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FORECASTING STOCK PRICE BEHAVIOUR OF SELECTED MANUFACTURING COMPANIES IN NIGERIA: A MARKOV CHAIN APPROACH

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ABSTRACT

This study applied Markov Chain to estimate the transition probability, stationary distribution, average recursion time and the rate of turnover of selected manufacturing stocks in the Nigeria Stock Exchange (NSE). The study used a longitudinal research design and employed a systematic sampling technique to select ten (10) firms from the 35 listed on the Nigeria Stock Exchange (NSE) in the manufacturing sector. Daily stock price data were mined from Cashcraft Asset Management Limited from 22nd February 2015 to 28th February 2020. The results showed that five equities in the model I and all equities in model II are of first-order and the Markov chains in both models are ergodic. Also, all equities examined showed a relatively high probability of price stability in the long-run, while Beta Glass Plc is the most stable equity. It is recommended that investors and portfolio managers should pay close attention to the transition and steady probabilities, and the expected average return time to obtain the relevant information that will support their stock trading decisions and strategies.

Keywords: Average Recursion Time, Manufacturing Sector, Markov Chain, Nigeria Stock Exchange, Stock Forecasting.

INTRODUCTION

Predicting stock market indices have become a significant activity in recent times because they act as a gauge to track the direction of the market. Hence, there is increased demand for stock price prediction due to the information and knowledge it provides investors and would-be investors, thus enabling them to be able to make better decisions at all times. More also, the stock market forecast has demonstrated its significance in the current economic situation across the globe (Bairagi & Kakaty, 2015). Stock price market forecast and examination of stock price behaviour have been undertaken with an array of tools such as fundamental analysis, technical analysis (TA), psychological analysis and Markov chain amongst others.

Stock price prediction using Markov chain has received great attention in stock market research across the world and Nigeria. Zhang and Zhang (2009) acknowledged Markov chain as an effective technique used to evaluate and forecast stock prices and market signal. Some research studies outside Nigeria include (Huang & Lu, 2018; Huang, *et al.*, 2016; Mettle, Quaye, & Laryea, 2014; Mitra & Riggieri, 2011; Otieno, Otumba, & Nyabwanga, 2015; Rajakumar & Shanthi, 2013; Stepchenko & Chizhov, 2015). In Nigeria, some studies on stock price prediction using Markov chain include Agbam and Udo (2020), Choji, Eduno, and Kassem (2013); Eriki and Idolor (2010); Idolor (2011); and Onwukwe and Samson (2014). These studies focused primarily on the banking sector and employed medium and long-term data. While substantial attention has been paid to the banking sector, Amiens (2018) and Ogbeide (2017) to the best of the authors' knowledge have only applied Markov chain in the manufacturing sector. It shows there is a dearth of studies on the applicability of Markov chain in the manufacturing sector and a substantial research gap. To bridge this gap, this research focuses on the manufacturing sector identified by Banjoko, Iwuji, and Bagshaw (2012) and Owui (2019) as the lever for growth and development.

Moreover, the performance of the Nigerian manufacturing sector has been uninspiring (Banjoko, *et al.*, 2012). Several reasons have been advanced by different researchers and they include the dwindling interest of investors and volatile stock prices, reliance on oil revenue and low investment (CBN, 2010; Ihionkhan & Aigbomian, 2013; Ku, Mustapha, & Goh, 2010; NBS, 2016; Osundina, Jayeoba, & Olayinka, 2016). It is important to examine the behavioural trend of stock prices in this sector to restore investors' confidence.

The thrust of this study is to developed models based on short and long-term data and determine the transition probability of everyday stock price fluctuation, the stationary distribution for the daily stock price variation, the average time spent by these share prices in each state before moving to next state and the rate of turnover of the stock prices. The contribution of this study is the simultaneous examination of stock price behaviour of manufacturing firms using short and long-term data.

The present section of this paper is the introduction. The next section is the literature review, it focuses on the concept of Markov Chain and the review of the empirical literature. Section 3, discusses the methodology used in the study, and Section 4, contains the empirical results and the conclusions emanating from the findings of this study.

LITERATURE REVIEW

The prominence of Markov chain in different fields has heightened globally. The concept of Markov chain and empirical studies on the application of Markov chain to share price behaviour is the focus of this section.

Concept of Markov Chain

The Markov chain model is a particular form of stochastic operation developed by the Russian mathematician Andrei A. Markov in 1905. The model assumes that the current event depends on the immediately preceding event (Sharma, 2007). The Markov chain model provides a technique for tracking a variable as it moves from one state to another over time (Robertson, 2001). On their part, Zhang and Zhang (2009), describe the Markov Chain as a probability prediction technique that has no after-effect. Ross (2014) describes the process of Markov as a sort of stochastic methods in which a system changes at routine or uneven intervals randomly between different states. A Markov chain according to Choji *et al.* (2013), is an experimental series consisting of a finite amount of states with certain known probabilities (P_{ij}). Mettle *et al.* (2014) opined that Markov chain defines an entity's transition system from one state to the next. More also, Svoboda and Lukas (2012), see Markov chain as a unique type of stochastic process in which the next state of the scheme depends only on the present state and not on the earlier ones. Svoboda (2016), describes Markov chain as an arrangement of discrete random variables $X_1, X_2, X_3, \ldots\ldots X_n$ with the Markov property, namely that, given the present state, the future and past states are independent. Mathematically, Markov chain is defined as:

$$P(X_n = j | X_{n-1} = i_{n-1},\ X_{n-2} = i_{n-2}, \ldots\ldots..X_0 = i_0) = P(X_n = j | X_{n-1} = i_{n-1}) \quad (1)$$

$$P(X_n = j | X_{n-1} = i,) = P_{ij} \quad \ldots\ldots\ldots\ldots\ldots\ldots \quad (2)$$

