics**

According to Hodges (2015), Consumer buying behaviour is the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. According to Hoek (2018), Marketing success or failure of a company depends on target consumers' individual and group reactions expressed in the form of buying patterns. Since customer is the reason why any organization exists, it is necessary to understand the customer and study the pattern of his buying behaviour.

According to Srivastava (2017), Consumer buying behaviour is all psychological, social and physical behaviour of potential customers as they become aware of, evaluate, purchase, consume and tell other people about products and services.

- i. Bargaining A trend of bargaining is often found in the behaviour of buyers. They prefer buying goods by reducing the price as told by the seller. Indian buyers too do not frame uniform price policy. The trend of bargaining is still in vogue in the Indian markets.
- ii. Quality vs. Price Buyers focus on price instead of the variety of the goods. They therefore, prefer high price goods. A little bit change has come now because the consumers have now begun purchase of quality goods on higher price.
- iii. Brand or Trademark Consciousness It is the characteristic of the behaviour of buyer that he appears now aware of the brand of items and considers these goods authentic and of higher quality.
- iv. Changing Consumption Patterns Owing to widespread education, increase in income and standard of living as also desire of more comforts, the pattern of consumption is now being changed. The low income group and high income group are increasingly buying fridge, tape recorder, cooler, sewing machines etc.

#### **Theoretical Framework**

This work anchored on Shifting Loyalties Theory and the Mediation of Reality

#### **Shifting Loyalties Theory**

Ads play upon and reflect conflicted, ever-changing loyalties. While ads try to cultivate a strong sense of brand loyalty, ads also urge consumers to change loyalties, to try something new, to disavow an old loyalty in favor of a new product. In the study, Advertising in the 60s (Ghia, 2014), media historian Hazel W. Warlaumount argues that ads changed from the 1950s to the 60s. The look and message of many ads appeared to embrace the antiauthoritarian hippie counter-culture, all the while being designed and distributed by giant corporations promoting the status quo and capitalist interests. Warlaumont argues that advertisers co-opted the antiestablishment's "ideals, leaders, icons and goals into the existing structure." Warlaumont's argument inverts the concept of detournement, developed by activist Guy Debord and others in the 1960s. Debord was a leader of the radical collective, Situations International and author of The Society of the Spectacle, 1967. Detournement refers to an artist's reuse of familiar images, by shifting contexts to create a new work with a different often contrary message. Detournement has an element of 'anti-art' using blatant theft and sabotage of existing elements, turning the original message against itself. The idea leads to later strategy of culture jamming. Both strategies are conceived as a method of resistance to the glosser elements of Capitalist culture and raise awareness of corporate ploys and their social effects. An example of an ad using elements of detournement is the print ad below sponsored by the World Wildlife Federation. The "turned" element here is the portrayal of a toxic industrial can both a kind of giant urban monument and has the polluted life water of the city. The image redirects the price we might take in the magnitude of our industrial complexes into a fear that we are poisoning the very environments that are essential to our existence.

#### The Mediation of Reality

Ads only work in conjunction with other media and environments in which they are embedded and cannot be understood apart from other media and environments. Marshal McLuhan noted that it is not the content of ads that makes them so persuasive. Rather it is the way they use media to fuse together a world of actions and a world of fictions. McLuhan writes: "When the motives came, the entire Patten of American life went on the screen as a non-stop ad. Whatever any actor are actress wore or used are ate was such an ad as had never been dreamed of... The result was that all ads in magazines and the press had to look like scenes from movies." In the image: A Guide to Pseudo events in America, 1962, historian Daniel J. Borstin describes how news and advertising have blended together to such an extent in popular media that they create an impression in which truthful reporting becomes ambiguous and the difference between serious newsworthy event and a fabricated news event, such as a publicity stunt, is indistinguishable. But Boorstin does more than just describe how ads disguise themselves as news. He sketches the origins of celebrity culture, as fame and overblown public exposure become coveted ideals not just among a small set of people but among the general population of image and media consumers. However the ability to generate publicity and

controversy, to saturate and bombard, to get people noticing, talking, arguing is something products o as well as people. We have celebrity brands. Advertising thrives in a celebrity culture and is integral part of it Publicznego (2012).

#### **METHODOLOGY**

This research adopted a "survey method" and design. This is so because survey research focuses on the people, the vital facts of people and their beliefs, opinion, attitudes, motivation and behaviour. The area of this study was Ibadan, Oyo State, Nigeria. The population consists of conveniently selected consumers that patronize three reputed pharmacies in Ibadan metropolis which are KUNLE ARA, UCH/MOKOLA; MIDAS, ELEYELE; and PHARMADEX, DUGBE. The selected respondents were conveniently selected between August 15<sup>th</sup> and Sept., 31<sup>st</sup>, 2021. The total population of consumers picked between the dates is 9339. Having defined the population, the researcher estimated the sample size with Trek (2004) formula. Final sample size of 477 was drawn. The nonprobability convenience sampling was used as the sampling technique for this study. Data for this study were collected mainly from primary source. Data were gathered from the primary source through questionnaire that was self-administered. In order to ensure that the research instrument was valid, the researcher ensured that the instrument measured the concepts it was supposed to measure. The questionnaire was vetted by experts in the Faculty of Management and Social Sciences, Lead City University, Ibadan, Nigeria. A pilot survey was used to test 30 respondents and their responses, comments and preliminary analysis were used to modify and fine-tune the instrument. To ensure reliability of the data, the researcher administered the questionnaire in batches that yielded nearly equivalent responses. The outcome of the test-retest was determined using Cronbach Alpha and the result was 0.812 which signifies that instrument was highly reliable.

#### **RESULTS AND DISCUSSION**

This section presents various data gathered and the analytical techniques used. Of the four hundred and seventy-seven (477) questionnaires administered, four hundred and thirty five (435) representing 91.2% were returned and found good for the data analysis. The collected data was presented using mean and standard deviations. The 5 Likert type questionnaires rating of Strongly Agreed (SA), Agreed (A), Undecided (U), Disagree (D) and Strongly Disagree (SD) were assigned numbers 5, 4, 3, 2 and 1 respectively. The formulated hypothesis was tested using Regression Analysis at a significance level of 0.05 (5%). The decision rule was based on the sample mean greater than 3 for agreed and otherwise for disagreement.

Table 1: The effects of Prescription from Physicians Drugs on Consumer Preference

Items	Mean	SD
– Q1 Patient counseling affect the choice of pharmaceuticals products	2.61	1.214
Location of pharmacy and promotional events influenced the OTC product buying	3.59	1.208
-Q3 Psychological factors of buyers affects the choice of pharmaceuticals products	3.58	1.070
-Q4 Physician traits and Hospital staff experience affects the choice of pharmaceuticals OTC purchase from the patients	3.68	1.023
Average	3.91	.542

Source: Field Survey, 2021.

With respect to the effects of prescription from physicians drugs on consumer preference, the mean for respondents response to the question was 3.91 (SD=.542) indicating that the respondents rate high on the effects of prescription from physicians drugs on consumer preference. Specifically, the mean score for Q1 was 2.61. The model one which indicated that the effects of prescription from physicians drugs on consumer preference was also significant with F (1, 434) = 449.185, p < 0.001 as shown in Table 2. Also the model one explains 0.556 or 55.6% of the moderation between prescription from physicians and consumers preference. The model reports the following: R = 0.746,  $R^2 = 0.556$ , Adjusted  $R^2 = 0.555$  as Table 4 reports.

Table 2a: ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.588	1	25.588	449.185	.000 <sup>b</sup>
	Residual	20.450	434	.057		
	Total	46.038	435		_	

a. Dependent Variable: consumers preference

b. Predictors: (Constant), prescription from physicians

Source: Author computation

Table 2b: Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.746 <sup>a</sup>	.556	.555	.239

a. Predictors: (Constant), prescription from physicians

b. Dependent Variable: consumers preference

The significant level was found to be 0.00, and because of this we reject the null hypothesis and accept the alternate that states that *prescription from Physicians drugs have positive effects on Consumer Preference for OTC*. The finding is in line with the work of Srivastava and Sadhana, (2017), though it negates the submissions of Calisir (2003).

#### CONCLUSION AND RECOMMENDATIONS

The aim of this paper was to examine The word of mouth advertisement and consumer buying behaviour of over the counter (OTC) medicines in Oyo State. The paper explains that the various factors such as demographic, geographical, behavioral, psychographic and miscellaneous affects buying behaviour of the consumers towards the OTC products. The demographic factors include age, income, gender, education status, occupation, etc. The geographical factors include responses from various consumers that how quality, influences, corporate image, etc affect this type of buying behaviour. The behavioral factors give an insight of the preference, buying decision of the consumers and the repeat purchase behaviour in future. The psychographic factors include motivation, perception, learning, belief and attitude as well as lifestyle, interests and activities which trigger consumers to buy OTC. The importance of patient counseling has also been mentioned in the study. Various other major factors such as location of pharmacy and impact of promotional events or offers in influencing the OTC product buying behaviour has impact on buying behaviors towards OTC.

This study have established that the reliability of pharmaceutical advertising was low and therefore recommends that the management of pharmaceutical companies using internet advertising should provide unique experience to its customers based on customer analysis to deliver a personalized experience to the customers. The study also found that advertising was effective in reach and creation of awareness and recommends that the pharmaceutical companies should invest more in advertising to increase their market share and provide product information. Finally, the study determined that there was a positive relationship between advertising and consumer purchase decision and further recommends that pharmaceutical companies should conduct a market research on the different markets to ensure that the advertising initiatives being implemented suits the targeted markets to improve product purchases.

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## ARDA C

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# Harnessing Collective Capability to Achieve Marketing Resilience: The Experience of Domestic Airlines Operators in Nigeria

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Abstract This study examined the relationship between collective capability and marketing resilience of domestic Airlines in Nigeria. The study treated collective capability as unidimensional construct; while marketing resilience was decomposed into situation awareness, coping-with-change, marketing adaptability and resilient marketing ethos. The study adopted a descriptive research design and collected primary data through cross-sectional survey; using a structured questionnaire. The Spearman's rank order correlation served as the test statistic, relying on the statistical package for social sciences (SPSS) version 24.0. The study found that collective capability relates to marketing resilience of domestic Airlines in Nigeria. Collective capability posted strong, positive and statistically significant association with all the measures of marketing resilience. The study concluded that the ability of organization to harness collective capability contributes to the manifestation of marketing resilience of domestic Airlines in Nigeria. The study thus recommends that domestic Airlines in Nigeria that desire improved marketing resilience should institutionalize structures and practices that advance or harness their collective capability.

**Keywords**: Collective capability, coping-with-change, marketing adaptability, situation awareness, resilient marketing ethos

#### Introduction

In a highly volatile and uncertain times, marketing organisations are confronted with unexpected events such as pandemics, epidemics, diseases, natural disasters, terrorist attacks, technical malfunctions and technological change. To endure the times and flourish, firms must anticipate, prepare for, respond appropriately and adapt to both incremental and abrupt marketplace disruptions (Ateke & Nadube, 2017) in the new economy. The ability to adjust,

reposition, refocus or redirect marketing programmes, policies and activities smartly, and in reaction to market-dynamics is thus a minimum benchmark for sustained growth and robustness in business (Ebenuwa, 2021). Lengnick-Hall *et al.* (2011) opine that companies must have entrenched adaptability and find constructive ways of facing the future if they must escape extinction.

It is thus imperative for firms to have in-built structures that guarantee dogged responses to both premeditated and unanticipated environmental upheavals. Firms' preparedness to face shocks is essential to resilience. However, such disaster preparedness stems more from long-term strategy hinged on strong bonds with customers, employees and other relevant stakeholders, than short-term tactics aimed at solving emergent or operational problems (Nwulu & Ateke, 2018). It is not likely that any firm can have plans for all conceivable market-dynamics, however, having the capacity to assess and tinker existing plans when the unanticipated occurs is what distinguishes resilient firms. In organisational studies, resilience is conceived as a multifaceted construct that describes a firm's doggedness and tenacity in the face of uncertainties arising from changes in the operating environment and emerging stronger and better (Lee *et al.*, 2013).

Marketing resilience is the ability to remain in business and remain profitable for a long time in the midst of environmental challenges. It is a system's ability to continue to perform and meet its objectives amidst adverse conditions" (Barasa *et al.*, 2018) in Ateke and Nwulu (2018)

Collective capabilities represent skills, resources or abilities possessed by a group or team, and which facilitate goal achievement. Collective capabilities are thus "the sum of the capabilities (and sources of capabilities) of all individuals in a select group" (Stewart, 2004). Harnessing collective capabilities is indispensable to the achievement of human capabilities mainly because 'individual capabilities depend on collective capabilities' just as organised collectivities are fundamental to people's capabilities (Evans, 2002). Collective capabilities however, cannot be imposed but needs to arise from a learning process (Ibrahim, 2006). It is important however, to link individual and collective agency and to explore the factors affecting both, in order to initiate and sustain collective capabilities (Pelenc *et al.*, 2015). Collective agency is viewed "as the capacity of a group to define common goals and the freedom to act to reach the chosen goals" (Pelenc *et al.*, 2015).

We therefore, examined the connection between collective capability and marketing resilience of domestic Airlines in Nigeria. The study is appropriate at this point in the annals of the aviation sector in Nigeria when domestic carriers are finding it increasingly more challenging to withstand competition from foreign carriers, global health challenges are crippling economies and running firms into bankruptcy, and when dwindling fortunes of domestic Airlines is raising concerns about job security. These factors, and more, have necessitated the need to further explore ways of achieving and harnessing collective capabilities for domestic Airlines.

#### **Foundational Theory**

This study is premised on the Theory of Distinctive Competences (TDC). The theory of distinctive competences (Selznick, 1957) is a benchmark theory of strategy and competitiveness which holds that firms own or have access to "a set of unique capabilities" which allows them to enter markets of interest and gain advantage over competitors. Distinctive competences may be tangible or intangible "resources comprising financial, physical, human, technology, reputational and relational which a firm owns or has access to" (Graig & Grant, 1993). "The strengths of a firm which cannot be easily matched or imitated by competitors, and which builds competitive advantages for the firm may be seen as its distinctive competence" (David, 2015) cited in Abdullah *et al.* (2017). Nguyen (2008) in Abdullah *et al.* (2017) therefore, views distinctive competences as the "aggregate of multiple activities that firms do to perform better than rivals in an industry. Mooney (2007) also define it as "a unique firm-specific strength that allows a company to better differentiate its products and achieve competitive advantage."

Hence, "distinctive competence must be sustainable and visible to consumers, and not restricted to the outcome of a firm's special adaptation to its special purposes and programmes" (Abdullah *et al.*, 2017).

A firm's distinctive competences may be defined by assessing its internal and external operating milieu to identify internal strengths that meets or are capable of meeting market needs and bestows comparative advantage in the market. It is a highly peculiar competence a firm possesses in relation to competitors, and which enables it to offer value to its customers that competitor cannot match. They are areas of expertise a firm has gained foothold in, by focusing its strengths and competitive advantage. These adequately positions a firm in its target market and grow its image and brand awareness; and also enable it to have a unique value proposition. Distinctive competencies may emerge from the talents and skills of employees, technologies' the firm has created, business processes it has streamlined or manufacturing processes it has innovated. They may also emerge from the firm's position within its industry, market conditions or the high level of satisfaction it delivers to customers.

The theory of distinctive competence presupposes that firms could develop competences in specific areas such as environmental scanning and cross-functional responsiveness or in general areas by developing expertise in such areas as marketing, procurement, production, distribution etc. which are noticeable by rivals and customer. This study therefore adopts the theory of distinctive competences as a baseline theory on the premise that it is a viable theory to explain how firms can develop expertise by harnessing its collective capabilities and thus enhance their resilient capacity in their operating environment.

#### The Concept of Collective Capabilities

Collective capabilities is a construct that evolved to augment the shortcoming of the capabilities approach (Sen, 2002) which emphasizes individualism. Albeit admitting the impact of collective organizations and social relationships on individual freedoms (Robeyns, 2005), the "capabilities"

approach focuses mainly on the individual as the ultimate unit whose capabilities need to be enhanced" (Ibrahim, 2006). The construct of collective capabilities was thus introduced to accommodate the importance of collective action in expanding human freedom (Anand, 2007; Ibrahim, 2006; Stewart, 2005). Collective capabilities are capabilities which require collective action for their achievement (Murphy, 2014; Ibrahim 2006). They provide the basis for understanding the importance of collective action on the achievement of various objectives, including overcoming market failures, managing natural resources, and increasing political strength (Murphy, 2014; Ibrahim, 2006). Collective capabilities also "provide a framework for comprehending the ways organizations contribute intrinsically to people's well-being, by providing them with a sense of identity, cooperation, and enjoyment" (Godfrey-Wood & Mamani-Vargas, 2016). Thus, collective capabilities do not only complement individual capabilities, but are prerequisites to the expansion of human freedoms (Anand, 2007).

Collective capabilities are construct that emerged from social interactions that are propelled by shared perception of responsibility which enables interactants to undertake activities and achieve results that could not be achieved by individual actions (Pelenc & Bazile, 2012). This conception of collective capabilities is akin to "collective agency" which is described as "a group of individuals acting as agents not only to improve their own living conditions but also to bring about changes in their societies thus transcending the limits of their individual well-being concerns (Ibrahim, 2008) in Pelenc and Bazile (2012). Collective capabilities prompt collective action which Rauschmayer *et al.* (2017) define as "the involvement of a group of people carrying out common actions to pursue shared interests. Lykourentzou *et al.* (2011) states that the emergence of "collaborative technologies enable groups to share knowledge through collective platforms, thus improve organizational intellectual capital and help human communities evolve their collective capabilities in an unprecedented way".

Vorhies (1998) and Day (1994) as cited in Lindblom et al. (2008) advance that:

"A marketing capability is developed when a firm's marketing employees repeatedly apply their knowledge and skills to the transformation of marketing inputs to outputs. To effect this transformation, these intangible resources (of knowledge and skills) are usually combined with tangible resources or assets. Marketing capabilities thus can be understood as integrative processes whereby the collective knowledge, skills, and resources of a firm are applied to the market-related needs of the business - thus enabling the business to add value, adapt to market conditions, take advantage of market opportunities, and overcome competitive threats".

Collective capabilities thus result from resources and conversion factors acquirable through individual action, but most of which depend on social institutions and are not within the control of an individual (Rauschmayer *et al.*, 2017); and refers to the ability of an organization to take advantage of the synthesis of its resources (Mavengere, 2014). Harnessing collective capabilities involves building solidarity and shared identity relying on individual self-confidence

and understanding of shared values. Building a sense of collective identity is however crucial to sensing, understanding and responding to market dynamics. Rauschmayer *et al.* (2017) states that group members make collective decisions on key decision areas of their activities or operations; and also support one another technically, morally, and sometimes, emotionally by using group and individual group-members' resources to support other group members in crisis situations.

Collective capabilities represent capabilities possessed by a group, as against individual capabilities, which facilitate goal achievement. Collective capabilities differ from individual capabilities because the actions taken and the goals achieved are collective. Stewart (2005) argue that collective capabilities enhance well-being, provide a mechanism for enlarging individual capabilities, and influence preferences and values that determine capabilities valued by individuals. Since groups are usually instrumental to achieving wider purposes, it is worth noting that not every group aspires to noble ends (Stewart, 2005). This study however, focuses on groups that aspire to noble ends, and defines collective capabilities as resources, knowledge, skills and competences possessed by teams, and which can be leveraged for goal attainment (Mavengere, 2014).

Units, teams or groups in firms are made up of persons who are first and foremost, individuals possessing competences, and private aspirations. However, upon being blended into teams, these individuals are expected, and sometimes, bound by rules to work together and inculcate a team spirit. Ibrahim (2006) posits that linking the capabilities of individuals shifts the analysis of human capabilities from the individual to the collective. Collective capabilities which emerge by pooling individual capabilities generate new collective capabilities from innovations that benefits entire social systems (Ballet *et al.*, 2007). Collective capabilities are thus "the sum of the capabilities (and sources of capabilities) of all individuals in a select groups" (Stewart, 2004). "Collective capabilities are more than the aggregation of individual capabilities; and the result from collective action and their benefits accrue to a group, team or firm at large and not to a single individual" (Ibrahim, 2006). Phills *et al.* (2008) aver that harnessing collective capabilities as a social innovation process create value that accrues "primarily to society as whole rather than private individuals".

#### The Concept of Resilience

The conceptualization of resilience as akin to adaptive capacity became the starting point for the application of resilience in human-nature interactions were vulnerability, redundancy, sustainability and mitigation, stresses, and adjustment are prevalent (Jung, 2017). Today, resilience is an emphasized idea across a range of disciplines including psychology, engineering, ecology, economics, emergency management and organizational research (Ateke & Nwulu, 2018); as well as in cultural and social anthropology, psychiatry, behavioural studies, healthcare systems (Mallak, 1998). The first use of resilience in organizational studies was by Wildavsky

(1988) cited in Akhigbe and Onuoha (2019); and by the late 1990s, scholars started extending the use of resilience to various aspects of organizational studies (Akhigbe & Onuoha, 2019) such as management, supply chain, operational research, etc.

Two prominent theoretical approaches to the study of resilience are identified in literature; the first approach "frames issues as socio-ecological systems, while the second relies on institutions and governance derived from social science disciplines" (Jung, 2017). This in turn gave rise to several definitions, each tailored to suit the context in which the concept is used. In organizational studies however, resilience is defined as the ability of a firm to dynamically reinvent itself when conditions change, and the capacity to respond to uncertain conditions at the organizational level (King, et al., 2015); and is exemplified in the ability to react to disruptions timeously (Limnios et al., 2014). Resilience also represents a firm's aptitude to deal with manifested unanticipated threats and rebounding without significant injury to its structure, competitiveness and general wellness. In the view of Ateke and Nadube (2017), resilience is the capacity of an organization to adapt, cope, survive and prosper in the face of abrupt and sometimes hostile variations in the business-scape. Hence, resilient organizations have the ability to anticipate, prepare for, respond and adapt to gradual and abrupt disruptions in the operating environment without losing its functional capabilities and remaining fit for purpose over the long term (Ateke & Nadube, 2017).

Resilience is a multidimensional construct. In this study, we decompose marketing resilience into situation awareness (Lee *et al.*, 2013), coping with change (Zhang & Liu, 2012), marketing adaptability and resilient marketing ethos (Lee, Vargo, & Seville, 2013; Stephenson, Vargo, & Seville, 2010; McManus, Seville, Vargo, & Brunsdon, 2008). These measures were preferred because marketing must be conscious of its operating environment in order to adeptly tinker the variables with which it seeks to build and maintain profitable relationship with stakeholders.

**Situation awareness**: A situation represents the circumstances or conditions that characterize a particular place at a particular point in time. In strategic marketing management, firms undertake a situation analysis, as a necessary first step, in other to gain a snapshot of the conditions that surrounds their marketing operations. This exercise enables marketing to take stock of where it has been recently, where it is now and where it is headed, in the light of marketing plans and external factors and trends affecting it. It facilitates marketing's understanding of its own capabilities and its operating environment; and enhances the situation awareness level of marketing executives with a view to tailoring marketing activities to align with extant realities. Colloquially, situation awareness simply means "knowing what is going on, in order to figure out what needs to be done" or "what needs to be known in order not to be taken by surprise" (Jeannot *et al.*, 2003).

Carretta et al. (1996) represent situation awareness as the "awareness and understanding of the operational environment and other situation-specific factors that have the potential to

affect goal achievement, in order to rapidly make appropriate decisions and take effective actions". "Having complete, accurate and up-to-the-minute situation awareness is essential to those responsible for controlling complex, dynamic systems and high-risk situations, such as combat pilots, air traffic controllers, emergency responders, surgical teams, military commanders, etc. (Carretta *et al.*, 1996). Lacking in situation awareness is a primary factor in accidents attributed to human error. "Maintaining good situation awareness involves acquiring, representing, interpreting and utilizing information in order to anticipate future developments, make intelligent decisions and stay in control" (Salmon *et al.*, 2006).

In business context, one may contend that very costly marketing errors will be committed if the marketing function is not always conscious of its operating environment (Ateke & Nwulu, 2018). The concept of situation awareness thus describes the knowledge marketing has of its operating environment (McManus *et al.*, 2008); which includes the ability to anticipate opportunities, threats, disturbances and the ability to correctly identify potential crisis, their likely effects and what must be done to turn things around (Tamunomiebi, 2018). It involves understanding how events, trends, information, or own action affect the realization of immediate or future goals (Gugerty, 1997). Endsley (1995) emphasizes that: "The aim of situation awareness is to determine the meaning of emerging trends and their impacts, in order to make sound marketing decisions in convoluted and highly dynamic environments". Situation awareness provides the basis for increasing the quality of marketing decisions by determining the meaning of emerging trends and conditions on marketing operations". Marketing thus requires resources to continually scan the environment to discern opportunities that could be exploited and threats that should be avoided.

Coping-with-change: The growing intra- and inter-industry competition, worsened by unrelenting globalization has made it mandatory for firms to master their ability to manage and survive change (Cao & McHugh, 2005). Change represents a transformation of situations from established or expected trajectory to radically different courses, thus requiring adjustment of plans or re-planning in order to remain focused on a preset course or goal. It is a shift in circumstances, from the known to something unanticipated. Environmental shocks emerge from several factors that herald change, and these must be subdued by maintaining, reconfiguring current templates or designing and integrating new ones (Rafferty & Griffin, 2006). These templates are implemented by experts working on established pre-assigned tasks to promote survival of marketing activities and ultimately prosper a company even when uncertain and unexpected turns tend to upend plans and dis-align functioning; thereby achieving resilience by coping with change. Coping with change involves accommodating unexpected vagaries in the environment and remaining the same in functions, structures, processes and programmes.

Change is the most pervasive and largely less predictable phenomenon in business life. The mastery of exploiting change is thus a highly-prized and highly-sought-after skill in marketing practice where the pace of change is rather rapid and constantly ticking. The price of change

soars higher daily, yet inability to cope with change can be more expensive (Lelièvre *et al.* 2019); and even in coping with change, it is mandatory that "marketing effort reflect internal constancy of purpose and external consistency of image" (Lelièvre *et al.* 2019). It is not likely that all environmental disruptions will have equal significance on marketing operations; as some are industry-specific while others are broader. For instance, the company-customer interaction which was initially guided by a production orientation has changed over the decades into a market orientation; and in this gradual but steady evolution, only marketers that are able to cope with change can remain in business.

Literature suggests that change is one phenomenon whose impact is held with concern by many as individuals, groups or organizations (Rafferty & Griffin, 2006); as it affects them, their jobs, and their colleagues (Herscovitch & Meyer, 2002; Weber & Manning, 2001). Change may be incremental, or transformational. Transformational change which refers to "perceptions regarding the extent to which change involves modifications to core systems of firms, including traditional ways of working, values, structure, and strategy" (Rafferty & Griffin, 2006); instigates marked alterations to the ways marketing is practiced. Characteristically, transformational change involves a dramatic shift in basic aspects of an organization (Herscovitch & Meyer, 2002). Eras of transformational change are precipitate novel events that require marketing to act in completely new ways and to adopt new values (Lazarus & Folkman, 1984).

Marketing adaptability: Marketing activities must necessarily be adaptive to evolving instantaneous and insidious crisis situations in the operating milieu. Marketing adaptability describes context specific marketing competences that facilitate constant and continuous evolvement to keep pace with needs of the operating environment. Marketing adaptability relies on individual and team characteristics that encourage continuous learning and improvement amidst change and uncertainty, to chart a better future for a firm through flexible marketing operations. McCann (2004) and Hamel and Väl ikangas (2003) view the capacity to adapt marketing activities to changing market conditions as "the ability or inclination of individual or teams within marketing to maintain an experimental attitude towards new situations as they occur and to act in terms of changing circumstances". Marketing adaptability is a process that promotes the design and implementation of proactive insights about future possibilities that enables the creation of value that connects with stakeholders; and is linked to competitiveness as it demonstrates resilient characteristic, and describes the ability to adapt operations to prevailing conditions with a view to gain advantage over less adaptive competitors, and maintain a robust marketing profile (Amah & Baridam, 2012) in Akhigbe and Onuoha (2019).

Marketing adaptability which also implies "the aptitude to adapt swiftly to varying environments is essential to navigating firms in the contemporary business milieu where turbulent disruptions constitute the new norm"; as it facilitates firms' ability to respond to threats and opportunities in the environment. Gîrneata (2014) in Akhigbe and Onuoha (2019) emphasizes that:

"Marketing adaptability is more about working swiftly to carve a peculiar path for the firm with minimal waste, by inspiring risk taking, gaining knowledge from failures, internal and external transparency, support of stakeholders, empowering employees to develop, collaborate, create, innovate, discover, and experiment growth".

Marketing adaptability promotes consistent alignment of marketing objectives and customer desires, mostly, by converting customers into "innovative customers" or by innovating marketing practices, programmes and operations to suit emerging market trends (Ateke & Nwulu, 2018). With adaptability, marketing strategy is approached from the angle of actively tracking and responding to marketplace shifts. This approach enables marketers to tinker marketing activities to respond to market condition based on market intelligence. Adaptability can sometimes lead to overhaul of entire marketing operations, practices and strategies by adjusting the whole marketing programme to connect new challenges. This connotes that marketing resilience may not necessarily come from traits like "strength, speed, and aggressiveness" but from adaptability. The current pandemic ravaging the world and disrupting business activities bears eloquent testimony to this assertion.

Virtually every "firm can cope with normal conditions and moderate deviations from the norm, but many may find it challenging to cope with extreme events that may lie outside their coping range" (Ahiauzu & Jaja, 2015). To this end, scholars use "coping ability to address short-term capacity to just survive, and employ adaptability to address more sustainable long-term adjustments" (Ateke & Nwulu, 2018). Adaptability and coping range are not static. They are flexible and respond to contextual vagaries over time (Ahiauzu & Jaja, 2015). Collateral pathways (alternative routes to achieve a desired goal) enhance marketing adaptability by making provision for alternative courses of action; so that, disruption on one pathway does not prevent the achievement of the desired goals (Barasa *et al.*, 2018) in Ateke and Nwulu (2018). Also, availability of resources (financial, materials, human and information) enhances marketing adaptability. Firms can withstand shocks and overcome disruptions by studied deployment of resources (Ateke & Nwulu, 2018). "Resource constraints impair the resilience of enterprises to economic crisis; just as preparedness and planning is essential to marketing adaptability because coping with acute shocks, rather than everyday challenges, is enhanced by adequate planning" (Beermann, 2011).

Resilient marketing ethos: Ethos describes beliefs, norms or ideas about social behaviour and relationships within a group. It is a system of values, norms and artifacts designed to produce a desired set of actions" (Sung-Joon & Sung-Ho, 2005). Rauhe and Demmer (2004) conceive ethos as "a system of collective constructs of meaning invoked by people to experience, define, process, depict and modify reality" However, Paulauskaite and Vanagas (1998) cited in Zostautiene et al. (2017) defined culture (ethos) as "the outcomes of individual and social activity, its forms and systems, the functioning of which enables the creation, use and conveyance of material and spiritual values". This provides a more encompassing view of culture. Marketing ethos therefore represents market-oriented values, norms and actions that

inform and guide marketing actions. It is one that practically translates the marketing concept, which emphasizes the importance of customers not just within marketing, but throughout the firm. It is anchored on identifying market demands and meeting them better than competitors. It is an approach to business that prioritizes identifying the needs and desires of consumers and creating products that satisfy them. A marketing culture focuses on developing, communicating and delivering value. It thus thrives on learning about market developments, sharing this information with appropriate personnel, and adapting offerings to a changing marketing environment.

Zostautiene *et al.* (2017) aver that marketing practices are encumbered by a "perfect storm" of adversities orchestrated by forces ranging from turmoil and instability of markets, economic downturns, changes in employees' values, resource shrinkages, technological revolutions, fragmentation in demographics, pandemics, etc. Now perhaps is a most suitable time since the invention of management for firms to prepare for adversity by building a resilient marketing culture. A resilient marketing culture is a climate within marketing that foster resilience in the wake of adversity; an environment that the majority of marketing personnel perceive as non-punitive, but motivating and supportive (Zostautiene *et al.*, 2017). One that encourage innovation, stimulate personal satisfaction and growth, as well as extraordinary success. A resilient marketing culture also creates the "tipping point" that changes culture of the entire organization.

Marketing ethos is a "multidimensional construct encompassing service quality, inter-personal relationships, sales tasks, organization, internal communication and innovation" (Webster, 1995) that reflects the professionalism of a firm's marketing personnel (Zostautiene *et al.*, 2017). Marketing ethos is essential to customer retention and in strengthening company's position in the market (Zostautiene *et al.*, 2017). Effective marketing culture creates sustainable successful operation of firms and effective marketing and company performance. Resilient marketing ethos nurture creativity by providing time and resources for experiments, reward innovation, tolerate failure, and promote workplace climate that encourage employees to share new ideas (Barasa *et al.*, 2018) in Ateke and Nwulu (2018).

#### **Collective Capabilities and Marketing Resilience**

Lengnick-Hall and Beck (2009) suggests that the capacity of firms to develop resilience derives from "specific organizational capabilities, routines, practices, and processes by which a firm conceptually orients itself, acts to move forward, and creates a setting of diversity and adjustable integration". These organizational capabilities and routines, in turn, are a function of the amalgam of knowledge, skills, abilities and other attributes possessed by individuals that are nurtured and integrated through the firm's human resource management (Lengnick-Hall *et al.*, 2011); and who receive similar training, hold similar core values and have a mind-set that success depend on teamwork, where all act as one, and not on individuals working in silos. Firms thus develop and encourage inter-personal and inter-functional collaborations that

bridge the gap between persons and units and allow for the free-flow of ideas that enhance the achievement of collective outcomes (Lengnick-Hall *et al.*, 2011).

Cross-fertilization of ideas and sharing of relevant information between and among multiple individuals with diverse knowledge, skills, and values is crucial if firms must confront and thrive in today's markets. Individual members of a group or team develop their understanding of their environment through interactions and shared experiences (Lengnick-Hall *et al.*, 2011) by imbibing the group perspective. Thus, rather than viewing the firm as a collection of individuals, individuals are viewed as a reflection of the group, which can function and achieve feats, only in proportion to the extent individual members pool their capabilities together. According to Gholami and Safavi (2010), "the building block of cooperative and collaborative enterprise among team members is the ability to reason, understand and learn from their interactions".

The dynamic capabilities theory states that the challenge of firms in recent times is neither "economic, in the sense of more or diverse resources and capabilities, more loyal customers nor cognitive and emotional competences; but the capacity to see possibilities that others do not, and the capacity to inspire and mobilize employees to commit competencies and resources to exploit perceived opportunities (Baden-Fuller & Teece, 2019). Thus, firms do not necessarily need heroic entrepreneurs, as the perception of possibilities can be resident in a team or across a wide range of teams all pushing in the same direction. This echoes the point that the resources a firm requires are mostly within, and merely needs assemblage and orchestration. The capabilities of individuals when properly amalgamated transforms to collective capabilities which allow the harnessing of hard and soft skills, abilities, knowledge and brainpower of individuals to enhance human reasoning and analytical capabilities in problem-solving situations (Teece, 2007).

A team that shares a common interest is often smarter than the smartest of its members (Gholami & Safavi, 2010). Collective capabilities thus pass as an important tool for sharing and contributing to knowledge throughout a firm. "Collective capabilities when viewed as the "dynamic aggregation of cognitive, reasoning, and knowledge resources of humans supported by intelligently networked systems" (Wang et al., 2007) becomes imperative to the survival and sustenance of firms. Wang et al. (2007) also suggest that knowledge management in organizations depends on collective intelligence (capabilities) processes which enable knowledge to be externalized, made explicit and reused. Collective capabilities will therefore likely lead to higher efficiency and productivity (Gholami & Safavi, 2010).

Individuals have often had need to converge in pursuit of shared goals via collective action, characterized by team involvement, a shared interest, as well as cooperative and voluntary actions to pursue that interest (Meinzen-Dick *et al.*, 2004). The underlying ideal of collective action is the realization of goals that are beyond the scope of individual members. In social cognitive discourses, the term collective agency (Bandura, 2000), which represents the idea that the efforts of a team working together based on the shared belief in collective power

produce better results than the sum of individual results lends credence to the efficacy of collective capabilities. In collective agency, individuals work together to accomplish what cannot be accomplished in solo efforts. Collective agency can thus be seen as an outgrowth of collective capabilities viewed as real opportunities available to a team or group of interactants with a common functioning that is collectively perceived as valuable; especially, when this functioning is consistent with goals defined through the process of collective agency (Bandura, 2000).

Prior scholarly efforts have shown that by harnessing the collective capabilities of group or team members, a firm could achieve improved wellness. For instance, Lengnick-Hall et al (2011) observed that managing human resources strategically helps in developing capacity for organizational resilience. It is worthy of note that strategic human resources management encompass gathering, developing and deploying the capabilities of individual members of an organization for synergy. Bustinza *et al.* (2019) reports that shared technological capabilities enhance resilience capabilities and organizational effectiveness. Relatedly, Tsai and Hsu (2013) found that cross-functional collaborations and knowledge integration enhances company performance. The forgoing reports suggest that harnessing the collective capabilities of marketing team members have the potential to predict marketing resilience. However, to make statistical tests and interpretations workable, the following null hypotheses are formulated:

- **Ho**<sub>1</sub>: Collective capabilities does not relate significantly to situation awareness of domestic Airlines in Nigeria.
- **Ho<sub>2</sub>**: Collective capabilities does not relate significantly to coping with change of domestic Airlines in Nigeria.
- **Ho**<sub>3</sub>: Collective capabilities does not relate significantly to marketing adaptability of domestic Airlines in Nigeria.
- **Ho₄:** Collective capabilities does not relate significantly to resilient marketing ethos of domestic Airlines in Nigeria.

#### Methodology

The focus of this study is to examine the association between collective capability and marketing resilience. The study adopted a descriptive research design. The study was anchored on the realist ontology and positivist epistemology; it adopts a nomothetic methodology based on the conviction that man's interaction with the environment is deterministic. A questionnaire thus served as the instrument of primary data collection. The study was conducted in a natural setting; hence, the researcher did not exert any form of control over the research elements (the test units). The cross-sectional survey, which permits researchers to collect data from test units at a point in time, was adopted.

The population of the study comprised domestic airlines in Nigeria. Information from the Nigerian Civil Aviation Agency (NCAA) indicates that there are twenty-three (23) domestic Airlines in Nigeria. These twenty-three (23) domestic Airlines constitute the population of the study. The study took a census since the population of the study is not large. The study however surveyed one hundred and fifteen (115) management level staff of the twenty-three (23) airlines on a sample frame of five (5) respondents per airline. The study purposively surveyed marketing; operations; corporate communications; regional and general managers of the airlines. The choice of this category of staff is premised on the conviction that they are (1) better placed to understand the trajectory of the study, (2) privy to the core of airline operations and therefore possess the required information, and (3) in positions of authority to speak for their firms.

The instrument used in the study passed face and content. The face validity of the instrument was ascertained through the opinion of experts consisting members of the academia within marketing, organizational studies, and measurement and evaluation; and practitioners with adequate knowledge of the subject of the study; while content validity was predicated on the fact that it was derived from literature, and mostly from instruments used by other researchers, with minimal adaptation. The internal consistency of the instrument was determined through the Cronbach's Alpha test of reliability, with a threshold of 0.70 (Nunally, 1978). Table 1 presents a summary the results.

Reliability result for the study

Variables	No. of items	Alpha coefficients
Collective capabilities	8	0.902
Situation awareness	8	0.820
Coping-with-change	6	0.967
Marketing adaptability	8	0.914
Resilient marketing Ethos	9	0.962
Competitive intensity	8	0.895

Source: Simulation from SPSS Output of Data analysis on collective capability and marketing resilience (2020).

The distribution for the reliability scores indicates that all instruments utilized in the study are substantial and can be described as clear and consistent in their assessment of their constructs.

