Network for Research and Development in Africa

ISSN: 2384-5849. Volume 7, Number 2. July - November 2022
www.arcnjournals.org

International Academic Journal of Management & Marketing

Special Edition

Network for Research and Development in Africa (NRDA)

International Academic Journal of Management and Marketing

Special Edition

ISSN: 2384-5849. Volume 7, Number 2. July – November 2022

Network for Research and Development in Africa (NRDA)
https://arcnjournals.org/index.php/2-uncategorised/57-nrda-journals

International Academic Journal of Management and Marketing

Special Edition

ISSN: 2384-5849. Volume 7, Number 2. July – November 2022

Published by: Africa Research Corps Network (ARCN)

Disclaimer

The Journal and the Editorial Board do not bear responsibility for views expressed by the authors in this Journal. Any problem relating to the articles (i.e. plagiarism, grammatical errors, lexicon errors, spelling mistakes, publishing articles in more than one journal, etc.) is the sole responsibility of the authors and the Journal bears no responsibility for that. The use of general descriptive names, trade names, trademarks, and so forth in this publication, even if not specifically identified, does not imply that these names are not protected by the relevant laws and regulations. While the advice and information in this Journal are believed to be true and accurate on the date of it going to the press, neither the authors, the editors, nor the publisher can accept any legal responsibility for any errors or omissions that may be made. The publisher makes no warranty, express or implied, with respect to the material contained herein.

Submissions

Manuscripts adhering to author's guideline should be submitted for double-blind peer-review process to the Editorial Board. Manuscripts should be submitted electronically to: arcnjournals@gmail.com

s/n	Contents	Pages
1	**Internal Marketing Practices and Customer Loyalty of Healthcare Firms in South-South, Nigeria: The Moderating Role of Industry Policy** Idenedo, Otite Wisdom. Ph.D and Ebenuwa, Augustina Osogom. Ph.D	1-28
2	**Internal Marketing Practices and Customer Loyalty of Healthcare Firms in South-South, Nigeria** Idenedo, Otite Wisdom. Ph.D and Wali, Kemkamma Ph.D	29-49
3	**Impact of POS Business in Reducing Unemployment Rate in Anambra State** OKOYE, Vincent Chekwubechukwu, Dr Orajaka Ugochukwu Paul & Nnebe, Ekwutosi Gloria	50-62
4	**Employee Loyalty an Asset for Organizational Performance** Tolofari Daniel Tamunokediari; Amah, Edwinah (PhD) and Nkasiobi Otuonye Okocha	63-76
5	**Work Re-Engineering and Organizational Competitiveness of Manufacturing Firms in Nigeria** Ofoegbu, Wilson Chukwuemeka	77-87
6	**Human Resources Management and Corporate Performance in the Hospitality Industry in Bauchi State** Haruna, A. S. and Kabir H. U.	88-101
7	**Impact of Organizational Restructuring on Operational Effectiveness of Health Sector in Nigeria; a Study of Rivers State University Teaching Hospital** IHUNWO, Elvis C.	102-114
8	**Role of a Sustainable Agro Entrepreneurship towards Economic Diversification and Economic Growth: A Study of Anambra East Local Government** Dr. Chineze J. Ifechukwu-Jacobs	115-129
9	**Effects of Fiscal Decentralization on Selected Macroeconomic Variables in Nigeria (1990 – 2017)** Emmanuel TileAime	130-147
10	**Affective Commitment and Organizational Resilience of Commercial Banks in Rivers State, Nigeria** EFEJUKU, KENNETH	148-160
11	**Effect of Mobile Banking on the Performance of Small and Medium Scale Enterprise in Anambra State** Gordins Afoke Israel	161-174
12	**Green Training and Organizational Sustainability of Plastic Firms in Onitsha** Mesigo, Chukwunweike Chidube, Prof. OKEKE,Margareta-Mary N and OKEKE Chidimma Odira	175-184
13	**Safety Practices and Organizational Growth of Manufacturing Firms in Rivers State** Chiedu F. Amah and B. Chima Onuoha	185-204

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 1-28 (July, 2022)
https://arcnjournals.org

Internal Marketing Practices and Customer Loyalty of Healthcare Firms in South-South, Nigeria: The Moderating Role of Industry Policy

Idenedo, Otite Wisdom. Ph.D
Department Marketing, Ignatius Ajuru University of Education, Port Harcourt, Rivers State, Nigeria | Email: otiwis@yahoo.com
Ebenuwa, Augustina Osogom. Ph.D
Department of Business Administration, Faculty of Management and Social Sciences
University of Delta, Delta State, Nigeria | Email: aebenuwa@yahoo.com

Abstract: *This study ascertained internal marketing practices and customer loyalty of healthcare firms in South-South, Nigeria: The moderating role of industy policy. 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. Spearman's Rank Order Correlation served as the test statistic relying on SPSS version 21.0. The study observed a significant relationship between internal marketing practices (work-life balance, rewards system, and recognition) and customer loyalty. Also, industry policy significantly influence the link between internal marketing practices and customer loyalty of healthcare firms in South-South, Nigeria. Based on the findings, the study concludes that there is a significant relationship between the variables of the study. Anchored in the study's findings, the following recommendations are made; healthcare firms that seek to improve customer loyalty should consider internal marketing practices as a strategy. Healthcare firms should consider work-life balance, rewards systems, and recognition as an imperative strategy to improve customer loyalty. Healthcare firms should always consider the industry policy in their business and marketing operations to derive its benefits.*

Keywords*: Internal Marketing Practices, Work-Life Balance, Rewards System, Recognition Industry Policy and Customer Loyalty.*

INTRODUCTION

The rapidly evolving value requirements of customers, globalization and innovations in technology, dynamic nature of the contemporary business environment coupled with new business concepts, formats, and activities of competitors have made it imperative for firms to look inward for strategies that elicit customer loyalty and confer sustainable competitive advantage. Customer loyalty is customers' predisposition to prefer one brand and its products over those of competitors, based on the satisfaction they derive from using the brand's products (Idenedo & Ebenuwa, 2022; Idenedo & Goodie-Okio, 2022; Sima & Elham, 2015). It is the attitude of customers to prefer a brand due to satisfaction derived from using that brand or other psychological, economic, or social reasons (Otite & Didia, 2017).

Marketing indigenes use internal marketing with other ingredients of marketing strategies to improve customer loyalty and achieve competitive advantage; using different working systems that include employee involvement and participation in various business processes and activities (Mohammed et al., 2016). This implies that internal marketing is a strategy that requires investing in the organization's employees to improve job satisfaction and elicit commitment; both of which are deemed precursors of import to company performance (Bowen & Schneider, 2014). In healthcare, patients often interact with contact employees (nurse, administration, doctor, lab scientist, pharmacist, health assistant, paramedic, physiotherapy, optometry, etc.) whose role is an ingredient of differentiation.

Contact employees could influence service quality perception of the patient through their attitude (Bellaouaied & Gam, 2012), as such, they need to be well-trained on better ways to outsell their competitors through service delivery, product knowledge, and also be motivated to assist customers. Internal marketing practices in the healthcare sector create a positive work environment that results in the provision of higher quality care and concentrate on transforming promises made by service providers and their skills into highly efficient work performance that delights customers (Shekoofeh et al., 2019; Mazen et al., 2018).

The healthcare sector is made up of different institutions with a common objective of attracting potential customers, retaining existing ones, and expediting their progress on 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 has continually stretched the ability of healthcare providers, especially tertiary healthcare providers' in South-South, Nigeria, to win the loyalty of customers. This is despite 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 the healthcare sector, there are also indications of palpable dissatisfaction among patients in Nigeria, for the quality of services delivered by the healthcare providers. Ateke (2020) observes 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 resort to medical tourism in search of better healthcare (Taiye et al., 2017). The unending race for new customers by hospitals is a further demonstration of the suspicion that healthcare providers do not command the loyalty of customers (Sik et al., 2014). The prevalence of disloyalty of healthcare customers may be attributed to the quality or absence of internal marketing practices among healthcare providers. A preliminary survey on internal marketing practices among healthcare providers' in South-South, Nigeria shows that 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, a reward system for excellent service delivery and recognitions.

Other scholars have examined the practice of internal marketing in healthcare at different levels/scopes of analysis and different dimensional viewpoints. For instance, Efthymios and Constantinos-Vasilios (2011) carried out a pilot study in public hospitals in Northern Greece to determine the effect of internal marketing on job satisfaction in health services. The predictor and criterion variables were used directly for the study. Daniela et al. (2012) explored internal marketing in Portuguese healthcare. The study adapted communication, leadership, benchmarking and job quality, and promotional activities as dimensions of internal marketing. Mazen et al. (2018) identified the impact of factors affecting internal marketing on the quality of health services provided by the public hospitals in Amman. Workers' competence and skill, employees' satisfaction, dissemination of marketing information among employees, internal interaction, and teamwork participation in decision-making and service culture were considered as factors affecting internal marketing. Nestor et al. (2018) incorporated the mediating role of key job characteristics to explore the nexus between internal marketing in hospitals and organizational commitment. Job security, salary, and employee empowerment were considered as internal marketing factors in their study. Shekoofeh et al. (2019) investigated the internal marketing activities in educational hospitals of Yazd, Iran through employee satisfaction, benchmarking, empathy and consideration, Job quality and reward system promotional activities, upward communication, and value, and information sharing.

From the empirical literature reviewed, two main gaps were identified. First, it was observed that a significant number of studies have been conducted on internal marketing practices but none of these studies related the concept to customer loyalty specifically; and none considered the moderating influence of industry policy on the relationship between internal marketing practices and customer loyalty. Secondly, it was observed that most of the studies conducted on internal marketing practices and other constructs in healthcare firms were not conducted in Nigeria and also that internal marketing practices adapted in those studies slightly differ from the ones adopted in the current study.

LITERATURE REVIEW

Theoretical Foundation

This study on the moderating role of industry policy on the interplay between internal marketing practices and customer loyalty of healthcare firms in South-South Nigeria is premised on the resource-based theory.

Resource-Based Theory: Resource-based theory was proposed by Wernerfelt (1984) specifically to ascertain an 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 an 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 the resource profile of organizations within an industry and the resources may not be moveable across organizations as such, the variations could last long (Barney, 1991).

Resources according to Maxwell et al. (2014), are "all assets, capabilities, organizational processes, firm attributes, information, knowledge, controlled by a firm that enables the firm to conceive of and implement strategies that bestow on the firm a competitive advantage". Consequently, for firms to achieve a 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 intangibles 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 and utilize their capabilities in providing excellent customer service that in turn builds on the healthcare's reputation. This study proposed that contact employee motivation through due internal marketing practices such as reward systems, recognition, and work-life-balance will contribute to their job satisfaction and in turn enhance their service quality delivery to the customers premise on the notion that, satisfied and loyal customers will express their loyalty through repeat patronage, resistance to switching and positive word of mouth (Butcher et al., 2001).

Concept of Internal Marketing Practices

Internal marketing as a concept came into light in service marketing literature through the work of Berry et al. (1976) and Berry and Parasuraman (1992). In their work, emphasis was placed on employees as internal customers, their jobs as products, and the committed products were expected to satisfy the value requirement of the internal customer (Soheila et al., 2019). As such, internal marketing has been regarded as a service marketing instrument, a competitive strategy (Gounaris 2005) that motivates employees to work towards achieving organizational goals (Mohamed et al., 2002). The change in service quality and attitudinal change of customer-facing staff as observed by Papasolomou and Kitchen (2004), would equip the organization to effectively compete in the competitive space which was the focal purpose for the launch of internal marketing within the healthcare sector (Abbas & Riaz, 2018).

Internal marketing as opined by Ahmed and Rafiq (2003) provides a comprehensible indication that the organization values its employees, and that building employee commitment requires the organization to understand its employee's needs and satisfy them. The assertion that "organizations should endeavor to deduce and apparently understand its employee's needs and satisfy them profitably entails a culture of customer orientation (Sasser & Arbeit, 1976; Ahmed & Rafiq, 2000; Ahmed & Rafiq, 2003; Ferdous & Polonsky, 2014) strategic implementation and change in management to achieve organization goals (Gronroos, 1981; Winter, 1985). However, the current study is anchored in the belief that internal marketing practices would lead to external customer loyalty among healthcare firms in South-South Nigeria; and that industry policy can hinder or enhance the strength of the relationship between internal marketing practices and customer loyalty.

Dimensions of Internal Marketing Practices

There are different views on what constitutes internal marketing by different scholars from different socio-cultural backgrounds with different industrial studies considering it from the earliest studies. For instance, Berry (1981) decomposed internal marketing using the application of marketing techniques, attracting and retaining employees, participative employees (participative management), and tasks as products (work importance). Grönroos (1985) looked at it in terms of attracting and retaining employees, participative employees (participative management), empowerment, teaching, and sharing information and tasks as products (work importance). Tansuhaj et al. (1987) conceptualized the concept as "attract and retain employees, teaching, sharing information and job satisfaction." Rafig and Ahmed (2000) used empowerment and job satisfaction. Bansal et al. (2001) adopted empowerment, teaching, shared information, recognition, job security, and job satisfaction. Ahmed et al. (2003) utilized the application of marketing techniques/tools, empowerment, and recognition as dimensions. Ferdous et al. (2013) considered bonus and wage system, teaching, shared information, internal marketing research (research, segmentation, strategies for each segment, and tasks as products (work importance) as dimensions of internal marketing practices. Virtually all recent studies based on empirical literature reviewed, adopted, or adapted one or two of these dimensions. The current study adopts work-life balance, reward system, and recognition as dimensions of internal marketing practices.

Work-life Balance: The need to include work-life-balance as a dimension of internal marketing practices in healthcare firms spurs from the fact that the majority of nurses and other health workers are women that are known as a homemaker with primary responsibility for childcare, thus creating a need to balance work with this particular responsibility (Gattrell et al., 2013).

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

The effective policy of work-life balance embraced by the healthcare service provider as an internal marketing practice, allows the employees to socialize with the community while assuring quality service delivery to customers (Helmle et al., 2014). A healthy work-life balance facilitates employees in performing their consigned tasks more effectively and efficiently (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, and 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).

Reward System: Research has it that, employees expected level of performance can only be attained effectively and efficiently if they sense a corresponding level of motivation (Bayon, 2013; Muhammad & Md, 2019) which cohere with Walters et al. (2019) assertion that, having the best strategy in place and proper organizational structural design is not an assurance for organizational effectiveness that, it can only be complimented when the employees are motivated to perform at an optimum level. This implies that the healthcare's goal of customer loyalty can be achieved and sustained if the employees are motivated with an appropriate reward system and also gives credence to why Ahmed and Rafiq (2000) considered strategic reward as an essential ingredient of internal marketing practices. Loyalty behaviors expressed by customers are functions of satisfaction derived from the services offered by satisfied employees through internal marketing practices (Kukreja, 2017; Ali, 2016). As noted by Md and Dewan 2018), the imperative of internal marketing lies in motivating the employees and encouraging them to offer excellent services to customers to earn their repeat patronage and word-of-mouth marketing.

The Reward system as stressed by Bratton and Gold (2003), encompasses monetary, non-monetary, and psychological payments offered by an employer in return for an employee's services. Malhotra et al. (2007) considered reward as the determinants of job commitment and satisfaction while Gross and Friedman (2004) it consists of compensation in form of base pay, short and long-term incentives, benefits, career development, and career progression. The fundamental belief for the use of rewards according to Vera and Peter (2015) is to motivate or induce behaviors among employees which are considered beneficial for improved performance and retraining behaviors that are detrimental to the achievement of organizational goals and objectives. Consequently, the rewards system serves as an internal marketing ingredient for motivating desired behaviors (Eshun & Duah, 2011; Danish & Usman, 2010) from employees.

The Reward system is classified into three; intrinsic, extrinsic, and social rewards (Ishtiaq & Sadia, 2017). According to Ishtiaq and Sadia (2017), the intrinsic reward system is taken care of from the job such as self-sufficiency, and career development opportunities. The extrinsic reward system is based on physical benefits that an organization gives to its employee in the form of salary, bonus, promotion, and incentives while the social reward is derived from interaction and relationships between the members of an organization. According to Serena et al. (2012), there are other mediums like working conditions, worker and employer relationship, training and development opportunities, job security, and the company's overall policies and procedures for rewarding employees but the motivation that comes with rewards is of utmost importance.

Recognition: Employee recognition is an essential ingredient of internal marketing practices (Bansal et al., 2001) that entails the acknowledgment, appreciation, or approval of the positive accomplishments or behaviors of an individual or team (Mussie, Kathryn & Abel, 2013). Recognition is known to be praise or a personal note acknowledging achievements including small gestures that are important to employees (Gostick & Elton, 2007), and has been branded to be a motivational device that enriches employees' potency towards the attainment of organizational goals and objectives (Abena & Dorcas, 2016; Imran et al., 2014) and also have a significant positive relationship with employee service quality delivery (Rahim & Daud, 2013).

Employee recognition as considered by Harrison (2005) in Abena and Dorcas (2016) includes the appropriate, informal, or formal acknowledgment of an individual's behavior, effort, or accomplishment that is in harmony with the organization's goals and values, and which has been beyond normal expectations. The essence of recognition as expressed by Nyakundi et al. (2012) is to allow individuals to know and understand that their work is valued and appreciated, provides a sense of ownership and belongingness, improves morale, enhances loyalty, and increases employee retention rate in the organization (Abena & Dorcas, 2016). Besides, it has been empirically proven that employees who feel appreciated are more positive about themselves and their ability to offer customers a distinctive service delivery experience (Gostick & Elton, 2007). Given Nelson (2005), recognition ignites employees to offer their optimum in proffering solutions and novel ideas for a sustainable competitive edge, declined absenteeism, and exhibition of job satisfaction and loyalty behavior.

As noted by Mussie et al. (2013) employees can be recognized or appreciated through letters or postcards, memory items that last, nonmonetary awards (DeCenzo & Robbins, 2010) that have trophy value, symbolic gestures by managers (Nelson & Spritzer, 2002), a picture displayed in a prominent place, having a room or hallway named after the employee, posting names in the organization's notice board or website, a video rental certificate, a coffee card, an event ticket, or a candy bar (Nelson, 2005).

Concept of Customer Loyalty

Bagdonienė and Jakštaitė (2007, as cited in Khan, 2013) established that customer loyalty is the highest valuable result of marketing efforts, thus the improvement of 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 can win the confidence of the customer through its product offering and service delivery quality.

Customers exhibit loyalty through certain behaviors (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 of lower price sensitivity (Khan, 2013) and reduced expenditure on attracting new customers. This 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 practices such as internal marketing practices, 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 with their expectations before the purchase decision (AchieveGlobal, 2008; Kotler, Keller, 2008; Khan, 2013). This comparison according to Kotler and Keller (2008) leads to a situation of satisfaction if satisfaction exceeds expectations (customer enthusiasm). Though, the nexus between customer satisfaction and 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, 2008). This implied that customers can be satisfied but for different reasons.

Similarly, Daffy (2009) stressed that customer loyalty does not result from strategies implemented by an organization or customer club but rather through a good understanding of customers' needs and behavior. 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's (2009) definition of loyalty as the positive or negative feelings brought to mind by an object or idea.

Customer loyalty is customers' predisposition to prefer one brand and its products over those of the competitors, based on the satisfaction they derive from using the brand's products (Didia & Idenedo, 2017; Idenedo & Ebenuwa, 2022; Idenedo & Goodie-Okio, 2022) 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 to 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 a 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, an organization should make sure its products or services meet and exceed customer expectations. 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's loyalty equation was premised on the notion that an 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, 2008).

Industry Policy as a Moderator

Every industry has laid down policy that governs the activities of individual firms within the industry to prevent deviations from planned courses of action, ensures consistency of action, promote intelligent cooperation, facilitates coordination of action, fosters an intelligent exercise of initiative, furnishes a basis for judging the quality of executive action and provides a guide for thinking in future planning. A policy is either procedure or protocol (Saidi, 2012), a theory or rule to guide decisions and achieve rational outcomes, the process of making important organizational or industrial decisions, including the identification of different alternatives such as programs or spending priorities, and choosing among them based on the impact they will have (Ali, 2017). Policy as described by Micheal et al. (2007), is a statement, either expressed or implied, of those principles and rules that are set up by executive leadership as guides and constraints for the organization's or the industry's thought and action. This implied that industry policies are set to guide the industry's thinking concerning what should be done, how it should be done, who should do it, and where action should take place.

The healthcare industry has laid down guidelines, rules, and procedures through the Nigeria Health Insurance Scheme and others that govern their operation and service delivery to the public. Specific objectives of the Nigeria Health Insurance Scheme according to Toyin (2014) are to ensure that every Nigerian has access to good health care services; protect families from the financial hardship of huge medical bills; limit the rise in the cost of health care services; ensure equitable distribution of health care costs among different income groups; ensure high standards of health care services delivery to Nigerians; ensure efficiency in health care services; improve and harness private sector participation in the provision of health care services; ensure appropriate patronage of all levels of health care, and ensure the availability of funds to the health sector for improved services. An industrial policy creates a high level of satisfaction and enables an environment for the employees and management to cooperate willingly for the organization's commercial objectives and the employees' benefits (Goodman et al., 2019).

Industrial policy is an environmental factor that impinges positively on the decision-making of individual firms and their business operation. Adherence to industrial policy, therefore, could foster a good relationship between employers and employees regarding the terms and conditions of employment in the workplace. The healthcare industry policy stated by NHIS (2011) requires that people in management understand their responsibilities and possess the requisite training and authority to discharge them. Also, employees must understand their duties and responsibilities to ensure that they honor agreements with employers (Mukoro, 2013) and be abreast with the organizational objectives and make progress towards achieving them.

In the health care sector, disregard for industry policy in internal marketing practices could have dire consequences such as the loss of lives of clients whose health have been decimated by illness and in turn, lead to the disloyalty of patron in form of customers switching among alternative healthcare and negative word of mouth

The hypotheses developed for this study were based on the assumptions depicted in the operational conceptual framework below.

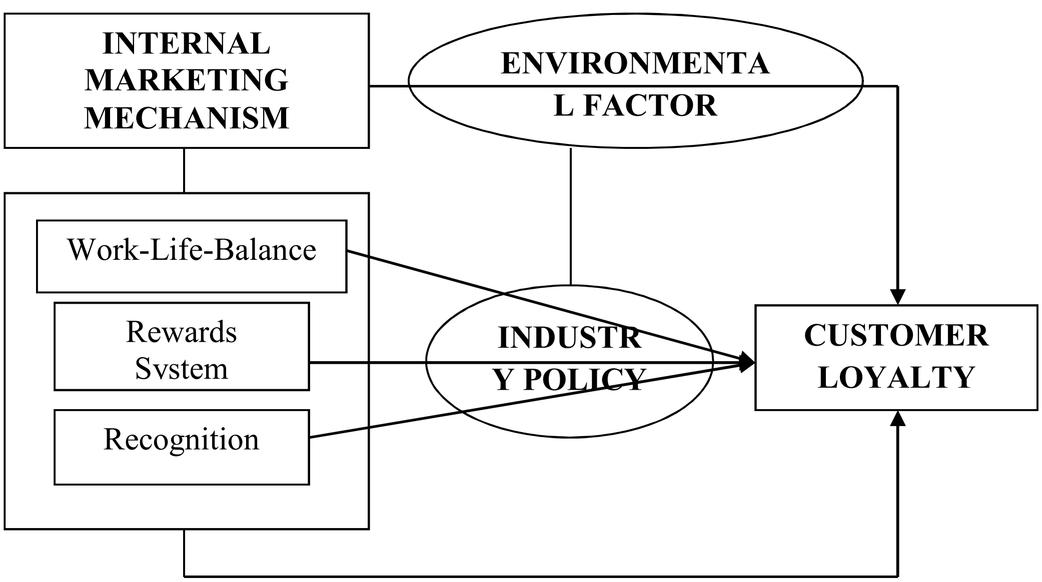


Figure 1.1: Operational Conceptual Framework of Internal Marketing Practices and Customers Loyalty: The Moderating Role of Industry Policy
Source: The study dimensions were adapted from Bansal et al. (2001).

Work-Life Balance and Customers Loyalty

To establish a hypothesized relationship between work-life balance and customer 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, Rivers 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 the 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 to effectively enhance employee performance.

Oludayo et al. (2018) ascertained the extent to which work-life balance initiative predicts employee behavioral 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. A 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 leaves arrangement; flexible work arrangement, employee time out, employee social support and dependent care initiative are predictors of employee behavioral outcomes such as job satisfaction, employees' intention, and employee engagement. The study emphasized the need for top management to review the appropriateness and relevance of work-life balance programs, policies, and activities that support and encourage employees as regard to their personal and family life issues that are aimed toward inspiring acceptable workplace behavior.

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 workability). 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 a 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 workability 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.

Darko-Asumadu et al. (2018) explored the influence of work-life balance on employee commitment in the banking sector. The study employed a descriptive cross-sectional survey design and sampled 115 employees. The study found among others that unmarried employees balanced their work and family roles better than their married counterparts. Women also experienced more work-life conflict than men. There was a weak positive relationship between work-life balance and commitment among employees because they were not satisfied with paternity leave, study leave, and part-time work. The study concluded that work-life balance policies did not influence employee commitment that much. It was therefore recommended that bankers should benefit from paternity leave, study leave, and part-time work to enhance work-life balance. In addition, industrial social workers should educate bankers on how to balance their work and social responsibilities to manage both domains and perform efficiently and effectively in the workplace.

Premised on the above empirical works, the current study hypothesized that;

Ho1: Employees' work-life balance does not significantly relate to customer loyalty.

Reward System and Customers Loyalty

A proper reward system in healthcare firms is expected to elicit customer loyalty based on the extant literature reviewed. For instance, Walters et al. (2019) investigated the effect of a reward system on employee performance in selected manufacturing firms in the Littoral Region of Cameroon. A sample of 538 employees was drawn from a population of 5146 employees of ten selected manufacturing firms within the Cameroon Littoral Region. The findings revealed that the predictor variables significantly relate to the study's criterion variables. The study concluded that there is a positive link between reward systems and employee performance. Based on the findings, it was recommended amongst others that reward systems for manufacturing firms should be designed such that employees are entitled to percentages of profit earned by the firm as a means of promoting productivity and group cohesiveness amongst employees.

Ishtiaq and Sadia (2017) examined the relationship between rewards system and employee performance of private banks in Pakistan. A sample of 92 respondents in three districts (Lodhran, Vehari, Khanewal) of south Punjab, Pakistan was taken from HBL, ABL, MCB, UBL, and BOP banks. A structured Likert Scale format questionnaire was used for data collection. Regression was used to analyze the collected data. The result of this study reveals that there is the presence of a relationship between intrinsic and extrinsic rewards on employee performance and has a significant effect of intrinsic and extrinsic rewards difference on employee performance in the banking sector in Pakistan.

Salah (2016) examined the influence of reward types (extrinsic, intrinsic, social, and rewards mix) on employee performance. Data was collected from 250 sampled respondents of a population of 513 people working for Unified Mining Companies located in the southern part of Jordan. The findings indicated that there is a statistically significant relationship between rewards types and employee performance. The study concluded that management should have a deep sense of commitment toward the issue of rewarding employees if performance levels are to be enhanced.

Vera and Peter (2015) explored the impact of reward and recognition on job satisfaction and motivation. The study employed a descriptive survey design in gathering data from 157 academic staff, from a total number of seven private tertiary institutions which were selected through stratified sampling. Respondents from these seven private tertiary institutions were conveniently and purposively selected. The study observed that rewards had a positive impact on work motivation but no significant relationship existed between reward and job satisfaction. Again, both academic staff and university administrators perceived rewards as fair.

Based on the above extant literature, the current study hypothesized that:

Ho2: Employees' reward system and customer loyalty have no significant relationship.

Recognition and Customers Loyalty

The following empirical literature was looked at to establish a hypothesized association between recognition and customer loyalty.

Abena and Dorcas (2016) examined employee recognition, its benefits, and the various types of employee recognition programs. They proposed that employee recognition looked at from the perspective of formal, informal, and day-to-day, could motivate staff to ensure high performance in Ghanaian universities. It is thus, recommended that the management of Ghanaian universities should commit credible resources to the design and implementation of employee recognition programs to yield the needed outcome.

Mussie et al. (2013) analyzed the effect of employee recognition, pay, and benefits on job satisfaction. The study surveyed and analyzed responses from university students in the U.S. (n = 457), Malaysia (n = 347), and Vietnam (n = 391). Employee recognition, pay, and benefits were found to have a significant impact on job satisfaction, regardless of home country income level (high, middle, or low income) and culture (collectivist or individualist). However, the effect of benefits on job satisfaction was significantly more important for U.S. respondents than for respondents from Malaysia and Vietnam. The authors conclude that both financial and non-financial rewards have a role in influencing job satisfaction, which ultimately impacts employee performance.

Baskar and Rajkumar (2014) studied the impact of rewards and recognition on employee motivation. A descriptive research design was adopted for this study. It was discovered that there is a direct and positive relationship between rewards and recognition and job satisfaction and motivation. It was recommended that, if rewards and recognition offered to employees were to be altered, then there would be a corresponding change in work motivation and satisfaction. The direct translation of this could be that the better the rewards and recognition, the higher the levels of motivation and satisfaction, and possibly, therefore, the greater the levels of performance and productivity.

Anchored in the above empirical works, the current study assumed that;

Ho3: The link between employee recognition and customers' resistance to switching is not significant.

The Moderating Role of Industry Policy on the Interplay between Internal Marketing Practices and Customers Loyalty

Conventionally, marketing has been mostly concerned with external customer satisfaction rather than the internal customer (employee satisfaction). But the rapidly evolving value requirements of customers, globalization and innovations in technology, dynamic nature of the contemporary business environment coupled with new business concepts, formats, and activities of competitors have made it imperative for firms to look inward (internal marketing) for strategies that elicit customer loyalty and confer a sustainable competitive advantage to the new business structure development, enhanced marketing effort towards services and highly competitive environment (Maryam et al., 2018).

Employees' performance has been strongly attributed to practices of internal marketing and its implication in that, internal marketing practices such as reward systems and recognition have been empirically proven to influence employees' job satisfaction and performance, and when job satisfaction increases employees' service delivery quality that elicit customer loyalty increases, especially in the services sector (Shabbir & Salaria, 2014). As suggested by Gounaris (2008), to obtain external customer satisfaction and loyalty, service firms should first concentrate on their internal customer (employee) satisfaction premised on findings that, internal marketing practices enhance employee job satisfaction and job satisfaction, in turn, brings about improve service quality delivery by employees and external customers satisfaction vis-a-vis loyalty.

Organizations do motivate their employees through a reward system, recognition, and work-life balance for their ability to meet the customer's needs in a timely and cost-effective manner. The success of service-based organizations (healthcare for example) is their ability to manage customer relationships (Maryam et al., 2018) effectively through nurturing the new and maintaining existing customer to earn their repeat patronage, resistance to switching, and word-of-mouth demonstrations of loyalty. As such, employees with high job satisfaction will work diligently to satisfy their customers in an effort toward supporting and improving their organization (Maryam et al., 2018).

In this study, industry policy is assumed to have the capacity to moderate the interplay between internal marketing practices and customers' loyalty considering the impact of healthcare policy on healthcare operations in Nigeria and the world at large.

The Nigeria healthcare operation is governed by policies from different bodies such as the National Strategic Health Development Plan actively provides financial as well as technical support to Nigeria for the healthcare system, the United Nations Population Fund (UNFPA), and to develop and implement appropriate policies and programs as well as undertake other necessary actions that will strengthen the National Health System to be able to deliver effectively, quality and affordable healthcare services (Oyibocha et al., 2014). According to Oyibocha et al. (2014), the NSHDP was established following existing national health policies and legislation, and international declarations and goals to which Nigeria is a signatory to, namely; MDGs, Ouagadougou Declaration on PHC, and the Paris Declaration on Aid Effectiveness. Besides, there are other bodies such as the Federal Ministry of Health (FMOH), World Health Organization (WHO), Global Health Initiative (GHI), and Nigeria Health Insurance Scheme (NHIS). These different bodies with different objectives provide guidelines, rules, and procedures on healthcare practices in Nigeria. According to the National Health Policy NHP (2016), "the faithful adherence of the stated roles and responsibilities by all the health system actors will not only mainstream health in all sectors within the Nigerian economic space but will also assure adequate resourcing and achievement of the health-related SDGs, with emphasis on the achievement of UHC in the country". Founded on the above literature, the study presumed that;

Ho4: Industry policy does not impact the correlation between internal marketing practices and customer loyalty.

METHODOLOGY

This study explored the moderating role of industry policy on the interplay between internal marketing practices and customer loyalty of healthcare firms in South-South, Nigeria. The study adopted an explanatory research design. The population of this 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 the completeness of all cadres of healthcare workers. Based on information obtained from the 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; the University of Benin Teaching Hospital has a 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 a 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 a staff strength of 2000 and 500 beds 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	UCTH	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 healthcare, patients often interact with contact employees (nurse, administration, doctor, lab scientist, pharmacist, health assistant, paramedic, physiotherapy, optometry, etc.) whose role is an ingredient of differentiation. Contact employees could influence service quality perception of the patient through their attitude and service delivery while five in-patients were considered enough to provide the necessary information needed for the study.

A 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 2 below displays the summary of the test of reliability.

Table 2: Result of Reliability Analysis

Variables	Dimensions/Measures	No. Items	Cronbach's Alpha
Internal Marketing Practices	Work-Life-Balance	5	0.854
	Rewards System	5	0.967
	Recognition	5	0.943
Customer Loyalty		5	0.935
Industry Policy		5	0.987

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

DATA ANALYSIS AND RESULT

Table 3: Questionnaire Analysis

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

Source: Field Survey Data 2020

Table 3 shows that a total of 98 copies of the 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 filled and were consequently discarded.

Having analyzed the questionnaire, the Spearman's Rank Order Correlation Co-Efficient Statistical Tool was employed to examine the association between the study's dimensions and the criterion variable while the influence of the moderator on the interplay between the predictor and the criterion variables was determined by Partial Correlation.

Table 4: Description of the Degree of Association between Variables

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

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 the negative (-) sign in the 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 the relationship between the variables.

Decision Rule

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

Table 5: Correlation Analysis of Work-Life Balance and Customer Loyalty

Correlations

			Work-Life Balance	Customer Loyalty
Spearman's rho	Work-Life Balance	Correlation Coefficient	1.000	.716**
		Sig. (2-tailed)	.	.000
		N	85	85
	Customer Loyalty	Correlation Coefficient	.716**	1.000
		Sig. (2-tailed)	.000	.
		N	85	85

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

Source: SPSS Output of Data Analysis on Internal Marketing Mechanism and Customers Loyalty (2020)

Table 5 above shows that Spearman's correlation coefficient (r) is = 0.716**, this value is high and shows that; a strong relationship exists between work-life balance and customer loyalty. The positive sign of the correlation coefficient shows that the relationship between the variables is positive. Therefore, an increase in loyalty behavior exhibited 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 relates to customer loyalty.

Table 6: Correlation Analysis of Rewards System and Customer Loyalty

Correlations

			Rewards System	Customer Loyalty
Spearman's rho	Rewards System	Correlation Coefficient	1.000	.690**
		Sig. (2-tailed)	.	.000
		N	85	85
	Customer Loyalty	Correlation Coefficient	.690**	1.000
		Sig. (2-tailed)	.000	.
		N	85	85

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

Source: SPSS Output of Data Analysis on Internal Marketing Mechanism and Customer Loyalty (2020)

Table 6 explains Spearman's correlation coefficient (r) is = 0.690**, this value is high, which means that a strong relationship exists between the rewards system and customer loyalty. The positive sign of the correlation coefficient connotes a positive relationship and that implies that an increase in customer loyalty of patients (customers) is associated with the level of satisfaction derived by the service contacts of the studied healthcare provider firms through the firms' rewards system. The probability value is (0.000) < (0.05) level of significance; hence the researcher rejects the null hypothesis and concludes that the employee rewards system significantly relates to customer loyalty.

Table 7: Correlation Analysis of Recognition and Customer Loyalty

Correlations

			Recognition	Customer Loyalty
Spearman's rho	Recognition	Correlation Coefficient	1.000	.733**
		Sig. (2-tailed)	.	.000
		N	85	85
	Customer Loyalty	Correlation Coefficient	.733**	1.000
		Sig. (2-tailed)	.000	.
		N	85	85

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

Source: SPSS Output of Data Analysis on Internal Marketing Mechanism and Customers Loyalty (2020)

Table 7 above shows that Spearman's correlation coefficient (r) is = 0.733**, this value is high, implying that a strong relationship exists between recognition and customer loyalty. The positive sign of the correlation coefficient denotes a positive relationship that exists between the variables. Therefore an increase in the patient (customers) positive customer loyalty to the healthcare provider is a function of the level of satisfaction derived by the service contacts of the studied healthcare provider firms through the firms' employees' performance recognition practice. The probability value is (0.000) < (0.05) level of significance; hence the researcher rejects the null hypothesis and concludes that employee recognition significantly relates to customer loyalty.

The Partial Correlation Decision Rule

There is a significant moderating influence if the variation between the Zero Order Partial Correlation (ZPC) and the Controlled Partial Correlation (CPC) > (0.01).

Table 8: Partial Correlation of the influence of Industry Policy on the Relationship between Internal Marketing Mechanism and Customers Loyalty

Correlations

Control Variables			Internal Marketing Mechanism	Customers Loyalty	Industry Policy
-none-[a]	Internal Marketing Mechanism	Correlation	1.000	.737	.601
		Significance (2-tailed)	.	.000	.000
		Df	0	84	84
	Customers Loyalty	Correlation	.737	1.000	.699
		Significance (2-tailed)	.000	.	.000
		Df	84	0	84
	Industry Policy	Correlation	.601	.699	1.000
		Significance (2-tailed)	.000	.000	.
		Df	84	84	0
Industry Policy	Internal Marketing Mechanism	Correlation	1.000	.688	
		Significance (2-tailed)	.	.000	
		Df	0	83	
	Customers Loyalty	Correlation	.688	1.000	
		Significance (2-tailed)	.000	.	
		Df	83	0	

a. Cells contain zero-order (Pearson) correlations.

Source: SPSS Output of Data Analysis on Internal Marketing Mechanism and Customers Loyalty (2022)

The information in the Table 8 established that, a strong significant and positive relationship exists between internal marketing practices and customers loyalty r = (0.737), PV = (0.000) <

(0.05). The table also shows that industry policy also has a significant and direct relationship with internal marketing practices and customers loyalty r = (0.601), PV = (0.000) < (0.05), and with customers loyalty, r = (0.719), PV = (0.000) < (0.05) the positive sign of the r value is an indication that when industry policy is improved, internal marketing practices and customers loyalty also improves.

The Zero Order Partial Correlation (ZPC) = (0.737), Controlled Partial Correlation (CPC) = (0.688). The difference between the Zero Order Partial Correlation (ZPC) and the Controlled Partial Correlation (CPC) (0.737 - 0.688) = (0.49 > 0.01) hence the null hypothesis was rejected and the researchers conclude that industry policy significantly influences the relationship between internal marketing practices and customers loyalty. The positive sign of the difference is an indication that industry policy asserts a positive influence on the relationship between internal marketing practices and customer loyalty.

Discussion of Findings

Strong Positive Relationship between Work-Life Balance and Customers Loyalty

The study hypothesized that employees' work-life balance does not significantly relate to customer loyalty. However, the tested hypothesis showed a strong positive relationship between work-life balance and customer loyalty.

In Table 5, Spearman's correlation coefficient (r) is = 0.716**, this value is high and shows that; a strong relationship exists between work-life balance and customer loyalty. This result of the relationship between work-life balance and customer loyalty cohere with the 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 behavioral outcomes in some selected commercial banks in Nigeria. Results show that work leaves arrangement, flexible work arrangement, employee time out, employee social support and dependent care initiative are predictors of employee behavioral outcomes such as job satisfaction, employees' intention, and employee 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 a family in the WLB. The WHB explained more of the variance in job satisfaction than the WFB. Darko-Asumadu et al. (2018) explored the influence of work-life balance on employee commitment in the banking sector. The study found among others that unmarried employees balanced their work and family roles better than their married counterparts.

Strong Positive Relationship between Rewards System and Customers Loyalty

The tested hypothesis on the relationship between rewards system and customer loyalty shows that employees' reward system and customer loyalty significantly relate. As demonstrated in Table 6, Spearman's correlation coefficient (r) is = 0.690**, this value is high; implying that a strong relationship exists rewards system and customer loyalty. This finding is in line with previous studies. Ishtiaq and Sadia (2017) examined the relationship between the rewards system and employee performance of private banks in Pakistan. The result of this study reveals that there is the presence of a relationship between intrinsic and extrinsic rewards on employee performance and has a significant effect of intrinsic and extrinsic rewards difference on employee performance in the banking sector in Pakistan. Salah (2016) examined the influence of reward types (extrinsic, intrinsic, social, and rewards mix) on employee performance. The findings indicated that there is a statistically significant relationship between rewards types and employee performance. Vera and Peter (2015) explored the impact of reward and recognition on job satisfaction and motivation. The study observed that rewards had a positive impact on work motivation but no significant relationship existed between reward and job satisfaction. Again, both academic staff and university administrators perceived rewards as fair. Nnaji-Ihedinmah and Egbunike (2015) determined the relationship between rewards system and employee performance. The findings revealed that there is a relationship between rewards and employee performance. Also, there is a significant difference in the effects of intrinsic and extrinsic rewards on employee performance. Also, Serena et al. (2012) examined the relationship between rewards and employee performance as well as identified the relationship between extrinsic and intrinsic rewards. The result indicates that there is a statistically significant relationship between all of the independent variables and dependent variables employee work performance and all the independent variables have a positive influence on employee work performance.

Strong Positive Relationship between Recognition and Customers Loyalty

This study also revealed that a strong relationship exists between employee performance recognition and customer relationship. In Table 7, Spearman's correlation coefficient (r) is = 0.733**, this value is high and it indicates that a strong relationship exists between the variables. This finding validated previous studies on recognition results. For instance, Abena and Dorcas (2016) examined employee recognition, its benefits, and the various types of employee recognition programs. The study revealed that employee recognition looked at from the perspective of formal, informal, and day-to-day, could motivate staff to ensure high performance in Ghanaian universities. Mussie et al. (2013) analyzed the effect of employee recognition, pay, and benefits on job satisfaction. Employee recognition, pay, and benefits were found to have a significant impact on job satisfaction, regardless of home country income level (high, middle, or low income) and culture (collectivist or individualist). Christiane et al. (2013)

investigated the causal effect of public recognition on employee performance. The results of the study were consistent with workers having a preference for conformity and being reciprocal at the same time. Also, Baskar and Prakash (2014) studied the impact of rewards and recognition on employee motivation. It was discovered that there is a direct and positive relationship between rewards and recognition and job satisfaction and motivation. Robberts (2005) investigated the impact of rewards and recognition on employee motivation. The results of the research indicated that there is a positive relationship between rewards, recognition, and motivation.

Industry Policy Positively and Significantly Influences the Interplay between Internal Marketing Practices and Customers Loyalty

This study hypothesized that industry policy does not influence the correlation between internal marketing practices and customer loyalty. However, the information in Table 8 established that a strong significant and positive relationship exists between internal marketing practices and customers loyalty r = (0.737), PV = (0.000) < (0.05). The table also shows that industry policy also has a significant and direct relationship with internal marketing practices and customers loyalty r = (0.601), PV = (0.000) < (0.05) and with customers loyalty r = (0.719). The Zero Order Partial Correlation (ZPC) = (0.737), Controlled Partial Correlation (CPC) = (0.688). The difference between the Zero Order Partial Correlation (ZPC) and the Controlled Partial Correlation (CPC) (0.737 - 0.688) = (0.49 > 0.01) hence the null hypothesis was rejected and the researchers conclude that industry policy significantly influences the relationship between internal marketing practices and customers loyalty.

CONCLUSION AND RECOMMENDATIONS

Based on the findings, the study, therefore, concludes that conclude that industry policy significantly influences the relationship between internal marketing practices (work-life balance, rewards system, and recognition) and customer loyalty, and customer loyalty depends on the internal marketing practices of the healthcare providers. Anchored in the study's findings, the following recommendations are made; the healthcare firms that seek to improve customer loyalty should consider internal marketing practices as a strategy. Healthcare firms should consider work-life balance, rewards systems, and recognition as an imperative strategy to improve customer loyalty. Healthcare firms should always consider the industry policy in their business and marketing operations to derive its benefits. This study does not exhaust all the internal marketing practices, as such, the researcher suggests that scholars should identify other internal marketing practices that were not adopted in this study and determine their relationship with customer loyalty. To attest to this study's findings, it is recommended that the topic should be researched in other industries in developed and developing nations.

REFERENCES

Ahmed, P. Rafiq, M., & Saad, N. (2003). Internal marketing and the mediating role of organizational competencies. *European Journal of Marketing*, *37*(9), 1221-1241

Ateke, B. W. (2020). *Customer citizenship behavior; antecedents and consequences. How to elicit and sustain customer's extra-role behavior. Mauritius*, LAP LAMBERT Academic Publishing.

Baker, W.E., & Sinkula, J.M. (2005). Environmental marketing strategy and firm performance: Effects on new product performance and market share. *Journal of Academy of Marketing Science*, *33*(4), 461-475.

Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management, 17*(6), 99–120.

Bellaouaied, M., & Gam, A. (2012). Internal marketing as a new alternative for the service employees 'performance: an empirical study. *Hal Archives-Ouvertes*, *6*(3), 1-22.

Bansal, H. S., Mendelson, M. B., & Sharma, B. (2001). The impact of internal marketing activities on external marketing outcomes. *Journal of Quality Management*, *6*(3), 61-76.

Bayon, S. (2013). The origin, concept and value of performance appraisal. *International Journal of Economics, Commerce and Management*, *1*(3), 111-123.

Berry, L. L., Hensel, J. S., & Burke, M. C. (1976). Improving retailer capability for effective consumerism response. *Journal of Retailing*, *52*(3), 3-14.

Berry, L. L. (1981). The employee as customer. *Journal of Retail Banking*, *3*(1), 33-40.

Bohnenberger, M. C., Schmidt, S., Damacena, C., & Batle-Lorente, F. J. (2019). Internal marketing: a model for implementation and development. *Dimensión Empresarial*, *17*(1), 7-22.

Bratton, J. & Gold, J. (2003). *Human resources management: theory and practice, 3rd Ed*. Palgrave Macmillan.

Breitenecker, R. J., & Shah, S. A. M. (2018). Relation of work-life balance, work-family conflict, and family-work conflict with the employee performance-moderating role of job satisfaction. *South Asian Journal of Business Studies, 7*(1), 129-146.

Butcher, K., Sparks, B., & O'Callaghan, F. (2001). Evaluative and relational influences on service loyalty. *International Journal of Service Industry Management*, *12*(4), 310-327.

Daniel, A., Helena, A., & Walter, W. (2012). Internal marketing in Portuguese health care. *Public Policy and Administration*, *11*(4), 641–658.

Danish, R.Q., & Usman, A. (2010). The impact of reward and recognition on job satisfaction and motivation: An empirical study from Pakistan. *International Journal of Business and Management*, *5*(2), 159-167.

Efthymios, I., & Constantinos-Vasilios, P. (2011). The effect of internal marketing on job satisfaction in health services: A pilot study in public hospitals in Northern Greece. *BMC Health Services Research*, *11*(261), 1-8.

Eshun, C., & Duah, F.K. (2011). *Rewards as a motivation tool for employee performance.* Accessed12/07/20 from BTH2011Eshun.pdf.

Ferdous, A. S., & Polonsky, M. (2014). The impact of frontline employees' perceptions of internal marketing on employee outcomes. *Journal of Strategic Marketing*, *22*(4), 300-315.

Ferdous, A. S., Herington, C., & Merrilees, B. (2013). Developing an integrative model of internal and external marketing. *Journal of Strategic Marketing*, *21*(7), 637–649.

Gattrell, C. J., Burnett, S. B., Cooper, C. L., & Sparrow, P. (2013). Work-life balance and parenthood: A comparative review of definitions, equity and enrichment. *International Journal of Management Reviews*, *15*(3), 300-316.

Gostick, A., & Elton, C. (2007). *The daily carrot principle: 365 ways to enhance your career and life*: Simon and Schuster.

Gounaris, S. (2005). Measuring service quality in b2b services: An evaluation of the SERVQUAL scales vis-à-vis the INDSERV scale. *Journal of Services Marketing*, *19*(4), 421-435.

Gronroos, C. (1981). *Internal marketing and integral part of marketing theory. In J. H. Donnelly, & W. R. George, marketing of services* (Proceedings of the American Marketing Association) (pp. 236-238). Chicago: American Marketing Association.

Gross, S. E., & Friedman, H. M. (2004). Creating an effective total reward strategy: holistic

Helmle, J. R., Botero, I. C., & Seibold, D. R. (2014). Factors that influence perceptions of work-life balance in owners of Copreneurial firms. *Journal of Family Business Management, 4*(2), 110-132.

Idenedo, O. W. & Didia J.U.D, (2017). Customer orientation and loyalty behaviour of users of global system of mobile telecommunication services. *International Journal of Marketing and Management*, *7*(3), 38-48.

Idenedo, O. W., & Ebenuwa, A. (2019). Market orientation and customer loyalty of deposit money banks in Port Harcourt. International Journal of Marketing and Commercial Studies, *7*(2), 7-17.

Imran, A., Ahmad S., Nisar, Q. A., & Ahmad, U. (2014). Exploring relationship among rewards, recognition and employees' job satisfaction: A descriptive study on libraries in Pakistan. *Middle-East Journal of Scientific Research, 21*(9), 1533-1540.

Ishtiaq, A., & Sadia, S. (2017). The effects of rewards on employee's performance in banks: a study of three districts (Lodhran, Vehari, Khanewal) Commercial Banks in Pakistan. *International Review of Management and Business Research*, *6*(1), 352-361.

Ismail, W., & Sheriff, N. M. (2016). Impact of internal marketing on job satisfaction among bank employees in Yemen. *International Conference on Business and Economics, 3*(9), 197-212.

Ioan, L., Codruţa, O., & Patricia, R. (2010). The role of work-life balance practices in order to improve organizational performance. *European Research Studies, 13*(1), 200-214.

Joo, B. K., & Lee, I. (2017).Workplace happiness: work engagement, career satisfaction, and subjective well-being", Evidence-based HRM. *A Global Forum for Empirical Scholarship, 5*(2), 206-221.

Khaled, A. B. (2019). Impact of work-life balance, happiness at work, on employee performance. *International Business Research, 12(*2), 99-112.

Kukreja, Jyoti (2017). Internal marketing: a prelude or an outcome of employee motivation. *BVIMSR's Journal of Management Research*, *9*(1), 54-59.

Kumar, R.W. (2015). *Engage*. Global Insights: Innovate HR.

Malhotra, N., Budhwar, P., & Prowse, P. (2007) Relationshiping rewards to commitment: an empirical investigation of four UK call centre. *International Journal of Human Resources management*, *18*(12), 2095-2127.

Md., A. R. S., & Dewan, M. A. (2018). The relationship between internal marketing and employee job satisfaction: a study from retail shops in Bangladesh. *Journal of Business and Retail Management Research*, *12*(3), 149-159.

Mazen, A., Ali, F. A-Z., & Fakhrieh, M. D. (2018). The impact of factors affecting internal marketing on the quality of health services provided by public hospitals in Amman: an applied study. *British Journal of Marketing Studies*, *6*(1), 58-78.

Mesimo-Ogunsanya, E.A. (2017). Organizational support and employees' work-life quality. *International Journal of Emerging Research in Management & Technology*, *6*(2), 74-77.

Muhammed, N., & Peter, D. N. (2019). Word of mouth communication: A mediator of relationship marketing and customer loyalty. *Cogent Business and Management*, *6*(1), 1-20.

Mussie, T. T., Kathryn, J. R., & Abel, B. E. (2013). The effects of employee recognition, pay, and benefits on job satisfaction: cross country evidence. *Journal of Business and Economics*, *4*(1), 1-12.

Nestor, A., Frank, F. O., & Henry, K. M. (2018). The nexus between internal marketing in hospitals and organizational commitment: Incorporating the mediation roles of key job characteristics. *International Journal of Healthcare Management, 13*(4), 1-16.

Oludayo, O. A., Falola, H. O., Ahaka, O., & Fatogun, D. (2018). Work-life balance initiative as a predictor of employees' behavioural outcomes. *Academy of Strategic Management Journal*, *17*(1), 1-17.

Papasolomou, I., & Kitchen, P. J. (2004). Internal marketing in UK banks: conceptual legitimacy or window dressing. *The International Journal of Bank Marketing*, *22*(6), 421-452.

Richert-Kaźmierska, A., & Stankiewicz, K. (2016).Work–life balance: Does age matter? *IOS Press, 55*(5), 679-688.

Sasser, W. E., & Arbeit, S. P. (1976). Selling jobs in the service sector. *Business Horizons*, *19*(3), 61-65.