Equations (1) and (2) depicts two significant properties of Markov Chain. The Markov property of equation (1) means that the transition probability for the stock prices in period n depends only on the stock's price in the period (n-1) and is independent of the prices in any period earlier than (n-1). Robertson (2001) reiterates that this Markov property rules out the possibility that legacy will have a role in determining future states of the process. The second property represented by equation (2) holds for stationary Markov chain. A Markov chain is stationary if for all classes i and j, the transition probability is constant across time. Vasanthi *et al.* (2011) describe equation (2) as probabilities of change that can be organized in a square matrix known as the Matrix of Transition Probability. It is given by

$$P = \begin{bmatrix} P_{11} & - & P_{1n} \\ - & - & - \\ P_{n1} & - & P_{nn} \end{bmatrix} \quad \ldots\ldots\ldots\ldots (3)$$

Yusuf, Adamu and Abdullahi (2014) report that the P_{ij} value represents the likelihood that the process will make its next shift to the state (j) when in the state (i) because the probabilities are non-negative and the process will have to create a shift to some other state. It follows that

$$P_{ij} \geq 0, \forall\, i, j \;\geq 0 \quad \ldots\ldots\ldots\ldots (4)$$

$$\sum_{j=0}^{\infty} P_{ij} = 1; i = 0, 1, \ldots. \quad \ldots\ldots\ldots\ldots (5)$$

More properties of Markov chain are discussed extensively in literature such as (Bairagi & Kakaty, 2015; Eriki & Idolor, 2010; Liu, 2010; Mettle, Quaye, & Laryea, 2014; Onwukwe & Samson, 2014; Otieno, Otumba, & Nyabwanga, 2015). Hence, in this paper, a review of these properties is not undertaken.

The extensive use of Markov chain in stock market price prediction is attributed to its useful complement to technical analysis, enhanced decision-making under uncertain environment, as well as its ability to make probabilistic statements about the dynamic behaviour of stock price levels over time. The idea of employing Markov chains to predict the behaviour of market prices according to Jasinthan, Laheetharan, and Satkunanathan (2015) is famous prospective investors are concerned about market conditions that could contribute to an optimal investment plan.

Empirical Review

Many studies have shown empirical evidence of Markov chain predictability of stock market prices. To analyze the stock trend of a group of five stocks, Doubleday and Esunge (2011) implemented the Markov chain. The research discovered that in both the normal model and the sectioned model, the group of stock behaved similarly to the whole Dow Jones Industrial Index (DJII). Likewise, in their research, Eriki and Idolor (2010) concentrated on the behaviour of stock prices on the capital market in Nigeria. They conducted a Markovian analysis of eight randomly chosen stocks from the Nigerian Stock Exchange's banking industry from 4 January 2005 to 30 June 2008. The results confirm heterogeneity in the chains for both the individual process and vector process Markov chain. In associated research, Idolor (2011) implemented a Markov chain model to assess the long-run potential of five randomly chosen stocks from the Nigerian Stock Exchange banking sector from 4 January 2005 to 30 June 2008. The research discovered that, regardless of the present price downturn and worldwide financial meltdown, price levels are probably to stay comparatively steady in the long run. Similarly, Onwukwe and Samson (2014) reviewed the long-term behaviour of some banks' stock closing prices using the Markov chain in Nigeria. From 1 January 2004 to 29 May 2013, eight (8) Nigerian banks daily closing prices were used to acquire three (3) Markov chain states. The study found that most of the bank stocks studied showed a greater potential of a rise in price; others tended to be stable in the long run, and very few stocks showed a greater likelihood of dropping prices. The studies by Idolor (2011), and Onwukwe and Samson (2014), were both done in the banking sector, but their results differ considerably. Idolor (2011) reports that the price tends to be stable, but Onwukwe and Samson (2014) report that stock prices tend to rise. One possible reason that could be offered for the variation in their results is the length of time employed in the studies as well as the period the study was conducted.

Rajakumar and Shanthi (2013) used the Markov chain model to predict stock market earnings per share (EPS). The study employed a data sample of HCL Infosystem trading on the Bombay Stock Exchange (BSE). The findings revealed that in potential assessment, the Markov process model is efficient. Liu (2010), applied Markov chain model to beef forecast issues in a supermarket time series of prices and sales quantity. The study reported a prediction accuracy of 0.5362 and 0.5588 for first-order and higher Markov Chain predictions and therefore concluded that Markov chain model is efficient and helpful in time series prediction. Svoboda and Lukas (2012), using Markov Chain Analysis (MCA), predicted the trend of stock prices in Prague Stock Exchange PX. The research used a time series of daily closing prices from January 5, 2004 to December 12, 2009 to obtain four MCA models. The study reported that the most recurrent change from decrease to growth in the filtered sequence of K_t states is the transition from D1 to G1 with its conditional probability 0.497.

Choji *et al.* (2013), used a Markov three-state chain model to predict the stock price movement of two Nigerian banks. The study used information spanning six years from 2005 to 2010 to build the transition matrix. The result revealed that equilibrium was attained in about twenty years. Besides, the study showed that regardless of the current share price of a bank, its share price could be expected to depreciate, remain unchanged, and appreciate with a certain likelihood in the long run. Moreover, the likelihood of the share appreciating is on the rise in both banks with Guaranty Trust Bank (GTB) taking the lead. Ramasamy, Sinnasamy and Mohd-Helmi (2010) used Markov chain to estimate the transition probabilities, steady-state and the mean reversion time of 81 companies selected from the consumer industry on the main board of Bursa Malaysia. Depending on present market prices, the firms were categorized into three groups. The result showed that the third group with more than three Ringgit market prices showed a greater steady-state likelihood with a lower mean reversal time with greater price gain opportunities. The research promotes the idea that greater priced stocks are usually common, liquid, and influential and have pricing probabilities. Bairagi and Kakaty (2015), studied stock market price behaviour of State Bank of India using the Markov chain approach. The study employed secondary data and found that regardless of the bank's current share price; steady-state probabilities were 46.99%, 49.81% and 3.19% respectively. The reported result implies 46.99% of share price increase, 49.81% of a share price decrease and 3.19% of the stable share price in long-run.