The Spearman's Rank order correlation served as test statistics, relying on the Statistical Package for Social Sciences (SPSS) version 24.0. The choice of the Spearman's Rank order

correlation is premised on its noted flexibility in assessing correlations for both ordinal and interval data (Neuman, 2006). The decision rule for accepting or rejecting the null hypotheses was premised on the adoption of the 0.05 level of significance as a criterion for assessing the Probability value (Pv). Hence where Pv < 0.0, the null hypothesis was rejected, and accepted where is Pv > 0.05.

Table 4.17: The relationship between collective capabilities and marketing resilience

			Collective capabilities	Situation awareness	Coping- with-change	Marketing adaptability	Resilient marketing ethos
		Correlation Coefficient	1.000	.693**	.872**	.696**	.742**
	Collective capabilities	Sig. (2-tailed)		.000	.000	.000	.000
		N	109	109	109	109	109
	Market	Correlation Coefficient	.693**	1.000	.752**	.825**	.818**
	situation awareness	Sig. (2-tailed)	.000		.000	.000	.000
		N	109	109	109	109	109
		Correlation Coefficient	.872**	.752**	1.000	.790**	.806**
Spearman's rho	Coping-with- change	Sig. (2-tailed)	.000	.000		.000	.000
		N	109	109	109	109	109
		Correlation Coefficient	.696**	.825**	.790**	1.000	.767**
	Marketing adaptability	Sig. (2-tailed)	.000	.000	.000		.000
		N	109	109	109	109	109
	Resilient	Correlation Coefficient	.742**	.818**	.806**	.767**	1.000
	marketing	Sig. (2-tailed)	.000	.000	.000	.000	
	ethos	N	109	109	109	109	109

Source: SPSS Output of Data analysis on market sensitivity and marketing resilience (2020).

The result from the test reveals as follows:

- i. The relationship between collective capabilities and situation awareness of domestic Airlines in Nigeria is significant and positive where rho = 0.693 and Pv = 0.000; the null hypothesis is rejected based on the facts generated.
- ii. The relationship between collective capabilities and domestic Airlines' ability to cope with change in Nigeria is significant and positive where rho = 0.872 and Pv = 0.000; the null hypothesis is rejected based on the evidence presented.

- iii. The relationship between collective capabilities and marketing adaptability of domestic Airlines in Nigeria is significant and positive where rho = 0.696 and Pv = 0.000; the null hypothesis is rejected based on the evidence presented
- iv. The relationship between collective capabilities and resilient marketing ethos of domestic Airlines in Nigeria is revealed to be significant where rho = 0.742 and Pv = 0.000; the null hypothesis is rejected on the basis of the facts generated.

The evidence from the test shows that collective capabilities impact substantially on all four measures of marketing resilience. This is as its relationship with situation awareness is noted to be strong, while its relationship with coping with change is noted to be very strong – being the highest and most significant of the set. Furthermore, the relationship between collective capabilities and marketing adaptability is observed to be strong while its relationship with resilient marketing ethos is observed to also be strong. The results from the tests demonstrate that collective capabilities play a critical and substantial role in the achievement of marketing resilience of the Nigerian domestic airlines.

#### **Discussion of Findings**

#### Collective capabilities and marketing resilience

The findings demonstrate that collective capabilities significantly impact marketing resilience; with significant influence on all four measures of situation awareness, coping-with-change, marketing adaptability and resilient marketing ethos. The results emphasize the importance of group action and team work in the development and achievement of marketing goals. The facts indicate that collective capabilities facilitate improved levels of situation awareness, coping-with-change, marketing adaptability and resilient marketing ethos — implying that when organizational members are able to agree and express substantial levels of cohesion in their marketing behaviour and approach, it accords them consistency in their efforts and improved outcomes. Zhang and Liu (2012) in their own study pointed to the role of teamwork in marketing actions and its effectiveness in the achievement of marketing objectives; so also evidence from previous studies (Jung, 2007; Umoh *et al*, 2014; Wei & Wang, 2011) validate the position of collective capabilities as an essential factor in advancing the marketing expectations and goals of the organization.

The observed relationship between the variables suggests that the evidence of collective systems and cooperation within the organization goes a long way in ensuring healthy relationships and supportive environment which facilitate the achievement of the organizations goals and objectives. The facts align with Jung's (2007) observation that the conditioning of decisions and goals is important in work environments, as well as relationships, go a long way in providing the required supportive structure, collective framework and connectivity between organizational members that ensures their capacity for effectiveness, especially with regards to the development of marketing strategies and goals. The findings of this study also corroborate the views of Wei and Wang (2011) in affirming the usefulness of team work and information or

knowledge sharing in building stronger systems, which are highly interactive and consistent in their communication flow – such that reflects the required capabilities for enhancing marketing resilience.

#### **Conclusions and Recommendations**

In view of the findings of the study and the discussions that followed, the study concludes that harnessing collective capability leads to marketing resilience through situation awareness, ability to cope-with-change, marketing adaptability and resilient marketing ethos. This is facilitated through adaptation and market opportunities exploitation that inform domestic Airlines' behaviours and actions. The organization shared sense of duty and collective capabilities necessitates understanding, collaboration and supportive systems which provide the basis for improved outcomes of situation awareness, coping-with-change, marketing adaptability and resilient marketing. In addressing the problems and mitigating effects of poor competitiveness, functionality and change pervading the Nigerian airline industry, this study has established that collective capability contributes significantly towards enhancing marketing resilience of domestic airlines in Nigeria.

On a practical level, the position of this study points to implications such as the need for context-based training and development in line with building required competencies which are suited for engaging the marketing needs of particular industries and sectors and thus strengthening marketing resilience. From the perspective of this study, there is the need for airlines to be more attuned to the trends, factors and features which impose on their functionality and operations. Learning and knowledge development should therefore be descriptive (assessing and understanding current situations, practices, technology and policies) and at the same time predictive (assessing trends and making forecasts about possible changes and shifts in terms of relationships, competition, technology and policies). This way, their marketing actions and behaviour are sure to align with the changes in their environment while at the same time advancing fluidity in attributes and competency in dealing with particular contexts or markets.

The study recommends that domestic Airlines in Nigeria that desire to maintain or enhance their resilient capacity should harness their collective capabilities and actions of the organization, through effective structuring of relationships and instillment of values through regular orientations, monitoring of behaviour and actions, training, and emphasis on team work and collective efforts towards the achievement of the organization's marketing goals

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# Effect of Store Image on Customer Loyalty among Selected Pharmaceutical Chemists in Maiduguri Metropolitan Council, Borno State, Nigeria

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Abstract The study examined the effect of store image on customer loyalty among pharmaceutical chemists in Maiduguri Metropolitan Council. Globalization, diffusion of market and growth of information technology have all improved consumer knowledge and produced a state when extensive accomplishment is no longer possible through optimized product and price technologies. Thus, the store image must be consistent with the need and motives of the largest segments to avoid creating confused images in the mind of consumer .The main objective of the study is to assess the effect of store image on customer loyalty of pharmaceutical chemists in Maiduquri Metropolitan Council. The population of the study was three hundred and ninety thousand six hundred and seven (390,607) customers of the four (4) main pharmaceutical chemists in Maiduquri metropolitan council. Select sample of 339 was selected using Taro Yamane (1967) formula, which was proportionately allocated to the four (4) pharmaceutical chemists. Data were collected by using structured questionnaire, which were administered on the respondents. The study used descriptive and inferential statistical tools for data analysis. The data collected were analysed using Simple regression analysis with the aid of Statistical Package for Social Sciences (SPSS) version 20.0. The finding of this study revealed that there is significant relationship between shop behaviour and customer loyalty, shop symbolism and customer loyalty and also significant relationship between Shop Communications and customer loyalty among pharmaceutical chemist in Maiduguri Metropolitan Council. The study recommends that, store attendants should endeavour to welcome customers with open mind by offering warm courtesy and respect; however, establishing a cordial working relationship by offering recommendations of brands and quality to customers should be done on a routine basis in order to encourage consistent patronage that leads to eventual loyalty.

Keywords: Store Image, Customer Loyalty, Pharmaceutical Chemists

#### 1. Introduction

Globalization, diffusion of markets and growth of Information Technology have all improved consumer knowledge and produced a state where extensive accomplishment is no longer possible through optimized product and price technologies. As an alternative, the companies

have to rely on long-standing and healthy buyer relation. Consistent with several researches it is almost Six times harder to capture new customers than to retain the old ones. Hence, we can see that there is more emphasis on winning loyal customers than capturing new ones.

These days' companies are worried that modern customers have a propensity to be less devoted to certain brand. The consumers are availed with so many alternatives to choose from and so they don't care about sticking to one particular brand. The consumers receive wide choices in prices, product quality and features that they become indecisive of what to choose. Therefore, it is very important for the companies to make their products stand out in the market. This is where the image comes in. the brand image helps the companies to make a distinct place for their brands in the minds of the consumers. Image is believed to have an immense influence on and loyalty.

Provision of consumer satisfaction also plays a great role in capturing loyal customers. It is frequently used as the marketing yardstick of a company's performance. It is also commonly thought that a satisfied consumer is a loyal customer i.e. He or she would repeat purchases and spread a positive opinion about an image.

Customer loyalty has been seen as a widely discussed topic among retail managers in all kind of businesses all over the world. As academic research on loyalty has received considerable attention and is largely focused on practical issues, it is especially important for those firms that have or plan to implement customer loyalty initiatives such as loyalty cards or frequent user programs. Ndubisi (2004) stated that more and more firms are capitalizing on strong firm-customer relationships to gain valuable information on how customers can be treated the best and indirectly keeping them away from the competition through Relationship marketing. Relationship marketing is a facet of customer relationship management (CRM) that focuses on customer loyalty and long-term customer engagement rather than shorter-term goals like customer acquisition and individual sales. The goal of relationship marketing (or customer relationship marketing) is to create strong, even emotional, customer connections to a brand that can lead to ongoing business.

Firms benefit more from maintaining long-term relationships than short-term customer relationships. After knowing the satisfaction and loyalty drivers, retail managers can set up a marketing strategy in which the company can target new customers and keep the current customers. Past research on store image has pointed out that numerous environmental variables of a store (e.g. colour, layout, etc) affect consumers perception of store image and that specific characteristics tend to be associated with high-image and low-image.

Store image is an important marketing tool for retailers because a better image means greater customer flows, fewer walkouts and thus more customers spending each time they visit. On the other hand, store image is crucial because consumers' decisions on where to shop depend on their perceptions of the available shopping alternatives. The importance of store image is quite high in the choice of the store because the shopper seeks the store whose image is most

congruent with the image he/she has of him/herself with his/her vision of the world and lifestyle (Martineau, 1958). Thus, store image becomes a key factor determining a retailer's strategy.

Customer loyalty often hinges on the quality of communication after the first sale, so businesses that use one-on-one marketing tactics can often build loyalty in areas where competitors fail by tailoring communications to individual customers. Companies can create a comfortable atmosphere that inspires a two-way flow of information that builds loyalty and develops new ways of selling.

Lately, the concept of store image has gained wide acceptance from more retailers as an important variable in the development of an effective retail strategy, which can lead to increased sales and profits. Thus, the offered store image must be consistent with the needs and motives of the target segments to avoid creating confused images in the minds of consumers. Therefore, it is against this background that the study assesses the effects of store image on customer loyalty among selected pharmaceutical stores in Maiduguri Metropolitan Council.

#### 2. Problem Statement

The increasing competition in the wholesale and retail industry in Nigeria has forced and gave pressure to wholesalers and retailers to search for new ways to distinguish themselves and gain better competitive position in the minds of customers in order to improve customer loyalty. Furthermore, customer loyalty often depends on the quality of communication after the first sale, so businesses that use one-on-one marketing tactics can often build loyalty in areas where competitors fail by tailoring communications to individual customers, companies can create a comfortable atmosphere that inspires a two-way flow of information that builds loyalty and develops new ways of selling but has also been seen that these pharmaceutical stores have not created effective communication channels to the benefits of their products to the prospective customers. However, despite that it has been seen that customers are still not conversant with the symbols of these Pharmaceutical stores.

Despite the measures taken by the pharmaceutical stores owners, the loyalty turnover is still low and retention of customer has become a costly affair. Although similar researches have been conducted, such as Wisnalmawati and Mintarti Rahayu (2014) examined the effect of Store Image on Store Loyalty and Perceived Quality as Mediation in Indonesia. Shivaji Mohinta (2014) examined the relationship between Store Loyalty and Shopping Behaviour in India. However, none of these studies looked at the effects of store image on customer loyalty among selected pharmaceutical stores in Maiduguri Metropolitan Council. Therefore, this study intends to fill the gaps identified.

#### 3. Objectives of the Study

The main objective of the study is to assess the effect of Store Image on Customers Loyalty. The specific objectives are to;

- i. assess the effect of shop behaviour on customer loyalty among pharmaceutical chemists in Maiduguri Metropolitan Council;
- ii. examine the effect of shop symbolism on customer loyalty among pharmaceutical chemist in Maiduguri Metropolitan Council; and
- iii. assess the effect of shop communications on Customer Loyalty among pharmaceutical chemists in Maiduguri Metropolitan Council.

#### 4. LITERATURE REVIEW

Jansone (2012), conducted a study on the determinants of store loyalty in Latvian Grocery market in Latvia-Riga. The purpose of this study was to investigate, how Latvian retailers can position their stores best and which store loyalty variables the marketers need to focus and improve in order to maintain customer loyalty. The study adopted the field survey where questionnaire were administered to a sample size of 152 respondents. The data collected were analysed using chi-square Findings of the study revealed that the direct determinants of store loyalty considered in this study were: store affect, social congruity, ideal social congruity, and demographic factors (age, gender, income and distance). The indirect (mediated through store affect) determinants of store loyalty considered in our study were: store atmosphere perceptions, store merchandise value perceptions, interpersonal service quality perceptions, social congruity and ideal social congruity. The study concluded that marketers need to consider the determinants appropriately in order to maintain customer loyalty. The study also recommends that Latvian retailers must have to harmonize the indirect determinants of store loyalty to fast track customer loyalty.

Atalik and Arslan (2009) conducted a study on the effects of customer value on customer loyalty in airline companies: case study of Turkish Air travellers. The aim of this study is to determine the effects of customer value, which is perceived by domestic line passengers based on the services offered by the airline company preferred, on the level of loyalty towards airline companies. A sample of 350 airline passengers was taken through simple random sampling technique. The data obtained was analyzed by the use of simple percentage and descriptive statistics. Simple regression technique was used for analysis. The findings show that customers attach a great deal of importance to fulfilment of their wants and needs. In this respect, carriers operating in domestic lines have to provide their customers with services designed to create higher values for their customers and to increase customer loyalty to airline companies. Thus, it seems obligatory for airline companies to provide various options in value-oriented services such as low-pricing, increasing domestic routes, stepping up direct flights, punctuality and baggage services.

Furthermore, Hussain (2014) conducted a study on customer loyalty and switching behaviour of customer for Pepsi in Pakistan. The aim of the study is to investigate the effect of switching behavior, customer satisfaction, habit, and utilitarian values on customer loyalty. There are 251 questionnaires collected with response rate is 57.1%. Data analysis technique is Generalized

Structured Component Analysis (GSCA). The study result revealed how satisfaction and habit directly affects a customer's loyalty towards a particular product or service. The study results provide a better understanding about the role played by each factor in the development customer loyalty and highlights the key role played by affective factors.

In the same vein a research paper on sales promotion and customer loyalty: A study of Nigerian Telecommunication Industry (Omotayo, 2011). The aim of the study is to determine the effect of sales promotion on customer loyalty in telecommunication industry using a sample of customers of mobile telecommunication services. A sample of 250 was used. 250 questionnaires were administered and 235 were retrieved. The result indicates that, there is positive relationship between sales promotion and customer loyalty. More importantly, it was discovered that non-loyal customers are more prone to switch to competing products as a result of sales promotion than loyal customers. Hence, the study recommends that telecommunication operators must strive to meet the needs of customers in order to stay competitive.

Similarly, a research on correlates of customer loyalty to their Banks: A case study in Nigeria (Ehigie, 2006). The study seeks to examine how customer expectations, perceived service quality and satisfaction predict loyalty among bank customers in Nigeria. 423 customers of three banks were surveyed. A hierarchical regression analysis carried out revealed that perception of service quality and satisfaction are significant predictors of customer loyalty, with customer satisfaction contributing more.

However, a similar research on relationship between customer satisfaction and loyalty: A study of some selected eateries in Calabar, Cross River state (Awara, Anyadighibe & Amaechi, 2014). The study aimed at examining the significant relationships between customer satisfaction and loyalty; customer satisfaction and customer patronage; and customer satisfaction and customer retention. The study adopted survey and descriptive research designs. 99 customers were sampled. The study revealed that there subsist significant relationships between customer satisfaction and: loyalty, customer patronage and customer retention. It is recognized that with improvement of customer satisfaction a firm will find customers that are more loyal.

Additionally a study on determinants of customer loyalty among subscribers of Global System for Mobile (GSM) communication in western Nigeria (Hashim, 2014). The objective of this study is to identify the determinants of customer loyalty among subscribers of GSM in Northwestern Nigeria. The study was survey in nature. Sample of 1100 GSM subscribers were randomly selected for the study. The study reveals that there is evidence to suggest that perceived price fairness does not affect customer loyalty in north-western Nigeria. In addition, this study also found out that the major factors influencing whether a GSM subscriber will reports brand loyalty are; perceived service quality, perceived brand image, and perceived customer satisfaction. Moreover, the study suggests that the GSM service providers should

continue to ensure the provision of a high service quality in the North-western Nigeria and by extension in the whole Nigeria in order to maintain customer loyalty.

#### **Theoretical Framework**

#### **Theory of Reasoned Action**

Theory of reasoned action (Fishbein and Ajzen, 1975) can be used to understand and predict customer behaviour .The theory is based on assumptions that human beings are rational and they systematically use information available to them. Information available for individual logically and systematically follows individual's behaviour, the theory further suggests that subjective norm influences customer's intention to act. Behavioural intention is a function of attitude toward performing behaviour and subjective norm regarding to behaviour .Thus, individual believes that specific behaviour will lead to certain consequences and individual evaluates these consequences.

Subjective norms are individual's perceptions of whether or not relevant people to individual think that individual should perform specific behaviour. The subjective norms consist of individuals beliefs whether relevant people think that individual should perform specific behaviour (approves or disapproves) weighted by individuals motivation to agree with those relevant people. It can be assumed that theory of reasoned action suggests that behaviour can be predicted by two variables: attitude toward behaviour and subjective norm. These variables are expected to vary with specific behaviour which is predicted, with conditions under which specific behaviour will be performed and with specific individual who will perform specific behaviour .Theory of reasoned action posits that loyalty intentions have direct influence on customer's behaviour (willingness to buy). Willingness to buy is attached to customers desire to search for favourite offers even though it requires considerable effort. Competitive offerings are not considered as alternatives in customers mind. Expansion of the theory of reasoned action suggests that customer's previous behaviour can explain their actual behaviour. It means that customer will prefer to choose the same store they visited in previous purchase occasions, even though customer perceives that other store provides the same benefits. It can be explained with psychological commitment to previous choices and customer's willingness to decrease their costs of decision making. This calls inertia effect. It is rational, because it helps customer to reach satisfaction by saving costs of decision making, decision takes place automatically and without conscious thinking.

#### Stimulus – Organism – Response Theory

This theory was postulated by Mehrabian and Russells (1974). The theory posits that physical environment influence is primarily affective, and poorly designed store environment reduces shopping pleasure and incur customers physical costs. Environmental psychologists have presented theoretical model on 23 effects of store atmosphere on shopping behaviour. In order

to describe retail setting relevant behaviour Stimulus – Organism – Response paradigm can be used.

Mehrabian and Russell argued that all responses to environment can be described as approach or avoidance behaviours. Approach can be described as desire or willingness to stay in specific environment (physical approach), explore it (exploratory approach), and communicate with other in the environment (communication approach). Avoidance can be described as desire to get out of environment (physical avoidance), tendency to avoid moving though environment or remain bored within environment (exploratory avoidance) tendency to avoid interacting with other within environment or avoid other people communications attempts (communication avoidance). Degree of approach or avoidance of performance, and satisfaction with task performances are performance and satisfaction approach and avoidance. According to store environment, all aspects can be appropriate in order to describe retail environment behaviour. Physical approach and avoidance are related to basic level patronage intentions. Exploratory approach and avoidance relate to search and exposure to retail offerings. Communication approach and avoidance relates to communication with sales people. Performance and satisfaction approach and avoidance relate to repeat purchasing frequency and reinforcement of time and money spent in specific store.

Mehrabian and Russell propose that in environmental situations are three basic emotional states which lead to approach avoidance behaviours called PAD dimensions: pleasure – displeasure; arousal – non-arousal; dominance – submissiveness. Any environment, including store, produces an emotional state in an individual's mind, which can be characterized in three PAD dimensions. In pleasure – displeasure dimension individual feels in some degree good, joyful, happy, or satisfied with situation. In arousal – non arousal dimension person in some degree feels excited, stimulated, alert, or active within specific situation. In dominance – submissiveness dimension, individual feels in some extent in control of, or free to act in specific situation.

#### **Customer Demand Theory**

The customer demand theory also known as customer demand theory, Michelle (2016) based on the consideration of some demographic variables, was developed over years of research studying the habits of consumers. The theory attempts to define what drives loyalty in customers and can represent an effective tool for gaining and retaining your hard-won patrons. Business owners who witness repeat customers know on an intuitive level that customer loyalty is an invaluable commodity. Incorporating the precepts of the customer loyalty theory into daily dealings can influence the creation of more business.

In general, younger customers, especially those with in-depth experience searching the Internet, may exhibit less customer loyalty to individual businesses as a result of the wide variety of online stores. These shoppers do not experience the personal interactions inherent in visiting a physical location. Conversely, some older customers who are less interested in

spending time searching the Internet to shop may develop a comfort level with the particular businesses they frequent. As a direct consequence, these purchasers get to know specific business owners and employees and begin developing much-valued relationships over time, enhancing loyalty to the business.

The differences between male and female shoppers may extend to their shopping habits. Generally, the nature of females includes valuing long-term relationships more than their male counterparts. Women also tend to recognize and exhibit loyalty to product brands with which they become comfortable. Conventionally more social, women may initiate enjoyable interactions more readily with business owners and staff, laying the foundation for business loyalty. If these friendly overtures are consistently reciprocated by employees, the customer may come to expect the positive acknowledgement. This experience, when duplicated each time the customer visits the store, can lead to customer loyalty (Anneke, 2015).

There may be a connection between better education and lower customer loyalty, related to the increased need of educated people for information on every facet of life in which they engage. Educated customers may be more cognizant of new store openings or establishments that may offer greater bargains or a unique experience, and customer loyalty may be no match for the bombardment of constant information from all sources, such as the Internet, TV, radio and cell phones. This might point to the need for businesses to become more competitive in their use of all forms of information absorbed by potential customers.

Customer satisfaction occurs when expectations are met and exceeded; however, expectations vary among different people. For example, a product may be highly appealing to one customer and not impress another at all, so each person's degree of satisfaction is not the same. Rather than attempting to affect customer loyalty solely through the products carried, businesses might more effectively gain consumer loyalty by learning more about what their own customers appreciate and value and working to meet those expectations (Younghan, 2011). This theory is relevant to the study as customer needs and wants has to be determined before developing need satisfying goods and services that meets or exceeds customer expectation, this leads to satisfaction and eventual customer loyalty.

#### Methodology

#### **Population of the Study**

The population of this study comprise of the entire customers of the selected pharmaceutical stores within Maiduguri Metropolitan Council (MMC). Simple pharmacy has one hundred and twenty seven thousand three hundred and two customers (127,302), Nazo pharmacy has eighty nine thousand customers (89,000), Aisha pharmacy has seventy two thousand customers (72,000) and Lamusawa pharmacy has one hundred and two thousand three hundred and five (102,305) respectively. Therefore, entire population of these pharmaceutical stores is three hundred and ninety thousand six hundred and seven customers (390,607).

#### **Sample Size and Sampling Techniques**

Yamane's formula will be used to ascertain the sample size, and is given by the formula below:

Where:

n = sample size

N = population

1 = constant

e = level of significance (0.05)2

Therefore;

Three hundred and ninety nine respondents (399) will be drawn from the total of three hundred and ninety six thousand six hundred and seven customers of the selected pharmaceutical stores within Maiduguri Metropolitan Council. Purposive sampling technique will be used to select four pharmaceutical stores out of the thirty seven registered pharmacy stores within Maiduguri Metropolitan Council as reliable information such as the numbers of customers will be obtained easily from the four purposively sampled.

Table 1: Sampling Frame Table

Pharmaceutical Stores	Total Population	Sample Size	Percentage Of Respondent (%)
Simple	127,302	164	41
Nazo	89, 000	114	29
Aisha	72,000	93	23
Lamusawa	102, 305	132	33
Total	309, 607	399	100

Source: Survey 2022

#### **Method of Data Analysis**

Data were analyzed using descriptive and inferential analysis. Descriptive involve the use of simple percentages, whereas the inferential method was guided by the use multiple regression analysis, which was aided statistical packages for social sciences (SPSS)

The multiple regression formula is given thus:

Y = a + b1x1 + b2x2 + b3x3 + e

Where:

a = constant (i.e. the intercept)

b1 and b2 associated with x1 and x2 are the coefficient of regression.

Where:

X1 = Shop Symbolism

X2 = Shop Communication

X3 =Shop Behaviour

Y = Customer loyalty.

 $H_{01}$ : There is no significance of Shop behaviour on customer loyalty in pharmaceutical chemists in Maiduguri Metropolitan Council

Table 2.1: Model Summary of Shop Behaviour and Customer Loyalty

Model	R	R-square	Adjusted R-square	Std. Error of the Estimate	Durban Watson
1	0.6813	0.629	0.628	0.177577	0.1718

a. Predictor (Constant) customer loyalty

b. Dependent variable: Shop behaviour

Table 2.1 show a strong correlation between shop behaviour and customer loyalty with an R-value of 0.6813 which is 68.13%, the R-square 0.6293 shows that 62.93% of the variability of shop behaviour are explain by customer loyalty. It indicates that there is positive correlation between customer loyalty and shop behaviour.

Table 2.2: Regression Coefficient Shop Behaviour and Customer Loyalty

Model			Standard coefficient	Т	Sig
	В	Std. Error	Beta		
Constant	21.440	0.146		9.27	0.0025
Customer loyalty	0.313	.177	6.36	7.06	0.0025

Source: SPSS Version 20.0, Field Survey, 2022

Table 2.2 show that standardized beta weights of the coefficient and past correlation signifying the correlation between shop behaviour and customer loyalty with a P-value 0.0025 implying that customer loyalty has significant effect on shop behaviour of the study area. Therefore, that null hypothesis which states that there is no significant effect of shop behaviour and customer loyalty.

Since the R-square value of (0.6293) which represent 62% by which variable explained the model fit of the data. The T-value of the coefficient of regression is 7.06. Therefore, all variables from the table in response to P-value of the regression coefficient are all significant at the level of 0.0025 which is less than the alpha value of 0.05. This concluded that the null hypothesis is rejected and the result shows that shop behaviour has significant effect on customer loyalty in pharmaceutical chemists in Maiduguri.

**Ho<sub>2</sub>:** There is no significant effect of shop symbolism on customer loyalty in pharmaceutical chemists in Maiduguri Metropolitan Council.

Table 2.3: Model Summary of Shop Symbolism and Customer Loyalty

Mode	R	R-square	Adjusted R- square	Std. Error of the estimate	Durbian Watson
1	0.543	0.8149	0.5903	0.45329	0.4232

Source: SPSS Version 20.0 a. Predictor (Constant) customer loyalty b. Dependent variable: Shop symbolism

Table 2.3 show a strong correlation between shop symbolism and customer loyalty with an R-value of 0.543 which is 54.3% the R-square 0.8149 shows that 81.49% of the variability of shop symbolism are explain by customer loyalty. It indicates that there is positive correlation between customer loyalty and shop symbolism.

Table 2.4: Regression Coefficient of Shop Symbolism and Customer Loyalty

Model	Unstandardized Coefficient		Standard coefficient	Т	Sig
	В	Std. Error	Beta		
Constant	25.749	0.4532		0.20	0.03020
Customer loyalty	.293	.423	4.65	3.65	0.03020

Source: SPSS Version 20.0, Field Survey, 2022

Table 2.4 show that standardized beta weights of the coefficient and past correlation signifying the correlation between shop symbolism and customer loyalty with a P-value <0.05 implying

that customer loyalty has significant effect on shop symbolism of the study area. Since the R-square value of (0.8149) which represent 81% of which the variable explain the model fit of the data. The T-value of the coefficient of regression is 3.65. Therefore, all variable from the table in response to P-value of the regression coefficient are all significant oat the level of 0.03020 which is less ten the alpha value of 0.05. This concluded that the null hypothesis is re rejected and the result shows that there is a significant effect between shop symbolism and customer loyalty in Maiduguri Metropolitan Council.

**Ho<sub>3</sub>:** There is no significant of shop communications on customer loyalty in pharmaceutical chemists in Maiduguri Metropolitan Council.

**Table 2.5 Model Summary of Shop Communication and Customer Loyalty** 

Mode	R	R-square	Adjusted R- square	Std. Error of the estimate	Durbin Watson
1	0.7891	0.7654	0.8124	0.376123	0.198

Source: SPSS Version 20.0, Field Survey, 2022

a. Predictor (Constant) customer loyalty

b. Dependent variable: Shop communications

Table 2.5 show a strong correlation between shop communications and customer loyalty with an R-value of 0.7891 which is 78.91% the R-square of 0.7654 show that 76.93% of the variability of shop communication are explain by customer loyalty. It indicates that there is positive correlation between customer loyalty and shop communications.

Table 2.6 Regression Coefficient of Shop Communication and Customer Loyalty

Model			Standard coefficient	Т	Sig
	В	Std. Error	Beta		
Constant	0.70142	0.0493		2.05	0.549
Customer loyalty	.691	.376	5.43	8.06	0.041

Source: SPSS Version 20.0

Table 2.6 show the standardized beta weights of the coefficient and part coefficient signifying the correlation between shop communication and customer loyalty with a P-value < 0.05 implying that customer loyalty has significant effect on shop communication of the study area.

Therefore, the null hypothesis which states that there is no significant effect between shop communications and customer loyalty in Maiduguri Metropolitan Council.

Since the R-square value of (0.7654) which represent 76.54% by which variable explain the model fit of the data. However, T-value of coefficient of regression is 8.06. Therefore, all variable from the table in response to regression coefficient are all significant at the level of 0.041 which is less than the alpha value of 0.05. This concludes that null hypothesis is rejected and the result shows that there is a significant effect between shop communications and customer loyalty in Maiduguri Metropolitan Council.

#### **Discussion of Findings**

The major thrust of this research is focused on the effect of store image on customer loyalty among selected pharmaceutical chemists in Maiduguri Metropolitan Council, Borno State, Nigeria and come up with following findings. One of the finding revealed that there is significance effect of Shop behaviour on customer loyalty among pharmaceutical chemist in Maiduguri Metropolitan Council. One of the finding revealed that there is significant effect between shop behaviour and customer loyalty among pharmaceutical chemists in the study area. This finding is in agreement with that of Hussain (2014) who asserts that satisfaction and habit directly affects a customer's loyalty towards a particular product or service. Furthermore, the outcomes of this research provide a better understanding about the role played by the shop behaviour in the development of customer's loyalty among the pharmaceutical chemists.

Similarly, this finding is in line with the finding of Chen (2001) who opined that composite measurement of loyalty combines both the behavioural and attitudinal dimensions. He asserts that the use of both behaviour and attitude in defining loyalty significantly increase the predictive power of loyalty. Therefore, loyal customers are persuades easily to buy and continuous buying the existing products because of different utilities derive from the products.

Another finding revealed that there is significant effect between shop symbol and customer loyalty among pharmaceutical chemists in Maiduguri Metropolitan Council, which is in concurrence with the finding of Omotayo (2011) who stated that symbols and logos have a long origin that shows brand identification of the companies. In the same vein, there are different types of symbols and logos that are unique from corporate names or trademarks. They are easy way to recognise a product is a greater success if they become q linked in memory to corresponding brand name and product to increase brand recall. However, loyal customers may perhaps identify definite symbols and become loyal to such brand. In the same light, Oxenfield (2004) posits that symbol is successful way to get a better place in customer mind, However, if something that is easily identifiable and preferably in a positive way, customer feel more comfortable with the products and symbols can be an effective way of differentiating the brands from each other. In addition, symbol can also be used to make the potential customers aware of the origin and ownership of the brand and at the same time help the brand owners to build brand equity through raising brad awareness.

Another finding of study revealed that there is significant effect between shop communication and customer loyalty among pharmaceutical chemist in the study area. This finding is in agreement with the finding of Groonroos (2000) who stated that tailoring communication to individual customer, companies can create a comfortable atmosphere that inspires a two flow of information that build loyalty as well as developing new ways of selling. He also asserts that customers can easily search and find a desired service or support and loyalty often hinges on the quality of communication after the first sale.

Similarly, Chan (2005) posits that communication also tell dissatisfied customers what the organisation is doing to rectify the causes of dissatisfaction. He also stated that there is effective communication between an organisation and customers. In the same light, Panda (2004) observed that shop communication has been to expose the audience to a brand and higher recall, so that customer will buy the brand that has the highest recall; and to satisfy the customer to the optimum level. To him any exposure to the brand communication affects consumer response, which can be measure by analysing variables like brand awareness in terms of recall and recognition, favourability, strength and uniqueness of the brand association in the consumer memory for building a positive image. Furthermore, it is apparent to believe that shop communication is one of the effective and efficient ways of persuading customer to buy and become a loyal to the particular product. Similarly, shop communication has a potential and strong effect on busting sales and creates customers loyalty. In the same vein, shop communication should aim at enhancing customers to make attached to the product in order to strengthen the customers loyalty over time.

#### Conclusion

Based on the findings of this study, it was concludes that store image examines in this research have significantly contributes to customer loyalty in the study area. Therefore, shop behaviour has positive significant effects on customer loyalty and it is explained by the Store attendants welcome of customers, general treatment given to customers, having cordial relationship, and recommendations of brands and quality to customers that will change their behaviour toward products.

Furthermore, the study concludes, that store symbolism is the second highest predictor that significantly contributes to customer loyalty in the study area. This indicates that symbols are easy ways for customers to; identify a product, position the product in the mind of the customers; recognise the product and feel comfortable for using the product, and help to differentiate the products. Similarly, the study concludes that, shop communication has positive significant effects on customer loyalty among pharmaceutical chemist in Maiduguri Metropolitan Council, and this can be explained by way of informing customer about new products and it benefit to customers. In the same vein, the effective and efficient communication will go a long way in improving customer's satisfaction and eventually become loyal toward the products in questions.

#### Recommendations

Based on the findings of this study, we recommend firstly, that managers of the stores should endeavour to shows fairness in dealing with present and potential customers, this will go a long in encouraging re-purchase that lead to eventual loyalty. Secondly, managers should also design a unique symbol that are easy to be identifies and recognizes by presents and existing customers. Thirdly, managers should also focus attention on customers' attitude and perception of products through effective communication, because emotional appeal and message come through efficient communication.

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## Naga Comment

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## Workplace Human Relation Skills and Job Performance of Employees of Hotels in Rivers State, Nigeria

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Abstract: This study investigated the relationship between workplace human relation skills and job performance of employees of hotels in Rivers State. The study adopted a cross-sectional survey in its investigation of the variables. Primary data was generated through structured questionnaire. The population of the study consisted of 1, 312 employees as at the time of study while the sample size consisted of 307 employees from 61 hotels in Rivers State. The sample size of 307 was determined using calculated using the Taro Yamane's formula for sample size determination. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for Social Sciences version 23.0. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The findings shows that there is a significant relationship between workplace human relation skills and job performance of employees of hotels in Rivers State. Specifically, anger management and empathy significantly correlated with job performance of employees of hotels in Rivers State. The study recommends that managers and employees should develop key human relation skills, to form and uphold stronger relationships within teams and maintain a positive work environment which is the most critical part of human relations skills.

Keywords: Human Relation Skills, Job Performance, Anger Management, Empathy

#### INTRODUCTION

Good workplace human relation skills referred to the ability to cooperate in a right manner with others and build strong relationships. Looking at human relations skills from the perspective of managers in hospitality industries, it involves the process of creating systems, communication channels to enable group employees relationships as well as strong one-on-one relationships, it also includes the process of training people for specific roles, addressing their needs, resolving conflicts between employees or between management and employees, being empathic and

creating a positive and good work environment as well as workplace principles to increase employees' job performance (Balakrishnan, Gopalakrishnan & Pattabhiraman, 2014).

Human relations are as old as organization and being fundamental in organizations which always remain a feature of administrative life (Lussier, 1996). The loner prefers to live alone however, people live in wavering degrees among others and need to adjust their distinct conducts to those around, they prefer to work on their own and relate with only a few chosen acquaintances. This sort of individual's approach towards human relations must stay constantly in the mind of investigators who deal with hitches of human relations. If the lives of employees are to be largely accessible, it is important that working conditions should be healthy, safe, convenient and attractive. Through developing key human relations skills, managers and employees can form and uphold stronger relationships within teams and maintain a positive work environment which is the most critical part of human relations skills.

Earlier findings have suggested that lack of genuine empathy at the hospitality industries has a huge effect on employees' job performance. When people don't feel understood or cared for, they start to pull back, and thus, the team is not getting their best efforts. (Fried, Levi, & Laurence, 2008 and Morgeson, & Humphrey, 2008). An empathetic workplace equals an engaged workforce, and that translates to organizations' success (Sprinkle, 2000). At the same time, there are sufficient pragmatic evidences showing that financial offers have varying effects and may not be of much significance for escalating employees' performance (Gupta, & Shaw, 2014). This is due to the changing nature of work and rise of knowledge workers in post-globalization, which has defied the familiar views of individual work performance (Frese & Fay, 2001).

The term "employee performance" signifies individual's work achievement after exerting required effort on the job which is associated through getting a meaningful work, engaged profile, and compassionate colleagues/employers around (Hellriegel, Jackson, & vvSlocum, 1999; Karakas, 2010). In order to utilize HR fully and augment organizational success, effective employee performance management system is imperative for a business organization. The performance-driven objective is expected to be aligned with the organizational policies so that the entire process moves away from being event-driven to become more strategic and a people-centric perspective (Jena, & Pradhan, 2014; London, 2003; Mone, & London, 2009). Why do some organizations perform better than others and get listed as most preferred employer of the year? Earlier findings have suggested for deploying lucrative incentive schemes for motivating the employees toward meaningful job participation (Friedman, & Sunder, 1994; Roth, 1995; Smith, 1991; Sprinkle, 2000). At the same time, there are sufficient pragmatic evidences showing that effective communication, application of empathy and good work environment have varying effects for escalating employees' job performance (Bonner et al., 2001; Camerer, & Hogarth, 1999; Gupta, & Shaw, 2014). Pfeffer and Salancik (1978) say that human beings are important asset to any organization and so deserve to be treated very fairly in order to contribute positively to the achievement of organizational goal. He believes that for a good human relations practice, employee participation and motivation must be brought into consideration.

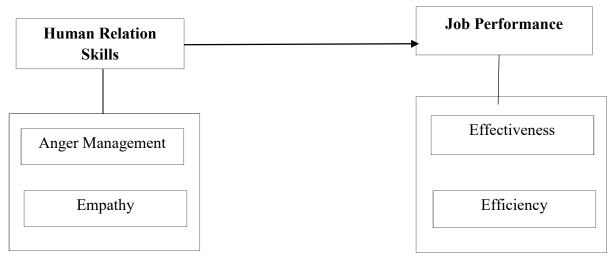
Bergeron (2007) stated that human relations are the integration of people into work situations that motivates them to work together productivity, cooperatively and with economic; psychological and social satisfaction.

Open lines of communication are essential to any workplace, but this is especially vital for leaders practicing human relations management. Effective communication helps ensure that all employees not only are on the same page, but also feel motivated and valued in their work. This refers to in-person conversations as well as written communication such as emails and social media. According to (Bommer et al., 1995; Lawler, & Worley, 2006; Schiemann, 2009) the following are the methods of making human relations to work in an organization. The manager and supervisor should make each other feel useful, important and wanted. The subordinates should be constantly informed of the changes in rules, schedules and policies through effective communication. The management should be empathic, believe in people's ability, know how to manage anger in conflicts situations and allow subordinates to exercise control over routine affairs as this will improve esprit de corps among team members for greater productivity.