Serena, A., Muhammad, K. S., & Md., E. A. (2018). The impact of rewards on employee performance in commercial banks of Bangladesh: An empirical study. *Journal of Business and Management, 6*(2), 9-15.

Shekoofeh, S. M., Mohammad, A. B., Omid, B., & Maryam, M. (2019). Internal marketing activities in educational hospitals of Yazd, Iran, evidence based health policy. *Management & Economics*, *3*(4), 266-275.

Sik,S. G., Bakti, Tri, R., Nidya, J. A., Widianti, & Medi, Y. (2014). The empirical study on patient loyalty; the role of trust, perceived value, and satisfaction (a case study from Bekasi, Indonesia). *Clinical Governance: An International Journal*, *19*(3), 269-283.

Sima, G. M., & Elham, F.T. (2015). The impact of customer loyalty programs on customer retention. *International Journal of Business and Social Science*, *8*(1), 1-16.

Taiye, T. B., Rowland, E. K. W., Oladele, O. J. K. & Olaleke, O. O. (2017). Empirical study of functional clues and customer loyalty in the healthcare sector of Lagos state, Nigeria. *3rd International Conference on Advances in Education and Social Sciences, 9-11*(10), 1128-1136.

Tansuhaj, P., Wong, J., & McCullough, J. (1987). Internal and external marketing: effect on consumer satisfaction in banks in Thailand. *International Journal of Bank Marketing*, *5*(3), 73-83.

Vera, A., & Peter, A. B. (2015). Impact of reward and recognition on job satisfaction and Motivation. *European Journal of Business and Management*, *7*(24), 112-124.

Walters, T. N., Bamidele, S., Adeleke, L. A., Emmanuel, K. A., Nwanneka, C. G., & Benedict, O. I. (2019). Effect of reward system on employee performance among selected manufacturing firms in the littoral region of Cameroon. *Academy of Strategic Management Journal*, *18*(3), 1-16.

Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal, 5*(6), 171-180.

Winnie, G. N., & Francis, N. K. (2016). Marketing practices, market orientation, and performance of tour firms in Kenya: a mediated approach. *DBA Africa Management Review*, *6*(4), 33-49.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 29-49 (July, 2022)
https://arcnjournals.org

Internal Marketing Practices and Customer Loyalty of Healthcare Firms in South-South, Nigeria

Idenedo, Otite Wisdom. Ph.D
Department Marketing, Ignatius Ajuru University of Education, Port Harcourt, Rivers State, Nigeria | Email: otiwis@yahoo.com
Wali, Kemkamma Ph.D
Marketing Department, Ken Saro Wiwa Polytechnic, Bori Rivers State, Nigeria | walikems@yahoo.co.uk

Abstract: *This study examined internal marketing practices 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. Spearman's Rank Order Correlation served as the test statistic relying on SPSS version 21.0. The study observed a significant relationship between internal marketing and customer loyalty. Premised on the finding, the study, conclude that there is a significant relationship between internal marketing practices and customer loyalty. Thus, the study recommendations that healthcare firms that seek to improve customer loyalty should consider internal marketing practices as a strategy.*

Keywords: *Internal Marketing Practices and Customer Loyalty*

INTRODUCTION

The quickly evolving value requirement of customers, coupled with fierce intra- and inter-industry competition has continually stretched the ability of healthcare providers, especially tertiary healthcare providers' in South-South, Nigeria, to win the loyalty of customers. This is despite these healthcare providers' deployment of novel service delivery strategies aimed at commanding customers' loyalty that engender sustainable competitive edge (Idenedo & Ebenuwa, 2022; Idenedo & Goodie, 2022). Besides, the notable competition among players in the healthcare sector, there are also indications of palpable dissatisfaction among patients in Nigeria, for the quality of services delivered by the healthcare providers. Ateke (2020) observes 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 resort to medical tourism in search of better healthcare (Taiye et al., 2017). The unending race for new customers by hospitals is a further demonstration of the suspicion that healthcare providers do not command the loyalty of customers (Sik et al., 2014). The prevalence of disloyalty of healthcare customers may be attributed to the quality or absence of internal marketing practices among healthcare providers (Idenedo & Ebenuwa, 2022).

Marketing indigenes use internal marketing with other ingredients of marketing strategies to improve customer loyalty and achieve competitive advantage; using different working systems that include employee involvement and participation in various business processes and activities (Mohammed et al., 2016). This implies that internal marketing is a strategy that requires investing in the organization's employees to improve job satisfaction and elicit commitment; both of which are deemed precursors of import to company performance (Bowen & Schneider, 2014). In healthcare, patients often interact with contact employees (nurse, administration, doctor, lab scientist, pharmacist, health assistant, paramedic, physiotherapy, optometry, etc.) whose role is an ingredient of differentiation.

Contact employees could influence service quality perception of the patient through their attitude (Bellaouaied & Gam, 2012), as such, they need to be well-trained on better ways to outsell their competitors through service delivery, product knowledge, and also be motivated to assist customers. Internal marketing practices in the healthcare sector create a positive work environment that results in the provision of higher quality care and concentrate on transforming promises made by service providers and their skills into highly efficient work performance that delights customers (Shekoofeh et al., 2019; Mazen et al., 2018).

Several scholars have examined the practice of internal marketing in healthcare but none of these studies related the concept to customer loyalty specifically. For instance, Efthymios and Constantinos-Vasilios (2011) carried out a pilot study in public hospitals in Northern Greece to determine the effect of internal marketing on job satisfaction in health services. Daniela et al. (2012) explored internal marketing in Portuguese healthcare. Mazen et al. (2018) identified the impact of factors affecting internal marketing on the quality of health services provided by the public hospitals in Amman. Nestor et al. (2018) incorporated the mediating role of key job characteristics to explore the nexus between internal marketing in hospitals and organizational commitment. Shekoofeh et al. (2019) investigated the internal marketing activities in educational hospitals of Yazd, Iran. Besides, most of the studies conducted on internal marketing practices and other constructs in healthcare firms were not conducted in Nigeria. Premised on the stated observations, this study therefore examined the interplay between internal marketing practices and customer loyalty of healthcare firms in South-South Nigeria.

LITERATURE REVIEW

Theoretical Foundation

This study on the interaction between internal marketing practices and customer loyalty of healthcare firms in South-South Nigeria is premised on the resource-based theory.

Resource-Based Theory: Resource-based theory was proposed by Wernerfelt (1984) specifically to ascertain an 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 an 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 the resource profile of organizations within an industry and the resources may not be moveable across organizations as such, the variations could last long (Barney, 1991).

Resources according to Maxwell et al. (2014) are "all assets, capabilities, organizational processes, firm attributes, information, and knowledge, controlled by a firm that enables the firm to conceive of and implement strategies that bestow on the firm a competitive advantage". Consequently, for firms to achieve a 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 intangibles capabilities and distinctive attributes naturally and through education that is 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 and utilize their capabilities in providing excellent customer service that in turn builds on the healthcare's reputation. This study proposed that contact employee motivation through internal marketing practices will contribute to their job satisfaction and in turn enhance their service quality delivery to the customers premise on the notion that, satisfied and loyal customers will express their loyalty through repeat patronage, resistance to switching and positive word of mouth (Butcher et al., 2001).

Concept of Internal Marketing Practices

Internal marketing as a concept came into light in service marketing literature through the work of Berry et al. (1976) and Berry and Parasuraman (1992). In their work, emphasis was placed on employees as internal customers, their jobs as products, and the committed products were expected to satisfy the value requirement of the internal customer (Soheila et al., 2019). As such, internal marketing has been regarded as a service marketing instrument, a competitive strategy (Gounaris 2005) that motivates employees to work towards achieving organizational goals (Mohamed et al., 2002). The change in service quality and attitudinal change of customer-facing staff as observed by Papasolomou and Kitchen (2004), would equip the organization to effectively compete in the competitive space which was the focal purpose for the launch of internal marketing within the healthcare sector (Abbas & Riaz, 2018).

Internal marketing as opined by Ahmed and Rafiq (2003) provides a comprehensible indication that the organization values its employees, and that building employee commitment requires the organization to understand its employee's needs and satisfy them. The assertion that "organizations should endeavor to deduce and apparently understand its employee's needs and satisfy them profitably entails a culture of customer orientation (Sasser & Arbeit, 1976; Ahmed & Rafiq, 2000; Ahmed & Rafiq, 2003; Ferdous & Polonsky, 2014) strategic implementation and change in management to achieve organization goals (Gronroos, 1981; Winter, 1985). However, the current study is anchored in the belief that internal marketing practices would lead to external customer loyalty among healthcare firms in South-South Nigeria.

Concept of Customer Loyalty

Bagdonienė and Jakštaitė (2007, as cited in Khan, 2013) established that customer loyalty is the highest valuable result of marketing efforts, thus the improvement of 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 can win the confidence of the customer through its product offering and service delivery quality.

Customers exhibit loyalty through certain behaviors (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 of lower price sensitivity (Khan, 2013) and reduced expenditure on attracting new customers. This 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 practices such as internal marketing practices, 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 with their expectations before the purchase decision (AchieveGlobal, 2008; Kotler, Keller, 2008; Khan, 2013). This comparison according to Kotler and Keller (2008) leads to a situation of satisfaction if satisfaction exceeds expectations (customer enthusiasm). Though, the nexus between customer satisfaction and 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, 2008). This implied that customers can be satisfied but for different reasons.

Similarly, Daffy (2009) stressed that customer loyalty does not result from strategies implemented by an organization or customer club but rather through a good understanding of customers' needs and behavior. 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's (2009) definition of loyalty as the positive or negative feelings brought to mind by an object or idea.

Customer loyalty is customers' predisposition to prefer one brand and its products over those of the competitors, based on the satisfaction they derive from using the brand's products (Didia & Idenedo, 2017; Idenedo & Ebenuwa, 2022; Idenedo & Goodie-Okio, 2022) 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 to 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 a 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, an organization should make sure its products or services meet and exceed customer expectations. 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's loyalty equation was premised on the notion that an 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, 2008).

Empirical Review

There are different views on what constitutes internal marketing by different scholars from different socio-cultural backgrounds with different industrial studies considering it from the earliest studies. Berry (1981) decomposed internal marketing using the application of marketing techniques, attracting and retaining employees, participative employee (participative management), and tasks as products (work importance). Grönroos (1981) looked at it in terms of attracting and retaining employees, participative employee (participative management), empowerment, teaching, and sharing information and tasks as products (work importance) were considered as dimensions of internal marketing mechanism. Tansuhaj et al. (1987) conceptualized the concept with attract and retaining employees, teaching, sharing information, and job satisfaction. Rafig and Ahmed (2000) used empowerment and job satisfaction. Bansal et al. (2001) adapted empowerment, teaching, shared information, recognition, job security, and job satisfaction. Ahmed et al. (2003) utilized the application of marketing techniques/tools, empowerment, and recognition as dimensions. Virtually all recent studies based on empirical literature reviewed and adapted one or two of the stated (Bohnenberger et al., 2019) authors and dimensions. For instance;

Colette et al. (2020) explored the effect of internal marketing on customer satisfaction in second-tier microfinance institutions in Cameroon. The study's dimensions of internal marketing were vision, reward, and training/development. Data was collected from 372 customers and 60 employees of second-tier microfinance institutions in Cameroon. The results indicate that two dimensions of internal marketing (rewards and training/development) have a positive and significant effect on customer satisfaction. The effect of vision on customer satisfaction is positive but non-significant.

Soheila et al. (2019) investigated the mediation effect of motivation (MO) between internal marketing and service innovation using a hierarchical model in Bahman Group Corp of the automobile industry in Iran. Internal marketing was studied through empowerment, strategic reward and intensive system, training and development, internal communication, operation process, and senior leadership. Data were collected through a questionnaire from 177 employees of Bahman Group Corp and analyzed using partial least squares (PLS) with confirmatory factor analysis to test the hypotheses with the aid of Software SmartPLS 3.2. The results indicate that motivation has a partial mediation effect between internal marketing and service innovation. This study illustrates that internal communication and a new organizational delivery system have the most substantial effect on internal marketing and service innovation.

Yu-Ting et al. (2019) studied the relationship between internal marketing practice and employee satisfaction in a budget Chinese airline setting. The dimensions of internal marketing considered in the study were: internal communication, training, and internal marketing research. Data were collected through a questionnaire from 252 flight attendants and the data were analyzed using structural equation modeling. The results showed that internal marketing practice through internal communication, training and internal marketing research impacted significantly on employee's satisfaction with the budget airline.

Farhad et al. (2018) explore the impact of internal marketing on customer loyalty of Iran Insurance Company - Kermanshah province mediated with marketing mix; price product, place, and distribution. Data for the study were obtained through a questionnaire and the hypotheses were analyzed and tested using structural equation modeling and especially path analysis. The study revealed that internal marketing through the marketing mix and customer satisfaction has influenced customer loyalty.

Md. and Dewan (2018) analyzed the relationship between internal marketing factors and employee job satisfaction in the retail sector of Bangladesh. The internal marketing components adapted for the study were: training and development, organizational support, pay and rewards, and retention policy. Data was collected through a questionnaire from 250 employees from the retail sector and the data were analyzed with multiple regression analysis. The results showed that there is variation in the effect of internal marketing elements on job satisfaction.

Rana and Muhammad (2018) examined the effect of internal marketing on the organizational commitment of employees in private banks of Faisalabad. A model was made to examine the factors affecting organizational commitment and it was tested empirically using a sample of 109 employees of different private banks working at different ranks. Data were collected through questionnaire descriptive statistics and regression was used to analyze the data. It was found that job satisfaction, understanding, differentiation, and inter-functional coordination and integration are the most effective components of the internal marketing construct of the research model, making them key influencers of organizational commitment.

João et al. (2018) determined the internal marketing and organizational performance of SMEs in the EDV industrial sector of the Portuguese region between rivers Douro and Vouga. The research identified conditions for the implementation of internal marketing concepts among employees and their impact on organizational performance. Data were collected through recording and in-depth interviews based on a script of generally open questions to the entire industry in the Portuguese region between rivers Douro and Vouga and analyzed statistically. The results showed the awareness of the internal marketing conceptualization in the studied sector. The research likewise showed that all analyzed enterprises had more or less structured model frames and worked with the conceptualization of the guidance for the internal market, a strategic concern, and in some instances, this concept was an organizational desideratum in the sector.

Maryam et al. (2018) determined the effects of internal marketing on the satisfaction of employees and employee word of mouth in Saderat Bank of Iran in Gulian. The study adapted reward, empowerment, training, communication, and supervisor support as dimensions of internal marketing. Structural Equation Modeling was used to analyze the study's data. The study revealed a significant relationship between internal marketing (reward, empowerment, training, communication, and supervisor support), the satisfaction of employees, and employee word of mouth.

Nestor et al. (2018) assessed the effect of internal marketing on the organizational commitment of health workers, with the mediating roles of salient job characteristics in this relationship evaluated. Data were collected through a questionnaire from 717 health workers who met some selection criteria and the data were analyzed and hypotheses were tested using confirmatory factor analysis. Findings showed that internal marketing makes a significant positive effect on the commitment of health workers. It also has a positive effect on job tenure, which means that internal marketing enables employees to increase job security and spend more years on the job. Tenure makes a negative effect on organizational commitment, possibly owing to the confounding variables captured and/or the fact that employees tend to expect too much from their employers as their experience and tenure increase. Income makes a positive effect on organizational commitment, which suggests that health workers get more committed to patient care when their job income increases.

Baran and Arabelen (2017) researched the effects of internal marketing activities (development, vision and communication, and reward system) on employees' job satisfaction of container line ship agents in İzmir. Data were collected through a questionnaire from 143 employees of container line ship agents in İzmir and the data were analyzed through regression analysis with aid of SPSS version 20 software. The research findings showed that internal marketing (development, vision and communication, and reward system) has a positive effect on the job satisfaction of the office employees of container line ship agents in İzmir.

Nebo and Okechukwu (2017) studied the moderating impact of personality and job satisfaction on the influence of internal marketing on customer orientation behavior of Hotel Employees in Nigeria. The internal marketing components or practices adapted for the study were: training and development; reward and recognition; internal communication and empowerment. Data were collected through questionnaires from 83 and 174 hotel managers and employees of 20 hotels operating in different geo-political zones of Nigeria and the hypotheses were tested using multiple linear regression. It was shown that internal marketing has a significant influence on customer orientation behavior of hotels' employees; personality significantly moderates the relationship between internal marketing and customer orientation behavior of the hotel employees; job satisfaction significantly moderates the relationship between internal marketing and customer orientation behavior of the hotels' employees.

Qureshi (2017) analyzed the impact of internal marketing on employees' job satisfaction and consumer satisfaction based on a survey of four major private banks in Srinagar, Jammu, and Kashmir. The study's internal marketing dimensions were employees' development, employees' motivation, and reward. Data were collected through questionnaires and the data were analyzed using one-sample statistics and Pearson Correlation. The study indicates a positive relationship between internal marketing (employees' development, employees' motivation, and reward), employee satisfaction, and consumer satisfaction.

Mengistu (2017) studied the effect of internal marketing on customers' satisfaction in the case of the Commercial Bank of Ethiopia. There study dimensions were: empathy and consideration, benchmarking of the benefits package, job quality and reward, upward communication, value and information sharing, and promotional activities. Data for the study was collected through a questionnaire. The hypotheses were analyzed with Pearson correlation, and multiple linear regressions and the findings revealed a significant effect of internal marketing dimensions on customer satisfaction.

Gafar et al. (2016) investigated the nexus between internal marketing practices and employees' customer orientation in Nigeria's banking sector mediated by personality factors and job satisfaction. The study dimensions were; internal communication, training and development, employee empowerment, and reward and recognition. Data for the study was obtained through a questionnaire and analyzed using PPMC. The results revealed that internal marketing has a significant relationship with customer orientation while personality trait factors and job satisfaction constructs were found to mediate significantly the influence of internal marketing practices on customer orientation behavior of banking employees in Nigeria.

Waddah and Nooraini (2016) examined the effects of internal marketing on job satisfaction among bank employees in Yemen. The internal marketing dimensions adapted for the study were: development, vision, internal communications, rewards, and empowerment. Data was collected through a questionnaire from 407 Yemeni bank employees and the data was analyzed with the help of descriptive statistics, and exploratory factor analysis. Added to that, the study used structural equation modeling and the findings showed that internal marketing (development, vision, internal communications, rewards, and empowerment) has a significant relationship with job satisfaction in the banking sector in Yemen.

John (2016) studied the influence of internal marketing, moderated by the size of the organization on the performance of NGOs. The study looked at three components namely: employees' recruitment & development, employee relationships, and employees' remuneration and welfare. Data were collected through a semi-structured questionnaire from 122 NGOs operating in Nairobi Kenya. The findings show that there is a statistically significant relationship between the three components of internal marketing and the performance of NGOs. The finding further showed that the relationship between internal marketing practices and the performance of NGOs is not moderated by the size of the organization.

Yahya (2016) ascertained the impact of the application of internal marketing on job satisfaction for the employees in the Islamic bank of Jordan. Internal marketing dimensions adapted for the study were: empowering of employees, training programs, incentives and rewards, and internal communication. Data were collected through a questionnaire from 205 employees and the data were analyzed and the hypotheses tested through regression analysis with the aid of SPSS. The findings showed that there exists a statistically significant impact of three dimensions of internal marketing (training programs, incentives, and rewards, internal communication), on job satisfaction for the employees in Islamic banks.

Mohammed et al. (2016) explored the impact of internal marketing practices on the organizational commitment of the employees of the insurance companies in Jordan, five practices of internal marketing was looked at by the study namely (rewards and incentives, managerial support, internal communication, training programs, and empowerment). Data were collected through a questionnaire from 374 employees of the insurance companies in Jordan and analyzed with regression analysis. The study showed that all internal marketing practices (rewards and incentives, managerial support, internal communication, training programs, and empowerment) have the effect of improving the organizational commitment of staff in the insurance companies in Jordan, and was the highest-dimensional effect in terms of rewards and incentives.

Lydia et al. (2016) investigated the effect of internal marketing strategy on employee performance and the moderating role of employee commitment among selected public universities in Kenya. In the study, internal marketing was dimensioned by information generation, communication/dissemination, and response to internal marketing information. Data were collected through questionnaires from employees from both administrative and academic staff positions and analyzed with descriptive and inferential analyses. Findings reveal that internal marketing strategy significantly influences employee performance; the study also established a significant relationship between employee commitment and employee performance among selected public universities in Kenya. The study however established no significant moderating effect of employee commitment on the relationship between internal marketing strategy and employee performance among selected public universities in Kenya was however established.

Sara and Leila (2015) investigated the effect of internal marketing on customer orientation in the insurance industry of Abadan City, Iran. Data were collected through questionnaires from both employees and customers and the analysis and test of the hypotheses were done using confirmatory factor analysis with the aid of both SPSS and Smart-PLS. The study showed that internal marketing significantly and positively affects organizational commitment. Also, internal marketing significantly and positively affects customer orientation and customer satisfaction.

Javeria and Rashid (2014) examined the impact of internal marketing (empowerment and communication on employee job satisfaction in Businesses in Universities of Pakistan. Data were collected from 116 professionals from the Business Universities of Pakistan through a questionnaire and the data were analyzed using linear multiple regression and mean values. The results showed that overall internal marketing practice has a positive influence on employees' job satisfaction.

Esmaeel et al. (2013) investigated the effect of internal marketing on employees' behavior in private insurance companies in Guilan province. The study's dimensions of internal marketing were job security, extensive training, and generous rewards, sharing of information, employees' empowerment, and reduced status distinctions. Data were collected through a questionnaire from a sample of 115 employees of private insurance companies in Guilan province (Rasht city) and were analyzed through Chi-square with the aid of SPSS. The study showed that there is a positive relationship between the element of internal marketing and internal customers' loyalty (managers' trust and job satisfaction).

Mohammad and Mina (2013) studied the effects of internal marketing on customer-oriented social and pro-social behaviors of hotels in Isfahan city. The study's dimensions were empowerment, service training, and service reward. Data were obtained through questionnaires and analyzed using t-test and regression modeling. The findings supported all research hypotheses and therefore concluded that internal marketing significantly affects customer-oriented pro-social behaviors.

Yu-Chuan and Shinyi (2013) carried out a study on modeling internal marketing and employee loyalty: a quantitative approach. Internal marketing components adapted for the study were: work support, and organizational atmosphere, a communication channel, educational training, motivation, and empowerment. The study developed a structural model and tests it in a hospital to identify how internal marketing quality influences employee organizational loyalty. Data were collected from 240 respondents from a private hospital in Taiwan. All survey information was coded for statistical analyses and entered into a computer database. The data were analyzed using descriptive statistics, factor analysis, and structural equation modeling (SEM). SEM analysis indicated a good fit between the hypothesized model and the sample data. Results showed a significant path coefficient between internal marketing and employee loyalty. The test results showed the strong role of internal marketing on employee loyalty.

Sulieman et al. (2013) examined the impact of internal marketing practices represented by the empowerment, training, leadership, and motivation, on job satisfaction of Jordanian commercial banks. Data were collected from 203 employees of commercial banks in Amman. Statistical Package (SPSS) was used to test the hypothesis. Based on the statistical analysis and the values, training and development have the highest impact on employee job satisfaction followed by motivation, empowerment, and communication, respectively. The study thus concluded that there is an effect of internal marketing practices on employees' job satisfaction.

Ogunnaike et al. (2012) determined internal marketing practices and their relationship with job satisfaction in a Nigerian university environment. The dimensions of internal marketing used for the study were: vision, development, and reward. Data were collected through a questionnaire from 230 employees (both academic and non-academic staff) in a Nigerian university and the hypotheses were tested by KMO and Bartlett's test (factor analysis). Results indicated internal marketing as having resultant effects on three major areas or components; understanding of organizational vision and values, quality delivery of external marketing as well as quality delivery of interactive marketing. It was also established that there was a strong and positive relationship between internal marketing and job satisfaction.

Daniel et al. (2012) studied internal marketing in Portuguese Health Care. The study adapted communication, leadership, benchmarking and job quality and promotional activities as dimensions of internal marketing. Data for the study were obtained through a questionnaire from a sample of 234 nurses, 135 from public hospitals using a traditional management model and 99 from long-term care units using a non-traditional management model. The findings indicate that the IMS when used to measure nurses' perceptions of their organizations' internal marketing orientation was reliable. The findings also indicate a relatively low (mean = approximately 3.2 on a 7-point scale) perception of international marketing practices in their sample organization.

Efthymios and Constantinos-Vasilios (2011) studied the effect of internal marketing on job satisfaction in health services, particularly in public hospitals in Northern Greece. Data were collected through questionnaires from three categories of health care professionals, nurses, doctors, and paramedic personnel working in public hospitals. The findings revealed that doctors tend to be more satisfied with their job than nurses in the same hospitals. Male personnel also tend to be more satisfied with their job than females. Time-defined work contract personnel have a greater level of job satisfaction than permanent personnel. Marital status, position, and educational level have no statistically significant impact on job satisfaction. A slight decline in job satisfaction occurs as the personnel age. The study thus concluded that, internal marketing positively affects the job satisfaction of hospital staff in Northern Greece.

Based on the empirical literature reviewed, the study hypothesized that;

Ho_1: There is no significant relationship between internal marketing practices and customer loyalty.

METHODOLOGY

This study explored the moderating role of industry policy on the interplay between internal marketing practices and customer loyalty of healthcare firms in South-South, Nigeria. The study adopted an explanatory research design. The population of this 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 the completeness of all cadres of healthcare workers. Based on information obtained from the 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; the 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 beds 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	UCTH	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 healthcare, patients often interact with contact employees (nurse, administration, doctor, lab scientist, pharmacist, health assistant, paramedic, physiotherapy, optometry, etc.) whose role is an ingredient of differentiation. Contact employees could influence service quality perception of the patient through their attitude and service delivery while five in-patients were considered enough to provide the necessary information needed for the study.

A 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 2 below displays the summary of the test of reliability.

Table 2: Result of Reliability Analysis

Variables	No. Items	Cronbach's Alpha
Internal Marketing Practices	5	0.891
Customer Loyalty	5	0.902

Source: SPSS Output of Data Analysis on Internal Marketing Practices and Customers Loyalty (2020).

DATA ANALYSIS AND RESULT

Table 3: Questionnaire Analysis

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

Source: Field Survey Data 2020

Table 3 shows that a total of 98 copies of the 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 filled and were consequently discarded.

Having analyzed the questionnaire, the Spearman's Rank Order Correlation Co-Efficient Statistical Tool was employed to examine the association between the study's dimensions and the criterion variable while the influence of the moderator on the interplay between the predictor and the criterion variables was determined by Partial Correlation.

Table 4: Description of the Degree of Association between Variables

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

Source: SPSS Output of Data Analysis on Internal Marketing Practices and Customers Loyalty (2020).

The positive (+) sign in the value of r indicates a direct/positive relationship while the negative (-) sign in the 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 the relationship between the variables.

Decision Rule

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

Table 5: Correlation Analysis of Internal Marketing Practices and Customer Loyalty

Correlations

			Internal marketing Practices	Customer Loyalty
Spearman's rho	Internal marketing Practices	Correlation Coefficient	1.000	.754**
		Sig. (2-tailed)	.	.000
		N	85	85
	Customer Loyalty	Correlation Coefficient	.754**	1.000
		Sig. (2-tailed)	.000	.
		N	85	85

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Output of Data Analysis on Internal Marketing Mechanism and Customers Loyalty (2020)

Table 5 above shows that Spearman's correlation coefficient (r) is = 0.754**, this value is high and shows that; a strong relationship exists between internal marketing practices and customer loyalty. The positive sign of the correlation coefficient shows that the relationship between the variables is positive. Therefore, an increase in loyalty behavior exhibited 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' internal marketing 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 internal marketing practices significantly relates to customer loyalty.

Discussion of Findings

Strong Positive Relationship between Work-Life Balance and Customers Loyalty

The study hypothesized that internal marketing practices does not significantly relate to customer loyalty. However, the tested hypothesis showed a strong positive association between internal marketing practices and customer loyalty.

In Table 5, Spearman's correlation coefficient (r) is = 0.754**, this value is high and shows that; a strong relationship exists between internal marketing practices and customer loyalty. This finding coheres with the results of previous studies on internal marketing practices in the healthcare firms. For instance, Nestor *et al*. (2018) assessed the effect of internal marketing on the organizational commitment of health workers, with the mediating roles of salient job characteristics in this relationship evaluated. Findings showed that, internal marketing makes a significant positive effect on the commitment of health workers. Daniela *et al*. (2012) studied internal marketing in Portuguese Health Care. The findings indicate that the IMS, when used to measure nurses' perceptions of their organizations' internal marketing orientation, was reliable. Efthymios and Constantinos-Vasilios (2011) studied the effect of internal marketing on job satisfaction in health services, particularly in public hospitals in Northern Greece. The findings revealed a significant relationship.

CONCLUSION AND RECOMMENDATIONS

Premised on the finding, the study, conclude that there is a significant relationship between internal marketing practices and customer loyalty. Thus, the study recommendations that healthcare firms that seek to improve customer loyalty should consider internal marketing practices as a strategy.

REFERENCES

Ahmed, P. Rafiq, M., & Saad, N. (2003). Internal marketing and the mediating role of organizational competencies. *European Journal of Marketing*, *37*(9), 1221-1241

Ateke, B. W. (2020). *Customer citizenship behavior; antecedents and consequences. How to elicit and sustain customer's extra-role behavior. Mauritius*, LAP LAMBERT Academic Publishing.

Baker, W.E., & Sinkula, J.M. (2005). Environmental marketing strategy and firm performance: Effects on new product performance and market share. *Journal of Academy of Marketing Science*, *33*(4), 461-475.

Baran, E., & Arabelen, G. (2017). The effects of internal marketing on ship agents' job satisfaction: a quantitative research. *Araştırma Makalesi (Research Article)*, *9*(1), 25-54.

Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management, 17*(6), 99–120.

Bellaouaied, M., & Gam, A. (2012). Internal marketing as a new alternative for the service employees 'performance: an empirical study. *Hal Archives-Ouvertes*, *6*(3), 1-22.

Bansal, H. S., Mendelson, M. B., & Sharma, B. (2001). The impact of internal marketing activities on external marketing outcomes. *Journal of Quality Management*, *6*(3), 61-76.

Bayon, S. (2013). The origin, concept and value of performance appraisal. *International Journal of Economics, Commerce and Management*, *1*(3), 111-123.

Berry, L. L., Hensel, J. S., & Burke, M. C. (1976). Improving retailer capability for effective consumerism response. *Journal of Retailing*, *52*(3), 3-14.

Berry, L. L. (1981). The employee as customer. *Journal of Retail Banking*, *3*(1), 33-40.

Bohnenberger, M. C., Schmidt, S., Damacena, C., & Batle-Lorente, F. J. (2019). Internal marketing: a model for implementation and development. *Dimensión Empresarial*, *17*(1), 7-22.

Bratton, J. & Gold, J. (2003). *Human resources management: theory and practice, 3rd Ed*. Palgrave Macmillan.

Breitenecker, R. J., & Shah, S. A. M. (2018). Relation of work-life balance, work-family conflict, and family-work conflict with the employee performance-moderating role of job satisfaction. *South Asian Journal of Business Studies, 7*(1), 129-146.

Butcher, K., Sparks, B., & O'Callaghan, F. (2001). Evaluative and relational influences on service loyalty. *International Journal of Service Industry Management*, *12*(4), 310-327.

Colette, S., Jean, D., & Laure, F. (2020). The impact of internal marketing on customer satisfaction of second-tier microfinance institutions in Cameroon. *Journal of Economics, Management and Trade, 26*(3), 13-22.

Daniel, A., Helena, A., & Walter, W. (2012). Internal marketing in Portuguese health care. *Public Policy and Administration*, *11*(4), 641–658.

Esmaeel, R. P., Esmaeel, M. A., & Mohammad, R. A. (2013). Evaluate the effect of internal marketing on employees behavior (case study: Guilan private insurance companies). *IJRRAS*, *16*(1), 135-146.

Efthymios, I., & Constantinos-Vasilios, P. (2011). The effect of internal marketing on job satisfaction in health services: A pilot study in public hospitals in Northern Greece. *BMC Health Services Research*, *11*(261), 1-8.

Farhad, R.; Ali, F. and Babak, J., (2013). Impact of internal marketing on customer loyalty (Case Study: Iran Insurance Company-Kermanshah Province). *International Research Journal of Applied and Basic Sciences, 4* (8), 2018-2025.

Ferdous, A. S., & Polonsky, M. (2014). The impact of frontline employees' perceptions of internal marketing on employee outcomes. *Journal of Strategic Marketing*, *22*(4), 300-315.

Ferdous, A. S., Herington, C., & Merrilees, B. (2013). Developing an integrative model of internal and external marketing. *Journal of Strategic Marketing*, *21*(7), 637–649.

Gafar, O. Y., Inda, S., & Ifu, A. (2016). Internal marketing practices and customer orientation of employees in Nigeria banking sector. *International Review of Management and Marketing*, *6*(4), 217-223.

Gounaris, S. (2005). Measuring service quality in b2b services: An evaluation of the SERVQUAL scales vis-à-vis the INDSERV scale. *Journal of Services Marketing*, *19*(4), 421-435.

Gronroos, C. (1981). *Internal marketing and integral part of marketing theory. In J. H. Donnelly, & W. R. George, marketing of services* (Proceedings of the American Marketing Association) (pp. 236-238). Chicago: American Marketing Association.

Idenedo, O. W. & Didia J.U.D, (2017). Customer orientation and loyalty behaviour of users of global system of mobile telecommunication services. *International Journal of Marketing and Management*, *7*(3), 38-48.

Idenedo, O. W., & Ebenuwa, A. (2019). Market orientation and customer loyalty of deposit money banks in Port Harcourt. International Journal of Marketing and Commercial Studies, *7*(2), 7-17.

Ismail, W., & Sheriff, N. M. (2016). Impact of internal marketing on job satisfaction among bank employees in Yemen. *International Conference on Business and Economics, 3*(9), 197-212.

Javeria, S., & Rashid, A. S. (2014). Impact of internal marketing on employee job satisfaction: an investigation of higher education institutes of Pakistan. *Journal of Marketing Management, 2*(2), 239-253.

John, N. K. (2016). Internal marketing practices, organizational size and performance of non-governmental organizations. *Journal of Research in Business and Management, 4*(8), 83-90.

João, P. S., Katarzyna, K., & Ricardo, G. R. (2018). Internal marketing and organizational performance of SMEs in the EDV industrial sector. *Engineering Management in Production and Services*, *10*(1), 55-64.

Kukreja, Jyoti (2017). Internal marketing: a prelude or an outcome of employee motivation. *BVIMSR's Journal of Management Research*, *9*(1), 54-59.

Kumar, R.W. (2015). *Engage*. Global Insights: Innovate HR.

Lydia, M., Loice, M., & David, K. (2016). Internal marketing strategy, employee performance, and organizational commitment in selected public universities in Nairobi County, Kenya. *International Journal of Business and Social Science, 7*(8), 91-107.

Md., A. R. S., & Dewan, M. A. (2018). The relationship between internal marketing and employee job satisfaction: a study from retail shops in Bangladesh. *Journal of Business and Retail Management Research*, *12*(3), 149-159.

Maryam, H., Masoud, A., & Mahdieh, K. (2018). Internal marketing: employee satisfaction and word of mouth in Guilan's Saderat Bank. *International Journal of Marketing Studies*, *7*(7), 1-15.

Mazen, A., Ali, F. A-Z., & Fakhrieh, M. D. (2018). The impact of factors affecting internal marketing on the quality of health services provided by public hospitals in Amman: an applied study. *British Journal of Marketing Studies*, *6*(1), 58-78.

Mengistu (2017), The effect of internal marketing on customer satisfaction: The case of commercial bank of Ethiopia, Addis Ababa university School of Commerce *Unpublished MA thesis.*

Mohammad, R. D., & Mina, V. (2013). A study of the effects of internal marketing on customer-oriented social and pro-social behaviors (Case study: Hotels in Isfahan city). *International Journal of Academic Research in Business and Social Sciences November, 3*(11), 253- 269.

Muhammed, N., & Peter, D. N. (2019). Word of mouth communication: A mediator of relationship marketing and customer loyalty. *Cogent Business and Management*, *6*(1), 1-20.

Nebo, G. N., & Okechukwu, E. U. (2017). Effects of internal marketing on customer orientation behaviour of selected hotels' employees in Nigeria. *European Scientific Journal*, *13*(16), 212-232.

Nestor, A., Frank, F. O., & Henry, K. M. (2018). The nexus between internal marketing in hospitals and organizational commitment: Incorporating the mediation roles of key job characteristics. *International Journal of Healthcare Management, 13*(4), 1-16.

Ogunnaike, O. O., Oyeniyi, O., & Adeniji, A. A. (2012). Internal marketing practices and job satisfaction: evidence from a Nigerian university setting. *Broad Research in Accounting, Negotiation, and Distribution*, *3*(3), 18-30.

Papasolomou, I., & Kitchen, P. J. (2004). Internal marketing in UK banks: conceptual legitimacy or window dressing. *The International Journal of Bank Marketing*, *22*(6), 421-452.

Qureshi, S. (2017). Impact of internal marketing on employee & consumer satisfaction: a study of banking organizations in Kashmir. *Journal of Emerging Technologies and Innovative Research*, *4*(12), 594-600.

Rana, A. A., & Muhammad, T. R. (2018). The effect of internal marketing dimensions on organizational commitment of employees: An Investigation among Private Banks in Faisalabad, Pakistan (A study based on different dimensions of internal marketing). *European Online Journal of Natural and Social Sciences*, *7*(1), 147-165.

Sara, B. S., & Leila, A. (2015). Investigating the impact of internal marketing on customer orientation (case study: insurance industry of Abadan city). *European Online Journal of Natural and Social Sciences*, *4*(3), 546-552.

Shekoofeh, S. M., Mohammad, A. B., Omid, B., & Maryam, M. (2019). Internal marketing activities in educational hospitals of Yazd, Iran, evidence based health policy. *Management & Economics*, *3*(4), 266-275.

Sik,S. G., Bakti, Tri, R., Nidya, J. A., Widianti, & Medi, Y. (2014). The empirical study on patient loyalty; the role of trust, perceived value, and satisfaction (a case study from Bekasi, Indonesia). *Clinical Governance: An International Journal*, *19*(3), 269-283.

Sima, G. M., & Elham, F.T. (2015). The impact of customer loyalty programs on customer retention. *International Journal of Business and Social Science*, *8*(1), 1-16.

Soheila, R., Meng, L., & Nur, S. B. R. (2019). A hierarchical model of mediation effect of motivation (MO) between internal marketing (IM) and service innovation (SI). *Adm. Sci. 9*(85), 1-26.

Taiye, T. B., Rowland, E. K. W., Oladele, O. J. K. & Olaleke, O. O. (2017). Empirical study of functional clues and customer loyalty in the healthcare sector of Lagos state, Nigeria. *3rd International Conference on Advances in Education and Social Sciences, 9-11*(10), 1128-1136.

Tansuhaj, P., Wong, J., & McCullough, J. (1987). Internal and external marketing: effect on consumer satisfaction in banks in Thailand. *International Journal of Bank Marketing*, *5*(3), 73-83.

Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal, 5*(6), 171-180.

Waddah, I., & Nooraini, M. S. (2016). Impact of internal marketing on job satisfaction among bank employees in Yemen. *3rd International Conference on Business and Economics*, *21-23*(9), 199-212.

Winnie, G. N., & Francis, N. K. (2016). Marketing practices, market orientation, and performance of tour firms in Kenya: a mediated approach. *DBA Africa Management Review*, *6*(4), 33-49.

Yahya, Al-K. (2016). Impact of application of the internal marketing on job satisfaction for the employees in the Islamic banks a case study of Jordan. *International Journal of Managerial Studies and Research (IJMSR), 4*(6), 33-45.

Yu-Chuan, C., & Shinyi, L. (2013). Modeling internal marketing and employee loyalty: a quantitative approach. Asian Social Science, *9*(5), 99-110.

Yu-Ting, H., Sharyn, R-T., & Yen-Heng, C. (2019). Extending understanding of the internal marketing practice and employee satisfaction relationship: A budget Chinese airline empirical examination. *Journal of Vacation Marketing*, *25*(1), 88-98.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 50-62 (July, 2022)
DOI: 6732425661723
https://arcnjournals.org

Impact of POS Business in Reducing Unemployment Rate in Anambra State

[1]OKOYE, Vincent Chekwubechukwu, [2]Dr Orajaka Ugochukwu Paul & [3]Nnebe, Ekwutosi Gloria
[1,2&3]Department of Entrepreneurship Studies, Chukwuemeka Odumegwu Ojukwu University Igbariam, Anambra State, Nigeria

Abstract: *This study examined the impact of POS business in reducing unemployment rate in Anambra state. The objectives of the study were as follows; to determine the impact of POS business in reducing unemployment rate in Anambra state; To examine the extent to which the availability and the use of POS has served as a source of income for the owners of POS business centers. Structured Questionnaire were used to collect data from the owners of point of sales business. The population of the study were 3045, the researcher selected 100 respondents from Nnewi, Awka and Onitsha making it a cumulative sample of 300 respondents. The copies of questionnaires returned were two hundred and forty-seven. Purposive sampling techniques were adopted. . The study used survey research design due to the nature of the work. Primary and secondary sources of data were used in the study. Analysis of variance were used to analyze the collection questionnaire. From the analyses, the study found out that, point of sales outlets has significant impact in reducing unemployment in Nigeria. Availability and the use of POS has served as a source of income for the owners of POS business centers in Anambra state. The study recommended Government through the CBN should enact a law on how to protect the interest of the POS customers, so that fund will not be withdrawn in their account unauthorized. Government and deposit money bank should encourage the use of POS to encourage unemployment reduction in Anambra state*

Keywords: Point of sales, unemployment, ANOVA, *Nnewi, Awka and Onitsha*

INTRODUCTION

As the country battles with high unemployment rate, a quest to increase financial inclusion and a struggle to counter the impact of the COVID-19 pandemic, more Nigerians, especially the youth, are taking to Point of Sale (POS) banking services as a trade. According to a report by the National Bureau of Statistics (NBS) in March 2022, Nigeria's unemployment rate rose to 33.3 per cent in the fourth quarter of 2021, rising from 27.1 per cent in the first quarter (June) of last year. An analysis by *Bloomberg* this year revealed that a third of the 69.7million strong labour force in Nigeria either did nothing or worked for less than 20 hours a week, making them unemployed, according to the Nigerian definition. Another 15.9m worked less than 40 hours a week, making them underemployed. However, with advancement in financial technology (fintech), Nigerians are taking to the POS services subsector of the financial sector, also known as agency banking, to become self-employed while creating jobs for others.

The number of agency banking and POS operators has kept rising since 2017, data shows, bringing to the fore, the gains being accrued to those behind the initiatives. A point of sale, also known as a point of purchase, is a system that helps local debit cardholders to make withdrawal of money and pay for goods and services.

This apparatus is mostly used in retail stores where consumers use their ATM cards to pay for goods or services. Any utility bills, such as power, airtime, cable or decoder subscriptions, are often paid using a POS device. Hence, with the growing use of advanced innovative electronic technologies for e-funds round the world, the introduction of POS into the Nigerian economy has facilitated the ease of doing business without having to carry large sums of cash in one's wallet.

The use of POS terminals to make financial payments in Nigeria was introduced by the Central Bank of Nigeria (CBN) in 2012 to promote its cashless policy with the aim of improving the payment system. Ever since the introduction, there has been increasing growth in the number of active POS terminals provided by banks to mobile money merchants. This was due to the acceptability of POS transactions in society. However, this opportunity was explored by the majority of Nigerians who were desperately seeking an employment opportunity and daily source of revenue (Carlos 2014). The desire to make a living, despite Nigeria's devastated economy and unpalatable rate of unemployment, resulted in an astonishing increase in the number of money merchants or POS businesses in the country, because the opportunity was regarded as a potential and lucrative business and employment opportunity. Traceably, in the first three months of 2018, it was reported that a total of 17,193 POS terminals were registered by banks for carrying out cashless transactions in Nigeria (Ogunfuwa, 2018). Statistical figures from the Nigeria Inter-Bank Settlement Scheeme (NIBSS) indicated that as of 2018, the number of active POS terminals in Nigeria was 164,607. This evidence therefore clarifies the fact that there is a massive increment in the number of POS businesses and money markets in Nigeria. Thus, this study is riveted towards assessing the very impact of POS as a business endeavor on employment generation in Nigeria.

Many nations of the world have developed an effective and efficient payments system whose transactions are required to guarantee and sustain their economic development. One of such in Nigeria is the POS, following the introduction of the cashless policy in Nigeria. A point of sales (POS) is the point at which a retail transaction is finalized, usually coinciding with the moment a customer makes a payment in exchange for goods and services using his or her debit/credit card
instead of cash. It is a device allowing the use of payment cards such as debit cards at a physical point of sale in making payments for transactions or demands made. Hence, this made it advantageous following its convenience and speed of operation. According to the report from

the apex money regulatory body in Nigeria (CBN 2011), the e- payment system has helped to solve many of the associated challenges arising in the country ranging from the exuberant cost arising from frequent printing of currency notes, currency sorting, cash movement, keeping large amount of cash, security cost of checking high incidences of robbery among others (Akerejola, 2017).

For years, analysts have predicted the transition of physical cash as a transaction medium to an electronic cash transaction medium referred to as a “cashless policy” (David, 2012). The basic product which is ‘point of sale’ (POS) terminal has a significant role to play in driving a cashless initiative owing to the fact that they are ubiquitous, easy to use and portable. POS are found in stores, restaurant, hospitals, schools, churches and other service centers. If the whole cashless scheme will be successful, the responsibilities of payment terminal service providers (PTSPs) in POS terminal management and support should be given maximum scrutiny. The responsibilities include purchase and replacement of spare parts, provision of connectivity, training, repairs, and development of value added services. This fact thus necessitates a periodic evaluation of the performance of the payment terminal service providers (Ifeakandu, 2011).

Statement of Problem

Unemployment is one of the fundamental developmental challenges facing Nigeria at the moment. Although research has shown that unemployment was high in the 1980s, available reports from various local and international bodies, as well as the glaring evidence of joblessness in these decades, indicate that there was no time in Nigeria’s history when unemployment was not a problem.

Youth and non-youth unemployment in Nigeria has been increasing as the number of students graduating from institutions has increased. The Nigerian National Bureau of Statistics (NBS) (2017) while inferring from the International Labour Organization’s (ILO) definition of unemployment, states that the unemployed population are those in the labour force, or people of working age, that is, between ages 15-64, who were willing and actively looking for work, but could not find for not less than 20 hours (NBS, 2017).

However, the increasing rate of economic recession has worsened the unemployment in Nigeria. This has led to many of the citizens in scummy poverty. But however, the introduction and availability of POS in Nigeria has in the long run brought smiles to people’s faces and provided income opportunities for many jobless Nigerians. As a result, there has been an increase in the number of individuals who ventured into POS businesses owning up to 2, 3 and above number of POS business outlets, thereby employing workers to manage the outlets.

Objectives of the Study

The general objective of the study is to assess the impact of POS business in reducing unemployment rate in Anambra state. The specific objectives of the study were as follow:

1. Determine the impact of POS business in reducing unemployment rate in Anambra state.
2. Examine the extent to which the availability and the use of POS has served as a source of income for the owners of POS business centers.

2. Review Of Related Literature

Conceptual Review

Point of sale (POS): This is a form of e-payment that handles balance inquiry, payment for goods and service, electronic fund transfer at a specific point of sale. The device allows customers to make payment for goods and services purchased without the physical use of cash. At POS terminals, when a customer slots in his card into the POS, he inputs his details and in the case of payment for goods or services, his account is debited at that point resulting in a transfer of funds to the service provider's account.

Unemployment

Every economy is characterized by both active and inactive populations. The economically active ones are referred to as the population willing and able to work, and include those actively engaged in the production of goods and services and those who are unemployed. According to Fajana (2010), unemployment refers to as a situation where people who are willing and capable of working are unable to find suitable paid unemployment. It is one of the macro-economic problems which every responsible government is expected to monitor and regulate. The higher the unemployment rate in an economy the higher the poverty level and associated welfare challenges. Fajana (2010), Alao (2015) and Wikipedia (2010) identify the following types of unemployment. Anyaele (2011) defined unemployment as a situation where some people who fall within the ages of the working population, capable and willing to work, are unable to obtain befitting work to do. The state of being without any work yet looking for work is called unemployment.

Unemployment is defined by the Bureau of Labour Statistics as people who do not have a job, have actively looked for work in the past for weeks and are currently available for work. Also people who were temporarily laid off and were waiting to be called back to that job are included in the unemployment statistics The International Labour Organization (2018) saw unemployment as when people are without jobs and they have actively looked for work within the past four months. Unemployed individuals are unable to earn money to meet financial obligations.

Unemployment is the term referring to individuals who are unemployable and seeking a job but are unable to find a job. Unemployment occurs when one does not have a job. According to Udu and Agu as cited in Asaju, Arome and Anyio (2014) unemployment is a situation in which persons capable and willing to work are unable to find suitable paid employment.

Theoretical Framework

In order to explore the effect of electronic point of sale system on operational performance of hotels in Nakuru County, the study adopts two theories; Technology Acceptance Model, Synergy Theory and Convention Economic Efficiency Theory.

Technological Acceptance Theory

This study adopted the theoretical extension of Technology Acceptance Model (TAM2) introduced by Venkatesh and Davis (2000). Original TAM was developed by Davis (1986) to explain why users adopt or reject an innovative information system. It offers a powerful explanation for user acceptance and usage behaviour of information technology. TAM theorizes that an individual's behavioral intention to adopt a system is determined by two beliefs, perceived usefulness (PU) and perceived ease of use (PEOU). TAM2 extended the constructs of TAM and included additional determinants of TAM's PU and usage intention constructs. This model helps to understand how the effects of these determinants change with increasing user experience over time with the target system. TAM2 incorporates additional theoretical constructs spanning social influence processes and cognitive instrumental processes and explained that the additional constructs - social influence processes (subjective norm, voluntariness, and image) and cognitive instrumental processes (job relevance, output quality and result demonstrability) significantly influenced user acceptance. The level of Technology acceptance will influence the operational efficiency of any organization. Technology is a major driving force of organizational efficiency hence performance. The Utilization of modern ICT technologies significantly improve and organization's efficiency and effectiveness which in the long run reduces operational costs which attracts new client and hence affecting the operational efficiency.

Empirical Review

Okoye. (2018) examined the effect of cashless banking on the unemployment rate in Nigeria, with a focus on the aggregate data of all the banks operating in the country as at 2012-2016, as documented in the CBN annual report. An ex-post facto research design was adopted for the study; and secondary source of data collection was employed. Cashless banking system as the independent variable of this study was measured with TATM, TPOS, TMPS and TIB, whereas the dependent variable was the Nigeria's unemployment rate (UR). Data gathered were presented in tables and analysed using multiple regression technique (ordinary least square regression) of model estimation. In order to determine the overall significance of the model, students' T-significance test was observed in the model (t-transformation of regression coefficient) and was used to test the hypothesis formulated. Results show that there is a negative and insignificant effect of cashless banking system on unemployment rate in Nigeria (β= -0.790, R2 = 0.624, t-2.233, p = 0.112). This means that cashless banking system in Nigeria does not contribute to the increased rate of Nigeria's unemployment as perceived by many people. Instead, more jobs are created for people expertise in operating the machines (ATM, POS, Internet and Mobile Phone) used in the cashless banking system. Based on the findings, it was recommended that Government and CBN should create awareness on the benefits derivable from shifting to cashless (cash-light) banking system in Nigeria, more especially on the fact that machines are not used to replace the workforce in a cashless banking system

Omotayo, (2015) investigated the factors affecting adoption of POS by organisations in Lagos and Ibadan metropolis, Nigeria using the Technology Acceptance Model2 as the theoretical framework. The study adopted survey design by sampling 200 organisations that have adopted POS in Lagos and Ibadan metropolis using questionnaire as the research instruments. The results reveal that subjective norms and perceived ease of use have significant relationship with adoption of POS machine by the organisations. However, the characteristics of the organisations, image and perceived usefulness do not have significant relationship with adoption of POS. The study provides a guide to banks on the factors they need to put into consideration when deploying POS machine. The study has some limitations, one of which is that the population was limited to only two states therefore, the findings may not be generalised to the entire country

Anyanwu, and. Anumaka (2020). examined the impact of Point of Sale (POS) on cashless policy, issues and prospect in Nigeria economy; research questions were formulated and distributed to the sample population of 500 drawn from various POS operating centers in line with the objectives of the study. Four hundred and fifty responses were returned while fifty copies were not returned; the responses were categorized according to strongly agreed, agreed, strongly disagreed, disagreed and neutral with weight of (5,4,3,2,1) assigned to each category respectively to generate acceptable raw data for econometric analysis. The raw data were analyzed using cointegrated, ordinary least squares, autoregressive distributed lag, unit root and Grange causality; the result shows that POS has significant and positive impact on cashless policy in Nigeria. The study recommend that POS should be deployed to various areas to facilitates exchange transactions and ultimately reduces cash based related transactions in the economy.