In their research, Okonta *et al.* (2017) concentrated mainly on applying Markov's analysis to Nigerian stock market weekly returns to describe the distribution of market yields, investigate their pattern, and time independence from transition probabilities. The research used secondary data from the Nigerian Stock Market's official websites and newsletters. The research disclosed that the NSE index yields showed a pattern and the return follows a Markov chain of first order where the return of its present week depends on the return of its prior week. Also, the probabilities of transition are independent of time, and the Nigerian Stock Market index returns at week eight will be steady-state. Mettle *et al.* (2014) conducted a study on finite-state Markov chains. The research used historical information from Aluwork, Cal Bank, Ecobank Ghana, Ecobank Transnational Incorporated and Fan Milk Ghana Limited chosen from the Ghana Stock Exchange from January 2012 to December 2013 weekly. The research presumed stock price fluctuations exhibit Markov reliance and time homogeneity, and the research found that equity with the greatest probability of state transition and the lowest mean return time would stay an investor's best choice.

Sarsour and Sabri (2020) predicted the long-run performance of the stock price of five randomly selected companies in the Malaysian construction sector using a Markov chain. The study employed three-state and two-state Markov models. The study reported that the models had limiting distributions and GKent and VIZIONE respectively had the highest transition probability, the highest limiting distribution, and the shortest mean return time to a price increase in the three-state and two-state models.

METHODOLOGY

The study adopted a longitudinal research design as closing stock prices have the pre-existing characteristic. The thirty-five (35) companies listed and trading in manufacturing sectors of the Nigeria Stock Exchange (NSE) as at 3rd February 2020 (NSE, 2020) constitute the population of this study. A sample of ten (10) companies representing about one-third of the population was selected by systematic technique. The sample size was used because of missing data regarding trading days in some equities and the technique was chosen for its simplicity and ability to overcome clustered selection of subjects. The sampling was undertaken in Microsoft Excel using Najib (2015) systematic random sampling generator. The daily stock prices of the randomly chosen companies; Cadbury, Berger Paint, Beta Glass, Cutix, Cap, Guinness, Dangote Cement, Flour Mill, Nestle, and Nigeria Breweries were mined from the web page of Cashcraft Asset Management Limited have an equal number of active trading days of one thousand, one hundred and fifty-six days. The data period spans; from 22nd February 2015 to 28th February 2020. The period was used based on data availability and it also coincided with three key economic events of growth, recession and recovery.

Two models were developed of different length of trading days. The first was developed from short-term (one year) data. The second model was developed using long-term data. The data obtained were analysed by a three-state Markov process (price increase, no price change and price decrease) with the underlying assumptions that the unit time is a day.

Table 1: States Categorization

Model	States	Meaning	Definition	Length of Data	Period
I	1	Decrease (D)	$O_t - O_{t-1} < 0$	199 days	25/02/2019 to 28/02/2020
	2	Stable (S)	$O_t - O_{t-1} = 0$		
	3	Increase (I)	$O_t - O_{t-1} > 0$		
II	1	Decrease (D)	$O_t - O_{t-1} < 0$	1165 days	22/02/2015 to 28/02/2020
	2	Stable (S)	$O_t - O_{t-1} = 0$		
	3	Increase (I)	$O_t - O_{t-1} > 0$		

Source: Authors' Computation (2020)

The study assumed that the movement of stock prices between the three states is a random variable indexed by time parameter, and the likelihood of a transition from state to state depends on the current state. The data collected were organised and classified with the aid of Microsoft Excel. The daily prices were subjected to the first difference to obtain the respective number of the daily price decrease, price increase, price stability as well as the sequence of stock price movement across the three states. The transition probability matrices were computed from the sequence of price movement. Also, Markov property, steady-state analysis, mean recursion time and the turn-over of the stock prices were computed using equations 6 to 10.

Transition Probability Matrix $P_{ij} = \frac{n_{ij}}{n_j}$……………………………..……..............(6)

Markov Chain Order $= -2log\lambda = 2\sum_{i=1}^{m}\sum_{j=1}^{m} n_{ij}\, log_e \frac{n_{ij}n}{n_i n_j}$……..……..…………(7)

Steady-State Probabilities $\mu = \mu P$……………………………………….……………..(8)

Mean Recursion Time $\pi = \frac{1}{\mu}$……………………………...……..……………(9)

Stock Price Turnover $\alpha = Steady\ State\ probability\ \times\ Period$……...…………(10)

RESULTS AND DISCUSSIONS

The descriptive statistics of the ten (10) randomly selected equities in the manufacturing sector of the Nigeria Stock Exchange (NSE) are reported in Table 2.