Bateman and Snell (2007); Fay and Luhrmann (2004); Hellriegel et al. (2004) further said that managers ability to recognize what workers want, to use his discretion, experience, intuition and the necessary understanding organization has a social system that is made up of interdependent systems and the appreciation that execute skill in human relations can be developed; all constitute good human relations. Therefore, the purpose of this study is to investigate the relationship between workplace human relation skills and job performance of employees' of hotels in Rivers State, Nigeria.

This study was guided by the following specific objectives:

- iii. To examine the relationship between anger management and job performance of employees' of hotels in Rivers State.
- iv. To examine the relationship between anger management and job performance of employees' of hotels in Rivers State.



#### Fig.1 Conceptual framework for human relation skill and job performance

Source: Author's Desk Research (2021)

#### LITERATURE REVIEW

## Theoretical Foundation The Human Capital Theory

According to Psacharopoulos and Patrinos (2004), the theory has root in the work of a classical author such as Adams (1776). He concluded that managers are equip for productivity virtue of anger management, empathy, esprit de corps, communication, customer satisfaction and customer retention; in his view of explanation a comparison on a quality and expensive machines was made. The much money for its purchase, more time and labour by discipline manufacturers during production determine the quality of output. The theory is relevant because workplace human relation skills that enhance employees' job performance are very paramount to hospitality industries.

Schultz (1902-1998) and Becker (1930-) in Ayara (2002) gave 'meat' to this theory when they affirmed that anger management, empathy, esprit de corps, communication, customer satisfaction and customer retention of human capital enhances the hotels productivity. Human capital development of the employees stressed some ingredients for effective organization. Becker (2006) emphasized that human capital theory includes training, work attitude, management of an organization/institution etc. Becker (2006) viewed human capital in the area of manufacturing/construction process. More explicitly, human capital development promotes employees' output in management.

The development of the employees' managerial effectiveness posited by Psacharopoulos and Patrinos (2004) that human capital theory is the stock of knowledge or managerial skills; this stock contributes to sound or effective organization. They further added that no nation grows above the apparatus of education in place which is the backbone of nations' wealth. Also, Fitzenz (2000) asserted that human capital theory is the employees' holistic investment in the outfit which makes the organization more effective and productive.

## **Human Capital Skills**

#### **Anger Management**

Anger is a construct that is most commonly viewed as an emotion. According to Averill (1983), anger is elicited by the appraisal that one has been wronged intentionally and unjustifiably by another person. Anger can be defined as a socially constituted syndrome, or a transitory social role (Plutchik, 2003). Anger, on this account, rests first and foremost on a moral judgment. Besides, anger, like other emotions, results from the complex interplay of social, psychological, and physiological factors (Cornelius, 2000). Anger-related terms signify a negative, active, and

potent emotion. Among negative emotions, anger differs from sadness, which is inactive and impotent, and from fear, which is active but impotent.

Thus, as anger is a negative, potent, active emotion, this study is based on the negative feature of the concept. According to the statements of Thoits in Klein (2011), emotions involve four key concepts; -appraisals of situational stimulus, changes in physiological sensation, free display of expressive gestures, and a cultural label applied to specific constellations of the previous three. Thus, it is addressed that emotions are a product of "social influences". Anger has also been discussed as either a "state" or a "trait" that "personality factors" as well as temporary states are factors in anger (Klein, 2011).

The authors pointed out that anger is a discrete emotion with universally recognizable expressions with specific types of physiological reactions (Koç, 2008; Gibson and Callister, 2010). Anger was seen as a social emotion that is often generated in response to the actions of others and, as such, it is often directed at others (Gibson and Callister, 2010). Besides, it was indicated that anger serves a social function of signaling to the individual that a personal violation has occurred, and in this way, anger acts as a transaction between the individual and his or her environment. As further, it was stated that anger episodes usually begin with work-related events, which result with the primary causes of anger, such as; perceptions of hotels environment, fairness and justice, interpersonal states, and personality traits (Koç, 2008; Gibson and Callister, 2010; Meier and Semmer, 2012).

#### **Empathy**

The happiness of employees is the key driver to achieve the vision of any organization and empathy forms a crucial component of this process. Ward (2013) justly point out that it is naïve to think that a happy worker is invariably a productive worker, but much evidence collected from a variety of occupations suggests that a worker's satisfaction does influence job performance. For instance, a negative relationship can appear between job satisfaction and absenteeism and employee turnover. The employees' motivation to expend effort would therefore be a function of their expectancies that expending a given effort on their tasks would lead to improved job behavior and performance.

Stein and Book (2001) confirm that empathy entails: The ability to be aware of, to understand and to appreciate the feelings and thoughts of others, Empathy is "tuning in" (being sensitive) to what, how and why people feel and think the way they do, and Being empathic means being able to "emotionally read" other people. Empathetic people care about others and show interest in and concern for them.

Stein and Book (2001) further justly point out that many people are prohibited from using empathy to their advantage because of three misconceptions about it. In the first instance, people confuse empathy with being "nice" — as opposed to what empathy really means. Secondly, many people confuse empathy with sympathy, and, thirdly, some people believe that by making an empathic statement, they would appear to be agreeing with or approving of the other person's position, when in fact they may be totally opposed to it.

According to Kouzes and Posner (2013), asking about and acknowledging how employees feel makes them more likely to reciprocate and care more about their work. When you're empathetic toward your team, it creates a positive ripple effect throughout your organization. People are more understanding of and helpful toward one another – decreasing conflicts and improving collaboration. Palmer (2013) states that empathy is one of the most important skills that both employees and managers must possess in order to foster a peaceful work environment while Goleman, (2011) claim that empathy is the most important skill that should be part of organizational culture.

In hotels, keeping calm with human relations skill at work is considered the prime professional composure to maintain. As employees pride themselves on acting professional in the workplace, they try to keep their emotional state under wraps. However, by not feeling encouraged to bring their full, authentic selves to work, much potential is lost (Wang & Huang 2009). For leadership and management leaders, from HR directors to executives to team leads, to be effective leaders to the people they lead; they need to integrate empathy into their communication with their team members.

According to Harris and Moran, (1987) and Korkaew and Suthinee (2012), improving organizational culture starts by improving relationship between employees and customers within it. Since organizations are about people, they should be given a chance to both create value and be valued at work. The impact of recognition from one's team goes a long way in establishing trust and loyalty. Employees want to feel belonging and connection at work, and that relies on treating each other with empathy. Nelson and Low (2011) opined that; empathy is the ability to understand someone else's feelings and experiences. Being empathetic can allow you understand someone else's perspective, strengthen your ability to connect with others and develop a broader view of the world. This also allows you to better understand that your actions impact other people, which can lead to more productive conversations, especially when interacting with customers' from different backgrounds and perspectives.

There are three main types of empathy:

- a) **Emotional empathy:** This type of empathy is where you can share someone else's emotions. For example, if you see someone who is happy, you feel happy.
- b) **Cognitive empathy:** This type of empathy is being able to understand what someone else may be thinking or feeling. You seek to understand the other person's perspective.
- c) Compassionate empathy: This type of empathy is when you understand someone's feelings and take action on them. For example, you may offer to pick up coffee for a coworker who has an important presentation in the morning.

#### **Job Performance of Employees**

Performance is a multicomponent concept and on the fundamental level one can distinguish the aspect of performance, that is, behavioral engagements from an expected outcome (Roe, 1999). The behavior over here denotes the action people exhibit to accomplish a work, whereas the outcome aspect states about the consequence of individual's job behavior. Apparently, in a workplace, the behavioral engagement and expected outcome are related to each other (Borman, & Motowidlo, 1993), but the comprehensive overlap between both the constructs are not evident yet, as the expected outcome is influenced by factors such as motivation and cognitive abilities than the behavioral aspect. Performance in the form of task performance comprises of job explicit behaviors which includes fundamental job responsibilities assigned as a part of job description. Task performance requires more cognitive ability and is primarily facilitated through task knowledge (requisite technical knowledge or principles to ensure job performance and having an ability to handle multiple assignments), task skill (application of technical knowledge to accomplish task successfully without much supervision), and task habits (an innate ability to respond to assigned jobs that either facilitate or impede the performance) (Conway, 1999).

Therefore, the primary antecedents of task performance are the ability to do the job and prior experience. In an organizational context, task performance is a contractual understanding between a manager and a subordinate to accomplish an assigned task. Entrusted task performance is broken into two segments: technical administrative task performance and leadership task performance. The expected job performance comprising of planning, organizing, and administering the day-to-day work through one's technical ability, business judgment and so on are called technical administrative task performance. Leadership task performance is labeled through setting strategic goals, upholding the necessary performance standards, motivating and directing subordinates to accomplish the job through encouragement, recognition, and constructive criticisms (Tripathy, 2014).

Borman and Motowidlo (1997) defined job performance in the context of task performance as "effectiveness with which job occupants execute their assigned tasks, that realizes the fulfillment of organization's vision while rewarding organization and individual proportionately." Werner (1994) has synthesized the earlier propositions of task performance through relating it to organizational formal reward stating as "the demonstrated skill and behavior that influences the direct production of goods or service, or any kind of activities that provides indirect sup-ports to organization's core technical processes." An individual's ability to acclimatize and provide necessary support to the job profile in a dynamic work situation is referred to as adaptive performance.

Earlier studies have found that once the employees derive certain amount of perfection in their assigned tasks, they try to adapt their attitude and behavior to the varied requirements of their job roles (Huang et al., 2014). An effective adaptive performance necessitates employees' ability to efficiently deal with volatile work circumstances (Baard, Rench, & Kozlowski, 2014), for example, technological transformations, changes in one's core job assignment, restructuring of organization and so on. Evolutions of various new occupations as an offshoot of

technological innovation need employees to engage in fresh learning and get oneself adaptable with changes in an efficient manner (Griffin, Parker, & Mason, 2010).

The employees are also expected to adjust their interpersonal behavior in such changed circumstances to work successfully with a wide range of peers and subordinates. In the context of wholesome work performance, Griffin, Neal, and Parker (2007) cited that job proficiency may aid for task performance, but adaptability and proactiveness to one's job role is important to address uncertain business environments. Along with the task and adaptability, efforts have been carried out toward ascertaining the significance of non-job components of performance to create a better workplace (Viswesvaran, & Ones, 2000. Contextual performance is a kind of pro-social behavior demonstrated by individuals in a work set-up. Such behaviors are expected of an employee but they are not overtly mentioned in one's job description. These kind of unstated expectations are called pro-social behavior or extra role behavior. Borman and Motowidlo (1993) defined it as a behavior that is; accomplished by a member of an organization, which is directed towards an individual, group, or organization with whom the member interacts while carrying out his or her organizational role, and Finally such behavior is performed with the intention of encouraging the betterment of individual, group, or organization towards which it is directed.

Supporting the aforesaid ideology, many prominent researchers in this field have advocated that expected job performance carries two vital dimensions; one as the work required by an organization concomitant to one's role and the other one as the discretionary work behavior (LePine, Erez, & Johnson, 2002). Impressing on the importance of voluntary work behavior or non-task performance, later psychologists have coined it as contextual performance which connotes helping others to adapt with the varied job roles (Borman, & Motowidlo, 1993). Bergeron (2007) recommends that contextual performance should consist of multiple "sub-dimensions" such as teamwork, allegiance, and determination. It is believed that an engaged employee works with a sense of passion which leads to translation into not only high performance but extra role behavior as well.

Job Performance of Employee that improves individual work performance has become one of the key objectives for every organization. According to Quick and Nelson (2011) organizations must have a clear outline of what employee performance entails. For employees to perform efficiently and effectively they should have an understanding of what is expected of them. Hunt (2014) states that to define employee performance, organizations use different measures which include; the achievement of set goals, timely completion of assigned task and quality of output.

Employee performance is also defined by the demonstration of competencies determined by whether employees behave in a way that is expected of them on their jobs (Fakhr, 2013). These criteria correspond to each other; however, they are different. Mensah (2015) stated that most managers are able to identify goals but confuse competencies and skills. Cook and Crossman (2004) highlight that achieving goals is a function of the competencies people demonstrate on

their jobs which depend on the skills and other attributes. Thus, it is important for managers to understand the difference for effective planning (Padmashree, 2012). Anderson (2002) emphasizes that it is extremely important for public sector departments to measure the performance of their employees constantly in order to ensure that talent management strategies implemented are effective.

### Measures of Employees' Job Performance Effectiveness

Effectiveness oriented companies are concerned with output, sales, quality, creation of value added, innovation, cost reduction. It measures the degree to which a business achieves its goals or the way outputs interact with the economic and social environment. Usually effectiveness determines the policy objectives of the organization or the degree to which an organization realizes its own goals (Zheng, 2010). Meyer et al (2002) analyzed organizational effectiveness through organizational commitment and Involvement in the decision making process, psychological attachment felt by an individual. Effectiveness measures the extent to which the service provided meets the objectives and expectations of the organization or a customer. Effectiveness refers to the extent to which the stated objectives of a business are met as well serves as incentives to employees.

Effectiveness measures how well the outputs of a program or service achieved stated objective (desired outcomes) of that program or service. Common measure of the organizational performance is effectiveness (Bounds, 2005; Robbins, 2000). Although managers and investors often place effectiveness with efficiency, yet according to Mouzas (2006), each of these terms have their own distinct meaning. Most organizations assess their performance in terms of effectiveness. Their main focus is to achieve their mission, goals and vision, effectiveness oriented industries such as hotels are concerned with output, sales, quality, creation of value added, innovation, cost reduction, customers' satisfaction and customers' retention. it measures the degree to which a business achieved its goals or the way output interact with the economic and social environment.

Zheng (2010) said that effectiveness determines the policy objectives of the hospitality industries or the degree to which they realize its own goal. Meyer and Herscovitch (2001) analyzed organizational effectiveness through organizational commitment. According to Heilman and Kennedy-Philips (2011) organizational effectiveness helps to assess the progress towards mission fulfillment and goal achievement. To improve on organizational effectiveness management should strive for better communication, interaction, anger management, empathy, and positive environment.

#### Efficiency

Vanbruaenene (2004) asserted that, efficiency refers to how an organization uses its resources to achieve organizations 'objectives. Efficiency measures include, per unit costs which refers to a measure of per unit cost and reveals how many resources are consumed in producing a unit of service. Cycle time: Measures the amount of time it takes for a process to be completed. Efficiency is all about resource allocation across alternative uses (Kumar and Gulati, 2010). Efficiency measures relationship between inputs and outputs or how successfully the inputs have been transformed into outputs (Low, 2000).

To maximize the output Porter's Total Productive Maintenance system suggests the elimination of six losses, which are: reduced yield–from start up to stable production; process defects; reduced speed; idling and minor stoppages; set-up and adjustment; and equipment failure. The fewer the inputs used to generate outputs, the greater the efficiency. According to Pinprayong and Siengthai (2012) there is a difference between business efficiency and organizational efficiency. Business efficiency reveals the performance of input and output ratio, while organizational efficiency reflects the improvement of internal processes of the organization, such as organizational structure, culture and community. It is important to understand that efficiency doesn't mean that the organization is achieving excellent performance, although it reveals its operational excellence in the source of utilization process.

Organizations can be managed effectively, yet, due to the poor operational management, the entity will be performing inefficiently (Karlaftis, 2004). If the organization is able to manage its resources effectively, yet it does not realize its long term goals, then it is not efficient. Efficient but ineffective organization cannot be competitive and it will go into bankrupt eventually. If the company is inefficient but effective it might survive, but the cost of operational management, processes and inputs will be too high. Cost inefficient organizations do not have proper resource allocation management. From the accounting perspective they might break even or have very little profit. Although, such organizations have excellent long term perceptions of the degree of the overall success, market share, profitability, growth rate, and innovativeness of the organization in comparison with key competitors (Zokaei, 2006). Inefficient organizations should consider the assessment of their recourse allocation. Usually, the morale in such entities is high. Delicate changes brought in the operations and introduced in a subtle manner should result the increase in the efficiency, which would lead organization to desired competitive advantage.

#### **Workplace Human Relation Skills and Job Performance**

Rabindra and Lalatendu (2017), the present study explores the concomitant areas for extending the scope of employee performance as a major domain of human resource (HR) effectiveness. We have interviewed researchers and corporate practitioners regarding their understanding of performance at workplace. On the basis of literature and feedback from academicians and industry professionals, a conceptual framework along with 42-item instrument on employee performance was proposed for empirical validation. The instrument obtained empirical views from experts on its proposed dimensions and statements. The initial analysis of content validity ratio (CVR) of the instrument had resulted in 38 items having CVR value of 0.49 and above with 75 percent acceptability from expert analysis. The retained items were taken for field survey. In total, 361 executives from Indian manufacturing and service organizations responded to the 38-item employee performance scale. Exploratory factor analysis revealed three distinct factors of employee performance that constitute the new scale: task performance, adaptive performance, and contextual performance (TAC). Reliability study on the sample reported significant internal consistency on the total scale (a = 0.80) along with the three subscales (a ranging from 0.80 to

0.91). The prescribed framework offers an inclusive understanding of the nature and subtleties of employee performance. It is proposed that, HR managers and organizational behavior (OB) practitioners must use the insights from the explored factors to create and maintain a better work environment. In applied perspective, the proposed instrument and its corresponding findings are expected to provide insights for designing organization-specific policies for improving employee performance.

Ali (2020). Human Capital Development and Employee Job Performance of Selected Local Government Areas in Rivers State, Nigeria. The study evaluated the relationship between talent management strategies and employee job performance of Local Government Areas in Rivers State. The design of the study was descriptive survey study. The population was one hundred and forty four (144) senior staff and head of department of eight selected Local Government Areas in Rivers State. Taro Yamane formula was used to determine the sample size. Questionnaire was distributed to one hundred and six (106) respondents of the 8 Local Government Areas for the study. Ninety (90) copies of the questionnaire were returned, Eight five (85) copies were usable; five (5) copies were wrongly filled and were not usable. While sixteen (16) were not retrieved. Questionnaire was the major instrument for data collection. Cronbach's alpha test was used to measure the reliability of the questionnaire with the aid of Statistical Package for Social Sciences (SPSS version 23). The study concluded that there is a significant relationship between talent management strategies and employee job performance in Local Government Areas in Rivers State. Performance management, career development and human capital development influence employee job performance in the Local Government Areas in Rivers State. It was recommended that career development should be prioritized in order for employee to be efficient in their functions and career.

Jalal (2015) examined improving employees' productivity through work engagement. Employees' productivity is one of the important management topics that received significant research attentions from several scholars and considered as a primary mechanism to enhance organizational success. Knowing what are the key factors that influence productivity is vital to ensure long term performance. This study examines the effect of work engagement on employee productivity in higher education sector. To accomplish this purpose, the primary data using survey instrument were collected from a sample of 242 employees at public universities in northern Malaysia using an online survey method. The collected data was analyzed using SPSS and Structural equation modelling on AMOS. The results indicated that work engagement had significant positive effect on employee productivity. Moreover, this study provides an evidence that all of the dimensions of work engagement namely vigor, dedication, and absorption have significant positive effects on employee productivity.

Asongo and Ishongi (2011) examined the effect of interpersonal relations practices on productivity in Nigeria Social Insurance Trust Fund (NSITF), Abuja. Organizations around the world consist of people with a similar aim, objective, set goal, who work in cooperation with one another in achieving what an individual cannot be able to accomplish in isolation. The main

aim of this study is to investigate the effect of interpersonal relations practices on productivity in Nigeria Social Insurance Trust Fund (NSITF), Abuja. A survey research design was adopted for this study, using a population of 197 staff of Nigeria Social Insurance Trust Fund (NSITF) Abuja from top management cadre, middle, and low cadre officers. A simple random sampling technique was used to select the sample size. The instrument for data collection was the questionnaire. Data collected was analyzed using mean, and standard deviation. Thus, chisquare was used to test the hypotheses at 0.05 Alpha level of significance. The study made the following findings: there is a major relationship between interpersonal relations and achievement of Nigeria Social Insurance Trust Fund (NSITF), Abuja, and there is a significant relationship between interpersonal relations and workers performance in Nigeria Social Insurance Trust Fund (NSITF), Abuja. The study therefore, recommends that: management staff and other senior staff in the organization should create a conducive atmosphere to facilitate good human relations and subsequently teamwork for greater or higher productivity.

Osibanjo, Kehinde and Abiodun (2012) examined human resource management and employee job satisfaction: Evidence from the Nigerian Banking Industry. The study examined the effect of human resources management (factors) on employees' job satisfaction using data collected from two banks in the Nigerian banking industry. The study attempts to determine the effect of training and development on employee job satisfaction; to determine the influence of working conditions on employee job satisfaction and to determine the impact of human resources factors on employee job satisfaction. The survey instrument used in the collection of data was the questionnaire. The population of the study covered the entire staff of Intercontinental and Ecobank and the sample size of 200 employees were selected, using the simple random sampling techniques. Correlation and Regression analysis was adopted and the data generated was in line with the objectives of the study. The hypotheses were tested, and valid result was achieved i.e. Human Resources Management has an effect on employee job satisfaction. This suggests that for organization to develop, it must invest more in the human capital. The business environment is dynamic and there is need for organizations to adopt strategies to motivate and equip their staff, so as to ensure their loyalty and be source of competitive advantage.

Aiya, Omoregie and Ogbeide (2013) examined human resources management practices and organizational performance in Nigeria. This study focused on the impact of human resource management practices in Nigeria organizations using the manufacturing industry as case study. This study tries to understand the need for HRM practices and specifically questions how HRM practices, such as the importance of HR department, objectives, recruitment, promotion, transfer and staff separation, performance appraisal and compensation, enhance organizational performance. A multiple-respondent survey of 120 staff of the selected manufacturing companies in Nigeria was undertaken to study the impact of HRM practices on organization performance. The data was collected using structure questionnaire and was analyzed using simple percentages and hypotheses tested using chi-square (X²) analysis. The survey found that a well-coordinated HRM practices, adds value to the company's production processes and the contribution made by each employee have more effect on the results obtained by the

organization as a whole. More so, the result of the study reveals that a good HRM practice enhances staff productivity and therefore boosts organizational performance in Nigeria organizations.

Ake (2007) viewed the impact of workplace human relation skills on the job performance of secretaries (a case study of some selected banks in Auchi). The purpose of this study is to investigate human relations skills in the job performance of secretaries with new Nigeria bank, Auchi Community bank all in Auchi as case study. Questionnaire were used to collected data from a total of fifty respondents made up of twenty five official staff and twenty five non official staff of the bank covered. The simple percentage method was used in analyzing the data collected from the respondents based on the responses from the questionnaires. This study revealed that good human relation is a motivator of workers towards job performance and productivity. It also revealed that there is no positive relationship if there are no good human relations. Since situations some times change, if good human relations are not done in the bank, there will be difficulties in getting the best out of the workers. Based on the study of the findings, appropriate recommendations were made.

Based on this position, the following hypotheses are put forward:

- **H**<sub>o1</sub>: There is no significant relationship between anger management and employee effectiveness in hotels in Rivers State.
- **H**<sub>o2</sub>: There is no significant relationship between anger management and employee efficiency in hotels in Rivers State.
- **H**<sub>o3:</sub> There is no significant relationship between empathy and employee effectiveness in hotels in Rivers State.
- **H**<sub>o4:</sub> There is no significant relationship between empathy and employee efficiency in hotels in Rivers State.

#### **METHODOLOGY**

The study adopted a cross-sectional survey in its investigation of the variables. Primary data was generated through structured questionnaire. The population of the study consisted of 1, 312 employees as at the time of study while the sample size consisted of 307 employees from 61 hotels in Rivers State. The sample size of 307 was determined using calculated using the Taro Yamane's formula for sample size determination. The test-retest method of reliability was adopted. The pre-test and post- test scores were correlated using Pearson's Product Moment correlation analysis and a reliability coefficient of 0.85 was obtained which indicated that the instrument was reliable enough to carry out the study. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for Social Sciences version 23.0. The tests were carried out at a 95% confidence interval and a 0.05 level of significance.

#### DATA ANALYSIS AND RESULTS

#### **Bivariate Analysis**

The level of significance 0.05 was adopted as a criterion for the probability of accepting the null hypothesis in (p> 0.05) or rejecting the null hypothesis in (p< 0.05).

Table 1: Correlation for anger management and job performance

			Anger		
			Managemen	Effectivenes	Efficienc
			t	S	У
Spearman's rho	Anger Management	Correlation Coefficient	1.000	.753**	.743**
		Sig. (2-tailed)		.000	.000
		N	284	284	284
	Effectiveness	Correlation Coefficient	.753**	1.000	.716**
		Sig. (2-tailed)	.000		.000
		N	284	284	284
	Efficiency	Correlation Coefficient	.743**	.716**	1.000
		Sig. (2-tailed)	.000	.000	
		N	284	284	284
**. Correlatio	n is significant at th	ne 0.01 level (2-tailed).			

Source: SPSS output version 23.0

The table illustrates the test for the two previously postulated bivariate hypothetical statements. The results show that for:

**H**<sub>o1</sub>: There is no significant relationship between anger management and employee effectiveness in hotels in Rivers State.

The correlation coefficient (r) shows that there is a significant and positive relationship between anger management and employee effectiveness. The *rho* value 0.753 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a high correlation indicating a strong relationship. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between anger management and employee effectiveness in hotels in Rivers State.

**H**<sub>o2</sub>: There is no significant relationship between anger management and employee efficiency in hotels in Rivers State.

The correlation coefficient (r) shows that there is a significant and positive relationship between anger management and employee efficiency. The *rho* value 0.743 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a high correlation indicating a strong relationship. Therefore, based on empirical findings the null hypothesis

earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between anger management and employee efficiency in hotels in Rivers State.

Table 2: Correlation for empathy and job performance

			Empathy	Effectiveness	Efficiency
Spearman's rho	Empathy	Correlation Coefficient	1.000	.723**	.755**
		Sig. (2-tailed)		.000	.000
		N	284	284	284
	Effectiveness	<b>Correlation Coefficient</b>	.723**	1.000	.716**
		Sig. (2-tailed)	.000		.000
		N	284	284	284
	Efficiency	<b>Correlation Coefficient</b>	.755**	.716**	1.000
		Sig. (2-tailed)	.000	.000	
		N	284	284	284
**. Correlation is	significant at th	ne 0.01 level (2-tailed).			

**Source:** SPSS output version 23.0

**H**<sub>o3:</sub> There is no significant relationship between empathy and employee effectiveness in hotels in Rivers State.

The correlation coefficient (r) shows that there is a significant and positive relationship between empathy and employee effectiveness. The *rho* value 0.733 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a high correlation indicating a strong relationship. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between empathy and employee effectiveness in hotels in Rivers State.

**H**<sub>o4:</sub> There is no significant relationship between empathy and employee efficiency in hotels in Rivers State.

The correlation coefficient (r) shows that there is a significant and positive relationship between empathy and employee effectiveness. The *rho* value 0.755 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a high correlation indicating a strong relationship. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between empathy and employee effectiveness in hotels in Rivers State.

#### **DISCUSSION OF FINDINGS**

The findings are in line with Ohakwe (2010) that said human relation is the integration of people into a work situation in a way that motivate them to work together productively, cooperatively and with economic, psychological and sound satisfaction.

This finding equally agrees with Yedevo (2001) who observes that human relation represents an attempt to improve employee morale and motivation through employee participation in decision making. Human relations includes a desire to understand others, their needs and weaknesses and their talents and abilities. For everyone in a workplace setting, human relations

also involves an understanding of how people work together in groups, satisfying both individual needs and group objectives. If an organization is to succeed, the relationship among the people in the organization must be monitored and maintained (Lamberton & Minor-Evans, 2002).

The principal task of management on this conception is to manipulate workplace relations in ways that enable employees to feel personal satisfaction with being involved with the organization. To this end, public healthcare sector operating on this basis are expected to recognize the right of employees to have a say in how they are governed (Hirsch, 2004). In whatever form, managerial approach to employee relations is seeks to reduce internal tensions by developing the sense of workplace satisfaction felt by employees through practices that involve them in the organization and regulation of work. Most importantly, the goal of human relations theory is to make workers feel like they belong to something bigger than themselves, and thus the worker's work is important to the overall effort of the organization (Kaufman, 2005).

#### CONCLUSION AND RECOMMENDATIONS

Based on the findings, the study concludes that when hotels in Rivers State adopt workplace human relation skills it invariably improves employees job performance. Specifically, anger management and empathy significantly correlated with job performance of employees of hotels in Rivers State.

The following specific recommendations are made based on the findings of this study:

- i. Managers and employees of hotels should develop anger management skills, to form and uphold stronger relationships within teams and maintain a positive work environment which is the most critical part of human relations skills.
- ii. Managers and employees of hotels should train employees in the application of empathy and good work environment have varying effects for escalating employees' job performance; it should therefore be practiced in every business organization.

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## Insecurity and the Challenges of Brain Drain Syndrome in Borno State, Nigeria

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**Abstract**: This study examined the insecurity and the challenges of brain drain syndrome in Borno State, Nigeria. The population of the study is thirteen thousand five hundred and seven (13507) respondents and a sample of four hundred (400) were used. The data collected was analyzed using multiple regression analysis. Survey method was used to obtain data through the use of structured questionnaire measured on a 5-point Likert scale, The major findings of this study reveals that there is significant influence of brain drain in the Health and Education sector in Borno state. A P-value of 0.000 which is less than p<0.05; and A P 0.019 which is less than p<0.05, significant was obtained. With the aid of statistical package for social sciences (SPSS). The study recommended continues training of health and education sector personnel to be resilience in facing the challenges.

**Keywords**: insecurity, challenges, brain drain, syndrome, Borno State

#### INTRODUCTION

Nigeria over a decade is faced with an unprecedented wave of different but overlapping security crises - from kidnapping to extremist insurgencies - almost every corner of the country has been hit by violence and crime. **Insecurity**, or a tendency to lack confidence or certainty in oneself, may be experienced by most people regarding some aspect of their lives. For many, feelings of insecurity can be resolved before they have a lasting, harmful impact. When one deals with generalized insecurity for a long period of time, however, the doubt and negative feelings experienced may have a significant effect on life. Insecurity is linked to mental health conditions such as narcissism, anxiety, paranoia, and addictive or dependent personalities.

Furthermore brain drain can be viewed as the process in which a country loses its most educated and talented workers to other countries through migration. This trend is considered a

problem, because the most highly skilled and competent individuals leave the country, and contribute their expertise to the economy of other countries. (Dodani and LaPorte 2005)

Borno state today is the most suffered severe humanitarian crisis as a result of the Boko Haram insurgency since its emergence in 2009 and climaxed between 2013 and 2017. Insurgent's occupation of communities and the destruction of houses, lives, infrastructure and means of livelihood of the people has resulted in the drastic decline in socio-economic activities. However, it is against the foregoing background that this study seeks to unveil the effect of brain drain and insecurity in Borno state.

Insurgency has really course brain drain (movement) of professionals and experts of different fields to other states and oversee, this is due to fear of kills by insurgents. Government through law enforcement agencies had put in a lot of effort in trying to control or minimize the level of insecurity to barest minimum, but still insurgency activities persist thereby this leads to migration of health and educational experts. The research aimed to examine the level of brain drain and how often affect state. With the following specific objectives as to:

- (i) assess the effect of insecurity on brain drain in Health sector in Borno state.
- (ii) examine the effect of insecurity on brain drain in educational sector in Borno state.

#### **LETERATURE REVIEW**

#### **Concept of insecurity**

Insecurity is simply the very opposite of what we have as security. Insecurity just as security is seen also in diverse ways. Some people would take it to mean absence of safety or presence of danger; hazard; uncertainty; want of confidence; doubtful; inadequately guarded or protected; lacking stability; troubled; lack of protection and unsafe (Achumba et al, 2013). Insecurity can make one to lose confidence, be afraid, unsettled, oppressed, lose focus, and be devastated and lose one's humanness. In other ward insecurity can be termed as insecure condition, which is the state of being unsafe or insecure. Which lead to unsafe feeling that is a state of mind characterized by self-doubt and vulnerability, which precipitated to insecure phenomenon that is the condition of instance or cause of being insecure (Robert, 2012).

Insecurity is the condition of lack of confidence, anxiety, uncertainty, timidity, self-doubt and diffidence (Bello, 2009)

Security includes all aspects that affect the overall stability of a region and its state. Looking beyond solely violent conflict and state security, human security, issues such as food crises and low-scale localized tensions are included (King and Murray 2001).

Akwani (2008), opine that there is no doubt that there is global competition for the best minds, the most talented and best trained people Insecurity have been defined by different scholars. According to Achumba, Ighomereho & Akpor-Robaro, (2013) insecurity is the antithesis of

security and has attracted such common descriptors as want of safety, danger, hazard, uncertainty, want of confidence, state of doubt, inadequately guarded or protected, instability, trouble, lack of protection and being unsafe, and others Oluyomi, & Grace, (2016) sees insecurity as concerned with feelings of uncertainty, dangers or threats to life while Hassan, (2014), viewed insecurity as a negative feeling involving fear, anxiety, uncertainty and injustice, among others. When an individual does not have control over a situation but has to rely on the cooperation of others that cannot be guaranteed, the result may be frustration or insecurity. Insecurity is a threat to learning. Prevailing peace or conflict within communities around the schools often has ripple effects on the teaching and learning activities of such schools. For Beland (2005), insecurity is "the state of fear or anxiety stemming from a concrete or alleged lack of protection. It refers to lack or inadequate freedom from danger.

The insecurity situation in the country was alleged to have been attributed to some factors. Among this include poor government policies, corruption, poverty, unemployment, poor leadership, weak judiciary system etc.

#### **Concept of brain Drain**

Brain drain is defined as the emigration of scientist or the movement of highly skilled people, especially scientists and technical workers to a country offering better opportunities (Encarta, 2009).

Similarly, Encyclopedia (2004) defined brain drain as the emigration of highly educated persons to areas with more opportunities e.g. from England, India to United States of America.

According to Dodani and LaPorte (2005), "Brain drain is defined as the migration of health personnel in search of the better standard of living and quality of life, higher salaries, access to advanced technology and more stable political conditions in different places worldwide " (p.487). Dodani and La Porte defined Brain drain from medical perspective. They were actually referring to health personalities migrating. For them, health personnels are among the important persons in the society and the role they play are quite indispensable. This stems from the fact that a healthy nation is a wealthy nation. But when such emigrate, it grossly spells doom for such a nation.

Tefera (2019) offers a similar definition of Brain drain. However, he approached it from the perspectives of remuneration and gain. In his word: "Brain drain is defined as migration of educated laborers from low-income countries to high-income countries where as brain gain is when the reverse happens" (para.1). The striking feature of this definition is that it highlights the difference between developed and underdeveloped countries. It is not out of place to know that in developing countries, the income is not as high as that of developed countries. Thus, people leave their home countries in order to get better pay and better life elsewhere. Be that as it may, in the course of brain drain, some of the talented citizens of a particular country are lost, and such people become very useful in their host countries.

Brain drain can be described as the process in which a country loses its most educated and talented workers to other countries through migration. This trend is considered a problem, because the most highly skilled and competent individuals leave the country, and contribute their expertise to the economy of other countries. The country they leave can suffer economic hardships because those who remain don't have the 'know-how' to make a difference. (Study. Com 2019: para. 1).

#### Effects of insecurity in Borno state

Educationally, schools are not left out as parents are rejecting their children schooling in volatile north. Many schools have closed down due to insecurity, talented lecturers, teachers, etc. have abandoned their schools for another school in another peaceful states leading to brain drained. More than 800 school buildings are affected in the north leading to some students having lesson under trees and companies (Gedamu, 2012)

Economically, it could be viewed from two different perspectives namely, the state and individual. Particularly residents of Borno, neighboring states and countries are seriously affected by the activities of Boko Haram insurgency. By their nature and operation in the area the economic activities of Borno and neighboring states and countries like Chad, Cameroun, and Niger etc. are dead which led to migration of people from the affected place due to restiveness. Whole of Africa is affected. Thousands of people have died in the sects bloody campaign led to closure and or abandonment of people's business activities. Example is the Maiduguri flour mail which is among the best flour mill in Africa. We have also lost numerous oil mills, shoe factories, construction companies etc. within Borno State as a result of this insurgence.

The insurgencies have also reduced drastically government derivation from the affected region due to restiveness in those places as well as reduced investment and growth of business and also reduced government projects. Insecurity in Borno and other places has cost the Nigerian economy #1.3trillion (\$6 billion) as a result of attacks by the Boko Haram group (Silas, 2013). He also attributed the development to a drop in earnings for nearly all business in the state.

Politically and socially, Government's performance and ability to deliver its objective to its citizen is replaced while social effects on the other hand connotes its effect on society and people's ways of life. The insurgence of Boko Haram in Borno State has drastically reduced government of the day's performance in terms of development and other things. The activities of Boko Haram have make some Nigerians who are not from Boko Haram affected state to be avoiding affected State to the extent that some Youth who are serving the nation under the scheme of National Youth Service Corp (NYSC) are seriously rejecting being posted to some part of the Northern Nigeria.

Relationship between Nigeria and other Nations of the world including foreign investors has reduced drastically.

#### **METHODOLOGY**

The study was conducted in Maiduguri metropolitan and Jere L.G.A. of Borno state. A sample of 400 respondents were selected using random sampling method drown from the total population of 13507 in determining the sample size, Taro Yamani formula was employed.

The data were obtained through using structured questionnaire measure on 5 point liker scale, the data were analysis using Regressions were employed to analyze the effect on brain drain in Health and Education sector using statistical package for social sciences (SPSS)

The decisions for significant effect were based on 0.05 alpha level and the results were presented on tables, while the variable addressing each hypothesis were also indicated.

#### **Model Specification**

The variables entered into the regression model as predictors of commitment towards security challenges of Health and Education sector. Therefore, the regression model of security challenges. ( $\hat{Y}$ ) consists of two predictor variables namely; brain drain in Health sector ( $X_1$ ), brain drain in Education sector ( $X_2$ ) hence, the prediction equation is as follows:

$$\hat{Y} = b_0 + b_1 X_1 + b_2 X_2 + e_i \tag{1}$$

Where:

 $\hat{Y} = Security challenges$ 

 $X_1$  = Brain drain in Heath sector

 $X_2$  = Brain drain in Education sector

ei = Random error.

The proposed hypothesis, examined the effect of insecurity challenges in Borno state, and regression model, is expressed as follows:

HO1:  $Y = \theta_0 + e_i$ 

HA1:  $Y = b_0 + b_1X_1 + b_2X_2 + e_i$ 

#### **Results and discussions**

The ANOVA summary (Table) indicated that the model that contains all the two predictor variables are statistically significant F  $_{(2, 397)}$  = 38.912, p = .000. This suggests there would be more than zero variance in the outcome variable consequent upon the change in the predictor variable, thus, **HO2** is rejected. Based on the unstandardized coefficients in Table ... the regression equation for the model is given by:

$$\hat{Y} = .890 + (.318)X1 + (.190)X2 + Error$$

**Table 4.1Summary of ANOVA** 

Мо	del	Sum of Squares	Df	Mean Square	F	Р
1	Regression	58.694	2	29.347	38.912	.000
•	Residual	299.416	397	.754		
	Total	358.110	399			

Dependent Variable: Insecurity challenges, Sig = p < 0.05

Moreover, the Model Summary indicated significant multiple correlations between all the explanatory and the outcome variables (R-value = .405). This means that the explanatory variables are expected to influence the outcome variable significantly. As expected, the  $R^2$  value of .164 confirms the significance of the effect. About 16% brain drain in health and education sector is accounted for, by the predictor variables.