Lawi, Richard, John and Njenga (2019) determined the effect of Electronic Point of Sale System on operational efficiency of Hotels within Nakuru County. Correlation results showed that a strong positive significant relationship existed between EPoS data processing speed and operational efficiency of Hotels in Nakuru County ($r = 0.528$; $p < 0.05$). This led to the rejection of the null hypothesis and subsequently the adoption of the view that EPOS data processing speed was instrumental in ensuring effective operational efficiency of Hotels in Nakuru County. Correlation analysis was also done to determine effect of EPOS transaction tracking speed on operational efficiency of the hotels in Nakuru County. The results showed a significant relationship existed ($r = 0.218$, $p < 0.05$) between the two variables. The degree of the association of the two variables was weak but positive suggesting that EPOS transaction tracking speed was not a strong factor in operational efficiency of the Hotels in Nakuru County. Correlation analysis showed that there was no significant relationship existing between EPOS transaction security and control on operational efficiency of the Hotels in Nakuru County ($r = 0.096$, $p = 0.386$). This result suggested that EPOS transaction security and control was not a priority to the hotels in Nakuru County. Finally, correlation analysis to determine whether EPOS reporting system affects operational efficiency of the hotels in Nakuru County indicated that the relationship is, in fact, significant ($r = 0.443$, $p < 0.05$). The first hypothesis was tested the test results showed that there exists a statistically significant correlation between EPOS data processing speed and operational efficiency ($\beta = 0.445$, $\rho = 0.000 < 0.05$). The result leads to the rejection of the null hypothesis, hence a conclusion that there exists a significant effect of EPOS data processing speed on operational efficiency of hotels in Nakuru County. The test results showed that there exists a statistically significant correlation between EPoS transaction tracking speed and operational efficiency ($\beta = 0.177$, $\rho = 0.001 < 0.05$). The result leads to the rejection of the null hypothesis, hence a conclusion that there exists a significant effect of EPOS transaction tracking speed on operational efficiency of Hotels in Nakuru County. Another test was done at a significant level 0.05. The test results show that there exists no correlation between EPOS transaction security and control and operational efficiency ($\beta = 0.060$, $\rho = 0.579 > 0.05$). This results in the failure to reject the null hypothesis, hence a conclusion that there is no significant effect of EPOS transaction security and control on operational efficiency of the Hotels in Nakuru County..

Olugbade and Kehinde (2012) investigated the level of consumers' satisfaction with adoption of e-payment system in Nigeria. Data for the study were elicited from bank customers and consumers of the product. Overall, the result indicates that fewer consumers were satisfied with the speed of transaction, level of service provided by the merchants, awareness, and security. These findings suggest opportunities for improving the consumers interface with POS technology in order to achieve the objective of cashless economy.

Anyanwu and. Anumaka, (2021) examined the impact of Point of Sale (POS) on cashless policy, issues and prospect in Nigeria economy; research questions were formulated and distributed to the sample population of 500 drawn from various POS operating centers in line with the objectives of the study. Four hundred and fifty responses were returned while fifty copies were not returned; the responses were categorized according to strongly agreed, agreed, strongly disagreed, disagreed and neutral with weight of (5,4,3,2,1) assigned to each category respectively to generate acceptable raw data for econometric analysis. The raw data were analyzed using co-integrated, ordinary least squares, autoregressive distributed lag, unit root and Grange causality; the result shows that POS has significant and positive impact on cashless policy in Nigeria. We therefore recommend that POS should be deployed to various areas to facilitates exchange transactions and ultimately reduces cash based related transactions in the economy.

Mafimisebi, Akinbobola, Mafimisebi, Ugbedeojo, and Olarinde (2019) determined the effect of point of sales (POS) utilization on effective demand for agricultural commodities in stores and supermarket in Akure Metropolis. Multistage sampling procedure was used in selecting one hundred and sixty (160) consumers paying for agro-commodities through POS for the study. Data were collected through the use of structured interview schedule and were analyzed using descriptive statistics and regression. The study identified convenience as the main reason for utilizing POS and also found sex, age, household size, monthly income and effect of POS as factors influencing effective demand of agro-commodities using the POS. The study however concludes that the use of POS increases the demand for agro commodities.

3. METHODOLOGY

This study will use survey research design Survey Design as it is used in a pure research context refers to the total constructional plan or structure of the research framework. Research design therefore means the structure and planning of the entire approach to a problem for Research with respect to this research work, the researcher made use of primary and secondary sources of data. The primary sources of data include the questionnaire and the personal interview, while the secondary sources of data include the journals, magazines, textbooks and internet. The population of this study were 3045 POS agent in Anambra state, as a matter of convenient the study choose 100 respondents from Nnewi, Awka and Onitsha making the sample size a total of 300 respondents. The study employed structure questionnaire as a method of data collection. Meanwhile percentage table and analysis of variance will be used to analyses the collected data from the sample respondents.

DATA PRESENTAION AND ANALYSIS

This chapter presents the data obtained from the respondents through the administered questionnaires. Three hundred (300) were administered, among point of sales (POS) outlets in Anambra state**.** However, two hundred and forty-seven (247) 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.

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	86	27.2	34.8	34.8
	female	161	50.9	65.2	100.0
	Total	247	78.2	100.0	

Source: Field Survey 2022

The above table reveals that the eighty-six of the respondents which represents 34.8 persons were male respondents, while one hundred and sixty-one (161) respondents which represent 65.2% were female respondents. By implication, female respondents were more than male respondents by 30.4 percent 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.

Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	married	68	21.5	27.5	27.5
	single	179	56.6	72.5	100.0
	Total	247	78.2	100.0	

Source: Field Survey 2022

In the table above, out of the two hundred and forty-seven (247) respondents, sixty-eight (68) of the respondents were married, while one hundred and seventy-nine (179) respondents which represent 72.5 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, and married, and respondents that answered the distributed questionnaire

Level of Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	WAEC/NECO	126	39.9	51.0	51.0
	BSC/HND	88	27.8	35.6	86.6
	MSC/MBA	33	10.4	13.4	100.0
	Total	247	78.2	100.0	

Source: Field Survey 2022

The table above indicates that one hundred and twenty-six (126) respondents which representing 51.0% percent maintain to acquired WAEC OR NECO while 35.6% percent of the respondents which represents eighty-eight (88) have BSC/HND. However thirty-three respondents which represent 13.4 percent either have MSC or MBA. This as the one of demographic item helps us to identify the education qualification of the respondents.

AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	15-20	119	37.7	48.2	48.2
	20-25	84	26.6	34.0	82.2
	26-30	27	8.5	10.9	93.1
	31-35	17	5.4	6.9	100.0
	Total	247	78.2	100.0	

Source: Field Survey 2022

Table 4.3 above depicted the age bracket of the respondents. The distribution shows that 48.2% of the respondents are between the age brackets of 15 to 20 years while 34.0% respondents are within the age bracket of 20-25 years. On the same note, 10.9% of the respondents are within the age bracket of 26 - 30 years. On the same note, 6.9% of the respondents are within the age bracket of 31 - 35 years.

Years in work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3	158	50.0	64.0	64.0
	4-6	77	24.4	31.2	95.1
	7-10	12	3.8	4.9	100.0
	Total	247	78.2	100.0	

Source: Field Survey 2022

The table above indicates that one hundred and fifty-eight (158) respondents which representing 64.0% percent maintain that they have been in the work for 3yres or less while 31.2% percent of the respondents which represents seventy-seven (77) have been in the work for about 6 years or less. However twelve (12) respondents which represent 4.9 percent either have work for 7 to 10 years. This as the one of demographic item helps us to identify the number of years the respondent have work for.

Hypothesis Testing

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.575	1	.575	7.540	.002
Within Groups	55.482	245	.226		
Total	56.057	246			

Sources: SPSS Output 2021

In testing this hypothesis, the F-statistics and probability value in table above is used. POS variables have a F-statistics of 7.540 and a probability value of 0.000 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state that point of sales outlets has significant impact in reducing unemployment in Nigeria

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	18.726	3	6.242	40.630	.000
Within Groups	37.331	243	.154		
Total	56.057	246			

Second hypothesis has f-statistics of 40.630 and a probability value of 0.000 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses and conclude that, availability and the use of POS has served as a source of income for the owners of POS business centers in Anambra state.

Conclusion and Recommendation

Recently banking business operation required only the physical manifestation of the customers or
their agents in the banking sector has gone to the period where banking undertakings can also be
carried out from home, business premises or even on the road with the aid of electronic payment system. The implication is not that Nigerian banking system has gone to the period where there is an outright absence of cash transactions in the banking sectors but the one in which the amount of cash-based transductions are kept to the barest minimum. Therefore cashless banking could be seen as the combination of cash-based banking system and electronic banking system but predominated with electronic based transactions. Hence, cashless banking in Nigeria could better be called cash-light banking system. The increased rate of unemployment since the introduction of cashless banking in Nigeria is not as a result of the cashless banking since the result of this investigation shows that, it has reduced the rate of unemployment in Nigeria which was against the perception of many people that cashless banking has resulted in the replacement of work force by machines. Consequence upon this, the researcher recommended the following. Government through the CBN should enact a law on how to protect the interest of the POS customers, so that fund will not be withdrawn in their account unauthorized. Government and deposit money bank should encourage the use of pos to encourage unemployment reduction in Anambra state

References

Adeoti, O. O. (2013). Challenges to the efficient use of point of sales terminals in Nigeria, Africa Journal of Business Management, 7(28), 2801-2806.

Adeoti, O.O., and Oshotimehin, K.O. (2011). Adoption of point of sale terminals in Nigeria: Assessment of consumers' level of satisfaction. Research Journal of Finance and Accounting, 3(1), 1-5.

Akerejola W.O, 2017. Determinants and Adoption OF Point of Sales of Selected Business Organization in Lagos State, Nigeria. Unpublished thesis, Department of Business Administration and Marketing, School of Management Sciences, Babcock University, Ilisan-remo Ogun state, Nigeria

Anyanwu G. I. and. Anumaka, C. I. (2021) Article Point of Sale and Cashless Policy in Nigeria: Challenges and Prospects. *Asian Journal of Economics, Business and Accounting 20(2): 42-57*

Anyanwu, G. I. and C. I. Anumaka (2020). Point of Sale and Cashless Policy in Nigeria: Challenges and Prospects. *Asian Journal of Economics, Business and Accounting* 20(2): 42-57

Ayo, C. K., & Babajide, D. O. (2009). Designing a reliable e-payment system: Nigeria a case study. Journal of Internet Banking and Commerce, 11(2), 1-18.

Ayo, C.K. (2009), "Information Systems and technologies," McKAY Education series, First Edition, 649p

Ayodele TD. (2015) Nigerian payment systems through electronic banking (E-Banking): A review. International Journal of Transformations in Business Management. 5(2):27-33

CBN, 2011. Towards a Cashless Nigeria: Tools & Strategies. Nigerian Journal of Economy. 3(2): 344-350

David, J. (2012). Cashless Society: In the Cashless Society. Boston: Academic Publisher.

Davis, F. (1989). 'Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology'. MIS Quaterly, 13(3), 319-340. doi:http://dx.doi.org/10.2307/249008

Fajana, S. (2010) Functioning of the Nigeria labor market, Lagos labonfin and company

Ifeakandu, A. (2011). 'Analysts list pitfalls of cashless economy'. International Business Studies, 27(1), 981-1004.

International Labour Organisation (2018). Unemployment. Assessed on April 20,2020. https://wwwoecd.org>statistics.

Lawi K. C., Richard B. N., John T., Njenga G. (2019) Effect of Electronic Point of Sale System on Operational Efficiency of Hotels in Nakuru County. *The International Journal of Business Management and Technology, 3(6), 1-15*

Mafimisebi, O. E., Akinbobola, T. P., Mafimisebi, T. E, Ugbedeojo, M.M, and Olarinde, B. E (2019) Effect of point of sales (POS) utilization on effective demand for agricultural commodities in stores and supermarket in Akure metropolis, Ondo state, Nigeria. Invited paper presented at the 6th African Conference of Agricultural Economists, September 23-26, Abuja, Nigeria.

NIBSS, (2012), ''Lagos POS Adoption Survey'' Lagos: Project Report, Financial Derivatives Company.

Okoye. A.P (2018). Effect of Cashless Banking on Unemployment Rate in Nigeria. *Asian Journal of Economics, Business and Accounting.* 6(4): 1-18

Olugbade A. and Kehinde O. (2012) Adoption of Point of Sale Terminals in Nigeria: Assessment of Consumers' Level of Satisfaction. *Research Journal of Finance and Accounting* 3(1), *1-15-*

Omotayo, F (2015) Factors Affecting Adoption of Point of Sale Terminals by Business Organisations in Nigeria. *International Journal of Academic Research in Business and Social Sciences* 5, (10) 115-129

Venkatesh, V M.G. Morris; G.B. Davis; F.D. Davis (2003): User Acceptance of Information Technology: Toward A Unified View." Mis Quarterly Vol. 27 No. 3 pp. 425-475.

Wikipedia (2010) Empowerment. Retrieved from www.errwikipedia.org/wik/ empowerment.

Yakubu. H (2021). POS business, a potential job-creation tool – Economist. Verge Communications

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 63-76 (August, 2022)
DOI: 6732425661724
https://arcnjournals.org

Employee Loyalty an Asset for Organizational Performance

[1]Tolofari Daniel Tamunokediari; [2]Amah, Edwinah (PhD); [3]Nkasiobi Otuonye Okocha

[1]Department of Management, Ignatius Ajuru University of Education, [2]Department of Management, University of Port Harcourt, [3]Department of Management, Ignatius Ajuru University of Education

Abstract: *This research focused on employee loyalty and organizational performance of hotel industries in Rivers State. The main objective of this research was to examine the relationship that exist between the two variables. The study adopted purely qualitative approach and used both primary and secondary data. The primary data were collected from management and clients of the hotel industries. The results indicated that dimensions of employee loyalty have a significant effect on organizational performance. Therefore, the study concluded that dimensions of employee loyalty enhance organizational performance. Thus, the study recommended that management of organization should adopt the key variables for actualization of organizational performance.*

Keywords: *Corporate Rewards, Employee Recognition, Employee Loyalty, Organizational Performance*

Introduction

In a few decades, the company aims for excellent daily performance. To accomplish this, firms create goals and objectives and seek motivated, committed workers. According to Pushpakumari (2008), devoted employees work harder and better, which boosts organizational success. Companies aim to encourage employees for the company's good. Organizations attempt to develop employee loyalty so they may pursue stated and emergent objectives without impediment. Didier Noye (2002) says performance is meeting company-given objectives. His definition of performance is comparing the results to the aim. Didier Noyé believes this notion compares the result and the goal. The author's definition isn't clear since results and goals differ from activity to activity. Neely (2002) says performance should measure efficiency and effectiveness. Quantification may be qualitative or quantitative. Neely and others define performance as efficiency and effectiveness.

Organizational performance relies on people' efficiency and effectiveness. According to Koys (2001), firms must understand how people feel about their jobs and the company to enhance business results and performance. Organizational performance depends on employees' efficiency and effectiveness. A company relies on employee performance to succeed. Moral, calculative, and compelled employee loyalty affect organizational performance. Companies rely on employee performance to be successful. Employee loyalty boosts self-confidence and organizational commitment and reduces absenteeism and turnover (Linda & Michael, 2014). Employee performance determines a company's success or failure. It's crucial that workers stay loyal to the company and don't look elsewhere. Loyalty is a person's commitment or loyalty to another person or group, an ideal, a responsibility, or a cause (Encyclopedia, 1998). It manifests itself in mind and conduct and links loyal person's interests with organization's goal (Safra, 2007).

Modern workers have various job possibilities; thus, they routinely switch employers. From the company's perspective, there is a loss since the organization has invested resources on the workers to make them more competent, resulting to a higher gross production. Organizational effectiveness is increasingly reliant on workers' moral, calculative, and general loyalty (Rodrguez, Boltansky, Chiapello, & Vázquez, 1999). Loyalty is a significant problem for firms, particularly given the economic pressures between employers and workers over company success (Naus, van Iterson, & Roe, 2007; Sverke & Goslinga, 2003). Loyalty is a strong relationship that holds an employee to his/her employer, even if it's not economically sensible (Logan, 1984). Employee loyalty is an intentional commitment to serve the best interests of one's employer, even if doing so requires sacrificing some component of one's self-interest beyond one's legal and moral requirements (Elegido, 2013). Definition of loyalty can correspond to: trust, resistance to adopting opportunistic behavior faced with an outside job offer (Dutot, 2004); significant length of service in the company, less inclination to search for outside job offers, and a strong sense of belonging (Peretti & Igalens, 2015); or a feeling of belonging combined with staying in the organization over the long term (Colle, 2006). Employee loyalty, emotional involvement, and regular commitment impact the lifetime and effectiveness of enterprises (Bakker & Schaufeli, 2008). Employee loyalty boosts performance. According to Kaisiarz (2011), committed workers are devoted to the organization's development and feel working there is their best alternative.

This study tries to use a theoretical method to analyze employee loyalty and organizational performance in an organizational environment, as well as certain elements of employee loyalty as an asset for organizational success.

Statement of Problem

The hotel business employs the most people worldwide. As the globe develops, the hotel sector grows rapidly. Since the 1970s, many hotels lack staff loyalty. Hotel loyalty cannot be replaced by mechanical or electrical methods. Organizational loyalty is crucial. The hotel and banking industries struggle with employee loyalty. Companies with disloyal personnel are more prone to absence. Organizations employ them directly or indirectly via associated services (Kenya Flower Council, 2010). Employers and bank stakeholders must prioritize the well-being of their employees. Noble (2009) said greater emphasis should be made on detecting and dealing with moral loyalty since workers with bad perceptions of their firm suffer from chronic stress. A healthy working environment includes accepted human qualities like honesty, trust, and respect for others. Several scholars stress the relevance of these characteristics for work satisfaction and employee loyalty (McCusker & Wolfman, 1998; McGuiness, 1998; Selnow & Gibert, 1997; Vardi, Wiener & Popper, 1989). Graversen (1992) discovered that how coworkers treat employees affects their job satisfaction. In a terrible social working environment, when workers are isolated, bullied, or bad-mouthed, this might cause stress or disloyalty. According to Maplecroft (2010), bad human resource management methods in the banking industry include moral, calculative, and coerced loyalty. Some of these terrible practices include unethical labor practices, such as firing employees without valid cause and denying them the right to join trade unions.

The banking industry is under pressure to monitor employee conduct. Dolan (2004) said that improper labor practices may be damaging to banking operations, why companies engage in them, and the effects on workers and employers. Organizations have sought to assess how fair ethical standards might promote staff economic and social rights and establish effective labor practices based on employee and bank stakeholder engagement (Collinson, 2010). Again, it didn't evaluate bank labor practices. Lumina (2014) stated that workers misrepresented the bank's financial performance via complex transactions. Employee engagement isn't only about services. Banks exaggerate workplace issues that impair corporate success. Sometimes workers' concerns include incapacity to perform, leadership supervision challenges, and emotional misery to deal with the job, while banks focus on financial elements of employees to reach their aims. Banks that include financial and nonfinancial aspects for success have promise. Non-financial goals may boost bank performance regardless of size or kind. Employee loyalty might also assist the firm to improve performance. Managers and other financial staff must focus on financial elements to accomplish organizational success in dealing with profits and accounting returns and estimating project financial advantages. Banks have neglected employee loyalty and satisfaction, which are vital for long-term organizational effectiveness.

Other scholars (Omwega, 2007; Riungu, 2006; Riungu, 2007; Barrientos, 2003; Opondo, 2003; Opondo, 2005; Utting, 2002) have viewed theirs on gender rights, multi-stakeholder engagement, and industrial labor practices. These studies show a discrepancy in banking sector labor relations practice. This research investigates employee loyalty and organizational effectiveness in Nigeria's Rivers State hotel business.

Conceptual Framework

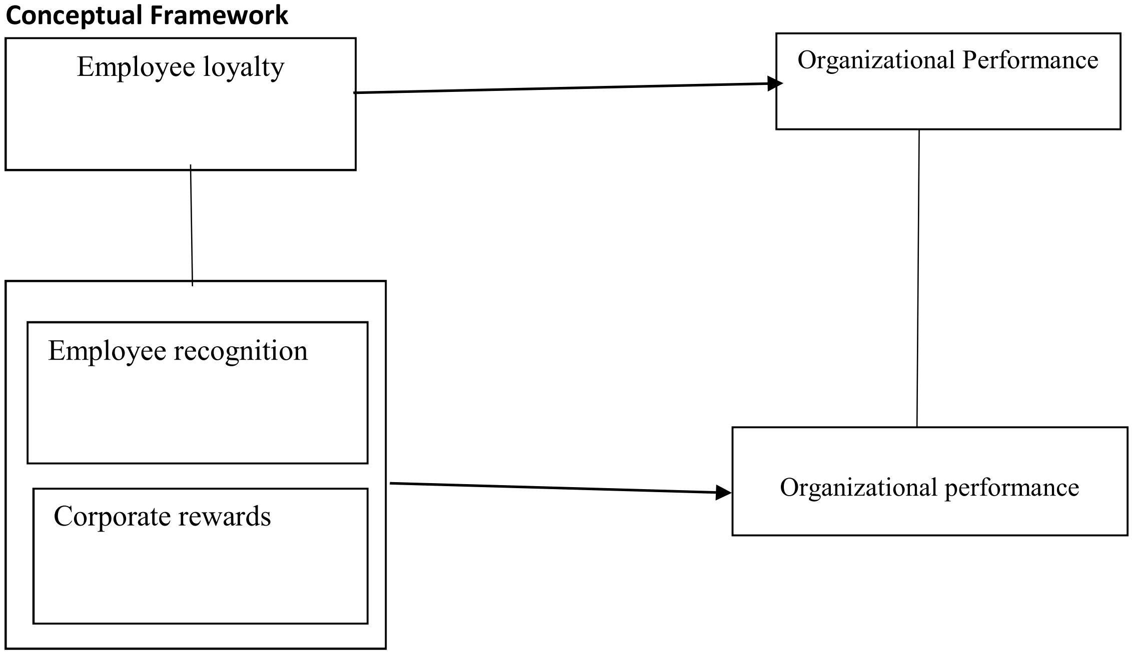


Figure 1.1: Conceptual framework of Employee loyalty and Organizational Performance
Source: Conceptualized by the researcher 2020.

Objectives of the study

The objectives of this research were to scrutinize the affiliation between employee loyalty and organizational performance of private firms in Rivers State.
Below are the specific objectives of this research:

1. To ascertain the relationship between employee recognition and organizational performance of private firms in Rivers State.
2. To assess the relationship between corporate rewards and organizational performance of private firms in Rivers State.

Significance of the Study

The study is very significant to the private sectors in Nigeria, particularly in Rivers State. Also, significant to the top management, middle managers of the organization. Furthermore, it is significant to the students, academicians, scholars and add value to the existing body of knowledge. Finally, arrive at a theory.

Scope of the study

The study is limited to employee loyalty (with its dimensions- employee recognition and corporate rewards) and organizational performance which is the content scope. Then, geographical scope is the private sectors.
While the unit of analysis is the managers, supervisors and head of units. Reason been that the study is a macro level study.

Conceptual Review

Concept of Employee Loyalty

Employee performance determines a company's success or failure. It's crucial that workers stay loyal to the company and don't look elsewhere. Loyalty is a person's commitment or loyalty to another person or group, an ideal, a responsibility, or a cause (Encyclopedia Britannica, 1998). "It manifests itself in mind and conduct and seeks to align loyal person's interests with object's" (Safra, 2007). Modern workers have various job possibilities; thus, they routinely switch employers. From the company's perspective, there is a loss since the organization has invested resources in the workers to make them more competent, resulting in higher gross production. Organizational effectiveness is increasingly reliant on employee engagement, dedication, and loyalty (Rodrguez, Boltansky, Chiapello, & Vázquez, 1999). Loyalty is a significant problem for firms, particularly in light of the 'psychological contract' between employers and workers (Naus, van Iterson, & Roe, 2007; Sverke & Goslinga, 2003). Loyalty is a strong relationship that holds an employee to his/her employer even when it's not economically sensible (Logan, 1984). Employee loyalty is an intentional commitment to serve the best interests of one's employer, even if doing so requires sacrificing some component of one's self-interest beyond one's legal and moral requirements (Elegido, 2013). Definition of loyalty can correspond to trust, resistance to adopting opportunistic behavior faced with an outside job offer (Dutot, 2004); significant length of service in the company, less inclination to search for outside job offers, and a strong sense of belonging (Peretti & Igalens, 2015); or a feeling of belonging combined with staying in the organization over the long term (Colle, 2006). An employee's job loyalty, emotional involvement, and regular devotion to the company impact its longevity and success (Bakker & Schaufeli, 2008). Bidwell (2011) splits allegiance in half. First, consider the employer's needs. Second, an employee stays with the same employer. Employee loyalty demonstrates organization devotion by promoting its interests and image to outsiders (Bettencourt, Gwinner, &Meuter, 2001). These committed employees promote the company's goods, services, and image to customers.

Dimensions of Employee loyalty

Employee Recognition

The act of recognition must be seen from an interactional viewpoint that includes reciprocity and the bidirectional character of human connections. This approach emphasizes that recognition presumes a bipolar connection between two or more people in the workplace and may be communicated by either party. Mutual, one-way, or nonexistent recognition is a communication one person delivers to the other. Recognition (or lack thereof) in industrial relations is conveyed in many ways.

Supervisors must cherish employees in addition to paying them. Morale will rise. Supervisors' recognition motivates employees (Saunderson, 2004). Recognizing workers involves appreciating their work. Companies must acknowledge workers (McGregor, 1960). Studies demonstrate that recognizing workers is better than giving rewards (Deci & Ryan, 2000). Employee recognition is monetary and non-monetary (McAdams, 1995). Employee recognition includes mentioning them in the corporate newsletter, commendations, additional time off, and verbal thanks. This shows workers you care. Non-monetary prizes motivate more than monetary ones. So, workers feel appreciated.

Recognizing workers boosts self-esteem and enthusiasm. Recognition motivates and performs effectively for workers. Motivated workers perform well, which influences their behavioural aim (Durojaiye, 1976). Thus, companies realize their aims. Employee recognition influences job performance. High performance comes from motivation and work skills (La Motta, 1995). Recognizing employees promotes morale and corporate performance. Employee appreciation is a powerful motivating technique that helps workers achieve organizational goals and objectives (Imran, Ahmad, Nisar, & Ahmad, 2014). It also has a favorable association with employee performance (Rahim & Daud, 2013).

Harrison (2005) defines employee recognition as the timely, informal, or official acknowledgment of a person's conduct, effort, or business outcome that promotes the organization's aims and values and goes beyond conventional expectations. Recognition is a constructive response and judgment about a person's contribution, reflecting not only work performance but also personal dedication and engagement on a regular or ad hoc basis, and expressed formally or informally, individually or collectively, privately or publicly, monetarily or non-monetarily (Brun & Dugas, 2008). According to (Nyakundi, Karanja, Charles & Bisobori, 2012), employee recognition allows people to know and realize that their work is respected and appreciated, boosts morale, promotes loyalty, and raises employee retention rate. With organization success related to employee performance, recognition is now internationally more significant and welcomed in businesses committed to thriving in a competitive period (Nyakundi, Karanja, Charles & Bisobori, 2012). Its wide breadth gives numerous alternatives for utilization (Sonawane, 2008). Maritz Institute (2011) says acknowledgment includes activities and experiences that boost employee skills. Brun and Dugas (2008) suggested four techniques for employee recognition: personal, work habits, job devotion, and outcomes. These four recognition approaches reward employees as full-fledged persons and devoted workers who spend time and energy to execute activities correctly and achieve outcomes, they said. Recognition is inexpensive to distribute, available for all employees, and can be offered in various forms, from a manager saying or writing formally to record thanks to the public appreciation of the employee of the month or year to gift cards and certificates, shopping vouchers, domestic goods, dinner, trophies, reserved car parking space, theater/cinema tix, etc. Effective recognition occurs in organizations with a strong, supportive culture that understands the psychology of praising employees for good work, applies employee recognition principles, and encourages other employees to initiate their working relationships (Harrison, 2005; Saunderson, 2004). Manjunath and Rajesh (2012) and Ferguson and Reio (2010) found that individuals have the potential and expertise to boost performance, but need employee recognition. Not every company recognizes employees. Most companies' service schemes don't outline employee recognition. Brun & Dugas (2002) report that most managers are disinclined to recognize employees due to fear of losing control, employees' creative abilities, resistance to egalitarian relationships, bias against recognition, lack of time, and inadequate knowledge and skill for implementation. When companies recognize and acknowledge employees' identities and abilities, performance is high due to loyalty and commitment built over time (Baron, 1983).

According to Punke (2013), recognition programs should include official, informal, and day-to-day acknowledgment. Saunderson (2004) identifies three types of recognition: organization-wide formal, departmental informal, and everyday spontaneous. Formal recognition programs include clearly defined goals, methods, and criteria for awarding and recognizing people, teams, or departments company-wide for reaching specified business targets, exemplifying certain corporate values, or going above and beyond regular job expectations. According to Punke (2013), this approach recognizes employees with many years of service. Informal acknowledgment focuses on performance, goal attainment, and other milestones weekly or quarterly. Low-cost awards, refreshments, point-value incentives, gift cards, and certificates are examples (World at Work Report, 2011). Informal recognition programs have been discovered to highlight employee worth and contribution at the proper time due to their immediate nature and changing work environment. According to Harrison (2005), daily recognition reinforces desirable conduct and provides an example for other workers of desired behavior that matches with company goals. Individuals and teams at all levels may acknowledge outstanding work by other workers and teams and be recognized on the spot for their good work, according to him. Petterson & Luthans (2006) noted the need of distinguishing between official and social acknowledgment. Social recognition has received less attention than formal acknowledgment, but research shows it may be a potent incentive motivator for performance improvement if supplied contingently in regulating employee behavior (Stajkovic & Luthans, 1997, 2001, 2003 as cited in Peterson & Luthans, 2006).

Employee recognition is a very effective motivating tool that may improve work satisfaction, performance, and organizational performance (Zani, Rahim, Junos, Samonol, Ahmad, & Merican, 2011). (Rahim & Duad, 2013). According to Freeman (1978), effective workplace recognition creates a positive working atmosphere that stimulates individuals to work hard and achieve well. Highly motivated employees are a company's competitive advantage because their performance leads to goal achievement, business growth, and prosperity (Danish & Usman, 2010; Imran, Ahmad, Nisar & Ahmad, 2014). Demotivated individuals seldom use their expertise, lack innovation, and aren't committed to the organization. Non-financial benefits like recognition boost employee job satisfaction and organizational success (Erbasi & Arat, 2012; Ngatia, 2015; Tausif, 2012). According to Imran, Ahmad, Nisar, & Ahmad (2014), pleased workers have a good attitude toward their company and employment, enhancing organizational performance. By using official, informal, and daily recognition programs, companies may influence workers to embody the company's values and execute its purpose (Herzberg, 1996 as cited in Luthans, 2000). It lets the company showcase desirable behaviors and behavior, generating role models for other workers (Silverman, 2004). According to Nelson (1995), a successful employee recognition culture is produced when recognition programs match the organization's strategic objectives and corporate values. Maritz Institute (2011) found that a culture of recognition helps organizations align to corporate strategy and be more responsive to market fluctuations, resulting in long-term competitive advantage. By reinforcing anticipated behavior, organizations show workers that their efforts are observed and appreciated and teach them the company's values, goals, objectives, priorities, and role in accomplishing them. Because of their immediate nature and the always-changing work environment, employee recognition programs highlight employee worth and contribution at the proper time. According to Silverman (2004), typical yearly awards are disconnected from the performance they recognize, rendering them ineffective. Employee recognition programs are a great motivating tool that shows workers how they contribute to bottom-line achievements and are rewarded promptly. Long-delayed rewards lose their impact and fail to generate regular opportunities to discuss and celebrate employee accomplishments. Formal, informal, and everyday acknowledgment programs may fulfill workers' and employers' demands while maximizing organization results. Financial prizes alone are insufficient to drive outstanding performance; thus employee recognition programs have gained popularity. Financial incentives only drive workers momentarily (Whitaker, 2010; Schechter, Thompson & Bussin, 2015). Silverman (2004) noted that although money is highly appreciated and people would do everything for it, its influence on intrinsic motivation is minimal. Relying on financial incentives as a motivation encourages workers to concentrate on what will yield an immediate incentive rather than establishing new ideas, seeing each other as competitors, and stripping work-related pride (Zobal, 1999). Thumbran (2010) argues that by delivering non-financial benefits to new and current workers, firms may better strategize the value they give employees. Employee recognition lets people realize their work is acknowledged and appreciated, improves morale, boosts loyalty, and boosts organizational performance.

Corporate Rewards

A person gets rewarded for accomplishing company-beneficial duties. Reward is something the firm rewards workers for their work (Chiang & Birtch, 2010). Good-performing workers get them. Without incentives, the environment is miserable. Organizational incentives are crucial. Rewards are given to recruit and retain workers. Money incentives aren't a long-term motivation (Mossbarger & Eddington, 2003). Status, more benefits, a better work atmosphere, and commission are other perks. Opportunity, recognition, and manager's attention also matter. Rewarding staff will encourage innovation. A compensation scheme will recruit more skilled staff. Organizations must use incentive schemes to recruit and retain personnel. This attracts most workers to firms. Reward schemes may boost work satisfaction, reducing staff turnover.

Rewarding staff will motivate and improve performance (Markova & Ford, 2011). Employee incentives affect organizational performance. Employee performance increases if they're rewarded (Ali, Rehman, Ali, Yousaf, & Zia, 2010; Gerald, 2004; Smith & Stulz, 1985). So, workers feel appreciated. Rewards systems may encourage good corporate behavior and results (Manas & Graham, 2003). Employees will adopt behavior that leads to improved performance and incentives. In response, employees will work harder, which benefits both firms and workers. So, organizations will see long-term gains and great outcomes (Torrington, 2009).

Reward is a monetary return, item, or event that employee gets for his/her effort or for doing something properly (Schultz, 2006). Everyone is concerned with rewards and their effect. Effective reward management sets systems, rules, and strategies. Such methods guarantee that corporate leaders appreciate workers' contributions. Reward management rewards people properly, equitably, and consistently based on their worth to the firm. Reward systems encourage workers to improve their productivity and performance to achieve strategic objectives. Reward management goes beyond wages and perks. Non-financial benefits including recognition, training, growth, and work responsibility are also important.

Reward management is the methods, rules, and procedures needed to recognize and reward people's contributions to organizational, departmental, and team objectives (Armstrong 2010:267).

Reward management refers to "Formulating and implementing strategies and procedures to reward employees based on their worth to the company. It also involves designing, implementing, and maintaining incentive procedures and practices to increase organizational, team, and individual performance "(Armstrong/Murlis) (2004:3). Reward management is a motivating strategy used to recognize workers' contributions to the organization. It means reward may be sold as pay, remuneration, or labor cost. Schneider (1987) suggested that incentive management focuses on employee value.

Reward management involves the design, implementation, and maintenance of reward systems (interrelated reward processes, practices, and procedures) that serve the needs of the organization and its stakeholders and work fairly, equitably, and consistently. These systems include job evaluation and market pricing, the design and management of grade and pay structures, performance management processes, schemes for rewarding and recognizing people based on their individual performance or contribution and/or team or organizational performance, and employee benefits. Reward management goes beyond wages and perks. It's also focused with non-financial benefits like recognition, learning, and work responsibility. Reward management examines and controls employee pay, remuneration, and benefits. Reward management creates and manages an organization's reward system. Compensation policy and procedures, salary and payroll administration, total reward, minimum wage, CEO pay, and team reward make up reward structure. Reward frameworks exist to incentivize personnel to achieve strategic objectives (Armstrong and Murlis, 2007). Armstrong (2010:8) notes that for an organization to achieve a highly committed business environment and its ultimate business goal, a reward system must be devised to ensure that employees' dedication to achieving organizational or group goals is respected, recognized, and rewarded. Armstrong (2010) defines reward systems as the interconnected procedures and activities that provide successful incentive management for the company and its employees. Reward systems are based on the reward strategy, which flows from the company plan to obtain competitive advantage and the human resource (HR) strategy, which effects the business strategy. HR strategy may concentrate on resourcing, but it should also meet employee and business needs. Environment affects all strategy aspects. Reward strategies coordinate the development and operation of reward practices and processes and create reward policies, which impact reward practices, processes, and procedures (Armstrong 2010: 270).

"You receive what you reward" (Nelson & Peter, 2005). Reward systems are the most important management concept, they said. According to Svensson (2001), a company will receive more of whatever it rewards, excellent or poor employee behavior. Each organization has a reward system, whether it's vocal or not, according to Jaghult (2005). Kaplan and Atkinson (1998) describe two categories of incentives. It might be incentive- or growth-based. The first sort comes from inside the person, as an inclination, feeling pleased and delighted with what you've done. This research will concentrate on the final category, which is transmitted by someone else or an organization. Extra incentives might be monetary or non-monetary. Jaghult (2005) notes that the monetary part is often a variable reward, separated from the income, earned for excellent performance or as encouragement, and may be individually or group based. Conditions for this incentive should be defined in advance and quantified. According to Ax et al. (2005), an incentive system may encourage and retain personnel. Merchant (2007) says for a reward system to be perfect, the reward should have esteem, be substantial enough to have an impact, be fair, be timely, have a permanent effect, and be cost efficient.

Organizational Performance

Organizations are purpose-driven (March & Sutton, 1997). An organization's parts work together to achieve a purpose. Organizational performance is an organization's actual production compared to its anticipated output (Alfred, Thirolf, Harris, & Webb, 2012). Organizational performance entails setting objectives, monitoring progress, and making modifications to attain them more effectively and efficiently (McNamara). Richard et al (2009). Didier Noyé (2002) says performance is fulfilling enterprise-oriented objectives. His definition of performance is comparing the results to the aim. Didier Noyé believes this notion compares the result and the goal. The author's definition is unclear since results and aims differ per field.

Neely (2002) says performance should measure efficiency and effectiveness. Quantification may be qualitative or quantitative. Neely and others define performance as efficiency and effectiveness. Kane (1996) argues that performance exists independent of its objective. Kane defines performance as individual or organizational. It's a recognition of results. The author argues that a broad definition is impossible. We may thus talk about a definition's specific correctness and general ambiguity. Organizational performance is the contribution of attitudes to organizational objectives (Cook & Hunsaker, 2001). The management's strategy and abilities, particularly line management's, enable them to utilize resources effectively and professionally. The union may operate as a bridge between workers and management by negotiating improved welfare packages, including training, advancement, and development. Existing labor research shows that workers perform successfully and efficiently if their supervisors are encouraging and exhibit the flexibility, they require of them (Fernández, 2003). This is based on the idea that the employment crisis is caused by a mismatch between skills produced and skills sought in the labor market. Changing work and attitude difficulties are true on campus as everywhere. Rapid change necessitates an agile, versatile, and future-focused workforce. To solve this problem, both sides of the labor market must be "active and combative" (Webster, 2008). Farlex (2012) defines it as an organization's actual output/results compared to its expected outcomes (goals and objectives). Financial performance (profits, return on assets, return on investment, etc.), product market performance (sales, market share, etc.), and shareholder return performance (total shareholder return, economic value added, etc.) are the three primary outcomes of corporate organizations being analyzed. Organizations also analyze production capacity.

Theories

This research anchored on the following theories:

Theories on Motivation to Transfer

In the model developed by Holton et al. (2005) to link learning with individual performance for change, it was expected that motivation to transfer would be necessary. The desire of trainees to put the information and abilities they have gained during the training program to use in their actual jobs is an example of transfer motivation. If trainees absorb the content taught in training and have the motivation to apply their newly acquired knowledge or skills to the activities of their jobs, then it is probable that they will modify their behaviors. It is essential to have an understanding of the reasons people decide to use their knowledge, abilities, and attitudes in their respective workplaces to promote the level of transfer of training that is sought. The incentive to transfer elements in Holton's model is clarified by many theories of human behavior, which help us understand and anticipate actions that contribute to performance at work. These theories also help us understand how behaviors contribute to performance. The ideas of anticipation, equity, and goal setting are all included in this category.

Expectancy Theory

Expectancy theory was mainstreamed by Vroom's first presentation (Moorhead & Griffin, 1992). Vroom (1964) defined expectation as a transient perception that one behavior will lead to another. His model claimed that work performance (P) is the consequence of force (F) and ability (A), with ability being task potential. The urge to act is the algebraic sum of all outcomes' valences (E) and rewards (R) (V). The hypothesis is P= f(F*A) (cited in Kilgore, 1997). Vroom's concept stress's ability, not desire, to accomplish a job. The model has been refined and expanded since its introduction. Porter and Lawler's (1968) version of expectation theory provides a unique perspective of employee happiness and performance. If incentives are enough, great performance may lead to contentment, Porter and Lawler reasoned. Porter-Lawler adds talents, qualities, and role perceptions (how well the individual understands his or her job). At the start of the motivation cycle, effort is a function of the prospective reward's value (its valence) and the perceived effort-reward likelihood anticipation.

Empirical Review

Ojokuku and Adegbite (2014) studied how capacity development affected worker performance in Nigerian organizations. The research used descriptive and inferential questionnaire statistics. The research discovered a substantial link between organizational capability and employee performance.

Malaolu and Ogbuabor (2013) studied the impact of training and workforce development on First Bank of Nigeria Plc. The research used structured questionnaires on 75 randomly-selected participants. Analyzed using descriptive statistics. The research found that training and personnel development improved bank staff efficiency and work production.

Gunu, Oni, Tsado, and Ajayi (2013) evaluate whether staff training and development improve banking efficiency. Questionnaires provided the study's primary data. The research included 395 respondents from a case study population of 35,386. The respondents were chosen at random, and descriptive statistics and Pearson's moment correlation were employed to examine the data. Hypothesis testing used several regressions. Organizational commitment to training and development, frequency of training and development, and incentives for excellent performance boost Nigerian banking industry performance.

AL Damoe et al. (2012) found that highly skilled and informed employees improve organizations. Training promotes staff productivity, services, and organization. Training has concrete and intangible results.

Raja, Furqan, and Muhammad (2011) examine training and development's influence on organizational performance using data from 100 Pakistani workers. The research used descriptive statistics and concluded that training is expensive, but the benefits outweigh the costs since it improves organizational performance.

Anyanwu (2002) investigated staff training and productivity. The report reviews the evidence of a link and suggests future research. They analyzed study data from studies that measured training's influence on employee productivity across industries. Their study focused on staff training techniques and productivity. Their results differed. Some studies found a link between training and employee productivity, while others found none.

Rastogi (2000) looked at the impact of training and development on Nigerian public and private employees' productivity. The report also noted HRM and PM issues. Training and development is a long-term, sensitive organization function, the research showed.

Most empirical data showed that people management approaches predict firm success. If managers want to affect company performance, they should focus on people management.

Gap in Literature

Existing research in the field shows promise even though many empirical studies are looking at how training and development affect employee productivity and organizational success. Most of these studies in Nigeria were done outside of the educational sector and without taking into account the influence of labour unions. Meanwhile, the majority of the issues threatening the quality of education in Nigeria have been directly attributed to a lack of human resources and an ongoing labor strike. The purpose of this research is to examine the impact of union-induced personnel training and development on organizational performance in a Nigerian tertiary institution. In addition, our research will contribute to the body of knowledge already available on the issue by focusing specifically on the educational sector.

Conclusions

The research examined employee loyalty to organizational performance. According to the study, employee and organization loyalty vary significantly. The contemporary social and organizational backdrop has made employee appreciation a priority for companies and the society. Studies show that a large section of the workforce, regardless of level or occupation, needs appreciation (Saunderson, 2004). Employee recognition helps preserve and create employee identity, gives work purpose, promotes growth, and improves health and well-being (Grawitch, 2006). It's a good alternative to control- and monitoring-based management (Dandeker 1990). It promotes organization development, change, and performance. Due to its relevance and the lack of theoretical and practical information, comprehending recognition was crucial. We thus propose the following definition for employee recognition: Recognition is a positive reaction that reflects not just professional achievement but also personal passion and involvement. Recognition may be official or informal, individual or communal, private or public, and monetary or non-monetary.

Loyalty is based on stochastic and transient variables. Abstract nouns are hard to measure, quantify, and compare. A major section of the working audience considers themselves devoted to the company, which influences their performance and should be an important consideration in their performance appraisal. This demands for a swift and prompt revision of any employee loyalty plan not including this, when the masses want it. Many articles, case studies, and research relate employee loyalty to organizational success, yet they overlook it. As long as employees believe it influences organizational performance, it will, and that's reason enough to include it in a loyalty plan.

Recommendations

Arising from the findings of the study and conclusions, some important recommendations were put forward by the researcher:

1. Management should view employee recognition as an important investment rather than one of the costly and non-essential practices that generate no significant benefit to the University. Employee recognition when looked at from the perspective of formal recognition program alone may be perceived as a costly. Management should commit credible and sufficient resources to ensure effective planning and successful execution of the program. Miller (2011) has argued that for organizations to reap measurable results such as lowered absentee rate, improved quality productivity and customer service, the leadership of organizations should be able to dedicate the necessary human and financial resources to make the recognition program a success.
2. Employee's welfare packages should be carried among in decision-making process to fast-track team work and performance.
3. Also, institutions of learning should do all within their power to reach out to management of organization and also communicate properly to them on the need to adopt a proper compensation on employees so as to ensure improved performance.
4. Organizations should effectively implement policies and be firm in their values in other to be ready for periodic appraisal.
5. It is additionally recommended that, if possible, a comparative investigation between companies with remuneration packages and those without, be conducted.

References

Ajila, C., & Abiola, A. (2004). Influence of rewards on worker's performance in an organization. *Journal of Social Science, 8(1*), 7-12.

Ali, R., & Ahmed, M. S. (2009). The impact of reward and recognition programs on employee's motivation and satisfaction. An empirical study. *International Review of Business Research Papers, 5(4),* 270-279.

Anku-Tsede, O., & Kutin, E. (2013). Total reward concept. A key motivational tool for corporate Ghana. *Business and Economic Research, 3(2),* 174-182.

Appelbaum, S. H., & Kamal, R. (2000). An analysis of the utilization and effectiveness of non-financial incentives in small business. *The Journal of Management Development, 19(9/10),* 733–763.

ALDamoe, A. M., Yazam, M., & Ahmed, B. K. (2012). The mediating effect of HRM outcomes (employee retention) on the relationship between HRM practices and Organizational Performance. *International Journal of Human Resource Studies. 2(1), 2162-2068.*

Altman, M. (2001) *Worker Satisfaction and Economic Performance*. Armonk, New York: M.E.

Cook and Hunsaker, (2001). The Management and Organization Behaviour, (3rd ed.), New York: McGraw- Hill.

Comma, M. R. (2008). *Effect of manpower training and development on staff performance and retention in Federal College of Education, Zaria*. Being A Thesis Submitted to the

Postgraduate school in Partial Fulfillment of the Requirements for the Award of the Degree of Master of Public Administration, 8-13.

Devi, V. R., & Shaik, N. (2012). Training and development: A jump starter for employee performance and organizational effectiveness. *International Journal of Social Science and Interdisciplinary Research ,1(7), 2277-2291.*

Fakhar, U., & Afaq, A. K. (2008). Case of pearl continental hotels in Pakistan, relationship of training with employees' performance in Hoteling Industry"

Farlex, W. (2012). The Dictionary. Recalled from encyclopedia.thefreedictionary.com

Gujarati, D. N. (n.d.). Basic Econometrics. London: McGraw-Hiu Int.

Holton, E. F., & Baldwin, T. T. (2005). Making transfer happen: An action perspective on learning transfer systems." *Advances in Developing Human Resources*, 2(4), 1-6.

Harold, G. (2009). *Unemployment*. Microsoft encarta. Redmond: Microsoft Corporation.

Hodgen, D. (2009). *Growth, Employment and Unemployment in South Africa*. Working Paper No. 119 Hornby. A. S. (2010). Oxford Advanced Learner's Dictionary of Current English. Oxford: Oxford University Press.

Iuhia, I., & Bogdan, C. (2012). Exchange rate regimes and economic growth in central and eastern european countries. *Procedia Economics and Finance*, 3, 17-24.

Ibhagui, O. (2015). *Development accounting of africa's largest economies* – explaining differences in income levels. MPRA Paper 89081, University Library of Munich.

Ibhagui, Oyakhilome, (2017). "How Does Foreign Direct Investment Affect Growth in Sub-Saharan Africa? New Evidence from Non-threshold and Threshold Analysis," MPRA Paper 85784, University Library of Munich, Germany.

Ibhagui, O. (2017). Linking fiscal policy and external competitiveness in sub-Saharan Africa – does government spending drive the real exchange rate in Sub-Saharan Africa, "MPRA Paper 77291, University Library of Munich.

Ibhagui, O. (2017). Value and wealth creation: stylized evidence from Nigeria's listed cement companies Africa Growth Agenda, 4, 12 – 17.

Ibhagui, O., (2018). The monetary model of cip deviations. Working Paper.

Ibhagui, O. (2018). Interrelations among cross-currency basis swap spreads: Pre-and Post-Crisis Analysis. SSRN.

Ibhagui, O. (2018). External debt and current account adjustments: The role of trade openness Cogent Economics and Finance, 6, (1) 28-40.

Ibhagui, O W., & Olokoyo, Felicia O. (2018). Leverage and firm performance: New evidence on the role of firm size. *The North American Journal of Economics and Finance, Elsevier, vol. 45(C), 57-82.*

Ibhagui, Oyakhilome W., (2019). Does the long-run monetary model hold for Sub-Saharan Africa? A time series and panel-cointegration study. *Research in International Business and Finance, Elsevier, 47(C), 279-303*.

Ibhagui, O., (2019). Eurozone real output and covered interest parity deviations: Can Stronger Real Output Lessen the Deviations? Working Paper.

Ibhagui, O. (2019). Wider covered interest parity deviations and lower stock returns: Evidence from the Eurozone. MPRA Paper 92363, University Library of Munich.

Jameela, O. (2010). Exchange rate changes and output performance in Nigeria. Pakistan Journal of Social Sciences, 7(5), 379-386.

Jhingan, M. (2010). International Economics (6th ed.). India: Vrinda Publications Ltd.

Jongo, O. C. (2014). The impact of real exchange rate fluctuation on industrial output in Nigeria. Journal of Policy and Development Studies, 9(1), 267-277.

King-George, O. (2013). The effect of exchange rate fluctuation on the Nigeria manufacturing sector (19862010). *Journal of Research in Business and Management, 27-30.*

Kreisman, B. J. (2002). Insight into employee motivation, commitment, and retention.

Jawahar, I. M. (2006). Correlates of satisfaction with performance appraisal feedback. *Journal of Labor Research, 2(1)3-19*.

Jeffrey, M. S. (2003). Examining the linkage between organizational commitment and information security.

Kilic, A. U. (2009). *A study into organizational commitment and job involvement*: An Application towards the personnel in the central organization for Ministry of Health in Turkey.

Lauren, J. M. (2001). Pre and post termination organizational commitment and the effects of leaving. *Journal of Business Research,7(3) 10-23.*

Maume, D. A. (2001). Job segregation and gender differences in work–family spillover among white collar workers. *Journal of Family and Economics.*

Ogboro, I. (2006). Organizational commitment, job redesign, employee empowerment and intent to quit among survivors of restructuring and downsizing.

Rose, R. M. (2005). *Typology of organizational commitment*. School of Business.

Sharpe Publishers. Anyanwu, U. (2002). Productivity and capacity building. Proceedings of the 9th Annual Conference of the Zonal Research Units, Gateway Hotel, Abeokuta, 12-16 June.

Therese A. Joiner & Steve Bakalis. (2006). the Antecedents of Organizational Commitment: The Case of Australian Casual Academics.

Walker, R. A. (2005). Public Management Reform and Organizational.

Walker, R. A. (2005). Public Management Reform and Organizational Performance: An empirical assessment of the UK labor Government's Public Service Improvement Strategy. Working Paper, Center for Local and Regional Government Research, Cardiff University.