Table 2: Descriptive Statistics

	Model 1: Short-Term Data					
Equity	**Mean**	**Standard Deviation**	**Kurtosis**	**Skewness**	**Max**	**Min**
Cadbury	10.32	0.86	-0.64	0.03	12.1	8.1
Berger Paint	7.23	0.54	-0.35	0.18	8.5	5.7
Beta Glass	63.41	8.3	-1.11	0.33	79	53.8
Cutix	1.56	0.23	1.89	1.57	2.25	1.31
Cap	27.24	4.1	-0.09	1.17	37.4	22.6
Guinness	39.93	12.22	-0.36	0.68	67.15	23.3
Dangote Cement	167.15	17.62	-1.11	0.08	205	140
Flour Mill	16.96	3.22	-0.84	0.72	24	12.8
Nestle	1329.36	125.17	-1.08	0.18	1580	1080
NB	55.95	8.76	1.3	1.27	83.2	40.5
	Model 2: Long-Term Data					
	Mean	**Standard Deviation**	**Kurtosis**	**Skewness**	**Max**	**Min**
Cadbury	15.66	8.61	2.49	1.87	7.41	42.00
Berger Paint	7.96	1.39	-0.94	0.48	5.70	11.36
Beta Glass	53.49	16.00	-0.74	0.25	22.57	90.45
Cutix	1.95	0.64	4.27	2.05	1.30	4.73
Cap	33.72	4.75	-0.55	-0.54	22.60	43.00
Guinness	90.17	34.22	-0.27	0.15	23.30	185.00
Dangote Cement	187.14	32.69	-0.15	0.77	123.51	278.00
Flour Mill	23.58	6.66	-0.94	0.56	12.80	38.00
Nestle	1088.73	308.58	-1.58	0.15	570.00	1617.10
NB	115.78	35.82	-0.74	-0.47	40.50	193.00

Source: Authors' Computation (2020)

The standard deviation for Guinness (12.22), Dangote Cement (17.62) and Nestle (125.17) are relatively high in the short-term data set (Model I). Similarly, these stocks in addition to Beta Glass (16) and Nigeria Breweries (115.78) reported a relatively high standard deviation in Model II. The reported values for mean and standard deviation differs substantially, this could pose a high level of risk to purchase investment decision. All equities in Model I are positively skewed while all equities in Model II are positively skewed except CAP and NB.

The Markov chain model was applied to daily closing prices of the ten (10) randomly selected equities in the manufacturing sector of the Nigeria Stock Exchange (NSE). The transition probability matrix was computed using equation 6. The results of the transition probability matrix (P_{ij}) of the two models are reported in Table 3.

Table 3: Transition Probability Matrix for selected Stocks

Equity	**Model I** $[Decrease \quad Stable \quad Increase]$	**Model II** $Decrease \quad Stable \quad Increase$
Berger Paint	$P = \begin{bmatrix} 0.1000 & 0.7000 & 0.2000 \\ 0.0442 & 0.9337 & 0.0221 \\ 0.1250 & 0.6250 & 0.2500 \end{bmatrix}$	$P = \begin{bmatrix} 0.1789 & 0.6316 & 0.1895 \\ 0.0657 & 0.8697 & 0.0647 \\ 0.1500 & 0.6500 & 0.2000 \end{bmatrix}$
Beta Glass	$P = \begin{bmatrix} 0.0000 & 1.0000 & 0.0000 \\ 0.0323 & 0.9409 & 0.0269 \\ 0.1667 & 0.6667 & 0.1667 \end{bmatrix}$	$P = \begin{bmatrix} 0.0758 & 0.8182 & 0.1061 \\ 0.0520 & 0.8810 & 0.0670 \\ 0.1023 & 0.7386 & 0.1591 \end{bmatrix}$
Cadbury Nigeria Plc	$P = \begin{bmatrix} 0.0370 & 0.5926 & 0.3704 \\ 0.1560 & 0.7589 & 0.0851 \\ 0.1613 & 0.5484 & 0.2903 \end{bmatrix}$	$P = \begin{bmatrix} 0.2335 & 0.4934 & 0.2731 \\ 0.1681 & 0.7250 & 0.1069 \\ 0.2609 & 0.4106 & 0.3285 \end{bmatrix}$
CAP	$P = \begin{bmatrix} 0.1538 & 0.7692 & 0.0769 \\ 0.0611 & 0.9111 & 0.0278 \\ 0.0000 & 1.0000 & 0.0000 \end{bmatrix}$	$P = \begin{bmatrix} 0.1183 & 0.7419 & 0.1398 \\ 0.0747 & 0.8680 & 0.0573 \\ 0.1071 & 0.7262 & 0.1667 \end{bmatrix}$
Cutix	$P = \begin{bmatrix} 0.2000 & 0.5750 & 0.2250 \\ 0.2114 & 0.6341 & 0.1545 \\ 0.1944 & 0.6111 & 0.1944 \end{bmatrix}$	$P = \begin{bmatrix} 0.2234 & 0.5691 & 0.2074 \\ 0.1380 & 0.7254 & 0.1367 \\ 0.2049 & 0.4927 & 0.3024 \end{bmatrix}$
Dangote Cement	$P = \begin{bmatrix} 0.4487 & 0.3205 & 0.2308 \\ 0.3293 & 0.5732 & 0.0976 \\ 0.4103 & 0.2564 & 0.3333 \end{bmatrix}$	$P = \begin{bmatrix} 0.3469 & 0.3240 & 0.3291 \\ 0.3147 & 0.4695 & 0.2157 \\ 0.3587 & 0.2255 & 0.4158 \end{bmatrix}$