**Table 4.2 Model Summary** 

Model	R	R-Square	Adjusted R-Square	Std. Error of the Estimate
1	.405ª	.164	.160	.868

Predictors: (Constant), Health, Education sector Dependent Variable: Insecurity challenges

#### Determination of the contribution of each of the independent variables:

**HO1**: Insecurity challenges does not significant influence brain drain in Health sectors

**HO2**: Insecurity challenges do not significant influence brain drain in Education sectors

The regression analysis presented in **Table 4.1** Indicated that insecurity significantly influence the Health sectors ( $\beta$  = 0.318, t (397) = 7.743, p = < 0.000, pr = 0.309) has been detected. The standardized coefficient ( $\beta$ ) indicates that a unit change in security challenge to about a 32% change in the health sector. Further, the semi-partial or part correlation (pr) .309 $^2$  which is 0.0955 indicates that security challenge uniquely accounts for an additional 9% of the variance in health sector, which cannot be accounted for, by other predictor in the model. Hence, there is enough evidence to reject the null hypothesis, which state that security challenges does not have significant influence on health sector.

The analysis further showed that affective component is also a significant and positive predictor in Education sector ( $\beta$  = 0.190, t = 6.741, p = 0.000, pr = .185). The standardized coefficient (Beta weight) indicates that a unit increase in affective component results to about 19% increase in security challenges of Education sector. Similarly, the part correlation (.185 $^2$ ), which is .00342, indicates that affective component uniquely explained an additional 0.34% of the change insecurity challenges of Education sector, which cannot be accounted for, by the other

predictor in the model. Thus, the null hypothesis, which state that affective component of insecurity does not have significant influence on Education sector rejected.

#### Conclusion

Insecurity is linked to mental health conditions such as narcissism, anxiety, paranoia, and addictive or dependent personalities. This resulted in brain drain which can be viewed as the process of losing most educated and talented workers to other countries through migration. In Borno state insurgent occupation of communities and the destruction of houses, lives, infrastructure and means of livelihood of the people has resulted in the drastic decline in socioeconomic activities. This study find out that there is significant influence of brain drain in the Health and Education sector in Borno state. The study recommended continues training of health and education sector personnel to be resilience in facing the challenges.

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# Effect of Business Environment on Organizational Performance, a Study of Nourisha Continental Fast Foods, Awka

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Abstract: The study examined the effect of business environment on organizational performance, a study of Nourisha Continental Fast foods, Awka. The objectives of the study were to determine the effect of external business environment on organizational performance in Nourisha continental fast foods, Awka. Evaluate the effect of internal business environment on organizational performance in Nourisha continental fast foods, Awka Nigeria. As a survey research design, structured instrument developed by the researcher to reflect such options as strongly agree, agree, undecided, disagree and strongly disagree popularly refereed as five (5) points likert scale was used to obtain information from the respondents. The population of the study comprised of 95 staff. 87 copies of questionnaire was duly completed and returned showing 94.68% response rate. Research hypotheses were tested using ANOVA method which was carried out with the aid of Statistical Package for Social Science (SPSS) version 23. Findings from the study revealed that, External business environment has significant effect on organizational performance in Nourisha continental fast foods, Awka. Internal business environment has significant effect on organizational performance in Nourisha continental fast foods, Awka. In view of the findings, the study recommended that Manager should be properly trained, so as to enable good supervision of their employee's job. The manager tends to have the ability to control, plan and organize his or her company, when they are well trained for the task. The management should remember to give benefits to workers who are entitled to it; it will encourage the workers to take their job as important as possible. The management should also de centralize power or authority; they should learn to listen to workers opinion because it allows for cordial relationship.

#### **SECTION ONE**

#### **REVIEW OF RELATED LITERATURE**

#### 1.1. Introduction

Business organizations do not function in a vacuum but in a business environment. Business environment is the outline of all exterior and interior conditions and influences that affects the presence, expansion and improvement of businesses. Business environment in which organization operates exerts pressure on them which aggravate different responses as

organizations seek legitimacy in order to survive and prosper in the environment. Oginni and Adesanya (2013) note that business environment can be divided into internal and external environmental factors. But this study focuses on external environmental factors. The external environment is a firm's aggregate of factors, exogenous to the organization that may have potential to impact organizational performance (Murgor, 2014). It is a set of factors that are exogenous in relation to the organization (Njoroge, Ongeti, Kinuu & Kasomi, 2016).

Regardless of the industry in which organizations compete, the external environment affects firms, as they seek to ensure strategic competitiveness (Hitt, Ireland, Sirmo & Trahms, 2011). The external environment of organizations is an integrated, dynamically developing characteristic, which include a complex of social, technological, economic, political and legal factors that are beyond the control of business and impose their limitations on the activities of the organization. Also, the environmental conditions such as uncertainty, dynamism, hostility, the number of relevant components in the environment and the interpersonal relationship between

these components, all increase perceived complexity in managing organizations (Lehner, 2004). The survival and success of an organization depends on the skillful interaction of the company's management with the external environment and timely responses to changes in this environment, analyzing and accounting for its impact on the organization and business in general (Kuznetsova and Alekseeva, 2016).

Adeoye (2013) posits that productivity in contemporary Nigerian business environment is predicated on factors such as low sales, high cost of production, low capital utilization, lack of foreign exchange to source needed input and materials, poor power supply, and low quality of goods and services among others. These environmental forces have being impeding activities in the economy. Hence, this work examined the effect of business environmental factors on organizational performance, a study of Nourisha continental fast foods, Akwa, Unizik temp site Anambra state.

#### 1.2 Statement of the Problem

The Nigerian business environment in the last one decade has witnessed unsatisfactory progress cumulating into retarded growth rate, high rate of unemployment, low industrial output, coupled with poor demand in terms of services and tangible products. Energy crisis continued unabated forcing majority of the organizations to depend wholly on generator as a constant source of generating electricity, supply of petroleum product is epileptic in addition to frequent changes in pump price resulting into increase in the general price level of all products without any exception due to cobweb effect; most of the organizations are ravaged with strikes from time to time. The relationship between industrial representatives and government institutions representatives keep nose-diving virtually on all matters, criminal activities increasing at alarming and uncontrollable rate, exercising excessive control through plethora of rules and regulations with stringent conditions, tax policies without adequate provision of infrastructural

facilities to ameliorate business operations. In the face of all these challenges, how effectively can a business organization respond to its basic operational functions of survival, growth and profit maximization, hence the need to examine the environmental factors in business environment of manufacturing organizations with implications on the survival and growth of Nourisha fast food business in Akwa metropolis.

#### 1.3 Objectives of the Study

The central objective of the study is to examine the effect of business environment on organizational performance, A study of Nourisha continental fast foods, Awka Nigeria. However, the specific objective is to:

- (i) Determine the effect of external business environment on organizational performance in Nourisha continental fast foods, Awka
- (ii) Evaluate the effect of internal business environment on organizational performance in Nourisha continental fast foods, Awka Nigeria

#### **REVIEW OF RELATED LITERATURE**

#### 2.1 Conceptual Review

#### 2.1.1. The Internal Environment

This includes situational factors within the organization. These factors are largely the result of decisions of the management process, most times under management control. It is described as the resources, behaviour, strengths, weaknesses, synergy and distinctive completeness within or internal to the organization. An organization uses different types of resources produces synergy or Dynegy within an organization which leads to the development of strengths of weaknesses over a period of time. Organizational capability in the design and implementation of corporate policy and strategy rests on the organization's capacity and ability.

#### 2.1.2. External Environment

The concept of external business environment is an attempt to understand the outside forces of the organizational boundaries of business (Shaikh, 2010). It consists of all elements existing outside the boundary of the organization, which have the potential to affect the organization. They are relevant to organizations operation and must be carefully monitored. An organization's external environment consists of those things outside an organization such as customers, competitors, government agencies, suppliers, labour, financial firms that are relevant to organization's operations. It consists of all elements existing outside the boundary of the organization, which have the potential to affect the organization. They are relevant to organizations operation and must be carefully monitored.

#### 2.1.4 Organizational performance

Organizational performance involves the using of resources wisely to avoid wastage. Given by the interaction between organizations and environment, it follows that performance relates to

how an organization reacts, understands and influence to certain environment changes. Unfortunately, people do not want to perform those duties without a concession. For example they can perform their duties in short time if well planned. Through firm money intending to take unnecessary action and decision such as embarking on research and development, which may displease the investors who have a short time to stay.

Okunola (2018) described organization as an entity formed by or comprising a group of people with the aims and objective carrying out some specific functions or performance of responsibilities or the other. Derek (2018) defined performance as the willingness of an individual to carry out the goals and objectives of an organization. Organizational performances is however, defined as a group of people that come together and are willing to carry out goals and objective and planned or strategize. Organization performance is the ability of group of individual to achieve certain of specific goals.

#### 2.2 Theoretical Framework

The theoretical framework adapted for this study is (Johnson et al., (2008) theory on strategic position whereby external business environment factors are considered as an accept of organization's strategic position. (Johnson et al., (2008) identified key components of external business environment which is made up of macro external factors, industry factors and competitors and markets.

#### 2.3 Empirical Review

Kowo & Sabitu (2018). This paper examined the impact of external business environment on organizational performance of frozen fish companies in Nigeria. It also reveals literature on business environment, organizational performance and Nigeria business environment. Secondly a questionnaire was developed to collect information from the respondents based on a sample of 3 companies with 120 sample size. Data collected were analyzed using multiple regression analysis. The study concluded that the external business environment political, economic and technological and socio cultural etc have impact on organizational performance. Thus organization should understand the implications of organizational performance of their business activities in order to identify, opportunities and threats to their business and organization.

Ajayi, (2016). The paper examined the impact of external business environment on organizational performance of Micro, Small and Medium Scale Enterprises in Nigeria. It also reviewed literature on MSMEs, business environment and organizational performances. Secondary sources of data were utilized for the study. The findings from reviewed literature showed that the external business environment (economic, political, legal, socio-cultural environment, demographic, natural, technological, global and financial environment) have

influence on MSMEs operators in Nigeria. It was also discovered that there exists relationship between SMEs and the environment in which it occurs. The study concluded that SME operators should understand all these types of external business environment and their implications on organizational performance of their business activities in order to identify opportunities and threats to their businesses and update their knowledge, understanding and skills to meet the predicted changes in realm of their enterprises.

Njoroge, Ongeti, Kinuu & Kasomi (2016). The main objective of the study was to establish the influence of external environment on performance of Kenyan State corporations. The three dimensions of external environment namely munificence, complexity and dynamism were used to measure the variable while performance was measured along all the indicators of the sustainable balanced score card. The study's population consisted of 108 Kenyan state corporations and data was collected from 98 organizations. The results revealed that all the hypotheses were supported. It was established that external environment had a positive significant influence on all the indicators of performance. It was evident from the findings that the effect of external environment on organizational performance, while conventionally thought to be negative, the research showed otherwise. It is most likely that Kenya state corporations have ensured a proper environmental scanning that has led to an accurate stakeholders mapping. The stakeholders mapping has most likely led to favorability of relationships hence the positive effect of external environment. External environment ought not to impact organizational performance negatively. Results also reveal that indeed the external environment has a direct relationship and influence on organizational performance. Industrial organization economics theory suggested the structure-conduct-performance paradigm which was later matched with strategic management's the environment-strategyperformance. The results of this study seem to allude to an environment-performance paradigm. More scholarly poking is therefore necessary to determine the extent to which the direct relationship exists.

Eruemegbe, (2015). The study seeks to unravel the factors that affect construction workers' motivation and the corresponding effect of the identified motivational factors on workers' performance and overall productivity. To answer research question and test formulated hypotheses, the study relied on questionnaire to generate relevant data out of 39 questionnaires administered on officers in Union Bank of Nigeria, Lagos, only 20 were properly completed and returned. This gave an effective response rate of 51%. The survey revealed that, among the top ten critical factors (i.e. teamwork, work based on contract, supervision based on leadership by example and provision of equipment) had great effect on motivation as well as impact on productivity. More so communication, love and belongingness, opportunity to undertake challenging task, identification with goal and overtime were among the critical factors.

#### METHODOLOGY

#### 3.1: Research Design

This study adopted the descriptive survey design. A descriptive survey method entails a method of data collection by interviews and questionnaires to a sample of individuals and is not only restricted to fact findings. Moreover it enables one to draw valid conclusions from facts discussed where possible. This study intended on capturing the information on the Effect of business environment on organizational performance, A study of Nourisha continental fast foods, Awka. This design enabled close analysis of association between the two variables at that given point without any alteration to the conditions hence more appropriate. Data was collected using questionnaires and field observations and was analyzed using descriptive statistics such as frequency of occurrence and percentages, SPSS will be employ for testing of hypothesis.

#### 3.2: Population of the Study.

The population targeted by the study consisted of all the workers Nourisha continental fast foods. The target population was derived from both the men and women which total to a population of 95.

#### 3.3 Sampling Technique

The research adopts two sample techniques namely purposive sampling and stratified sampling. Purposive sampling enables the researcher to choose at respondents that was of interest to the study while the stratified random sampling accords each of the different respondents in the stream to be selected without biases. Because of the small nature of the population, no need for sample size the researcher will use the whole population

#### 3.4 Sources of Data

The most crucial operation in the executive of a research work is collection of data because such information and data are necessary for arriving at the solution of the problem being investigated. Under going research of this nature call for the use of both primary and secondary source of data to make the work more reliable.

#### 3.5 Method of Data Collection.

Two methods of data collection involving quantitative and qualitative method were adopted for this study. The quantitative method makes use of questionnaires and for the qualitative, a semi structural interview was conducted which serves as a supplementary data for the quantitative method which was subject to data analysis.

Section A: bio-data of the respondents

Section B: question that is expected of respondents to answer respondents.

#### 3.6 Validity of test instrument

In order to realize validity the researcher first conducted a pilot study. Content validity was done to ensure that the extent to which the questionnaires and interview guides adequately cover objectives of the topic under study. Therefore, content validity of the instrument was determined by experts in research from Business Administration Department who looked at the measuring technique and coverage of specific objectives covered by the study. The experts then advised the researcher on the items to be corrected. The corrections on the identified questions were incorporated in the instrument to increase validity.

#### 3.7 Reliability of Test Instrument

A research instrument is reliable if it produces consistent results or data after repeated trials Gibbs (2007). In order to test the reliability of the instruments in this study, Cronbach's Alpha was used. Cronbach's Alpha measures the internal consistency of the data and ranges between 0 and 0.9 with reliability increasing with the increase in value. Coefficient of 0.6 to 0.7 is commonly accepted rule of the thumb that indicates acceptable reliability and 0.8 or higher indicates good reliability. A high value of alpha (>0.9) may suggest redundancies and shows that the test length should be shortened. This ensured that the instrument captured all the required data. All the study constructs indicated Cronbach's Alpha of above 0.6 and hence the measurements constructs were reliable

#### 3.8 Method of Data Analysis

The data degenerated from the administered and returned questionnaires were collected and presented in tables according to the objectives of the study. Responses from the set of questionnaires administered to workers were analyzed using simple percentage and frequency count. Research hypotheses were tested using Analysis of variance (ANOVA) analysis. The research hypotheses were tested at 5% level of significance. Analysis was carried out with the aid of Statistical Package for Social Sciences (SPSS).

### SECTION FOUR PRESENTAION AND ANALYSIS OF DATA

This chapter presents the data obtained from the respondents through the administered questionnaires. Ninety-five (95) were administered, among the staffs of Nourisha continental fast foods. However, eighty-seven (87) questionnaires were retrieved. Therefore the analysis and interpretation of data were only based on the returned questionnaires. The validity and reliability of this study is highly ensured, despite the number of questionnaires not returned.

#### 4.1 Demographic Characteristics of the Respondents

#### **4.1.1 GENDER**

		Frequency	Percent	Valid Percent	Cumulative Percent
	MALE	49	49.0	56.3	56.3
Valid	FEMALE	38	38.0	43.7	100.0
Ĭ	Total	87	87.0	100.0	

Source: SPSS Version 21, 2022

The above table reveals that the forty-nine (49) of the respondents which represents 56.3% \were male respondents, while thirty-eight (38) respondents which represent 43.7% were female respondents. By implication, male respondents were more than female respondents by 12.6% in our selected population sample for this study. The implication of this is to enable us to know the number of female and male that successfully returned their questionnaire.

**4.1.2 STATUS** 

		Frequency	Percent	Valid Percent	Cumulative Percent
	MARRIED	24	24.0	27.6	27.6
Valid	SINGLE	63	63.0	72.4	100.0
	Total	87	87.0	100.0	
1				'	

Source: SPSS Version 21, 2022

In the table above, out of the eighty-seven (87) respondents, twenty-four (24) of the respondents were married. While sixty-three (63) respondents which represent 72.4 percent are single. It is therefore glaring that the majority of the respondents are single as at the time of this study. Thus marital status table help us to know the number of single, married, and divorce respondents that answered the distributed questionnaire

4.1.3 LEVEL OF EDUCATION

4.1.3 LEVEL OF EDUCATION							
		Frequency	Percent	Valid Percent	Cumulative Percent		
	WAEC/NECO	11	11.0	12.6	12.6		
Ĭ	BSC/HND	36	36.0	41.4	54.0		
Valid	MSC/MBA	31	31.0	35.6	89.7		
	P.hD	9	9.0	10.3	100.0		
Ĭ	Total	87	87.0	100.0			
İ				:			
l		İ					
I			Ī				

Source: SPSS Version 21, 2022

The table above indicates that eleven (11) respondents which representing 12.6% maintained to have acquired WAEC/NECO while 41.4% of the respondents which represents thirty-six (36) BSC/HND. However thirty-one (31) which represent 35.6 percent maintained to have acquired either have MSC. The respondents that have tertiary professional (PHD) are numbered 16 which represent 10.3%. This as the one of demographic item helps us to identify the education qualification of the respondent

4.1.4 AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
	18-25	8	8.0	9.2	9.2
I	26-33	8	8.0	9.2	18.4
Ī	34-40	22	22.0	25.3	43.7
Valid	41-50	41	41.0	47.1	90.8
	51-ABOVE	8	8.0	9.2	100.0
	Total	87	87.0	100.0	
		İ			

Source: SPSS Version 21, 2022

The table above shows that respondents whose age bracket falls between 18-25 yrs were eight (8) which represent 9.2 percent. This is followed by those with age bracket of 26-33 years with eight (8) which represents 9.2%. Also those within age bracket of 34-40 yrs were twenty-two (22) which represents 25.3%. Also those within age bracket of 41-50 yrs were forty-one (41) which represents 47.1%. However, those with age bracket of 51-above were eight which represent 9.2%. The implication of this age distribution is to enable us to check if the questionnaire was directed to the right age group.

#### 4.2 Hypothesis Testing

The need to examine the relationship between the collected data and the stated hypothesis has called for this section. This result will be compared with the statistical criteria to see if the preconceived notion in this research work holds or not.

External business environment has no significant effect on organizational performance in Nourisha continental fast foods, Awka?

**ANOVA** 

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3242.5981	3	1794.190	4.742	.015
Within Groups	6734.279	84	378.389		
Total	77436.800	87			

Source: SPSS Version 21, 2022

The test table reveal that wide significance value (F. sig<.05) indicate group differences. Since the F- value of 4.742 which has a significance of .015 is less than .05 (i.e .001<.05), there exist no group difference among the variables. External business environment has significant effect on organizational performance in Nourisha continental fast foods, Awka

#### **Hypotheses Two**

H0: Internal business environment has no significant effect on organizational performance in Nourisha continental fast foods, Awka?

#### **ANOVA**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4838.324	2	2419.162	3.233	.009
Within Groups	6598.476	85	388.146		
Total	11436.800	87			

**Source:** SPSS Version 21 **2022** 

We discover that in the F-statistics column the value for colleagues stress is 3.233, while its probability is 0.009 since its probability is less than 0.05% desired level of significance, we reject the null hypothesis and accept alternative hypothesis, which states that Internal business environment has significant effect on organizational performance in Nourisha continental fast foods, Awka

#### **SECION FIVE**

#### SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATION

#### 5.1 Summary of the Findings

The basic objective of this study is to examine the effect of business environment on organizational performance, A study of Nourisha continental fast foods, Awka. Ninety-five (95) respondents were randomly selected eighty-two (82) questionnaires were returned and analysis of the data were based on this number. From the analysis of the data especially, and the testing of hypothesis it was realized that:

- i. External business environment has significant effect on organizational performance in Nourisha continental fast foods, Awka
- ii. Internal business environment has significant effect on organizational performance in Nourisha continental fast foods, Awka

#### 5.2 Conclusion

The influence of the environment boils down to two essential forces which the organization must respond to - information gathering and scarce material and financial resources. These forces create uncertainty i.e. lack of information to anticipate external changes and resources availability There are two categories of environmental forces that influenced business performance. These are internal environmental forces and external environmental forces. The internal environmental forces or influence are those that affect the enterprise as separate entity. They consist of function structure and relationship in the enterprise. The forces that affect a business unit as well as other enterprises operating within the same environmental are known as external environment. They are external to the enterprise and cannot be effectively controlled by managers. They are relevant for the success of the organization. The business enterprises in Nigeria have several limitations that account for their inefficiencies and failures sometimes. Many are these problems are unique to small enterprises, while others are general to all business enterprises irrespective of size. The internal problems that affect the small scale enterprise and other enterprises in general include among others; wrong choice of business, lack of export, lack of business connections, management incompetence, lack of adequate attention, marketing problem, unethical, location problem, absence of production improvement technique, etc. In order to determine the impact of business environment on the performance of

etc. In order to determine the impact of business environment on the performance of organization, questionnaires were distributed to staffs and employees of nourisha fast food awka in or der to e licit information about environmental forces that influence their company's performance.

#### **5.3 Recommendations**

In line with the findings of the study the following recommendations were made:

- 1. Manager should be properly trained, so as to enable good supervision of their employee's job. The manager tends to have the ability to control, plan and organize his or her company, when they are well trained for the task.
- 2. The management should remember to give benefits to workers who are entitled to it; it will encourage the workers to take their job as important as possible. The management should also de centralize power or authority; they should learn to listen to workers opinion because it allows for cordial relationship.

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#### Price and Income Elasticity of Import Demand in Nigeria

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**Abstract**: This study investigated the price and income elasticity of import demand in Nigeria using data for the period of 1981-2020, the objective were to: Determine the effect of import price on import demand in Nigeria. Determine the effect of domestic income on import demand in Nigeria. Error correction model were used (ECM) method of data analysis was adopted because of its Best Linear Unbiased Estimators (BLUE) properties. The data for the variables used were sourced from Central Bank of Nigeria Statistical Bulletin. The study adopted the unit root test, co-integration approach, Heteroscedasticity test as well as Error Correction Mechanism to analyses the corrected data. E- View software was used for the analysis. The study found that. There exists positive and significant relationship between real gross domestic product and import demand in Nigeria. A positive but insignificant relationship exists between relative prices of imports and import demand in Nigeria. A positive but insignificant relationship exists between trade openness and import demand in Nigeria. The study recommends that since domestic prices determine import demand, government should try to minimize the effect of inflation in domestic economy. Government should try to check import demand by way of employing import substitution policy so that locally produced goods will substitutes imported goods. Gross elastic perfect substitutes: the goods imported are necessary goods for instance capital goods. This makes Nigeria to be more import dependents. Therefore policies that will favour import dependent country should be advocated for

Keywords: price, income elasticity, import, demand, price and income elasticity of import demand

#### 1.1 Introduction

Income and price elasticities of imports refer to the degree of responsiveness of imports to any slight change in the income and prices of imports. Here, the price of imports is usually the relative prices, while the income is the real gross domestic product (Nwogwugwu, Maduka, & Madichie, (2017). The income and price elasticities of imports are very crucial for both economic forecasting and trade policy analysis. Thus, a number of studies have attempted the estimates of income and price elasticities of imports and other related issues across countries of the world. However, the values of the income and price elasticities of imports remained a subject of diverse opinion in most international economic policy debates. This is due to the fact that most of these empirical studies continue to show conflicting results (Danjuma 2020).. Also, there appears to be dearth of empirical studies that have undertaken a systematic estimation of income and price elasticities of imports using Nigerian data. Nigeria as a developing country

is facing the challenge of external imbalance cropping up from a persistently growing current account deficit. This occurs as a result of the huge deficits in merchandize trade, Nwogwugwu, Maduka and Madichie (2017). However, trade volume and hence the associated potential revenue generation from trade-based taxes depends on the price and income elasticities of exports and imports (Udayanthi Tennakoon, 2010). Therefore, to formulate or implement a policy related to foreign trade, it is very important to have a clear picture on the export and import demand determinants and their elasticity. The presentation here focuses on import policy, rather than exports since the 1980s. Various measures of protective trade policies have over the years favored Nigeria which ranges from import substitution industrialization to haphazard application of tariff via annual budget Nwogwugwu et al. (2017). Obtaining the estimates of the income and price elasticities of imports can be of great use in gauging the effect of changes in the economy as well as of fiscal and monetary policy measures on trade balance Nwogwugwu et al. (2017). These elasticities can be used in macro economic forecasting as they help describe the inter-relationship between variables of interest and thus, determine the intensity of the effect of fiscal and monetary policy measures Nwogwugwu et al. (2017) Also, the potency of any trade policy adopted by any economy depends largely on the trade elasticities of that economy [price and income elasticities of import and export].

Elasticity of import demand is useful to making policy decisions on optimal trade taxes, currency devaluation to improve the balance of trade, estimation of the government revenue from trade related taxes and estimation of the fiscal implications of trade liberalization (Udayanthi Tennakoon, 2010)

Elasticity of import demand is useful to making policy decisions on optimal trade taxes, currency devaluation to improve the balance of trade, estimation of the government revenue from trade related taxes and estimation of the fiscal implications of trade liberalization (Udayanthi Tennakoon, 2010)

#### 1.2 Problem Statement.

It is not surprising that the crash of commodity exports prices in the early 1980s and recently from 2014 engendered fiscal crisis in Nigeria cumulating in huge extra budget spending as currently experienced in the country. This led to the introduction of catalogues of economic reform projects/strategies such as the import substitution industrialization (ISI) strategy, export promotion programme (export free zones), Structural Adjustment Programme (SAP) to mention but a few. These strategies were expected to boost export and reduce imports to restore external balance and stimulate economic growth. However, imports demands in Nigeria kept escalating over the years. For instance, the value of non-oil imports trade grew from a mean value of N36.55 billion; representing 96.8% of total import into Nigeria within the duration 1970-1979, to N118.36 billion; representing 93.4% of aggregate import trade during duration 1980-1989, N3.48 trillion in the period 1990-1999; representing 79.9% of aggregate import trade and N19.33 trillion; representing 82.0% of aggregate imports trade for the duration 2000-2008 (World Bank 2012). The latest value for Imports of goods and services BOP, current US\$ in

Nigeria was \$85,354,940,000 as of 2014 (World Bank, 2014). These programmes and policy measures sought to reduce external disequilibrium while strengthening production capacity. These were among the principal measures implemented locally to bring about trade balance, the policies attempted to influence imports. The authorities also became more preoccupied with mobilizing external financial assistance, thereby incurring debt. The debt burden, however, has engendered a decrease in public investment spending and an increase in budgetary deficits. Nigeria has also undergone real devaluation and undertaken substantial trade liberalization in an effort to improve its balance-of-payments situation. This has necessitated this study to determine the price and income elasticities of import demand and their effect on trade balance.

#### 1.3 Research Question

Contending with the problem under investigation, the research was geared toward answering the following questions:

- How has import price affected import demand in Nigeria?
- How has domestic income affected import demand in Nigeria?

#### 1.4 Objectives of study

The general objective of the study is to determine the price and income elasticity of import demand in Nigeria. Specifically, the study tends to:

- Determine the effect of import price on import demand in Nigeria.
- Determine the effect of domestic income on import demand in Nigeria.

#### **REVIEW OF LITERATURE**

#### 2.1 Theoretical Literature

#### Theory of trade

The theoretical linkage between trade openness and imports has been explained by a range of theories, however there are three leading theories that explain demand for imports. First, is the theory of comparative advantage or neoclassic trade theory, second is the perfect substitute's model or Keynesian trade multiplier and third is the imperfect competition theory also known as the new trade theory Harvey, S. and Sedegah, K. (2011) and Mah, J.S. (1999)

The first theory is the comparative advantage theory, the theory focuses on how the volume and direction of international trade are affected by changes in relative prices. The volume and direction of trade are explained by differences in factor endowments between countries. The theory is not concerned with the effects of changes in income on trade as the level of employment is assumed to be fixed and output is assumed to be on a given production frontier.

This suggests that import demand is based on the assumptions of neoclassic microeconomic consumer behavior and general equilibrium theory. The models predict that movement towards openness can temporarily increase imports due to short run gains from re-allocation of resources within the economy. The implication is that trade openness has a positive relationship with imports Santos-Paulino, A. and Thirlwall, A.P. (2004).

The second theory is the perfect substitute's model or Keynesian import demand function, which is based on the macroeconomic multiplier analysis. In this model, relative prices are assumed to be rigid while employment is variable. The model assumes international capital movements which passively adjust to restore the trade balance. The relationship can be defined by the average and marginal propensity to import and the income elasticity of imports. The perfect substitute's model is based on the assumption that traded goods are perfectly substitutes. But in reality, traded goods are not perfect substitutes hence both imported goods and locally produced goods coexist in the same market Harvey, S. and Sedegah, K. (2011).

The theory assumes that the state intervenes in international trade through the use of trade controls. The theory is based on the assumptions that traded goods are perfectly substitutable and can be traded across countries. The theory further assumes that international capital movements will passively adjust to restore the trade balance and it identifies two mechanisms in which trade openness might affect imports Santos-Paulino, A.et al.(2004). The first one is the domestic source path, this is associated with innovation while the second one is through absorption of foreign technology from leading trading partners. In the domestic source path, the rate at which imports grow depends on the rate of ingenuity of human capital or innovations in the domestic economy. In the second approach growth in imports depends on how imitation of foreign technology or capital is absorbed in the country Harvey, S. et al. (2011)

The third theory is the imperfect competition theory. The theory focuses on intra-industry trade and explains the effects of economies of scale, product differentiation and monopolistic competition on international trade. The theory uses three approaches to try and define effects of imperfect competition on international trade these include the Marshallian, Chamberlinian and Cournotapproaches. First the Marshallian approach assumes constant returns at the firms level but increasing returns at the industry level, secondly the Chamberlinian approach assumes that an industry consists of many monopolistic firms and new firms are able to enter the market and differentiate their products from existing firms so that any monopoly profit at the industry level is eliminated. Lastly the Cournot approach assumes a market with only a few imperfectly competitive firms where each firm output is taken as given Abuka, C.A. and Ddamulira, D.M. (1999).

The theoretical literature suggests three theories that influence import demand, however two theories are commonly used in estimating the import demand function. These are the imperfect substitute model and the perfect substitute model Abuka, C.A. and Ddamulira, D.M. (1999). The perfect substitute's model is based on the assumption that traded goods are perfect substitutes, suggesting that a country can be either an importer or an exporter but not

both Weiss, J. (1995).But in reality, traded goods are not perfect substitutes hence imported goods and locally produced goods coexist on the same market. Furthermore, the increasing trade among nations and existence of intra-industry trade have put question marks on the validity of the perfect substitute's hypothesis. The perfect substitute's model has attracted less attention in the empirical studies since it seems to be less realistic while the imperfect substitution model has received more Harvey, and Sedegah, (2011). The theories assume that in a market economy import demand can be fully modeled by income and relative prices.

### 2.3. Empirical Literature

A large body of empirical literature exists on the study of import function for both developed and developing countries. Bahmani-Oskooee and Niromand (1998) using annual data (1960-1992) examined the import demand functions of 30 countries through the aggregate model by using the Johansen-Juselius (J.J) co-integration tests. The results show that twenty six of these countries had co-integrating relationship between the import demand function and its determinants in the long run. In most cases the price elasticities and income elasticities were high. The study however did not investigate the short run dynamics. Similarly, Mohammed and Othman (2001) examined the long run relationship between imports and expenditure components of five Asian Countries (Malaysia, Indonesia, the Philippines, Singapore and Thailand). Using the same methodology with a disaggregated model and annual data for the period 1968-1998 (Except Singapore, with a shorter period 1974-1998), they concluded that the import demand was co-integrated with its determinants for all five countries.

Dutta and Ahmed (2001) used the Johansen-Juselius (J.J) co-integration test investigate the behaviour of import demand for India during the period 1971-1995. They concluded that the aggregate import volume is price-inelastic with elasticity of -0.47; while income elasticity of demand for imports was elastic with a coefficient of 1.43. Abbott and Seddighi (1996) also using the Johansen-Juselius (J.J) approach but with disaggregate model, estimated the import demand function for the UK. They concluded that import demand was co-integrated with its determinants with consumption expenditure having the largest impact on import demand (1.3). Mohamed and Tang (2000) also using the Johansen-Juselius (J.J) co-integration methodology studied the determinants of aggregate import demand for Malaysia, over the period 1970-1998. Their result revealed that all the disaggregated components had an inelastic effect on import demand in the long run with investment expenditure and consumption expenditure having the largest impact on import demand i.e. 0.78 and 0.72 respectively. HO (2004) though using the same methodology, estimated the import demand function of Macao by testing both the aggregate and disaggregate import demand models. His studies which used quarterly data for the period 1970-1986, observed that co-integrating relationships exists in the disaggregate model wholes no co-integration was found in the aggregate model of Macao's import demand function. He concluded that disaggregate model is more appropriate in explaining the import demand of Macao. Babatude and Egwaikhide (2010), empirically analyzed the aggregated import demand behaviour for Nigeria using annual data between 1980 and 2006. The bound test analysis was used to estimate the long-run relationship between import demand and its

determinants. The study found that import, income, and relative prices are co-integrated. Also, the estimated long run elasticities of import demand with respect to income and relative prices were 2.48 and -0.133.

Abutia (2004), estimated the price and income elasticities of international trade for Jordan between 1980 and 2012. The study employed ADF units root, Johnson co-integration and error correction mechanism. The study showed that the sum of price elasticites of import and export demand exceeds one for Jordan. Mohammed et al. (2000 examined the long relationship between Malaysian real imports and the underlying components of final demand expenditure proxied by real final consumption expenditure, investment expenditure and exports and relative prices during (1970-1988) via Johansen Multivariate co-integration analysis (Johasen 1998, and Johansen et al, 1990). An ECM is estimated to evaluate the short run response of imports to its determinants. The result shows that only one co-integrating vector is found, which means that the partial elasticities of imports are 0.72, 0.78 and 0.385 respectively. The import price is fairly inelastic at -0.69. in the ECM estimation, it is discovered that the speed of adjustment implied by the one period lagged ECT is -0.637, which is quite fast. The specification of ECM, dropped out the effect of final consumption expenditure as its effect is statistically insignificant to import. Frimpong and Oteng-Abayie (2006) studied the behaviour of Ghana's imports demand during the period of 1970-2002 using disaggregated model and the bound test approach to co-integration. They found co-integration among elements of the import demand relationship. Their study revealed an inelastic import demand for all the expenditure components and relative prices. They asserted that in the long run, investment and exports were the major determinant of imports in Ghana but in short run, household and government consumption expenditures were the major determinant of import demand. They claimed that import demand was not very sensitive to price changes.

Uche et al (2015) examined the price and income elasticities of import demand in Nigeria; evidence from the bound testing proposed by Pesaran et al; (2001) to study the long run relationship between variables of interest. The results of the units root test based on ADF and PP provide justification for the use of ARDL bound test as the variables were either 1 (0) or 1 (1) and none is 1 (2).the co-integration result show that there is a long run relationship between import demand and the chosen explanatory variables, thus, all the variables move together in the long run. The estimate long run coefficients show that the price and income elasticities of import demand in Nigeria were about 0.03 and 0.55 respectively during the period covered. This implies that the long run import demand in Nigeria has been price and income inelastic since the sizes of the coefficients of real GDP and relative prices were less than unity and among the explanatory variables studied, real GDP was the main determinants of import demand in Nigeria. The long run coefficient of domestic prices which is also regarded as the cross price elasticity of import demand with respect to home made goods was about 0.0062 and statistically insignificant, thus, there is evidence of imperfect substitution between foreign made goods and domestically produced goods. The result from the short run dynamics of the model suggest that about 67 percent of the disequilibrium between the long term and short

term import demand is corrected each year. They therefore, conclude that the use of currency derivation as an import substitution tools is not validated by their results, where as the use of higher taxes and interest rate as a tool of expenditure switching policies should be expected to have shared impact on Nigeria's trade balance.

### **METHODOLOGY**

### 3.1 Theoretical Framework

In this paper, the model to be adopted to study import demand is based on consumer demand theory in the context of imports for a country. Khan (1974), Hemphill (1974), Ozo-Eson (1984) and Narayan (2005) provide a theoretical basis, as discussed in the previous section. In analyzing import demand, we study one of the behavioural relationships in economic theory. This relationship is an aggregate of the individual behaviour of a given country, state, and/or territory (Olayide, 1968). The simplest formulation of an aggregate demand equation relates the quantity of imports demanded to the ratio of import prices to domestic prices (assuming a degree of substitutability between import and domestic goods) and to domestic real income, all in period (Khan, 1974)adopted equation system for aggregate import demand, based on economic theory is

$$Mit = f(Yt, PMit, PDit).....3.0$$

Where Yit denotes the real gross domestic product; Mit denotes the quantity or volume demanded of the ith commodity; PMit the price of the ith import commodity; PDit denotes the price of the ith domestic commodity.

### 3.2 Model Specification

As has been established in the theoretical framework, this study is based on imperfect substitution model provided by Khan (1974) and has been used by Bobic (2009). Hence, the import demand function as defined in Khan'sequationis based on the theory. Equation (3.0) is the framework most commonly used in empirical studies of import behaviour. Based on equation (3.0) we specify our model as:

$$IMP = \alpha_0 + \alpha_1 RGDP_t + \alpha_2 RLP_t + \alpha_3 OPN_t + \alpha_4 EXR_t + \alpha_5 CPI_t + \mu_1 \dots (3)$$

Where IMP = Import demand

RGDP = Real Gross Domestic Product, used to proxy domestic income

RLP = Relative Prices of import

OPN = Trade Openness (measured as export plus import divided by GDP) used as a proxy for volume of trade.

EXR = Exchange rate

CPI = Consumer Price Index (domestic price)

 $\mu$  = Random Error Term

 $\alpha_{(0)}$  = Intercept term

 $\alpha_{(1)}$  -  $\alpha_{(5)}$  = Parameters to be estimated

t= the period which measures the current term under estimation.

Adopting a Log-Linear Specification, our model becomes:

$$LIMP = \alpha_0 + \alpha_1 LRGDP_t + \alpha_2 LRLP_t + \alpha_3 LOPN_t + \alpha_4 LEXR_T + \alpha_5 LCPI_t + \mu_t .....(4)$$

Where L = natural logarithm. Note that the presence of log on both sides of the equation (4) implies that the parameters,  $\alpha_{(1)}$  -  $\alpha_{(5)}$  are to be interpreted as elasticities. A priori expectation;  $\alpha_1 > 1$ ,  $\alpha_2 < 0$ ,  $\alpha_3 > 0$ ,  $\alpha_4 < 0$ ,  $\alpha_5 > 0$ .

### 3.3 Method of Estimation

In order to estimate objectives, the study uses multiple regression and employes ordinary least square (OLS) estimation technique. The OLS is favoured because of its Best linear Unbiased Estimators (BLUE) properties. Thus, the estimation commences with a unit root test to confirm the stationarity states of the variables that entered the model. In order to test for stationarity of the data used in this study, the Augmented – Dickey Fuller (ADF) test will be used. The first step is to test for stationarity at level, without constant and trend. If the variables are non – stationary, then the next step is to difference and test for the stationarity of differenced variables. If the variables become stationary after first difference then it is concluded that the variables are integrated of order one i.e. I (1). After that, the Error Correction Model (ECM) will be estimated by applying the ECM version of ADF where the speed of adjustment to long run and short run equilibrium will be determined. Other statistical tests conducted are outlined thus:

### 3.4 Statistical Test(first Order)

Under the statistical test, first order, we will test for the goodness of fit, the individual significance of each regressor using the t-test and finally the significance of the regression model using the F-test.