Yousef, D. A. (2001). “Islamic work ethic: A moderator between organizational Commitment and job Satisfaction in a cross-cultural context. *Personal Review*, 152-169.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 77-87 (August, 2022)
DOI: 6732425661725
https://arcnjournals.org

Work Re-Engineering and Organizational Competitiveness of Manufacturing Firms in Nigeria

Ofoegbu, Wilson Chukwuemeka
Department of Management, Faculty of Management Sciences, University of Port Harcourt

Abstract: *This study examined the relationship between work re-engineering and organizational competitiveness of manufacturing firms in Nigeria. The population consisted of 355 manufacturing firms in the South-South, South-East and South-West geopolitical zones of Nigeria. Using the Krecjie and Morgan Sample Size Determination Table, a sample size of 254 manufacturing firms was selected of which copies of questionnaire were administered and responses analyzed using the Pearson's Product Moment Correlation Coefficient. The findings revealed a significant relationship between work re-engineering and organizational competitiveness of manufacturing firms in Nigeria. Therefore, we conclude that manufacturing firms in Nigeria regularly review processes at work which led to a highly competitive environment. Based on this, we recommended that top management should ensure that organizational core practices, innovativeness and keen attention be encouraged in work processes especially as it relates to achieving customers' expectations and satisfaction.*

Keywords: *Organizational Core Practices, Innovativeness, Work Processes*

1. INTRODUCTION

A world without competition will be void of innovation and survival because the human species learn to adapt to environmental pressures caused by uncertainty and change. Hence, the need for innovations, cost reduction and quality improvement by organizations in other to withstand competition and enhance their performance (Uddin, & Oserei, 2019). Competitiveness deals with the ability to compete with others using the following parameters: technology, staff knowledge and skills, level of strategic and operational planning, quality of management systems, and communication (Kireeva, Slepenkova, Shipunova & Iskandaryan, 2018). Competitiveness is a comparative measure of the ability and performance of a firm or sub-sector to sell and produce/supply goods and/or services in a given market (Utami, & Lantu, 2014).

Bigsten and Soderbom (2006) noted that out of the three challenges - physical infrastructure problems, stiff competition from Asian Products and inappropriate technology- faced by manufacturing firms in Nigeria, 90% is accounted for by competition. The Manufacturing sector in Nigeria consists of thirteen activities: Oil Refining; Cement; Food, Beverages and Tobacco; Textile, Apparel, and Footwear; Wood and Wood products; Pulp, Paper and Paper products;

MANUFACTURING

Chemical and Pharmaceutical products; Non-metallic Products; Plastic and Rubber products; Electrical and Electronic; Basic Metal and Iron and Steel; Motor Vehicles and Assembly; and Other Manufacturing.

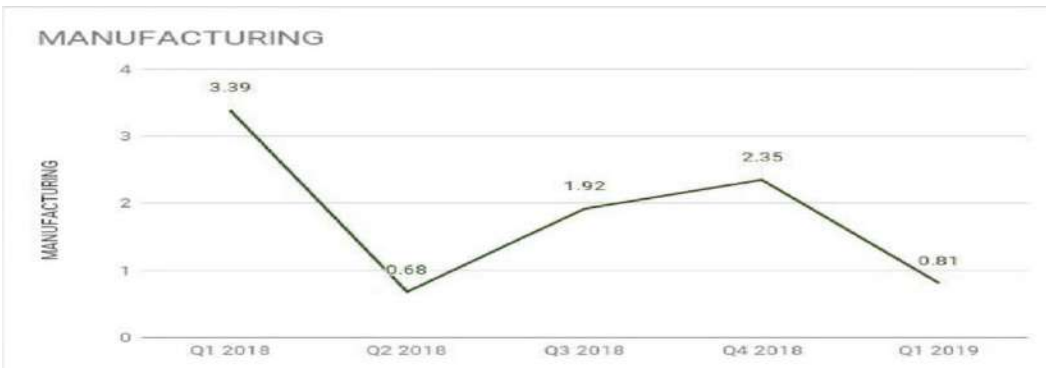


Fig. 1: Quarterly Real Gross Domestic Product of Manufacturing Sector in Nigeria

Source: ***National Bureau of Statistics*** **(2019)**

A vivid explanation of such competitive nature of this sector is as shown from information in figure 1, where the Real GDP growth in the manufacturing sector was 0.81% in the first quarter of 2019 (year on year). This was lower than in the same quarter of 2018 by -2.59% points, and the preceding quarter by -1.54% points.

Darlan, Janaina, Marie-Anne, Nelson and Rolf Hermann (2012) noted that in the modern business world, a firm's capacity to compete depends on one hand, the consciousness to develop new strategic directions which considers novel ideas and solutions as a crucial role in terms of acquiring a competitive edge and on the other, its ability to change. On the development of new strategic directions, managers make strategic choices that will directly impact on the organizational performance and as well, results to the organization's strategic adaptation to the external environment (Mainardes, Ferreira & Tontini, 2011 cited in Galih, & Nizar, 2019). While on the other, the ability to changes as driven by the market forces, competition and globalization (O'Neill & Sohal, 1999). Consequently, these changes will lead organizations to design and redesign its work or business processes to achieve the desired growth (Graham, 2010).

Work (business) reengineering is a growth driver that ensures a radical redesign of an organization core work or business processes by challenging its existing practices, doctrines, rules and activities to achieve new heights of growth in the organization (Setegn,2013). Despite studies carried out in Work Reengineering and organizational competitiveness, to the best of the researcher's knowledge, little or none has been carried out as it relates to Work reengineering and organizational competitiveness especially of manufacturing companies in

Nigeria. Therefore, this study examined the relationship between work reengineering and organizational competitiveness of manufacturing companies in Nigeria.

2. LITERATURE REVIEW

This section reviews the related concepts and studies performed on work reengineering and organizational competitiveness.

2.1 Theoretical Review

Resource-Based View (RBV)

This study derives its strength from the Resource-Based View (RBV). The RBV was theorized by Barney in 1991 and explains how the unique deployment and combination (referred to as 'capabilities') of tangible and intangible resources might assist companies to achieve a sustainable competitive advantage (Penrose, 1959; Prahalad & Hamel, 1990; Grant, 1991; Priem & Swink, 2012). Barney (1991) identified value, rarity, exclusive and non-substitutability as essential characteristics of resources to generate barriers and advance competitive advantage. This study is underpinned on this theory as it finds relevance on how organizations should harness its resources and capabilities towards being amenable to business (work) re-engineering processes to fit into the competitive business environment.

2.2 CONCEPTUAL REVIEWS

Work Reengineering

Reengineering as a concept is the process of redesigning a work or business core processes for a better version (Robbins, 1997). It requires the dismantling old process and redesigning a new process for better effectiveness and efficiency as adopted by the Japanese in 1990. Reengineering as a term is one of the modern management approaches which ensures a rapid change in businesses through redesigning organizational strategies, structures, policies and values (Amer & Qebdeel, 2010). As a concept, it was introduced and applied to management of organizations as traced way back at 1990 by Michael Hammer. He asserted that reengineering is a process of radically rethinking and redesigning those processes by which value is created for customers.

It is pertinent to note that business process reengineering could also be known as business process redesign, work process reengineering, business transformation, or business process change management (Wikipedia,2020). Work reengineering looks holistically at the overall work shift, organizational structures, management techniques and organizational values for the purpose of achieving quantum leap across the organization (Jalali, *et al.,* 2013). Work/business process re-engineering is a business management strategy, originally pioneered in the early 1990s, which focuses on the analysis, design of workflows and how to improve customer service and cut operational costs within an organization to remain competitive in the market (United States General Accounting Office, May 1997).

Three main focus of work reengineering has been identified by Mukatash, *et al.*, (2009) as customer satisfaction, work design and competition which he asserted should ensure employees freely perform their task accordingly through work method, tools and results oriented for an effective re-engineering process

Objectives of Work Reengineering

Ahmad (2003) outlined five objectives of work reengineering process as the ability to radically change both performance and work methods, ensuring the needed speed for organization to perform its work as scheduled, enhancing quality of products and services to meet customer's needs, reduction in cost through the obliteration of non-value adding work processes and identification of actual demands.

From the foregoing, it could be deduced that to undertake work reengineering process, organizations should be considered holistically - work processes, functions, structures and management activities. Bashein *et al.,* (1994) outlined what constitute a successful work reengineering process into two sub-categorizations as positively and negatively preconditions. Positive preconditions include; senior management commitment and sponsorship, realistic expectations, empowered and corroborative workers, strategic context of growth and expansion, shared vision, sound management practices, employee involvement and sufficient budget. Whereas the negative preconditions are; wrong sponsor, a do it to me attitude, cost-cutting and narrow technical focus, fear or lack of optimum and animosity, unsound financial condition and too many projects underway.

Ultimately, the success of work reengineering depends on who implements it and the detail application of the redesign business process.

Organizational Competitiveness

Competitiveness as a concept has been on the debate since its evolution in the late 1980s and early 1990s to date, there has been no reconciled position of what it is or not (Sanfey & Zeh, 2012). As at now, there seems to be no generally accepted definition of competitiveness as its meaning and definition varies from firm, industry and national level. Competitiveness at the firm level explains the ability of a firm to make products and services available to both existing and prospective customers in an effective and efficient way than the related firm contestant (Rusibana, 2018). Also, organizational competitiveness is the capacity of an organization to create more economic value than other competing firms (Wilfred, *et al.,* 2014). According to Palanisamy and Sushil (2003) organizational competitive is the ability of an organization to respond to any changes with versatility, flexibility and innovativeness towards creating economic value above its competitors.

2.3 EMPIRICAL REVIEW

Several empirical studies have been conducted on work reengineering and competitiveness. Such studies are as follows;

Mohammad (2018) performed a study on the impact of business processes reengineering on employees' performance in Jordanian electricity distribution company with a population consisted of all employees in Jordanian Electricity Distribution Company using regression analysis. The result showed that the calculated F-value equals 41.713, which is more than the tabulated F-value (1.96); it also showed that the calculated significance value is (0.000), which is less than 0.05 ($\alpha \leq 0.05$). Furthermore, the correlation coefficient (R) value equals 0.771 and the coefficient of determination (R^2) value equals 0.594. Furthermore, the study concluded that there is an impact of reengineering dimensions separately (procedures simplification, improving services quality, process implementation, and information technology) on Jordanian Electricity distribution company employees' performance.

Similarly, Rusibana (2018) conducted a study on organizational factors (namely leadership, market orientation and organizational resources) and competitiveness: A case study of medium and large manufacturing enterprises in Rwanda. The study adopted both correlation and regression analysis technique with a target population of 123 middle managers and a sample of 91 respondents, the findings revealed that organizational factors have moderately positive effect towards organizational competitiveness with market orientation (β=0.425 with P-value = 0.002); leadership (β=0.51, P-value = 0.860); organizational resources (β=0.199 with P-value = 0.851). He concluded that the manufacturing enterprises in Rwanda should award employees' talents, creativity and innovation to increase the quality of production and be able to adapt to the changing market needs.

Finally, Dodakh (2017) carried a study on the effect of business process reengineering in improving the efficiency of electricity distribution company public shareholding in Jordan and the findings revealed that business processes re-engineering improves the efficiency of electrical service through cost reduction and time efficiency. From the empirical review above, this study argues that work re-engineering will enhance the level of competitiveness among manufacturing firms in Nigeria. Hence, it was hypothesized that;

H_1: There is no significant relationship between work re-engineering and organizational competitiveness of manufacturing companies in Nigeria.

3. METHODOLOGY

The cross sectional research design was adopted for this study because it is not within the control of the researcher and involves a snap shot of study elements at a particular point in time. The target population consisted of all manufacturing firms in Nigeria. Copies of the questionnaire were 355 managers of manufacturing firms. The firms were selected from several aspects of manufacturing including paper, textiles, cement; food, beverages and tobacco, apparel, and footwear; wood and wood products; pulp, chemical and pharmaceutical products. However, only 254 returned the copies. This shows a response rate of 71.5% which is adequate for a valid conclusion (Baruch & Holtom, 2008).

Operational Measures of Variables

The predictor variable which is work reengineering was operationalized using a 12-items scale by Hammer and Champy (1993) on a five point Likert Scale ranging from '1'- strongly agree to '5' – strongly disagree. While the criterion variable organizational competitiveness was operationalized using a 12-items scale by (Chandler & Hanks, 1994; Tuan & Takahashi, 2009; Grant, 2002; Wang & Ang, 2004) on a five point Likert Scale ranging from '1'- strongly agree to '5' – strongly disagree.

Test of Validity and Reliability

The face and content validities were used to validate the instrument while the test-retest reliability method was adopted to determine the consistency of the instrument in measuring the constructs. Cronbach Alpha value of 0.7 and above is considered reliable (Nunnally & Bernstein, 1994). From the information in the table below, the constructs are reliable.

Table 1: Reliability Test for Work Re-engineering and Organizational Growth

Variable	Items	Cronbach Alpha
work reengineering	12	0.93
organizational competitiveness	12	0.81

Source: Field Survey (2020)

4. DATA ANALYSIS

The descriptive and inferential statistics were adopted for the analysis of this study. The descriptive statistics analyzed the demographic data using the percentages and averages; while the inferential statistics analyzed the study variables using the Pearson's Product Moment Correlation Coefficient as this statistical tool examines the relationship between variables and the Z-test to test the hypothesis formulated. The model for the Pearson's Product Moment Correlation Coefficient is as given below:

$$r = \frac{n\Sigma xy - \Sigma x\Sigma y}{\sqrt{(n\Sigma x^2 - (\Sigma x)^2)(n\Sigma y^2 - (\Sigma y)^2)}}$$

Test of Hypothesis

H_1: There is no significant relationship between work re-engineering and organizational competitiveness of manufacturing firms in Nigeria

Table 2: Correlations between Work Re-engineering and Organizational Competitiveness

		work re-engineering	organizational competitiveness
work re-engineering	Pearson Correlation	1	.842**
	Sig. (2-tailed)		.000
	N	254	254

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

The results in table 2 revealed a significant relationship between work re-engineering and organizational competitiveness of manufacturing firms in Nigeria with a correlation r = .842, p = .000.

Discussion

This study examined the relationship between work re-engineering and organizational competitiveness of manufacturing firms in Nigeria. From the result obtained, we failed to accept the formulated hypothesis. The findings of the study indicate that work re-engineering significantly contributes to organizational competitiveness. Thus, work re-engineering boost competitiveness by encouraging innovations, cost reduction and quality improvement. This submission is consistent with the finding of Agus, Yunizar and Azis (2018), who studied work re-engineering and competitive advantage in Indonesia and found that work re-engineering supports competitive advantage. Likewise, the finding of this study corroborates the submission of Mohammed (2018) who examined business process re-engineering and the performance of Jordanian electrical firms and opined that re-engineering increases the level of efficiency which results to higher competitiveness. Furthermore, Rusibana (2018) did a similar study among manufacturing firms in Rwanda and posited that manufacturing firms need to always re-engineer their processes to ensure competitiveness.

5. CONCLUSION AND RECOMMENDATION

This study shows that there is a significant relationship between work re-engineering and competitiveness of manufacturing firms in Nigeria. Effective work re-engineering will enhance the ability of the manufacturing firms to compete with rivals. Thus, it is of crucial that manufacturing firms frequently redesign their work processes to achieve higher competitiveness.

The study therefore recommends that management of the manufacturing firms ensure that they re-engineer their processes periodically especially as it pertains to the firm's core competencies.

References

Agus, R., Yunizar, I. P. & Azis, Y. (2018). Re-engineering support for competitive advantage through organizational basis, information and communication technology: A literature review. *Problems and Perspectives in Management*, *16*(3), 464-476.

Ahmad, R. (2003). Benefit segmentation: A potentially useful technique of segmenting and targeting older consumersrizal ahmad. *International Journal of Market Research, 45*(3),373-388.

Amer, S. & Qebdeel, S. (2010). *Organizational Development*, Dar El Fker, Amman, Jordan.

Barney, J. B. (1991). The debate between traditional management theory and organizational economics: substantive differences or intergroup conflict? *Academy of Management Review*, *15*(2), 382-393.

Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management, 17*(1),99–120.

Baruch, Y. & Holtom*, B. C.* (2008). Survey response rate levels and trends in organizational research. *Human Relations*, *61*(8), 1139–1160.

Bashein, B. J., Markus, M. L. & Riley, P. (1994). Preconditions for business process success and how to prevent failures. *Information Systems Management*, 11(2),7-13. https://doi.org/10.1080/10580539408964630

Bigsten, A. & Soderbom, M. (2006). What have we learned from a decade of manufacturing enterprise surveys in Africa? *The World Bank research observer*, *21*(2), 241-265.

Business process re-engineering. (19, July 22). In *Wikipedia*. https://en.wikipedia.org/wiki/Business_process_re-engineering

Chandler, G. N. & Hanks, S. H. (1994). Market attractiveness, resource-based capabilities, venture strategy, and venture performance. *Journal of Business Venturing, 9*,331– 349.

Darlan, J. R., Janaina, P., Marie-Anne, S. P. L. L., Nelson, R. M. & Rolf, H. E. (2012). Organizational competitiveness factors. *Brazillian Business Review*, *9*(1), 25-42.

Dodakh, M. Y. (2017). The effect of business process reengineering in improving the efficiency of electricity distribution company public shareholding in Jordan, *Master Thesis Unpublished, Amman Arab University.*

Galih, A. F. M. & Nizar, A. H. (2019). The influence of information technology and organizational climate on the competitiveness of private universities in Indonesia. *International Journal of Recent Technology and Engineering (IJRTE)*, *8*(1), 142-145.

Graham, R. S., (2010). Business process reengineering: Strategies for occupational health and safety. *Journal of Manufacturing Systems, 18* (1), *53-65.*

Grant,D.,(2002). A wider view of business process reengineering. Communications of the ACM.

Grant, R. M. (1991). The resource-based theory of competitive advantage: Implications for strategy formulation. *California Management Review, University of California, Berkeley*, 33(3), 114-135. https://doi.org/10.2307/41166664

Hammer, M. & Champy, J. (1993). *Reengineering the corporation*. Harper Collins, New York.

Hammer, M. & Champy, J. (2001). *Reengineering the corporation: A manifesto for business revolution*. HarperCollins, New York.

Jalali, M., Maroofi, F., Navid, J. & Mohammady R. (2013). Evaluation the relationship between ICT-adoption and business process reengineering in small and medium sized enterprises of Kermanshan province. *International Research Journal of Applied and Basic Sciences*,4(3).

Kireeva, N., Slepenkova, E., Shipunova, T. & Iskandaryan, R. (2018). Competitiveness of higher education institutions and academic entrepreneurship. *Espacios*. *39*(23),15.

Mainardes, E. W., Ferreira, J. M. & Tontini, G. (2011). Creating a competitive advantage in higher education institutions: Proposal and test of a conceptual model. *International Journal Management Education, 5*(2/3),145.

Michael Hammer, (1990, July-August). Reengineering work: Don't automate, obliterate. *Harvard Business Review*, *104*.

Mohammad, I. A. (2018). Impact of business processes reengineering on employees' performance in Jordanian electricity distribution company. *International Journal of Business and Social Science*, *9*(12), 97- 107.

Mukatash, G. N., Al-Rousan, M. & Al-Sakarna, B. (2009). Needs and demands of prosthetic treatment among two groups of individuals. *Indian Journal of Dental Research,21*(4),564-567.

National Bureau of Statistics (2019). Quarterly Real Gross Domestic Product of Manufacturing Sector in Nigeria. https://www.nigerianstat.gov.ng/#gdp

Nunnally, J. C. & Bernstein, J. H. (1994). *Psychometric theory* (3rd ed.). New York: McGraw-Hill.

Ofoegbu, W. C. & Onuoha, B. C. (2018). Dynamic capabilities and competitive advantage of fast foods restaurants. *International Journal of Management Science and Business Administration*, *4*(3), 7-14.

O'Neill, P., & Sohal, A. S. (1999). Business process re-engineering - a review of recent literature. *Technovation*, *19*(5), 571- 581.

Onuoha, B. (2013) Factors militating against the global competitiveness of manufacturing firms in Nigeria. *American international Journal of Contemporary Research, 3*(4), 54 -63.

Onyemenam, C. E. (2004). *Firm level competitiveness in Nigeria.* Paper presented at the ODI-NESG Seminar on Maximizing Pro-poor growth: Regenerating the Socio-Economic Database in Nigeria, City University, Northampton Square, London, UK.

Palanisamy, R. & Sushil, (2003). Achieving organizational flexibility and competitive advantage through information systems flexibility: A path analytic study of information systems. *Journal of Information & Knowledge Management*, *2*(3), 261-277.

Penrose, E.T. (1959). *The theory of the growth of the firm*. New York: John Wiley.

Porter M., Rivkin J. & Kanter R. (2013). Competitiveness at a Crossroads, Harvard Business School Survey on U.S. Competitiveness, Harvard Business School, Boston.

Porter, M. (1990). *The Competitive advantage of nations*. Free Press: New York.

Porter, M., Scott, S., & Michael, G. (2015). *Social Progress Index 2015: Social progress imperative*. London.

Prahalad, C.K., Hamel, Gary, “The core competence of the corporation,” *Harvard Business Review* (May/June 1990), 79–91.

Prahalad, C. K. & Hamel, G. (1990). The core competence of the corporation. *University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship*, https://ssrn.com/abstract=1505251

Priem, R. L. & Swink, M. (2012). A demand-side perspective on supply chain management. *The Journal of Supply Chain Management: A Global Review of Purchasing and Supply*, *48*(2) 7-13.

Robbins, C. (1997), “Re-engineering the financial functions”, *CMA Magazine*,*69*(8),24-29.

Rusibana, C. (2018). Organizational factors and competitiveness: A case study of medium and large manufacturing enterprises in Rwanda. *Journal of Business & Financial Affairs*, *7*(4), 1- 11.

Sanfey P., Zeh S. (2012), Making sense of competitiveness indicators in south-eastern Europe, Working Paper No. 145, *European Bank for Reconstruction and Development (EBRD)*, London, June 2012.

Setegn, D. (2013). Assessing The effect of business process re-engineering on organizational performance: A case study of bureau of finance and economic development (Bofed), Oromia Regional State, *Ethiopia, Journal of Arts, Science & Commerce, 4*(1).

Tuan, N. P. & Takahashi, Y. (2009). Resources, organizational capabilities and performance: Some empirical evidence from Vietnam's supporting industries. *International Review of Business Research Papers*,*5*(4),219-231.

Uddin, G., & Oserei, K. (2019). Positioning Nigeria's manufacturing and agricultural sectors for global competitiveness. *Growth and Change. 50*,1218–1237.

U.S. General Accounting Office: The Role of GAO in Assisting Congressional Oversight (05, June 02).https://www.govinfo.gov/content/pkg/GAOREPORTS-GAO-02-816T/html/GAOREPORTS-GAO-02-816T.htm

Utami, R. M., & Lantu, D. C. (2014). Development competitiveness model for small-medium Enterprises among the Creative Industry in Bandung. *Procedia - Social and Behavioral Sciences*, *115*(20), 305 – 323.

Wang, C. K. & Ang, B. L. (2004). Determinants of venture performance in Singapore. *Journal of Small Business Management*, *42*(4), 347-363. https://doi.org/10.1111/j.1540-627X.2004.00116.x

Wilfred, N. M., Matoke, J., Yegon, R. & Egessa, R. (2014). Moderating effect of organizational factors on the relationship between diversification strategies and competitiveness: Case of sugar firms in Kenya. *European Journal of Business Management*, *3*(5), 6-14.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 88-101 (August, 2022)
DOI: 6732425661726
https://arcnjournals.org

Human Resources Management and Corporate Performance in the Hospitality Industry in Bauchi State

[1]Haruna, A. S. and [2]Kabir H. U.
[1]Department of Business Administration and Management, School of Business Studies, the Federal Polytechnic Bauchi
[2]Department of General Studies, School of General Studies, the Federal Polytechnic Bauchi

Abstract: *This study evaluated the relationship between HRM and practices and corporate performance in the hospitality industry in Bauchi State. Compensation and information sharing were used as dimensions of HRM. The study adopted the cross-sectional survey in its investigation of the variables. Primary source of data was generated through self- administered questionnaire. The population of the study comprised of all the staff drawn from four (4) selected Hotels in Bauchi, Bauchi State. A total of seventy four (74) staff formed the total population for this study. The sample size for the study was 63. The research instrument was validated through supervisor's vetting and approval while the reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. Data generated were analyzed and presented using both descriptive and inferential statistical techniques. The hypotheses were tested using the Spearman's Rank Order Correlation Statistics. Findings from the data analysis revealed that HRM (compensation and information sharing) positively and significantly related with performance in the hospitality industry in Bauchi State. The result of the findings recommends that owners and operators of hotels should ensure there staff are adequately compensated as these is likely to positively influence performance as revealed by the research study. Hotels should increase avenues the employees have to be involved in decision making so as to rip benefits of a well-informed staff.*

Keywords: *Compensation, Corporate Performance, Information Sharing and Human Resources Management*

INTRODUCTION

The business environment is evolving quickly as a result of globalization, shifting investor and customer needs, and fiercer than ever product-market rivalry. Organizations must constantly increase their performance in order to maintain a competitive edge. This can be done by cutting costs, developing new goods and methods, and enhancing output in terms of quality, productivity, and speed of market entry. Human resources, the group of individuals that make up an organization, are regarded as one of the most crucial forms of capital in today's businesses (Li & Fleury 2020).

Moving away from ineffective policies and toward effective practices in HRM (Njue & Kiiru2018). Through the use of policies and practices that focus on hiring, selecting, training, and directing skilled employees to cooperate within the organization's resource pool, human resource management practices have the power to create organizations that are more intelligent, adaptable, and competent than their competitors. Due to the historical sensitivity of human resources and the social complex of policies and practices, rivals might not be able to reproduce or replicate their diversity and depth, which could potentially consolidate organizational performance and provide competitive advantage (Lazzarini, Boehe, Pongeluppe & Cook 2020).

The optimum utilization of brilliant people resources as a strategic asset is what organizations are concentrating on to achieve exceptional Performance. For organizational performance, HRM policies and practices must now be in line with business strategies. No matter how much technology and automation are developed, a success-oriented organization's most valuable resource will always be its people. After all, the strengths of extraordinary individuals form the foundation of successful businesses. Since HRM has grown in importance both academically and commercially, it cannot be ignored or left in the care of non-experts (Peter 2019). Managing a pool of human capital and ensuring that this capital is used to meet organizational goals are the goals of human resource management practices, which are a collection of organizational actions (Chakraborty & Biswas 2019).

When specific practice combinations are accidentally added to the mix, the adoption of particular bundles of human resource management techniques has the potential to either enhance performance by forging strong connections or to hinder performance (Kumari & Dubey 2018). Therefore, if we consider human resource management to be simply the services that any manager may offer in terms of hiring, selecting, evaluating, training, and compensating employees, then we would rather have to take a back seat to those who are aware of the impact HRM has on corporate performance. According to research, effective human resource management techniques are associated with improved company performance. Therefore, management must cultivate talented and skilled employees who can do their jobs successfully in order to boost corporate performance (Anyakoha 2019).

In order to establish and maintain a competitive position locally and worldwide, greater business performance necessitates the successful, effective, and efficient exploitation of organizational resources and skills. To achieve the following outcomes: competence, cooperation with management, cooperation among employees, motivation, commitment, satisfaction, retention, presence, etc., HRM policies on selection, training, performance appraisal, compensation, promotion, incentives, work design, participation, involvement, communication, etc., must be developed and implemented by HRM specialists with the assistance of line managers (Singh 2019).

Anwar and Abdullah (2021) discovered that human resource management practices (information sharing, in-depth training, hiring, compensation and incentives, status differences, employment security, decentralization, and the use of teams) had a positive impact on organizational performance as operational Performance (quality, cost reduction, flexibility, deliverability and commitment). This study was aimed at investigating the relationship between HRM practices and corporate performance in the hospitality industry in Bauchi State.

This would answer the following research questions:

i. What is the relationship between compensation and cooperate performance in selected Hotels in Bauchi, Bauchi State?
ii. What is the relationship between information sharing and cooperate performance in selected Hotels in Bauchi, Bauchi State?

LITERATURE REVIEW

Theoretical Framework

Social Exchange Theory

Initiator of the Social Exchange Theory was Blau (1964). The hypothesis has its roots in sociology, economics, and psychology. The characteristics of this theory are provided by the key presuppositions of structuralism and rational choice. It suggests that it is a worthwhile process that is mutually contingent, two-sided, and made up of straightforward transactions or exchanges since its primary application is in the commercial environment.

According to Aryee et al. (2002), the organization compensates employees for their labor, which functions as both an exchange and a social process. Contracts that are enforceable by the businesses govern the economic exchange, under which an employee is entitled to compensation or benefits (Gould & Davies, 2005). As a result, employees are loyal to their companies in return for certain benefits. According to this perspective, employees join a company with certain desires, abilities, and goals and seek to enter a setting where they may accomplish their objectives, utilize their skills, and assuage their desires. Employee perception of positive exchange and rewards, in their opinion, is likely to promote organizational retention. Employees quit an organization when it doesn't give them the promised returns, either to work for someone else where they would get the expected gain or to create their own businesses.

This idea contends that employees act in a way that is advantageous to the company and other employees in response to ostensibly favorable work conditions. Workers also protest unfavorable working circumstances by arriving to work late and being absent, which can progress to quitting their jobs (Haar, 2006). The exchange idea has also been used to explain staff retention in an organization. According to the exchange perspective, employees trade their attachment, identity, and loyalty to the company for rewards provided by the company. This suggests that a person's decision to stay with a company depends on how fair they perceive the relationship between the contributions of employees and the organization's incentives to work there.

Employees' perceptions of unjust treatment have a negative impact on their loyalty to an organization, according to Meyer and Smith (2009). The impact of training and development plans on employee retention is explained by this idea.

Corporate Performance

Researchers have different opinions of what performance is. Corporate performance continues to be a contentious issue in the management research circles. Akparep, Jengre, and Mogre, (2019) equates Performance to the famous 3Es; economy, efficiency and effectiveness of a certain programme of activity. According to Nkpurukwe, Ozah, and Wali, (2020) corporate performance encompasses three specific areas of firm outcomes; financial Performance (profits, return on assets, return on investment, etc.), product market Performance (sales, market share, etc.), and shareholder return (total shareholder return, economic value added, etc).

Corporate performance is the analysis of a company's performance as compared to its goals and objectives (Adubasim E. I. & Odunayo O. A. 201l9).Corporate performance is the organization's ability to attain its goals by using resources in an effective and efficient manner (Anku, Amewugah, & Glover, 2018). We can put corporate performance as the actual output or results of an organization as measured against its intended outputs, that is; goals and objectives. Performance should not be confused with productivity; according to Johari, Tan, and Zulkarnain (2018), productivity is a ratio depicting the volume of work completed in a given amount of time.

Corporate 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, Unaam, & Ejo-Orusa, 2018). Performance is a broader indicator that could include productivity as well as quality, consistency, effectiveness, efficiency and other factors.

A study by Raharjo, Nurjannah, Solimun, and Fernandes, (2018). found that there were five major factors determining corporate performance , namely: Leadership styles and environment, Job design, Organizational culture, Model of motive and Human resource policies The concept of Performance borders on both what has been achieved and how it has been achieved. Corporate performance can be measured in a number of different ways. The most obvious way to measure what has been achieved and the approach used in any studies, is by reference to key Performance indicators (KPIs) which are usually to do with financial results (profitability) or productivity. Measuring the how'is more difficult. It has to rely extensively on qualitative assessments of organizational capability or effectiveness.

Human Resources Management Strategies

Management strategies in human resource revolve around providing decisions solutions to create a better work environment for the employees. It is also the development of employees to ensure maximum utilization of their potential to improve the organization and individual performance. According to Tebetso, (2021) the greatest source of competitive advantage for organizations in the 21st century is in the naturing of the skills, knowledge, talents, and capabilities of employees in an organization. These efforts are only possible through organizations providing a supportive, conducive, and safe working environment for such employees. One of the ways to achieve this is to design retention mechanisms for the employees (Yuan, Ye, & Zhong, 2021).

HRM strategies involve the management of human resources in today's organization based on the knowledge that the major organization resource is the human resource. Therefore, the management of human resources development practices that influence flexibility, teamwork and help workers feel that they are important and the contribution they make is vital for organization growth and development (Davidescu, Apostu, Paul, & Casuneanu, 2020). According to Collins, (2021), HRM strategies emphasize the importance of formulating a human resource plan in line with the overall firm goals and strategies and should be able to respond to the dynamic business environment. This method needs the practitioner's interpretation and adaptation to make sure that the human resource plans and firm strategies fit.

In professional groups, the strategies adopted in HRM assist in ensuring that the member's career needs and professional development are achieved. The behavior of workers is very vital in achieving a goal and enhancing productivity (Abualoush, Obeidat, Tarhini, & Al-Badi, 2018). Diaz-Carrion, López-Fernández, and Romero-Fernandez, (2018) note that firms that value service and quality offer training opportunities, review the firm, improve communication, and reward and appraisal employees. Strategies for HRM direct, guide, and ensure improved employees' job performance. Skilled managers create workgroups hoping that peer pressure will influence good performance.

Compensation and Corporate Performance

Performance-founded compensation is the dominant HR practice that firms use in order to evaluate and reward employees'deeds (Njue, & Kiiru, 2018). There is consensus that performance-founded compensation has a positive effect upon employee and organizational Performance (see for reviews (Njue, & Kiiru, 2018). Employee motivation, founded on perceived expectations, can provide link between compensation and performance. Expectancy theory posits that pay level will influence employee Performance when (a) employees perceive that a relationship exists between their efforts and Performance and (b) employees gain specific benefits if they perform well (Foy, Dwyer, Nafarrete, Hammoud, & Rockett, 2019).

Empirical studies on the relationship between performance-related pay and company performance have generally found a positive relationship, but a growing body of empirical evidence suggests that it is not just pay level that matters, but pay structure as well (Wang, Zhang, Ullah, Ullah, & Ullah, 2021). Both performance-founded compensation and merit-founded promotion can be viewed as ingredients in organizational incentive systems that serve to encourage individual performance and retention (Njue, & Kiiru, 2018).

Jensen, Potočnik, and Chaudhry, (2020) examined the relationships among CEO perceived charisma, CEO compensation packages, and firm Performance in a sample of Fortune 500 companies over a 10-year period. Findings indicated that charismatic CEOs seem able to influence their own c mpensation packages and stock prices but no other indicators of firm performance.

Pandey, (2019) conducted a quantitative content analysis of the narrative descriptions of 50 rapid-growth firms and a comparison group of 50 slow-growth companies. Results demonstrated that employee incentives differentiated the rapid growth from the slow-growth firms. Firms that were eager to achieve rapid-growth provided their employees financial incentives and stock options as part of their compensation packages. In doing so, firms managed to elicit high levels of Performance from employees, provide employees the feeling that they have an ownership interest in the firm, attract and retain high-quality employees, and shift a portion of a firm‘s business risk to the employees.

In their study Boto-Garcìa, Bucciol, and Zarri, (2020) found that salary level was revealed to be significantly associated with firm performance for both managers and non-managers. In addition, promoting managers founded on merit was positively associated with firm Performance while to be effective, compensation practices and policies must be aligned with organisational objectives. While Performance-founded compensation can motivate employees, sometimes employees perceive it as a management mechanism to control their behaviour (Njue, & Kiiru, 2018) In such a case, employees are less loyal and committed, thus compensation plans have the opposite than desired outcome (Nkirote, & Kiiru, 2018).

Ho_1: There is no significant relationship between compensation and corporate performance in selected Hotels in Bauchi, Bauchi State.

Information Sharing and Corporate Performance

Sharing of information may have a dual effect: Firstly, it conveys employees the right meaning that the company trusts them. Secondly, in order to make informed decision, employees should have access to critical information. Communicating performance data on a routine basis throughout the year help employees to improve and develop. Employees presumably want to be good at their jobs, but if they never receive any Performance feedback, they may perceive to have a satisfactory Performance when in fact they do not (Pešalj, Pavlov, & Micheli, 2018). Furthermore, information sharing fosters organizational transparency which reduces turnover (Lee, Tao, Li, & Sun, 2020) and forges synergistic working relationship among employees (Yeboah-Assiamah, Asamoah, & Adams, 2019).

Vu, Nguyen, Ho, and Vuong, (2019) found a positive association of information sharing with productivity and profitability, and a negative one with labour cost. Information sharing is not a widespread HR practice as someone might have expected it to be. Many companies are vulnerable to share critical information with their employees because in this way employees become more powerful and companies may lose control of them (Aldawood, and Skinner, 2019). Furthermore, information sharing always involves the danger of leaking important information to competitors (Wong, Tan, Tan, & Tseng, 2019).

Khan, and Idris, (2019) pointed out that attitudes about information sharing depend on the form of the information. Hameduddin, Fernandez, and Demircioglu, (2020) studied employee motivations for knowledge transfer outside their work unit and found that employees who perceived greater organizational rewards for sharing spent more hours sharing knowledge beyond their immediate work group. However, a significant percentage of employees perceived knowledge as a means of achieving upward organizational mobility. They sought information more often than shared it. Njue, and Kiiru, (2018) studied how HR strategy affects profits in

3000 businesses throughout the world and found that sharing information was related to increased profitability.

Ho_2: There is no significant relationship between information sharing and corporate performance in selected Hotels in Bauchi, Bauchi State.

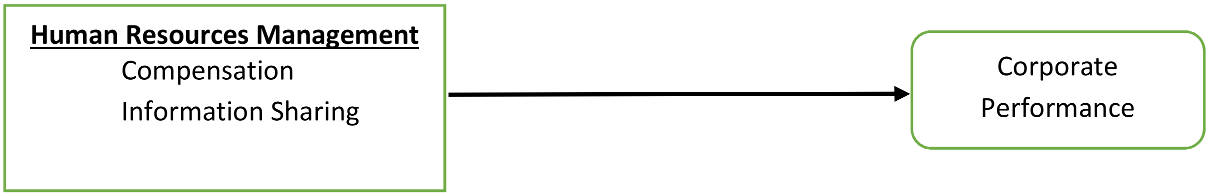


Fig 1: Framework of the Study.

METHODOLOGY

The study was cross-sectional in nature. All of the workers from four (4) chosen hotels in Bauchi, Bauchi State, make up the study's population. Thus, the population for this study consisted of a total of 74 staff members. 63 people made up the study's sample size. Purposive sampling, in which each participant has an equal chance of being chosen, was the sampling technique used to choose the sample for this investigation. With the help of the SPSS Package version 23, descriptive statistics and Spearman Rank Order Correlation were utilized for data analysis and hypothesis testing.

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	Compensation	5	54	0.876
2	Information Sharing	5	54	0.743
3	Corporate Performance	5	54	0.858

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 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 ($p<0.05$).

We shall commence by first presenting a proof of existing relationships.

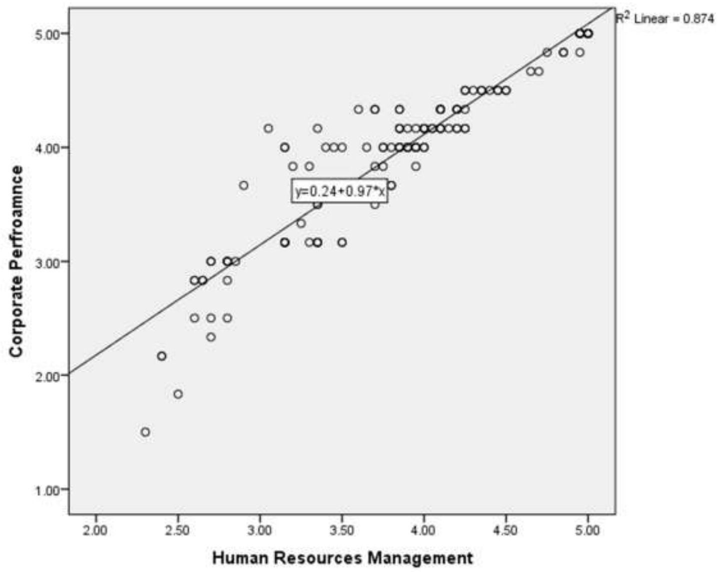


Fig 1: ***Scatter plot showing the relationship between Human Resources Management and Corporate Performance***

The scatter plot graph shows at R^2 linear value of (0.874) depicting a strong viable and positive relationship between the two constructs. The implication is that an increase in human resources management, simultaneously brings about an increase in the level of performance in the 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 Human Resources Management and Corporate Performance

			Corporate Performance	Compensation	Information Sharing
Spearman's rho	Corporate Performance	Correlation Coefficient	1.000	.847**	.791**
		Sig. (2-tailed)	.	.000	.000
		N	54	54	54
	Compensation	Correlation Coefficient	.847**	1.000	.550**
		Sig. (2-tailed)	.000	.	.000
		N	54	54	54
	Information Sharing	Correlation Coefficient	.791**	.550**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	54	54	54

**. 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 two previously postulated bivariate hypothetical statements.

Ho_1: There is no significant relationship between compensation and corporate performance in selected Hotels in Bauchi, Bauchi State.

The correlation coefficient (r) shows that there is a significant and positive relationship between compensation and corporate performance. The *rho* value 0.847 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 upheld. Thus, there is a significant relationship between compensation and corporate performance in selected Hotels in Bauchi, Bauchi State.

Ho_2: There is no significant relationship between information sharing and corporate performance in selected Hotels in Bauchi, Bauchi State.

The correlation coefficient (r) shows that there is a significant and positive relationship between information sharing and corporate performance. The *rho* value 0.791 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 upheld. Thus, there is a significant relationship between information sharing and corporate performance in selected Hotels in Bauchi, Bauchi State.

Discussion of Findings

Using Spearman's rank order correlation and a 95% confidence level, the results showed a high and substantial association between human resources management and company performance. The results of this study indicated that remuneration and information sharing in human resources management have a substantial beneficial link with business performance. Thoughts that performance-founded compensation is the predominant HR strategy used by businesses to assess and recognize employees' "deeds" are supported by this research (Njue & Kiiru2018). There is general agreement that performance-based compensation improves employee and organizational performance (Ernawati, Sutikno & Rusdi 2019). Higher income was linked to better performance, according to research by Bond, Volpp, Emanuel, Caldarella, Hodlofski, Sacks, and Navathe (2019), however the effects seemed curvilinear. The researchers stressed the value of using an integrative strategy when deciding how much compensation to offer.

According to Jensen, Potonik, and Chaudhry (2020), charismatic CEOs may be able to affect their own pay and stock prices, but not other measures of a company's performance. The findings of Cunningham (2018) showed that employee incentives distinguished between businesses with quick growth and those with delayed growth. Companies that wanted to experience quick growth offered their employees stock options and financial incentives as part of their remuneration packages. By doing this, businesses have been able to motivate staff to perform at a high level, give staff a sense of ownership in the organization, recruit and retain top talent, and transfer some of the business risk to the staff.

In their research, Cainarca, Delfino, and Pont (2019) discovered a strong correlation between compensation level and firm performance for both managers and non-managers. Additionally, the promotion of managers based on merit was positively correlated with the performance of the firm, yet for remuneration practices and policies to be effective, they must be in line with organizational goals. Employees may view performance-based compensation as a management tool to control their behavior, even though it can inspire them (Bellucci 2020). Employees are less devoted and dependable in such circumstances, therefore compensation programs produce the opposite of what was intended (Al-Dalahmeh & Héder-Rima, 2021). In like manner, the current finding corroborates with Echaaobari, S. G., Ihunda and Adim (2018) whose study found that there is a significant relationship between collaboration strategy and employee performance in oil producing companies in Port Harcourt, Nigeria.

CONCLUSION AND RECOMMENDATIONS

The study comes to the conclusion that corporate performance in the hotel sector in Bauchi State was positively correlated with remuneration and information sharing. The hotels have embraced HRM best practices in order to achieve successful performance. Based on the findings of the research study, there was a considerable contribution made by HRM practices (compensation and information sharing) to improved performance in the hospitality sector.

Positive confirmation is given to the research study's research questions. The research findings supported this claim by providing proof for it, as HRM techniques have recently gained popularity as one of the most effective approaches to boost performance in organizations based on empirical evidence. Thus, the study concludes that human resources management has a significant relationship with corporate performance in the hospitality industry in Bauchi State

The study therefore made the following recommendations:

i. Hotel owners and operators should make sure their personnel is fairly compensated because this is likely to have a beneficial impact on performance, according to the study. This should only be financial; occasionally, other non-financial tactics could be used instead.
ii. Hotels should provide employees more opportunities to participate in decision-making so they can benefit from a knowledgeable workforce.

REFERENCES

Abualoush, S. H., Obeidat, A. M., Tarhini, A., & Al-Badi, A. (2018). The role of employees' empowerment as an intermediary variable between knowledge management and information systems on employees' performance. *VINE Journal of Information and Knowledge Management Systems*.

Adubasim E. I. & Odunayo O. A. (2019). The relationship between technological orientation and organizational performance of deposit money banks in Port Harcourt, Nigeria. *Journal of Management Science and Entrepreneurship, 14(7), 21-37.*

Adubasim, I. E., Unaam, A. O., Ejo-Orusa, H. (2018). Knowledge transfer and organizational performance of deposit money banks in Port Harcourt, Nigeria. *American Journal of Humanities and Social Sciences Research (AJHSSR).* 02(12), 90-98

Akparep, J. Y., Jengre, E., & Mogre, A. A. (2019). The influence of leadership style on organizational performance at TumaKavi Development Association, Tamale, Northern Region of Ghana.

Al-Dalahmeh, M., & Héder-Rima, M. (2021). The effect of talent management practices on employee turnover intention in the Information and Communication Technologies (ICTs) sector: case of Jordan. *Problems and Perspectives in Management*, *18*(4), 59.

Aldawood, H., & Skinner, G. (2019). Reviewing cyber security social engineering training and awareness programs—Pitfalls and ongoing issues. *Future Internet*, *11*(3), 73.

Anku, J. S., Amewugah, B. K., & Glover, M. K. (2018). Concept of reward management, reward system and corporate efficiency. *International Journal of Economics, Commerce and Management*, *6*(2), 621-637.

Anwar, G., & Abdullah, N. N. (2021). The impact of Human resource management practice on Organizational performance. *International journal of Engineering, Business and Management (IJEBM)*, *5*.

Anyakoha, C. (2019). Job analysis as a tool for improved organizational performance of SMEs in Lagos, Nigeria. *Central European Journal of Labour Law and Personnel Management*, *2*(1), 7-16.

Bellucci, M. L. (2020). *Improving Small Business Hiring Practices in the Millennial Era* (Doctoral dissertation, Walden University).

Bond, A. M., Volpp, K. G., Emanuel, E. J., Caldarella, K., Hodlofski, A., Sacks, L & Navathe, A. (2019). Real-time feedback in pay-for-performance: Does more information lead to improvement? *Journal of general internal medicine*, *34*(9), 1737-1743.

Boto-Garcìa, D., Bucciol, A., & Zarri, L. (2020). *Managerial Beliefs and Firm Performance: Field Evidence from Professional Elite Soccer*. Università die Verona, Department of Economics.

Cainarca, G. C., Delfino, F., & Ponta, L. (2019). The effect of monetary incentives on individual and organizational performance in an Italian Public Institution. *Administrative sciences*, *9*(3), 72.

Chakraborty, D., & Biswas, W. (2019). Evaluating the impact of human resource planning programs in addressing the strategic goal of the firm: An organizational perspective. *Journal of advances in management research*.

Collins, C. J. (2021). Expanding the resource based view model of strategic human resource management. *The International Journal of Human Resource Management*, *32*(2), 331-358.

Cunningham, P. (2018). Drivers of performance of privately owned, rapid-growth firms: A reconceptualization of the trust–commitment model of relationship marketing. *Innovation and Strategy*, 15, 283-319.

Davidescu, A. A., Apostu, S. A., Paul, A., & Casuneanu, I. (2020). Work flexibility, job satisfaction, and job performance among Romanian employees—Implications for sustainable human resource management. *Sustainability*, *12*(15), 6086.

Diaz-Carrion, R., López-Fernández, M., & Romero-Fernandez, P. M. (2018). Developing a sustainable HRM system from a contextual perspective. *Corporate Social Responsibility and Environmental Management*, *25*(6), 1143-1153.

Echaaobari, S. G., Ihunda, C. C., & Adim, V. C. (2018). Collaboration strategy and employee performance in oil producing companies in Port Harcourt, Nigeria. *International Journal of Social Sciences and Management Research*, *4*(3), 21-30.

Ernawati, H., Sutikno, B., & Rusdi, Z. M. (2019). How far do salary satisfaction, marital status and gender moderate the effect on employees' internal work motivation and organizational commitment to employees' work performance in hospitality industry in Indonesia? In *1st International Conference One Belt, One Road, One Tourism (ICOBOROT 2018)* (pp. 89-93). Atlantis Press.

Foy, T., Dwyer, R. J., Nafarrete, R., Hammoud, M. S. S., & Rockett, P. (2019). Managing job performance, social support and work-life conflict to reduce workplace stress. *International Journal of Productivity and Performance Management*.

Hameduddin, T., Fernandez, S., & Demircioglu, M. A. (2020). Conditions for open innovation in public organizations: Evidence from Challenge. gov. *Asia Pacific Journal of Public Administration*, *42*(2), 111-131.

Ibrahim, A. U., & Daniel, C. O. (2018). Talent management and its effects on the competitive advantage in organizations. *International Journal of recent advances in Multidisciplinary Research*, *5*(11), 4247-4253.

Jensen, M., Potočnik, K., & Chaudhry, S. (2020). A mixed-methods study of CEO transformational leadership and firm performance. *European Management Journal*, *38*(6), 836-845.

Johari, J., Tan, F. Y., & Zulkarnain, Z. I. T. (2018). Autonomy, workload, work-life balance and job performance among teachers. *International Journal of Educational Management*.

Khan, M. L., & Idris, I. K. (2019). Recognise misinformation and verify before sharing: a reasoned action and information literacy perspective. *Behaviour & Information Technology*, *38*(12), 1194-1212.

Kumari, M. P. V., & Dubey, P. (2018). Employee performance and their organizational commitment in relation to HRM practices: A literature review. *Journal of Business and Management*, *20*(4), 58-63.

Lazzarini, S. G., Boehe, D., Pongeluppe, L. S., & Cook, M. L. (2020). From instrumental to normative relational strategies: A study of open buyer-supplier relations. In *Academy of Management Proceedings* (Vol. 2020, No. 1, p. 17403). Briarcliff Manor, NY 10510: Academy of Management.

Lee, Y., Tao, W., Li, J. Y. Q., & Sun, R. (2020). Enhancing employees' knowledge sharing through diversity-oriented leadership and strategic internal communication during the COVID-19 outbreak. *Journal of Knowledge Management*.

Li, J., & Fleury, M. T. L. (2020). Overcoming the liability of outsidership for emerging market MNEs: A capability-building perspective. *Journal of International Business Studies*, *51*(1), 23-37.

Njue, P. K., & Kiiru, D. (2018). Human resource management practices and performance of manufacturing companies in Nairobi City County, Kenya. *International Academic Journal of Human Resource and Business Administration*, *3*(4), 207-227.

Nkirote, N. A. O. M. I., & Kiiru, D. (2018). Influence of selected trade unions activities on performance of public universities in Kenya. *International Academic Journal of Human Resource and Business Administration*, *3*(4), 174-206.

Nkpurukwe, O. I., Ozah, J. P., & Wali, A. F. (2020). Evaluating the Influences of Employees Training and Development on Organizational Performance of Deposit Money Banks. *American International Journal of Business and Management Studies*, *2*(1), 35-43.

Pandey, J. (2019). Deductive approach to content analysis. In *Qualitative techniques for workplace data analysis* (pp. 145-169). IGI Global.

Pešalj, B., Pavlov, A., & Micheli, P. (2018). The use of management control and performance measurement systems in SMEs: A levers of control perspective. *International Journal of Operations & Production Management*.

Peter, A. S. (2019). *The Impact of Human Resource Management Practices on the Organizational Performance in the Public Institutions of Rwanda* (Doctoral dissertation,

Raharjo, K., Nurjannah, N., Solimun, S., & Fernandes, A. A. R. (2018). The influence of organizational culture and job design on job commitment and human resource performance. *Journal of Organizational Change Management*.

Singh, D. (2019). A literature review on employee retention with focus on recent trends. *International Journal of Scientific Research in Science and Technology*, *6*(1), 425-431.

Tebetso, T. T. (2021). Integrating human resource development and knowledge management for sustainable Botswana public sector performance. *Revue Européenne du Droit Social*, *53*(4), 105-120.

Vu, T. H., Nguyen, V. D., Ho, M. T., & Vuong, Q. H. (2019). Determinants of Vietnamese listed firm performance: Competition, wage, CEO, firm size, age, and international trade. *Journal of Risk and Financial Management*, *12*(2), 62.

Wang, C., Zhang, S., Ullah, S., Ullah, R., & Ullah, F. (2021). Executive compensation and corporate performance of energy companies around the world. *Energy Strategy Reviews*, *38*, 100749.

Wong, W. P., Tan, H. C., Tan, K. H., & Tseng, M. L. (2019). Human factors in information leakage: mitigation strategies for information sharing integrity. *Industrial Management & Data Systems*.

Yeboah-Assiamah, E., Asamoah, K., & Adams, S. (2019). Transdisciplinary public leadership theory: Between the extremes of "traditional public administration" and "new public management". *Journal of public affairs*, *19*(1), e1887.