Equity	**Model I** $[Decrease \quad Stable \quad Increase]$	**Model II** $Decrease \quad Stable \quad Increase$
Flour Mill	$P = \begin{bmatrix} 0.2826 & 0.4348 & 0.2826 \\ 0.2170 & 0.5849 & 0.1981 \\ 0.2128 & 0.4894 & 0.2979 \end{bmatrix}$	$P = \begin{bmatrix} 0.3379 & 0.3159 & 0.3462 \\ 0.2838 & 0.5000 & 0.2162 \\ 0.3324 & 0.3092 & 0.3584 \end{bmatrix}$
Guinness	$P = \begin{bmatrix} 0.1724 & 0.7931 & 0.0345 \\ 0.1474 & 0.8077 & 0.0449 \\ 0.0714 & 0.5714 & 0.3571 \end{bmatrix}$	$P = \begin{bmatrix} 0.3612 & 0.3813 & 0.2575 \\ 0.1923 & 0.6672 & 0.1405 \\ 0.2957 & 0.3346 & 0.3696 \end{bmatrix}$
NB	$P = \begin{bmatrix} 0.2667 & 0.4889 & 0.2444 \\ 0.2336 & 0.5514 & 0.2150 \\ 0.1915 & 0.5319 & 0.2766 \end{bmatrix}$	$P = \begin{bmatrix} 0.4689 & 0.1286 & 0.4025 \\ 0.3043 & 0.4203 & 0.2754 \\ 0.4172 & 0.1226 & 0.4602 \end{bmatrix}$
Nestle	$P = \begin{bmatrix} 0.2619 & 0.5476 & 0.1905 \\ 0.1626 & 0.7154 & 0.1220 \\ 0.2941 & 0.3824 & 0.3235 \end{bmatrix}$	$P = \begin{bmatrix} 0.2444 & 0.5000 & 0.2556 \\ 0.2078 & 0.5760 & 0.2162 \\ 0.2774 & 0.4007 & 0.3219 \end{bmatrix}$

Source: Authors' Computation (2020)

In Table 3, all entries (P_{ij}) are greater than zero for all i, j = 1, 2, 3 for all the equities except Beta Glass and Cap Plc in model I. Equities that satisfy this condition are ergodic and have limiting distributions. In the transition probability matrix, the diagonal elements in each matrix are the probabilities associated with remaining in the same state in the next period. The transition probabilities matrix of the various stocks investigated is quite revealing. All equities in both models reported a high probability of price stability.

The Markov property of the various transition matrices was inspected at a 5% level of significance to test the null hypothesis that a stationary transition matrix is of zero-order against the alternative of a first-order chain. The results of the hypotheses test and associated p-values are reported in Table 4.

Table 4: Markov property test results

Equity	**Markov Property Model I**			**Markov Property Model I**		
	χ^2	**p-value**	**Significant**	χ^2	**p-value**	**Significant**
Berger Paint	11.52742	0.021234	Yes	52.18627	0.0000	Yes
Beta Glass Company	4.8958	0.298161	No	13.4142	0.00942	Yes
Cadbury Nigeria Plc	19.50931	0.000624	Yes	98.40289	0.0000	Yes
Cap Plc.	3.3565	0.500036	No	21.1994	0.000289	Yes
Cutix Plc	1.131095	0.889308	No	49.18963	0.0000	Yes
Dangote Cement	19.01753	0.00078	Yes	59.78687	0.0000	Yes
Flour Mill	3.987409	0.407713	No	44.28295	0.0000	Yes
Guinness	12.24153	0.015643	Yes	121.0375	0.0000	Yes
NB	1.344264	0.853822	No	88.49012	0.0000	Yes
Nestle	14.2796	0.006454	Yes	24.7923	0.0000	Yes

Source: Authors' Computation (2020)

Table 4 reports the outcomes of a Markov property test using maximum likelihood criterion statistic. In Model I, five equities, Beta Glass Company, Cap Plc., Cutix Plc, Flour Mill, and NB reported p-values greater than the level of significance used in this study. Hence, there was evidence to support the null hypothesis that their stationary transition matrix is of zero-order. For Berger Paint, Cadbury Nigeria Plc, Dangote Cement, Guinness and Nestle the alternative hypothesis was accepted that the Markov chain is of a first-order is accepted for the nine companies. In model II, the alternate hypothesis that the Markov chain is a first-order is accepted for all the equities.

Table 5: The long-run prospect of selected stocks

Equity	Model I Steady-State Probability			Model II Steady-State Probability		
	μ_1	μ_2	μ_3	μ_1	μ_2	μ_3
Cadbury Nigeria Plc	0.1402	0.7024	0.1574	0.1977	0.6228	0.1796
Berger Paint	0.0503	0.9095	0.0402	0.0823	0.8310	0.0867
Beta Glass	0.0352	0.9347	0.0302	0.0572	0.8666	0.0763
Cutix	0.2061	0.6179	0.1760	0.1639	0.6584	0.1777
CAP	0.0653	0.9045	0.0302	0.0806	0.8476	0.0718
Guinness	0.1463	0.7907	0.0630	0.2590	0.5195	0.2216
Dangote Cement	0.3920	0.4121	0.1960	0.3396	0.3426	0.3178
Flour Mill	0.2311	0.5271	0.2418	0.3154	0.3847	0.2998
Nestle	0.2054	0.6242	0.1704	0.2339	0.5140	0.2521
NB	0.2313	0.5323	0.2363	0.4187	0.1782	0.4031

Source: Authors' Computation (2020)

The steady-state distribution results reported in Table 5 were computed using equation 8. It is an indicator of the long-term number of times the stock price stays within a specific state. The existence of these probabilities signifies the Markov chain is ergodic; which means in a determinate number of steps, each of the states can be reached from any of the states. All equities examined show a relatively high probability of stable prices in both Models. Furthermore, the result shows that in the long run, the various stocks, have 41.21% to 93.47%% chances of no change in price in Model I and 34.26% to 86.66% chances of no change in price in Model II. However, in Model II, Nigeria Breweries (NB) reported 41.87% of price decrease in the long-run.

This result is similar to earlier result by Idohor (2011) for bank stocks quoted on the Nigeria Stock Exchange (NSE). The similarity in the results obtained is hinged on economic challenges. In the present research, the current price indices would be attributed to the economic recession faced by the country, and this has resulted in a sharp decline in investment and consequently in prices. The policy implication of this result is that the stocks are more likely to be stable in the long-run. Therefore, investors do not run the risk of losing vast amounts of their investment. Also, it provides investors with knowledge of the likely direction of the market as well as ample time to plan.