- a) Goodness of fit test ( $R^2$ ): we shall make use of the coefficient of determination  $R^2$  to find how well the sample regression line fits the data.  $R^2$  measures how the variation in the explanatory affects the dependent variable.
- b) Student's t-test: this is used for testing the significance of the variables in the model. 5% level of significance will be used, with n k degree of freedom and where necessary, the

probability value will be used as a rule of thumb. Where a = 0.05 (n-k), n = number of observation (sample size), <math>k = total number of estimated parameters.

c) The F-test: this will be used for testing the overall significance of the regression model. The regression might not have individual influence on the dependent variable except in conjunction with other regressors, that's the essence of the f-test. 5% level of significance will be used with (k-1)(n-k) degree of freedom where  $V_1 = k-1$ ,  $V_2 - n$ 

### 3.5 Econometric Test (Second Order)

a) Autocorrelation Test: The classical linear regressions model assumes that auto correlation does not exist among the disturbance terms. In other to find out whether the error terms are correlated in the regression, we will use the Durbin-watson (DW) statistics.

### 3.6 Sources of Data

The data set for the analyses comprises of Imports, RGDP, Relative prices, exchange rate, Trade Openness, and consumer price index. These data were obtained from officially recognized national data sources such as Central Bank of Nigeria (CBN) which is the primary World Bank and the United Nation Commission for Trade and Development (UNCTAD).

#### **SECTION FOUR**

### 4.1. Presentation and Analysis of Results

### **Unit Root Test**

The analytical techniques discussed in the previous chapter were applied to the models of the study and the results are presented in this section. Since empirical analysis based on time series data would be biased if the underlying data are non stationary, the unit root test is therefore necessary to check for the stationarity of the variables. As earlier noted, the test used for observing the stationarity of the time series data used for analysis in this study is the Augmented Dickey-Fuller (ADF) test. The results are summarized in table 4.1 below.

Table 4.1 Summary of ADF unit root test result

Variables	ADF statistics	Order of Integration	Remarks
D(CPI,2)	-8.304652	1(2)	Stationary at second difference
D(EXR)	-5.866679	1(1)	Stationary at first difference
D(LIMP)	-6.531719	1(1)	Stationary at first difference

D(LRGDP,2)	-6.752642	1(2)	Stationary at second difference
D(OPN)	-5.513427	1(1)	Stationary at first difference
D(PCI)	-4.524749	1(1)	Stationary at first difference
D(RLP)	-7.768164	1(1)	Stationary at first difference
D(ECM)	-5.492718	1(1)	Stationary at first difference

Source: Researcher's compilation using Eview 10 (2022).

As seen in table 4.1, exchange rate, imports, trade openness, per capita income and relative prices of imports were stationary at first difference while consumer price index and real gross domestic product were stationary at second difference. The ECM was stationary at first difference. This provides a strong criterion for the co-integration analysis.

### **Co-integration Test**

Since short run equilibrium has been revealed to exist among the series, there is the need to investigate the existence or otherwise of long run equilibrium among these series. This test will be done using the Johansen co-integration test.

### **Hypothesis:**

H<sub>0</sub>: The variable does not co integrate

**H**<sub>1:</sub> The variable co-integrates.

### **Decision Rule**

Reject the null hypothesis if the trace statistic > the 5% critical value or if the probability value < 0.05. The co-integration test table is presented below:

**Table 4.2: Co-integration result** 

Hypothesized	Eigen value	Trace statistic	0.05 critical	Prob**
No. of CE(s)			value	
None*	0.801414	169.9910	125.6154	0.0000
At most 1*	0.690279	113.4123	95.75366	0.0018
At most 2*	0.588285	72.38943	69.81889	0.0307
At most 3	0.368660	41.49922	47.85613	0.1733
At most 4	0.344982	25.40232	29.79707	0.1476
At most 5	0.246880	10.59405	15.49471	0.2377
At most 6	0.018974	0.670473	3.841466	0.4129

Source: author's computation using Eviews 10 (2022)

From table 4.2 above, it is evident that there are three co-integrating equations in the series. Hence we reject the null hypothesis. To confirm the existence of this long run equilibrium, we look at the maximum eigen value result as presented in the table below:

**Table 4.3: Maximum Eigen value** 

Hypothesized	Eigen value	Max-Eigen	0.05 critical	Prob**
No. of CE(s)		statistic	value	
None*	0.801414	56.57867	46.23142	0.0029
At most 1*	0.690279	41.02289	40.07757	0.0390
At most 2	0.586285	30.89022	33.87687	0.1091
At most 3	0.368660	16.09690	27.58434	0.6575
At most 4	0.344982	14.80827	21.13162	0.3025
At most 5	0.246880	9.923582	14.26460	0.2170
At most 6	0.018974	0.670473	3.841466	0.4129

Source: author's computation using Eviews 10 (2022)

From table 4.3 above, it is evident that there are two co-integrating equations in the series. Hence we also reject the null hypothesis.

Since the short run and long run relationships alone do not explain the nature of relationships between variables, it is therefore necessary to combine both the short run and long run components in order to ascertain the speed of adjustment and the level of disequilibrium/discrepancies in the previous period that were actually corrected in the present period. This therefore necessitates the error correction model. Again, to determine the maximum lag length of the regressors so as to enable a parsimonious regression result, the optimal lag selection criteria was adopted and lag 1 was adopted as the maximum lag using the Akaike Information criteria as evidenced in the table below:

Table 4.4: Optimal lag length selection criteria

Lag	logL	LR	FPE	AIC	SC	HQ
0	-470.8567	NA	1704.572	27.30610	27.61717	27.41348
1	-182.9328	444.2255*	0.002124*	13.65330*	16.14186*	14.51236*
2	-140.9851	47.94026	0.004540	14.05629	18.72234	15.66701

Source: Author's compilation (2022) Where \* indicates lag order selected by the criterion

As evidenced in table 4.4 above, all the selection criteria selected the lag order of 1. This therefore necessitates the adoption of lag 1 as the maximum lag length for the ECM analysis which shows the short run dynamics of the model as presented in the table below:

### 4.2.2: ECM Regression Result

Table 4.5: Summary of the ECM regression result: Dependent Variable- D(LIMP)

Variables	Coefficient	Std. Error	t-statistic	Prob.
С	-3.839582	3.490975	-1.099860	0.0008
D(LRGDP(-1))	0.793233	0.819360	2.212206	0.0026
D(OPN(-1))	0.380121	0.618747	1.392124	0.0837
D(PCI(-1))	0.621005	0.000122	2.337424	0.0383
D(RLP(-1))	0.280669	0.129384	1.169280	0.2487
D(CPI(-1))	-0.600880	0.004738	-3.185783	0.0040
D(EXR(-1))	-0.500975	0.001255	-2.776984	0.0437
ECM(-1)	-0.541879	0.087924	-3.613661	0.0178
R <sup>2</sup> = 0.967607	F stat= 5.325179	R <sup>2</sup> Adj= 0.959509	F proby=0.00090	

**Source:** Researcher's compilation using Eview 10 (2022)

Moreover, our main interest is on the results of RGDP, RLP and CPI. The short run coefficients of these variables of interest –LRGDP, LRLP and LCPI, which proxies' domestic income, import price and price of domestically produced goods are income and price inelastic. The results imply that import demand in Nigeria is price and income inelastic. This is so because the short run price and income elasticitics of import price and domestic income are 0.28 and 0.79 respectively which are less than one.

Furthermore, a one percent increase in the price of domestic goods will lead to 0.062 percent increase in import demand . This implies that domestic goods are not perfect substitutes for foreign goods . Finally domestic income and prices of domestic goods are statistically significant implying that domestic income and prices of domestic goods determines the import demand. While the relative import prices are not significant. This also shows that it is the prices of import that determines the demand for import in Nigeria, rather, it is the domestic income, and prices of domestic goods.

The coefficient of -0.500975 for exchange rate shows that a unit change in the previous value of exchange rate will decrease import demand in the present period by about 50%.

### **B.** Heteroscedasticity Test

The White general Heteroscedasticity test which follows the chi-square distribution with degree of freedom equals the number of regressors was used to test whether the error variances are

equal or unequal. The choice of the White test is that it is more standard and general than other tests of heteroscedasticity.

The hypothesis to be tested are:

$$H_0$$
:  $\beta_1 = \beta_2 = \beta_3 = \beta_4 = \beta_5 = \beta_6 = \beta_7 = \beta_8 = \beta_9 = \beta_{10} = \beta_{11} = \beta_{12} = 0$  (homoscedasticity)

$$H_1$$
:  $\beta_1 \neq \beta_2 \neq \beta_3 \neq \beta_4 \neq \beta_5 \neq \beta_6 \neq \beta_7 \neq \beta_8 \neq \beta_9 \neq \beta_{10} \neq \beta_{11} \neq \beta_{12} \neq 0$  (heteroscedasticity)

### **Decision rule**

Reject the null hypothesis if the chi-square calculated is greater than the critical chi-square at 5% level of significance or the P-value < 0.05. Accept if otherwise.

The heteroscedasticity table is given below.

**Table 4.6: Heteroscedasticity test** 

				Decision
F statistic	0.594630	Probability	0.7321	Accept
Obs* R-squared	3.932579	Probability	0.6858	Accept

Source: Author's computation (2022)

From table 4.9 above, it can be observed that the P value of 0.6858 is > 0.05. Hence, we accept the null hypothesis and conclude that there is homoscedasticity in the series.

## SECTION FIVE SUMMARY, RECOMMENDATIONS AND CONCLUSION

### 5.1 Summary

The major findings of this study are summarized and discussed below:

- 1. There exists positive and significant relationship between real gross domestic product and import demand in Nigeria. This implies that as the economy grows, there is a tendency for import demand to increase given that economic growth culminates into higher aggregate demand and as such, higher import demand.
- 2. A positive but insignificant relationship exists between relative prices of imports and import demand in Nigeria. This implies that the higher the relative prices of imports, the higher the imports demand in Nigeria, though the increase in import demand is not significant. This follows from the fact that a higher relative price of imports means that more units of import can be exchanged for one unit of export.
- 3. A positive but insignificant relationship exists between trade openness and import demand in Nigeria. This implies that increased trade openness brings about an insignificant increase in imports demand in Nigeria. Since trade openness shows he impact of a country's international trade on the home economy, it then follows that the

higher this positive impact, the more such a country would want to engage in trade, and hence, more demand for imports.

- 4. There is a negative and significant relationship existing between exchange rate and imports demand in Nigeria. This implies that higher exchange rate (lower value of the home currency) decreases imports demand in Nigeria since lower value of the home currency makes exports relatively cheaper than imports, thereby increasing exports and reducing imports demand.
- 5. Again, there exists a negative and significant relationship between the consumer price index and imports demand in Nigeria. This implies that as the price per basket of good increases in Nigeria, leading to increased rate of inflation, there tend to be a decline in the demand for imports since such high level of inflation leads to a fall in the value of the home country's currency relative to the foreign currency and as such, a unit of the home currency could buy less of foreign good.
- 6. Finally, a positive and significant relationship exists between per capita income (domestic income) and imports demand in Nigeria. This implies that as the income per head of the population increases, this leaves more money at the disposal of the consumers. Thus an increase in aggregate demand sets in, leading to an increased imports demand.

### 5.2. RECOMMENDATION

- 1. Since domestic prices determine import demand, government should try to minimize the effect of inflation in domestic economy.
- 2. Government should try to check import demand by way of employing import substitution policy so that locally produced goods will substitutes imported goods.
- 3. Gross elastic perfect substitutes: the goods imported are necessary goods for instance capital goods. This makes Nigeria to be more import dependents. Therefore policies that will favour import dependent country should be advocated for.

### 5.3 CONCLUSIONS

- 1. Real gross domestic product in Nigeria increases imports demand.
- 2. Increases in the relative prices of imports increases imports demand in Nigeria, though to an insignificant extent.
- 3. Domestic goods are not perfect substitute for foreign goods.

Finally, we conclude that import demand in Nigeria is price and income inelastic.

From the above, it is evident that the demand for imports in Nigeria is responsive to the relative prices of imports and the domestic income.

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# Causes of Education Imbalance between Boys and Girl-Child in Maiduguri Metropolis, Borno State, Nigeria

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**Abstract**: The study was carried out to investigate the causes of imbalances in Education of girls and boys in Maiduguri Metropolis. One hundred respondents were administered questionnaire while some few respondents most especially the illiterate girl-child and parents were interviewed. Respondents were selected through random sampling technique tables and simple percentage were used in analysing the questionnaire. Results of the study revealed that the factors militating against the girl-child education include socio-cultural, economic, religion and environmental gender parity. It was recommended that girl-child education should be made free from primary school to the University level in which case she can contribute a token and parenting attached to parent who remove their daughters from amongst others.

### Keywords:

Keywords: Education, Imbalance, Girl, & Boys

### Introduction

The term 'education' may connote different things to different people, some have indeed postulated as in Buba (2004), NNO (2008) that the interpretation of education varied. This is perhaps basically why the definition of education is as many as the number of people who tried to define it. Gwarjiko (1999) as in Modu (1992) looked at the concept of education in a more dynamic and wide perspective. To him, education involves the inculcation of knowledge, skills and attitude within and outside the final school system, all geared towards the development of a person's mind and personality so as to be able to contribute to the development of his society and to be useful to himself.

Herst (1969) and Usman (2003) defined as all concerned with the development of the national mind. Most of the aforementioned definition of education tend to elucidate on one attribute of education, which over the years has been used to describe an educated person, that distinguishing factor is literacy, it is the ability to read and write and to decide scientific and arithmetic symbols into ordinary understandable language. The girl-child according to

Gwarjiko (1999) is a daughter-child in the family and society, she is the mother of tomorrow. The girl-child is limited to those female children who fall within the age category of anything less than 17 or 18 years.

Marguwath (1992) observed that in many parts of Arica, parents do not willingly educate their daughters on the assumptions that they will eventually become the property of the men they marry. They are therefore, considered a poor investment. In spite of the apparent disparity between men and women and the marginalization, educated women have nonetheless shown surprising enterprise. They are involved in producing and contributing more to the family income and saddled with added responsibilities of bringing up children who ultimately become the leaders of tomorrow.

Moda (1992) in agreement with the article of the 2<sup>nd</sup> Development Decade of the United Nations General Assembly that high population capacity cannot be attained without involving the large number of farmers and distributors of goods who are essentially women. A more equitable distribution of wealth and income is not possible without the involvement of women, who are often responsible for the welfare of children and relations either by customs due to male migration or due to separation in supporting the need to enhance considerably women capacity in each of their all-important roles through improved access and equality of opportunity unencumbered by discriminate practices.

Ellen (1986) as in Moda (1992) stated "the mother is the most precious possession of the nation. So, precious that society advances its highest well being when it protects and enhances the functions of the mother". Hence, one cannot but agree again with the belief of Marguwath (1992) that being liberating force to individual and to society, basic education remains a means of raising people's consciousness about the oppressive structures within which they live. It also empowers them to organize themselves in order to change existing realities.

Fafunwa (1974) stated that when you educate a man you educate an individual but when you educate a women you educate a nation:. In the field of education, Solomon (2002) was of the view that more than 50% of the teachers in Nigeria are women, they impact knowledge, skills and values to pupils who will in future be teachers of tomorrow.

Several studies carried out by scholars reveal several factors militating against the education of the girl-child, for example, Goodluck and Odara (2021) in their study reveals the factors as poverty, teenage pregnancy, early marriage, religion, misconception and social cultural patterns and others are factors that militate against the education of the girl-child. To eradicate such factors, they advise that there must be an advocacy programmes, one which must be through the library.

Another study by Agusiobo (2018) reveals that 10 million (10m) kids are out of school in Nigeria with 60% girls and the factors for such as economic, social-cultural and government factors, making the drop-out girls vulnerable to insurgency effect and abuses by men and

others. Various recommendations were given to deal with the issues which include genderequality sustainability, better funding for girl-child education and also empowerment skills to them and ensuring the girls complete their schools.

In a similar study by Sambo, (2012) also examines similar factors that lead to little or no support to girl-child education by parents in selected local government areas of Kaduna State. The study reveals financial income of parents and influence of parental education background. Another study tag "empowerment of women for self-reliance which in the focus of Alonge et al (2014) examine the sad position of women girl-child in Nigeria who form an integral part of Nigeria development. They highlighted poverty as stumbling blocks to the girl-child education. They suggested that if poverty is drastically reduced, it can have a positive effect on the economy, cultural, social and political development of the country, likewise, attention be given to adult illiterate women. This could enhance the education of the girl-child.

The present study is aimed at investigating the causes of imbalances in education of girls and boys in Maiduguri Metropolis.

### Methodology

The study is a survey research conducted within Maiduguri Metropolis. Maiduguri Metropolis, the area of study is in central part of Borno State within the capital city. It lies within longitude 13°E 30′N and 12° North with temperature ranging from 39°C during the summer days. In cold harmmatan period, the temperature drops to about 10°C, however, it varies and may reach up to about 22°C. The period of rainfall within the city is five (5) months from June to October and relief of area is fairly flat, while the type of soil that exists in the study area is mostly sandy, loamy soil. However, clay soil exists in some area, which is not capable of absorbing water making the area to be water-logged during the wet season. The dominant tribe within the Metropolis are the Kanuri' with their rich cultural heritage. Then we have the Shuwa-Arab who speak Arabic language, the Babur/Bura rich in oral tradition and the second largest ethnic group mostly inhabit Biu Emirate in the Southern part of the State distinct in language and culture.

To achieve the basic objective of the study, the instruments used in the research are both the secondary and primary data and oral interview. The secondary data used the review of related literature by different authors on the subject matter of the study. While the primary data used questionnaire which were distributed to the respondents. The questionnaire were designed to consider some factors which include religion, socio-cultural, economic and environmental factors. Two separate questionnaire were designed; one aspect to the parents, the other to the girl-child. The open-ended questionnaire method and the alternative Yes or No was adopted, because it is believed that through such a method reliable information can be generated. One hundred (100) questionnaires were administered to the parents and the girl-child through the random sampling technique; forty to the parts and sixty to the girl-child. The data collected was analysed by the use of simple statistical tables.

### **Results**

The study revealed that 78% of the respondents prefer to educate the male child (Table 1) reasons given were religion. Tale 2 (88%) socio-cultural (93%) table 3 and economic factor (70%) Table 4. The study noted that 63% (25) of the respondents (Table 5) prefer to give our the girl-child in marriage without western education.

Table: Gender parity plays a significant role in the imbalances of the girl-child education.

S/N	Variables	No	. of Responses	Total	
		Yes (%)	No (%)		
Α	Response by Parent				
1.	Preference to educate the male	31 (78)	9 (22)	40 (100)	
В	Reasons				
2.	Religious belief against girl- child education	35 (88)	5 (12)	40 (100)	
3.	Socio-cultural Belief	33 (83)	7 (17)	40 (100)	
4	Response on economic factor	28 (70)	12 (30)	40 (100)	
5.	Preference to give out the girl-child in marriage without proper western education	25 (63)	15 (37)	40 (100)	
C.	Responses to Questionnaire by Girl-Child				
6.	Religious belief against girl- child education	40 (67)	20 (33)	60 (100)	
7	Economic factors	45 (75)	15 (25)	60 (100)	
8.	Culture affecting the girl-child education	43 (72)	17 928)	60 (100)	
9.	Response on parent preferring to educate the male child	40 (67)	20 (33)	60 (100)	

Source: Field Survey, 2022

### Discussion

This research finding reveal that many factors are militating against the girl-child education in Maiduguri Metropolis, apart from socio-cultural, economic, religious belief and environmental factor, it was also discovered that gender parity is also another factor. Some parents prefer to educate the male-child with the little resources they have and neglecting the girl-child. Their reason is not far from the belief that the male-child will be the head of the family bearing a lot of responsibilities and in turn be the husband of the girl-child and shoulders her responsibilities. Other parents who filled the questionnaire have a different view according to them, the above factors mentioned do not deter them from sending the girl-child to school while majority hold the view that it does.

On the part of the girl-child some of the girls interviewed alongside with those who answered the questionnaires hold the same view with that of the parents, that socio-cultural, economic, religious beliefs, environmental factors and gender parity have affected their non-attainment of higher education. According to the disadvantaged girls after or during their secondary days they only go to Islamiya School and stop there. Those who are privileged to go higher have to get married first. While other groups of the girl-child have different view according to them the factors mentioned do not militate against their western education. Other few groups of the disadvantage girls according to them, their parents are the poor ones as such they can only stop at the secondary level with their education career.

Another group of the disadvantage girls who were interviewed follow their peer groups and prefer to go hawking or trading to contribute their quota during their wedding. It was also found out that some of the girls prefer marriage to schooling because of their counterpart and also because the parents see that as the best for them while other few groups of the girls do not share in the same view.

In the course of the study, it was also discovered that the attitude of some parents toward the girl-child is now changing, they are now beginning to come to terms with the reality that if the girl-child is educated she will be able to take care of herself, be a better mother of tomorrow and also be self-reliant and likewise made a meaningful contribution to the economic development of her country.

### Conclusion

The girl-child education is imbalanced due to a lot of factors militating against the education which have been outlined in the research findings and this was discovered through data collected through the use of primary and secondary sources and related literatures.

### Recommendations

From the finding, the following recommendations are made:

- Girl-child education should be made free from primary school to the university level.
   She should be made to pay a little token. This will take care of economic factor militating against her education.
- ii. Penalty should be attached to parent who remove their daughter in secondary school for marriage and it should be enacted as a law and strictly adhered to through fines and jail term.
- iii. Apart from government, the community, opinion leaders, NGOs and parents, likewise religious leaders should be involved in massive campaign and enlightenment program in regard to the need for the girl-child education.
- iv. Parents need to be enlightened that gender parity is not the way forward. Girls should be given equal opportunity to western education as their male counterpart. And they should be made to realize that if they educate the make child, they are educating an individual but if they educate the female child they are educating the nation.

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# Continuous Improvement and Operational Performance of Manufacturing Firms: Does Organisational Culture Matter?

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Abstract: The study examined the relationship between continuous improvement and operational performance of manufacturing firms in Rivers State, Nigeria. Continuous improvement was studied as a single construct, while operational performance was bifurcated into quality and cost. The relationship between continuous improvement and operational performance was moderated by organisational culture. The study adopted a cross-sectional survey design while primary data was collected via the administration of a structured questionnaire. Copies of the questionnaire were administered to 72 respondents chosen from a population of 13 manufacturing firms. Three research objectives with corresponding number of research questions and research hypotheses were formulated. Descriptive statistics were analyzed using simple percentages and charts with the aid of the Statistical Package for Social Sciences, while the Partial Least Square-Structural Equation Modeling in Advanced Analysis of Composites (ADANCO 2.3) was deployed to test the hypothesized relationships. The results of the analyses show that continuous improvement significantly and positively correlated with measures of operational performance (quality and cost). This result shows that, continuous improvement amplify the manufacturing firms' operational performance. Thus, it was recommended that managers of manufacturing firms should make continuous improvement of great importance in order to enhance quality and minimize cost. Likewise, Top management of manufacturing firms should establish a culture that supports lean adoption/practices as a means to enhance operational performance.

Keywords: Continuous improvement, cost, operational performance, organisational culture, quality

### 1. Introduction

Operational performance is the backbone of organisational performance (Salem, 2003). According to Chavez, Yu, Gimenez, Fynes and Wiengarten (2015), operational performance is the strategic variable that promotes competitive advantage. What is more, it is the foundation of quality practices and the super ordinate performance of organisations (Sharma & Modgil, 2020). Moreover, empirical evidence abound that higher levels of operational performance are known to improve effectiveness of production activities, product, services and processes quality

(Kaynak, 2008; Chavez et al., 2015), customers or clients satisfaction (Lau, Lee & Jung, 2018), revenue and profit (Santos, Lannelongue, Gonzalez-Benito, 2019).

Continuous improvement (known as Kaizen in Japanese) was birthed from a Japanese work method, with the aid of a continuous work method which was adopted from Deming in 1986. Bhuiyan and Baghel (2005) define continuous improvement as a culture of unrelenting improvements. Marin-Garcia, Val and Martin (2008), refer to continuous improvement as a tool for sustaining and enhancing competitiveness. Continuous improvement can be defined as an unceasing effort to enhance products, services or processes (Mudhafar, Mohammed & Konstantinos, 2020). The benefits that continuous improvement can bring to an organisation include: waste reduction (Gallagher, Austin & Chaffyn, 1997), enhanced quality/performance (Goh, 2000), enhanced customer satisfaction (Taylor & Hirst, 2001) and increased employee commitment (Temponi, 2005).

Organisational culture can be defined as a complex mix of shared views, norms and values that affect the organisation's modus operandi and overall performance, making it a possible source of advantage, advancement, and lean practices (Poskien, 2006). According to Alston (2017), organisational culture encompasses all aspects and attributes necessary to undertake and sustain lean process improvement projects. The way things are done in an organisation is shaped by organisational culture, which is one of the most essential aspects of performance (Mann, 2014). Zheng, Yang and McLean (2010) argued that organisational culture is closely related to firm performance.

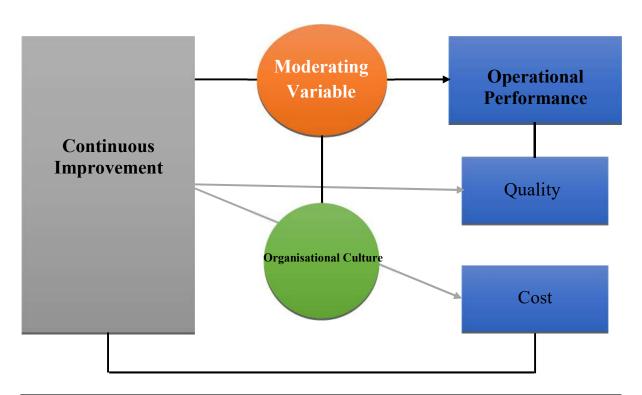
Despite the large spectrum of empirical research concerning the effect of various dimensions of lean adoption on firms' operational performance (Alkhalidi & Abdallah, 2018), very little is known about the nature of the relationship among these variables in the manufacturing sector of developing countries such as Nigeria. The decision to fill this vacuum is a response to the scholarly cry of previous researchers (Babalola, et al., 2019; Afunwa, et al., 2020) who noted that a majority of works regarding the chosen constructs were conducted in different sectors such as banking, telecommunication, small and medium scale enterprises and large scale enterprises of developed countries rather than developing countries.

In Nigeria, many problems hinder the operational performance of manufacturing firms and as a result the country is progressing very slowly towards economic diversification. From the economic scenario in Nigeria and the role of the manufacturing sector, the main hurdles that mostly and historically affect its development, growth and operational performance are insecurity, market-misrepresentation, political instability, state-owned monopolies, poor infrastructure and lack of finance (Dipak & Ata, 2003) and too much bureaucracy and excessive corruption (Adenikinju, 2003). Moreover, Sylva (2020) argued that quality, cost, responsiveness (on-time delivery and service flexibility), innovation and safety are the challenges of operational performance in the Nigerian work environment.

Based on the above scholarly revelations, this study investigates the nexus between lean adoption and operational performance of manufacturing firms in Rivers State, Nigeria, using organisational culture as a moderating variable.

### Conceptual framework of the study

Below is the conceptual framework for this study



**Figure 1:** Continuous Improvement - (Aderaw, 2019). Organisational Culture (Wallach, 1983; Iranmanesh, Zailani, Hyun, Ali & Kim, 2019). Operational Performance (Quality and Cost) - (Saleh, 2015; Sylva, 2020).

Figure 1 identifies the key constructs of the study. The independent variable is continuous improvement whereas operational performance was bifurcated into: quality and cost. Finally, it is proposed that the interconnection between continuous improvement and operational performance is subject to the influence of organisational culture.

The following hypotheses are provided for investigation:

**H**<sub>01</sub>: There is no significant relationship between continuous improvement and quality.

H<sub>02</sub>: There is no significant relationship between continuous improvement and cost.

**H**<sub>03</sub>: Variation in operational performance as a result of continuous improvement is not significantly a function of organisational culture.

The remaining section of the paper is concerning the literature review; methodology; data analysis, results and discussion; conclusions and recommendations as well as limitations and suggestions for further research directions.

### 2. Literature review

### 2.1. Baseline Theories

### 2.1.1 The Theory of Constraint

The Theory of Constraints (TOC) was introduced by Dr. Eliyahu Goldratt in his ground breaking book "The Goal" in 1984. The concept was conceived when Goldratt and his team were working on a programming software to optimize the production systems, which they called Minimized Production Technology (OPT). According to Goldratt (1991), anything that limits profit making is a constraint. Boyd and Gupta (2004) define TOC as a theory that clearly identifies a "gain orientation" with its three dimensions: mental models, measures and methodology. For Goldratt and Cox and Tsou (2013), TOC is an approach that identifies the constraint and finds solutions to mitigate the constraint. To Watson, Blackstone and Gardiner (2007), the focus of the TOC is to maximize the performance of the systems by exploiting its constraints. Furthermore, Inman, Sale and Green (2009) defined TOC as a management philosophy with a continuous improvement focus which brings about improved organisational performance. TOC is a management philosophy, aimed at removing the weakest point in the operation of the system (Kumar, Siddiqui & Suhail, 2020). The concept of TOC can be summarised as i) there is no organisation without a constraint. If this was not true, then organisations would make infinite profit which is impossible. A constraint is anything that limits a system from achieving higher performance (Goldratt, 1988), and ii) TOC considers constraints to be positive not negative to an organisation because they help the organisation (Sale & Inman, 2003). Due to constraints, there is always opportunity for improvement in the performance of the organisation. Studies have suggested that TOC techniques could result in increased profits (Watson, Blackstone & Gardiner, 2007).

### 2.1.2 The Resource-Based View

The resource-based view (RBV) was first developed by Barney (1991). The RBV is one of the major theories used to explain the role of superior performance in organisations by scholars (Peteraf & Barney, 2003; Akio, 2005). Scholars (Teece, Pisano & Shuen, 1997; Ahmed & Othman, 2017). This theory is anchored on organisational resources as the key element of performance (Das & Teng, 2000; Powell, 2001; Peteraf & Barney, 2003). These resources enhance performance and work as a basis of competitive advantage (Barney, 1991). RBV has been used to explain sources of better operational performance (Flynn, Picasso & Paiva, 2014) and in the studies of operational performance (Innocent, 2015). For example, Schroeder, Bates and Junttila (2002), used RBV assumptions to argue that proprietary processes and equipment

are difficult to imitate when they result from an iterative process and can thus lead to better performance. Likewise, Paiva, Roth and Fensterseifer (2008) found that the integration of different functional areas permitted the creation of product characteristics that are valued by customers and not easily found elsewhere. Coates and McDermott (2002) found that RBV provided a basis for examining methods and skills that support organisations in establishing their competitive priorities.

### 2.1.3 Competing Value Framework

The Competing Value Framework (CVF) by Cameron and Quinn (1999) is an improvement from the study of Quinn and Rohrbaugh (1983). The CVF is also the theoretical model that serves as the foundation of the Organisational Culture Assessment Instrument (OCAI), and this instrument can be used to diagnose and change an organisation's culture (Cameron & Quinn, 1999). Igo and Skitmore (2006) postulated that the CVF "has been rated as one of the 50 most important models in the history of organisational study and has proven its worth since its conception in the mid-1980s" (p. 125). They also submitted that, it also serves as a beacon and pointer in terms of cultural transformation, employee motivation, and leadership ability.

The CVF model of Cameron and Quinn (1999) is used in this study because of the dynamic business environment encountered by manufacturing firms. Moreover, Yu and Wu (2009) argued that the CVF model was extensively employed and has a wide range of implications in various contexts. For instance, Zhu, Zou and Zhang (2019) examined on the positive link between culture values, innovation and performance.

### 2.2 Operational Performance

Operational performance (OP) is the backbone of organisational performance (Salem, 2003). Operational performance refers to the ability of an organisation to reduce costs, order-time, lead-time, improve the effectiveness of using raw material and distribution capacity (Heizer, Render & Weiss, 2008; Kaynak, 2008), a vital determinant of competitive advantage (Schroeder, Shah & Xiaosong-Peng, 2011) that leads to improved revenue and returns for organisations (Zhang & Xia, 2013). Operational performance is conceptually defined and explained as competitive priorities (quality, flexibility, cost and dependability) of operations strategy (Wang, Huo, Fujun & Chu, 2010). According to Chavez *et al.* (2015), operational performance is the strategic dimensions in which organisations choose to compete. Furthermore, it is the foundation of quality practices and the general performance of organisations (Sharma & Modgil, 2020). Assemblage of principles and standards that are used by organisations to control cost, enhance quality, time, flexibility, competitive advantage, and customer satisfaction.

In the manufacturing sector, operational performance is a means to enhance production to the barest minimal cost in order to maximize profit. It is also, an avenue to attain the peak of production by doing things differently, promptly, and at lower cost (Russell & Koch, 2009).

Operational performance unites the whole activities of a firm such as after-sales service, manufacturing, and procurement as an end-to-end system (The Economist, 2008; Jaeger, Matyas & Sihn, 2014).

Due to operational performance, measures such as safety (Ward, Duray, Leong & Sum, 1995), market share, financial performance and service providers (Tsikriktsis, 2007), sales and stakeholder satisfaction (Chi, Wu, & Lin, 2008), innovation and environmental sustainability (McCardle, Rousseau & Krumwiede, 2019), and quality, cost, responsiveness (on-time delivery and service flexibility), innovation and safety (Sylva, 2020) would not be significant and necessary.

A better operational performance can improve effectiveness of production activities, create high-quality products, services and processes (Kaynak, 2008; Chavez, *et al.*, 2015), satisfy more customers or clients (Ou, Liu, Hung & Yen, 2010; Lau, *et al.*, 2018) and, increase revenue and profit (Markus Bottcher, 2015; Santos, *et al.*, 2019).

### 2.2.1 Measures of Operational Performance

### 2.2.1.1 Quality

Quality has been defined as value (Feigenbaum, 1951), adherence to requirements and specifications (Shewhart, 1931, Crosby, 1965, 1979), fitness for use (Juran, 1974), excellence (Tuchman, 1980), product desirable attributes (Leffler, 1982), loss avoidance (Taguchi, 1987), and meeting customer expectations (Ryall & Kruithof, 2001; ISO 9000, 2005). Quality as a major facet of operational performance entails doing the right things according to specification and customers' satisfaction. It is associated with consistency as regard product or service. Quality reduces costs, increase reliability as well as customer loyalty (Montgomery, 2014). According to Sylva (2020), higher quality result in higher loyalty, market share, revenues and user satisfaction.

According to Hasin (2007), the consequences of poor quality are weighty and of several typologies. Some worth mentioning are: Lower productivity, loss of productive time, loss of material, loss of business, and liability. However, most organisations apply some or all of the following methods in order to improve quality namely: statistical quality control, the zero-defects approach, employee involvement teams, Six Sigma, and total quality management (Ghazi & Alam, 2014, Montgomery, 2014).

### 2.2.1.2 Cost

A common and important measure in evaluating operational performance is cost (Noble, 1997). Cost is the monetary expense associated with running an organisation (Ward, et al., 1998). Cost is the total amount incurred to carry out a specific operation (Bowersox, Closs & Cooper, 2009). Vaidya and Hudnurkar (2012) defined cost as the summation of all administrative and service costs, inbound and outbound freight, third party storage cost, order processing cost, direct

labour cost, and warehouse cost. It is "a measure of the naira value (Nigerian currency) of the resources used to produce goods or deliver services; the required payment to manufacture a product or create utility" (Sylva, 2020, p. 302). I define cost as the total amount and expenditures that are incurred by accomplishing every specific activity or operation.

In order to maximize profit, cost must be minimized. As a result, organisations implement cost reduction strategies that underscore reduced inventories, removal of non-value added activities and maximization of resource utilization (Sylva, 2020). Cost helps organisations to reduce the wasteful use of resources, defective output and inventory to minimum level (Saleh, 2015). In order to enhance operational performance, reducing the overall costs entails the following: reducing inventories, maximum utilization of resources, work- in- process inventory turnover, and eliminating non-added value activities.

### 2.3. Continuous Improvement

Bessant, Caffyn, Gilbert, Harding and Webb (1994) defined continuous improvement as "a company-wide process of focused and continuous incremental innovation" (p. 34). Continuous improvement is an "improvement initiatives that increase successes and reduce failures" (Juergensen, 2000, p. 24). According to Cole (2001), continuous improvement: i) is a tool to muster employees that leads to increased commitment, ii) a game changer and make large changes possible, iii) allows for learning that is based in practice and is more likely to be accepted when it is implemented by the same people who proposed the changes, and iv) allows changes to be implemented that are based on tacit knowledge by the employees. Continuous improvement has been considered a core element in a number of different manufacturing philosophies, including lean adoption, total quality management (TQM), employee involvement programmes, customer service initiatives, and waste reduction campaign (Singh & Singh, 2015).

Furthermore, an avalanche of scholars submitted that the benefits continuous improvement can bring to an organisation include: reduction of waste (Gallagher, Austin & Chaffyn, 1997), provision of a healthy workplace (Woods, 1997), ideas and suggestions coming from the employees who are closer to the actual work done (Goh, 2000; Taylor & Hirst, 2001), improved performance/quality (Chassin, 1997; Goh, 2000), low capital investment (Goh, 2000), improved customer satisfaction (Gallagher, et al., 1997; Taylor & Hirst, 2001), and increased employee commitment (Temponi, 2005). Continuous improvements help organisations progress towards an optimal production process. The intent is to revisit the improved process to ensure the proper implementation of the change, to address any variation, and to look for additional means of improving the process (Deranek, Chopra & Mosher, 2017).

### 2.4. Organisational Culture

To successfully transform towards continuous improvement, organisations must develop an organisational culture, which is a time-consuming process (Bhasin & Burcher, 2006; Nordin, Deros & Wahab, 2010). According to an assemblage of scholars, diverse characteristics of

organisational culture were identified. For example, some definitions described organisational culture with a great leadership commitment (Rentes, Araujo & Rentes, 2009), while it is characterized as superior employee involvement (Höök, 2008; Fricke, 2010). As stated by Schein (2004), organisational culture is referred to as the climate and practices that an organisation creates and implement as a means to control employees. This means organisations have to develop the "right kind of culture", a "culture of quality" or a "culture of customer service" suggesting that culture has to deal with certain values that organisations want to indoctrinate into their employees. Also, with the "right" kind of culture, there is enhanced performance in the organisation. Organisational culture has been identified as a major factor in the relationship between continuous improvement and its ability to enhance operational performance (e.g., Nahm, Vonderembse & Koufteros, 2004). Furthermore, organisational cultural attributes such as collectivism, future orientation, a humane orientation, and a lower level of assertiveness, positively moderate the relationship between lean and operational performance (Bortolotti, Boscari & Danese, 2015). Previous studies revealed that lack of an organisational culture in an organisation is one of the main causes of poor operational performance (Atkinson, 2010; Saurin, Marodin & Ribeiro, 2011). Zheng et al. (2010) argued that organisational culture is closely related to firm performance. The impact of organisational culture on successful firm performance has been demonstrated in various contexts (Kurniawan, Zailani, Iranmanesh & Rajagopal, 2017). For example, Soltero and Waldrip (2002) revealed that a lean culture of continuous improvement in a firm can facilitate the adoption of environmental management practices and principles. Some practitioners and specialists believe that the degree to which the cultural values are shared, determines the impact of a firm's capabilities and resources on its performance (Saad & Asaad, 2015; Ali, Omar & Bakar, 2016). Similarly, The Aberdeen Group (2018) studied companies that implemented lean adoption and reported that companies that developed lean culture were more effective in comparison to those without lean culture. In his view, Mullins (1999) averred that in attempting to assess lean culture, it is important to examine those issues which can influence and have a direct effect on it. Mullins, submitted that possible factors influencing organisational culture are goals and objectives, history, size, location, management, staffing and organisational environment.

As the organisational culture of manufacturing firms varies (Morris, Williams, Leung, Larrick, Mendoza, Bhatnagar, Li, Kondo, Luo & Hu, 1998; Cullen, Parboteeah & Hoegl, 2004), testing the moderating effect of organisational culture helps to generalize the results and achieve more accurate findings. Thus, it is expected that organisational culture moderates the relationship of continuous improvement on operational performance.