Yuan, Z., Ye, Z., & Zhong, M. (2021). Plug back into work, safely: Job reattachment, leader safety commitment, and job engagement in the COVID-19 pandemic. *Journal of Applied Psychology*, *106*(1), 62.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 102-114 (September, 2022)
DOI: 6732425661727
https://arcnjournals.org

Impact of Organizational Restructuring on Operational Effectiveness of Health Sector in Nigeria; a Study of Rivers State University Teaching Hospital

IHUNWO, Elvis C.
Department of Marketing, Faculty of Management Sciences, Rivers State University, Port Harcourt | elvisihunwo@gmail.com
POI, Elizabeth Ledisi
Department of Marketing, Faculty of Management Sciences, Rivers State University, Port Harcourt | poibeth@yahoo.com

Abstract: *The study examined the impact of organizational restructuring on operational effectiveness of health sector in Nigeria; a study of Rivers State university teaching hospital. The study adopted a cross-sectional survey design. The target population for this study was carried out on fifteen (15) departments of Rivers State university teaching hospital in Nigeria and a sample of seventy-five (75) respondents were drawn from the staff of the selected health sector under our study. A self-administered structured questionnaire was used to collect primary data and the data obtained were accordingly analyzed using Spearman Rank Order Correlation Coefficient Statistical Tool to test the hypotheses with the aid of Special Packages for Social Sciences (SPSS) version 20.0. The study ascertained that organizational restructuring has impact on operational effectiveness and its measures – quality, delivery speed and operational cost. Hence, the success of Rivers State university teaching hospital future effectiveness in operation will to a large extent be liable on the application and implementation of effective organizational restructuring, and the hospitals management ability to maintain and motivate employees on restructuring for business survival and growth.*

Keywords: *organizational restructuring, operational effectiveness, quality, delivery speed, operational cost*

1.0 INTRODUCTION

The increase in global competitiveness, together with advances in technology and on-going changes in the environment, requires organizations to continuously adapt and be willing to change their structures, strategies, methods and practices to remain competitive. Many organizations operate in unprecedented environment with a number of dynamics like advanced technology. One of such strategy that most organizations adopt to remain competitive is organizational restructuring strategy to achieve their goals and cope with changing environment (Anderson, 2010). The notion of organizational restructuring is to facilitate the continuation of the functioning of an organization.

Organizational restructuring is becoming a main form of management in the world today. Various numbers of organizations in the world have reorganized their divisions, assets and levelling off of their activities and the divisions would lead to an increase in corporate performance (Bowman & Singh, 2013). Restructuring refers to the alteration of the structure of an organization's business and financial structure. Lebans & Euske (2012) notes that the organizations that have undergone restructuring in an effective manner will be theoretically more efficient organized and focused in the achievement of a strategic financial plan.

Since the World Health Organization (WHO) declared COVID-19 a world pandemic in March 2020, the virus continues to spread in different parts of the world as governments continue to put in places measures to contain the pandemic (World Health Organization, 2020). The health sector which is the epicentre of dealing with the virus has been the worst affected. The health systems, in many countries are overstretched as cases continue to rise (World Health Organization 2020). Even High-Income Counties have not been spared by the impact of COVID-19 especially in the health system. These emphasize the need to have well equipped diagnostic laboratories, trained diagnosticians and public health measures to forestall the occurrence of COVID-19 epidemic in Nigeria.

A prominent view of organization structures suggest that structures follow strategy, as structural designs pulls together key activities and resources of the firm implying that successful strategy implementation depend largely on a firm's primary organization structure (Aniboka, 2012). For the restructuring firm, the structure helps it to identify key activities and how they will be coordinated in order to achieve strategic purposes and hence improve its performance. The reasons as to why the health sector opts for restructuring are notably to become leaner, more efficient, better organized and focused on its core business with a revised strategic and financial plan. Restructuring also helped the health sector to streamline cost, increase productivity and revenues, improve employees' welfare, enhance efficiency and improve performance (Aniboka, 2012). There were none or few studies on organization restructuring and related to operational effectiveness in Nigeria more specifically in the health sector. The researcher sought to address the knowledge gap on organizational restructuring in the health sector. This paper focuses on the impact of organizational restructuring and operational effectiveness on health sector in Nigeria.

2. Literature Review

2.1 Theoretical Implication

Resource Based View Theory

Resourced based view theory was advocated by Barney's 1991. It provides emphasis that the resources internal to an organization can attain a sustainable competitive advantage within its respective markets (Barney & Clark, 2007). The resource based view (RBV) approach to competitive advantage contends that internal resources are more important for a firm than external factors in achieving and sustaining competitive advantage (Teece & Shuen, 2001). The organization's resources can be restructured in order to meet the company's competitive advantage. The capabilities existent within the organization is what leads to the organization making strategic decisions that is able to satisfy the company's external environment.

2.2 Concept of Organizational Restructuring

Organizational restructuring has become the predominant reaction to global competition, low productivity, and increasing labour costs. Economic recessionary pressures have forced organizations and businesses to restructure and reorganize their operations in an attempt to retain a profitable bottom line and to increase competitiveness. Kratochvilova (2001) defines restructuring as a change of a particular economic area structure, change of production programs and enterprising activities. Norley, Swanson & Marshall, (2003) defines restructuring as the act of reorganizing the legal, ownership, operational or other structures of a company for the purpose of making it more profitable and better organized for its present needs. Alternate reasons for restructuring include a change of ownership or ownership structure, demerger, a response to a crisis or major change in the business such as bankruptcy, repositioning or buyout. The process of reorganization of a firm will depend on various elements such as the company's position in terms of its competitiveness, the survival of a company within a particular economic climate and the self-confidence of the organization in heading towards a particular direction (Koplan, Steven & Morgan, 2011). Norley *et al.* (2003) noted that a company that has been restructured effectively will theoretically be leaner, more efficient, better organized and focused on its core business with a revised strategic and financial plan.

2.3 Operational Effectiveness

An increasing number of factors prompt organizations to operate more efficiently and to enable them carry out effective operational processes (Hill, 2000; Slack, Chambers, & Johnston, 2004) cited in (Ihunwo & Opara, 2021). This encompasses, the need to deliver value adding products or services of unique quality, on time, at a competitive price. Thus, organizations attempting to meet these objectives need to pay attention to their operational effectiveness as this is a primary driver of business performance in order to remain competitive (Wheelwright and Bowen, 1996; Ben-Rajeb, Morel-Guimaraes, Boly & Assielou, 2008; Slack *et al.,* 2010).

Operational effectiveness refers to the ability to establish processes, based on core capabilities within the organizations that encourage them to exceed customer's expectations (Porter, 1996; Evans & Lindsay, 2011). Operational effectiveness involves improving process performance by leading and controlling the processes within the firm as well as measuring and improving the processes. A better use of resources through these core processes enables the organization to eliminate waste, adapt more appropriate technology and therefore perform better than competitors (Porter, 1996).

2.3.1 Quality Service

Quality service has emerged as strategic entity making organizational restructuring a necessity for overall operational effectiveness and global competence (Desai, 2008). Although the term quality is quite widely used by practitioners and academics, there is no generally agreed definition of it, since different definitions of quality are appropriate under different circumstances. There are different definitions of quality portrayed by authors to fit different circumstances (Reeves & Bednar, 1994; Corbett, 2008). A widely used definition of quality was introduced by Juran (1951) and Juran and Godfrey (1999) which meets all the previous conditions, where quality is defined as fitness for use.

2.3.2 Delivery Speed

It is important for businesses in the current competitive environment to understand the value of their customers, as they are important to the business future growth. This should motivate organizations to find ways to capture, attract and maintain their customer's loyalty. Organizations should understand the wants and needs of their target market and make sure that the delivery of these wants and needs is in an efficient and effective manner so as to satisfy the customer in the target market (Maxhand & Plowman, 2012). Improving on speed boosts an organization to be able to shorten the time between the service request and delivery of the service, with the frequency and at the times requested by customers (Hill, 2005).

2.3.3 Operational Cost

Creating competitive advantage is not achieved instantaneously; hence an organization becomes advantageous in the market by outshining on some of the objectives and being competitive (Wheelwright & Bowen, 1996). Organizations need to identify the inadequacies and waste in practices such as procurement, product or service design, and the performance of staff to enhancing cost performance (Russell & Taylor, 2008). An appropriate disaggregation of the cost components impacting on the total cost performance of an organization gives the opportunity to identify the areas for improvement (Slack *et al.,* 2004).

2.4 Conceptual Framework

This study conceptual framework consists of organizational restructuring (independent variable). While dependent variable is operational effectiveness, which is made up of quality, delivery speed and operational cost as the measures

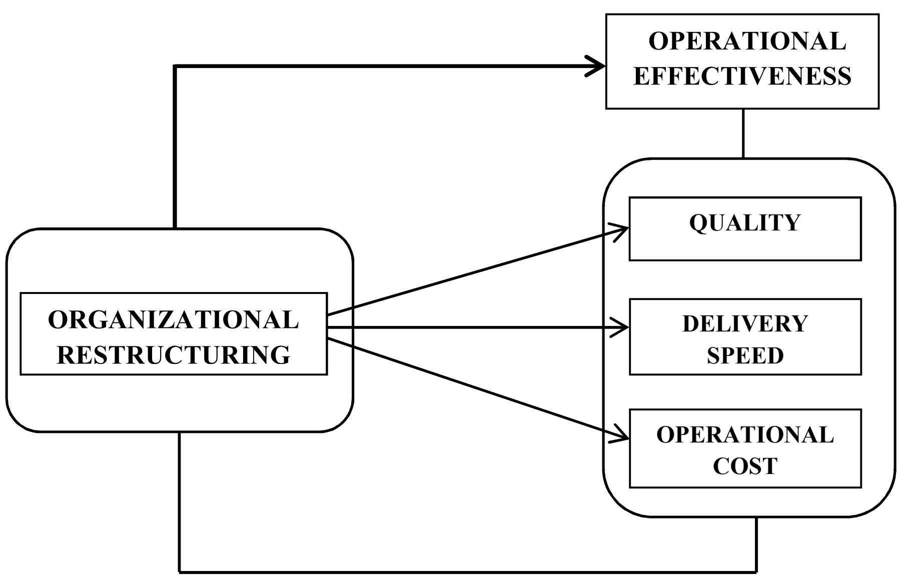


Figure 1: Conceptual Framework of Organizational Restructuring and Operational Effectiveness
Source: Researcher's Review of Relevant Literature (2020)

2.5 Organizational Restructuring and Operational Effectiveness

Companies and economies are restructuring to achieve a higher level of performance or to survive when the given structure becomes dysfunctional. The word “structure” used in an economic context implies a specific, stable relationship among the key elements of a particular function or process (Sander *et al*, 1996). It is not simply an organization chart. Structure is all the people, positions, procedures, culture, technology and related elements that comprise the organization. This structure defines the constraints under which institutions function in their day-to-day operations and their pursuit of better economic performance. Restructuring can therefore be interpreted as the attempt to change the structure of an institution in order to relax some or all of the short-run constraints. Restructuring enhances the prospects for improved performance for firms via strategic reorientation, organizational configuration and governance structure adjustment.

Gibbs (2007) defines restructuring as a change in the operational structure, investment structure, financing structure and governance structure of a company. Similarly, technological advances, stiff competition, increased managerial difficulties and shareholders demand increases performance pressures on firm’s managerial teams and have also contributed to restructuring (Euske *et al*, 2006). According to Bowman & Singh (1999) restructuring activities can be classified into three major categories that is financial restructuring, organizational restructuring and portfolio restructuring. McKinley & Scherer (2000) defined organizational restructuring as any major reconfiguration of the internal administrative structure that is associated with an intentional change management program. Organizational restructuring involves significant changes in the organizational structure of the firm, including redrawing of divisional boundaries, flattening of hierarchic levels, spreading of the span of control, reducing product diversification, revising compensation, reforming corporate governance and downsizing employment. Organizational restructuring contributes to easing firms’ performance by streamlining cost, improving welfare of employees, increasing revenues and productivity, enhancing operations efficiency and increasing shareholders’ (Lal *et al*, 2013). Ngige (2012) studied the implication of restructuring on the performance and long-term competitiveness within the Kenyan banking sector and further, the significance of different modes of restructuring adopted by the banks in influencing performance. Findings revealed that generally, restructuring resulted to improvement in performance. Oyedijo (2012) conducted a study to establish the effects of asset divestment strategy on performance of Nigerian corporate firms. The results of the study revealed a positive correlation between performance of firms and asset divestment. A study by Amboka (2012) that focused on organizational restructuring as a strategic performance approach adopted by Safaricom Limited focused on products and service differentiation by the firm. The findings of the study revealed that the restructuring process in products and services line contributed to considerable performance of the firm.

Based on the above discussion, determining the relationship between organizational restructuring and operational effectiveness, we therefore hypothesize the following:

Ho_1: Organizational restructuring has no significant relationship with quality.

Ho_2: Organizational restructuring has no significant relationship with delivery speed.

Ho_3: Organizational restructuring has no significant relationship with operational cost

3. Methodology

This study adopted a cross-sectional survey and a correlation investigation to establish the impact of organizational restructuring and operational effectiveness of health sector in Nigeria; a study of Rivers State university teaching hospital. The target population for this study was carried out on fifteen (15) departments of Rivers State university teaching hospital in Nigeria (medicine, paediatrics, laboratories, radiology, family medicine, obstetrics & gynaecology, anaesthesia, surgery, chemical pathology, haematology & blood transfusion, anatomical pathology, ophthalmology, accident and emergency. pharmacy and general administration) listed in the Rivers State university teaching hospital Facts Book of 2018 and a sample of seventy-five (75) respondents were drawn from the staff of the selected health sector under our study. A structured questionnaire was used to collect primary data; and the questionnaire was designed in Likert scale five point form- ranging from Strongly Disagree (SD) to Strongly Agree (SA). The testing of hypotheses was done using Spearman Rank Order Correlation Coefficient (rho) with the statistical package for social sciences software SPSS version 20.0; frequencies were computed to show the sample characteristics.

3.1 Reliability

The study tested for reliability at the verge of validating the factors in the context proposed. The reliability of the research instrument was tested using the Cronbach's Alpha threshold of 0.7.

Table 1: Result of Reliability Analysis

VARIABLE	CRONBACH'S ALPHA
Organizational Restructuring	0.766
Quality	0.768
Delivery Speed	0.738
Operational Cost	0.769

Source: SPSS 20.0 Output (based on 2021 field survey data)

As can be seen in Table 1; the result of the reliability test revealed that all the scores of the variables satisfied the standard Cronbach's Alpha threshold of 0.7.

3.2. Descriptive Statistics

The descriptive analysis of sales integration is expressed in five items questions.

Table 2: Descriptive Statistics on Items of Organizational Restructuring

Questionnaire items	Sum	Mean	Std. Deviation	Remark
Organizational restructuring has affected effectiveness in our operations	277	3.69	1.230	Agree
Organizational restructuring is a key in driving long-term operation effectiveness	303	4.04	1.179	Agree
In our organization restructuring has affected relevance skill that are required in our service delivery	298	3.97	1.065	Agree
In our organization restructuring has affected efficiency in our operations	313	4.17	.950	Agree
restructuring brings the relevant knowledge of the organization and its environment that is needed to make informed decisions	339	4.52	1.095	Agree
Grand Mean		**4.16**		**Agree**

Source: SPSS 20.0 Output (based on 2021 field survey data)

The information in table 2 shows the descriptive statistics on items of organizational restructuring. Specifically, the table revealed that: Organizational restructuring has affected effectiveness in our operations had a mean of 3.89 and a standard deviation of 1.230. Organizational restructuring is a key in driving long-term operation effectiveness had a mean of 4.04 and a standard deviation of 1.179. In our organization restructuring has affected relevance skills that are required in our service delivery had a mean of 3.97 and a standard deviation of 1.065. In our organization restructuring has affected efficiency in our operations had a mean of 4.17 and standard deviation of 0.960. Restructuring brings the relevant knowledge of the organization and its environment that is needed to make informed decisions had a mean of 4.52 and standard deviation of 1.095. The mean values of all the variables are greater than (>) 3 (the required average of a five point likert scale), as such, the researcher upheld the prevalence of the study variables.

Table 3: Descriptive Statistics on Quality in the Rivers State University Health Sector in Rivers Sate, Nigeria (n=75)

Questionnaire items	Sum	Mean	Std. Deviation	Remark
Our organization sales products and offers services which conforms to customer specifications.	302	4.03	1.241	Agree
Our organization produces products of high aesthetic value.	290	3.87	1.155	Agree
Our organization offers services which conform to customer specifications.	313	4.17	.935	Agree
Our organization offers services which are of high level of reliability to the users.	335	4.47	.935	Agree
Our organization employees are skilled and qualified personnel	344	4.59	.824	Agree
Grand Mean		**4.23**		**Agree**

Source: SPSS 20.0 Output (based on 2021 field survey data)

The information in table 3 shows the descriptive statistics on items of Quality. Specifically, the table revealed that: Our organization sales products and offers service which conforms to customer specifications had a mean of 4.03 and a standard deviation of 1.241. Our organization produces products of high aesthetic value had a mean of 3.87 and a standard deviation of 1.155. Our organization offers services which conform to customer specifications had a mean of 4.17 and a standard deviation of 0.935. Our organization offers services which are of high level of reliability to the users had a mean of 4.47 and standard deviation of 0.935. Our organization employees are skilled and qualified personnel had a mean of 4.59 and standard deviation of 0.824. The mean values of all the variables are greater than (>) 3 (the required average of a five point likert scale), as such, the researcher upheld the prevalence of the study variables.

Table 4: Descriptive Statistics on Delivery Speed in the Rivers State University Health Sector in Rivers Sate, Nigeria (n=75)

Questionnaire items	Sum	Mean	Std. Deviation	Remark
Our organization adopts to shorter delivery schedules given by the customers and works on delivering within the given timelines	291	3.88	1.252	Agree
Our employees are never too busy to respond to customer requests.	297	3.96	1.045	Agree
Our organization adheres to customer promised delivery times.	308	4.11	1.073	Agree
Our organization uses proper queue management system to serve customers at the reception to minimize waiting time.	339	4.52	.950	Agree
Our organization ensures that it replaces all faulty equipment in time	343	4.57	.857	Agree
Grand Mean		**4.21**		**Agree**

Source: SPSS 20.0 Output (based on 2021 field survey data)

The information in table 4 shows the descriptive statistics on items of Delivery Speed. Specifically, the table revealed that: Our organization adopts to shorter delivery schedules given by the customers and works on delivering within the given timelines had a mean of 3.88 and a standard deviation of 1.252. Our employees are never too busy to respond to customer requests had a mean of 3.96 and a standard deviation of 1.045. Our organization adheres to customer promised delivery times had a mean of 4.11 and a standard deviation of 1.073. Our organization uses proper queue management system to serve customers at the reception to minimize waiting time had a mean of 4.52 and standard deviation of 0.950. Our organization ensures that it replaces all faulty equipment in time had a mean of 4.57 and standard deviation of 0.857. The mean values of all the variables are greater than (>) 3 (the required average of a five point likert scale), as such, the researcher upheld the prevalence of the study variables.

Table 5: Descriptive statistics on Operational Cost in the Rivers State University Health Sector in Rivers Sate, Nigeria (n=75)

Questionnaire items	Sum	Mean	Std. Deviation	Remark
Our organization applies low cost of service without compromising the quality	301	4.01	1.225	Agree
Our organization applies the philosophy of "do it right the first time" to reduce repeat job costs	293	3.91	1.093	Agree
Our organization applies continuous improvement practices aimed at minimizing operational cost	313	4.17	1.045	Agree
Our organization reduces the wasteful use of resources to minimize cost	337	4.49	.891	Agree
Our employees are competent enough to reduce the direct labour cost	346	4.61	.804	Agree
Grand Mean		**4.24**		**Agree**

Source: SPSS 20.0 Output (based on 2021 field survey data)

The information in table 5 shows the descriptive statistics on items of Operational Cost. Specifically, the table revealed that: Our organization applies low cost of service without compromising the quality had a mean of 4.01 and a standard deviation of 1.225. Our organization applies the philosophy of "do it right the first time" to reduce repeat job costs had a mean of 3.91 and a standard deviation of 1.093. Our organization applies continuous improvement practices aimed at minimizing operational cost had a mean of 4.17 and a standard deviation of 1.045. Our organization reduces the wasteful use of resources to minimize cost had a mean of 4.49 and standard deviation of 0.891. Our employees are competent enough to reduce the direct labour cost had a mean of 4.61 and standard deviation of 0.804. The mean values of all the variables are greater than (>) 3 (the required average of a five point likert scale), as such, the researcher upheld the prevalence of the study variables.

4. Test of Hypotheses

This section of the work shows a summary of the result of the test of hypotheses. The test statistics used in testing the hypotheses is the Spearman Rank Order Correlation Coefficient (rho). All the analyses were carried out using the Statistical Package for Social Sciences (SPSS) version 20.0.

Ho_1: Organizational restructuring has no significant relationship with quality.

Ho_2: Organizational restructuring has no significant relationship with delivery speed.

Ho_3: Organizational restructuring has no significant relationship with operational cost

Table 6: Correlation Matrix showing the Magnitude of Relationship between Organizational Restructuring and the Measures of Operational Effectiveness

Correlations

Type	Variables1	Statistics	Organizational Restructuring	Quality	Delivery Speed	Operational Cost
Spearman's rho	Organizational Restructuring	Correlation Coefficient	1.000	.681**	.595**	.665**
		Sig. (2-tailed)	.	.000	.000	.000
		N	75	75	75	75
	Quality	Correlation Coefficient		1.000	.742**	.678**
		Sig. (2-tailed)		.	.000	.000
		N		75	75	75
	Delivery Speed	Correlation Coefficient			1.000	.672**
		Sig. (2-tailed)			.	.000
		N			75	75
	Operational Cost	Correlation Coefficient				1.000
		Sig. (2-tailed)				.
		N				75

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

Table 6 above shows the SPSS output result of the Spearman Rank Order Correlation Coefficient. From the findings, it was clear that there was a positive correlation between organizational restructuring and quality as shown by a correlation figure of 0.681, it was also clear that there was a positive correlation between organizational restructuring and delivery speed with a correlation figure of 0.595 and there was also a positive correlation between organizational restructuring and operational cost with a correlation value of 0.665. This shows that there was a positive correlation between organizational restructuring and quality, delivery speed and operational cost. The probability/significant value are 0.000, hence the researcher rejects the null hypothesis and the alternate is accepted.

5. Discussion

This study examined the impact of organizational restructuring on operational effectiveness in the Rivers State university teaching hospital. It specifically investigated the impact of organizational restructuring on quality, delivery speed and operational cost. It was hypothesized that there is no relationship between organizational restructuring and measures of operational effectiveness which include quality, delivery speed and operational cost. As can be seen, the result from Spearman Rank Order analysis shows that a significant relationship exist between them. A majority of the respondents are of the opinion that a strong and positive relationship exists between organizational restructuring and measures of operational effectiveness. Based on that, the null hypotheses (Ho) was rejected and the alternate hypotheses (HA) were accepted. The findings of this study is in line with the views of Lebans and Euske (2012) notes that the organizations that have undergone restructuring in an effective manner will be theoretically more efficient organized and focused in the achievement of a strategic financial plan. According to Lal, Pitt and Beloucif (2013), the act of restructuring has been applied by managers in several companies in order to level off costs, increases in productivity and revenues and an improvement in the welfare of employees, a rise in the wealth of shareholders will lead to an enhanced efficiency and an improvement in performance levels. Restructuring is an important strategy that organizations implement to make sure that they do not lose their relevance within the business world. Restructuring an organization becomes necessary whenever there has been significant growth and the current organizational structure is not able to ensure efficient management of the organization.

6. Conclusion

This study has ascertained that organizational restructuring has impact on operational effectiveness and its measures – quality, delivery speed and operational cost. Hence, the success of Rivers State university teaching hospital future effectiveness in operation will to a large extent be liable on the application and implementation of effective organizational restructuring in the Rivers State university teaching hospital, and the firm's management ability to maintain and motivate employees on restructuring for business survival and growth. Additionally, Rivers State university teaching hospital should establish better coordination between the departments which will ensure that quality is upheld and that the departments are working together towards a common goal. This will ensure that fragmentation within the organization is avoided and the activities in the different departments are in sync. Finally it will inspire more methodical undertakings to carry out theory driven empirical research and help in advancement of our understanding of restructuring organization.

References

Aniboka, B. O. (2012), *Organizational Restructuring as a Strategic Approach to Performance bv Safaricom Limited*; Unpublished research project submitted in partial fulfilment for the requirements of the award of master of business administration, school of business, university of Nairobi.

Armstrong, M. (2010). *Handbook of Human Resource Management Practice,* 11th Edition. London: Kogan Page.

Barney**,** J. B., & Clark**,** D. N. (2007). *Resource-Based Theory*; Creating and sustaining competitive advantages. Oxford University Press, Oxford, 327.

Ben-Rajeb, H., Morel-Guimaraes, L., Boly, V., & Assielou, N. G. (2008). Measuring innovation best practices: Improvement of an innovation index integrating threshold and synergy effects, *Technovation*, 28 (12), 839-854.

Bowman, E. H., & Singh, H. (2013). When does restructuring improve performance? *California Management Review*, 41 (2), 34-54**.**

Corbett, L. M. (2008). Quality management in operations, in Samson, D. & Singh, P. J. (eds), *Operations Management:* An integrated approach, Cambridge, Melbourne, 78-89.

Desai, D. A. (2008). Cost of quality in small- and medium-sized enterprises: Case of an Indian engineering company, *Production Planning & Control*, 19 (1), 25-34.

Evans, J., & Lindsay, W. (2011). *The Management and Control of Quality*, South- Western New Jersey; Cengage Learning.

Gibbs, K. L. (2007). *Accounting Management and Control,* John Murray (Publisher) Ltd., London.

Hill, T. (2000). *Strategic Context and Managerial Analysis*. Operations Management.

Hill, T. (2005). *Operations Management*, New York; Palgrave Macmillan.

Ihunwo, E. C.. & Opara, B. C. (2021). Supply chain collaboration and operational effectiveness in food and beverages firms in Nigeria. *Advanced Journal of Accounting, Management and Marketing Research*, 8 (2), 17-26

Juran, J., & Godfrey, M. (1999). *Quality Control Handbook*. New York: McGraw-Hill.

Lal, D., Pitt, C. D. & Beloucif, A. (2013). Restructuring in European telecommunications: Modelling the evolving market. *European Business Review*, 13 (3), 152-158.

Maxhand, N. & Plowman, B. (2012). *Quality Management Handbook*, USA; Quality Press.

Ngige, A. W. (2012). *Corporate restructuring and firm performance in the banking sector of Kenya*. Unpublished MBA project: School of Business, University of Nairobi.

Norley, L., Swanson, J., & Marshall, P., (2003). A practitioner's guide to corporate restructuring. *City Financial Publishing*. 1 (2), 24-63.

Porter, M. (1996). *What is Strategy*? Harvard Business Review.

Reeves, C. & Bednar, D. (1994). Defining quality: Alternatives and implications. *Academy of Management Review*, 19 (3), 419-445.

Russell, R. S., & Taylor, B. W. (2008). *Operations Management*; Quality and competitiveness in a global environment, (5th ed), London; John Wiley & Sons, Inc.

Sander, H. E. (1996). *Economic and Corporate Restructuring: Experiences and Challanges of the Decade.* The Netherlands: Lansa, Leiderdrop.

Slack, N., Chambers, S., & Johnston, R. (2004). *Operations Management*. (4th ed), New York; Pearson Education Limited.

Slack, N., Chambers, S., & Johnston, R. (2010). *Operations Management*. (6th ed), United Kingdom; Pearson Education Limited.

Teece, D. J., & Shuen, A. (2001). Dynamic capabilities and strategic management, *Strategic Management Journal*, *18*, 509-533.

Wheelwright, S. C., & Bowen, H. (1996). The challenge of manufacturing advantage. *Production and Operations Management*, 5 (1), 59-77.

World Health Organization (2020). Director-General's opening remarks at the media briefing on COVID-19 - 11 March 2020.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 115-129 (September, 2022)
DOI: 6732425661728
https://arcnjournals.org

Role of a Sustainable Agro Entrepreneurship towards Economic Diversification and Economic Growth: A Study of Anambra East Local Government

Dr. Chineze J. Ifechukwu-Jacobs
Department of Entrepreneurship Studies, Chukwuemeka Odumegwu Ojukwu University, Igbariam, Anambra State Nigeria

Abstract: *The study examined the role of a sustainable agro entrepreneurship towards economic diversification and economic growth: a study of Anambra East Local Government. The objectives of the study were: To evaluate the effect of agro financing towards economic diversification and economic growth: To determine the effect of agro output towards economic diversification and economic growth. The sources of data were through primary sources. The variables were agro financing and agro output as the independent variables while economic diversification and economic growth were dependent variables. Questionnaire and semi structured interview were used to collect data from manager, owners and other key officers in the selected firms. The population of this study was 2244, while the sample size was 432. The research adopted purposive sampling method. ANOVA Method of regression analysis was employed for the test of hypotheses. Specifically the study found out that. Agro financing has significant effect on economic diversification and economic growth. Agro output has significant effect on economic diversification and economic growth It was recommended that To support the agripreneur needs of the farmers, the authorities need to formulate some new skills and this is beneficial in the process of commercialization also. The farmers need to grow the farm plans with the help of other individual farmers and also, working with the distinctive levels of farmer organizations from groups to the corporations. This will help analyze the areas of market, sales and financing and building various farming business opportunities with the clients.*

Keywords: *Agro entrepreneurship, Economic diversification, Agro financing, Agro output and Economic growth*

1.1 Background to the Study

In today dynamic business environment, there has been a general realization that agro entrepreneurship is at the center of high and stable economic diversification and economic growth that constitutes and sustain prosperity (Ahimbisibwe, & Abaho, 2017). Any economy that is capable of increasing and propelling its agro entrepreneurial activities to perform well is more likely to experience high economic diversification and growth unlike those economies whose similar activities are decreasing or are stagnant. Agro entrepreneurship has long been acknowledged as an important growth strategy for sustaining the country's economic growth (Israel & Johnmark, 2014), particularly in career perspectives and business opportunities which generate profits (Othaman,Ghazali & Cheng, 2015; Gurol & Atsan, 2006).

The growth and diversification of an economy propelled by increased and improved agro entrepreneurial activities spells better living standards for its citizen. Recently researchers have postulated that a focus on the role of agro entrepreneurial mindset has the potential to contribute significantly to the study of entrepreneurship (Ardichvili, Richard & Sourav, 2018). This results to creation of employment, increased wealth creation, expanded market, variety of goods and services and high quality goods and services. It is therefore the intent of all stakeholders likes the government, investors and the society at large to promote agro entrepreneurial activities and encourage individual with entrepreneurial mindset to excel in their businesses and increase these activities (Njeru, 2012).

Generally, majority of investors in developing countries initiate small and medium enterprises. The "small enterprises" employ from11 to 50 workers, and" medium enterprises" are
able to engage from 51 to 100 workers. Although these categories of firms are not as many as the
"micro enterprises" which employ up to 10workers, their continued emergence will definitely be a prerequisite for any enduring industrialization (Njeru, 2012). In developing economies such as Nigeria, one of the biggest problem is to propel people unleash the entrepreneurial mindset in their business endeavour and avoid the common practice of duplicating products found among many traders. The mindset of the entrepreneur determines the
business success in today's competitive market (Amabile, 2019)..

Agro entrepreneurship that has a strong track record of successful innovation also tend to enjoy significant competitive advantages and increased enterprise value. Agro entrepreneurship result in three exhibits (Ardichvili, Richard & Sourav, 2018). These are; knowledge, which refers to having relevant understanding an individual brings to bear on a creative effort, creative thinking which shows how people approach problems and depends on personality and thinking style and finally motivation acting on an intrinsic passion that drives one to perform better (Njeru, 2012). Business alertness is the capability to respond at the right time to the dynamics of the environment. This is critical in creating a competitive edge in a very fast changing market. The extent to which an entrepreneur exhibits these three attributes determines whether an individual has entrepreneurial mindset or not and that is what makes a difference in business performance (Lackeus, 2016).According to Dhliwayo and Vuuren, (2007) risk taking is an important element of the strategic entrepreneurial mindset. This is because risk- taking is essential for the success and growth of a business, which is based on how entrepreneurs perceive and manage the risks in their environment.

In view of the many challenges that agro entrepreneurship are exposed to, it is imperative for them, both profit and nonprofit business, to anticipate challenges, identify their strengths to meet anticipated challenges and take control of available opportunities to obtain maximum productivity. Unfortunately, in most organizations, entrepreneurship plans are not carried out and implemented properly. Some organizations do not attach any importance to planning and therefore do not have plans for their organizations. This could be borne out of lack of appreciation and knowledge of the relevance of agro entrepreneurship to organizational growth. climate change : extreme heat, drastic reduction of rainfall that is concentrated over a smaller number of days, which leads to erosion and soil leaching, etc. Rampant desertification. poor quality of the seeds, excessive use of chemical fertilizers and poor control of production techniques, which have led to the leaching of arable soil and to low agricultural yields, difficulties in financing both agricultural beginners and investments, problems of transporting agricultural products to market, lack of conservation infrastructure or processing facilities, In an attempt to address this problem there is the need to critically accessing the role of a sustainable agro entrepreneurship towards economic diversification and economic growth: A study of Anambra East Local Government.

1.2 Objectives of the study

The main objective of this study is to accessing the role of a sustainable agro entrepreneurship towards economic diversification and economic growth: a study of Anambra East Local Government. The specific objectives are to:

1. To evaluate the effect of agro financing towards economic diversification and economic growth.

2. To determine the effect of agro output towards economic diversification and economic growth.

1.3 Hypotheses

The hypotheses formulated in null form will guide this study

$H_{01:}$ Agro financing has no significant effect on economic diversification and economic growth

$H_{02:}$ Agro output has no significant effect on economic diversification and economic growth

REVIEW OF RELATED LITERATURE

2.1 Conceptual Framework

2.1.1. Agro-entrepreneurship

Agro-entrepreneurship is the process of backward or forward value addition whereby farmers use creative ways of improving the quality and quantity of agricultural produce or get involved in agro-industry activities (Barney, 2019).

The concept of Agricultural Entrepreneurship is introduced to support the farmers, group of farmers as well as agricultural industries by improving the methods of production and increase the market engagements (Baron, 2020). An agripreneur is a person who supports and manages a business venture by focusing on the agricultural sector only.

Agro-entrepreneurship can be defined as the sum total of all the operations (economic activities) involved in the manufacture and distribution of farm supplies, farm operation in the farms and the processing distribution-storage of farms commodities and the items made from them (Brown, & Ulijn, 2014).. It can simply be put as the sum totality of all operations involved in the production and distribution of the food and fibre needs of the economy. Based on the foregoing definition, some level of coordination is required which will involve the marriage of technology and economics. It, therefore, depends on the technology of the various agricultural production disciplines (plant science, animal science, forestry, fishery, agricultural engineering, avian science, entomology, agricultural biochemistry, food science, agricultural biology, etc) and the tools as well as the theory of economics (such as agricultural economics, industrial business economics, etc) and the other behavioral sciences (such as political science, sociology, psychology, etc) (Bruyat, & Julien, 2019).

Agribusiness refers to businesses actively involved in the commercial agricultural processes, from production to processing and marketing to distribution. The companies in this sector integrate small-scale farmers to meet growing consumer demands in emerging economies (Coulthard, 2017).

Agricultural production comprises various stages, such as seeding, breeding, and agrichemical application done through farm machinery. The economic viability of farming is causing companies to develop new technologies and capitalize on the existing opportunities. Eventually, it allows them to scale production that results in large-scale operations (Covin, & Slevin, 2019).

Agro-entrepreneurship is the entrepreneurship sector encompassing farming and farming-related commercial activities. It involves all the steps required to send an agricultural goods to market, namely production, processing, and distribution (Daft, 2019). This industry is an important component of the economy in countries with arable land since agricultural products can be exported.

Agro-entrepreneurship treats the different aspects of raising agricultural products as an integrated system. Farmers raise animals and harvest fruits and vegetables with the help of sophisticated harvesting techniques, including the use of GPS to direct operations (Dhliwayo, & Vuuren, 2017).. Manufacturers develop increasingly efficient machines that can drive themselves. Processing plants determine the best way to clean and package livestock for shipping. While each subset of the industry is unlikely to interact directly with the consumer, each is focused on operating efficiently in order to keep prices reasonable

2.1.2 Agro Financing

Agricultural financing involves a complex and overlapping blend of financial intermediaries and rural households, smallholder farmers, agribusinesses, and off-farm business entities. These can best be grouped into: Off farm microbusinesses and rural household dwellers not directly involved in agriculture and agriculture related business activities; Farm and agro-based businesses directly involved in the supply of input, farmers, producers, traders and processors. (Dweck, 2019).

Agro-based industries relying on raw materials from farmers and their production processes; and finally distributors and exporters. The financial intermediaries are entities that engage in financial services such as banks and non-bank financial institutions work directly with rural farmers such as credit unions and agricultural cooperative societies (Dweck, 2020).

One of the basic concept of this study is that farmers need for financial products and services are varied ranging from working capital requirement such as short term credit to purchase inputs and provision for cash flow management, income smoothing to term credit for the purchase of fixed assets such as land, machineries and other farm assets, making arrangement for leasing and inventory build-up and deposit and transfer services which may include local payment services and remittances such as risk mitigation, asset-building and insurance policies (Dweck, 2016). This study therefore sees working capital financing as very important in agricultural financing and should be readily available to rural farmers to meet their seasonal needs for inputs, labor, and operational production activities. When properly timed and supplied, working capital allows the use of inputs such as seed, fertilizer, labor and other implements that may assist the farmers to increase their output and earn more revenue (Eno-Obong, 2016).. The short-term nature of working capital financing makes it difficult for financial institutions to provide them for immediate needs of farmers. This is due to the short repayment period which does not match the production cycle of agricultural products.

2.2 Theoretical Framework

The Ecological Approach Theory

The ecological approach theory was propounded by Aldrich Howard (1990). It incorporates the influence of the environment, and the notion that entrepreneurial behavior is planned intention. This approach is process-focused in that the interactions of several factors are examined in order to predict behavior. According to this theory, beliefs, perceptions and assumptions are learned within the context of a given environment. These attitudes and perceptions predict intentions, which in turn influence behavior. Thus, the ecological approach suggests that entrepreneurial characteristics can not only be learned, but can also vary across individuals and situations. An entrepreneurial intention is thus mediated in the following manner; environment or event causes an individual to form perceptions, attitudes and assumptions. These perceptions then translate themselves into intentions or potentials. Intentions or potentials then are expressed through behavior.

The Ecological theory is related to the study in that the theory sees environment and events as a major determinant of entrepreneurial intentions and the study in turn, sees environment through entrepreneurship education as a determinant of entrepreneurial intention. In other words, the teaching of entrepreneurship education in the universities, create these enabling environments for imparting entrepreneurial skills in individuals. Both theories also, accept that individuals can activate their entrepreneurial potentials if there are environmental possibilities of which entrepreneurship education is one of the environmental possibilities that activate individual entrepreneurial potentials.

2.3 Empirical Review

Olokundun, Falola, & Ibidunni (2014). Examined agro business as a remedy for youth unemployment towards the achievement of sustainable development in Nigeria: comparative perspectives from the kwara state agro business economy An efficient agricultural sector would in no doubt enable a country to generate employment opportunities. The dynamism of the agricultural sector is undoubtedly a springboard for youth empowerment towards a sustainable socio – economic development of any nation. This study asserts that the agricultural sector is the key driver of sustainability in most developed nations of the world. Thus the underlying motive of this work is to alert policy makers in Nigeria on the need to focus on exploiting the enormous opportunities provided by agro business, in an attempt to eradicate youth unemployment towards the achievement of sustainable development.

Ntale, Anampiu, & Gathaiya, (2020). investigated the factors that affect agro-entrepreneurship on small farms in Kenya and attempted to develop an agro-entrepreneurship readiness model informed by theoretical and empirical evidence. The study used a cross-sectional survey research design and a multi-stage sampling technique to identify the 15 locations from the study area of Kiambu and Murang'a counties where the samples were drawn from. Line transect sampling technique was employed to pick the 388 farms. Qualitative and quantitative descriptions were used to measure the extent of agro- entrepreneurship among the small farms, while correlation analysis was used to estimate the association of readiness factors with agro-entrepreneurship on the small farms. The study reveals that Kenya's agrarian economy is suffering from limited agro-entrepreneurship as the statistics show that only 6% of small farmers were adding value to their agricultural produce. It was discovered that farm sizes are negatively correlated with agro- entrepreneurship.

Jennypher, Ochoa-moreno, Ordonez , & Izuquierdo-montoya (2021). analyze the relationship between economic growth (measured by economic, social, and financial variables) and the agricultural productive structure, as well as its possibilities for diversification, in Ecuador's 23 provinces in the year 2014. First, we constructed the Shannon-Weaver index. We then used the graphic cartograms method to select relationships between variables. Next, we calculated the Pearson coefficient and the covariance, which revealed the linear association among the study's variables. This methodology led us to conclude that several variables (the gross added value of only agriculture, the average total household income, and the economically active population) have a positive influence on agricultural diversification; each province's overall gross added value, while the level of education, the unemployment rate, and the volume of credit had a negative influence.

Abasilim, Ayoola, and Odeyemi, (2017) examined entrepreneurship: the tool for economic diversification in Nigeria The Nigerian economy is characterized by over dependency on oil, inadequate infrastructure, high rate of unemployment, and the consequences of these conditions. There is, therefore, a great need for diversification of the economy, especially in the face of the dwindling oil prices, falling value of Naira against other world currencies, and the call by the government for greater commitment and interest in other sectors of the economy to create an economy that will not solely depend on oil for its growth and development This study presents a review of related literature and concludes that poor entrepreneurship development is a major factor militating against economic diversification in Nigeria drive. The study therefore recommends that government should encourage entrepreneurship development through the provision of basic social amenities and economic infrastructure that will enable the necessary productive activities. Entrepreneurs and innovators should also be encouraged through the grant of soft loan and tax holidays.

Anabaraonye, Ewa, Anukwonke, Eni, & Anthony, (2021). examined the green skills and entrepreneurial opportunities in Nigeria's agricultural sector readily available for the unemployed and underemployed youths in Nigeria which in turn addresses the problems of poverty and hunger in the country. This paper also highlights the innovative ways to educate communities and institutions in Nigeria about opportunities in agripreneurship and the role of green entrepreneurship for sustainable economic growth. This paper concludes that there is great need for educational institutions in Nigeria to engage in a more intensive research and disruptive innovation approach to devise the means of ensuring a cleaner and healthier environment by adopting green entrepreneurship which will help to guarantee sustainable environment and sustainable economic growth in Nigeria

METHODOLOGY

3.1: Research Design

According to (Adams,2010), research design describes a number of decisions which need to be taken regarding the collection of data before ever the data is collected; A schematic guide which directs a researcher in solving research problem. The research design used in this study will be survey design.

3.2: Sources of Data

Information obtained for this work is through data. Data is simply defined as facts and figures (Onodugo et al, 2010). Data is what differentiates research from guess work, imagination, myths and other sources of knowledge. The data for this work is obtained through two major sources, they are; Primary and Secondary data.

3.3: Population of the Study.

The population of interest therefore comprised all Agro entrepreneurial firm in Anambra state. However the total Number of staff in that organization is 2244. This population figure was derived from human resources department of the agro firms.

3.4 Sample size determination

Given the nature of this study, it was difficult to cover the entire population of (2244), so a fair representative sample of the population therefore was imperative. Accordingly, the sample size for the study was determined by using the Borg & Gall (1973) formular for calculating sample size as follows

$n = (1.960)^2\ (0.05)\ [2244]$

$n = (1.960)^2\ (0.05)\ [2244]$

$n = (3.8461)\ (112.2)$

$= 431.532 \implies 431.53$

$n = 432$

Sampling Technique

The research intends to adopt purposive sampling. Purposive sampling enables the researcher to choose at respondents that would be of interest to the study while the stratified random sampling permits each of the different respondents in the states to be selected without bias.

3.5: Method of Data Collection.

Copies of questionnaire were distributed personally by the researcher to the respondent which included the managerial cadre and non-managerial cadre that is the entire staff of the selected agro entrepreneurs. Interview was also held with some of the staff of these organizations while retrieving the completed questionnaires, through repeated appeals. The reason for the choice of these modes of distribution is to ensure a high return rate of the questionnaires by the respondents

3.6: Method of Data Analysis.

Statistics such as frequency count and percentages were put to use in the analysis of research questions while research hypotheses were tested using ANOVA analysis. The research hypotheses were tested at 0.05 level of significance. Analysis was carried out with the aid of Statistical Package for Social Sciences (SPSS) version 23.

DATA PRESENTAION AND ANALYSIS

This chapter presents the data obtained from the respondents through the administered questionnaire. Four hundred and nine (409) were administered, to the selected staff**.** However, three hundred and seventy-seven (377) copies were retrieved.

4.1 Demographic characteristics of Respondent

4.1.1 SEX

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	273	71.3	72.4	72.4
	FEMALE	104	27.2	27.6	100.0
	Total	377	98.4	100.0	

Source: SPSS Version 21, 2022

The above table reveals that the two hundred and seventy-three (273) of the respondents which represents 72.4% were male respondents, while one hundred and four (104) respondents which represent 27.2% were female respondents. By implication, male respondents were more than female respondents by 44.8% 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 CATEGORY OF RESPONDENTS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SENIOR STAFF	248	64.8	65.8	65.8
	JUNIOR STAFF	129	33.7	34.2	100.0
	Total	377	98.4	100.0	

Source: SPSS Version 21, 2022

The above table reveals that the two hundred and forty-eight (248) of the respondents which represents 65.8% were senior staff, while one hundred and twenty-nine (129) respondents which represent 34.2% were junior staff. By implication, senior staff were more than junior staff in our selected population sample for this study. The implication of this is to enable us to know the category of the respondents that successfully returned their questionnaire.

4.1.3 EDUCATION QUALIFICATION OF THE RESPONDENTS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	OND/NCE	174	45.4	46.2	46.2
	B.SC/HND	167	43.6	44.3	90.5
	MSC/MBA	13	3.4	3.4	93.9
	PHD OTHERS	17 6	4.4	4.5	98.4
			1.6	1.6	100.0
	Total	377	98.4	100.0	

Source: SPSS Version 21, 2022

In the table above, out of the three hundred and seventy-seven (377) respondents, one hundred and seventy-four (174) of the respondents are OND/NCE holders. While one hundred and sixty-seven (167) respondents which represent 44.3 percent are BSC/HND holders. Thirteen respondents (13) which represent 3.4 are MSC/MBA holders, while seventeen (17) which represents 4.5 are PHD holders. Lastly, six (6) which represents 1.6 answered others.

4.1.4 AGE BRACKET OF THE RESPONDENTS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25 YEARS	68	17.8	18.0	18.0
	26-35 YEARS	127	33.2	33.7	51.7
	36-45 YEARS	152	39.7	40.3	92.0
	46-ABOVE	30	7.8	8.0	100.0
	Total	377	98.4	100.0	

Source: SPSS Version 21, 2022

The table above shows that respondents whose age bracket falls between 18-25 yrs were sixty-eight (68) which represent 18 percent. This is followed by those with age bracket of 26-35 years with one hundred and twenty-seven (127) which represents 33.7%. Also those within age bracket of 36-45yrs were one hundred and fifty-two (152) which represents 40.3%. Lastly, those with age bracket of 46-above with thirty respondents which represent 8%. The implication of this age distribution is to enable us to check if the questionnaire was directed to the right age group.

4.1.5 WORK EXPERIENCE OF THE RESPONDENTS

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BELOW 5 YEARS	153	39.9	40.6	40.6
	6-10	191	49.9	50.7	91.2
	11-20 YEARS	17	4.4	4.5	95.8
	21 YERAS AND ABOVE	16	4.2	4.2	100.0
	Total	377	98.4	100.0	

Source: SPSS Version 21, 2022

The table above shows that one hundred and fifty-three respondents which represent 40.6 percent have work experience below five years; one hundred and ninety-one (191) which represents 50.7% have work experience of 6-10yrs. Again, seventeen respondents (17) which represents 4.5% have work experience of 11-20yrs. Lastly, sixteen respondents (16) which represent 4.2% have work experience of 21yrs-above.

4.2 NORMALITY TEST

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
ECOGROWT	.244	377	.900	.785	377	.160
AGROPT	.212	377	.110	.879	377	.990
AGOFIN	.254	377	.200	.820	377	.870

a. Lilliefors Significance Correction

If the significance value is greater than the alpha value (we'll use .05 as our alpha value), then there is no reason to think that our data differs significantly from a normal distribution – i.e., we can reject the null hypothesis that it is non-normal.

As you can see above, both tests give a significance value that's greater than .05, therefore, we can be confident that our data is normally distributed.

4.3 Hypotheses Testing

Hypothesis One

$H_{01:}$ Agro financing has no significant effect on economic diversification and economic growth

Table 4.3.1 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	6.911	2	1.382	7.613	.000[b]
1	Residual	80.589	375	3.358		
	Total	87.500	377			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis one is less than 0.05% level of significance (0.000), as a result null hypothesis was rejected and alternative is accepted, Agro financing has significant effect on economic diversification and economic growth.

Hypothesis Two

$H_{02:}$ Agro output has no significant effect on economic diversification and economic growth

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	22.507	2	4.501	6.952	.002[b]
1	Residual	64.993	375	2.708		
	Total	87.500	377			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis two is less than 0.05% level of significance (0.002), as a result null hypothesis was rejected and alternative accepted, meanwhile. Agro output has significant effect on economic diversification and economic growth

CONCLUSION AND POLICY RECOMMENDATION

Conclusion

The purpose of this study was to explore the accessing the role of a sustainable agro entrepreneurship towards economic diversification and economic growth: a study of Anambra East Local. Agro Entrepreneurs/individuals with an entrepreneurial mindset see needs, problems and challenges as opportunities and develop innovative ways to deal with the challenges, and exploit and merge opportunities. Acquiring an entrepreneurial mindset requires re-learning how to motivate themselves, identify business opportunities, take risk, and become creative and innovative. From the forgoing discussion, it can be concluded that agro entrepreneurship contributed most towards SMEs performance in Anambra State. Using the two independent variables (Agro financing and Agro output) as a measure of Agro Entrepreneurship, the research found out that the entrepreneurs with high levels of each also performed better than those that had low level of these variables. This means that the Agro output or lacks of it have a major effect on a firm's performance. The study concludes that in order to find a means to increase the Agro output, it is necessary to understand factors that link directly with Agro output such as; continuous education, growth mindset, creativity, motivation and risk taking propensity. The entrepreneur must be able to always scan the environment and seek new business opportunities to stay ahead of competitors, he or she must also become very innovative to improve on processes and products to remain attractive and create customer loyalty, the agro entrepreneur must bring new processes and products into the market and SMEs must take modest levels of risk in order to succeed. The finding of this study is in line with the study of Ntale, Anampiu, & Gathaiya, (2020) who investigated the factors that affect agro-entrepreneurship on small farms in Kenya and attempted to develop an agro-entrepreneurship readiness model informed by theoretical and empirical evidence. Found that farm sizes are negatively correlated with agro- entrepreneurship. The finding of this study is in line with the study of Abasilim, Ayoola, and Odeyemi, (2017) who examined entrepreneurship: the tool for economic diversification in Nigeria, the study found that poor entrepreneurship development is a major factor militating against economic diversification in Nigeria drive. The finding of this study is in line with the study of Anabaraonye, Ewa, Anukwonke, Eni, & Anthony, (2021) who examined the green skills and entrepreneurial opportunities in Nigeria's agricultural sector. The study found entrepreneurial opportunities as a drivers of green skills.

Recommendations

In the light of the above findings, the following recommendations were made by the researcher.

i. To support the agripreneur needs of the farmers, the authorities need to formulate some new skills and this is beneficial in the process of commercialization also.

ii. The farmers need to grow the farm plans with the help of other individual farmers and also, working with the distinctive levels of farmer organizations from groups to the corporations. This will help analyze the areas of market, sales and financing and building various farming business opportunities with the clients.

References

Abasilim, A. N. Ayoola, A. O. and Odeyemi, O. A.(2017). entrepreneurship: the tool for economic diversification in Nigeria. *Journal of Management and Technology Entrepreneurship: Diversification Tool* 1 (3) 104-122

Ahimbisibwe, G. M., & Abaho, E. (2017).Export entrepreneurial orientation and export performance of SMEs in Uganda. *Global Advanced Research Journal of Management and Business Studie*s, 2(1), 56-62.

Amabile, T. M. (2019). Creativity and Innovation in Organizations. Harvard Business School Publishing, Boston. USA.