Table 6: Mean reversion time (days) of the selected stock

Equity	Model I Mean Reversion Time (Days)			Model II Mean Reversion Time (Days)		
	π_1	π_2	π_3	π_1	π_2	π_3
Cadbury Nig Plc	7.1339	1.4236	6.3535	5.0593	1.6057	5.5686
Berger Paint	19.9000	1.0994	24.8754	12.1474	1.2033	11.5400
Beta Glass	28.4286	1.0699	33.1667	17.4849	1.1540	13.1136
Cutix	4.8531	1.6184	5.6805	6.1026	1.5188	5.6267
CAP	15.3077	1.1056	33.1668	12.4137	1.1798	13.9248
Guinness	6.8353	1.2648	15.8639	3.8617	1.9250	4.5135
Dangote Cement	2.5513	2.4268	5.1026	2.9443	2.9192	3.1466
Flour Mill	4.3266	1.8971	4.1363	3.1703	2.5991	3.3353
Nestle	4.8684	1.6020	5.8696	4.2754	1.9454	3.9673
NB	4.3230	1.8785	4.2311	2.3881	5.6132	2.4807

Source: Authors' Computation (2020)

Mean reversion time in this research is the average time the prices of a share remain in one state before shifting to another state. A cursory look at the model I in Table 6 shows all the equities reported shortest expected duration to stable price. However, Cadbury, Cutix, Flour Mill, and Nigeria Breweries showed relatively more mean days of a price increase. In using this metric to select share with a price increase, stocks with minimum mean-reversion time are selected. Among the latter group, Flour Mill has the shortest expected return time to price increase. In model II, all the equities also reported the shortest expected duration to the stable price except NB that reported the mean reversion time to a price decrease. However, Cutix and Nestle have relatively more mean days of a price increase.

The policy implication of these observations is that it offers money-making opportunities for investors pursuing steady income and progressive investment growth over the long term. However, investors should pick stocks with the least average reversion time to a price increase for the chance of earning a high rate of profit in short periods.

Table 7: Rate of turnover (days) of selected stocks

Equity	**Model I Turnover Rate (Days)**			**Model II Turnover Rate (Days)**		
	α_1	α_2	α_3	α_1	α_2	α_3
Cadbury Nigeria Plc	28	140	31	228	719	207
Berger Paint	10	181	8	95	959	100
Beta Glass	7	186	6	66	1000	88
Cutix	41	123	35	189	760	205
CAP	13	180	6	93	978	83
Guinness	29	157	13	299	599	256
Dangote Cement	78	82	39	392	395	367
Flour Mill	46	105	48	364	444	346
Nestle	41	124	34	270	593	291
NB	46	106	47	483	206	465

Source: Authors' Computation (2020)

The rate of turn-over indicates the number of times each of the events representing the three states in this study occurred in the period; one hundred and ninety-nine days and one thousand one hundred and fifty-four days for model I and model II respectively. In Model I, the closing price for all the equities were stable for most of the days. Focussing on equities that exhibited Markov property in the model, Cadbury Nigeria Plc recorded the highest number of days of price increase on 181 occasions. Others are Berger Paint (140 days), Dangote Cement (82 days), Guinness (157 days) and Nestle (124 days). In Model II, all the equities except Nigeria Breweries (NB) were stable for most of the days. One prominent observation from Model II is the performance of Dangote Cement, the number of days shared in each state was almost even. This is consistent with the finding of Agbam and Udo (2020).

Looking at the trio of transition probability (P_{ii}), limiting probability and mean reversion time for examining the behaviour of stock prices. In the diagonal entries in both models, the transition from stable to a stable state (P_{22}) recorded the highest transition probabilities and Beta Glass reported the highest transition probability in both models of 0.9409 and 0.8810 respectively. Similarly, Beta Glass reported the highest limiting probabilities (μ_2) in both models of 0.9347 and 0.8666. Besides, it reported the lowest mean-reversion time (π_2) of 1.0699 in Model I and 1.1540 in Model II. The results suggest that Beta Glass Plc is the most stable equity among the examined stocks.

CONCLUSION AND RECOMMENDATIONS

The study examined the daily trend of selected stock from the manufacturing sector of Nigeria Stock Exchange from the perspective of Markov chain using two models developed from one hundred and ninety-nine days and one thousand, one hundred and fifty-six-days respectively. The Markov property of zero-order was tested and all the equities in Model II passed the test and five passed the test in Model I. However, all equities in both models have their limiting distributions.

The stock behaviour was quite revealing as stable price state in the diagonal entries in the probability transition matrix has the highest probability in all the stocks examined in both models; this means that over the study period "no price shift" has been more experienced. The steady-state probabilities for all the stocks examined in both models exhibited high probability for price stability in the long run. This result was further affirmed by the results of mean recursion time as stable price states have the lowest mean recursion time. Consequently, Beta Glass Plc was identified as the most stable equity in both models. This study uncovers that the behaviour of stock prices in the manufacturing sector shows a trend of price stability. Therefore, we conclude that stocks in the manufacturing sector exhibit a similar pattern of stock price behaviour of price stability with their counterpart in the banking sector. Hence, this study will further enhance the re-orientation of investors in making critical stock market decisions such as “buy, hold and sell” in the manufacturing sector.

In the light of the findings, the study recommends the inclusion of Beta Glass Company, Berger Paints, CAP Plc, Guinness Plc and Cadbury Nigeria Plc from Model I and Beta Glass Company, Berger Paints, CAP Plc, Cutix Plc and Cadbury Nigeria Plc from Model II in any stock portfolio as it pays to move a higher percentage of stock investments in stable companies in a downturn. Also, Flour Mill Plc, NB, Dangote Cement in Model I and NB, Dangote Cement, Flour Mill and Nestle in Model II are prospective stocks for buy for investors and portfolio managers as they possess inherent potential and propensity for growth. Finally, investors and portfolio managers should pay apt attention to the transition probabilities, limiting distributions, and the expected mean return time to obtain relevant information that will aid their stock trading decisions and strategies. By way of future work, the study recommends an in-depth examination of the performance of Markov Chain models using short-term and long-term data.