### 2.5. Empirical Review

Nazar, Ramzani, Anjum and Shahzad (2018) assessed performance: the role of customer focus and continuous improvement in banking sector of Pakistan. The study involved a survey whereby the hypotheses were tested using Partial Least Square-Structural Modelling Equation (PLS-SEM). It was found that customer focus and continuous improvement were positively and

significantly associated with operational performance ( $\beta$  = 0.169; t = 1.987; p < 0.05), ( $\beta$  = 0.290; t = 2.433; p < 0.05), and overall performance ( $\beta$  = 0.187; t = 2.145; p < 0.05). Their results revealed that lean adoption is a significant predictor of operational performance.

Rahman, Laosirihongthong and Sohal (2010) examined the extent to which lean practices such as: continuous improvement, waste minimization and continuous flow are implemented by manufacturing organisations in Thailand and their impact on firms' operational performance. From a survey, data were collected from 187 respondents. The multiple regression models were employed to test the effects of three lean constructs on operational performance. The results indicated that all three lean constructs continuous improvement ( $\beta$  = 0.536, t = 3.960, p < 0.000), waste minimization ( $\beta$  = 0.037, t = 0.275, p < 0.785) and continuous flow ( $\beta$  = 0.268, t = 1.984, p < 0.054) are significantly related to operational performance.

Iranmanesh, Zailani, Hyun, Ali, and Kim (2019) examined impact of lean manufacturing practices (continuous improvement) on firms' performance, using lean culture as a moderator of manufacturing firms in Malaysia. Data were gathered through a survey of 187 manufacturing firms and analyzed using the partial least squares technique. It was found that continuous improvement ( $\beta$  = 0.235, p < 0.01), product design ( $\beta$  = 0.167, p < 0.05), customer focus ( $\beta$  = 0.121, p < 0.05), and customer involvement ( $\beta$  = 0.281, p < 0.001) have significant effects on performance. Furthermore, it was also revealed that lean culture positively moderated the effect of both variables. These results have important implications for enhancing the performance of manufacturing firms through lean manufacturing practices (lean adoption).

Afunwa, Agbaeze, Ike and Isichei (2020) investigated continuous improvement as a facet of lean adoption and performance of telecommunication firms in Nigeria. The study used a survey design. A sample of 299 was chosen from 6 state offices of selected telecommunication firms. Data were analysed using Partial least square SEM with the aid of SmartPLS 3.9. Findings of the study indicated that continuous improvement have a significant effect on performance of telecommunication firms - continuous improvement (t = 2.164, p < 0.004), customer's involvement (t = 1.981, p < 0.003), and employee's involvement (t = 3.896, p < 0.000). The study, therefore, recommends that lean adoption should be enhanced to achieve superior performance.

### 3. Methodology

### 3.1. Population and Sampling Method

The population for the survey consist of manufacturing firms in Rivers State. A total of thirty-two (32) manufacturing firms were selected as the population. However, our survey was on those manufacturing firms that have being in business for more than ten years. This resulted in having thirteen (13) manufacturing firms being selected for this research.

### 3.2. Data collection, Questionnaire Design and Instrumentation

The study involved primary and secondary methods of data collection. The secondary data were obtained from company records, journals and government publication, while primary data were obtained from responses of the structured questionnaire administered to the respondents. Out of the 72 copies of the questionnaire distributed, 38 (which represent 52.8%) were completely filled and returned for analysis. The questionnaire consists of four sections. Section A is concerned with the demographic information of the respondents, which include gender, age, marital status, highest level of educational attainment, position in the organisation and years of experience in the organisation. Section B contains items that captured continuous improvement which was adapted from Aderaw (2019) is depicted by four (4) items - e.g. "Earlier improvements are sustained" and "Staff participate in the improvement of product/service processes". Section C has 10 observable indicators for operational performance, five (5) for both quality and cost respectively. Items for quality include (e.g. "Uses modern technology that maintain the products quality" and "Chooses their suppliers on the basis of high-quality"). Items for cost include (e.g. "The company has laid than plans to reduce defective output" and "The company is working to reduce the inventory to minimum level to the extent that does not hinder the continuation of work") both variables were adapted from Saleh (2015) and Sylva (2020). Section D contains six (6) manifest indicators that captured organisational culture adopted from Wallach (1983) and Iranmanesh, Zailani, Hyun, Ali and Kim (2019) - e.g. "Meaningful incentives that reward lean progress are in place" and "Employees are provided with adequate training on lean practices" Apart from the demographic variables, all other items in the survey instrument were anchored on a five-point Likert scale of 1=Strongly Disagree to 5=Strongly Agree.

### 3.3. Data analysis Techniques

The sample characteristics and nature of the data were analyzed using means and standard deviation, skewness and kurtosis with the aid of the IBM SPSS Statistics version 22, while the Partial Least Square-Structural Equation Modeling (PLS-SEM) in Advance Analysis of Composites (ADANCO 2.3) was used to analyze the measurement of the constructs as well as the hypothesized relationships (Henseler & Dijkstra, 2015). ADANCO allows for the measurement of multiple relationships simultaneously (Henseler, Hubona & Ray, 2016) and does not discriminate measurement scales and can be used whether the sample size is small or large (Fassott, Henseler & Coelho, 2016).

### 4. Data Analysis, Results and Discussion

### 4.1 Demographic Characteristics of Respondents

A total of 72 copies of the survey instrument was administered to managers, heads of department, supervisors and machine operators/floor men those manufacturing firms that have being in business for more than ten years. Thirty-eight (38) copies of the questionnaire

were returned which represents 52.8% response rate. These copies of the instrument were properly filled by the respondents and so were used for analysis. Table 4.1 below shows the demographic characteristics of the respondents.

**Table 4.1: Demographic Characteristics of Respondents** 

		Frequency	Percentage	Valid	Cumulative
				Percent	Percentage
	Male	31	81.6	81.6	81.6
Gender	Female	7	18.4	18.4	100.0
	20-35	12	31.6	31.6	31.6
Age	36-50	22	57.9	57.9	89.5
	51-above	4	10.5	10.5	100.0
Marital	Single	20	52.6	52.6	52.6
Status	Married	12	31.6	31.6	84.2
	Separated	4	10.5	10.5	94.7
	Divorced	2	5.3	5.3	100
Educational	WAEC-OND	12	31.6	31.6	31.6
Qualification	HND/B.Sc	22	57.9	57.9	89.5
	Masters above	4	10.5	10.5	100.0
	Managers	20	52.6	52.6	52.6
Position in	Heads of	12	31.6	31.6	84.2
the	Department				
Organisation	Supervisors	4	10.5	10.5	94.7
	Machine Operators/Floor men	2	5.3	5.3	100
Years of	0-5	12	31.6	31.6	31.6
experience in	6-10	22	57.9	57.9	89.5
the	11-above	4	10.5	10.5	100.0
Organisation					
	Total	38	100	100	

**Source:** Research Data (SPSS Output), 2022

Table 4.1 indicates the demographic details of the 38 respondents that participated in the study. For gender distribution, result shows that 31 respondents (81.6%) were males while 7 (18.4%) were females. For age distribution, respondents within 51 years and above age brackets were the minority recorded with only 4 respondents (10.5%), while those between 36-50 were the majority respondents with 22 (57.9%). And the age bracket of 20-35 had 12, representing 31.6% of the total number of respondents. For marital status, 12 respondents (31.6%) were married, 20 (52.6%) were single, 4 (10.5%) were separated, while 2 (5.3%) were divorced. On highest level of educational qualification, 22 respondents (57.9%) have Bachelor

Degree and Higher National Diploma, 12 respondents (31.6%) have The West African School Certificate and Ordinary National Diploma while 4 respondents (10.5%) have Master Degree and above. As regards to position in the organisation, there are 20 managers, representing 52.6%, heads of department are 12 representing 31.6% of the total number of respondents, supervisors are 4 respondents (10.5%), while machine operators/floor men are 2 respondents (5.3%). Finally, for years of experience in the organisations, 12 respondents representing 31.6% have worked in their organisations for 0-5 years, 22 (57.9%) have worked for 6-10 years, while 4 respondents, representing 10.5% have worked in their organisations for 11 years and above.

### 4.2: Univariate Analysis

Data concerning the four latent variables were analyzed in terms of their means, standard deviations and kurtosis. On a five-point scale, Oxford and Burry-stock (1995), classified mean values (M) are classified between 1.0 - 2.4 as low, 2.5 - 3.4 as medium, while Asawo (2009) classified all responses with mean values between 1.0 - 2.4.0 as low, 2.5 - 3.4 as moderate, 3.5 - 4.4 as high and 4.5 above as very high. Hence, 2.5 is the recommended cut-off mean score for this study.

Furthermore, in testing for normality of the data sets, skeweness ( $S_k$ ) and kurtosis ( $K_u$ ) of the responses on the items were analysed (Weston & Gore, 2006). In line with Bulmer (1979), a distribution is highly skewed when the skewness value is not more than -1.0 or more than 1.0; moderate if value is between -1.0 and -0.5 or 0.5 and 1.0, and fairly symmetrical if values are between -0.5 and 0.5. Also, as a simple criterion to be applied, the skewness and kurtosis values of each variable was divided by its corresponding Standard Error (S.E) and the result revealed that the outputs did not differ much between -2 and +2, indicating no serious violation of normality (George & Mallery, 2010; Gravetter & Wallnau, 2014). Table 4.2 shows that all the variables have moderate scores above the threshold with continuous improvement having (M = 2.76, M = 2.81), quality (M = 2.54, M = 2.85), cost (M = 2.65, M = 0.10) and organisational culture (M = 2.70, M = 0.74) respectively.

However, given that the model was tested by applying a Partial Least Square (PLS)-Structural Equation Modeling (SEM) analysis in Advanced Analysis for Composites (ADANCO 2.3), which is vigorous under circumstances of mild non-normality, further alterations to the data are not justified (Henseler & Dijkstra, 2015).

**Table 4.2: Descriptive Statistics of Latent Variables** 

Latent Variable	Indicator	N	Mean	Standard Deviation	Skewness ( $S_K$ )		Kurtosis ( $K_U$ )	
		Stat.	Stat.	Stat.	Stat.	Std.	Stat.	Std.
						Error		Error
CIM	CIM 1-4	38	2.76	0.81	-0.82	0.44	0.84	1.24
OC	OC 1-6	38	2.54	1.49	0.45	1.03	2.02	1.16
QU	QU 1-5	38	2.65	0.10	0.93	1.07	1.58	0.47
СО	CO 1-5	38	2.70	0.74	0.66	1.09	1.17	0.68

Note: **CIM** = Continuous Improvement; **OC**=Organisational Culture; **QU** = Quality; **CO** = Cost.

Source: Research Data (IBM-SPSS Output), 2022

### 4.3: Multivariate (Inferential) Analysis

Owing to the fact that this study is concerned with the relationships and explanation of target variables, the Partial Least Square-Structural Equation Modeling (PLS-SEM) in Advance Analysis of Composites (ADANCO 2.3) is considered suitable (Henseler & Dijkstra, 2015). It allows for the measurement of multiple relationships simultaneously (Henseler, et al., 2016) and does not discriminate measurement scales and can be used whether the sample size is small or large (Fassott, et al., 2016).

The PLS-SEM algorithm in ADANCO 2.3 has two models, namely: (i) the model inside which explains the structural connections between the variables, while the model outside shows the connection between the latent variables (LVs) and their corresponding items. The independent variable is continuous improvement, while the dependent variable is operational performance which is disintegrated into quality and cost. Additionally, the moderating effect of organisational culture is measured after assessing the inner direct relationships.

Lohmoller (1989) presented examples where a model with 96 indicators, and 26 constructs was estimated with 100 data cases. In this study, there are 4 constructs and 72 samples, which may be enough to perform PLS-SEM. Moreover, based on regression heuristics, Chin (1998) advocated a sample size that is at least 10 times the block with the largest number of indicators. This study bootstrapped 500 samples from the primary sample. The resulting bootstrap distribution was handled as a sampling distribution approximation. In the bootstrap distribution, the path coefficients were recorded. The emergent t-values were also estimated. This serves as justification for rejecting or accepting the null hypotheses.

The following are the stages of the PLS-SEM algorithmic model evaluation in ADANCO 2.3 (i) Assessment of Measurement Model, (ii) Assessment of Structural Model (main effect), and (iii) Assessment of Moderating or interactive effect.

### 4.3.1 Assessment of Measurement Model

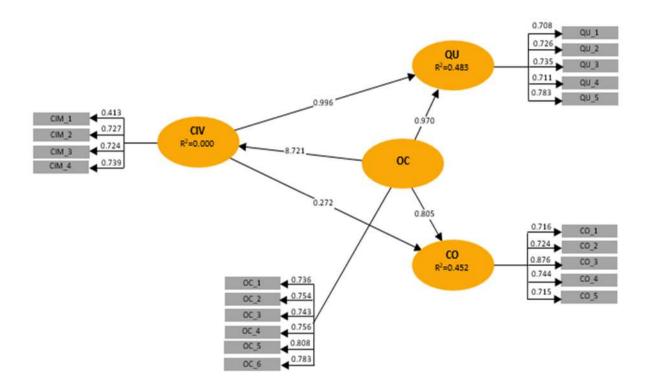


Figure 2: ADANCO 2.3 output for outer loadings of indicators

Figure 1 shows the ADANCO 2.3 output for outer loadings of the indicators. This result is shown in table 4.2 in order to assess reliability and convergent validity of the model.

Table 4.3: PLS-SEM in ADANCO 2.3 Assessment Results of Measurement Model

		Convergen	t validity_		Internal consistency reliability			
Latent		Loadings	Indicator	AVE	Jöreskog $ ho_{ m c}$	Dijkstra-	Cronbach's	
Variable			reliability			Henseler $ ho_{\scriptscriptstyle A}$	alpha (CA)	
	Indicators	>0.70	>0.50	>0.50	>0.70	>0.70	0.70 - 0.90	
	CIM <sub>1</sub>	0.413	0.171					
	CIM <sub>2</sub>	0.727	0.529					
CIM	CIM <sub>3</sub>	0.724	0.524	0.533	0.814	0.792	0.781	
	CIM <sub>4</sub>	0.739	0.546					
	OC <sub>1</sub>	0.736	0.542					
	OC <sub>2</sub>	0.754	0.569					
	OC <sub>3</sub>	0.743	0.552	0.584	0.798	0.770	0.735	
ОС	OC <sub>4</sub>	0.756	0.572					
	OC <sub>5</sub>	0.808	0.653					
	OC <sub>6</sub>	0.783	0.613					
	QU₁	0.708	0.501					
	QU <sub>2</sub>	0.726	0.527					
QU	QU₃	0.735	0.540	0.521	0.808	0.790	0.757	
	QU₄	0.711	0.506					
	QU₅	0.730	0.533					
	CO <sub>1</sub>	0.716	0.513					
	CO <sub>2</sub>	0.724	0.524					
СО	CO <sub>3</sub>	0.876	0.767					
	CO <sub>4</sub>	0.744	0.554	0.574	0.860	0.810	0.781	
	CO <sub>5</sub>	0.715	0.511					

Note: **CIM** = Continuous Improvement; **OC** = Organisational Culture; **QU** = Quality; **CO** = Cost. **Note: Bold and** *italicized* items/scores did not meet recommended threshold.

**Source**: ADANCO 2.3 Output on Research Data, 2022

As stated in table 4.3, latent variables reported good Jöreskog  $\rho_c$  values which range from 0.798 (organisational culture) to 0.860 (cost). Specifically, it means that the proportion of the total composite variance that serves as an estimation of the true-score variance of each latent variable is above the 0.70 cut-off value (Wang & Stanley, 1970).

Also, both the reliability coefficients of the unobserved (latent) variables and their corresponding Cronbach's alpha values improved; far exceeding the 0.7 threshold (Nunnally & Bernstein, 1994). Consequently, the results verify that the extracted variables are consistent in interpreting the variances that comprises them.

Furthermore, convergent validity of the model was confirmed through the values of the Average Variance Extracted (AVE), which exceeded the recommended 0.50 threshold (Fornell & Larcker criterion, 1981). Next is table 4.3 which shows the output for the test of discriminant (divergent) validity.

Table 4.4: Test of Discriminant Validity - Fornell and Larcker (1981) criterion

	AVE	CIM	ОС	QU	СО
CIM	0.533	0.784 (1)			
ОС	0.584	0.252	0.750 (1)		
QU	0.521	0.456	0.323	0.874 (1)	
СО	0.574	0.345	0.318	0.332	0.793 (1)

**Note: CIM** = Continuous Improvement; **OC** = Organisational Culture; **QU** = Quality; **CO** = Cost. The off-diagonal values are the correlations between latent variables, while **the diagonal values** (in bold) denote the square roots of AVEs.

Source: ADANCO 2.3 Output on Research Data, 2022

It can be deduced from table 4.4 that the model demonstrates discriminant validity since the square roots of the AVEs (diagonal values in bold) are higher than 0.70, and are far above the correlations between the constructs (the off-diagonal figures). This confirms that each construct is sufficiently distinct from any other one (Fornell & Larcker, 1981).

### 4.3.2: Assessing the Structural Model (Main Effect)

This stage establishes the assessment of structural model which involves testing the hypotheses, evaluation of predictive accuracy through the coefficient of determination  $(R^2)$ , assessment of the predictive relevance  $(Q^2)$  of the independent variable, and the calculation of effect sizes (Cohen's  $f^2$ ) of the independent variable. This test uses a blindfolding procedure (Tenenhaus, Esposito Vinzi, Chatelin & Lauro, 2005).

### 4.3.2.1: Tests of Hypotheses

Table 4.4 shows the results on the tests of hypotheses  $H_{O1}$ ,  $H_{O2}$ , and the moderating effect of organisational culture on the model ( $H_{O3}$ a and  $H_{O3}$ b) is also demonstrated.

**Table 4.5: Results of Hypotheses Testing** 

Null Hypothesis	Path (Relationship)	Path Coefficient (β)	Standard Error	t-Statistic	Decision
H <sub>O1</sub> :	CIM -> QU	0.362	0.142	3.121	Rejected
H <sub>O2</sub> :	CIM -> CO	0.341	0.098	4.105	Rejected
H <sub>O3</sub> a:	CIM-≫ OP	0.397	0.171	3.406	Rejected
H <sub>O3</sub> b:	OC -> OP	0.276	0.116	2.216	Rejected

Note: **CIM** = Continuous Improvement; **OC** = Organisational Culture; **QU** = Quality; **CO** = Cost; **OP** = Operational Performance.

**Source:** ADANCO 2.3 Output on Research Data, 2022

This study bootstrapped 500 samples by random replacement method, the path coefficients and the resulting t-values were recorded. This provides the rationale for either confirming or disconfirming the hypotheses. Routinely, path coefficients ( $\beta$  values) of 0.10 to 0.29, 0.30 to 0.49 and 0.50 to 1.0 are weak, moderate and strong correlations, respectively (Cohen, 1988). Furthermore, for a two tailed test, t values above 1.96 are significant, while t values below 1.96 are non-significant (Hair, Hult, Ringle & Sarstedt, 2014).

Table 4.5 shows that there is a positive, strong and significant relationship between continuous improvement and quality ( $\beta$ =0.362, t=3.121); a positive, strong and significant relationship between customer improvement and cost ( $\beta$ =0.341, t=4.105); a positive, strong and significant relationship between customer improvement and operational performance ( $\beta$ =0.397, t=3.406); and a positive, strong and significant relationship between organisational culture and operational performance ( $\beta$ =-0.276, t=2.216).Therefore, H<sub>O1</sub>, H<sub>O2</sub>, H<sub>O3</sub>a and H<sub>O3</sub>b were supported.

### 4.3.2.2: Assessment of Predictive Accuracy (R<sup>2</sup>) and Predictive Relevance (Q<sup>2</sup>)

The R-squared (R<sup>2</sup>) statistic displays the cumulative influence of the dimensions of an exogenous variable on a selected endogenous variable. It's a metric for how well the model predicts accuracy (Hair, *et al.*, 2014). The R<sup>2</sup> is not estimated for dependent constructs (Henseler & Dijkstra, 2015). The R<sup>2</sup> values can range from 0 to 1, with 1 representing complete predictive accuracy (Henseler & Dijkstra, 2015). According to Hair *et al.* (2014), an R<sup>2</sup> values with 0.25, 0.50 and 0.75 signifies weak and moderate, substantial levels of predictive accuracy, respectively. However, Chin (1998) submitted that R<sup>2</sup> values of 0.19, 0.33 and 0.67 as weak, moderate and substantial.

Furthermore, it is established that when the dimensions of an independent variable increase,  $R^2$  scores rise-even if the additional dimensions have no statistical significance for the dependent variable. It means that R-squared incorrectly assumes that every dimension of the model's exogenous variable adequately explains the variation in the endogenous variable. To atone for the limitation of  $R^2$ , a related statistic known as " $R^2$ -adjusted" is used to calculate the percentage variation elucidated by only the exogenous variables that have an effect on the endogenous variable. Despite the fact that the adjusted  $R^2$  statistic is evaluated in the same way as the traditional  $R^2$ , it sometimes records a lower value (rather than a higher) than  $R^2$ .

According to Esposito Vinzi *et al.* (2010), predictive relevance ( $Q^2$ ) can be used in place of goodness-of-fit evaluation that determines whether the observed variables can be re-assessed by the model while maintaining a fit with the parameter estimates. To estimate residual variances, a cross-validated redundancy blindfolding approach was employed with an omission distance of 7 in the data matrix (Tenenhaus, *et al.*, 2005). In general, an independent variable

with a  $Q^2$  value greater than zero (>0) or a positive value indicates that the predictor is significant to the model (Hair *et al.*, 2014).

Table 4.6: Outputs for predictive accuracy (R<sup>2</sup>) and predictive relevance (Q<sup>2</sup>)

Dependent Latent Variable	Correlation Coefficient	Predictive Accuracy (R <sup>2</sup> )	Adjusted (R <sup>2</sup> )	Predictive Relevance (Q <sup>2</sup> )
QU	0.586	0.343	0.341	0.156
CO	0.569	0.324	0.322	0.062

Note: CIM = Continuous Improvement; QU = Quality; CO = Cost; OP = Operational Performance. Reference value:  $Q^2 > 0$  = satisfactory predictive relevance (Hair et al., 2014).

Source: ADANCO 2.3 Output on Research Data, 2022

The figures in table 4.6 indicate positive, moderate and significant correlations (R) between the continuous improvement and the measures of operational performance. The combined correlation of the facets of exogenous construct reported R values of 58.6% for quality and 56.9% for cost. This means cost attracted the lower correlation score while quality is higher. In addition is the  $R^2$  which demonstrates the accuracy of the models.

The first model,  $QU = f \{CIM\}$ , recorded a moderate  $R^2$  of 0.341. Thus, continuous improvement explain 34.1% of the variance of quality, while other unidentified variables are responsible for the remaining 65.9%. This connotes that, the model has a moderate predictive accuracy.

Secondly, CO = f {CIM} reported strong  $R^2$  of 0.322. This implies that continuous improvement explain 32.2% of the variance of cost, while other unidentified variables are responsible for the remaining 67.8%. Hence, the model has a moderate predictive accuracy.

Furthermore, outputs for the two dependent latent variables reveals that  $Q^2$  is 0.156 for quality and 0.062 for cost. Since the  $Q^2$  values for the dependent variables are greater than zero, this implies that all paths of the hypothesized models accurately anticipate the observed values. As a result, the continuous improvement is important in predicting operational performance, which is measured in terms of quality and cost.

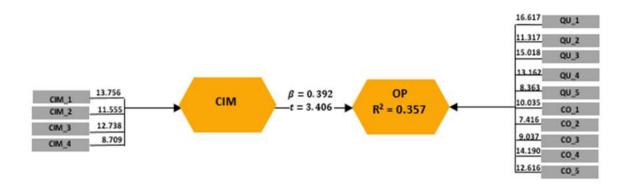
# 4.3.3: Assessment of Moderating Effect

As earlier stated in section 4.3.2.1 that hypothesis three ( $H_{03}$ ) would be tested in this section. The steps of PLS-SEM require that moderating effects are tested after main effects have been evaluated. Specifically,  $H_{03}$  states that variation in operational performance as a result of continuous improvement is not significantly a function of organisational culture.

The moderating effect of organizational culture was evaluated through the interaction term (cross product of continuous improvement and organizational culture). This process is known as the product indicator method (Hair, *et al.*, 2014). Three components were identified at this stage, viz: the influence of continuous improvement on operational performance, the direct

outcome of the moderating variable (i.e., organisational culture) on operational performance, and the resultant interaction values. The Smart PLS 3.2.6 statistical tool offers the interacting term as an automatic option with the product indicators (Ringle, Wende & Becker, 2015). The strengthening effect of organisational culture was proven because the beta ( $\theta$ ) from the interaction component to the target variable was significant (t > 1.96) disregarding other values (Baron & Kenny, 1986).

Figure 3 shows the ADANCO 2.3 bootstrap output on the straight relationship between continuous improvement and operational performance.



**Figure 3:** Bootstrapping output on relationship between continuous improvement and operational performance (without moderating variable).

Result from figure 4.2 indicate that, while organisational culture was not present, the path relationship (continuous improvement and operational performance) is significant ( $\theta = 0.392$ , t = 3.406).

As the moderating variable (organisational culture) was included, next was to right click continuous improvement, afterward, organisational culture was stated as the moderator variable, and continuous improvement as the explanatory variable. Thereafter, calculation method was clicked which is stated as 'Product Indicator'. Finally, the "Enter" button was clicked which produced 'CIM\*OC' as the interaction term of the model. Figure 3 below, reveals the new bootstrapped structural connection between CIM and OP when OC was introduced.

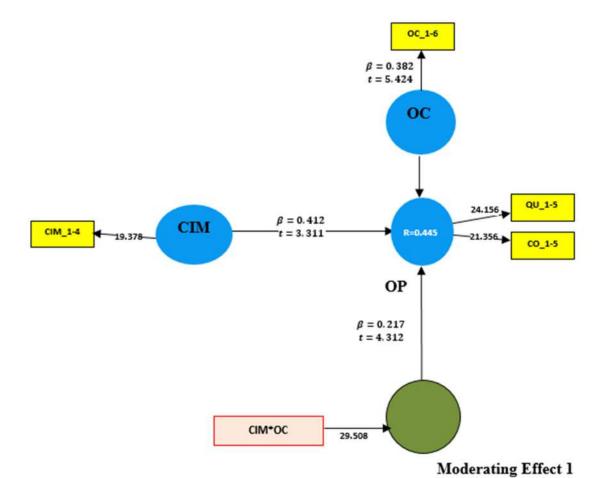


Figure 4: Path relationship between CIM->OP in the presence of OC.

The result from the structural model in figure 3 is shown in table 4.6.

Table 4.7: Test for moderating effect

	Paths	Path coefficient (β)	t-value	Decision
Hypothesis Testing without moderating variable	CIM -> OP	0.397	3.406	Rejected
Hypothesis Testing with moderating	CIM -> OP	0.412	3.311	Rejected
variable	OC -> OP	0.382	5.424	Rejected
	Moderating Effect 1 -> OP	0.217	4.312	Rejected

**Note:** CIM = Continuous Improvement; **OP** = Operational Performance. **OC**=Organisational Culture; **Path coefficients** ( $\beta$  values) of .10 to 0.29, .30 to .49 and .50 to 1.0 are weak, moderate and strong correlations, respectively (Cohen, 1988). t-statistic greater than 1.96 at 0.05% level of significance.

Source: ADANCO 2.3 Output on Research Data, 2022

In table 4.7, CIM-> OP recorded significant path relationship ( $\theta$  = 0.397, t = 3.406) when OC was not present. Nevertheless, CIM-> OP recorded a sharp increase in the path coefficient and t-value ( $\theta$  = 0.412, t = 3.311) with the introduction of OC. Moreover, the moderating Effect 1 -> OP ( $\theta$  = 2.17, t = 4.312) is significant. This means, the relationship between CIM and OP is significantly bounded by OC.

# 4.3.3.1: Determination of Effect Sizes ( $f^2$ ) of the Moderating Variable

Furthermore, the moderating effect of organisational culture on the relationship between lean adoption and operational performance can be determined through the effect size criterion.

The formula for effect size of the moderator is given as: 
$$\mathbf{f}^2 = \frac{R_{moderatorpresent}^2 - R_{moderatorpresent}^2}{1 - R_{moderatorpresent}^2}$$

Where moderating effects with effect sizes  $f^2$  of 0.02, 0.15, or more than 0.35 can be adjudged low, medium, or high. Less than 0.02 means no effect (Cohen, 1988). Table 4.8 shows the effect size of organisational culture on the model.

Table 4.8: Effect Sizes of the latent variables

Exogenous Variable	Endogenous Variable	R-Squared with moderator	R-Squared without moderator	f <sup>2</sup> -effect size	Remark on Effect Size
CIM	OP	0.445	0.357	0.159	Medium

**Note: CIM** = Continuous Improvement; **OP** = Operational Performance. **Reference values:**  $f^2$  less than 0.020 = no effect;  $f^2$ , 0.020 = small effect;  $f^2$ , 0.15 = medium effect;  $f^2$ , 0.35 = large effect (Cohen,1988)

Source: ADANCO 2.3 Output on Research Data, 2022

Thus, table 4.8 confirms that organisational culture has a medium, positive moderating effect ( $f^2$ = 0.159) on the relationship between continuous improvement and operational performance.

### 4.4: Discussion

This study investigated the relationship between continuous improvement and operational performance of manufacturing firms in Rivers State, Nigeria. Findings reveal that most of the respondents are predominantly males than females. Also, majority of the respondents are between thirty six and fifty years old, with most of them single. Furthermore, most of the respondents are graduates. Lastly, majority of them have stayed in their respective organisations for over 6 years.

Moreover, although the respondents are preemptive, they have moderate levels of continuous improvement, quality and cost. The study also found that higher level of changes in organisational culture significantly erodes the positive effect of continuous improvement on operational performance. This is in tandem with the work of Nahm *et al.* (2004), that

organisational culture is a major determinant of lean adoption and combining it with lean adoption, positively influences manufacturing performance (Challis, Samson & Lawson, 2005).

### 5. Conclusions and Recommendations

Theoretically, this study draws on the theory of constraint (Goldratt, 1984) and the competing value framework (Cameron & Quinn, 1999), which postulates that lean adoption (customer improvement) and organisational culture schedules of organisations are key elements of competitive advantage that propel firms into higher level of performance. Thus, by implication, these theories are applicable to the Nigerian manufacturing sector.

Furthermore, the study submits that, the findings and conclusions of the study align with the theory of constraint (TOC) (Goldratt, 1984) which maximizes the performance of systems by exploiting its constraints (Watson, *et al.*, 2007). In addition, scholars (Davies, Mabin, & Balderstone, 2005; Watson, *et al.*, 2007) validated that those organisations using TOC techniques have shown increased performance compared to those not using it.

Practically, the study implies that it is imperative for managers of the manufacturing firms to understand how they can stimulate operational performance through the lens of customer improvement, in a well cultured environment. That is, the major confrontation practitioners' face is to identify the essence to develop a conducive environment where business can strive that is aimed at achieving enhanced high quality and minimize cost.

In addition, the conclusion of this study that continuous improvement amplifies cost implies that mangers ought to improve in their activities on a constant basis, engage customers through feedback, and focus on customer inputs the more cost will be minimized.

On organisational culture, the study supports the view that, there is sufficient evidence that continuous improvement in the hypothesized model significantly enhance quality and minimize cost. The study also corroborates with previous empirical findings of Rahman, Laosirihongthong and Sohal (2010) and Alkhalidi and Abdallah (2018) by demonstrating that organisational culture gives rise to a better opportunity for lean practicing firms to attain enhanced performance. Atkinson (2010) and Saurin *et al.* (2011) posits that a well-articulated organisational culture is one of the main causes of superior performance.

# The study recommends that:

- Managers of manufacturing firms should make continuous improvement of great importance in order to enhance quality and minimize cost. They should ensure that staff participate and are integrated in the improvement of service processes and constantly update their product quality as well as minimize cost as a means of sustaining improvement.
- 2. Top management of manufacturing firms should establish a culture that supports lean adoption/practices as a means to enhance operational performance. Managers should

ensure they provide incentives that reward lean practices and actively get involved in the deployment of the rewards. They should be actively involved in the dynamics of lean practices, while employees should be well trained on lean practices. There should be conducive atmosphere (a non-blaming, performance oriented and process-driven) in order to improve performance.

# 5.1: Limitations of the Study

This study is affected by some factors which constitute limitations. They include:

Firstly, since the study is domiciled in Rivers State, it is not possible to compare the results with other manufacturing firms in other states or countries. Secondly, the data set contains only manufacturing firms in Rivers State and excluded firms from other sectors such as banks, SMEs and telecommunications. It cannot be guaranteed that the same findings will be reached if the study is conducted in these sectors. This will lead to having a limited response from the participants. Thirdly, the study utilized data from a single source (self-reported data), it may give rise to problems of common method variance.

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# ARDA C

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# Effect of Corporate Philanthropy on Performance of Not-For-Profit Organizations in Nigeria

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Abstract: This study examined the effect of corporate philanthropy (CP) on the performance of non-profit making organizations in selected not-for-profit (political) institutions in Southwest, Nigeria. The research design adopted was a cross-sectional survey design. The main instrument used for data collection was questionnaire. The population consisted of 7,423 members/officials of the three randomly selected political institutions (APC, PDP, APGA) in the Southwest, Nigeria. A total sample size of 555 was drawn from the population. The hypothesis formulated was tested using Friedman chi-square statistics. The finding indicates that corporate philanthropy improved on the performance of political organizations in Nigeria. It was advised that political organization's CP should ideally be driven by strategic considerations. This is not to dismiss the other motivations for corporate philanthropy. Hence, the altruistic motives which expect nothing in return for return for a philanthropic gift other than social advancement should dominate the thinking in political parties

Keywords: Political Institutions, Party Officials', Corporate Philanthropy, Altruistic Motives

## **INTRODUCTION**

The concept of corporate philanthropy is best explained by understanding its assemblance of the meaning of its two concepts: 'corporate' and 'philanthropy'. First, corporate is defined as a public entity organized around a central theme driven by a collectivist culture of economic, legal, and social purpose. Secondly, philanthropy is defined as a means by which public organizations externally exhibit corporate social responsibility – widely defined by a myriad of scholarly authors (Carroll, 1979; Gan, 2006; Halme & Laurila, 2009). Moreover, the term simply put is the love of his fellow men. Philanthropy, from a perspective of business is through the lens of the social sector (Collins, 2009). Alternatively, according to Gan (2006), "Philanthropy,

by its definition and in its early forms, assumes a certain degree of altruism and magnanimity". This oft is referred to as "generosity of spirit" which creates a dichotomy for corporations today.

Corporate Philanthropy (CP) by its very definition creates the sense of social responsibility with no strings attached. Corporate philanthropy is a phenomenon which associates the business sector with the social sector. Social historians and researchers see CP as a subset of a larger corporate social responsibility (CSR). Philanthropy provides an opportunity for corporations to establish an ethical and moral mantra within the organization (Gan, 2006; Madrigal & Boush, 2008). An organization is comprised of people who assume the responsibility of cultivating and maintaining a culture supportive of philanthropy and its range of objectives. Successful philanthropy — achieving the goal is as vital to an organization as the "core business" (Bruch & Walter, 2005). Philanthropic initiatives are complex and thus need to be developed, communicated, implemented, monitored, and lastly sustained, in order to guarantee its viability as a strategic tool.

Firms utilizing philanthropic initiatives as part of an overall market development strategy must not look for an absolute monetary return, but to a certain extent a *balance of returns* comprised of social, ethical, and financial measures (Lockett, Moon, & Visser, 2006). Berger, Cunningham, and Drumwright (2007) furthered this notion and professed, CSR "does appear to make business sense for some, but not all companies". Notwithstanding, firms can use philanthropy as a means to an end through an ethical, enterprise-wide, and cogent focus.

Velasquez (2006) explains that pundits sometimes believes that *business ethics* is a contradiction in terms because there is an inherent conflict between ethics (philanthropic based) and self-interested pursuit of profits. Davidson (1994) further asserted strategic philanthropic such as the charitable giving is not intended to replace ethical corporate performance. Corporations seemingly have a duty to align themselves with philanthropic causes in a strategic investing behavior – with an eye on charitable good and the hope (or intent) of some business return. Burch and Walter (2005) reported two distinct categories of corporate philanthropy. "Marketing orientation" which represents the external strategies and tactics employed which are readily focuses on the customer and other stakeholders who place demands and expectations on the firm. Alternatively, "competence orientation" suggests the need for internal strategies and assessments to ensure alignment of corporate philanthropic initiatives with their companies' abilities and core competencies. Each of these orientations provide support to the theory of multiple factoring in that a value proposition is more than simply a customer focusing mantra.

Specifically, the use of CP has been one of the strategies adopted by many profit making organizations with most not-for-profit making organizations undermining its roles. In this study, evaluation is made on the effect of corporate philanthropy on the performance of not-for-profit making organizations with specific references to political organizations in Nigeria.

### **REVIEW OF LITERATURE**

# **Conceptual Framework**

# The Concept of Corporate Philanthropy

Derived from the Greek "philanthropos" and Latin "philanthropia", the term "philanthropy" literally translates as "love of humanity", or "useful to mankind". First coined by the fifth century BC playwright Aeschylus in *Prometheus Bound*, the modern concept of philanthropy took shape in the eighteenth and nineteenth centuries, and became a very fashionable activity among British and American traders and entrepreneurs. However, Wells (1998) claims that the first American philanthropists were actually Native Americans, as demonstrated by the value placed on concern for the common good within their cultures.

Ricks and Peters (2013) state that individuals, rather than firms, originally engaged in philanthropic activities. However, this situation changed following a 1954 Supreme Court ruling (Smith Manufacturing v Barlow) which removed the legal restrictions for corporate philanthropy. The legal restrictions at that time reflected public and corporate sentiment, which suggested that the firm's primary social responsibility was to increase shareholder wealth through profit maximization. Often implemented as a component of corporate social responsibility (CSR) programs, corporate philanthropy (CP) today is a way for businesses to give back to local, national or even international communities, via charitable donations to nonprofit organizations. This "giving back" can take the form of financial (cash) donations or non-cash contributions such as time, expertise, or tangible (in-kind) goods.

Morris (2013) suggest that there are two key types of CP: conditional charitable support based on purchases or a percent of pre-tax profits; and an unconditional form of giving in which there is no purchase-based promise or obligation to donate on behalf of the donor, thereby generating a variable charitable support value.

Leisinger & Schmitt (2011) argue that CP should generally address the roots of a social problem, rather than its symptoms (except in cases of humanitarian emergency), to demonstrate the values that a firm stands for. However, the participation of firms in philanthropic activities remains, for some at least, a source of contention. For example, Friedman (1970) argues that charitable contributions should be made by individual stockholders, rather than big business, as the latter's solitary social responsibility is to maximize wealth for shareholders.

Tonello (2011) also suggests that some people still oppose CP today on the grounds that it consumes company resources, and is prone to further the goals of management rather than shareholders.

Liket & Simaens (2015) offer three conceptualizations of CP as economic, ethical, and idealized practices; and conclude that the motives are usually highly contextual. Questioning the lack of empirical studies establishing the extent to which CP motives are altruistic or strategic in

nature, Liket & Simaens suggest that this is consistent with the conceptual ambiguity and lack of clarity about the objectives of CP. Ricks and Williams (2013) also identify three key motives underpinning CP. These are:

- A normative motive, encouraging corporate philanthropy on the basis that all stakeholder interests are inherently valuable, even those with no specific financial or contractual arrangements with a firm;
- ii. An *enlightened self-interest motive*, in which a firm will help others primarily to promote its financial self-interest, without any specific plan and/or way of measuring the extent to which its CP is responsible for financial results; and
- iii. A *strategic motive*, in which the social and economic goals of a firm and the target recipients of CP are measureable, and can be realized simultaneously and complementarily

# The Concept of Organizational Performance

Research on performance has gone through many phases in the past three decades. Initially, they were focused mostly on financial indicators but with time, the complexity of the performance measurement system increased by using both financial and non financial indicators. Although the concept of organizational performance is very common in academic literature, its definition is not yet a universally accepted concept. Many actions taken by firms do not seem to affect their financial performance much which has led scholars to widen the definition of firm performance.