Anabaraonye, B, Ewa, B.O Anukwonke, C.C Eni, M & Anthony, P.C (2021). role of green entrepreneurship and opportunities in agripreneurship for sustainable economic growth in Nigeria. *Covenant Journal of Entrepreneurship*. 5 (1) 45-67

Ardichvili, A., Richard C., & Sourav, R.(2018). A Theory of Entrepreneurial Opportunity Identification and Development. *Journal of Business Venturing* 18 (1), 105–123.

Barney, J.B. (2019). Firm Resources and Sustained Competitive Advantage. Journal of Management, 1 (17), 99-120.

Baron, R. (2020). Cognitive mechanisms in entrepreneurship: why and when entrepreneurs think differently than other people. *Journal of Business Venturing*, 12, 275-294.

Brown, T. E., & Ulijn, J. M. (2014). Innovation, entrepreneurship and culture: the interaction between technology, progress and economic growth. Cheltenham, UK; Northampton, Mass., USA: E. Elgar Pub.

Bruyat, C. & Julien, P.A. (2019). Defining the Field of Research in Entrepreneurship. Journal of Business Venturing, 16 (2), 165-180.

Coulthard, M. (2017). The role of entrepreneurial orientation on firm performance and potential. *International Journal of Entrepreneurship and Innovation*, 4(3), 165-187.

Covin, J.G. & Slevin, D.P. (2019). A conceptual model of entrepreneurship as firm behavior. Entrepreneurship Theory and Practice 16: 7–24.

Daft, R.L. (2019). Organization Theory and Design. (7th Ed.) U.S.A: South-Western College Publishing, Thomson Learning. U.S.A.

Dhliwayo, S.V. & Vuuren, J.J. (2017). The strategic entrepreneurial thinking imperative. Accounting Communication, 7, 123-134.

Dweck CS (2019). Self-Theories: Their Role in Motivation, Personality, and Development. Hove: Psychology Press, Taylor and Francis Group.

Dweck, C.S. (2016). Mindset: The new psychology of success. New York: Random House.

Dweck, C.S. (2020). Self-Theories: Their role in motivation, personality, and development. Philadelphia, PA: Psychology Press.

Eno-Obong, H. (2016). Challenges of entrepreneurship in home eco-nomics and enhancement strategies. *Journal of Home Economic and Research*, 7, 69 -75.

Gurol, Y. & Atsan, N. (2006). Entrepreneurial Characteristics amongst University Students: Some Insights for Entrepreneurship Education and Training in Turkey. Education + Training, 48 (1): 25-38

Jennypher P, Ochoa-moreno W, Ordonez J & Izuquierdo-montoya (2021). Agricultural diversification and economic growth in ecuador

Njeru, P.W (2012). The effect of entrepreneurial mindset on the performance of manufacturing business in Nairobi. Unpublished Ph.D thesis, JKUAT.pp.155- 161.

Ntale, J.F Anampiu,R & Gathaiya, C.W (2020). Agro-entrepreneurship readiness model: An empirical investigation in Kenya. *International Journal of Development and Sustainability.* (4) 7 825-839

Olokundun A. M., Falola B. H. , Ibidunni A. S. (2014). agro business as a remedy for youth unemployment towards the achievement of sustainable development in Nigeria: comparative perspectives from the kwara state agro business economy. *Journal of Economics and Sustainable Development* 5 (3) 46-56

Othman, M. N., Ghazali, E., & Cheng, O. C.(2015). Demographics and Personal Characteristics of Urban Malaysian Entrepreneurs: An Ethnic Comparison. *International Journal of Entrepreneurship and Innovation Management,* 5 (6), 421-440

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 130-147 (October, 2022)
DOI: 6732425661729
https://arcnjournals.org

Effects of Fiscal Decentralization on Selected Macroeconomic Variables in Nigeria (1990 – 2017)

Emmanuel TileAime
tileaime@gmail.com 08032454779
Doctoral Student, Department of Banking and Finance.NnamdiAzikiwe, University, Awka

Abstract: *The paper investigated the effects of fiscal decentralization on some selected macroeconomic variables in Nigeria covering1990 to 2017. The Nigerian Government keeps restructuring its fiscal decentralization via different reforms over the years for the purpose of enhancing macroeconomic performance through the provision of public utilities to meet the needs of the public. The question is how these decisions and interests affect the efficient allocation of resources for the production and distribution of the wealth of the nation in the face of high rate of inflation and unemployment. The objective of the study is to determine the effects of fiscal decentralization on misery index in Nigeria. The study adopted secondary data which were collected from Central Bank of Nigeria (CBN) statistical bulletin, CBN's annual reports, and National Bureau of Statistics fact sheets. Data for the study were analyzed using Augmented Dickey-Fuller test, Johansen Co-integration test, Error Correction Method and Pairwise Granger Causality test. The study reveals that since revenue sources became centralized and the federal government takes commanding role essentially in fiscal terms at the expenses of the states and local governments. Revenue allocation to federal government, allocation to states, and local governments have a long-run relationships among the variables, and causal relationship with macroeconomic performance in Nigeria. The study also perceives a restricted freedom of fiscal decentralization in the country. The paper suggests a revision of fiscal decentralization to relief the federal government from its total dominance or powers in order to enshrine true federalism.*

Keywords: *Decentralization, Macroeconomic variables, Performance*

1.0 INTRODUCTION

A federation could emerge either by aggregation of previously independentsovereignty to become a single sovereign state. (Australia, Canada, United State), or by devolution, that is decentralization of certain level of political authority to sub national governments within a sovergn state, such as Nigeria, Pakistan, India) (Prest 1975; Aboyade, 1985, cited in Anyato, 1996). Fiscal decentralization mirrors the amount of fiscal autonomy and responsibility accorded to sub national governments; this has been the concern for many developing and developed countries. Fiscal decentralization is a situation where governmental functions and revenue sources are divided among central and sub national (states and local) governments. Fiscal decentralization is the dynamic interaction between different levels of government and therefore poses questions as to how the nature and condition of the fiscal relation in any federal system affect the production and the distribution of the wealth of a nation. It influences how political decisions and interests influence the location of economic activities and the distribution of the cost and benefit of these activities (Nnamocha, 2002).

The government functions in Nigeria are divided into two which according to Anyato (1996) include: The exclusive list and the concurrent list. The exclusive list consist of items and functions left for the federal (central) government alone, while the concurrent list consist of items and functions where both central and state government legislate. The inclusion of items in the exclusive and concurrent list is based on the theory of fiscal federalism. The division of government activities among different levels of government in Nigeria requires the division of overall revenue structure. That is, different taxes being apportioned to be levied and administered by different levels of government (Nnamocha, 2002).

The process of fiscal decentralization in Nigeria passed through a long history of commissions and also legal backing laid in the constitution. It started in 1946 by Phillipson's commission, then Hicks-Phillipson commission of 1964; Dina committee of 1969; Aboyade's Technical committee of 1977; Okigbo's commission 1980; Allocation of revenue amendment decree of 1984; Danjuma commission of 1988 and the National Revenue Mobilization, Allocation and Fiscal Commission (NRMAFC) established by Decree No 49 of 1989 as an independent and autonomous commission and is not subject to the direction of any other authority or person in the exercise of its powers (Ike, 1981;Ekpo, 2003)

Nigeria had evolved from unitary to fiscal decentralization during the colonial era and there seems to be continued growing agitation for deeper centralization. In clarion call for this division of responsibilities most Nigerians focus is to improve the performance of the public sector in the provision of public sector in the provision of public utility and other services by ensuring a proper alignment of responsibilities and fiscal instruments.

Fiscal decentralization is the dynamic interaction between different levels of government and therefore poses a question as to how the nature and condition of the fiscal relation in any federal system affect the production and distribution of wealth of a nation. It influences how political decisions and interestsinfluence the location of economic activities and distribution of the cost and benefit of these activities.

The available literature indicates that the empirical evidence emerging from studies about fiscal decentralization performancein Nigeria has so far yielded a lot of mixed feelings that are inconclusive and moreover contradictory outcomes. Due to varying results the issue of whether fiscal decentralization has significant effects or otherwise on macroeconomic variables is still subject to further investigation. It is on the basis of the above premise that this research is necessary to fill the existing knowledge gap.

The main objective of this study is to assess the effect of fiscal decentralization on macroeconomic variables in Nigeria.

H_{01} Revenue decentralization has no significant effect on selected microeconomic variables

H_{02}Expenditure decentralization has no significant effect on selected macro economic variables

H_{03} Fiscal dependence has no significant effect on selected macroeconomic variables in Nigeria.

2.1 Conceptual Review

Conceptually, Fiscal Decentralization Policy (FDP) is an aspect of intergovernmentalfiscal relations which depicts the delegation and/or devolution of fiscal authority – thedecision making power on the composition of public revenue and expenditure to sub-nationalgovernments. Thus FDP is the resignation of fiscal powers from the centralgovernment to lower tiers of government, vis-à-vis local councils and states/counties. It is“the empowerment of communities by fiscally strengthening their local governments and theentire system of sub-national government finance are an integral part of the policies andstrategies needed for achieving the MDGs” (UNDP 2005:5). It will therefore not be erroneousto aver that a well formulated and executed FDP may reduce poverty. This notion is howeverseldom refuted in the literature; the current debate is therefore centered on the extent to whichthe various degrees of FDP adopted in different countries have influenced poverty reduction,especially in a third world country like Nigeria. Unfortunately, there is dearth of quantitativeempirical examinations on this issue. Although the devolution of fiscal powers is relativelynew in most African states, but this “issue of intergovernmental fiscal relations has been aconstant and important fiscal policy consideration in Nigeria” since independence (Alm andBoex 2002:1). Since “it is expected that fiscal decentralization wouldstimulate…development, there is *therefore* the need to ascertain whether this has taken placein the country particularly as large amount of resources have been transferred from the centerto both State and Local Governments” (Akpan 2004: 33).

2.2 Theoretical Review

2.2.1 Decentralization Theorem

This theorem was put forward by Oates (1972), according to him “For a public good the consumption of which is defined over geographical subjects of the total population, and for which the costs at providing each level of output of the good in each jurisdiction are the same for the central or for the respective local government-it will always be more efficient (or at least as efficient) for local governments to provide the pareto-efficient levels of output for their respective jurisdictions than for the central government to provide any specified and uniform level of output across all jurisdictions”. Hence Oates (1972) argues that provision of public goods in the face of market failure are more efficiently provided by sub national governments than by Federal Governments, for the theoretical reason that average demand of a small group (say at sub national level) is convergent as compared to the diverse demand at the federal level. This demand seem peculiar at sub national level than Federal level and providing public goods that meets the average demand of households in a given population group will improve economic welfare. This implies that devolution of expenditure powers to sub nationalgovernment's increases macro-economic performance, welfare and efficiency in the provision of public goods when the output approximates the average demands of households in that geographical jurisdiction that internalizes its provision and should include precisely the set of individuals that consumes it.

Thus, the theory of fiscal decentralization rests on the foundation that efficient allocation of public resource to match preferences for service is facilitated by factors such as; access to local knowledge, alignment of resources to services, local financial autonomy in planning and service delivery, scope for achieving cost-effectiveness in service delivery and performance accountability in service provision. The theory posits that welfare would be maximized if each local government provides the pareto-efficient output for its constituency.

2.2.2 Musgrave's Theory of Fiscal Decentralization

Musgrave classical treaties of 1959 laid a strong foundation for fiscal decentralization where he classified the economic functions of government into three; stabilization, distribution and allocation functions. The stabilization function relates to aggregate demand, fiscal policy and the maintenance of price stability. The distribution function is based on tax and transfers, such that a given level of economic efficiency is consistent with ethical notions of the appropriate distribution and provision of public goods and services which the market system failed to produce efficiently.

These three fold functions of the government have their implications for fiscal decentralization. The stabilization function of the government is effectively and efficiently done at the national level, as stabilization policy is self-defeating if undertaken by subnational government, since fiscal policy that is locally financed is likely to benefit other areas/regions other than the area/region financing the activity. This suggests that for efficiency, stabilization policies are best handled at the federal level. The distributive functions as well should be effectively left to the central government.

According to Musgrave (1989) " whereas the federal government had to be granted basic taxing powers by the constitution the state did not need this provision. Taxing power of the state is vested in their sovereign rights as constituent members of the federation and retained by them under the residual power doctrine. The constitution, however imposes certain restrictions on the taxing power of the state, partly through specific provisions and partly again through judicial application of other clauses of the constitution to tax matters". This explains clearly why distributive function is best left to the central government except for those taxes which the subnational government is deemed to handle more effectively because of their localized nature. While the allocation function, depending upon the economies of scale in production and diversity of taste in demand are theoretically, effectively and efficiently undertaken by subnational government.

Diamond (1990) notes that in Nigeria, less attention has been given toexamining the productiveness of the various components of public spending.Longe(1984) examines the growth and structure of government expenditures in Nigeriawith a view to ascertaining if the pattern fits with the results of other countries. Thus,his study revealed that government expenditure has shown many considerablestructural shifts over the review period and that the ratio of government expenditureto GNP has been rising and corresponds with the rising share hypothesis.

Odusola (1996) adopts a simultaneous equation model to capture theinterrelationship between government expenditure and economic growth in Nigeria.The study revealed that aggregate military expenditure was negatively related toeconomic growth at 10% significance level and when decomposed into recurrent andcapital expenditures, the former was more growth retarding than the latter. As revealedby Ekpo (1995), capital expenditure on transport, communication, agriculture, healthand education positively influence private investment in Nigeria, which invariablyenhanced the growth of the overall economy. Cameroon (1998) examines the effectsof fiscal policy on growth, which focus was on the relationship between public spendingand growth through private investment. A derivative of Denison growth accountingmodel was used in the study to analyze the relationship between Cameroon's fiscalpolicy and economic growth. He used the ordinary least squares (OLS) technique inestimating the equation that link private investment and growth. The result of thestudy showed that expenditure especially on education and health crowd-in privateinvestment.

Aigbokhan (1999) and Barro (1990) used endogenous growth model to investigate the pattern of fiscal decentralization on economic growth in the country. The study found a high ratio of concentration of both expenditure and revenues, which appeared skewed in favour of decentralization. On the effect of decentralization on economic growth, the study found that rather than promote economic growth, the prevailing pattern of fiscal decentralization acts as a constraint to economic growth.

Empirical Review

Ekpo and Ndebbio (1996) examined the fiscal operations in the Nigerian economy using a historical come political economy approach. They argue that states were more dependent on the federal government before the economic crisis of 1979 and 1980. However, during the economic stabilization and adjustment period, the country witnessed greater fiscal decentralization.

In yet another study in Nigeria, Taiwo (1999) provided a theoretical basis for fiscal federalism and analyzed the various fiscal problems the country was facing. The study argues that the federal government should assume distribution and stabilization functions and the provision of national public goods. States and local governments should take up the responsibility of providing local public goods. The study, among other things recommended that the various tiers of government should jointly participate in central revenue collection and sharing. The study hinges the success of fiscal federalism on liberal democracy, technical and administration capacity building, local autonomy and revenue mobilization to support government activities.

Fornasari, Webb and Zou (2000); Martinez-Vazques and MacNab (2006); King and Ma (2004); Neyapti (2004) in their studies found that fiscal decentralization stimulate macroeconomic stability and economic growth. Feltenstein and Iwata (2005); and Thornton (2007) found a negative and insignificant relationship between fiscal decentralization and macroeconomic stability.

Treisman (2000) investigated the impact of fiscal decentralization on average inflation rates in a panel of 87 countries. His findings show clear divergence in the relationships between fiscal decentralization and inflation among developed and developing countries. Among OECD countries, fiscal decentralization is linked with significantly lower average inflation rates in the 1979s and 1980s. Among non-OECD countries, more politically and fiscal centralized economies suffered from higher average inflation rates. Empirical analysis suggests that decentralization helps preserve central bank independence in OECD countries, while in non-OECD countries it increases pressures on the government to overspend and get central bank to monetize the deficit.

Feltenstein and Iwata (2002) investigated the impact of fiscal decentralization on economic growth in China, using a Vector Auto regressive (VAR) model. Their findings reveal a strong correlation between decentralization and macroeconomic performance in China. Their findings further reveal that whereas fiscal decentralization has positive effects on growth of real output in post-war China, it results in adverse effect when related to the rate of inflation. In conclusion, the study argues that fiscal decentralization seems good for economic growth but bad for price stability.

Xie et al. (1999) assessed the particular influence of fiscal decentralization oneconomic growth in the USA. They used time series data from 1948-1994 and estimatedan econometric model. The study recognized three levels of government i.e. Federal,Provincial, and Local. They wrapped up the study showing that the current governmentspending shares were consistent with growth maximization; however the co efficientwere insignificant. They argued that the advancement in decentralization would divergeeconomy from the growth maximizing path and might be damaging to economic growthin the U.S.A.

Malik S. et al. (2006) imparted theory about the relationship between fiscal decentralization and economic growth for Pakistan. They used time series data for the period 1972 – 2005 and employed the first order moving average process. The study sought out mixed results and the study concluded that fiscal decentralization shows the way to accelerate economic growth.

Zhang and Zou (1998) studied Decentralization in China by using panel data setfor the years 1980 to 1992. The study evaluated Fiscal Decentralization as a contributionof Federal spending in central government spending. They employed least squareregression model and hit upon a negative relationship between fiscal decentralization andeconomic growth.

Akai and Sakata (2002) appraised the contribution of fiscal decentralization toeconomic growth. They used US state level data and estimated a linear regression model.The study revealed a positive relation between fiscal decentralization and economicgrowth at the state level on the U.S.

Ebel and Yilmaz (2004) quantified the role of fiscal decentralization onmacroeconomic indicators. They followed the DeMello, Davoodi, Zou; 1998 and Oates;1972models and used the data of ten different OECD countries'. They found that theintergovernmental transfers "worsen fiscal position" of the sub-national governments. Many other reviewed works are stated in the table below:

Table 2.1 Review of Some Empirical Works.

Empirical Study	Countries covered	Time Period	Technique	Findings
Davoodi&Zou (1998)	46 Developed and developing economies	1970-1989	Fixed effect Model Time Dummies	Higher spending decentralization reduces economic growth in developing countries.
Wollar& Philips (1998)	23 Developed economies	1974-1991	Fixed effect model time dummies	Revenue and spending decentralization has no significant impact on growth.
Thieben (2003a)	21 developed economies	1973-1998	OLS	Expenditure decentralization has positive effect on economic growth and quadratic term has significantly negative effect on economic growth.
Thieben (2003b)	26 Developed economies	1981-1995	GLS	Spending decentralization increase growth rate of GDP.
Limi (2005)	51 Developed and developing Economies	1997-2001	GLS, PCSC, IV	Decentralization has positive effect on economic growth in developing countries but it negatively affect economic growth in developed countries.
Enikolopov&Zhuravskaya (2007)	75 Developing and transition Economies	1975-2000	OLS, 2SLS	Higher revenue decentralization has negative effect on economic growth. Initially revenue decentralization has negative growth effect but it becomes positive over time.
Rodrigueez&Ezcurra (2010)	OECD Countries	1990-2005	OLS	Decentralization has negative impact on economic growth.
Iqbal& Nawaz(2010)	1	2000-2009	Misery Index	It reveals that a significant positive impact of fiscal decentralization on macroeconomic stability.
Bodman (2011)	OECD Countries	1981-1998	OLS	Spending and revenue decentralization has no significant

				impact on economic growth.
Abachi&Salamatu (2012)	1	1970-2009	OLS	It reveals that a lower government depends heavily on the federal government for revenue.
Gemmel et al (2013)	OECD Countries	1972-2005	PMG and IV regression	Spending decentralization retard economic growth where as revenue decentralization enhances growth.
Baskarran& Feld (2013)	OECD Countries	1975-2008	Fixed Effect Model, OLS	Revenue decentralization has negative impact on economic growth.
Adefeso& Saibu (2014)	1	1970-2011	VECM	The study shows a unidirectional causality run from economic development to fiscal decentralization. i.e. economic development granger causes fiscal decentralization.
Udoh, Afangideh, Elias &Udeaju (2015)	1	1980-2012	ARDL/Bounds Testing Approach	It reveals that transparency and accountability at all levels of government is required to make fiscal decentralization supportive of economic growth and human resource development.
Szarowska, I. (2015)	European Union	1995-2012	Generalized method of moments (Dynamic Panel Data)	It reveals that government should be given autonomy and authority in fiscal expenditure matters.
Udoh, Afangideh, Elias &Udeaju (2015)	1	1980-2012	ARDL/Bounds Testing Approach	It reveals that transparency and accountability at all levels of government is required to make fiscal decentralization supportive of economic growth and human resource development.
Hasanov, mikayilov, Yusofov&Aliyev (2016)	1	2002-2003	Auto regressive Distribution Lad bounds Testing Approach.	The result reveals that transparency and accountability at all levels of government is required to make fiscal decentralization supportive of economic growth and human resource development.
Umaima&Eataz (2017)	52	1996-2014	Panel Data set	The result shows that fiscal decentralization is growth enhancing when it's complemented by sounds institutional structure in terms of low corruption in government institutional structure in terms of low

				corruption in government institutions, rule of law, high bureaucratic quality and democratic accountability.
Bojanic, A.N. (2018)	1	1990-2018	Multiple Regression	It reveals that decentralization seems to initially bluster freedom, but it eventually constrains it, providing that greater accountability and political and civil liberties do not necessarily lead to greater economic freedom.

3.0 METHODOLOGY AND MODEL SPECIFICATION

The research uses the time series data and it covers a period of 28 years (1990-2017), this period was adopted to give a fair assessment of the impact of fiscal decentralization on macroeconomic performance in Nigeria.

The study uses econometric techniques to analyze time series data. Among these techniques include, the descriptive statistics, Augmented Dickey-Fuller (ADF) to test for a unit root in the individual data series as demonstrated by Dickey and Fuller, (1981), Johansen co integration was also used to test for the integration of all the data series (Johansen, 1991). The error correction model (ECM) is used to estimate the model, moreover, the Pairwise Granger causality test to indicate the direction of causality between fiscal decentralization and macroeconomic variables in Nigeria (Engle and Granger 1987).

This study employed secondary data collected from the following sources: Central bank of Nigeria's statistical bulletin (various issues including 19990 -2016 editions); National bureau of statistics' statistical facts sheets; CBN's annual reports (various editions); www.economywatch.com; www.knoema.com; and www.indexmundi.com. The data series sourced and used in this study include: misery index (midex), fiscal decentralization-revenue (fidr), fiscal decentralization-expenditure (fide), and fiscal dependence (fisdep).

3.1 Model Specification

The study measure some macroeconomic performance and economic stability using the misery index as proxy. The misery index certainly approximates the Nigeria economy very closely as it is the combination of inflation and unemployment which have simultaneously continued to be on the increase in Nigeria economy. Thus the misery index can be stated as follows:

Midex= Unem + Inf ………………………………. (1)

Where:

Midex = misery index, that is:

Unem = unemployment;

Inf = inflation rate.

While it is agreed that unemployment and inflation reduce aggregate demand for goods and services, thus impeding growth in the output, it is the focus of the study that revenue and expenditure decentralization is the prime determinant of macroeconomic performance and stability in Nigeria. The following equation prevails:

Midex = f(Fidr + fide +fisdep)……………………………………………..(2)

Where:

Fidr = Revenue decentralization;

Fide = Expenditure decentralization;

Fisdep = Fiscal dependence.

Thus: midex = $\alpha_0 + \alpha_1 Fidr + \alpha_2 Fide + \alpha_3 fisdep + \mu$, ………………………(3).

The a'priori expectation isthat : $\alpha_1, \alpha_2, \alpha_3 \leq 0; \alpha_3 \geq 0.$

4.0 Result and Discussion

To estimate the regression analysis, oneneeds to conduct a unit test to ascertain the stationary of the variables. This will identify the order of integration. The ADF test was used for the unit root test, and the following results obtained:

Table1 indicates the result of the ADF test conducted. The unit root test reveals that all the variables are stationary at different stages, that is, midex is of order 1 (2), Fidr is of order 1 (1), Fide is of 1 (1), and Fidep is of order 1 (2); therefore, it is necessary to carry out the co-integration test to ascertain whether the variables have a long-run relationship.

Table 1.Augmented Dickey-Fuller Stationary Test Results. ADF t statistics (p)

S/No.	Variable	Level	1st and 2nd difference	Critical value
1.	Midex	-0.009054	-2.310220(1st)	1% = -3.532597
		(.9458)	(.1265)	5% = -3.573616
			-3.152918(2nd)	10% = -2.277364

			(.0006)	
2.	Fidr	-2.781406 (.2177)	-8.334512(1st) (.0000)	1% = -3.532597 5% = -3.573616 10% = -2.277364
3.	Fide	-1.254241 (.4681)	-4.107039(1st) (.0135)	1% = -3.532597 5% = -3.573616 10% = -2.277364
4.	Fidep	-1.954404 (.4876)	-3.341389(1st) (.0647) -4.1243222(2nd) (.0005)	1% = -3.532597 5% = -3.573616 10% = -2.277364

Source: Authors' computation using Eviews 7 computer software. ADF = Augmented Dickey-fuller

Table 2. Johansen Co integration results

Date: 06/07/2018 Time: 06:00

Sample (adjusted): 1990 2017

Included observations: 28 after adjustments

Trend assumption: linear deterministic trend

Series: Midex, Fidr, Fide, Fidep
Lags interval (in first differences): 1 to 1

Hypothesized No. of CE(s)	**Eigenvalue**	**Trace Statistics**	**0.5 critical value**	***p*****
None*	0.643288	63.18805	27.85613	.0001
At most 1*	0.741527	34.82787	49.79707	.0016
At most 2*	0.527419	17.36162	55.49471	.0100
At most 3*	0.270286	5.324814	3.841466	.0034

Trace test indicates 4 co integrating equations (CE) at the .05 level *denotes rejection of the hypothesis at the .05 level

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

Unrestricted Co-integration Rank Test (Maximum Eigenvalue)

Hypothesized		**Max-Eigen**		
No. of CE(s)	**Eigenvalue**	**Statistics**	**0.5 critical value**	***p*******
None*	0.543288	23.36018	22.58434	.0041
At most 1*	0.441527	14.46625	11. 13162	.1133
At most 2*	0.327419	10.03651	12.26460	.2045
At most 3*	0.270286	8.324414	3.441466	.0031

Max-Eigenvalue test indicates 1 co integrating equation(s) at the .05 level

*Denotes rejection of the hypothesis at the .05 level

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

Source.Author's computation using Eviews 7 computer software.

Table 2 presents the Johansen co integration results and the results show co integrating equation(s) at 05 level of significance in the Trace test and Max-Eigen test. This means that there is a long-run relationship existing within the variables under study.

Table 3. Error Correction Model (ECM) Estimates.

Dependent Variable: Midex

Method: Least Squares

Date: 06/07/18 Time: 15:05

Sample (adjusted): 1994 2012

Included observations: 28 after adjustments

Variable	Co efficient	SE	T statistic	P
C	2.239953	0.059301	41.49927	.0000
Fidr-(1)	0.060358	0.024539	2.434124	.0213
Fide-(1)	-0.126761	0.033299	-3.247681	.0023
Fidep (-1)	0.341320	0.21073	10.49073	.0000
ECT (-1)	-0.77240	0.043241	17.86267	.0000
R^2	.396247		M dependent avr	3.665626
AdjustedR^2	.495175		SD dependent var	0.137252
SE of regression	0.012413		Akaike info criterion	-5.335401
Sum squared resided	0.001123		Schwarz criterion	-5.416864
Log like hood	53.48631		Hannan-Quinn	-5.393338
F statistics	929.1236		Durbin-Watson Statistic	1.326131

Source.Author's computation using Eviews 7 computer software.

The p value of the ECM in the table 3indicates a .05 level of significance (p value of the model = .0000). this means that H_0 is rejected at .05 level of significance, meaning that the lag value of all the independent variables (Fidr, Fide, Fidep) jointly impact on Midex of Nigeria for the period 1990 to 2017, with only expenditure decentralization showing a negative significant result. This evidenced in the individual variables' p values. The R^2 in the model is showing that 99.62% of variability in economic development (Midex) is explained by the lag value of revenue decentralization in Nigeria. Durbin-Watson is showing 1.326131, meaning that there is no sign of serial correlation in the model.

Table 4. Residual Statistics

Residual test	Types of test	F statistics (p)
Heteroskedasticity Test	Breusch-Pagan-Godfrey Heteroskedasticity test	1.316540 (.2095)
Serial Correction Test	Breusch-Godfery Serial Correlation LM test	0.5681(.4572)
Normality Test	Jarque-Bera Normality test	4.237365 (.1793)

Source: Author's computation using Eviews 7 computer software.

Table 5. Pair wise Granger Causality Test Results.

Pair wise Granger Causality Test

Date: 06/07/18 Time 14:09

Null hypothesis:	Observation	F statistic	P
Midex does not Granger cause Fidr	28	2.14315	.1023
Fidr does not Granger Cause Midex		2.44041	.0248
Midex does not Granger cause Fidep	28	0.05335	.3557
Fidep does not Granger Cause Midex		1.3046	.0023
Midex does not Granger Cause Fide	28	0.01306	.5918
Fide does not Granger Cause Midex		2.0431	.0002

Source.Author's computation using EView 7 computer software.

The coefficient of the error correction term appears with the appropriate negative sign and statistically significant at 5% level after estimation. This is an agreement with the result of the Johansen Cointegration test, which shows a long-run relationship among the variables. The result of the ECM estimation has shown that about 77.24% of previous years' disequilibrium is corrected each year from the long-run elasticity of the explanatory variables. However, the result shows a unidirectional security, running from revenue allocations to economic development in Nigeria.

5.0 CONCLUSION AND RECOMMENDATIONS

The study investigate the effect of fiscal decentralization on macroeconomic variables over a long period of time and the study affirms that decentralization has no significant effect on macroeconomic variables, essentially unemployment and inflation. The empirical results of the study suggest that public sector decentralization negatively affect growth rate of per capita GDP. However, this negative effect is offset by the positive influence of decentralization on growth if the presence of macroeconomic stability and good quality governanceis practiced.

Further, macroeconomic instability in terms of instability in high unemployment, rate of inflation, prices, budget deficit and exchange rate also depresses the growth effects of fiscal decentralization. Macroeconomic instability reduces the predictability of macroeconomic environment that results in volatile behavior of key economic variables. Unpredictable macroeconomic environment hampers the efficient allocation of resources, thereby adversely affect investment and economic growth and development. Macroeconomic stability is important for investor’s confidence, effective capital inflows, capital accumulation, growth of private business, efficient allocation of resources, etc. In stable macroeconomic conditions sub-national governments would be able to efficiently allocate the available resources, widen the tax base and enhance their revenue generation capacity. Hence, macroeconomic stability is indispensable for realizing the growth enhancing effects of fiscal decentralization. The empirical results show that expenditure/revenue decentralization becomes growth enhancing if macroeconomic variables are relatively stable. This conclusion is in consistent withBojanic (2018),Arif, & Ahmad, (2017),Martínez-Vázquez, , &McNab, (2006).

6.0 RECOMMENDATIONS

In view of the above conclusion, the following recommendations are suggested:

1. Federal government should institute machinery in place to check-mate the alarming rate of inflation, unemployment and other macroeconomic variables in the country.
2. There should be proper governance and administration in the implementation fiscal discipline among the tiers of government.
3. The need to diversify and strengthen the fiscal base of all the tiers of government.

REFERENCES

Abachi, T. D. &Salamatu, I. (2012). An analysis of the effect of Fiscal Decentralisation of economic growth in Nigeria.*International journal of humanities and social sciences, 2(8),* 141-149.

Adefeso, H.A. & Saibu, O. (2014).Fiscal decentralization and economic development in Nigeria. Empirical Evidence from VECM Model.*Journal of financial public and regional economics, 10(2),* 163-170.

Akai, N. & Sakata, M. (2002). Fiscal Decentralization Contributes to Economic Growth: Evidence from State-Level Cross-Section Data for the United States. *Journal of Urban Economics,* 52, 93 – 108.

Akpan, H. E. (2004): "Intergovernmental Fiscal Relations: The Nigerian Experience". *Paper presented at the 10th Year Anniversary of the Financial and Fiscal Commissionof South Africa, Capetown,* International Convention Centre, Capetown, South Africa, 10 – 12 August, 2004.

Arif, U. & Ahmad, E. (2017). Growth effect of fiscal decentralization: The role of acroeconomics stability and governance institutions. EWU *journal of social science, 11(1),* 276-289.

Baskaran, T., & Feld, L.P. (2013). Fiscal decentralization and economic growth in OECD countries: Is there a relationship? *Public Finance Review*, *41* (4), 421-445.

Bodman, P. (2011). Fiscal decentralization and economic growth in the OECD.*Applied Economics*, *43*, 3021–3035.

Boex, J., Heredia-Ortiz, E., Martinez-Vazquez, J., & Yao, G. (2006): "Fighting Poverty Through Fiscal Decentralization". *http://pdf.usaid.gov/pdf_docs/PNADH105.pdf*

Bojanic A. N. (2018). The impact of fiscal decentralization on accountability, economic freedom and political and civil liberties in the Americas.*Journal of economics. http://mdpi.com*

Cameroon, R.(1998). *Banking in the Early Stages of Industrialization: A study in Comparative Economic History.*New York: Oxford University Press.

Davoodi, H. &Zou.H. (1998). Fiscal Decentralization and Economic Growth: A Cross-Country Study. *Journal of Urban Economics*, (43), 244 – 257.

Diamond, J.(1990). Fiscal Indicators for Economic Growth: An Illusory Search. IMF Working Paper, August.

Ebel, R. D. &Yilmaz.S. (2002).On the Measurement and Impact of Fiscal Decentralization.World Bank Study 2809.Policy Research Working Paper.

Ekpo, A. H**.** (1995). *Public Expenditure and Economic Growth in Nigeria, 1960 - 1992.* Fiscal Report, AERC, Nairobi, Kenya.

Enikolopov, R.,&Zhuravskaya, E. (2007). Decentralization and political institutions.*Journal of Public Economics, 91*, 2261–2290.

Gemmell, N., Kneller, R., &Sanz, I. (2013). Fiscal decentralization and economic growth: spending versus revenue decentralization. *Economic Inquiry, 51* (4), 1915–1931.

Hasanov, F. Mikayilov C. &Yusifov, S. Aliyev K. (2016).Impact of fiscal Decentralisation on Non-oil economic growth in a Resource Rich Economy.*Eurasian Journal of Business and Economics. 9(17),*87-108.

Iimi, A. (2005). Decentralization and Economic Growth Revisited: An Empirical Note.

Iqbal, N. &Nawaza, S. (2016). Fiscal Decentralization and Macroeconomic stability: *Theory and evidence from Pakistan. Journal of Munich Personal RePEc Archive,* 1-10.

Journal of Urban Economics, 57, 449 – 461.

Longe, J. B.(1984). The Growth and Structure of Federal Government Expenditure in Nigeria.*The Journal of Economics and Social Studies,* 26, 1.

Martínez-Vázquez, J., &McNab, R. (2006).Fiscal decentralization and economic growth.*World Development*, *31*(9): 1597-1616.

Oates, W. (1972).Fiscal Federalism.Hamshire, England: Harcourt Brace Jovanovich.

Odusola, A. **F.** (1996). Military Expenditure and Economic Growth in Nigeria.*The Nigerian Journal of economics.*

Rodríguez-Pose, A., &Ezcurra, R. (2010). Does decentralization matter for regional disparities? A cross- country Analysis.*Journal of Economic Geography*, *10* (5), 619-644.

Szarowska, I. (2015). Impact of Fiscal Decentralisation in Economic Development in the European Union. 136-147.

Thießen, U. (2003a), Fiscal Decentralization and Economic Growth in High Income OECD Countries, *Fiscal Studies*, *24*, 237 – 274.

Thießen, U. (2003b), Fiscal Federalism in Western European and Selected Other Countries: Centralization or Decentralization? What is better for Economic Growth.*Unpublished Manuscript*, DIW Berlin. *l of Economic and Social Studies,* 38, 1 - 3.

Udoh, E. Afangideh, U. Udeaja, E. A. (2015). Economic Growth and Human Resource Development in Nigeria: Autoregressive Distributed Lag (ARDL) Approach. *CBN journal of applied statistics, 6(1),* 69-93.

UNDP (2005): "Democratic decentralization and poverty reduction. The Bolivian case".*United Nations Development Programme.Oslo Governance Centre. January 2005(Author: Christian Jetté).*

Xie, D., H. Zou, & H. Davoodi, (1999).Fiscal Decentralization and Economic Growth in the United States.*Journal of Urban Economics*, 45, 228 – 239.

Zhang, T. &Zou (1998). Fiscal Decentralization, Public Spending, and Economic Growth in China. *Journal of Public Economics*, 67, 221-240.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 148-160 (October, 2022)
DOI: 67324256617210
https://arcnjournals.org

Affective Commitment and Organizational Resilience of Commercial Banks in Rivers State, Nigeria

EFEJUKU, KENNETH
Department of Management, Faculty of Business Studies, Ignatius Ajuru University of Education

Abstract: This study examined affective commitment and organizational resilience of commercial banks in Rivers State. The specific objectives were to determine the relationship between affective commitment and resourcefulness, and the relationship between affective commitment and robustness of commercial banks in Rivers State, Nigeria. Data for the study was collected through structured questionnaire from 86 respondents of commercial banks in Rivers State, Nigeria which was analyzed using Spearman Rank Order Correlation Coefficient. The findings revealed a significant positive relationship between the predictor and criterion variables of the study. Based on the findings, the study concludes that, there is a significant positive relationship between affective commitment and organizational resilience. As such, it was recommended that; managers of commercial banks in Rivers State should strengthen their resilience by encouraging employee's affective commitment.

Keywords: *Affective Commitment, Organizational Resilience, Resourcefulness, Robustness*

Introduction

Today, organizations more than ever are confronted with various issues like natural disasters, pandemic diseases (corona virus pandemic), and economic recession which poses unpredictable and severe peril to the continuity of firm's operation. Even in the midst of these, Nigerian organizations including commercial banks are often not equipped to effectively manage these challenges, especially in this era of current economic and sociopolitical dilemmas such as: Covid-19 pandemic, increased kidnapping and arm robbery, Boko Haram Islamic insurgency, and their all-round impact on organizational survival; accordingly, this necessitate the need for firms to be more resilient (Achebelema & Achebelema, 2021; Ishak & Williams, 2018).

Organizational resilience which involves the capability of organizations to forestall, circumvent, and adjust to shocks in their environment provides a critical anchor for organizational survival during adversity (Ortiz-de-Mandojana & Bansal, 2016). Thus, resilience is an essential quality today's organization cannot afford to ignore. Today's business success and survival is much dependent on how resilient organizations are (Feather, 2011) as most successful organizations are resilient enough to recover from any crisis.

However, the extent of failure among business organizations especially among commercial banks has surge and the problem has reached unprecedented levels, with the figure of commercial banks in liquidation from 1994 to 2014 standing at 36 (Fadiran, Ogwumike & Adenegan, 2010). More so, due to inability of banks to be resilient to changes, Skye bank was taken by Polaris and Access bank by Diamond bank. These rather high rates of failure have severe negative impact on the stakeholders within the banking sector and the general economy which speaks of the need for commercial banks to become more resilient in their operations. More so, to the best of our knowledge lots of research has been carried out on organizational resilience and on human resources within the firm but not so much in regards to the commitment of the employees. Consequently, this study therefore, strives to bridge this gap in literature by examining the relationship between affective commitment and organizational resilience of commercial banks in Rivers State.

Literature Review

Theoretical Framework

This research on affective commitment and organizational resilience of commercial banks in Rivers State, Nigeria was anchored on the expectancy theory. This theory was built by Vroom (1964) which explains employee motivation and commitment. The expectancy theory is based on a mixture of expectancy- consisting of the individual's own assessment of whether performing in a certain manner will lead to measurable results, that is, performance expectation; instrumentality- involved the perceived likelihood that a given result might lead to attaining the given reward, that is, outcome performance perception whereby good performance will ultimately lead to certain outcomes or rewards; and valence- involving the person's valuation of the possible satisfaction. Employee motivation that can produce commitment is essential and management has to know that the three components mentioned above influence it directly or indirectly. If any is neglected it will definitely have negative reaction thus a decline in commitment which can impact organizational survival.

The expectancy theory according to Gerhart and Fangb (2014) focused on the law of effect stating that behaviour that is rewarded will be repeated. Thus, if employees' commitments in the firm are rewarded accordingly, employees will eventually be more committed and put on behaviours that will assist the firm to withstand changes in its environment and subsequently become more resilient. Building job performance and work behaviours expectations might lead to certain outcomes with more effort exerted by the employees towards achieving these outcomes so as the firm can fulfill its objectives of survival in this turbulent environment of today.

Affective Commitment

Affective commitment is also refers to as psychological or emotional commitment which represents an individual's emotional continuity and association with the values and aim of the firm. The affective dimension of commitment involves an emotional connection to and participation in the firm (Meyer & Maltin, 2010). It therefore, involves employees' psychological attachment and involvement in the firm (Nwulu & Ateke, 2018). Employees with affective commitment associate with their firm with all their abilities.

Affective commitment emanate based on feelings of love and attraction for the firm. Employees who possess psychological commitment for their firms feel closer to the firms and are fully involve within the firm due to their emotional attachment (Bon & Shire, 2017). Emotional attachment, and the craving to attain the purpose of the firm are what contributes to making an employee to be affectively committed to the firm (Amune, 2015). Summarily, from the above definition, we define affective commitment as an employee's favorable and emotional dedication and attachment to the firm in ensuring the firm thrive overtime in achieving its purpose. It embroils association with the firm and internalization of the firm's values and norms. It is the individual's passionate association to the firm.

Organizational Resilience

The concept of resilience emerged in the late 1960s and early 1970s in physics which was introduced by Wildavsky in 1988 in organizational research and subsequently became popular within the firm in the 1990s (Andersson, Caker, Tengblad, Wickelgren, 2019; Godwin & Amah, 2013). Organizational resilience has been defined variously by different scholars. Resilience generally has to do with the capability of a system to manage change. Thus, it involves the capacity to maintain affirmative adjustment during difficult situations (Sutcliffe & Vogus, 2003). Bell (2002) explain resilience to be the capability to respond rapidly to unforeseen changes, even chaotic disruption. Zhang and Liu (2012) also posit that it involves a developmental progression, such that significant environmental change is seen quickly, accepted broadly, and adaptive responses implemented early. It is the capacity of a firm to foresee, plan for, react and align to changes and sudden interruptions keeping in mind the end goal of survival.

Subsequently, firm's resilience is the capability to spring back- and, in fact bounce forward- with speed, grace, determination and precision. That is, the capacity to continue and even increase turnover during crises. It suggests that firms build an adaptive capacity to navigate the effect of negative environmental occurrences and the capacity the firm to bounce back, or rebound, to earlier levels and even higher performance level following a period of inferior performance or performance decline. Resilience is thus fundamental for firms that must respond effectively to change or crisis that disrupts expected trend of negative occurrences without being shaken for a time period. This study, resourcefulness and robustness as the measures of organizational resilience (Achebelema & Achebelema, 202; Olu-Daniels & Nwibere, 2014; Jaja & Amah, 2014), discussed below:

Resourcefulness

Resourcefulness involves the ability of a firm to deliberately adjust and direct its attitude in handling difficult and perturbed circumstances sufficiently. It involves attaining more with smaller number of resources, and doing things right (that is, being efficient). It reflects materials, supplies, and other resources availability to restore functionality within the firm. A resourceful organization is one that has the capacity to swiftly acclimatize to fresh or diverse circumstances, able to look for answers to problems, think innovatively and adequately

manages the available resources (Bradley, 2015). Resourceful organizations make judicious use of acquired resources in making innovative ideals to acclimatize to changes.
Furthermore, Franklin (2018) viewed resourcefulness as a mindset which drive a firm to finding a way in times of difficulties and inspires them to think innovatively as well as provide the capability to visualize all potential means to achieving their purpose. Resourcefulness is a mindset, and is especially relevant when the goals a firm have set are challenging to attain or it cannot envision a clear path to get to where it desire to go.

Robustness
Robustness is the capability of a firm to withstand pressure and obviate dysfunction which involves reducing firm's defenselessness to its minimum, managing turbulent circumstances, and recovering if affected by such circumstances (Annarelli, & Nonino, 2016). It involves the capability of a firm to withstand disaster forces without significant degradation or loss of performance. It is the capability of a firm to withstand disaster-induced damage and disruption. Robustness is the capability of a firm to retain its fundamental pattern at core characteristics under changing conditions (van Oss & van't Hek, 2011). It is therefore the capability of a firm to absorb disturbances (Woo, 2014). Subsequently, it has to do with the capability of a firm to withstand trepidations both within and outside without change in function (Jen, 2003). It further involves the ability of an organization to withstand or survive shocks as well to be stable in spite of uncertainty (Bankes, 2010). It therefore involves the capability of a firm to remain functional during shocks or disturbances.

Affective Commitment and Resourcefulness
Emotionally committed employees possess the capability and inclination to add extra energy in the organizations to do an excellent job of guarding operative steadiness (Meyer & Allen, 1991). Employees' emotional commitment to any organization is essential during unsteadiness and changes (Meyer *et al*., 1998). Because, organizations depend on the flexibility of their employees to save a fabulous time, and other resources during firm tumult (Jaaron & Backhouse 2011).
Employees with strong emotional commitment works harder at their jobs, have lower rates of absenteeism, and perform better (Meyer & Allen, 1997) which can subsequently affect the judicious use of organizational resources during crisis because committed employee is able to manage negative emotions, learn from or find meaning in psychological threats, and use moral beliefs for self-motivation. Those who have strong emotional commitment to an organization are highly involved in their work and connect with the organization's values and purpose because it aligns with their own personal values and beliefs (Meyer & Allen, 1997), thus, this study hypothesized that;
$H0_1$: There is no significant relationship between affective commitment and resourcefulness

Affective Commitment and Robustness
The operating business environment of today is characterized by frequent changes in almost every aspect of operating process, thus organizations must understand the requirements to adapt to new environmental changes to achieve and maintain better performance (Buil-

Fabrega, Alonso-Almeida & Bagur-Femenias, 2017) through employee commitment. It is through committed work force equipped with the needed competences that firms can recover and develop during difficulty (Pellissier, 2011).

Affectively committed employees generally stimulate or use their abilities to ensuring the firm succeeds during difficulties by thinking innovatively. Employees' commitment to changes is essential to firm's operational process, promoting behaviour and culture so as to withstand disaster forces from the environment without significant degradation or loss of performance (Bartridge, 2006). Emotionally committed individuals add to the enhancement of internal organization's integration which helps to improves organization's robustness capability (Alfalla-Luque, Marin-Garcia & Medina-Lopez, 2014). The capacity of a firm to absorb disturbances emanating from the environment can be attained via employees' commitment in the firm, this is because employees are major players in the exploration and exploitation of opportunities which is important to firm's performance. If employees are committed to the firm he or she does everything humanly possible to ensuring the firm get necessary information from its environment so as to judiciously utilize any opportunity, thus, this study hypothesized that;

$H0_2$: There is no significant relationship between affective commitment and robustness

Methodology

This study adopted the correlational study that examines the relationship between affective commitment and the measures of organizational resilience (resourcefulness and robustness). The population of this study consists of Commercial banks operating in Rivers State, made up of 21 Commercial banks. Thus, the population of this study was the head branches of the twenty one (21) Commercial banks operating in Rivers State. Consequently, we adopted a census study in this research as we study all elements that made up the population. This is because the study is at the organizational level and the population is relatively small (Ahiauzu & Asawo, 2016). However, for the purpose of data analysis copies of the questionnaire was distributed to 5 managers of strategic departments of each of the head branches of Commercial banks in Rivers State, bringing the number of questionnaires that were distributed to 105 respondents. The strategic departments include human resource department, customer care department, marketing department, administration department and operations department. The above strategic departments were purposely chosen because of the important roles they play in employee commitment and organizational resilience. The accessible population and sample size of the respondents in each of the Commercial banks is shown in Table below:

Table 1: Accessible Population of the Study

S/N	Banks	Accessible Population
1	Access Bank	5
2	Citibank	5
3	Eco Bank	5
4	FCMB	5
5	Fidelity Bank	5
6	First Bank	5
7	Globus Bank	
8	GTB	5
9	Heritage Bank	5
10	Keystone Bank	5
11	Polaris Bank	5
12	Stanbic IBTC bank	5
13	Standard Chartered	5
14	Sterling Bank	5
15	Sun Trust Bank	5
16	Titan Trust Bank	5
17	UBA	5
18	Union Bank	5
19	Unity Bank	5
20	Wema Bank	5
21	Zenith Bank	5
	Total	105

Source: Retrieved from Each of the Commercial Banks' Human Resource Manager. Data for the study were collected through questionnaire distributed to the respondents.

Data Collection Instrument: Questionnaire was adopted as the research instrument

Validity and Reliability of Instrument: Face and content validity was adopted while the reliability of the instrument was ascertained using the Cronbach Alpha test with the aid of SPSS and if the Cronbach's alpha value shows figure that is greater than 0.7, hence, the the instrument is accepted as reliable measure (Nunnally, 1978). Details in Table 2 below:

Table 2: Result of Reliability Analysis

Variable	No. of Items	Cronbach's Alpha
Affective Commitment	4	.981
Resourcefulness	4	.914
Robustness	4	.936

Source: SPSS (Version 21) Output based on 2021 field survey data.

Method of Data Analysis: The data collected was coded and analyzed using Spearman's rank order correlation coefficient with the aid of Statistical Package for Social Sciences (SPSS) within a significance level of 0.05.

Data Analysis and Result

Table 3: Distributed and Retrieved Questionnaire.

Questionnaire	Frequency	Percent %
Distributed	105	100
Not retrieved	11	10.48
Retrieved	94	89.52
Discarded Response	8	8.51
Useful Response	86	91.49

Source: Field Survey Data, 2021.

Table 3 above indicates the copies of questionnaire that were distributed to the Commercial banks in Rivers State which includes the rate of responses as well as the usability and rejection rates. 105(100%) copies of questionnaire were administered and 94(89.52%) copies of the questionnaire distributed were retrieved while 11(10.48%) copies were not retrieved. However, out of the questionnaire retrieved, 8(8.51%) copies were discarded because it was not filled properly while 86(91.49%) copies were correctly filled and thus were suitable for data analysis.

Having distributed questionnaires, the useful were used for the analyses. The assessment of the bivariate relationships are carried out using the Spearman's rank order correlation with the precision for error fixed at 0.05 given the choice of the confidence interval of 95%.

Decision rule: The decision rule which applies for all bivariate test outcomes is according to Bryman and Bell (2003), where:

Rho = .00-.19 “very weak”
Rho = .20-.39 “weak”
Rho = .40-.59 “moderate”
Rho = .60-.79 “strong”
Rho = .80-1.0 “very strong”

The Strength of the Relationship between affective commitment and resourcefulness: The presentation of data in this section is to determine the level of relationship between affective commitment and resourcefulness.

Table 4: Correlations Analysis on Affective Commitment and Resourcefulness

			Affective Commitment	Resourcefulness
Spearman's rho	Affective Commitment	Correlation Coefficient	1.000	.913**
		Sig. (2-tailed)	.	.000
		N	86	86
	Resourcefulness	Correlation Coefficient	.913**	1.000
		Sig. (2-tailed)	.000	.
		N	86	86

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

Source: SPSS Output, Version 21.0 2021

The empirical result of the Spearman Rank Order Correlation Coefficient (rho) in the table 4 above indicates that the rank value rho = 0.913 and a P-value at 0.000 which is P< 0.05; the result means that a very strong, and positive significant relationship exist between affective commitment and resourcefulness in the studied commercial banks in Rivers State, Nigeria. Therefore, since the influence is statistically positively significant, the null hypothesis is hereby rejected; we therefore state that affective commitment has a positive significant relationship with resourcefulness. This means that affective commitment makes a strong and unique contribution to explain the variation of the dependent variable (resourcefulness) in commercial banks in Rivers State, Nigeria.

The Strength of the Relationship between Affective Commitment and Robustness: The presentation of data in this section is to determine the level of relationship between affective commitment and robustness.

Table 5: Correlations Analysis on Affective Commitment and Robustness

			Affective Commitment	Robustness
Spearman's rho	Affective Commitment	Correlation Coefficient	1.000	.895**
		Sig. (2-tailed)	.	.000
		N	86	86
	Robustness	Correlation Coefficient	.895**	1.000
		Sig. (2-tailed)	.000	.
		N	86	86

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

Source: SPSS Output, Version 21.0 2021

The empirical result of the Spearman Rank Order Correlation Coefficient (rho) in the table 5 above indicates that the rank value rho = 0.895 and a P-value at 0.000 which is P< 0.05; the result means that a very strong and positive significant relationship exist between affective commitment and robustness in the studied commercial banks in Rivers State, Nigeria. Therefore, since the influence is statistically positively significant, the null hypothesis is hereby rejected; we therefore state that affective commitment has a positive significant relationship with robustness. This means that affective commitment makes a strong and unique contribution to explain the variation of the dependent variable (robustness) in commercial banks in Rivers State, Nigeria.