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EFFECT OF BRANDING ON THE PURCHASE OF EUROPEAN AND ASIAN DRUGS IN SOUTH-WESTERN NIGERIA

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ABSTRACT

Although consumers purchase drugs based on the physician's prescription and user's experience, they have increasingly shown personal and emotional consideration in determining branded or generic drugs in the purchase decision. In terms of the marketing of drugs, little research has been undertaken in this area in Nigeria. Emphasis has rather been on regulation and control. This study therefore examined consumers' preference in terms of the effects of country of origin brand name, package branding, and ingredients branding on purchase of drugs between the European and Asian drugs. Data were collected from 312 buyers of Over-the-Counter (OTC) drugs in Lagos and Osun states in Nigeria through a cross-sectional survey. Data were analysed using both descriptive and Independent Sample t-Test. The results showed that there is no statistically significant difference in consumers' perception of the branding elements in purchase between European and Asian drugs. It is therefore recommended that marketers comply with standards set by the regulating institutions for drug manufacture and administration as competitors would endeavor to meet up with expected standards and thus render the effect of branding as a differentiation strategy among competitors void. It is also recommended that pharmaceutical companies operating in international markets recognize branding elements such as the country of origin brand name, package branding, and ingredient branding employed by competitors as consumers rate them reasonably high in their purchase decision.

Keywords: Country of Origin, Consumer, Drugs, Package branding, Ingredient branding.

INTRODUCTION

Consumer purchase decision is greatly influenced by branding elements such as the brand name and package design which are very important determinants of sales volume (Aaker, 1991). In terms of purchase of drugs, consumers' perceptions of critical branding elements such as the name of country of origin, package quality as well as the drugs ingredient tend to influence their expectations and hence inform the branding strategy by a firm (Desai & Keller, 2002; Agrawal & Kamakura, 1999; Oghojafor, Ladipo & Nwagwu, 2012). Moreover, consumers' expectations and perception of product quality define their stake in a firm's performance and are of primary significance to a firm's performance and the overall corporate strategy goals (Dixon-Ogbechi & Jagun, 2013).

Kotler and Armstrong (2008) define branding as a name, term, sign, symbol, design, or a combination of the above that identifies a producer of a good or service. Because of this, firms both at the local and international levels invest heavily in branding activities and strategies since brands provide added value to both customers and management since they foster brand loyalty and increased market share (O'Neill & Mattila, 2010). Besides, Aaker and Keller (1990) opine that branding serves as a critical factor in a firm's overall marketing and corporate strategy mainly for the sake of corporate identity in the marketplace. It also establishes a solid customer franchise as well as the basis for brand extensions, which will further strengthen the firm's position and enhance its value (Aaker & Keller, 1990). The above views, therefore, make for a good positioning strategy since firms can successfully establish a market for themselves through an effective branding strategy (Alashban, Hayes, Zinkhan, & Balazs, 2002).

In an attempt to sustain quality and improve consumers' perceptions in drugs purchase, Chika, Bello, Jimoh and Umar (2011) observe that pharmaceutical companies are committed to fighting counterfeit drugs by focusing more on developing better technologies for protecting the brand identity of their products as a short term strategy. However, this does not imply that branding cannot be employed as a long term strategy since firms can successfully establish a market for themselves through an effective branding strategy (Alashban, *et al*., 2002). This can lead to valuable relationships which become strengthened over time as the consumers get to know about the brand and evaluate their experiences (O'neill & Mattila, 2010). According to Garuba, Kohler and Anna (2009), there have been institutional efforts to sustain quality brand perception of drugs and to reduce the production and trafficking of counterfeit drugs through the activities of the National Agency for Food, Drug, Administration and Control (NAFDAC). The deadly consequences of poor quality drugs created the high trends of mortalities and morbidities which prompted the public and the Pharmaceutical Society of Nigeria (PSN) to pressure the government to take incisive steps towards the establishment of NAFDAC in 1993 to help create a fake drug-free environment with the intent of ensuring effective registration of good quality drugs (Akinyandenu, 2013).

Memisoglu (2018) argued that although consumers purchase drugs based on physician prescription and user experience, they have increasing shown personal and emotional consideration in determining branded or unbranded drugs in the final purchase decision and have thus become strong advocates of their own healthcare. Consequently, Memisoglu (2018) suggests that marketers need to deeply understand the consumers underlying beliefs and deploy effective branding strategies before engaging in any marketing campaign as consumers can drill deeper to seek manufacturer details as an important part of their purchase decision especially in this age of rapid social and technological changes replete with information channels. Moreover, Memisoglu (2018) argues that the branding of over the counter (OTC) is not different from the branding of fast-moving consumer goods (FMCG) as they both the aim to achieve brand recognition, brand preference, brand loyalty and increased market share.

There is a general concern for genuine and quality drugs by all stakeholders especially the consumers due to the inundation of less quality or counterfeited drugs in the market over genuine ones by both foreign and domestic manufacturers (Osibo, 1998). Consequently, the common branding elements associated with purchase of imported drugs include the country of origin (COO), package quality, and the drug’s ingredient which serve as the basis for trust, risk reduction, additional information, good feeling, convenience, easier comparisons, and company accountability to the buyer (Dogramatzis, 2015; Memisoglu, 2018). This trend is critical to the firm’s objective of achieving consumer satisfaction because the consumer’s stake in business activities and their perception of the quality of a firm’s product is of a primary significance to a firm’s performance and the overall corporate strategy goals (Dixon-Ogbechi & Jagun, 2013).