The concept of "scientific management" by Fredric Taylor in the early twentieth century laid the foundation for the modern concept of organizational performance. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). It is one of the most important variables in the field of management research today. Richard, Barnet, Dwyer and Chadwick (2007) view organizational performance as encompassing three specific areas of firm outcomes: (a) financial performance (profits, return on assets, return on investment, etc.), (b) product market performance (sales, market share, etc.); and (c) shareholder return (total shareholder return, economic value added, etc.). Organizational performance as the organization's ability to attain its goals by using resources in an efficient and effective manner; effectiveness being the degree to which the organization achieves a stated goal, and efficiency being the amount of resources used to achieve an organizational goal.

The term performance is sometimes confused with productivity. Ricardo (2012) explains that there is a difference between performance and productivity. Productivity being a ratio depicting the volume of work completed in a given amount of time while performance being a broader indicator that could include productivity as well as quality, consistency and other factors. Waiganjo, Mukulu and Kahiri (2012) note that organizational performance may be

measured in terms of its multiple objectives of profitability, employee retention, productivity, growth among many other objectives. Doyle (2004) contends that there is no single or best measure of organizational performance. He posits that profitability is the most common measurement used for organizational performance. Indeed, even the optimal definitions or measures of performance remain controversial. Fortunately, when these propositions are assessed, the results are often encouraging as practices that improve the commitment and attitudes of employees do indeed enhance many financial indicators of workplace performance (Gong, Law, Chang, and Xin, 2009).

# **Corporate Philanthropy and Organizational Performance: The Nexus**

Godfrey (2005) suggests that firms practicing strategic philanthropy generate intangible strategic assets such as reputational capital, employee commitment, and trust or acquiescence among regulatory institutions and legislative bodies. The extent to which a firm participates in strategic philanthropy is always limited to its strategic interests, thereby ensuring that the primary objective of any business (profit maximization or the generation of shareholder wealth) is adhered to. Godfrey argues that the key determinant of a CP program motivated by strategic reasons is "Does the philanthropic activity of the firm represent a genuine manifestation of underlying intentions, vision, and character, or is the activity simply designed to ingratiate the firm among the impacted community?"

van Kranenburg and Zoet-Wissink (2012) appear to describe the strategic drivers as "impure altruistic" motives. They suggest that firms that engage in CP for impure altruistic reasons do so for a combination of self-centered and other-centered (societal) motives. Gautier & Pache (2015) also highlight a broad consensus in the literature that suggests CP serves the firm's interests, albeit indirectly, in terms of reputation, prestige, or employee pride. They refrain from using the label "strategic philanthropy" in favor of a concept of "CP as community investment." However, the core tenets appear very similar. For example, Gautier & Pache suggest that a firm can in the long run benefit from CP based on community investment motives, as the philanthropy will help foster a better environment for business through enhanced social cohesion, safety, education and infrastructure improvements.

Gan (2006) suggests that strategically-motivated philanthropy is symbolic of the conflicts that the managers of contemporary firms must explore, understand, and resolve. The strategic motivation for philanthropy therefore focuses a firm's charitable efforts on a cause or issue that simultaneously provides a direct benefit for society, and indirectly supports a firm's core business objectives.

# **Theoretical Underpinning**

This work hinges on stakeholders' theory. In order for CP to be effective and meaningful, the interests of different range of stakeholders other than shareowners need to be taken into account by corporations. Stakeholder theory is based on the notion developed by Freeman (1984) that corporations consist of various stakeholders beyond their own shareholders and

that they should be managed with those groups in mind. Generally, the term 'stakeholder' can include:

- Shareholders, who, unlike other stakeholders, have a direct equity interest in the company;
- Other persons with a financial interest in the company (financiers, suppliers and other creditors), or those in some other commercial legal relationship with the company (for instance, business partners);
- Persons who are involved in some manner in the company's wealth creation (employees and consumers);

The Stakeholder theory focused on the managerial model of an entity and, as a result, narrowly defined 'stakeholder' as a group that impacts on the success of the organization in terms of production outcomes and transactions. The broader definition of the stakeholder view of the firm includes those who may affect or be affected by the organization employees, customers, local community, management, owners and suppliers and so on.

### **METHODS**

The study adopts a cross-sectional survey design method. Survey means to view comprehensively and in detail or the act of obtaining data for mapping. The sources of data comprised of primary source. The information from the primary source consists of responses from the questionnaire administered to the party members from the selected political organizations in southwest, Nigeria. One set of questionnaire was used for the study. The information elicited includes information on educational background, qualifications, positions, gender, age and number of years of service. The population of the study is 7,423 which consist of all the party members' and officials of three randomly selected political parties in the southwest, Nigeria (PDP, APC, APGA).

Table 1: Population of the study

State	Political Parties	Party Members/Officials		
Abia	PDP	652		
и	APC	366		
Anambra	APGA	1,150		
и	PDP	270		
Ebonyi	APC	1,605		
и	PDP	339		

Enugu	PDP	1,519
u	APC	205
lmo	APC	800
"	PDP	517
	Total	7,423

The target population of the study in the selected political institutions in the Southwest, Nigeria stands at 7,423. Thus, using a finite population formula of Krejcie and Morgan (1970), the sample size was determined and a sample size of 555 was derived. The stratified random sampling sample technique was used. The major research instrument used in gathering data for this study was a structured questionnaire. This questionnaire had two (2) sections; question A was on general information concerning the respondents while section B directly addressed the research questions. Close ended and multiple choice questions were used. In order to ensure that the research instrument was valid, the researcher ensured that the instrument measured the concepts it was supposed to measure. The questionnaire was vetted by experts in the Faculty of Management and Social Sciences, Lead City University, Nigeria. A pilot survey was used to test 30 respondents and their responses, comments and preliminary analysis were used to modify and fine-tune the instrument. To ensure reliability of the data, the researcher administered the questionnaire in batches that yielded nearly equivalent responses. To ascertain that the instrument is reliable, the test-retest was adopted. The outcome of the testretest was determined using Cronbach Alpha and the result was 0.812. Since the result was very high, thus we assert that the instrument was highly reliable.

# **DATA ANALYSIS, RESULTS & DISCUSSIONS**

Table 2 below shows that 78.37% of the distributed copies of the questionnaire were returned and used whereas 22.02% were not returned and were not used for the analysis

Table 2: Distribution and Return of the Questionnaire

	Frequency	Percentage (%)
Returned	435	78.38
Not Returned	120	21.62
Total	555	100

Two hundred and sixty (260) respondents representing 60.07% were male, whereas 175 respondents, representing 40.22% were female. This indicated that males were more than the

females. The age distribution of the respondents showed that 94 respondents representing 22.00% were between the age of 25-30, 100 respondents with 23.08% were within the age bracket of 35-45, while 241 respondents representing 55.40% were within the age bracket of 45 years and above. This implies that greater proportion of the respondents fall within the age of 45 years and above. The collected data was presented using percentage tables, percentages, mean and standard deviations. The 5 Likert type questionnaires rating of Strongly Agreed (SA), Agreed (A), Undecided (U), Disagree (D) and Strongly Disagree (SD) were assigned numbers 5, 4, 3, 2 and 1 respectively. The formulated hypothesis was tested using Friedman Chi-square at a significance level of 0.05 (5%). The decision rule was based on the sample mean greater than 3 for agreed and otherwise for disagreement.

Table 3: Corporate Philanthropy and Performance of Not-for-Profit organizations

Questions	SA(5)	A(4)	U(3)	D(2)	SD(1)	Total	Mean	SD
	Freq %	Freq %	Freq %	Freq %	Freq %			
CP encourages voters buying influence	214	102	38	40	41	435	3.93	1.34
imidence	49.19	23.45	8.78	9.20	3.85	100		
CP build brand and loyalty for political parties	89	164	59	72	51	435	3.39	1.30
political parties	20.46	37.71	13.56	16.55	11.72	100		
There is enhanced image of political organizations that uses	84	160	72	69	50	435	3.37	1.28
CP	19.32	36.78	16.55	15.86	11.49	100		
CP has more societal impact on the political parties	104	147	51	78	55	435	3.38	1.36
	23.91	33.79	11.73	17.93	12.64	100		

Table 3 shows the responses of the respondents on the corporate philanthropy and performance of Not-for-Profit organizations. Four questions were formulated in that respect.

As regards to the question on voters buying, 214 (49.19%) and 102 (23.45%) respectively of the respondents, strongly agreed and agreed that CP encourages voters buying influence, 38 (8.74%) of the respondents were undecided, while 40 (9.20%) and 41 (9.421%) of the respondents disagreed and strongly disagreed, respectively, that CP encourages voters buying influence. It is penitent to note, that mean value of 3.93 shows the high level that signifies that CP encourages voters buying influence.

On the aspect of whether CP build brand and loyalty for political parties, 89 (20.46%) and 164 (37.71%) respectively of the respondents strongly agreed and agreed that CP build brand and loyalty for political parties, respectively. 59 (13.56%) of the respondents were undecided, while 72 (16.55%) and 51 (11.72%) of the respondents disagreed and strongly disagreed on the assertion respectively. In view of the mean of 3.39 based on our decision rule, it is penitent to note that the assertion is positive.

On the aspect of the enhanced image of political organizations that uses CP, 84 (19.32%) and 160 (36.78%) of the respondents strongly agreed and agreed on the assertion respectively. 72 (16.55%) of the respondents were undecided, while 69 (15.86%) and 50 (11.49%) of the respondents disagreed and strongly disagreed that the image of political organizations that uses CP were enhanced.

As regards to whether CP has more societal impact on the political parties, 104 (23.91%) and 147 (33.79%) respectively of the respondents strongly agreed and agreed that CP has more societal impact on the political parties. 51 (11.73%) of the respondents were undecided, while 78 (17.93%) and 55 (12.55%) of the respondents disagreed and strongly disagreed, respectively, on the above statement.

The present study tested the hypothesis that corporate philanthropy do not improved on the performance of not-for-profit organizations. In testing this hypothesis, the data presented in Table 3 were tested using the Friedman Chi-Square test.

 $H_0$ : corporate philanthropy do not improved on the performance of not-for-profit organizations.

 Statistic
 Value

 N
 435

 Chi-Square
 171.221

 Df
 4

 Asymp. Sig.
 .000

**Table 5: Friedman Chi-Square Test Result for the Hypotheses** 

The result presented in Table 5 shows that the calculated Friedman Chi-Square value is 171.221. This is greater than the critical chi-square value of 9.49. Having an asymptotic significance of 0.000<0.05, this result is significant. Therefore, corporate philanthropy improved on the performance of not-for-profit (political) organizations.

The finding of this study tally with the works of with the findings of studies carried out by Tonello (2011), and Liket & Simaens (2015), who posit that corporate philanthropy and SCR often encourages the growth of firms. Moreover, Gautier & Pache (2015) pointed out that provisions of gifts, instruments, donations etc by corporations go a long way in stimulating the image of such firms, hence, this finding aligns with Gautier & Pache (2015) outcomes. Contrarily, the findings from this study negates the works done by Gan (2006), and van Kranenburg and Zoet-Wissink (2012) who believe that CP is nothing than wasting of organizational resources. All the assertions collaborates the fact that structural, human and technical related causes are the major challenges that hinder the implementation corporate philanthropy in any organizations.

### **CONCLUSION AND RECOMMENDATIONS**

This inquiry has continued applicability due to a keen interest to understand the dynamics between a firm's socially responsible culture and how philanthropy can be a strategic weapon in the competitive political environment. It is assumed that all political firms do not view and utilize philanthropy validation. It is in the execution of a private profit sector corporate philanthropic initiative whereby the organization carries out its ethical mission. In a future study, an assessment of how philanthropy can be best-suited to add influence on a non-profit making organization plans may add validity and credibility.

To minimize objections and maximize impacts, political organizations CP should ideally be driven by strategic considerations. This is not to dismiss the other motivations for CP. Altruistic motives, in particular, which expect nothing in return for return for a philanthropic gift other than social advancement, are noble and can dominate thinking in political parties. Nevertheless, the alignment of parties CP with the mission, goals, and objectives of the firm can not only reduce skepticism about motives, increase employee participation, and reduce stakeholder suspicions about ingratiation. It can also enable the firm to make a meaningful and direct social impact, while simultaneously indirectly benefitting its own bottom line in the long run through reputational capital, employee commitment, and trust or acquiescence among regulatory institutions and legislative bodies

Much attention has been paid to CSR, corporate financial performance, corporate reputation, and the intersections of ethics and consumer perceptions. There is need to address and theory to advance focuses on how a corporation can use philanthropic initiatives to validate, differentiate, and make distinctive their strategic marketing process.

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# **Performance Appraisal and Organizational Effectiveness**

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Abstract: The paper examined the relationship between performance appraisal system and organizational effectiveness. The objective of the study was to ascertain how dimensions of performance appraisal system such as management by objective and behaviourally anchored rating scale enhance organizational effectiveness via internal process approach and strategic constituencies approach. The method involved in the study was the use of extant literature on the subject matter and qualitative content analysis. The study established that performance appraisal system enhance the organizational effectiveness. The study concluded that the concept of performance appraisal system as used in this work can help management of organizations better understand how to deal with performance issues among individual and group setting, thus enhancing firm effectiveness while conducting business. The paper recommends that management of organizations should create an enabling environment were opportunities for self-appraisal or self-evaluation. We also recommend that further research conducted to gain more insight on organizational effectiveness approaches, because it is a large concept.

**Keywords:** Performance Appraisal System, Management by Objective, Behaviorally Anchored Rating Scale, organizational effectiveness, Internal Process Approach and Strategic constituencies Approach.

### INTRODUCTION

Organizations are all about people, as human beings constitute the most vital resource of organizations. Therefore, how these people are gotten, managed and maintained go a long way in determining the success or fatigue of organizations. However, this is the main concern of managers in modern organizations (Obi, Onyekwelu, Onwubiko and Mohammed, 2016). Human beings are crucial asset of any organization is its employees and the success of the organization depends on their performance. One of the ways to evaluate performance of an organization achievement is through routine appraisals. The importance accorded to performance appraisal systems in part arises from the nature of the current business environment, which is marked by the need to achieve organizational goals as well as remain relevant in intensely competitive markets through superior employee performance (Chen & Eldridge, 2012).

Within this context, various studies suggest that organizations can hardly control the behaviour of their employees (Attorney, 2007). The organizations can however control how employees perform their jobs. Formal performance appraisal is a human resource management (HRM) practice that has attracted considerable attention from both practitioners and scholars (Fletcher, 2001). The interest in the implementation of formal performance appraisal systems stems from the fact that such practice may accomplish a wide variety of functions. These functions may include the monitoring of employees, the communication of organizational values and objectives to workers, the evaluation of hiring and training strategies, and the validation of other human resource management practices (Baron & Kreps, 1999).

The concept of organizational effectiveness is related to issues such as the ability of an organization to access and absorb resources and consequently achieve its aims (Federman, 2006). As Gigliotti (1987) said, a unit which is individually ineffective in terms of cooperation with the rest of the organization is doomed to failure. Cameron (1978) pointed out that organizational effectiveness is the proficiency of the organization at having access to the essential resources. achieve skills and self-esteem in order to control the new environment and find security and support.

Love and Skitmore, (1996) cited; Generally, it is unclear what researchers mean when they refer to effectiveness and this has resulted in ambiguities in interpreting the results of their work (Cameron, 1984:236). Unfortunately, only a few studies have attempted to provide a definition of organizational effectiveness (Mohr,1971), including Seashore and Yuchtman (1967), who viewed effectiveness as the ability of the organisation to exploit the environment in the acquisition of critical resources, and Price (1968), who defines effectiveness as the degree of goal achievement.

Abbah, (2014) an organization is effective to the degree to which it achieves its goals. An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of it influence". In order to make employee satisfied and committed to their jobs, there is need for strong and effective motivation at various levels in an organization.

The study of Otsupius and Otisu (2016) adopted the view of Abbah (2014), position that "An organization is effective to the degree to which it achieves its goals". An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of its influence. In order to make employee satisfied and committed to their jobs, there is need for strong and effective motivation at various levels in an organization.

# **Statement of Problem**

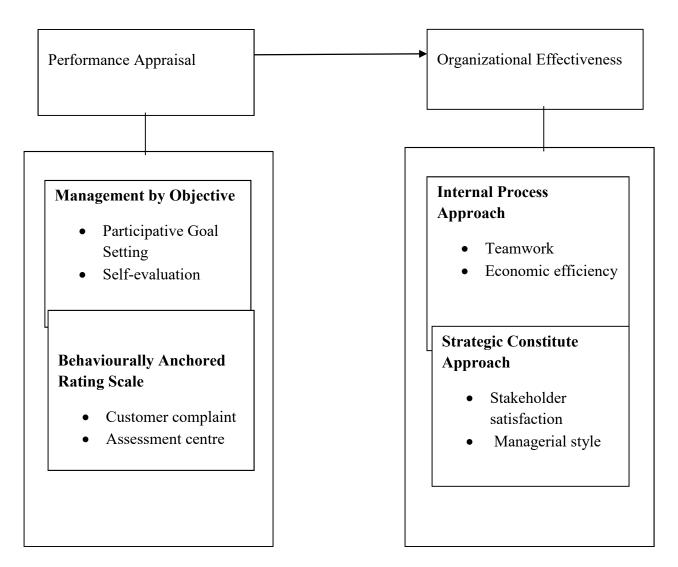
In this era of rapidly changing business environment, sustainability and achievement of organizational goals, increase customer patronage, and result oriented is an ever abiding expectation of any organization. The study of Vinitwatanakhun's (1998) illustrated that organizational effectiveness should focus on human resources and organizations and help

individuals to Organizational effectiveness is one of the most complex and least tackled problems in the study of social organizations. Many difficulties arise with attempts to define the concept of effectiveness adequately. Some stem from the closeness with which the concept becomes associated with the question of values (for example, "management" versus "labour" orientations). Organizational effectiveness/performance is even the ultimate or superordinate dependent variable in much organization and management research. Other problems arise when researchers choose a priori criteria of effectiveness that seem intuitively right, without trying systematically to place them within a consistent and broader framework. In effect, specific criteria that might be proper in one case may be entirely inappropriate to other organizations. The question arises whether it is possible to develop a definition of effectiveness and to derive criteria that are applicable across organizations and can be meaningfully placed within a general conceptual framework. According to Ongori (2008) business can enjoy and sustain the success until it ideals with the problem of employee turnover efficiently and successfully and this call for a strategic approach to management of employees which can only be achieved through better management practices to be able to yield a reasonable result. Organizational effectiveness depends on more than maintaining a stable workforce; employees must perform assigned duties dependably and be willing to engage in activities beyond role Thus, it seems that employees' willingness to contribute to organization effectiveness will be influenced by their level of commitment (Coetzee, 2005).

Avalanche of studies have acknowledged the worrisome dwindling performance of organizations in Nigeria as a result of varied of factors. These factors may include inadequate remuneration, unhealthy work environment, severe presence of dysfunctional conflict among members of the organization, lack of employee participation in decision making especially on issues that have direct impact on them as well as poor motivation. The perpetuation all these issues in an organization impact negatively on effectiveness of workers as they make the workers feel insecure with the organization. According to Ayo (2008), performance suffer when management deny workers access to participation in decision making; when workers suffer role conflict; when organizational human stock are discriminated against and when the organizational structure does not give room for proper communication and interaction among workers. This is because for an organization to maintain or improve its overall performance, it must improve the performance of the individual employees within the organization.

Let us consider our Health system or sector in Nigeria today, Covid-19 pandemic has actually expose the sector by showing the lapses and how ineffective it is. Again, our expertise (Nurses and Doctors) alongside other health professionals are leaving Nigeria for foreign countries and these would enhance their service delivery in the health sector while here in Nigeria, it has reduced drastically. Effectiveness is result oriented and it can be achieved when our professionals come together to work as a team. However, the study seeks to provide way in which organizational effectiveness can be improved through performance appraisal system alongside it dimension.

# **Conceptual Framework**



**Fig. 1.1**: Conceptual framework Showing the Relationship between Performance Appraisal System and Organizational Effectiveness.

**Source:** Drucker, 2013; Idown, 2017; Balduck and Buelens, 2008; Armstrong, 2009; and Morgan and Sturdy, 2000; and Nwadukwe and Timinepere, 2012.

### **AIM AND OBJECTIVES**

The aim of the study is to examine the relationship between performance appraisal and organizational effectiveness in an organization. The specific objectives are;

1. To ascertain the impact of management by objective on internal process approach.

- 2. To ascertain the impact of management by objective on strategic constituencies approach.
- 3. To ascertain the impact of behaviorally anchored rating scale on internal process approach.
- 4. To ascertain the impact of behaviorally anchored rating strategic constituencies approach.

### **REVIEW OF RELATED LITERATURE**

# **Conceptual Review**

# **Concept of Performance Appraisal System**

Performance appraisal is a widely discussed concept in the field of performance management. It is used interchangeably as performance evaluation, job performance, performance assessment, performance evaluation as the case may be according to Amah and Gabriel (2017). Performance appraisal sounds simple but researchers say that it is commonly used in performance feedback and identifies individual employee's strengths and weaknesses (Ruddin, 2005). For achieving high performance goal of organization performance appraisal is a very important component of human resource management. The information gathered and performance appraisal provide basis for recruitment and selection, training and development of existing staff, and motivating and maintaining a quality human resource through correct and proper rewarding of performance (Lillian, Mathooko, &Sitati, 2011).

Optimum organizational performance is dependent upon the performance of the individuals that make up the organization. Seniwoliba (2014) defined performance appraisal as an objective method of judging the relative worth or ability of an individual employee in performing his or her task. If objectively done, the appraisal can help distinguish between a hard worker and a lazy one. A better performance appraisal system therefore should focus on the individual and his or her development as to make him or her achieve the desired performance or output. Authors define concepts according to their perception and therefore tend to lay emphasis on what they deem to be crucial and worth considering. Moulder (2001) states that performance appraisals are valued for defining expectations and measuring the extent to which expectations are met. She goes on to state that appraisals can make clear to employees where they are having success and where they need to improve performance. Moulder indicated that appraisals are useful in setting goals and in fostering improved communications among work groups and between employees and supervisors. Performance appraisal is a vital component of a broader set of human resource practices; it is the mechanism for evaluating the extent to which each employee's day-to- day performance is linked to the goals established by the organization (Coutts & Schneider, 2004). DeNisi and Pritchard (2006), also opine that performance appraisal is a discrete, formal, organizationally sanctioned event, usually not occurring more frequently than once or twice a year, which has clearly stated performance dimensions and/or criteria that are used in the evaluation process. Furthermore,

it is an evaluation process, in that quantitative scores are often assigned based on the judged level of the employee's job performance on the dimensions or criteria used, and the scores are shared with the employee being evaluated.

Performance appraisal system is a vital element of the human resource management practices. Aside from the distribution of rewards, developmental guidance given to the employees is based usually on the performance appraisal and employees can express their perceptions and standpoint regarding their respective jobs, departments, managers and supervisors and of their organization in general (Erdogan, 2002). Weiss, (2001) indicated that to be productive, the performance appraisal process must contain general three steps: evaluation and job analysis, appraisal interview, and post-appraisal interview. During the first step, both the appraiser and the appraise should prepare for the interview by considering job performance, job responsibilities, and employee career goals, goals for improving performance, and problems and concerns about the job. Sometimes both the appraiser and the appraise will fill out forms with questions addressing the previously mentioned topics. Next, managers and employees meet to discuss what they have prepared and to establish goals for the period before the next performance appraisal. It is important that the appraisal interview be an exchange, not a speech. Both parties must be able to share their perceptions of the appraiser's performance. The third step, the post-appraisal interview, gives managers the opportunity to discuss salaries and promotions with employees. By not addressing this issue during the appraisal interview, both managers and employees can focus on performance and goal setting, instead of money. The post-appraisal meeting also can serve as a time for reiterating employee goals. After appraising the performance of employees, an organization must evaluate the system itself to determine if it is helping to achieve designated organizational objectives (Ryan &Deci, 2000). It would seem logical and important that employees have the desire to be evaluated on job criteria that is accurate and relates to aspects of their job that is within their control.

Performance appraisal system sometimes has the reputation of creating tension between a supervisor and subordinate. However, sound and effective performance reviews share common components that make them positive experience and maximize the benefit of conducting and participating in them. Emphasizing the good and helping an employee on the road to improvement are important components of effective performance appraisals. Performance can be managed by focusing on employee attributes, behaviours, or results. In addition, we can measure performance in a relative way, making overall comparisons among individuals' performance. Finally, we can develop a performance measurement system that incorporates some variety of the preceding measures, as evidenced by the quality approach to measuring performance (Lotich, 2014). There are Traditional and Modern Methods of Performance Appraisal, which have their own importance and area of application (Dewakar, 2009; Noe, 2008; Paul, 2014). From the last few years the non-traditional (modern) form of appraisal is common in practices (Coens& Jenkins, 2000; Lawler, 2000).

# **Dimensions of Performance Appraisal System**

Among others, the study adopts management by objective and behaviourally anchored rating scale as dimensions of performance appraisal alongside its indicators;

# **Management by Objective**

According to Idowu (2017) management by objectives as one of the key appraisal methods is defined as a result-based evaluative program (Choon & Embi, 2012). In greater detail, the goals of the performance appraisal system from an MBO perspective are mutually defined by a number of key stakeholders who include the subordinates, supervisors and employees as well. A typical MBO appraisal system consists of several steps. The process begins by the establishment of clear objectives for the employee. An action plan detailing the way in which the objectives are to be achieved is develop. The employee is then allowed to implement the developed action plan.

As key aspect of MBO as identified by Huang, Durcikova, Lai and Lin (2011) is that it stresses the importance and value of employee involvement. MBO as a concept was popularized by Peter Drucker, who noted that objectives perform a crucial role in all areas where performance and results have a direct impact on the survival of the firm (Armstrong, 2009). Armstrong (2009) further notes, Drucker emphasized on participative goal setting and self-evaluation as one of the most important aspects of MBO. While the MBO concept was initiated by Drucker, it is McGregor, one of the most influential figures in the field of management, who modified it for full application as a performance appraisal approach.

In terms of effectiveness, the MBO approach has been found to provide significant benefits to both the organization and the employees (Armstrong, 2009). Notably, the MBO approach promotes objectivity, allows for a two-way feedback as well as encourages performance improvement of employees through motivation. In a similar vein, Drucker (2013) underscores that the MBO approach when correctly implemented helps in establishing a performance appraisal system that is based on efficiency and fairness. However, participative goal setting and self-evaluation were further used as indicators of management by objective.

Participative Goal Setting: Employee participation is defined as a process for empowering employees to participate in managerial decision making and improvement activities appropriate for their levels in the organization (Abdulkadir, Isiaka, andAdedoyin, 2012). Employee participation has been a focal point of other management fields as well. It has been viewed as one of the most effective problem solving and process to improve principles of organizational performance. Abdulkadir et al. (2012) stated in the "employee involvement" book that the goal of adopting the employee participation in enterprise are to create long-term commitment, a new way of doing business, and fundamental change in culture. Also firms may elicits employees' participation by give them the situation for solving the problems and to participate in decision-making process affects their work. Qureshi, Ayisha, Mohammad, Rauf, and Syed (2010) explain employee participation shows the degree to which employees can

insert values into their work as an input and the degree to how the firm can use these input values. Employee's participation may allow for better discovery and utilization of local knowledge in the organizational, particularly when there is incentives in place that foster such discovery. Finally, there are number of studies that examine the benefit of employee participation on organizational performance (Chen and Huang, 2009; Soomro, 2011; Zakaria, 2012).

Self-evaluation: The term 'evaluation' comes from the French word 'evaluation' which means determining value, assessment and achievement. Also we use the term valorisation which also means determining value. Evaluation as a phenomenon and pedagogical term is well known in pedagogy, psychology, and other scientific disciplines, despite the fact that there is a difference between philosophy and practical education (Jordan, 1953; Matijevic, 2004). Evaluation can be defined as collecting information so that we can make the right decision in the process of education. Assessment is the process with which we determine what is improved and what areas still need improvement. The term 'self-evaluation' is an English term which means self-assessment. Self- evaluation represents monitoring the progress made, the development and learning and determining what has improved and what is to be improved in the future. Self-evaluation offers an opportunity for people so that they can understand their weaknesses and strengths. Self-evaluation is defined as a process or instance of self-assessment and measurement of one's own achievement and development (Dexter Petley, and Lies, 2003).

According to Kevereski (2017) self-assessment could mean that students simply check off answers on a multiple-choice test and grade themselves, but it involves much more than that. Self-assessment is more accurately defined as a process by which students (i) monitor and evaluate the quality of their thinking and behaviour when learning and (ii) identify strategies that improve their understanding and skills. That is, self-assessment occurs when students judge their own work to improve performance as they identify discrepancies between current and desired performance (McMillan, James and Jessica, 2008).

Keverski (2017) conducted a study on self-evaluation of knowledge in student population in higher education in Macedonia. The paper specifically aims to highlight the need to treat with special care the feedback received from the students as a relevant indicator for the quality of the realization of the evaluation, i.e. of the evaluation system in general. The famous author Hounsell (2003) lists a few sources of feedback in which he particularly stresses the students' notes and their self-evaluation of their own achievements. Hounsell (2003) also points out that the quality of teachers' evaluation of students' achievements can be checked by means of evaluation papers, questionnaires, structured interviews and other techniques which are part of the methodological structure of this paper as well. Brown, Fry & Marshall (2003) believe that this leads to encouraging students to think about the teaching process, the process of self-evaluation, and to adopt a critical approach towards the evaluation and self- evaluation. In that way the students become critically-oriented friends who provide feedback about the quality of certain docimological procedures which are monitored from different perspectives (Costa

&Kallick, 1993). It is a way of creating relations whose purpose is to promote the teaching process and which result with further reflections and improved interaction in the teaching process (Day, 1999).

# **Behaviourally Anchored Rating Scale (BARS)**

Behaviourally anchored rating scalespecify definite, observable and measurable job behaviour. It is increases interrater reliability because it provides a precise and complete definition of the performance factor. It is very similar to trait scale. Behaviour observation scale is similar to behaviourally anchored rating scale because it is also developed from critical incidents. It however uses more behaviour to define the levels of performance on a particular dimension that BARS. It also assesses performance in terms of frequency with which specific behaviours are performed. Using the same example of a supervisor assessing a teacher. This is a rating scale with specific observable behaviours that are directly related to job performance. The scale reflects actual cases of effective and ineffective behaviour. The rate knows precisely on which dimension he is been rated and can therefore improve on it. A BARS form covers between sit to ten specific performance dimensions. Each dimension is based purely on observable behaviour (Obi et al, 2016). On the other hand, one of its key advantage is that the rates will most likely accept criticism easily if it is tied to a specific job behaviour. Also the feedback it generate helps management in identifying training and development needs. Despite the numerous advantages of BARS, it has some drawback too. Its time-consuming and very costly to construct as the services of experts outside the organizations may be sought. However, customer complaint and assessment centerswere further used as indicators of behaviourally anchored rating scale.

Customer Complaint: The goal is not to get the complaint satisfied but rather to win by getting something the customer is not entitled to receive. A constant, repetitive "not good enough" response to efforts to satisfy this customer is a sure indicator of a rip-off artist. A consumer complaint or customer complaint is an expression of dissatisfaction on a consumer's behalf to a responsible party (London, 1980). It can also be described in a positive sense as a report from a consumer providing documentation about a problem with a product or service. Consumer complaints are usually informal complaints directly addressed to a company or public service provider, and most consumers manage to resolve problems with products and services but it sometimes requires persistence. An instrumental complaint is a complaint made to a person or organization that could take some action and bring about a specific remedy. Consumer complaints have three main characteristics: they are goal-oriented, there are multiple ways of engaging in this behaviour, and are used to complain in several ways. A definitive characteristic of a consumer complaint is to achieve a goal that the consumer views as needing improvement. Although, there is no certainty of the goal being attained, factors that would disrupt the process of a successful goal include: the distributor of the product may not be able to provide, or the company may lack the time or resources to address the complaint. The second characteristic is that the consumer will engage in multiple forms of complaint. Examples include: complaining directly to the company or a representative, expressing opinions to friends and family, and sending correspondence to an agency such as the Better Business Bureau.

Consequently, the third unique characteristic of a consumer complaint can be identified if the consumer complaints in multiple ways.

Assessment Centers: Assessment centers are used to measure managerial performance. At assessment centers individuals are assessed based on the performance of simulated tasks, such as leaderless group discussions, in-baskets and role playing to determine their skill or potential as managers. They provide objective measures of individual's ability to perform managerial task. They are used to provide specific performance feedback and personalized developmental plans (Amah and Gabriel, 2017). Assessment center is a modern method of performance appraisal and performance appraisal is an activity of Human resource management for assessing the performance of the employees in an organization. Assessment Centre is an important instrument in the selection process. It is mainly in-depth interview session which is taken after initial stage of selection process. It incorporates standardized assessment of conduct which is based on manifold inputs. The main purpose for conducting the assessment centre is to find out how candidate acts in typical management situations. With the help of this method, employees get a wider outlook and review of the performance which makes him able to understand his own stability and deficiency. An assessment center involves a number of elements such as Psychometric Test, Business games, Case study, Group discussion and In tray exercises which are designed to assess the competency areas that are essential to perform a job (Tripathi, 2016).

## **Concept of Organizational Effectiveness**

Barnard (1938) viewed organization as a system of consciously coordinated personal activities or forces. To him, an organization is a system that requires the cooperation of human activities. He noted that an organization is birthed when there are; persons capable of communicating with each other and are willing to contribute action(s) so as to accomplish a common goal. This implies that individuals come together, assume responsibility for the tasks assigned to them so as to attain a goal that ordinarily would have been too cumbersome for a single individual to achieve on his or her own. To this end, the basic elements of an organization are; communication, willingness to cooperate and common purpose. The concept of organizational effectiveness has been an interesting subject of discourse in organizations from time immemorial. The need to have a clear understanding of what constitutes an effective organization has culminated in the interest in the subject matter, making it almost impossible to judge an organization as being more effective than the other especially as what constitutes effectiveness in an organization may be viewed differently in another organization. In the light of this, several authors have written on the concept of organizational effectiveness on the basis of their perception of the subject matter but this paper simply views organizational effectiveness as an organization's ability to survive and make progress in its business environment through the attainment set goals and objectives. Georgopoulos and Tannenbaum (1969) define organizational effectiveness as the extent to which an organization as a social system, given certain resources and means, fulfills its objectives without in- capacitating its means and resources, and without placing undue strain upon its members. A number of authors have attempted to decrease the complexity inherent in the effectiveness theory by narrowing the perspective from which effectiveness is viewed and/or measured (Pfeiffer, 1977; Cameron &Whetten, 1983; Quinn &Rohrbaugh, 1981; Hossein 2015). These various approaches to effectiveness can be subsumed under five different approaches. In other word, theorists have postulated five approaches to measuring organizational effectiveness the goals model, the system resources model, the process model, the multiple-constituency model and competing values approach (Chelladurai, 1987, Yuchtman, & Seashore, 1967).

## **Measures of Organization effectiveness**

Among others, the study also adopts internal process approach and strategic constituent approach as the measures of organizational effectiveness;

## **Internal Process Approach**

This approach has been developed in response to a fixed output view of the goal approach. It looks at the internal activities. Organizational effectiveness is assessed as internal organizational health and effectiveness. Internal-Process Approach effectiveness is the capability to get better at internal efficiency, co-ordination, commitment and staff satisfaction. This approach assesses effort as opposed to the attained effect. Some experts have criticized the internal-process approach, like the system-resource approach, cannot lead to legitimate indicators of organizational effectiveness itself. Rather, it is accepted as an approach for studying its assumed predictors. Similar to the system-resource approach, the internal-process approach could possibly be applied only where comparable organizational outcomes can hardly be assessed accurately https://universalteacher.com).

One indicator of internal process effectiveness is economic efficiency. However, the best-known proponents of an internal process model are from the human relations approach to organizations. Researchers or writers such as Chris Argris, Waren G. Bennis, RensisLikert and Rihard Beckhard have all worked extensively with human resources in organizations and emphasize the connection between human resource and effectiveness (https://www.viquepedia.com).However, teamwork and economic efficiency were further used as indicators of internal process approach.

**Teamwork:** Teamwork is one of the most noticeable and essential work configurations of the 21st century. Teamwork is considered one of the most effective work forms (Richter, Dawson & West, 2011). The 21st century has brought many changes to the Since the beginning of time humans have been driven to form groups and work together to achieve their goals, solve problems, generate more ideas, develop skills, survival, among other purposes. Teamwork is one of the most noticeable and essential work configurations of the 21st century. The 21st century has brought many changes to the structure of organizations and also to the nature of jobs. Levi (2014) suggests that even though the use of teams in the workplace has a long history, the past decades have shown that the notion of organizational teamwork has reformed.

Teamwork refers to work group with a common purpose for the achievement of goals/tasks (Harris and Harris, 1996). This is one of the most important ways of employee involvement, and an effective way of reducing organizational hierarchy and increase the employee involvement. Marchington and Wikinson (1998) observed that managerial control is at its most subversive and effective when employees take on responsibility for peer surveillance. Major indices of teamwork include; collaboration, information sharing, shared support and collective responsibility (Fapohunda, 2013; Khattak, Igbal&Khattak, 2013). According to Business Dictionary (2020) teamwork is the process of working collaboratively with a group of people in order to achieve a goal. It is often a vital component of a business, as it is often essential for colleagues to work well together, trying their best in any circumstance. Teamwork therefore means that people will try to cooperate, using their individual skills and providing constructive feedback, despite any personal conflict that may exist between individuals. Teamwork thus is the willingness of a group of people to work together to achieve some stated common aim.

Fajana (2002) sees teamwork as the combination of resources and inputs working in agreement to achieve organizational goals, where roles are prescribe for every organizational member, challenges are equally faced and incremental improvements are sought continually. In all, working in teams is likely to empower individuals to the extent that teams enable members to participate in decision making in a work unit that is productive, supportive and collaborative. According to Alan (2003), teamwork refers to a grouping of professionals whose members work intensely on a specific, common goal using their positive synergy, individual mutual accountability and complementary skills. Thus, teams work together in a group to achieve the same goals and objectives for the good of the service users and organizations in order to deliver a good quality of service (productivity).

According to McQuerrey (2019), teamwork helps organization members to work well together, and improves productivity, morale and the overall quality of the organization's product or service. It also helps to resolve conflict between staffers, and can make a huge contribution to organizational productivity and effectiveness. It is in this light that Froebel and Marchington (2005) posits that team members enhance their skills, knowledge and abilities while working in teams. In fact, the enormous benefits accrued to teamwork have made it to stand out as a vital instrument of competitive advantage far above the likes of finance, strategy and technology. In addition, teamwork also improves manpower utilization and potentially raises performance of not just the individual but the organization ultimately, as it can expand the output of individuals through collaboration, as a result, help employees who work in teams to become the standard for the organization (Alie, Bean and Carey, 1998). In this sense, teamwork gives employees a sense of ownership and encourages cooperation among team members.

**Economic Efficiency:** Economic efficiency is a term used to estimate the results of an economic activity comparing to the efforts involved in the respective activity. Economic efficiency is the main qualitative factor of economic growth, as it assures the absolute growth of the outcome at the same effort amount (Geamanu, 2011). Economic efficiency is a more comprehensive concept than profitability, as it is the most general category characterising the results

generated by different variants of using or saving up resources involved or not involved in the economic circuit. Economic efficiency aims at minimizing resources accruing to a unit of effectiveness, and profitability is only a form of expressing efficiency. The concept of profitability has a relative character and that is why the analysis of profitability should take into account both absolute and relative indicators (obtained by calculating the ratio between the outcome and the means utilized for carrying out the respective activity. We can talk about profit when expenses are exceeded by income; profit is only a component part of profitability. Profitability is tightly connected to investors' professionalism, to time and financial and material resources invested in an economic activity.