Discussion of Findings

Affective Commitment and Resourcefulness

Based on the result of data analysis between affective commitment and resourcefulness in Table 4, affective commitment has a very strong, and positive significant effect on resourcefulness of Commercial banks in Rivers State, Nigeria. Employees with high emotional commitment work harder at their jobs, have lower rates of nonappearance, and perform better (Meyer & Allen, 1997). Those who have high affective commitment in a firm highly participate and connect fully with the firm's values and purpose (Meyer & Allen, 1997).

Due to the optimistic feelings perceived by connecting with the firm, individual employees having high levels of emotional commitment wishes to stay in their firm (Newman & Sheikh, 2012) and take their given job seriously because they know that anything that affects the organization will certainly affect them. Emotionally committed employees put additional work in their organizations by ensuring organization's goals are efficiently achieved (Meyer & Allen, 1991). Employees' psychological commitment to any organization is important during firm's turbulences. Because, organizations depend on the flexibility of their employees to save a fabulous time, and other resources during firm tumult (Jaaron & Backhouse 2011).

Consequently, without sufficient employee commitment through right competences, an organization might not be able to quickly acclimatize to different situations and find solutions, think creatively and adequately manage resources that are available in today's complex environment. Furthermore, individual who is committed to his or her firm affectively will be

willing to partake in extra-role activities, like being creative or innovative, which frequently guarantee a firm's capability to be resourceful.
Resourceful firms are manage by managers and employees with high capability to manage complexities which require commitment especially employee affective commitment. Such employees possesses intellectual, emotional, and action-oriented commitment. In time of adversity, to achieve and enhance organizational resourcefulness, employees have to be committed to the organization to prolifically manage available resources (Suryaningtyas, Malang, Malang, Eka & Malang, 2019).

Affective Commitment and Robustness
The result of data analysis between affective commitment and robustness in Table 5, affective commitment has a very strong, and positive significant impact on robustness of Commercial banks in Rivers State, Nigeria. Pellissier (2011) articulated that when employees are committed and equipped with right knowledge and skills, they will be able to contribute to the firm's success during recovery period and develop in times of adversity. Employees' commitment to changes is essential to firm's operational process, promoting behaviour so as to withstand disaster forces from the environment without significant degradation or loss of performance (Bartridge, 2006).

Affectively committed employees contribute to the enhancement of internal organization's integration which in turn directly and indirectly improves organization's robustness capability (Alfalla-Luque, Marin-Garcia & Medina-Lopez, 2014). The capacity of an organization to absorb disturbances emanating from the environment can be achieved through the commitment of the employees in the organization, this is because employees are major players in the exploration and exploitation of opportunities which is critical to organization's performance. When employees are dedicated to his or her firm, he or she does everything humanly possible to make sure the firm get necessary information from its environment for it to take advantage of any opportunity. Employee commitment to change in making sure the organization remain functional in the face of shocks or disturbances is essential tool to attaining competitive advantage through utilizing the creativity and knowledge potential of employees. Therefore, for a firm to enhance and sustain effective organizational robustness in this rapidly changing environment, its employees have to be committed to the firm.

Conclusions and Recommendations
The result of this study empirically reveals that affective commitment is basically essential in improving organizational resilience of Commercial banks in Rivers State, Nigeria. Therefore, we concludes that affective commitment play significant role in making sure commercial banks in Rivers State, Nigeria attained organizational resilience. The study also concludes that, the resourcefulness' and robustness of the commercial banks in Rivers State depends on their employee's affective commitment to the firm.

Based on our findings, the following recommendations are made; managers of commercial banks in Rivers State should strengthen their resilience by encouraging employee's affective commitment. Management of Commercial banks must be aware that their success reside on the employees vis-à-vis their commitment; thus, ample devotion must be accord to them in order to obtain the maximum benefits of a committed workforce that is resourceful.

References

Achebelema, T.C. & Achebelema, S.M. (2021). Collaborative management and organisational resilience: Evidence from the oil and gas industry of a developing economy. *African Journal of Business and Economic Development, 1*(5), 1-15.

Ahiazu, A. I. & Asawo, S. P. (2016). *Advanced social research methods*. Port Harcourt: CIMRAT Publications.

Alfalla-Luque, R., Marin-Garcia, J. A., & Medina-Lopez, C. (2014). An analysis of the direct and mediated effects of employee commitment and supply chain integration on organisational performance. *International Journal of Production Economics*, 162, 242–257.

Amune, J.B. (2015). A comparative study of the relative merits of employee commitment among the academic librarians in Nigerian public and private universities. *International Journal of Academic Research in Business and Social Sciences, 5(*5), 1-11.

Andersson, T., Caker, M., Tengblad, S. & Wickelgren, M. (2019). Building traits for organizational resilience through balancing organizational structures. *Journal of Management*, 35, 36–45.

Annarelli, A. & Nonino, F. (2016). Strategic and operational management of organizational resilience: Current state of research and future directions. *Omega,* 62, 1-18.

Ates, A. & Bititci, U. (2011). Change process: A key enabler for building resilient SMEs. *International Journal of Production Research, 49*(18), 5601-5618.

Bankes, S. (2010). *Robustness, adaptivity, and resiliency analysis*. Association for the Advancement of Artificial Intelligence, Papers from Fall Symposium, London.

Bartridge, T. (2006). Involving staff in change initiatives at GASCO: Enhancing employee engagement through long-term commitment opportunities. *Strategic HR Review, 5*(4), 16–19.

Bell, M. (2002). The five principles of organizational resilience. Stamford: Gartner Inc.

Bon, A.T., & Shire, A. M. (2017). Job demands, job resources and affective commitment, *International Journal of Scientific and Research Publications, 7*(1), 366-372.

Bradley, S.W. (2015). Entrepreneurial resourcefulness. *Wiley Encyclopedia of Management*, 3, 1-3.

Buil-Fabregà, M., Alonso-Almeida, M. del M. & Bagur-Femenías, L. (2017). Individual dynamic managerial capabilities influence over environmental and social commitment under a gender perspective. *Journal of Cleaner Production, 15*(1), 371–379.

Fadiran T.P, Ogwumike F.O. & Adenegan K.O. (2010). Evaluating relative efficiency of insured banks in Nigeria. *Journal of Banking, 4*(1), 77-93.

Franklin, M. (2018). Toward a psychology of entrepreneurship: An action theory perspective. *Trends Entrepreneur, 5*(6), 437-456.

Gerhart, B. & Fangb, M. (2014). Pay for (individual) performance: issues, claims, evidence and the role of sorting effects. *Human Resource Management Review, 24*(1), 41–52.

Godwin, I. & Amah, E. (2013). Knowledge management and organizational resilience in Nigerian manufacturing organizations. *Dev. Ctry. Stud*, 3, 104–120.

Ishak, A.W. & Williams, E.A. (2018). A dynamic model of organizational resilience: Adaptive and anchored approaches. *Editorial Advise Board*, 23, 180–196.

Jaaron, A., & Backhouse, C.J. (2011). Systems thinking for call center service design: Affective commitment implications in manufacturing enterprises. The Service Industries Journal, 31(4), 613-628.

Jaja, A.S. & Amah, S. (2014). Mentoring and organizational resilience: A study of manufacturing companies in Rivers State. *Journal of Business and Management, 16*(10), 1-9.

Jen, E. (2003). Stable or robust? What's the difference? *Complexity*, 8(3), 12–18.

Joppe, M. (2000). *The research processes*. New York: Green Press.

Lengnick-Hall, C. A., & Beck, T. E. (2009). *Resilience capacity and strategic agility: Prerequisites for thriving in a dynamic environment*. Aldershot: Ashgate Publishing

Mackinnon, P. D., & OrDerickson, J. E. (2012). *Practical research: Planning and design (9th ed*.). Upper Saddle River: Prentice Hall.

Meyer, J. P. & Allen, N. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1, 61−89.

Meyer, J. P. & Maltin, E. R. (2010). Employee commitment and well-being: A critical review, theoretical framework and research agenda. *Journal of Vocational Behavior*, 77, 323–337.

Meyer, J. P. & Maltin, E. R. (2010). Employee commitment and well-being: A critical review, theoretical framework and research agenda. *Journal of Vocational Behavior*, 77, 323–337.

Meyer, J. P., & Allen, N. J. (1997). *Commitment in the workplace*. Thousand Oaks, CA: Sage Publications.

Meyer, J.P., & Allen, N.J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1, 61-89.

Meyer, J.P., & Herscovitch, L. (2001). Commitment in the workplace: Toward a general model. Human Resource Management Review, 11, 299-326.

Newman, A. & Sheikh, A. Z. (2012). Organizational rewards and employee commitment: A Chinese study. *Journal of Managerial Psychology, 27*(1), 71-89.

Nwulu, C. S., & Ateke, B. W. (2018). Participation in decision making and organizational commitment of customer service representatives of eateries. *International Journal of Innovative Social Sciences & Humanities Research, 6*(2), 8-14.

Olu-Daniels, S.O. & Nwibere, B.M. (2014). Trust and organizational resilience in the Nigerian oil and gas industry. *International Journal of Business and Management, 9*(2), 33-49.

Ortiz-De-Mandojana, N. & Bansal, P. (2016). The long-term benefits of organizational resilience through sustainable business practices. *Strategic Management Journal, 37*(8), 1615-1631.

Page, C. & Meyer, D. (2000). *Applied research design for business and management*. Sydney: Irwin/McGraw-Hill.

Pellissier, R. (2011). The implementation of resilience engineering to enhance organizational innovation in a complex environment. *International Journal of Business and Management, 6*(1), 145-164.

Suryaningtyas, D., Malang, S.A., Malang T., Eka A., Malang, I. D. W. (2019). Organizational resilience and organizational performance: Examining the mediating roles of resilient leadership and organizational culture. *Academy of Strategic Management Journal*, 18(2) 1-7.

Sutcliffe, K.M. & Vogus, T.J. (2003). Organizing for resilience. *Journal of Positive Organizational Scholarship, 6*(1), 94-110.

Van Oss, L., & Van 't Hek, J. (2011). Why organizations fail? Robustness, tenacity, and change in organizations. London: Routledge.

Vroom, V.H. (1964). *Work and motivation*. New York: John Wiley & Sons, Inc.

Woo, J. J. (2014). Singapore's policy style: Statutory boards as policymaking units. *Journal of Asian Public Policy, 8*(2), 120–133.

Zhang, R., & Liu, W. (2012). Organizational resilience perspective: Facilitating organizational adaptation analysis. *IPEDR*, 28, 55-59.

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 161-174 (October, 2022)
DOI: 67324256617211
https://arcnjournals.org

Effect of Mobile Banking on the Performance of Small and Medium Scale Enterprise in Anambra State

Gordins Afoke Israel
Federal University Otuoke Bayelsa State | israelafoke@yahoo.com

Abstract: *The study examined the effect of mobile banking on the performance of small and medium scale enterprise in Anambra State. The objectives of this study were aimed at ascertaining the effect of mobile banking on the performance of small and medium scale enterprise in Anambra State. The theory the study was anchored is on the Task technology fit theory. As a survey research design, a structured instrument (questionnaire) developed by the researcher to source information from the target population. The population of interest therefore consists of all operational SMEs in the Anambra states with not less than 10 employees. Thus the population of this study is 1328 employees. The sample size for this study was determined using the Borg & Gall formular of (1973), which 256. copies of questionnaires were duly completed and returned showing 93% response rate. Research hypotheses were tested using ANOVA method. Findings from the study show that. Instant payment has significant effect on the performance of small and medium scale enterprise in Anambra State. Fund transfer machine has significant effect on the performance of small and medium scale enterprise in Anambra State.Point of sales has significant effect on the performance of small and medium scale enterprise in Anambra State. The study recommend that The researcher Advocate for more instant payment facilities which should be placed at strategic location for easy access. Marketing and education of internet banking service and products should be intensified to attract more customers which enhance profitability. Customers should be educated on the use of POS and the implications of the mishandling of the cards*

Keywords: *Mobile banking, performance, SMSE, mobile banking, Fund transfer, Instant payment*

1. INTORDUCTION

Across countries at all levels of development, small and medium scale enterprises (SMEs) have an important role to play in achieving the sustainable development goals, by promoting inclusive and sustainable economic growth, providing employment and decent work for all, promoting sustainable industrialization, fostering innovation, creating values and reducing income inequalities (OECD, 2017). For developing nations, sustainable economic growth is real poverty reduction. Thus, the interest in SMEs should be greater in developing countries due to high level of poverty and flexibility of SMEs as compared to other ventures. In Nigeria, a developing nation with over 160 million people and over 65% of their populace being below 35 years (SMEDAN/NBS MSME Survey, 2013), it has become imperative for policy makers to seek development of national economy through SMEs rather than rely on the oil sector. This change in Nigeria's economic policy direction is not limited to the depleting state of oil reserve but also because of the abundant potentials; availability of land, cheap labor, etc. of SMEs. Though the change of economic policies in favor of the SMEs has seen a considerable increase in the number of available SMEs, the contribution of this sector to the Gross domestic product (GDP) of Nigeria is low Tiwari and Buse, (2007).

Inventions of the internet and mobile technology are key information communication technologies that have enhanced the manner of doing business in recent years. The growing number of applicants for internet has also been crucial in product marketing and distribution in many businesses (Yang, Li, Ma, & Chen, 2018). Banks are some of the earliest and greatest facilitators of the use of internet technology (Kondabagil, 2007). As leaders of industries in which e-commerce has been developed , they apply internet technology in electronic banking (e-banking) services like online transfer, electronic bill payment and opening of deposit accounts to customers (Sumra, Manzoor, Sumra, & Abbas, 2011). These services are offered through various initiatives such as phone banking, mobile banking, internet payment systems and internet banking (Kurnia, Peng, & Liu, 2010). Mobile banking could improve process excellence, speed of delivery and value of service to customers. Though the success of mobile banking services depends on the rate at which the technology is adopted by customers, small and medium scale enterprises inclusive, the question is, how the adoption of e-banking channels by SMEs has influenced their performance.

Mobile money, also referred to as mobile payment, mobile money transfer, and mobile wallet generally refer to payment services operated and performed from a mobile device such as mobile phone, credit or debit cards and is further clarified as the intersection of both banking and telecommunications services (World Bank, 2010). Must and Ludewig (2010) trace back the rise of mobile money to the rapid and worldwide penetration of mobile phone dating back to 1999. By the 2011 over 60 million customers had availed themselves for mobile money subscription (Davidson and Penicaud 2011), a picture of an outstanding growth compared other technologies and their adoption. Mobile money has seen a rapid growth with dramatic increase in customer subscriptions. Launched in Nigeria in the year 2012, the total subscriptions by the year 2012 reached 18.4 million subscribers according to Communications Commission of Nigeria report. Services offered through the mobile money platform presents business transactional opportunities that Small and Medium Enterprises (SMEs) can adopt since their needs are not always well served by conventional banking system. Most SMEs entrepreneurs had to travel or use public transport systems to send and exchange documents, access banking facilities or even transact their payments. This is not the case today, as they can e-mail the documents, pay for goods and services through mobile money transfers, use Mobile money transfer services and if one has a technologically advanced telephone, it is now possible to carry out the required tasks at any time and at any place.

Small and Medium Scale Enterprises are sub-sectors of the industrial sector which play crucial roles in industrial development (Ahmed 2016). Following the adoption of Economic reform programme in Nigeriain 1981, there have been several decisions to switch from capital intensive and large scale industrial projects which was based on the philosophy of import development to Small and Medium Scale Enterprises which have better prospects for developing domestic economy, thereby generating the required goods and services that will propel the economy of Nigeria towards development. It is base on this premise that Ojo (2009), argued that one of the responses to the challenges of development in developing countries particularly, in Nigeria, is the encouragement of entrepreneurial development scheme. Despite the abundant natural resources, the country still finds it very difficult to discoverer developmental bearing since independence.
The timely convenience, simplicity, safety and quickness in operation that have been brought into play by the inception of comprehensive m-banking ideology has enhanced the need for small and medium enterprises in Nigeria to shift from their classical or common ways of carrying business to incorporate the mobile transactions in their business (Mbiti, 2011). Mobile phones users can enquire balances, obtain prepaid recharges, mobile loans, virtual, settle bills, utilities, salaries, pay merchants, and send contributions, gifts as well as donations anywhere at any time. Mobile cash transmission services can be utilized to increase proficiency and trade development through low cost, reliable and efficient money service support networks that diminish the risks and needs for cash transactions (Alala, Muisyo & Musiega, 2014). The mobile banking technology innovation is considered easy to use as well as effective and trustworthy with vast capabilities to spread monetary services to the unbanked or those inclining toward less expensive financial packages (Mbogo, 2015).

Mobile banking is expected to affect the operations and performance of small and medium scale enterprises in a form of transactional convenience, saving of time, quick transaction alert and cost saving (Aliyu, 2012). Despite the acclaimed benefits of mobile banking, the issues of online theft and fraud, non-availability of financial service, payment of hidden cost of electronic banking like Short Message Services (SMS) for sending alert, non-acceptability of Nigerian cards for international transaction, malfunctioning Automated Teller Machines (ATMs) and network downtime has been raised by many users, especially small and medium scale enterprises in Nigeria. In the light of these complaints and to enlarge the body of knowledge on e-banking in Nigeria context, this study aims to examine the effect of mobile banking on the performance of small and medium scale enterprise in Anambra state.

Objective of the study

The main objective of this study is to investigate the effect of mobile banking on the performance of small and medium scale enterprise in Anambra State. The following are the specific objectives of the study;

- To find out the effect of instant payment on performance of small and medium scale enterprise in Anambra State.

- To examine the effect of fund transfer on the performance of small and medium scale enterprise in Anambra State
- To evaluate the effect of point of sales on the performance of small and medium scale enterprise in Anambra State

2. REVIEW OF RELATED LITERATURES

Theoretical Framework

Task technology fit N Theory (TTF)

The study is based on the Task technology fit theory that was developed by Dishaw and Strong, (1999). According to the theory ICT is more likely to be embraced by its users if it positively affects the users performance and if the capabilities of the technology are in line with the responsibilities or the tasks that the user is expected to complete. Good and Thompson (1995) point out a few factors that can be used to deduce if the technology fits the task at hand. The factors include system reliability, ease of training or use, quality, relationship with the users, compatibility and authorization and production timeliness. This theory comes in handy when analyzing of different contexts where information technology is being used including in the e-commerce systems and when e-commerce systems are used together with other techniques that lead to outcomes related to information systems. This model purports that for information technology to be successful it must fit in to the task at hand and success is pegged on the improved individual and group performance. There was a task-technology fit theory that was specifically developed for group support systems. This theory was developed and tested by Zigurs, Buckland, Connolly and Wilson, (1999) and came up with the requirements that needed to be met for developed systems to fit into group tasks. The theory of task-technology fit has been especially successful when it comes to mobile based information systems. However ,there are still unanswered questions regarding the use of this theory in mobile information systems. The theory looks at the significance of task technology.

Additionally, the theory gives more explicit link between technology and the construct at hand which provides a better theoretical basis for coming up with issues that affect the use of technology and its performance. This model emphasis is that there needs to be a match between information technology and the business tasks if information technology use is to be a success (Junglas & Watson, 2016). The current model is useful to this research since it is important to consider the changes and requirements in the business tasks and the technology to be used, it is also important to deduce if the theory can be used in mobile technology contexts and if not if there are any adjustments that can be made to ensure it is used successfully in the said context. This theory looks at how electronic banking technology can be a contributor to Nigerian commercial banks improved performance and competitiveness (Kanyuira, 2012).

2.3 Empirical Review

Abubakar, (2014). Used time series data for the period 2006- 2012, this study examined the effects of electronic banking on growth of deposit money banks in Nigeria. Data were collected from secondary sources through annual reports and statistical bulletin of Central Bank of Nigeria. The variables were internet banking, mobile banking, internet banking, mobile banking and total deposits of deposit money banks. Electronic banking was measured using the total value of internet and mobile banking while growth was measured using the value of total deposits and total assets of deposit money banks in Nigeria. A total deposit was regressed on internet and mobile banking, while a total asset was regressed on internet and mobile banking using multiple regression technique. The study revealed that positive relationships exist between mobile banking and total deposits, and between internet banking and total asset while on the other hand, no significant relationships between internet banking and total deposits, and between mobile banking and total asset.

Abaenewe, Ogbulu, and Ndugbu, (2013) investigated the profitability performance of Nigerian banks following the full adoption of electronic banking system. The study became necessary as a result of increased penetration of electronic banking which has redefined the banking operations in Nigeria and around the world. Judgmental sampling method was adopted by utilizing data collected from four Nigerian banks. These four banks are the only banks in Nigeria that have consistently retained their brand names and remain quoted in the Nigerian Stock Exchange since 1997. The profitability performance of these banks was measured in terms of returns on equity (ROE) and returns on assets (ROA). With the data collected, we tested the pre- and post-adoption of ebanking performance difference between means using a standard statistical technique for independent sample at 5 percent level of significance for performance factors such as ROE and ROA. The study revealed that the adoption of electronic banking has positively and significantly improved the returns on equity (ROE) of Nigerian banks. On the other hand and on the contrary, it also revealed that e-banking has not significantly improved the returns on assets (ROA) of Nigerian banks..

Ugwueze, & Nwezeaku, (2015) studied the relationship between electronic banking and the performance of Nigerian commercial banks. The study became necessary due to the increased adoption of the electronic banking which has redefined the banking service both in Nigeria and internationally. Electronic banking was proxied by value of Point-of-Sale transactions while commercial banking performance was proxied by customers ‘deposits. Engle-Granger co integration model was used to analyses data for the sample period January 2009to December 2013. The results show that POS is not co integrated with both the savings and time deposits but are co integrated with demand deposits.

Shehu, Aliyu & Farouk, (2013). This study investigated the influence of electronic banking products on performance of Nigerian DMBs. The population of the study is all the twenty-one Deposit Money Banks (DMBs) listed on the Nigerian Stock Exchange. Systematic sampling technique was used and six (6) banks were selected as the sample of the study. Data were collected from secondary source through the annual report and accounts of the sampled Banks and insider information from the employees working in the selected banks, respectively. The performance of these banks was measured in terms of returns on equity (ROE) that the adoption of electronic banking products (e-mobile and ATM transactions) has strongly and significantly impacted on the performance of Nigerian banks while on the other hand, it revealed that e-direct and SMS alert have not significantly impacted on the performance of the banks. It is therefore recommended amongst others that more awareness should be created as to the numerous advantage of using the E-Mobile services by the Bank's customers as their increase usage will bring about increase in the performance of the Banks.

Ekwueme, Egbunike, & Okoye, (2018), assessed the operational efficiency of electronic banking in Nigeria with a focus on the twenty-one Commercial banks listed on the Nigerian stock exchange at the end of year 2010. The variables were e-banking practices, credit facilities, savings and time deposits. It examined the practice of e-banking since its inception in Nigeria in order to determine the significance of its relationship with improvement in core banking operations. Secondary data were used for this study. Correlation technique as well as simple percentage was used to analyze the data, and the student's t-distribution was used to test the hypotheses. The study revealed that the practice of e-banking in Nigeria insignificantly related to increased operational efficiency of Nigerian banks, though the security problem was found to exist. Based on these findings, the researchers recommend among others that government through CBN should provide adequate security measures towards the various e-banking products in Nigeria.

Abdullai, & Micheni., (2018) investigate the effect of internet banking on operational performance of commercial banks in Nakuru County, Kenya. The study was guided by the research objective: to investigate the effect of internet banking on operational performance of commercial banks in Nakuru County. The study employed the following theories namely: Bank-Focused Theory and The Technology Acceptance Model (TAM). This study adopted a cross-sectional research design. A cross-sectional research design is a research approach in which the researchers investigate the state of affairs in a population at a certain point in time. Very often, the elements in the sample survey are selected at random to make inference about the population as a whole . The study population comprised of 56 employees of the commercial banks. Since the banks are few, the study adopted a census survey. Data was collected using structured questionnaires. A pilot study was conducted in Uasin Gishu County to determine validity of the research instruments where Cronbach's alpha coefficient (0.7) was employed. Data was analyzed using correlation and regression analysis. The study established that internet banking has a positive significant effect on operational performance of the commercial banks.

Musaa, Kurfib, & Hassan, (2015) examined the impact of e-banking on the performance of the banking sector in Nigeria. E-banking will be measured by the expenditure made on information and communication technology (ICT) investments, number of debit cards issued to customers, and number of automated teller machines (ATMs) installed by the banks. Return on assets

(ROA), return on equity (ROE), and net interest margin (NIM) will be used as performance variables. The impact of e-banking on the bank performance will be examined in two periods: pre-consolidation (i.e., before adopting the e-banking) and post-consolidation (i.e., after adopting the e-banking). Data collection involves secondary data gathered via annual reports of 21 Nigerian banks. The SPSS software will be used for data analysis.

Akyuz, & Opusunju, (2019), examined the effect of internet banking on non financial performance of First bank Nigeria Plc, Abuja. The study used survey research design and employed the use of structured questionnaire administered to the employees of 41 branches of First Bank Plc, Abuja. A population of 2231 employees was targeted and a sample size of 337 was derived using Taro Yamane formula. Point in time data was collected from primary source and Ordinary Least Square was adopted in analyzing the data. Findings reveal that internet banking proxies such as cheap internet costs, 24 hours internet services and ICT competence of customers contributed significantly to the performance of First Bank Nigeria plc Abuja. The study concludes that the effect of internet banking on the performance First Bank Nigeria Plc, Abuja is significant. It is therefore recommended that First Bank Nigeria Plc, Abuja should continue to adopt internet banking since it contributes significantly to their operational perform

Mateka, Gogo, & Omagwa, (2019). established the effect of Internet Banking on the financial performance of listed commercial banks in Kenya. This study used descriptive survey design. The target population was all employees of listed commercial banks in Kenya. Simple random sampling method was used to identify the study respondents. Primary sources of information were used and were gathered using questionnaires. Finally data from the questionnaires was sorted, coded and input into a software for analysis. Data was analysed using statistical package for the social sciences (SPSS) to generate diagrams, frequencies, descriptive statistics and inferential statistics. The key finding of the study revealed that internet banking has positive influence on bank incomes, operating costs, loans booked and customer deposits.

Okon, & Amaegberi, (2019) estimated the impact of mobile banking transactions on bank profitability in Nigeria using selected banks data from Electronic payment system office, Central Bank of Nigeria statistical bulletin from 2007-2016.The study adopts Panel unit root and SURE model estimation technique to conduct quantitative analysis for four selected old and new generation banks. The results of this study were analyzed using economic a priori criteria, statistical criteria and econometric criteria. The positive and statistically significant relationship between automated teller machine of old and new generation banks in Nigeria indicates that automated teller machine is a major factor that contributes to old and new banks performance in Nigeria. The positive and statistically significant relationship between point of sale of old and new generation bank in Nigeria indicates that point of sale is a major factor that contributes to old and new banks performance in Nigeria. The positive and statistically significant relationship between mobile banking of old and new generation banks in Nigeria indicates that mobile banking is a major factor that contributes to old and new banks performance in Nigeria.

Agwu, & Adele-Louise (2014**)** investigated the extent of the adoption and usage of the mobile phone banking services among banking customers in Nigeria and the associated problems. Mobile phones are now ubiquitous and a standard aspect of daily life for a large percentage of the world population. In addition, innovations in mobile finances offer the potential to change the way customers conduct financial transactions. Yet many banking customers all over the world remain skeptical about the benefits of mobile financial services and the levels of security provided with these services. Thus the aim of this study was to understand the levels of usage and non-usage of these financial services by customers within Nigeria. In the course of the research, ten out of twenty one banks were selected in Nigeria. The stakeholders interviewed included bank staff, customers and students from higher education institutions. The findings of this study however, discovered that phone banking was more established than internet banking and ATM services, but ATM services had a wider reach.

3. METHODOLOGY

The study adopted descriptive survey design. The choice of the design was informed by the fact that a sample of the population would be studied for the purposes of generalizing the results for the entire population of interest. The researcher made use of primary and secondary sources of data.The area of this study is Anambra state which is a state in southeastern part of Nigeria. The population of interest therefore consists of all operational SMEs in the Anambra states which 1328. The sample sizes of (256) were determined by using the Borg & Gall formular of (1973). The primary sources of data include the questionnaire and the personal interview, while the secondary sources of data include the journals, magazines, textbooks and internet. The study employed structure questionnaire as a method of data collection. Meanwhile percentage table and analysis of variance will be used to analyses the collected data from the sample respondents.

PRESENTATION ANALYSIS AND INTERPRETATION OF DATA

This chapter presents the data obtained from the respondents through the administered questionnaire. Two hundred and fifty-six (256) were administered among the students of selected population However; Two hundred and thirty-three (233) copies of questionnaire were retrieved. Therefore the analysis and interpretation of data is based on the returned questionnaires.

4.1 Demographic Table

4.1.1. SEX

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	193	72.8	82.8	46.8
	FEMALE	40	17.2	17.2	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

The above table reveals that the one hundred and ninety-three of the respondents which represents 72.8% of the respondents were male respondents, while forty (40) respondents which represent 17.2% were female respondents. By implication, male respondents were more than female respondents by 55.6% 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
Valid	MARRIED	110	43.1	47.2	47.2
	SINGLE	123	48.2	52.8	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

In the table above, out of the two hundred and thirty-three (233) respondents, one hundred and ten (110) of the respondents, representing 47.2% are married while one hundred and twenty-three (123) respondents which represent 52.8 percent are single. It is therefore glaring that the majority of the respondents were single as at the time of this study. Thus marital status table help us to know the number of single, and married respondents that answered the distributed questionnaires.

4.1.3 EDUCATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	WAEC	85	33.3	36.5	36.5
	BSC/HND	108	42.4	46.4	82.8
	MSC	24	9.4	10.3	93.1
	PHD	16	6.3	6.9	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

The table above indicates that eighty-five (85) respondents which representing 36.5% percent maintain to acquired WAEC OR NECO while 46.4% percent of the respondents which represents one hundred and eight (108) have BSC/HND. However twenty-four respondents which represent 10.3 percent either have MSC. The respondents that have PHD are numbered sixteen which represent 6.9%. This as the one of demographic item helps us to identify the education qualification of the respondents.

4.1.4 AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	37	14.5	15.9	15.9
	26-33	42	16.5	18.0	33.9
	34-40	53	20.8	22.7	56.7
	41-50	42	16.5	18.0	74.7
	51-ABOVE	59	23.1	25.3	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

Table 4.3 above depicted the age bracket of the respondents. The distribution shows that 15.9% of the respondents are between the age brackets of 18 to 25 years while 18% respondents are within the age bracket of 26-33 years. On the same note, 22.7% of the respondents are within the age bracket of 34 - 40 years. On the same note, 18% of the respondents are within the age bracket of 41 - 50 years, while the remaining respondents representing 25.3% are within the age bracket of 51 years and above.

4.2 Hypothesis Testing

Hypothesis One

H0: Instant payment has no significant effect on the performance of small and medium scale enterprise in Anambra State

Anova

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	20.154	3	4.031	15.236	.000[b]
	Residual	67.346	230	2.806		
	Total	87.500	233			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis one is less than 0.05% level of significance (0.000), as a result null hypothesis will be rejected and alternative accepted, meanwhile instant payment has significant effect on the performance of small and medium scale enterprise in Anambra State

Hypothesis Two

H0: Fund transfer machine has no significant effect on the performance of small and medium scale enterprise in Anambra State

Anova

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.020	3	.604	23.172	.000[b]
	Residual	84.480	230	3.520		
	Total	87.500	233			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis two is less than 0.05% level of significance (0.000) F-test of 23.172, as a result null hypothesis will be rejected and alternative accepted, meanwhile Fund transfer machine has significant effect on the performance of small and medium scale enterprise in Anambra State

Hypothesis Three

H0: Point of sales has no significant effect on the performance of small and medium scale enterprise in Anambra State

Anova

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.719	3	4.344	13.895	.000[b]
	Residual	65.781	230	2.741		
	Total	87.500	233			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis three is less than 0.05% level of significance (0.000) with F-test of 13.895, as a result null hypothesis will be rejected and alternative accepted, meanwhile Point of sales has significant effect on the performance of small and medium scale enterprise in Anambra State

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Summary of Findings

This study examines the effect of mobile banking on the performance of small and medium scale enterprise in Anambra State. Based on the objectives of the study and the analysis done on the work, the empirical result was found that the level of mobile banking in Nigeria has significant positive effect on small and medium scale enterprises in Nigeria. The following findings were made.

- Instant payment has significant effect on the performance of small and medium scale enterprise in Anambra State
- Fund transfer machine has significant effect on the performance of small and medium scale enterprise in Anambra State
- Point of sales has significant effect on the performance of small and medium scale enterprise in Anambra State

5.2 Conclusion

The importance of the adoption of mobile banking to performance of small medium enterprises is high. Importance of adequacy in infrastructure which was identified to be required for adoption of POS in small and medium scale enterprise, there are other known variables that contributed positively to the adoption of POS to small and medium scale enterprise these includes POS security, customer trust, customer education, and customer motivation. It has-been identified that the adoption of mobile banking in an organisation was prompted by the quest for the use of an alternative mode of payments to the use of cash, as it is the main medium of exchange for goods and services in rural areas. The choice of mobile banking which is a device for electronic payments systems was also to reduce the risk involved in carrying cash and the attendant consequence having known that this device is used basically for processing payments. The adoption of electronic banking in Nigeria reduces the volume of cash to be printed by the agency responsible for the printing. The reduction of the amount of money spent in cash management can be channeled to other uses. In conclusion mobile banking has a significant positive effect on the performance of small and medium scale enterprise in Anambra state of Nigeria.

5.3 Recommendation

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

1. The researcher Advocate for more instant payment facilities which should be placed at strategic location for easy access.

2. Marketing and education of internet banking service and products should be intensified to attract more customers which enhance profitability.

3. Customers should be educated on the use of POS and the implications of the mishandling of the cards.

REFERENCES

Abaenewe, Z. C., Ogbulu, O. M. and Ndugbu, M. O.(2013). Electronic banking and bank performance in Nigeria. *West African Journal of Industrial & Academic Research 6 (1) 171-186*

Abdullai, H.M, & Micheni., E.M (2018) Effect of internet banking on operational performance of commercial banks in nakuru county, Kenya. *International Journal of Economics, Finance and Management Sciences*. 6, (2), 60-65.

Abubakar, A (2014). The effects of electronic banking on growth of deposit money. Banks in Nigeria. *European Journal of Business and Management* 6 (33) 79-88

Agwu, E.M & Adele-Louise, C (2014). Mobile phone banking in nigeria: benefits, problems and prospects. *International Journal of Business and Commerce* 3, (6) 50-67

Ahmed, S. A. (2006). The Role of SMEs in Developing Economy. Abuja, Omotayo and Co. Ltd.

Akyuz M., & Opusunju, M. I. (2019). Effect of internet banking on the performance of first bank Nigeria Plc Abuja. *The International Journal of Social Sciences and Humanities Invention* 6(08), 45-28

Aliyu, A. (2012). The Impact of Electronic Banking on customer service delivery in the Malaysian Banking industry: Using Sand Cone Model. *TIJ's Research Journal of Science & IT Management* - RJSITM, 1(11),11–22

Davidson, N., and Penicaud, C. 2011. State of Industry: Results from the 2011 Global Mobile Money Adoption Survey. Mobile Money for the Unbanked.

Ekwueme, C. M, Egbunike, P. A, & Amara Okoye, (2018). An empirical assessment of the operational efficiency of electronic banking: Evidence of Nigerian banks. *Review of Public Administration & Management 1 (2)* 108-122

Kondabagil J (2017). Risk Management in Electronic Banking: Concepts and Best Practices

Kurnia, S., Peng, F., & Liu, Y. R. (2010, January). Understanding the adoption of electronic banking in China. Proceedings of the 43 rd Hawaii International Conference on System Sciences (HICSS'10), Honolulu, HI, 1-10

Mateka, M, Gogo, J & Omagwa, J (2019). Effects of internet banking on financial performance of listed commercial banks in kenya. *American Journal of Finance*, 1 (2) 53-71

Mbiti, I. and Weil, D. N (2011). Mobile banking: the impact of M-pesa in Kenya, National Bureau of Economic Research, Working Paper 17129

Mbogo, M. 2015. The Impact of Mobile Payments on the Success and Growth of Micro Business: The Case of M- Peas in Kenya. *The Journal of Language, Technology & Entrepreneurship in Africa,* 2(1), 182-203.

Musaa, M, Kurfib, S.A & Hassan, H (2015). Impact of online banking on the performance of Nigerian Banking Sector. *International conference on E-commerce, 45-49*

Must, B., & Ludewig, K. (2010). Mobile Money: Cell Phone Banking In Developing Countries. Policy Matters *Journal, Spring* 6 (8) 27-33

Ojo O. (2009), Impact of Micro Finance on Entrepreneurial Development: A case of Nigeria. A paper presented at the International Conference on economic and administration, organized by the faculty of Administration and Business, University of Bucharest, Romania, 14th -15th November, 2009.

Okon, A. N & Amaegberi, M.A (2019) Mobile banking transactions and bank profitability in Nigeria. *international Journal of Economics, Commerce and Management* 4 (6) 692-708.

Shehu U. H., Aliyu M, & Musa Adeiza Farouk, M.A (2013). Electronic banking products and performance of Nigerian listed deposit money banks. *American Journal of Computer Technology and Applicatio*n 1, (10),: 138 – 148

Sumra, S. H., Manzoor, M. K., Sumra, H. H., & Abbas, M. (2011). The impact of e-banking on the profitability of Banks: A Study of Pakistani Banks. *Journal of Public Administration and Governance.*

Tiwari, R. and Buse, S. (2007). The mobile commerce prospects: A strategic analysis of innovation. *International journal of management studies.* 7 (8) 56-67

Ugwueze,A.C & Nwezeaku, N.C (2015). E-Banking and commercial bank performance in Nigeria: a co-integration and causality approach. *International Journal of e-Education, e-Business, e-Management and e-Learning*

Yang, S., Li, Z., Ma, Y. & Chen, X. (2018) Does electronic banking really improve bank performance? Evidence in China. *International Journal of Economics and Finance*, 10(2), 82-94

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 175-184 (October, 2022)
DOI: 67324256617212
https://arcnjournals.org

Green Training and Organizational Sustainability of Plastic Firms in Onitsha

[1]**Mesigo, Chukwunweike Chidube,** [2]**Prof. OKEKE,Margareta-Mary N,** [3]**OKEKE Chidimma Odira**
[1,2&3]Department of Business Administration, Chukwuemeka Odumegwu Ojukwu University Igbariam, Anambra State, Nigeria

Abstract: *The study examined the Green training and organizational sustainability of plastic firms in Onitsha. The objectives of the study are as follows to: To examine the effect of green training on organizational sustainability of plastic firms in Onitsha. To determine the effect of green compensation on organizational sustainability of plastic firms in Onitsha. This study adopted the descriptive survey design which allows for the collection of original data from the respondents, describes the present situation and problems in their natural setting and permits a sample representing the population to be drawn. This research design is considered most suitable for the study because it was well suited to the description and correlative nature of green training study. The area of this study is Anambra state which is a state in southeastern part of Nigeria. The population of interest therefore consists of 14 plastic firms in Onitsha which has the staff capacity of 1328. The sample sizes of (256) were determined by using the Borg & Gall formular of (1973). The primary sources of data include the questionnaire and the personal interview, while the secondary sources of data include the journals, magazines, textbooks and internet. The study employed structure questionnaire as a method of data collection. Meanwhile percentage table and analysis of variance will be used to analyses the collected data from the sample respondents. The findings of this study revealed that green training has significant effect on organizational sustainability of plastic firms in Onitsha. Green compensation has significant effect on organizational sustainability of plastic firms in Onitsha. The study recommend that implementation of green training, principles and processes will lead to very positive outcome that will be visibly manifested in the organization and the environment.*

Keywords: *Green training, ANOVA, organizational sustainability, green compensation*

1.Introduction

Organizations prefer green training (GT), as an economically sustainable and environmentally friendly approach, in their attempts to be green (Teixeira, Jabbour, de Sousa Jabbour, Latan, & De Oliveira, 2016). Among green human resource management (GHRM) practices, green training is a process of on-the-job training and further education designed to integrate the goals and objectives of environmental management, which has drawn great interest (Yusoff, Nejati, Kee, & Amran). Essentially, green training has been identified as key to addressing independent barriers to environmental protection and promoting their acceptance in the workplace. This produces positive results for both organizations and employees.

Green Training According to Jabbour & Jabbour (2016), Green Training refers to a system of activities that motivates employees to learn environmental protection skills and pay attention to environmental issues, which are key in achieving environmental goals. Training can increase employee awareness, knowledge and skills in environmental activities. Green Training can help employees understand more about the importance of sustaining their organizations, which makes them more sensitive to the sustainability control process.

Green training and development refer to program of activities that motivate employees to imbibe environmental protection skills and pay attention to environmental issues around the organization, which is geared towards understanding and harmonizing the divergent interests of all policy makers and shareholders through a shared commitment to green planning, policies and decisions. Green training can increase employees' awareness, attitude, knowledge, and skills in environmental activities (Sammalisto & Brorson, 2008). Green training should be provided along with other education programs to all members of the organization, not only those linked with environmental departments. Green training will improve employees' interest, zeal and awareness of environmental activities in the workplace. Green education initiatives can help employees comprehend the vital essence of environmental protection, which crates great awareness to environmental control and/or prevention processes, such as collecting data on waste and identifying pollution sources (Kjaerheim, 2005).

Baumgartner and Winter (2014) opined that introduction of corporate eco practices such as training employees to take care of the natural environment, increasing environmental initiative, planning awareness, and allowing them to enhance their capabilities and self-efficacy to address environmental issues in an effective manner would help workers to imbibe responsive eco behavior in the form of pro-environmental behaviors. Green training also provides knowledge management that enables employees to carry out environmental activities. Training, appraisal system, and rewards help employees to engage in pro-environmental activities as greater environmental awareness, autonomous motivation, and strong intention to protect the environment (Dias - Sardinha & Reijnders, 2001). A report revealed that environmental knowledge and values in China are drivers of employees' environmental actions. Through green knowledge planning, employees can be mentored on extensive green training, enhancing their knowledge of and capabilities in environmental protection and improving their abilities in dealing with complex environmental - management problems (Sammafisto & Brorson, 2008).

The sustainability goals of any organisation will be a mirage until employees in the process of formulating environmental goals and strategies; and in this regard, employees become adept, well versed and highly motivated towards enhancing the course of environmental sustainability (Fapohunda, Genty, Olanipekun,.2021). In furtherance, employees' commitment towards environmental concern is a pertinent component of the organisation's business wider scope of environmental enhancement; which on the long run significantly bring about sustainability and competitive advantage (Wang, Tong, Takeuchi, & George, 2018).

Objectives of the study

The following are the objectives of this research

i. To examine the effect of green training on organizational sustainability of plastic firms in Onitsha

ii. To determine the effect of green compensation on organizational sustainability of plastic firms in Onitsha

2. REVIEW OF RELATED LITERATURE

Theoretical Framework

The theory adopted in this study is the Resource Based View Theory. This theory formed the theoretical foundation of this study. This theory is discussed in this section as follows

Resource Based View Theory

The RBV theory by Covin and Lumpkin (2011) focuses mostly on inner resources of a company, such as assets, skills and competences, and on how these may be exploited to generate competitive advantages (Barney, 1991). The implementation of Green human resource management at organizational level is viewed as strategic competence for its outcomes to improve the organizational overall development (Arulrajah & Opatha, 2016). Human resource management skills are seen as internal resources with the major goal of Green human resource management to develop, inspire and provide chances for better business conduct for the competitive benefit of the company (Boxall & Steeneveld, 1999). It is believed to create an organization superior than rivals within the market if human resources implement RBV-strategies to develop and support increased competitive efficiency (Takeuchi et al., 2007)

Empirical Studies

Fapohunda, Genty, & Olanipekun, (2021) this study examined effect of green training and development practices on environmental sustainability with the objective of examining the effect of developing green abilities on environmental awareness; and examining the relationship between green knowledge and employees' commitment towards the environment. Data was collected through the quantitative means from 175 employees of WAMCO Nigeria plc. 5Findings revealed that developing green abilities accounts for only 93.7% of variations in environmental awareness. This implies that developing green abilities have positive significant effect on environmental awareness as an indicator of environmental sustainability; in the same vein, there exists a positive and significant relationship between Green Knowledge and Employee Commitment towards the Environment which is a component of Environmental Sustainability with ($r=0.942$, $p\text{-value}<0.05$). The study concluded that green training and development practices are veritable tools for promoting employees' consciousness towards the overall achievement of sustainable development goals. Thus, employee engagement and involvement in green activities should be prioritized and strengthened through periodic training and development centered on the attainment of green goals.

Yafi, Tehseen, Haider,(2021) examined the impact of green training on green environmental performance through the mediating role of green competencies and motivation on the adoption of green human resource management. The convenience sampling technique was employed to collect data through an online survey undertaken at public and private universities in Malaysia. The analyses were conducted using the Statistical Package for the Social Sciences (SPSS) v.25 and Smart PLS v.3 software, with the aim of testing the predefined hypotheses. It was revealed that green training has a significant impact on green environmental performance, and all six dimensions of green com- petencies, namely, skills, abilities, knowledge, behavior, attitude and awareness, were also green motivations. Both green competencies and motivations positively and significantly mediated the relationship between green training and environmental performance.

Farheen Javed and Sadia Cheema (2017) conducted a study in an empirical investigation on the impact of the adoption of Green human resource management in the Agricultural industry in Pakistan using a quantitative resource method. 300 questionnaires were distributed for this study out of which 263 questionnaires were used. The results were calculated by SPSS 24, different tests were applied 15 measure reliability and validity, to analyze the variables. Simple linear research identified various ways that green human resource management practices are improving agriculture now and in future. The finding of this research was that there is very little understanding of Green human resource management practices in Pakistan. Therefore, more effect manners should be applied to collect appropriate data and learning employee behavior towards change can make major difference in this field.

Muhammad Khsan Hadjri, Badia Perizade, Juaaidah, and Wita Farla (2019) conducted a study on green human resource, green organizational culture, and environmental performance: An empirical study at state hospitals of Palembang. The population in this study was 2,270 employees at state hospital in Palembang city. By using the solving formular and proportional stratified random sampling method, a sample of 146 employees was obtained. The instrument used to measure the research variable was a questionnaire measured by a five-point Linkert scale (1-5); Data that have been obtained from the questionnaire will be processed using the SPSS program. An instrument test consisting of validity and reliability tests will be conducted, followed by a normality test. The Analysis technique used in multiple linear regression analysis. The findings of this study showed that there were positive effects of all Green human resources management variables consisting of Green Recruitment and Selection (GRS) Green training (GTR) Green Compensation (GCO).

Nida Mohammad, Zainab Bibi, Jahanash Karin, Dilawar Durrani (2020) conducted a study on Green human resource management practices and organizational citizenship behavior for environment. The interactive effects of green passion in Pakistan. The data were collected from a total of 210 top and middle – level managers of FMCG firms across various cities of Pakistan. The developed hypotheses were tested using a simple linear regresson method and process macro for SPSS by Hayes's. Findings suggested that green human resource management has a positive effect on green passion and organizational citizenship behavior for the environment (OCBG). It was further revealed that green passion significantly mediated the relationship between green human resource management and organizational citizenship behavior for the environment.

David Antonioli, Susanna Mancinelli, Massimiliano Mazzanti (2013) investigated a research on "Is environmental Innovation embedded within high-performance organizational. The role of human resource management and complementarily in green business strategies in Italian industries. The empirical context of this work is the manufacturing sector of the Emitia-Romagna region in Italy (Nuts 2 level) which, with a population of about 4.5 Million (ISAT, 2010) accounts for 20% of national industrial production and about 9% of the nation GDP. Using an original data set on 555 Italian industrial firms regarding E1, HPWP and HRM coherent with the last US 2006 – 2008 survey. Results show that sector specificity matter. The only case in which strict complementarily matter. The only case in which strict complementary is observed in organizational change concerns co_2 abatement, a relatively complex type of environmental innovation (EI), but this is only true when the sample is restricted to more polluting and regulated sector.

Tahir Masood Qureshi, Abbilasha Singh, Balqees Naser Almessabi (2020) conducted a research on Green human resource management for organizational sustainability: A need of the hour for Modern Workplace. This cross sectional study shall empirically test the hypothesis based on research questions about primary data, collected from employees of public sector organizations. Based on positive epistemology in the deductive research, and using stratified random sampling technique 300 employees working in difference industries of public sector were given questionnaires, 211 (70%) responded. Collected data were coded and analyzed using descriptive statistics, correlation, linear regression in addition to testing mediation and moderation models in SPSS 22.0 To test the reliability Cronbach coefficient alpha is used. The present research finds that government vision and policies about green human resources management practices were not fully explained to employees working in the public sector, hindering the attainment of organizational environmental goals and hence national sustainability efforts. Green human resources management practices significantly contribute to organizational sustainability.

3. Methodology

This study adopted the descriptive survey design which allows for the collection of original data from the respondents, describes the present situation and problems in their natural setting and permits a sample representing the population to be drawn. This research design is considered most suitable for the study because it was well suited to the description and correlative nature of green training study. The area of this study is Anambra state which is a state in southeastern part of Nigeria. The population of interest therefore consists of 14 plastic firms in Onitsha which has the staff capacity of 1328. The sample sizes of (256) were determined by using the Borg & Gall formular of (1973). The primary sources of data include the questionnaire and the personal interview, while the secondary sources of data include the journals, magazines, textbooks and internet. The study employed structure questionnaire as a method of data collection. Meanwhile percentage table and analysis of variance will be used to analyses the collected data from the sample respondents

4.PRESENTATION ANALYSIS AND INTERPRETATION OF DATA

This chapter presents the data obtained from the respondents through the administered questionnaire. Two hundred and fifty-six (256) were administered among the students of selected population However; Two hundred and thirty-three (233) copies of questionnaire were retrieved. Therefore the analysis and interpretation of data is based on the returned questionnaires.

4.1 Demographic Table

4.1.1. SEX

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	193	72.8	82.8	46.8
	FEMALE	40	17.2	17.2	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

The above table reveals that the one hundred and ninety-three of the respondents which represents 72.8% of the respondents were male respondents, while forty (40) respondents which represent 17.2% were female respondents. By implication, male respondents were more than female respondents by 55.6% 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
Valid	MARRIED	110	43.1	47.2	47.2
	SINGLE	123	48.2	52.8	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

In the table above, out of the two hundred and thirty-three (233) respondents, one hundred and ten (110) of the respondents, representing 47.2% are married while one hundred and twenty-three (123) respondents which represent 52.8 percent are single. It is therefore glaring that the majority of the respondents were single as at the time of this study. Thus marital status table help us to know the number of single, and married respondents that answered the distributed questionnaires.

4.1.3 EDUCATION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	WAEC	85	33.3	36.5	36.5
	BSC/HND	108	42.4	46.4	82.8
	MSC	24	9.4	10.3	93.1
	PHD	16	6.3	6.9	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

The table above indicates that eighty-five (85) respondents which representing 36.5% percent maintain to acquired WAEC OR NECO while 46.4% percent of the respondents which represents one hundred and eight (108) have BSC/HND. However twenty-four respondents which represent 10.3 percent either have MSC. The respondents that have PHD are numbered sixteen which represent 6.9%. This as the one of demographic item helps us to identify the education qualification of the respondents.

4.1.4 AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	37	14.5	15.9	15.9
	26-33	42	16.5	18.0	33.9
	34-40	53	20.8	22.7	56.7
	41-50	42	16.5	18.0	74.7
	51-ABOVE	59	23.1	25.3	100.0
	Total	233	91.4	100.0	

Source: SPSS Version 21, 2022

Table 4.3 above depicted the age bracket of the respondents. The distribution shows that 15.9% of the respondents are between the age brackets of 18 to 25 years while 18% respondents are within the age bracket of 26-33 years. On the same note, 22.7% of the respondents are within the age bracket of 34 - 40 years. On the same note, 18% of the respondents are within the age bracket of 41 - 50 years, while the remaining respondents representing 25.3% are within the age bracket of 51 years and above.