At the level of the enterprise, in its general form which we introduced at the beginning of the present article, economic efficiency bears the name of profitability and whether the ratio between the outcome and the effort is expressed as a percentage, it will bear the name of profitability rate. The key element of an enterprise's profitability is represented by profit which, in its different forms is taken into consideration when determining the different profitability rates. The objective of any enterprise is to obtain maximum benefits and to recover the invested capital in order to assure its development and the payment of investors (Zaman and Geamanu, 2006). The major objective of any economic entity is to increase the value of its own development as well as to increase the wealth of the stakeholders (shareholders, employees, creditors, etc.). The achievement of this objective is conditioned by the carrying out of a profitable activity, by its capacity to generate incomes that should cover the expenses incurred by the respective activity and to lead to achieving a net income (Sighicea and Vasilescu, 2009). Profitability represents an important criterion on which decisions made at micro, mezo and macro-economic levels are based. Profitability also bears the name of profitability rate and in the market economy it is the most important economic efficiency indicator. Profitability is calculated as the ratio between the profit volume and its associated costs, turnover or capital used (production costs). Profitability is one of the most synthetic indicators used for expressing the efficiency of the enterprise's whole economic and financial activity, respectively of all the production means used and of the labour force in all the stages of the economic circuit: procurement, production, sale (Morosan, 2006). Again, economic efficiency is a more complex category than profitability. It has a much larger scope than profitability, as it involves the whole system of indicators which reflect the specific forms of economic efficiency, a system grouped in subsystems among which the sub-system of profitability indicators.

## **Strategic Constituencies Approach**

This approach suggests that an efficient organisation is one which fulfils the demands of those constituencies in its environment from whom it needs support for its survival. It assesses the effectiveness to satisfy multiple strategic constituencies both internal and external to the organization. **Strategic constituencies approach is** ideal for organizations which rely highly on response to demands. The Strategic-constituencies approach takes explicitly into consideration that organizations fulfil multiple goals: each kind of organizational constituency (like

proprietors, workers, consumers, the local community, etc.) is supposed to have distinct interests' vis-à-vis the corporation, and will thus use different evaluation criteria.

However, the job of isolating the strategic constituencies from their environment within which they function is a challenging and tricky task. Because the environment swiftly changes, what was a crucial goal today might not be so tomorrow. Individual constituents may create significantly diverse ratings of an organisations effectiveness. These constituents may use diverse factors or weight the same criteria in a different way (https://universalteacher.com).

According to Tricia, Cabrey, Haughey and Cooke-Davies, (2014) these strategic initiatives are formulated as a direct response to a change in the business environment. Strategic initiativesprojects and programs-by their very nature drive change in an organization. Robert Kaplan and David Norton cited in Tricia et al, (2014), define strategic initiatives as "collections of finiteduration discretionary projects and programs, outside of the organization's day-to-day operational activities, that are designed to help the organization achieve its targeted Morgan and Sturdy (2000) classified approaches to change into three: managerial, political and social. Their classifications are very useful in understanding organisational change. Kyriakidou (2011) argues that 'this variation has created a theoretical pluralism that has provided a more comprehensive understanding of organisational life and has uncovered novel ways to explain some organisational change processes. The strategic approach of organizational effectiveness proposes that an effective organisation is one that satisfies the demands of those constituencies in its environment from whom it requires support for its continued existence (Pfeffer&Salanick, 1978; cited in Love, and Skitmore, 1996). However, stakeholder satisfaction and managerial style were further used as indicators of strategic constituencies approach.

Stakeholder Satisfaction: According to Metts, Rao and Hong (2008) the existence of any business is justified (and possible) only to the extent to which a human connection is established and maintained. In SMEs a significant part of this "human" connection is made through stakeholders such as owners, employees, and debt-holders of the business. We believe that the current and future relevance of the business is primarily reliant on the satisfaction of these three groups. In SMEs, the ownership is generally a small group or even a single person who has a tremendous financial and emotional stake in the business. Employees depend on the business for jobs and debt-holders, whether individuals or entities, rely on the business for repayment of loans. The distinguishing characteristic of stakeholders is that they are all persons (or entities) which have a material and/or economic interest in the business. A significant part of the human connection to a business is represented by the stakeholders and the very survival of the business is dependent upon a certain level of satisfaction among these groups. The measure for stakeholders' satisfaction was borrowed from Metts. Stakeholder satisfaction is a measurement of stakeholder perceptions of a program, project or initiative. It is measured by asking stakeholders to rate their satisfaction on a numerical scale. Accordingly, change management is a comprehensive, cyclic and structured approach for transitioning individuals, groups and organizations from a current state to a future state with intended business benefits.

The process of change begins with organizational leaders developing an organizational strategy, then with the creation of an initiative that is aligned with that strategy.

Managerial Style: Researchershave stated that the managerial style of leaders of organizations is one of the ways to success. In the aspect the work of Otsupius (2016) analyse organizational change Management as a strategic approach to organizational effectiveness. Change management is the process of managing transformational changes, which affect the culture, structure and performance of an organisation.' (Downey and Crawford, 2008) According to Oseni, (2007) Change management can be defined as the process of planning, organizing, coordinating and controlling the compositions of the environment, internal and external; to ensure that the process changes are implemented according to approved plans and the overall objectives of introducing the changes are achieved with as little disruption as possible. It may be impossible to effect change without any inconvenience to the existing processes and processors. In effect, change management is intended to prevent disruptions and any other deliberate or inadvertent acts that would frustrate the process change, and to resolve any disruptions and their causes promptly. Moran and Avergun's (1997) description of change management provides a starting point, defining it as "the process of continually renewing the organization's direction, structure, and capabilities to serve the ever-changing needs of the marketplace, the organization, and employees.

Management style is a managerial parlance often used to describe the how of management. It is a function of behaviour associated with personality (McGuire, 2005). Management style can be understood as a way to manage an organization. According to Schleh (1977), management style is "the adhesive that binds diverse operations and functions together". It is the philosophy or set of principles by which the manager capitalizes on the abilities of the workforce. Management style is not a procedure on how to do but it is the management framework for doing. A management style is a way of life operating throughout the enterprise and permits an executive to rely on the initiative of the personnel of an entity.

## **Theoretical Framework**

The study adopts two baseline theories to illustrate or explain its relevance with performance management system. These theories were adopted because they help to explain how proper goal design and implementation can enhance employee or organizational performance in the long run. These theories are goal setting theory and equity theory as discussed below;

## **Goal Setting Theory**

Given that all businesses are goal centered, the need for the adoption of goal setting theory by managers to define how specific organizational goals can be achieved in the most effective and efficient manner cannot be overemphasized. The advancement of goal setting is linked to the work of Edwin Locke. Goal setting theory explains the mechanisms by which goals influence behaviour, and how the latter can be moderated by goal characteristics (difficulty and specificity), the level of commitment, the importance of the goal, and levels of self-efficacy,

feedback, and task complexity (Locke & Latham, 1990). Thus, goal setting refers to the process of establishing clear and usable targets, or objectives, for learning (Moeller, Theiler & Wu, 2012). In modern business management, the basis of goal-setting is that when specific difficult goals are set, it engender higher performance than does merely urging individuals to do their best.

Therefore, through adoption of goal setting theory enhances employee effectiveness especially when the goals are focus attention and effort toward goal-relevant activities and away from other activities. Second, goals energize individuals to exert greater effort on more challenging goals; increase the level of persistence that an individual will display in order to achieve the goal and finally, when goals indirectly are the arousal, discovery or use of knowledge relevant to the task. A well- articulated organizational reinforces employees' commitment which in turn enhance their effectiveness through quality and timely delivery of assigned task. Accordingly, Gómez-Minambres (2012) posits that employees record higher levels of motivation when they are presented with explicit goals that they are supposed to meet. Such goals could include a sales target in the case of sales employees. Similarly, Bipp and Dam (2014) reinforce that with a properly goals, employees will perform at a higher level in the presence of specific and challenging goals.

## **Assumptions of Goal Setting Theory**

This theory assumes that employees work well when they are faced with challenging goals. Tackling these more difficult goals forces employees to work hard and develop their skills, and, as a result, receive positive feedback and an overall sense of achievement. This, in turn, may result in improved employee engagement, productivity and satisfaction in the workplace (David, Song, Hayes and Fredin, 2007). Based on the review of extant literature, the proponents of the goal theory posit that employees record higher levels of motivation when they are presented with explicit goals that they are supposed to meet (Gómez-Minambres, 2012; Catania, 2012).

## Implications of Goal Setting Theory to the Present Study

The implications of goal setting theory to the present study 'performance appraisal system and organizational effectiveness is very important as it enables management to identify the purpose of the firm's goals. Also, through such employees are met to deliberate on the needs for goal-setting as opinions are raised to guide the establishment of performance system, where goals are designed in a specific, measurable, achievable, realistic and timely bound to help promote employee's activities towards the effectiveness of the organization. When a person or organization is committed to achieving goals and do not suffer from any conflicting goals. Then, the achievement of the goal is positive. In addition goal setting will help in developing an action plan designed to guide people and organizations. Furthermore, many researchers point out that there is a positive correlation between goal setting and improved business and organizational results. This is because goal setting theory encompasses all aspects of building organizations

with efficiency (Locke & Latham, 2006; Spaulding & Simon, 1994; Koppes, 2014). Hence, in order to apply goal setting in a day to day work, a 'commitment analysis' should be undertaken to draw up objectives and goals. It allows continuous improvement in objectives and performance standards (Moynihan, 2008). Commitment analysis helps in determining the continuous pursuance of objectives and goals set to improve productivity (Krausert, 2009).

## **Equity Theory**

This theory was propounded by John Stacey Adams in 1965. Equity theory focuses on employees perceptions of the fairness of their work inputs and outcomes.

## **Assumptions of Equity Theory**

- 1. The theory demonstrates that the individuals are concerned both with their own rewards and also with what others get in their comparison.
- 2. Employees expect a fair and equitable return for their contribution to their jobs.
- 3. Employees decide what their equitable return should be after comparing their inputs and outcomes with those of their colleagues.
- 4. Employees who perceive themselves as being in an inequitable scenario will attempt to reduce the inequity either by distorting inputs and/or outcomes psychologically, by directly altering inputs and/or outputs, or by quitting the organization (Prachi, 2015; Good faith, John, Solomon & Kenneth, 2021).

## Implications of Equity Theory to the Present Study

Applying this theory when conducting a company's performance appraisals involves balancing the assessment of an employee's contribution to his job with the compensation and other rewards associated with his success. In general, highly-paid and rewarded employees tend to be the most motivated to continue performing well on the job as such enhances organizational effectiveness such as goal attainment and system approach effectiveness. According to this theory, employees' feelings of inequity lead to the modification of how they work which can make the organization effective or ineffective. When an employee observes that he should be earning more, he will amend his work input that will be equal to the pay he receives or lay a complaint to the management for re-negotiation or leave the organization for better opportunities (Goodfaith et al., 2021). More so, the implication of equity theory to the present study on performance appraisal and organizational effectiveness is that it helps management and employees to avoid underpayment and over payment, be sensitive to inequity perceptions, monitor regularly for inequity and ensures that sacrifices are distribute equally in organizations. Therefore, it is understood that the theories have relevant views and relates with the study variables.

## **EMPIRICAL REVIEW**

A study conducted by Umar and Cross (2019) examined the impact of performance appraisal on employee's productivity. This research took place or carried out at Nigeria Breweries plc, as a case study that would help guarantee high productivity of products and services in the organization. It also examines the promotion, motivation, placement, training and job satisfaction of employees so as to appraise the job performance in the organization. The 110 respondents were analysed with the use of Statistical Package for Social Sciences (SPSS). Chi-Square analysis and Percentage distribution are the two techniques used in the research. The findings of the research survey discovered that objective and well planned high performance of employees productivity, retraining and consistent training are to be organized for the people involved in appraisal programme.

Goodfaith et al. (2021) investigated performance appraisal methods and employee performance of selected firms in Anambra State of Nigeria. The specific objectives of the study were to ascertain the extent management by objectives appraisal method, 360 degree performance appraisal method and goal setting performance appraisal method relate to employee performance. A survey research design method was used. The target population of the study comprised 247 employees of three selected firms in Anambra State. The study used only 237valid copies of the questionnaire for analysis. Pearson correlation analysis was used to test the hypotheses formulated for the study. Amin and Shila (2015) conducted a study on enhancing organizational effectiveness by performance appraisal, training, employee participation, and job definition. 165 questionnaires were distributed among employees in Malaysian governmental university and collected data was analysed through factor analysis, reliability, correlation, and regression test. The findings revealed that training, employee participation, performance appraisal, and job description have significant effect on organizational effectiveness. Amin and Shila (2015)

Paul, Abeguki, Hezekiah and Dirisu (2014) carried a study on modelling the relationship between performance appraisal and organizational productivity in Nigerian public sector. Descriptive survey design method was adopted with the use of questionnaire distributed to the management and staff of some selected public sectors in Lagos State, South-West, Nigeria out of which 254 representing 85% were valid for the research. The questionnaire was structured into four sections. The study pointed that if managerial decisions are fair and just with equitable reward and promotion for job done, it will increase employees' commitment and loyalty in the organization. In the same vein, if employees were properly motivated with the necessary and adequate training needs, innovation would increase rapidly on the job and this will thereby lead to competitive positioning. In addition to this, employees agreed that if they got regular feedbacks about their performance on the jobs, it could secure competitive positioning for the organization. As this will help them to identify their strengths and weaknesses which could invariably produce opportunities to the organization they are working with and threat to their competitors.

## **Gap in Literature**

It is obvious that studies related to performance appraisal system and organizational effectiveness has been carried out. Umar and Cross (2019) examined the impact of performance appraisal on employee's productivity in Nigeria Breweries plc. Goodfaith et al. (2021) investigated performance appraisal methods and employee performance of selected firms in Anambra State of Nigeria. Amin and Shila (2015) conducted a study on enhancing organizational effectiveness by performance appraisal, training, employee participation, and job definition in Malaysian governmental university. Paul, Abeguki, Hezekiah and Dirisu (2014) carried a study on modelling the relationship between performance appraisal and organizational productivity in Nigerian public sector in Lagos State, South-West, Nigeria. However, little or no study has been carried out to adequately attest how performance appraisal system could enhance organizational effectiveness. In the light of the above, there is need for scholars in the field of management and human resource management to empirically ascertain how performance appraisal system in terms of graphic rating method and 360 degree feedback could enhance effectiveness (goal attainment approach and system approach) among organizations. Also, some scholars have argued that there are aspects of performance appraisal (behaviourally anchored rating scale) that no or little review has been done and this study seeks to fill the lacuna.

## **FINDINGS**

The findings showed that MBO appraisal method had a positive significant relationship with employee performance of the selected firms in Anambra State. The study discovered that 360 degree feedback method had a positive significant relationship with employee performance. The findings also revealed that goal setting method had a positive significant relationship with employee performance. The study concluded that performance appraisal is very imperative for improved productivity, promotions, augmentation, and job enrichment. It also enhances employees' confidence, job commitment, competitiveness, productivity and firm profitability (Goodfaith et al., 2021). The findings of Amin and Shila (2015) revealed that training, employee participation, performance appraisal, and job description have significant effect on organizational effectiveness.

The findings of Akinyele and Obamiro (2005) revealed that effective performance appraisal such as graphic rating method could boost productivity, goal attainment, resource acquisition and as well promotes the growth of the firm. A delineated performance appraisal system leads to a great and positive influence on the effectiveness of firm (Kirsten & Meyer, 2005). In addition, ineffective appraisal practices can lead to several undesirable issues such as: decrease employee productivity, low morale, and reduce encourage to support organization, so all of them lead to reduce the organizational effectiveness (Osman et al.,2011). More so, graphic rating method has become a fundamental tool used for facilitate organizational effectiveness and greater employees' commitment in the workplace.

## CONCLUSION

This study was conducted to understand the relationship between performance appraisal system and organizational effectiveness alongside its measures such as internal process approach and strategic constituencies approach. According to study that had been conducted, it could be concluded that performance appraisal system had significant influence on the effectiveness of organizations. Among others, when management appraise the performance of her workers through graphic rating method and 360 degree feedback, management by objective, and behaviourally anchored rating scale, her organization tend to be effective in business were they attain their predetermined goals and objectives, increased productivity and profitability, and as well promote resource allocation (system approach). Understanding the dimensions of performance appraisal system as used in this work such as graphic rating method and 360 degree feedback can help management of organizations better understand how to deal with performance issues among individual and group setting. Organizations which tend to be effective are positively engaged in continuous appraisal of employee performance in order to correct deviance and enhance better performance in the organization.

## RECOMMENDATIONS

Based on the conclusion above, the following recommendations are hereby made:

- Given that goal setting practices positively relates to employee effectiveness, the study recommends that management of organizations should enhance goal setting practices and link attainment of goals with rewards to continue improving the performance of teachers in secondary schools. Employees should be involved in setting of goals to establish a transparent and objective criterion for appraisal to enable them know the basis upon which they are being evaluated.
- 2. Management of organizations should identify areas for improvement using method and as well carry out actions and progress in a tractable manner to help improve the system effectiveness of the organization.
- 3. The management of organizations should create an enabling environment were opportunities for self-appraisal or self-evaluation, so the manager can be encouraged to develop himself.
- 4. The management of organizations should ensure that the number of workers being evaluated by a rater should not be too large, so that he can have enough time to do a thorough job on each person.

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# Reward Systems and Employee Withdrawal Behavior of Government Approved Selected Private Secondary Schools in Port-Harcourt, Rivers State

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**Abstract**: This study examined the relationship between reward systems and employee withdrawal behavior in government approved elected private secondary schools in Port Harcourt, Rivers State. Cross-sectional survey which is a form of quasi-experimental research design was adopted for the study. The population of the study therefore comprised 348 employees from 20 government approved selected secondary schools in Port Harcourt, Rivers. The sample size of 186 respondents was determined using Taro Yamane's formula. A well-structured questionnaire was used as an instrument of data collection for the study. Spearman's rank order (rho) correlation coefficient was utilized in testing the stated hypotheses with the aid of Statistical Package for Social Sciences (SPSS version 23.0). The study, therefore, concludes that intrinsic and extrinsic rewards significantly influence employees' withdrawal behavior in government approved secondary schools in Port Harcourt, Rivers State. Finally, the study recommends that the management of private secondary schools in Port Harcourt, Rivers State should focus keenly on the improvement of intrinsic and extrinsic reward systems as a way of promoting the survival of their organizations.

Keywords: Reward systems, Extrinsic and Intrinsic reward, Withdrawal behavior, Lateness, and Absenteeism

## INTRODUCTION

The nature of withdrawal behavior among the staff of secondary schools in Port-Harcourt, Rivers state, and its effects on the population of interest is the focus of this study. The goal is to widen the scope of the organizational study by focusing solely on negative withdrawal behaviors among employees. This article also looks at several kinds of negative withdrawal

behaviors in the workplace, as well as some of the reasons why employees participate in such behaviors. Also, the reasons why organizations allow negative withdrawal behaviors to thrive while discouraging positive withdrawal behaviors are investigated. Lastly, possible solutions to overcome problems arising from negative withdrawal in the workplace will be examined, along with how organizations can encourage positive withdrawal behaviors that will help them reach their organizational goals.

Employee attitudes can have a direct impact on the mood and productivity of a company. To keep employees engaged, organizations must provide a professional and work-friendly environment. Employees will be more inclined to work hard and accomplish each assignment as planned if this environment is developed. Employee attitudes can have a direct impact on the atmosphere and productivity of an organization. An attitude is a psychological inclination that is manifested by a favorable or unfavorable evaluation of a specific entity (Eagly & Chaiken 2012). Attitude describes the way an employee feels inside. These are an employee's feelings toward his employer, his co-workers, and his position within the organization. All employees have attitudes toward their working environment. According to Simatwa (2011), deviant behavior is a function that is negatively related to the degree to which one's personal needs are negatively fulfilled within the organization. Kuria (2011) argues that employees are most satisfied and highly productive when their job offers them security from economic strain, recognition for their effort, clear policy on grievances, opportunity to contribute ideas and suggestions, participation in decision making and managing the affairs, clear definitions of duties and responsibilities and opportunities for promotion, fringe benefits. Job satisfaction means a pleasurable emotional state of feeling that results from the performance of work (Simatwa, 2011). Job satisfaction, employee engagement, organizational dedication, employee absenteeism, and employee lateness to work are all examples of employee behaviors that affect productivity in secondary schools. Employees' withdrawal behavior is a big hindrance to every compensation system viewpoint.

Rewarding employees is a function of human resource managers in every organization as they deal with the assessment of job values, the design, and management of payments (expenditures), as well as job satisfaction, pay system, employees' benefit, and pensions. Mujtaba and Shuaib (2010); Koch (2017) opined that effective, appropriate, timely, and market-driven rewards tend to motivate both managers and employees. Khalid, Salim, and Loke (2011) also stated that rewards are received as an exchange of services between employees and employers. Hence, the rewards offered by employers have been found to significantly improve employees' motivation and commitment towards their job and consequently increase job satisfaction (Negash, Zewude & Megersa, 2014; Khalid et al., 2011; Rafikul & Ahmad, 2008; Milne, 2017). Organizations and human resource managers nowadays recognize rewards as important factors or tools that motivate employees to act willingly and exert considerable effort on behalf of the organization as they maintain a strong relationship, which in turn increase their job satisfaction (Zaini, Nilufar & Syed, 2016). Successful private secondary schools are dedicated to meeting their employees' needs because they think that cultivating employee

satisfaction will lead to increased employee involvement, which will lead to increased productivity (Popoola, 2017). Owners of private secondary schools depend on significant productivity increases to maximize their bottom line. Consequently, employees are asked to do more each day with less, resulting in a mismatch of resources and loss of productivity. Fortunately, employee productivity increases can be achieved by knowing more about your employees and what motivates them. Reciprocity is a mechanism underlying dedication to work that leads to productivity, according to Ofobruku (2012), and that employees will offer their commitment to the organization in exchange for the organization fulfilling its psychological contract. By fulfilling obligations relating to good working conditions, job safety, and an effective reward system employers are creating the right platform for job satisfaction without engaging in deviant behavior

In today's dynamic and competitive business world, the necessity of a rewards system has grown. This is due to the fact that it allows businesses to recruit and retain staff while also increasing productivity (Dalvi & Ibrahim, 2013). According to Datta (2012), many organizations view personnel as the most important factor in generating organizational value and competitive advantage. As a result, using a variety of tactics such as rewards, it is critical to retain personnel, build motivation, and boost job productivity. Most reward and recognition programs have traditionally been ambiguous, and they were frequently issued in reaction to a manager's assessment of when an employee did extremely well (Attwood, 2016). There were rarely any clear parameters by which exceptional performance could be judged, and it could have meant anything from having a positive attitude, assisting another department, or being consistently punctual. In current organizational settings, this is no longer the case, as organizations understand the great gains derived by linking rewards, job satisfaction, motivation, and performance to their business strategy (Blyth, 2018).

Previous research has focused on the elements that impact employees' withdrawal behavior in the workplace. According to Dessler (2013), high-achieving, talented workers are the driving force behind all organizations, hence it is critical that organizations try to encourage and retain the best employees. Deci and Ryan (2010) conducted and reproduced a study that found that monetary rewards have a negative impact on intrinsic motivation and withdrawal behavior. Despite the fact that many researchers have focused on the effects of reward systems on employee and organizational behavior, only a few have looked at the effects of reward systems on withdrawal behavior among employees. These studies that focused more on reward systems and employees' withdrawal behaviors have been identified through a thorough review of literature that most of the dimensions used include intrinsic and extrinsic rewards, performance and skills-based rewards, knowledge and carrier-based rewards, target and sales volume rewards, tipping among others. None of these reward systems mixes is the same as the reward system mix for this study. Also, the measures of employee withdrawal behavior used in previous studies are closely similar to the mix of the measures of employee withdrawal behavior for this study but not exact. Moreover, most of the studies conducted in this area were found to be theoretical, therefore the outcome from such studies cannot be measured. Only a few of these researches were empirical; the others used non-parametric inferential

statistics, which made the findings weak. Time plays a significant role in how people perceive, judge, and make decisions.

Most of the studies that are related to our study were either carried out in the analog era where things were done most manually while some few others experienced the early era of the transition from analog to digital times. The way organizations were designed in those days differs from the way organizations are designed to operate in recent times. In those days, the level of manual labour (physical efforts) was considered as the standard for rating performance and subsequently a yardstick for rewarding employee's hard work. As time and development progressed, the way organizations and jobs were designed began to improve and diverge. The majority of the studies conducted in this area were found to have been conducted in both the western and African nations i.e. both the developed and developing nations.

Some of these studies have been found to be carried out in most West African countries which Nigeria is inclusive, but these related studies have been conducted in other states in the country. Some of the studies which are empirical were also recognized to have been conducted in the northern and eastern states but only a few which are theoretical in nature have been discovered to have been conducted in private secondary schools in Port-Harcourt Rivers State. Finally, of these related studies, only our study departed to study the secondary schools in Port-Harcourt Rivers state while others concentrated more on surveying business-oriented organizations. To this end, it is clearer than ever that there is a knowledge gap to be bridged in terms of content, time, place, data analysis approach, and the organization surveyed to be filled. As a result, the goal of this study is to address this gap by investigating the association between reward systems and employee withdrawal behavior in a government approved private secondary schools in Port Harcourt, Rivers State, Nigeria hence the researcher's point of departure. With regards to the goal of this study, the following specific objectives were derived:

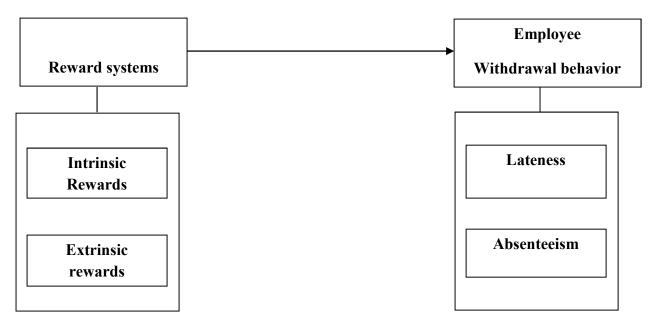
- 1. To examine the relationship between intrinsic reward and employee withdrawal behaviors in government approved private secondary schools in Port-Harcourt, Rivers state.
- 2. To examine the relationship between extrinsic reward and employee withdrawal behaviors in government approved private secondary schools in Port-Harcourt, Rivers state.

In view of the problem statement and the specific objectives above, the following research questions were formulated thus:

- 1. To what extent does intrinsic reward influences employee lateness in government approved private secondary schools in Port-Harcourt, Rivers state?
- 2. To what extent does intrinsic reward influences employee absenteeism in government approved private secondary schools in Port-Harcourt, Rivers state?
- 3. To what extent does extrinsic reward influences employee lateness in government approved private secondary schools in Port-Harcourt, Rivers state?

4. To what extent does extrinsic reward influences employee absenteeism in government approved private secondary schools in Port-Harcourt, Rivers state?

Below is a conceptual framework illustrating the possible relationship between the study variables i.e. reward system and employee withdrawal behavior in selected private secondary schools in Port-Harcourt, Rivers state as shown in figure 1.



**Figure 1:** Conceptual Framework of the reward system and employees' withdrawal behavior. **Source:** Desk Research, 2021: Dimensions and measures adopted from Adler (2001); Cleg (2003); Rosse (2008); and Blau (2004)

## LITERATURE REVIEW

## Theoretical Framework Equity Theory

Psychologist John Stacy Adams is related to equity theory (1963). The theory's central premise was to explain relational satisfaction in terms of the experience of fair or unfair material distribution within-group interrelationships. Employees aim to preserve parity between what they put into a job and what they get out of it, according to the proponent of this theory, in comparison to the perceived inputs and results of others (Huiras, Uggen & McMorris, 2000). Employees value fair treatment, which pushes them to maintain a comparable standard of fairness with their coworkers and the organization, according to the notion. The theory states that the workplace equity system is based on the ratio of inputs (employee contributions) to outputs (salary and other rewards).

Individuals who believe they are under-or over-rewarded would experience pain, according to the hypotheses, and this distress will lead to efforts to restore equality in the relationship. The

goal of equity theory is to determine if the distribution of resources is equitable to both partners in a relationship. As a result, equity is determined by comparing the ratios of each person's contributions and advantages inside the partnership (Redmond, 2009). Employees want to feel that their efforts and work performance are being recognized with fair pay, treatment, and comfort, according to (Huiras et al; 2000). An employee who believes he or she is underpaid may develop feelings of animosity against the company and possibly coworkers. This animosity may result in the display of bad work attitudes and job unhappiness. Feelings regarding equity are also influenced by subtle or intangible compensation. Receiving recognition for strong job performance and being thanked can create employee satisfaction, and therefore help the employee feel worthwhile, resulting in positive behavior for both the individual and the organization (Boundless, 2015).

The applicability of this theory in regards to this study is that employees are more prone to engage in activities such as lateness to work and absence from work because of how they are treated by the business and its managers, according to this notion. In recent years, an increasing number of academics have discovered substantial empirical support for the link between work dissatisfaction and employee withdrawal. The theory has been criticized for the following reasons (a) that it revealed different methods through which equity can be restored but failed to provide in detail which option an individual will adopt; (b) it fails to highlight other variables, which are beyond the control of administrators, management, and/or organizations that could bring about inequity (Redmond, 2009).

## **Concept of Reward systems**

A reward is a wide concept that has been defined as anything that an employer is prepared to offer in exchange for an employee's contributions (Chiang & Birtch, 2008). The lack of rewards will create an uncomfortable work atmosphere, which will demotivate employees' efforts and possibly force them to leave them or engage in negative deviant behavior. As a result, incentives are becoming increasingly crucial. The primary goals of incentives are to recruit and retain employees, inspire them to attain high levels of performance, and elicit and reinforce desired employee behavior. Financial incentives are frequently used by organizations to reduce employee unhappiness and inspire employees, yet they may not be the most effective motivator in the long run (Mossbarger & Eddington, 2003). While the presence of money may not be a very good motivator, the absence of it is a tremendous de-motivator, according to Deeprose (2014). Brown (2001) asserts that there is a beneficial relationship between rewards and corporate strategy in its broadest meaning.

According to Svensson (2001), a reward system aligns employees' true self-interests with the organization's goals and provides three types of management control benefits: informative, motivating, and personnel related. To begin with, rewards should catch the employee's attention and at the same time bring up to date, update for the individual in charge of what results should be completed in different working areas. Organizations use reward systems to emphasize which parameters their employees should apply the additional effort on by incorporating them in their reward program. Merchant. (2007), stresses that individuals in some cases require an incentive to perform tasks well. Organizations give rewards for a variety of purposes, such as to improve recruitment and retention by providing a market-competitive

remuneration plan. Reward systems, according to Svensson (2001), are fundamental items that employees value. It's important to keep in mind that reward system might include both positive and negative incentives. Negative incentives are regularly used as punishments. Autonomy, power, salary increases, and bonuses are examples of positive rewards, while obstruction in work from superiors, no salary increase, and no promotion are examples of negative rewards.

## **Intrinsic Reward**

Jensen et al (2007) view intrinsic reward as an instrument that motivates employees to perform as expected. Toner & Freeman (1992) defined intrinsic rewards as the" psychological reward that is experienced directly by an employee. Nelson (2004) opined that praise and recognition are the most efficient intrinsic reward that enhances employee's performance.

An intrinsic incentive satisfies the intrinsic causes or motivators of an employee, thus motivating him. Giving a difficult job, involving them in the decision-making process, and giving them a higher rank in the hierarchy are some examples. Both of these benefits are not contingent on a rise in compensation, and employees can hold higher management positions without receiving a pay raise. And much more enthused "Praise and appreciation are the most effective intrinsic rewards that improve employee performance," according to Bosco (2014). Intrinsic rewards are psychological rewards that are directly experienced by employees

### **Extrinsic Reward**

Extrinsic rewards actually fulfill employees' extrinsic factors or hygiene factors and thus do not let them start thinking about leaving the company. Examples include; pay rise, bonuses, paid leaves, annual recreational plans, etc. Ahmed (2009), confirms that there is a statistically significant relationship between reward and recognition respectively. Extrinsic rewards are usually financial or tangible rewards given to employees, such as pay raises, bonuses, and benefits. Carraher et al. (2006) argue that an effective extrinsic incentive system should be in place to keep top performers in the business and that the reward should be linked to their production. Another fact that can be observed from the above discussion and examples is that intrinsic rewards are mostly qualitative and cannot be quantified for example more respect, recognition, etc. Whereas extrinsic rewards are more quantitative.

'It is feasible to induce workmen to work significantly harder than the typical men around them for any extended length of time unless they are given a large and permanent increase in income,' according to Taylor (1911), as referenced by (Onyeonoru, 2005). Financial benefits, on the other hand, include the following:

**Bonus**: A bonus is an extra payment given as an incentive or reward for exceptional performance, such as increasing sales or inspiring a production line to reach or surpass a quota, knowing that there is a monetary incentive for higher productivity can be just what many employees require.

**Pensions:** pension is an arrangement to provide people with an income when they are no longer earning a regular income from employment.

**Wages and salaries** are paid per hour worked, and workers are usually paid at the end of the week. Salaries are paid at the end of each month and are based on the previous year's labor. **Allowance**: Allowance is money that employees receive regularly. It is distinct from the money that workers earn by working, which is referred to as wages.

## **Concept of Employee withdrawal behavior**

Theories and research have shown that numerous factors are responsible for this amoral act. Withdrawal behaviors refer to a set of attitudes and behaviors used by employees when they stay at the job but for some reason decide to be less participative (Kaplan, Bradley, Lachman & Hayness 2009). In the present study, we focused on two indicators from among the wide array of potential withdrawal measures: lateness and absenteeism. The importance of studying employees' withdrawal behaviors cannot be overstated. Employees' withdrawal behaviors are very costly and result in decreased standards of organizational productivity. They also cause increased pressure on those left in the job, resulting in decreased morale on turnover (Shaw, Gupta & Delery, 2005).

Previous studies (Hackett and Bycio, 1996; Staw and Oldham, 1978) indicate that withdrawal behaviors do not have exclusively detrimental effects for an organization. They argued that withdrawal behaviors may give employees a needed break from stress and might be expected in response to a wide range of noxious aspects of the work role. Thus, by withdrawing, all these employees may return to work with higher motivation which in turn can ultimately increase organizational effectiveness.

On the other hand, recent studies (Carmeli, 2005; Johns, 2003) found that these withdrawal behaviors stem not only from unavoidable situations but also from avoidable ones resulting from perceived unethical conditions which reduce organizational commitment and organizational effectiveness. All these findings point to the relevance of examining whether a reward system may predict withdrawal behaviors among employees. The questions that this study tried to answer are: what are the interrelations between extrinsic and intrinsic reward systems and lateness and absenteeism of employees in government approved private secondary schools.

## Lateness

The word "lateness" literally refers to a situation in which a person arrives after the appointed, planned, or customary time (Oxford Advanced Learners' Dictionary, 5th ed., 1995). Furthermore, Lauby (2009) defines it as a term for "people who don't turn up on time." Breezes et al. (2010) contributed by saying that lateness is synonymous with "tardiness", which implies being slow to act or react, and therefore failing to adhere to proper or normal timing. As a result, lateness can be seen as a method of network collapse (Peretomode, 2011); the criterion and determinant of lateness is a situation of not keeping up with a program as a function of time.

One of the major issues that have plagued many organizations (private schools) is tardiness; almost no organization is immune to this problem. The negative effect of this major threat cannot be overstated, as it has had a direct negative impact on employee performance and organization operations.

Lateness can be viewed as an outcome of laxity or system breakdown (Peretemode, 2011). Lateness is a function of time and as such time is usually used as the criteria for determining lateness. Late coming violates the principle of punctuality and if not checked at the onset, may become a habit with the individual involved and may have negative consequences (Breeze et al., 2010). Lateness is a serious and ongoing administrative concern among personnel in private secondary schools in most developing countries (Egbule, 2004; Dafiaghor, 2011). According to Emore (2005), female employees are more likely than male employees to be late.. This may be due to their involvement in domestic activities. The study further pointed to organizational location as one of the major causes of lateness among employees.

## **Absenteeism**

Absenteeism is an employee behavior grounded on physical, psychological, and social reasons and affecting employees' development negatively. Absenteeism can be not only a symptom of employees' negative feelings about their job but also sourced for many different reasons (Gökyer, 2012). Absenteeism is typically based on total days of school missed, including both excused and unexcused absences (Balfanz & Byrnes, 2012). The State Board of Education (2013) created criteria for excused and unexcused absences for use by schools and districts in order to implement statutory policies and procedures involving truants, and truancy reporting provide the three types of teacher absenteeism. However, according to Ubogu (2004), absenteeism can be caused by illness, financial challenges, age, social status, geographical region, attitudes of school owners, poor school management, and weather conditions.

## RESEARCH METHODOLOGY

This study used a cross-sectional survey, which is a type of quasi-experimental research design. As a result, in order to assess the manifestation and relationship between the reward systems and employee deviant behavior, the study used the descriptive survey method. The target population of the study consisted of 348 (three hundred and forty-eight) employees of each secondary school of the 20 government approved private secondary schools operating in Port Harcourt, Rivers state as obtained from the principals' office. The sample size of 186 was calculated scientifically for a finite population using the Krecjcie & Morgan formula (1970). A self-administered structured questionnaire was used to collect data. With the use of SPSS, data were also analyzed using Pearson's Product Moment Correlation Coefficient (PPMCC). The Cronbach Alpha coefficients, as indicated in table 1 below, were used to assess the reliability

Cronbach's Alpha values for the variables under consideration.

S/No	Dimensions/Measures of the study variable	Number of items	Cronbach's Alpha
1.	Intrinsic rewards	4	.932
2.	Extrinsic rewards	4	.773
3.	lateness	4	.809
4.	absenteeism	4	.820

**Source**: Research Data, 2020 (SPSS Output, Version 23.0)

## **DATA ANALYSIS AND RESULTS**

H0<sub>1-4</sub>: There is no significant relationship between reward systems and employee withdrawal behavior in 20 selected government approved private secondary schools in Port Harcourt, Rivers State.

**Table 2:** Correlation Matrix for rewards system and employee deviant behavior

			Corporate integrity	Adap_Cap.	Sit_Aware	Robustness
Spearman' s rho	Intrinsic Rewards	Correlation Coefficient	1.000	.875**	.895**	.831**
		Sig. (2-tailed)		.000	.000	.000
		N	175	175	175	175
	Extrinsic Rewards	Correlation Coefficient	.875**	1.000	.772**	.782**
Ĭ		Sig. (2-tailed)	.000		.000	.000
Ĭ		N	175	175	175	175
•	Lateness	Correlation Coefficient	.895**	.772**	1.000	.752**
		Sig. (2-tailed)	.000	.000		.000
		N	175	175	175	175
	Absenteeism	Correlation Coefficient	.831**	.782**	.752**	1.000
		Sig. (2-tailed)	.000	.000	.000	
		N	175	175	175	175

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data, 2020 (SPSS Output, Version 23.0)

Table 2 above illustrates that there is a positive association between the rewards system and employee withdrawal behavior, as indicated by the correlation coefficient (rho). At p 0.0000.05, the value.875 shows a strong positive connection. The correlation coefficient indicates that the variables are highly correlated. As a result, the null earlier stated hypotheses are rejected and the alternate hypotheses are supported or accepted. Thus, there is a significant relationship between reward systems and employee withdrawal behavior in private secondary schools in Port Harcourt, Rivers State.

## CONCLUSION AND RECOMMENDATIONS

The researcher determined that reward systems had a considerable impact on employees' lateness to work and employees' absenteeism from work in private secondary schools in Port Harcourt, Rivers State, based on the correlations between reward systems and employee withdrawal behavior.

The following recommendations were made based on the study's findings:

- 1. Extrinsic rewards should be seriously considered by private secondary school administrators since they have a favorable impact on employee aberrant behavior. Extrinsic rewards are significant because they reflect a solid financial system that builds trust in the system and removes events that can disrupt an employee's economy.
- 2. Private secondary school administrators in Port Harcourt, Rivers state, should establish an intrinsic rewards scheme for their personnel to acquire their loyalty and devotion.

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