4.2 Hypothesis Testing

Hypothesis One

H0: Green training has no significant effect on organizational sustainability of plastic firms in Onitsha

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	482.586	2	241.293	139.624	.000[b]
	Residual	392.254	231	.424		
	Total	874.840	233			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis one is less than 0.05% level of significance (0.000), as a result null hypothesis will be rejected and alternative accepted, meanwhile green training has significant effect on organizational sustainability of plastic firms in Onitsha

Hypothesis Two
Green Compensation has no significant effect on organizational sustainability of plastic firms in Onitsha

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	516.783	2	172.261	16.189	.000[b]
	Residual	958.798	231	1.037		
	Total	1475.580	233			

Source: SPSS, Version, 20 2022

However, from the Anova table above, it was observed that the probability value of hypothesis two is less than 0.05% level of significance (0.000) F-test of 23.172, as a result null hypothesis will be rejected and alternative accepted, meanwhile green compensation has significant effect on organizational sustainability of plastic firms in Onitsha

Discussion of the Findings

Green Training & Development and organizational sustainability

The second result from the test of hypothesis shows that green training has significant positive effect on organizational sustainability in plastic firms in Onitsha, Anambra state. Green training can increase employee's awareness, aptitude, knowledge and skills in environmental activities (Sammafisto & Brorson, 2008). Baumgarter and Winter (2014) opined that the introduction of corporate eco-practices such as training employees to take care of the natural environment, increasing environmental initiative, planning awareness and allowing them to enhance their capabilities and self-efficacy to address environmental issues in an effective manner would help workers to imbibe responsive green training that will translate to organizational sustainability (Sammafisto & Brorson, 2008).

Green Compensation and organizational sustainability

The first test of hypothesis result showed that green compensation have significant positive effects on the organizational sustainability of plastic firms in Anambra state. Considering a strategic approach to reward management; green reward & compensation is a system of financial and non – financial rewards, aiming at attracting, training and motivating employees to contribute to organizational sustainability (Jabbour et al,2013). Non-financial rewards could be offered alongside financial incentive, in form of green travel benefits green tax and green recognition. Green travel benefits include rewards for employees' vacation, transport and travel. Shareholders can be guided to reduce their carbon footprints and have greater awareness of environmental protection. Financial incentives such as these have been introduced by UK companies and have a major effect on stake holder's willingness to protect the firm (Haque ,2017). Green recognition entails a system of non-financial rewards to stakeholders, such as companywide public recognition, paid vacations and gift certificate. These green recognition and rewards leads to a feeling of pride among colleagues and more effectively encourage pro-environmental behaviors (Veleva & Ellen Becker 2001).

5. CONCLUSION AND RECOMMENDATION

The review of literature has shown that there is paucity of research in area of green training research in developing economy especially in Nigeria. This study therefore will extend the frontiers of knowledge in the field of green training. The finding of this research will motivate and encourage business organizations to consider green training initiatives which will reduce the cost of production and help to sustain the organization. The study concludes that green training initiatives significantly and positively affect the plastic firms productivity in developing economy. This means that firms that increase the green marketing of its business operations will be more productive than others. This also implies that green compensation significantly and positively affects organizational sustainability. It is the compensation of the employees that leads to the productivity of the firms. Finally, the implementation of green training, principles and processes will lead to very positive outcome that will be visibly manifested in the organization and the environment.

REFERENCES

Antonioli, Davide & Mancinelli, Susanna & Mazzanti, Massimiliano, 2013. "Is environmental innovation embedded within high-performance organisational changes? The role of human resource management and complementarity in green business strategies," *Research Policy, Elsevier*, 42(4), 975-988.

Arulrajah, A. A., Opatha, H., & Nawaratne, N. (2015). Green human resource management practices: a review. *Sri Lankan Journal of Human Resource Management*, 5(1), 1-18

Baumgartner R.J & Winter, T (2014). "The Sustainability Manager: A Tool For Education And Training On Sustainability Management," *Corporate Social Responsibility and Environmental Management, John Wiley & Sons,* 21(3), 167-174,

C. J.C. Jabbour, and A. B. L. de Sousa Jabbour. (2016). Green human resource management and green supply chain management: Linking two emerging agendas. *Journal of Cleaner Production*. 112 (3), 1824-1833.

Dias-Sardinha I and Reijnders, L (2001). environmental performance evaluation and sustainability performance evaluation of organizations: an evolutionary framework. *Eco-Management and Auditing Eco-Mgmt.* Aud. 8, 71–79

Fapohunda,T. M., Genty,K. I., Olanipekun,L. O.(2021). Green training and development practices on environmental sustainability: evidence from wamco plc. *Journal of Educational Management & Social Sciences* (JEMSS) 2, (1), 1 – 19

Farheen Javed & Sadia Cheema (2017) An Empirical Investigation on the Impact of the Adoption of Green Human Resource Management in the Agricultural Industry in Pakistan.

Jabbour, C. J. C., Santos, F. C. A., & Nagano, M. S. (2013). Contributions of HRM throughout the stages of environmental management: Methodological triangulation applied to companies in Brazil. *The International Journal of Human Resource Management*, *21*(7), 1049–1089.

Muhammad/ Chsan Hadjiri, Badia Perizade, Zunaidah, & Wita Farla (2019) Green Human Resource Management, Green Organizational Culture & Environmental Performance; An Empirical Study at State Hospitals of Palenbang

Nida Mohammad, Zainab Bibi, Jahanvash Karim, Dilawar Durrani (2020) Green Human Resource Management practices and organizational citizenship behaviour for environment: The Interactive Effects of Green Passion in Pakistan.

Sammalisto, K., & Brorson, T. (2008). Training and communication in the implementation of environmental management systems (ISO 14001): a case study at the University of Gävle, Sweden. *Journal of Cleaner Production*, 16(3), 299–309.

Tahir Masood Qureshi, Abbilasha Singh, Balquees Naser Almessabi (2020) Green Human Resource Management for Organizational Sustainability: A need of the hour for modern workplace.

Teixeira, A.A.; Jabbour, C.J.C.; de Sousa Jabbour, A.B.L.; Latan, H.; De Oliveira, J.H.C. (2016) Green training and green supply chain management: *Evidence from Brazilian firms. J. Clean. Prod*. 116, 170–176.

Wang, H., Tong, L., Takeuchi, R. and George, G. (2018), "Corporate social responsibility: an overview and new research directions thematic issue on corporate social responsibility", *Academy of Management Journal*, 5 (2), 134-144.

Yafi, E.; Tehseen, S.; Haider,S.A. (2021) Impact of green training on environmental performance through mediating role of competencies and motivation. *Sustainability* 13 (8) 56-78

Yusoff, Y.M.; Nejati, M.; Kee, D.M.H.; Amran, A. Linking green human resource management practices to environmental performance in hotel industry. *Glob. Bus. Rev*. 21, (6) 663–680

Network for Research and Development in Africa
International Academic Journal of Management and Marketing
ISSN: 2384-5849. Volume 7, Number 2
Pages 185-204 (November, 2022)
DOI: 67324256617213
https://arcnjournals.org

Safety Practices and Organizational Growth of Manufacturing Firms in Rivers State

Chiedu F. Amah[1] and B. Chima Onuoha[2]
[1]Doctoral Student Department of Management, University of Port Harcourt
[2]Professor of Management, Department of Management, University of Port Harcourt

Abstract: *This study safety practices and organizational growth in manufacturing firms in Port Harcourt, Rivers State. The study adopted the cross-sectional form of the quasi-experimental research design. A study population of 1074 was obtained from the human resource department of the 16 selected manufacturing firms. The Taro Yamane formula was used to arrive at a sample size of 291 which was distributed using the Bowley formula. The questionnaire was the main instrument for data collection as primary data was mainly collected for this study. The instrument was subjected to face and content validity, the reliability was also checked using the Cronbach Alpha test at a significance of 0.7. The study adopted Spearman's Rank Order Correlation Coefficient to test the hypotheses and the findings revealed a moderate positive relationship exists between the dimensions of safety practices and the measures of organizational growth. The study concluded that ensuring workplace safety would improve employee's performance vis-à-vis organizational growth. Thus, it was recommended that manufacturing firms should adopt safety practices that ensure safe work procedures and establish a safety committee that ensures that employees overcome resistance to safe work procedures.*

Keywords: *Safety Practices, Safety Compliance, Productivity, Organizational Growth, Safety Climate.*

1.0 Introduction

Manufacturing firms like other forms of businesses contribute greatly to the development of any country as they aid towards the economic growth of emerging economies, developing economies as well as developed economies. Manufacturing firms strive for growth, irrespective of their size as they see the need to grow bigger and this growth can be achieved when their market share, sales quota, sales growth, profit margin, productivity, and sales territory are increased (Kotler, et al 2008). There is a need for organizations to grow to make room for increased expenses that develop over time. Many employers are attempting through assistance programs to address a variety of employee's health problems such as accumulative effects of exposure to toxic substances and psychological stressors. Additionally, employers today are advocating employee wellness programs, thereby encouraging healthy lifestyles (Leap & Crino, 2014).

According to Robert (2011), and organizations growth can give small organizations endless advantages, with things like more prominent proficiency from economies of scale, expanded power, a more prominent capacity to withstand changes in the market, an expanded survival rate, deals portion more prominent benefits, deals an area and expanded notoriety for individuals from the association. Every organization wants development since it is seen by and large as an indication of achievement, or advance (Conner, 2008; Yangho, Jungsun, & Mijin 2016). An essential worry of honing management is the way that organizations development is utilized as a marker of viability for most companies. Companies are expected to deal with current and upcoming demands concurrently in today's complex market climate, (Dagogo & Gublin, 2020).

Safety practices in the workplace are important, not only for maintaining employees' health and wellbeing, but to foster a safe and healthy working environment. Safety is argued to be important from moral, legal, and financial perspectives, (Autenrieth, 2015; Jilcha, & Kitaw, 2016). Workplace accidents result in property damage, provokes a decrease in employees morale, productivity, quality of product and services, customer relations organizational reputation, etc. therefore the organization must have a better understanding of the events proceeding occupational injuries as well as relevant contributors that may influence employee's safety work behaviors (Bonaventura, Hadikusumo, & Abdul, 2017).

In another development, employees have a legal right to expect a safe and healthy work environment. The consequences of workplace incidents (accidents, ill-health, and environmental pollution) on productivity and growth of the organization are so grave that manufacturing firms should be legally, morally, and socially compelled to inculcate safety measures in their workforce as a form of commitment to the safety and general welfare of its workers (Qasim, Bashir, Shan, et al, 2014; Khan, Mustaq, & Tabassum, 2014). Workplace incidents especially those involving lost-time injuries and lost workdays usually lead to a halt in the manufacturing process for incident investigation and reporting (Bhagawati, 2015; HSE, 2016; Shekh, 2015). Firms face more challenging changes and competition more than ever in the way they compete in what is now a global and technology flooded economy, rapid technological changes such as methods, components, and techniques with processes to create a product or service. These factors have prompted management to search for means to ensure organizational growth. This situation results in loss of man-hours, output, reputation, and low workers morale. It is on this backdrop that this study was carried to investigate safety practices and organizational growth of manufacturing firms.

Statement of the Problem.

The environment of manufacturing firm these days are becoming more hazardous to health due to both the chemical substances, machine and equipment, plant layout, work process, constant exposure to light and other harmful substances and improper use of safety protection equipment and misuse of working tools. Manufacturing areas are most time congested with multiple activities occurring simultaneously, resulting in unavoidable risks such as limited space for bringing in or taking out produced goods from the factory. As noted by Hon, Chan, and

Wong, (2010) Workers most at times may underestimate the possibility of accidents when handling proportionally small tasks in such a situation.

Unnikrishnan, Iqbal, Singh, and Nimkar, (2014) however, stressed that health and safety management practices should be improved to comply with health and safety standards, as this will result in better employee productivity. Many manufacturing firms in Nigeria that failed to adopt health and safety have witnessed unexpected risks and hard which has led to the death of most good employees (Appleby, 2013; Hanger, 2014). Safety is a very critical concern, especially in the manufacturing industry. However, many manufacturing firms pay no attention to and do not take serious action on the safety issues. As noted by (CIDB, 2018), the Manufacturing industry has one of the highest accident occurrences in the manufacturing industry, which makes the industry believed to be unsafe (Nwachukwu, Akpuh, Samuel, & Udeme, 2020). Thus, safety practices in manufacturing firms should start at the designing table and continue throughout the manufacturing phases until the safety and health of end-users are ensured due to the complexity of the industry and the hazards it contains. It is on this ground that the study seeks to examine the effect of safety practices on organizational growth in manufacturing firms in Port Harcourt, Rivers State.

Research Objectives

i. Establish the relationship between safety training/awareness and market share.
ii. Ascertain the relationship between safety training/awareness and productivity.
iii. Determine the relationship between safety compliance and market share.
iv. Establish the relationship between safety compliance and productivity.

Research Questions

i. What is the relationship between safety training/awareness and market share?
ii. What is the relationship between safety training/awareness and productivity?
iii. Is there a relationship between safety compliance and market share?
iv. Is there a relationship between safety compliance and productivity?

Research Hypotheses

Ho_1. There is no significant relationship between safety training/awareness and market share.

Ho_2. There is no significant relationship between safety training/awareness and productivity.

Ho_3. There is no significant relationship between safety compliance and market share.

Ho_4. There is no significant relationship between safety compliance and productivity.

2.0 Theoretical Framework

The study was based on the social cognitive theory, and safety climate theory.

Safety Cognitive Theory

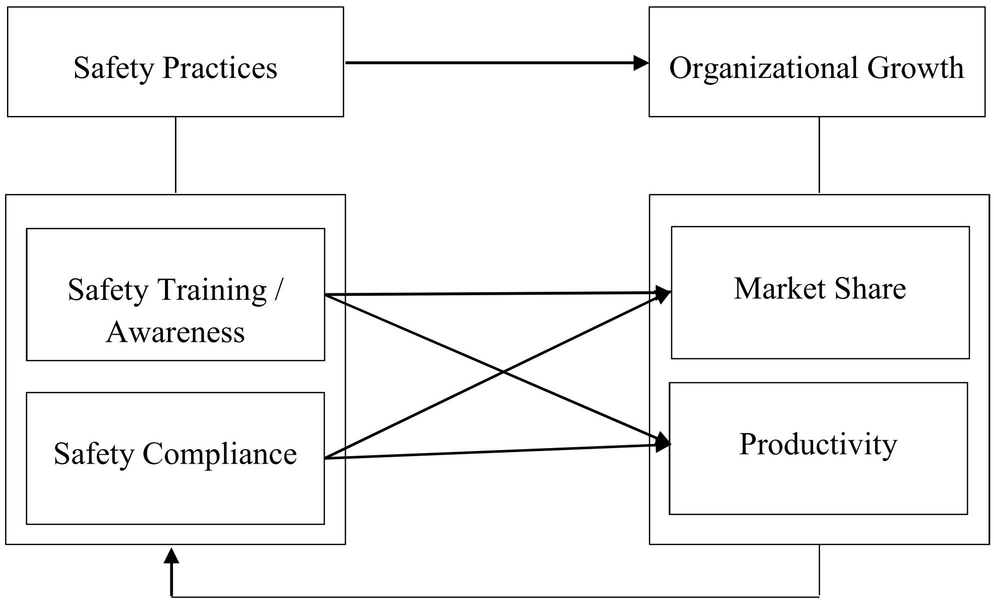
It is further argued that self-efficacy is chosen in the context of social cognitive theory since it has many applications in a variety of settings and also due to a significant overlap of determinants between social cognitive theory and similar health-related theories. The Social Cognitive Theory has two tenets. The first describes how psychology needs to incorporate the social context within the study of human behavior since people are essentially social. The second tenet outlines how people employ their cognition for avenues of thinking and communicating to adapt to social contexts. In other words, this theory construes cognition as part of social acts (Barone et al., 2006). Safety education sessions give employees an insight on hazardous conditions and possible means of handling them, it also gives warning on other safety-related situations.

Safety Climate Theory

According to Law, Dollard, Tuckey, Dormann, (2011), a safety climate which is also referred to as a psychological safety climate is said to be a perception of policies, practices, and procedures for the safety and protection of employees' health and this emanates from the management practice. This theory further suggests that the organizational level of safety climate greatly influences work conditions and it draws upon perspectives from the work of stress, psychological risk, and organizational climate literature. Safety climate deals with perceptions of employees with regards to management commitment to their safety and health.

In their study, Dollard and Bakker (2010) noted that PSC is a facet-specific component of organizational climate relating to freedom from psychological harm at work. It is further said that it reflects management commitment to worker's psychological health and the priority they give to safeguarding psychological health as opposed to production demands. According to James et al. (2008), the PSC constructs stems largely from the idea that individuals ascribe meaning to their work environment, that is, their working conditions, management systems, pay, coworker relationships, and treatment equity.

Conceptual Framework



Source: The independent variable is safety practices and it was be observed using safety/training awareness and safety compliance which were adopted from Choudhry, Fang and Lingard, (2009), while the dependent variable is growth will be measured with market share and productivity as adopted from Kotler, Cunningham, and Keller (2008).

Concept of Safety Practices

Alli (2008) sees safety practice to be the acknowledgment, assessment, and control of hazards emerging from the work environment that could impede the safety of operatives. Safety practices are a strategy and commitment together with the arrangements on the ground to create adequate safety education among workers on hazards related to their work and the role an individual/person needs to play at work settings in ensuring healthy working conditions. Bhagawati (2015) and Ahmad, Iqbal, Rashid, Iqbal, and Roomi (2016) defined safety as a unique event that is important for steady productivity attainment. Safety practices are aimed at averting accidents and their effect in the workplace. Adoption and compliance with health and safety provisions will facilitate and optimize manufacturing processes while non-compliance would result in increased accident occurrence, thus leading to an increase in production time and cost.

A safe work environment is an environment free of hazards and risks to workers. The concept of industrial health and safety is essential in reinforcing occupational health. However, the workplace environment is not free of risks and hazards thus providing an enabling environment that promotes the wellbeing of workers is very necessary for employees' performance. As noted by (WHO 1999), an organization that acknowledges all the elements of occupational health and safety in developing policies and programs for the wellbeing of its employees is said to be a healthy organization. According to Gabriel and George, (2015), workers are happy and exhibit a high spirit of satisfaction and motivation when the work condition they are free of hazard and safe from any form of organizational risk and injury.

Safety Training / Awareness

A good workers' health and safety program fosters a sense of security and comfort and increases job satisfaction (Ria, Anis & Oci, 2012). Mamoria and Gankar (2011) argue that a comprehensive health program reduces absenteeism and health insurance costs resulting thus leading to improved productivity and improved morale. For instance, a wellness program boosts employee morale and increases job satisfaction since it promotes employee health by providing education on health issues and healthy lifestyles. Safety training programs are developed to enable workers to acquire attitudes, knowledge, and skills that help them reduce the perceived risk of their jobs. Most workplace hazards are caused by incomplete or absent training and if an employee is not trained to do their job properly to avoid falling victim to hazards, they are likely to become frustrated. When trained correctly on health and safety measures, an employee is likely to feel much less stressed and more satisfied with their job (Subramaniam, Mohd-Shamsudin, Zin, et al., 2016; Legg, Olsen, Laird, & Hasle, 2015). Although different researchers propose various components of safety management practices, generally speaking, the following safety practices have been widely considered: management commitment, safety training, safety rules and procedures, workers' involvement, safety promotion policies, and safety communication and feedback.

The continuous integration of improvements into the work process is vital, but it is possible only if everyone involved is properly trained. Training is an essential element in maintaining a healthy and safe workplace and has been an integral component of workers' health and safety management for many years (Shekh, 2015). Managers, supervisory staff, and workers all need to be trained. Workers and their representatives in the undertaking should be given appropriate training in occupational safety and health. It is up to management to give the necessary instructions and training, taking into account the functions and capacities of different categories of workers (Nwachukwu, et al, 2020). The primary role of training in occupational safety and health is to promote action. It must therefore stimulate awareness, impart knowledge and help recipients to adapt to their roles.

Successful health and safety training entails different components and philosophies and it differs amongst organizations. However, since the wave of the future is one of change and globalization trends; it is important for safety and health professionals to understand the components that contribute to a successful program in the context of the organizational structure to better provide effective services to companies of today and more so of the future (Aziz, Baruji, Abdullah, et al., 2015). It is also important for safety and health professionals to understand the management style of the future and to prepare to be a part of this "new way of doing business" again to provide effective services and to justify their existence in the organization (Shepherd, Ritzel, & Kittleson, 2001; Umoh & Torbira, 2013).

Safety Compliance

Job safety shows the extent to which job duties do not pose threats or unhealthy consequences on the health and safety of employees. Occupational Safety and Health Administration (2012) sees safety compliance as a focus on tasks in a bid to identify hazards before they occur. According to Idubor, and Oisamoje (2013), a lack of strict enforcement of safety regulations would result in non-safety compliance. Therefore, compliance with safety practices is important as it would increase productivity and reduce accidents in the workplace (Hawkins, 2002). According to Subramaniam, et al., (2016) safety compliance is defined as adhering to safety procedures and carrying out work in a safe manner. Studies have indicated the significant role safety compliance plays in reducing workplace accidents and injuries

On the other hand, Workers Health and Safety measures are said not to be effective in improving safety and health conditions in the workplace Kamau, (2014). Health and safety regulations in the workplace are not symbolic gestures as the prevalence of health and safety abuses amongst employee's calls for an intensive investigation into the level of health and safety knowledge and compliance of employees.

Eradicating occupational circumstances dangerous to employee's health, improvement of physical of employees and hold for the progress and protection of their effective ability, over and above specialized and public expansion at labor and also increase and encouragement of sustainable work surroundings and work associations are key areas of safety compliance (Umoh, & Torbira, 2013). To ensure the application of a minimum level of health and safety at work, standards that define the safe levels of various exposures and other conditions of work are needed. These standards also serve as references for the assessment of results from monitoring and provide guidelines for planners. When standards are further developed, the high variation in workers' sensitivity to occupational exposures should be considered (Elgstrand & Petersson, 2009).

Concept of Organizational Growth

The growth of manufacturing firms can never be underestimated because it would strengthen the economy. Growth is a positive increase in the size of a firm which is seen in increased turnover, quality of products, and quality of customer relationship that may lead to an increase in assets and profit of the firm (Onyenma, 2019). The growth in size, even at the same profitability level, will increase its absolute amount of profit and cash generation. A firm's growth can mean different things to different people altogether. A firm's growth indices are the outcome or results of the activities or operations of any firm that could enable one to determine the financial performance and position at any given time, usually at the end of the accounting period.

Firm growth is a major concern to managers, scholars, and even the government and this is since it has serious implications for firm survival, aggregate employment, and economic growth. Organizational growth is inherently a dynamic measure of change over time. Organization growth is the act or process, or a way of growing improvement, a regular increase of an organization. Growth is easily quantifiable in terms of the number of employees, sales, or market share, (Witek-Crabb, 2014; Nadeem, Naveed, Muhammad, & Komal, 2013). It shows how an organization has managed change whether planned or externally imposed. It is a pointer to a firm's effective adaptation to the environment. Ordinarily, firm growth is defined as an increase in certain attributes such as sales, employment, and/or profit of a firm between two points in time.

Several parameters have been identified for measuring firm growth such as financial or stock market value, the number of employees, sales, asset, production capability, the value of production, or added value of production. According to Achtenhagen, Naldi, and Melin, (2010) growth can be measured by an increase in sales, increase in the work strength (number of employees), increase in profit, increase in assets, increase in the firm´s value, internal development, etc. also Davidsson, Achtenhagen, & Naldi, (2010) believes that growth may not be related to new markets concerning technology firms.

Market Share

Market share is described as part of the total industry or markets total sales that are earned by a specific firm over a length of time, measured in percentage. Market share responds to parts of selling strategy and one of the necessary things that affect market share is promoting strategy and promoting combine (Farmanesh, Adibi., & Hasiri, 2017). Existence warranty for product quality, complete quality, diversification of product, packaging, and quantity or volume of product production are effective factors that influenced the market share.

Market share is usually used to express a competitive position. It is also generally accepted that increased market share can be equated with success whereas decrease market share is a manifestation of unfavorable actions by firms and usually equated with failure. Market share is the consequence of efficiency rather than its cause. Efficient firms obtain large market shares and earn high profits to induce a causal association between size and profitability. Firms offering products that offer customers greater value enjoy gains in market share. Better managed firms that have a competitive advantage grow faster than rival firms. Firms with superior skill and foresight gain market share through lower prices or better products (Lyndon, Paymaster, & Meshack, 2016).

A company's market share is its portion of total sales with the market it operates within. Market share represents the percentage of an industry or market's total sales that is earned by a particular company over a specified period (Barine, 2021). The purpose behind measuring market share is to establish the relative position or share of the firm within the broader marketplace. And with this study, the share of the firm in the market will be determined by the extent of the promotional strategy (Barine, 2021). It determines the success of a firm and a firm's ability over its rivals

Productivity

There is an increased demand for improved productivity as productivity is the assessment of employees' efficiency. Productivity has a great effect on organizations' profit and it may be evaluated in terms of output over a while. Employees' productivity is assessed relative to average output as compared to other employees within the same line of work. It is also assessed based on the units of a product or service that an employee handles in a period (Piana, 2001). The success of an organization is dependent on employees' productivity, this implies that employees are important assets to every organization (Cato & Gordon, 2009; Sharma & Sharma, 2014). According to Sharma and Sharma (2014), productivity is evaluated with the amount of time an employee is efficiently working. Productivity is the result of combined employee ability, motivation, and workplace environment (Green, 2016; Anyim, Chidi & Badejo 2012). Emerole (2015) also suggests that productivity is a consequence of the effectiveness and efficiency of the employees, while Chaudhary and Sharma (2012) and Agha, 2014) posit that productivity is that which people can produce with the least amount of effort.

According to Onah (2010), productivity is the relationship between the output of goods and services and the input of resources, human and non-human, used in the production process. In order words, productivity is the ratio of output to input. The higher the numerical value of this ratio, the greater the productivity. Thus, productivity can be applied at any level, whether for individuals, for the work unit, for the organization. Productivity is the relationship between the output of goods and services of workers of the organization and the input of resources, human and non-human, used in the production process. In other words, productivity is the ratio of output to input. The higher the numerical value of this ratio, the greater the productivity (Odhong, Were, & Omolo, 2014; Emily, Odhong, & Jacob, 2014). The importance of higher productivity of the employees in a public enterprise cannot be overemphasized, which include the following; Higher incomes and profit; Higher earnings; Increased supplies of both consumer and capital goods at lower costs and lower prices; Ultimate shorter hours of work and improvements in working and living conditions; Strengthening the general economic foundation of workers, (Udu, & Ewans, 2016; Priyadarshni, 2016; Anosa, 2021)

Sometimes this can be stated that better relations can make an environmentResultsoductivity and that productivity if fairly and promptly rewarded, it makes very good human relations, which can work for a long time in the growth and success of the organization, (Anosa, 2021; Danjuma, & Akinpelu 2016). Productivity is the driving force behind an organization’s growth. Nwachukwu et al., (2020) agree that higher productivity as would be the wish of many organizations can be achieved through ensuring higher earnings for workers; ultimately shorter hours of work and improvements in working and living conditions, and strengthening the general economic foundation of workers.

Higher productivity results in economic growth, higher profitability, and social progress. Higher effectiveness and efficiency include the capability to design and execute better strategies and plans, better control of cost, maintain efficient operations, having innovative products and market strategies, meeting customer needs better than competitors as well as the ability to achieve higher productivity through training and motivation of employees, (Lyndon, Paymaster, & Meshack, 2016). Employees are likely to experience an increase in wage and working conditions when the organization experiences an increase in productivity. The alignment of the strategic vision to employee productivity is a key contributor to the success of an organization. This would motivate and inspire employees to be more creative, thereby improving their performance effectiveness towards the accomplishment of organizational goals and objectives (Morales, Cory, & Bozell, 2001; Obdulio, 2014). Moreover, higher productivity tends to increase the competitive advantage through the reduction in costs and improvement in the quality of output.

Empirical Review

Kaynak, Tuygun, Elçi, and Toklu, (2016) investigated occupational health and safety (OHS) practices in five dimensions, i.e., safety procedures and risk management, safety and health rules, first aid support and training, occupational accident prevention, and organizational safety support. The data set obtained from private sector enterprises was analyzed by structural equation modeling using the least-squares method. The findings of the analysis suggested that such occupational health and safety practices as safety procedures and risk management, safety and health rules, first aid support and training, and organizational safety support had a positive effect on organizational commitment.

Mideksa (2018) examined the effects of occupational health and safety management traits, namely, employee involvement, training, and awareness on OHS, leadership commitment towards different dimensions of organizational commitment in Sheraton Addis. An explanatory research design was adapted to carry out this study. Survey questionnaires were distributed to respondents in various hotel departments, using the Proportionate Stratified Random Sampling method, which is prone to occupational accidents. The study considered a total population size of 327hazard prone employees under Engineering, Kitchen, Stewarding, Laundry, Housekeeping, and Pool & Health Club, of which 179 (69% male 31% female) participants were selected as a sample size. The obtained data through survey was analyzed using SPSS version 20. Correlations and regression analysis were applied to determine the effect and impact between variables. The results of this study revealed a positive and significant relationship between the three traits measuring occupational health and safety management practices employee involvement, training, and awareness on OSH, and leadership commitment.

Awwad, El Souki, and Jabbour (2016) examined construction health and safety practices and challenges in a Middle Eastern developing country. Face-to-face surveys were conducted using a structured questionnaire with the construction practitioners, insurance firms, and government agencies. The findings of the study however showed the availability of construction labor safety law but lack of necessary implementation, absence of monitoring, failure of safety awareness, and inadequate support from the entire participant concerned with implementations of safety practices on construction sites. This study called for appropriate awareness within the construction firms' which might help curb these challenges.

Eke, and Tamunomiebi, (2019) investigated safety management and job performance among employees in manufacturing firms in Rivers State. Three research questions were raised to guide the study, and nine hypotheses were formulated and were tested at a 0.05 level of significance. The survey research design was adopted for the study. The population of the study was 504 staff of the 16 selected manufacturing industries in Rivers State. The Taro Yamen formula was used to obtain a sample size of 223 respondents (senior and junior staff), while the simple random sampling technique was adopted for the study. The data was collected and analyzed using the descriptive statistic of mean and standard deviation and inferential statistic of Pearson's product-moment correlation to answer the research questions and to test the formulated hypotheses at 0.05 alpha level respectively. The study found that there is a significant relationship between supervision and monitoring and work output among employees in manufacturing firms in Rivers State. The study recommends to organizations emphasize and invest in the implementation of elaborate emergency management practices and plans.

3.0 Methodology

The cross-sectional survey method, a form of quasi-experimental design, is considered most appropriate for this study. The cross-sectional survey can be thought of as analogous to the taking of a snapshot of some situation and analyzing it Baridam, (2001). The target population of the study consists of all manufacturing firms in Rivers State but a judgmental sampling technique was used to select 16 out of 48 manufacturing firms operating within Rivers State listed with the Manufacturers' Association of Nigeria, Rivers State Chapter. These 16 manufacturing firms were selected because they were located in Phalga & Obio-Akpor axis of Rivers State. A total population of 1074 employees were obtained from the various HRM/administrative departments of the sixteen (16) selected manufacturing firms. A sample size of 291 was gotten with the use of the Taro Yamane formula. The questionnaire was adapted from a mixture of instruments for measuring various aspects of the study (Nachimayas & Nachimayas, 2008). The statistical tool to be utilized in this study is the "Spearman Rank Order Correlation Coefficient" (rs) to establish relationships.

4.0 Results

A total number of two hundred and ninety-one (291) copies of the questionnaire were distributed of which two hundred and sixty-eight (268) were retrieved and after assessment, two hundred and fifty-three (253) copies were properly filled thus, valid and usable. Others that were not properly filled were discarded as null and void. Analyses are done based on the 253 copies properly filled. Table 4.1 shows the respondent's gender and this indicates that a large number of the study respondents are male (74.7%) followed by their female counterparts (25.3%). This implies that the manufacturing industry is largely dominated by male employees. The age distribution of respondents with the highest distribution on those within the age bracket of 36 – 40 years (34.8%) followed by those within 31 - 35 years (26.1%), those within 41 – 45 years represents (17.4%) while those below or equal to 30 years represent (13%) lastly those who are 46 years and above represents (8.7%) of the study respondents. Distribution marital status of respondents with the higher distribution on the married folks (46.2%) followed by the single counterparts (35.6%). Then the divorced and widowed representing (11.1%) and (7.1%) respectively. Distribution on respondents' data based on their educational qualification, educational qualification of respondents with the highest distribution on those reported as having HND/B.Sc. or its equivalent (53%) followed by those reported as having M.Sc./MBA/MA (31.6%), and lastly those who have OND/NCE (15.4%). The difference in academic qualification shows that in a bid to be successful and be more productive employees in the health sector seek to acquire more knowledge and academic qualifications.

Table 4.1 Respondents Demographic Information

Variable	Item	Frequency	Percent (%)
Gender	Male	189	74.7
	Female	64	25.3
Marital Status	Single	90	35.6
	Married	117	46.2
	Divorced	28	11.1
	Widowed	18	7.1
Age	Below 30 Years	33	13.0
	31 – 40 Years	66	26.1
	41 – 50 Years	88	34.8
	>= 51	44	17.4
Educational Qualification	HND / BSC	39	15.4
	MSC	134	53.0
	PhD	80	31.6

Test of Hypotheses

Ho$_1$: There is no significant relationship between Safety Training / Awareness and Market Share.

Correlations

			Safety Training / Awareness	Market Share
Spearman's rho	Safety Training / Awareness	Correlation Coefficient	1.000	.832**
		Sig. (2-tailed)	.	.000
		N	253	253
	Market Share	Correlation Coefficient	.832**	1.000
		Sig. (2-tailed)	.000	.
		N	253	253

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

SPSS output, Version 27

Spearman's rank-order correlation run to find out the relationship between planning safety training/awareness and market share as reported by respondents. A strong positive correlation coefficient value was reported between the variables and it was statistically significant (rho =

.832**, p = .000 < 0.05) this suggests that there is a significant relationship between the variables. The null hypothesis (**Ho_1**) is rejected and we state that there is a significant relationship between safety training/awareness and market share.

Ho_2: There is no significant relationship between Safety Training/Awareness and Productivity

Correlations

			Safety Training/Awareness	Productivity
Spearman's rho	Safety Training/Awareness	Correlation Coefficient	1.000	.766**
		Sig. (2-tailed)	.	.000
		N	253	253
	Productivity	Correlation Coefficient	.766**	1.000
		Sig. (2-tailed)	.000	.
		N	253	253

**. Correlation is significant at the 0.01 level (2-tailed).
SPSS output, Version 27

Spearman's rank-order correlation run to find out the relationship between safety training/awareness and productivity as reported by respondents. A strong positive correlation coefficient value was reported between safety training/awareness and productivity which was statistically significant (rho = .766**, p = .000 < 0.05) this suggests that there is a significant relationship between the variables. Thus, the null hypothesis (**Ho_2**) is rejected and we state that there is a significant relationship between safety training/awareness and productivity.

Ho_3: There is no significant relationship between Safety Compliance and Market Share

Correlations

			Safety Compliance	Market Share
Spearman's rho	Safety Compliance	Correlation Coefficient	1.000	.742**
		Sig. (2-tailed)	.	.000
		N	253	253
	Market Share	Correlation Coefficient	.742**	1.000
		Sig. (2-tailed)	.000	.
		N	253	253

**. Correlation is significant at the 0.01 level (2-tailed).
SPSS output, Version 27

Spearman's rank-order correlation run to find out the relationship between safety compliance and market share as reported by respondents. A strong positive correlation coefficient value was reported between safety compliance and market share which was statistically significant (rho = .742**, p = .000 < 0.05 (alpha value) this suggests that there is a significant relationship between the variables. Thus, the null hypothesis (**Ho_3**) is rejected and we state that there is a significant relationship between safety compliance and market share.

Ho_4: There is no significant relationship between Safety Compliance and Productivity

Correlations

			Safety Compliance	Productivity
Spearman's rho	Safety Compliance	Correlation Coefficient	1.000	.896**
		Sig. (2-tailed)	.	.000
		N	253	253
	Productivity	Correlation Coefficient	.896**	1.000
		Sig. (2-tailed)	.000	.
		N	253	253

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

SPSS output, Version 27

Spearman's rank-order correlation run to find out the relationship between safety compliance and productivity as reported by respondents. A strong positive correlation coefficient value was reported between safety compliance and productivity which was statistically significant (rho = .896**, p = .000 < 0.05 (alpha value) this suggests that there is a significant relationship between the variables. Thus, the null hypothesis (**Ho_4**) is rejected and we state that there is a significant relationship between safety compliance and productivity.

4.4 Discussion of Findings

The study examined the relationship between safety practice and organizational growth of manufacturing firms in Port Harcourt; four (4) hypotheses were formulated as tentative answers to research questions raised and were tested to find support for the propositions, thus; The result of the tested hypothesis revealed the existence of a significant relationship between the dimensions of safety practice (training/awareness, and safety compliance) and organizational growth. These findings of the study are corroborating with the literature Sieben-Thomas (2005) found that productivity tended to be higher where there is access to workplace safety training and compliance. Safety practices have a significant effect on market share and productivity as the study reveals that safety practices are related to organizational growth on the ground that the organizations adopt safety measures and practices that are with regards to their line of operation in a bid to ensure persistent growth. This current finding was also consistent with that of Umoh & Torbira (2013), who says that to develop skills and abilities specific to the company, it's significant from an organizational perspective to training employees following their company's specific safety requirements (Armstrong, 2009). DeJoy, Della, Vandenberg, et al. (2010) also confirm that practices applied to increase safety climate can improveemployee's productivity thus leading to improved organizational growth. Moreover, general health and safety policies demonstrate the management's willingness to provide the workers with a healthy and safe workplace (Nwachukwu, 2020). Morishima (2006), indicates that safety training opportunities increase the level of individual performance and organizational growth.

5.0 Conclusion and Recommendation

Safety practices resulting in different types and magnitudes of losses including loss of lives in the Nigerian manufacturing industry have continued to attract great concerns. Sometimes it is said that knowledge is power, but the misapplication of knowledge is disastrous. Because of this, this study has examined safety practice and organizational growth among selected manufacturing firms in Nigeria and has found that the level of health and safety practice among the employees in the manufacturing industry was moderate. It also found that the level of organizational growth is not on the high side.

It is recommended that manufacturing firms should implement safety measures that will motivate employees in the execution of their daily activities. Though staff training involves the expenditure of money, the expenditures associated with fatalities are greater comparatively. Management may resist regular staff training on the basic costs, greater awareness will bring about a change in attitude over a while. Regular site health and safety audits will facilitate the identification/elimination of potential workplace hazards and enable management to sense the safety climate of the worksite. Health and Safety committees consisting of upper management, risk managers, safety directors, and operational staff should be established to continually discuss and review health and safety performance in work activities. This will help in overcoming employees' resistance to safe work procedures since they are members of the safety committees that formulate these procedures. Though this may be resisted initially as time-wasting, greater awareness will bring about a change in attitude over a while.

References

Agha, N.C (2014), Human Capital Development and Organizational Productivity, EBSU *Journal of Contemporary Management,*2, (1), 67-73.

Ahmad, S., Iqbal, M, Rashid, M. D., Iqbal S. A., & Roomi M. (2016). Productivity improvement focusing on investigation of injuries, accidents and hazards occurred in a garments manufacturing: *Bangladesh Research Publications Journal*.8, (4), 256-264

Alli, B. O., (2008). *Fundamental principles of occupational health and safety*. 2 nd ed. Geneva: International Labour Organization

Anosa, I.C., (2021) Human Capital Development and Organizational Productivity in Selected Manufacturing Firms South-East. *International Journal of Business & Law Research* 9(1):39-51.

Anyim, C., Chidi, O., & Badejo, A. (2012). Motivation and Employees' Performance in the Public and Private Sectors in Nigeria. *International Journal of Business Administration*. 3. 10.5430/ijba.v3n1p31.

Appleby, P., 2013. Sustainable Retrofit and Facilities Management. US & Canada: Routledge Bureau of Labour Statistics 2016. Injuries, illnesses, and fatalities. *Census of Fatal Occupational Injuries* (CFOI) – Current and Revised Data

Armstrong, S.M. (2009). Determinants of how managers cope with organizational downsizing. Applied Psychology: *An International Review*, 55(1), 1-26. http://dx.doi.org/10.1111/j.1464-0597.2006.00225.x

Autenrieth, D. (2015), Occu*pational health and safety management system in animal production agriculture*, Colorado- USA

Awwad, R., Souki, O., & Jabbour, M. (2016). Construction safety practices and challenges in a Middle Eastern developing country. *Safety Science*. 83. 1-11. 10.1016/j.ssci.2015.10.016.

Aziz, A.A., Baruji, M.E., Abdullah, M.S., Him, N.F.N. & Yusof, N.M. (2015), “An initial study on accident rate in the workplace through occupational safety and health management in sewerage services”, *International Journal of Business and Social Science*, 6(2), 29-255

Baridam, D.M. (2001) *Research Methods in Administrative Sciences*; Port Harcourt; Sherbrooke Associates

Barine, L.O. (2021) Entrepreneurial characteristics and performance of small and medium scale enterprises in Port Harcourt metropolis. *World Journal of Entrepreneurial Development Studies* 6(1) 11-31

Barone, A., Rispoli, L., Vozza, I., Quaranta, A., & Covani, U. (2006). Immediate Restoration of Single Implants Placed Immediately After Tooth Extraction. *Journal of periodontology.* 77. 1914-20. 10.1902/jop.2006.060072.

Bhagawati, B., (2015) Basics of Occupational Safety and Health. IOSR Journal of Environmental Science, *Toxicology and Food Technology* 9(8), 91-94

Bonaventura, H.W., Hadikusumo, B.J., & Abdul, Q.M., (2017). Role of organizational factors affecting worker safety behaviour: a Bayesian beief network approach. *Sustainable civil engineering structures and construction materials, procedia enginerring* 171, 131 - 139

Cato, S. T., & Gordon, J. (2009). Relationship of the strategic vision alignment to employee productivity and student enrolment. *Research in Higher Education Journal*, 7, 1-20.

Chaudhary, N., & Sharma, B. (2012). Impact of employee motivation on performance (productivity) private organization. *International Journal of Business Trends and Technology*, 2, 29-35

Choudhry, R., Fang, D., & Lingard, H. (2009). Measuring Safety Climate of a Construction Company. *Journal of Construction Engineering and Management-asce*. 135. 10.1061/(ASCE)CO.1943-7862.0000063.

Christian, M. S., Bradley, J. C., Wallace, J. C., & Burke, M. J. (2009). Workplace safety: A meta-analysis of the roles of person and situation factors. *The Journal of Applied Psychology*, 94, 1103-1127

Conner, D.R. (2008). *How to create a nimble organization*. National Productivity Review. Autumn.

Dagogo, T.M., & Gublin, S.D. (2020). Organizational mindfulness and responsiveness: a conceptual review. *European Journal of Business and Innovation Research*. 8(2), 20 -29.

Danjuma, K. J. & Akinpelu M. A. (2016). Human Capital Efficiency and Corporate Productivity: The Nigerian Perspective. *The international journal of Business & management*. 1 (4) 1-9

DeJoy, D.M., Della, L.J., Vandenberg, R.J., & Wilson, M.G. (2010). Making work safer: Testing a model of social exchange and safety management, *Journal of Safety Research,* 41, 163-171. http://dx.doi.org/10.1016/j.jsr.2010.02.001

Doeringer, P.B. & Piore, M.J. (2007). *Internal labor markets and manpower analysis*. Lexington, Mass: Heath Lexington Books.

Dollard, M.F. & Bakker, A.B. (2010), Psychosocial safety climate as a precursor to conducive work environments, psychological health problems, and employee engagement. *Journal of Occupational and Organizational Psychology*, 83: 579-599.

Eke, B.O., Tamunomiebi, M.D. (2019) Safety Management and Job Performance among Employees in Manufacturing Firms in Rivers State, Nigeria. *International Journal of Business & Law Research* 7(2), 112-122

Elgstrand, K., & Petersson, N. F., (2009). *Occupational Safety and Health for Development*. Sweden: Royal Institute of Technology

Emerole, B. (2015). *Effect of Non-Monetary Rewards on Productivity of Employees Among Selected Government Parastatals* in ABIA State, Nigeria.

Emily, A., Odhong, S.W. & Jacob. (2014) *Effect of human capital management drivers on organizational productivity* in Kenya: A Case of Investment

Farmanesh, P., Adibi, M., & Hasiri, A. (2017). *The Influence of Marketing Strategy on Market Share*. The influence of marketing strategy on market share.

Ferreira, A., & Du Plessis, T. (2009). Effect of online social networking on employee productivity. *South African Journal of Information Management*, 11(1), 1-11.

Green, P. (2016). The perceived influence on organizational productivity: A perspective of a public entity. *Problems and Perspectives in Management*. 14. 339-347. 10.21511/ppm.14(2-2).2016.10.

Hanger, I., (2014). *Report of the Royal Commission into the Home Insulation Program.*

Hawkins, D. R. (2002). *Power vs. force:* The hidden determinants of human behavior. Carlsbad, Calif: Hay House.

Hon, C.K., Chan, A.P. & Wong, F.K., (2010). An analysis for the causes of accidents of repair, maintenance, alteration and addition works in Hong Kong. *Safety Science*, 48(7), pp.894-901

HSE (Health Safety Executive) (2016). *Statistics on fatal injuries in the workplace* in Great Britain 2016

Idubor, E. E., & Oisamoje, M. D. (2013). An exploration of health and safety management issues in Nigeria's effort to industrialize. *European Scientific Journal*, ESJ, 9(12)

Jilcha, K., & Kitaw, D., (2016). A literature review on global occupation safety and health practices and accidents severity, *International Journal for Quality Research* 10(2), 279-310

Kamau, E.N. (2014) "*Enforcement and compliance on occupational health and safety measures in industries in Thika Municipality, Kiambu County*," Bachelor's Degree in Environmental Planning and Management Research Project, Department of Planning and Management, School of Environmental Studies, Kenyatta University, 2014.

Kaynak, R., Tuygun T.A., Elçi, M., & Toklu, I. (2016). Effects of Occupational Health and Safety Practices on Organizational Commitment, Work Alienation, and Job Performance: Using the PLS-SEM Approach. *International Journal of Business and Management*. 11. 146. 10.5539/ijbm. v11n5p146.

Khan, W., Mustaq, T., & Tabassum, A. (2014). Occupational health, safety, and risk analysis. *International Journal of Science, Environment, and technology*. 3. 1336-1346.

Kotler, P., Cunningham, M. H., & Keller, K. L. (2008). *A framework for marketing management*. Toronto: Pearson Prentice Hall.

Law, R., Dollard, M. F., Tuckey, M. R., & Dormann, C. (2011). Psychosocial safety climate as a lead indicator of workplace bullying and harassment, job resources, psychological health and employee engagement. *Accident Analysis and Prevention*, 43, 1782–1793. doi:10.1016/j.aap. 2011.04.010

Leap, P., & Crino, D. (2014). Managing organizational commitment: Insights from longitudinal research. *Journal of Vocational Behavior*, 7(9), 18-35.

Legg, S.J., Olsen, K.B., Laird, I.S. & Hasle, P. (2015), "Managing safety in small and medium enterprises", *Safety Science,* 71, 189-196.

Lyndon, M.E., Paymaster, F.B., & Meshack, S.I., (2016) Market share and profitability relationship: A study of the banking sector in NIGERIA. *International Journal of Business, Economics and Management* 3(8) 103 - 112

Mamoria, C. & Gankar, S. (2011). *Personnel management*. Mumbai: Himalaya Publishing House PVT Ltd.

Mideksa, K., (2018) *Effects of Occupational Safety and Health Management Practices on Organizational Commitment*. A Thesis Submitted to Addis Ababa University College of Business and Economics School of Commerce for the Partial Fulfilment of the Requirements for Master's Degree in Human Resource Management

Morales, C., Cory, C., & Bozell, D. (2001). *A comparative efficiency study between a live lecture and a Web-based live-switched multi-camera streaming video distance learning instructional unit*. Proceedings of the 2001 Information Resources Management Association International Conference, 63-66.

Nadeem, I., Naveed, A., Muhammad, A., & Komal, J., (2013) R*ole of innovation on organizational growth*: evidence FROM PAKISTAN. *Arabian Journal of Business and Management Review* (OMAN Chapter) Vol. 3, No.4; 20-30

Nelson, R.R. & Winter, S.G. (1982). *An Evolutionary Theory of Economic* Change, Cambridge Mass., Harvard University Press.

Nwachukwu, P.I., Akpuh, D.C., Samuel, B.I., & Udeme, A.P., (2020) Understanding the impact of industrial health and safety on employee's performance: A Study of Selected Manufacturing Firms in Rivers State. International Journal of Research and Innovation in Social Science (IJRISS) IV, (III) 315 – 320.

Obdulio, D. L. (2014). How management can improve corporate culture in order to have an effective work environment. *Trade Publication*, 75(8), 14.

Occupational Safety and Health Administration (OSHA). (2012) Injury and Illness Prevention Programs white paper. National Safety Council [Internet]. No. 41(4). Available from: http://www.nsc.org/osha.

Odhong, A. E., Were, A., & Omolo, J., (2014). Effect of human capital management drivers on organizational productivity in Kenya. A case of investment and mortgages bank ltd. *European Journal of Business Management*, 2 (1), 341-356.

Onuoha, B.C., & Nnamdi, I.N., (2020) Organizational mindfulness and corporate resilience of hospitality firms in Rivers State, Nigeria. *International Journal of Advanced Academic Research (Social and Management Sciences)* 6(11), 1-16.

Onyenma, U.O. (2019). Innovativeness and performance of small and medium enterprises in Rivers and Bayelsa states of Nigeria. *International Journal of Business & Law Research*; 7(4), 107-113.

Piana, V. (2001). *Productivity*. Retrieved on 4th September, 2015 from: http://www.economicswebinstitute.org/glossary/prdctvt.htm

Priyadarshni, N. (2016). The impact of employee engagement on employee productivity and motivational level of employee in retail sector. *Journal of Business and Management*, 41-47

Qasim, M., Bashir, A., Shan, A., Malik, M., Anees, M.M., Ghani, U., Khalid, M., Malik, J., & Hanan, F. (2014). Concept of Occupational Health and Safety and Evaluation of Awareness Level among Employees. *World Applied Sciences Journal*. 32. 904-909. 10.5829/idosi.wasj.2014.32.05.81132.

Ria, M., Anis, E., & Oci, S. (2012). The Influence of Occupational Safety and Health on Performance with Job Satisfaction as Intervening Variables (Study on the Production Employees in PT. Mahakarya Rotanindo, Gresik). *American Journal of Economics*. 2. 136-140. 10.5923/j.economics.20120001.30.

Roberts, J., (2011). *The modern firm*: Organizational design for performance and growth. Oxford University Press

Saunders, D. G. (1992). A typology of men who batter: Three types derived from cluster analysis. *American Journal of Orthopsychiatry*, 62(2), 264–275. https://doi.org/10.1037/h0079333

Sharma, M. S., & Sharma, M. V. (2014). Employee Engagement to Enhance Productivity in Current Scenario. *International Journal of Commerce, Business and Management*, 3(4), 595-604.

Shekh, M. I. (2015). *A Study of Health and Safety*: A Study of Selected Employees in Innovative Cuisane Private Limited. Maharaja Sayajirao University, 1-73

Shepherd, O., Ritzel, D.O., & Kittleson, M.J., (2001). The components of a successful company occupational safety and Health Program in a TQM Setting. *The international electronic journal of health education*, [pdf] 4 (92-99). Available at: http://www.iejhe.org [February 09, 2013].

Sieben-Thomas, F. (2005). *Job quality in European labour markets*. New York: Palgrave Macmillan.

Subramaniam, C., Mohd-Shamsudin, F., Zin, M.L.M., Ramalu, S.S. & Zuraida, H., (2016). Safety management practices and safety compliance in small medium enterprises: Mediating role of safety participation. *Asia-Pacific Journal of Business Administration*. 8. 226-244. 10.1108/APJBA-02-2016-0029.

Udu, G. O. C. & Ewans, C. (2016). Human capital development and employee job productivity: a study of double diamond plastic manufacturing firm, Aba, Abia State, Nigeria. *International Journal of Research in Business Management*. 4, (6), 41-50.

Umoh, G.I., & Torbira, L.L. (2013) Safety practices and the productivity of employees in manufacturing firms: Evidence from Nigeria. *International Journal of Business and Management Review*, 1(3) 128 – 137.

Unnikrishnan, S, Iqbal, R, Singh, A & Nimkar, M I 2014. Safety management practices in small and medium enterprises in India. *Safety and Health at Work*, 6: 46–55

Weinzimmer, L. G., Nystrom, P. C., & Freeman, S. J. (1998). Measuring Organizational Growth: Issues, Consequences and Guidelines. *Journal of Management*, 24(2), 235–262. https://doi.org/10.1177/014920639802400205

Witek-Crabb, A. (2014) Business growth versus organizational development reflected in strategic management of Polish small, medium and large enterprises. *Procedia - Social and Behavioral Sciences* 150; 66 – 76

Yangho, K., Jungsun, P., & Mijin, P., (2016). Creating a culture of prevention in occupational safety and health practice. *Safety and health at work,* 7(2), PubMed Central PMCID: PMC4909854