Previous studies (Osibo, 1998; Bate & Boateng, 2007; Akinyandenu, 2013) laid more emphasis on regulation and control without considering the effect of branding on consumer purchase of drugs in Nigeria. The present study, therefore, attempts to examine the effect of country of origin brand name, package branding, and ingredient branding on the purchase of drugs between selected European and Asian countries. These countries constitute the major countries-of-origin (COO) consideration set for purchase of choice drugs based on differing branding perceptions in Nigeria (Bate & Boateng, 2007; UK Trade & Investment, 2014). The study excludes other branding strategies such as brand extension, co-branding, and business to business (B2B) strategy commonly associated with ingredient branding (Pfoertsch & Chen, 2010) to focus on specific elements that directly influenced the purchase of drugs (Dogramatzis, 2015).

Research Objectives

The objectives of the study, therefore, are as follows:

i. To determine the effect of country of origin brand name on consumers' purchase between European and Asian drugs in Nigeria.
ii. To examine the effect of package branding on consumers' purchase between European and Asian drugs in Nigeria.
iii. To determine the effect of ingredient branding on consumers' purchase between European and Asian drugs in Nigeria.

LITERATURE REVIEW

Consumer Purchase Behavior of Drugs

In a competitive market, the tendency for buyers to depend on brand perception elements for identification and differentiation in their purchase decisions is well anticipated. Douglas, Craig, Nijssen (2001) suggest that branding emphasizes the quality and reliability of a firm's product. Roth (1995) suggests that firms may find it appropriate to standardize their branding strategies such as the brand name in the face of heterogeneous markets in the host country. However, when faced with the challenge to satisfy the needs of several market segments with a wide range of choices, Alashban et al. (2002) warn that such firms may try to avoid having the same brand name across the different choices, because such a strategy may negatively affect the firm's or product's image.

In terms of purchase of drugs, Memisoglu (2018) argues that the branding of over the counter (OTC) drugs is not different from the branding of fast-moving consumer goods (FMCG) as they both aim to achieve brand recognition, brand preference, brand loyalty and increased market share. Drugs are typically part of the consumer market consisting of large number of buyers than the industrial markets (Porter, 1980). The country of origin (COO), package quality, and the drug's ingredients serve as the basis for trust, risk reduction, adequate information, good feeling, convenience, easier comparisons, and company accountability to the buyer (Dogramatzis, 2015; Memisoglu, 2018). Similarly, Ladha (2007) indicates that brand perception is the most important predictor of OTC drug purchase. In terms of preference between generic and branded drugs, Shrank, Cox, Fischer, Mehta, and Choudhry, (2009) argue that even though the acceptance of generic drugs is still strong, generic drugs are still not preferred to branded ones due to the perceived risks and poor advertising. Faasse, Martin, Grey, Gamble, and Petrie (2015) observe that branding of drugs with the name of a well-recognized pharmaceutical company bestows on the drug an added assurance of authenticity and effectiveness compared to a generic preparation.

Dogramatzis (2015) argues that consumers purchase branded drugs because they derive benefits such as efficacy, risk reduction, trust, more information, good feeling, convenience, easier comparisons, and the company's accountability to the buyer. Similarly, Battistoni, Colladon and Puglia (2014) observe that the branding of OTC drugs determine 60 percent of consumer purchase of drugs. Akinyandenu (2013) observes that the purchase of counterfeit drugs in Nigeria includes preparations without active ingredients, toxic preparations, expired drugs that are relabeled, drugs issued without complete manufacturing information and drugs that are unregistered with the National Agency for Food, Drug, Administration and Control (NAFDAC).

In counterfeiting trading of drugs, Bate and Boateng (2007) confirm the involvement of Asian manufacturers from India and China as the market leaders in pharmaceutical manufacturing and the biggest culprits of drug counterfeiting globally. This includes the fact that much of global outsourcing is contracted to firms in Asia, both for manufacturing and increasingly for services (Bate & Boateng, 2007). Similarly, Chika, et al (2011) indicate that statistics by the European Commission described India as the source of 75 percent of counterfeit drugs.

Country of Origin (COO) and Consumer Purchase of Drugs

Akinyandenu, (2013) suggests that the brand identity provided by the seller of a drug can help the consumer to discriminate between products and the country of origin to mitigate the vulnerability of Nigeria as a place for drug counterfeiters who see her as a good base for their crimes but lucrative trade. Consumers tend to rely on extrinsic cues such as the name of the country of origin (COO) as the basis of judgment in terms of the perception of quality and trust in the purchase of OTC drugs. Smaoui, Kilani, and Touzani (2016) observe that in developing countries, COO and brand status have a greater effect on consumers' perceptions of drug quality and trust. Granzin and Olsen (1998) opine that the image associated with the country of origin (COO) plays a significant role in consumers' purchase of products such that country of origin serves as a signal, enabling consumers to make an instant decision. Consequently, they suggest that consumers may rely on such signals when more systematic search is very expensive or more comprehensive information is unavailable (Granzin & Olsen, 1998). When consumers hold a certain image about the COO of a product, the impression could be generalized to evaluate other brands originating from that particular country. This image perception sums up the COO- based equity which might even extend to other products due to stereotypical bias and consequently enable the product to command premium prices or discounted prices (Aaker, 1996; Keller, 1993).

The extent to which COO influence consumer preference between competing countries in terms of purchase of OTC drugs in the extant literature is scarce. We, therefore, hypothesize that:

H_{01}: Country of origin brand name will not significantly influence consumers' preference in the purchase between European and Asian drugs in Nigeria.

Packaging Branding and Consumers' Purchase of Drugs

Alagala, Bagbi, and Shaleye (2018) argue that there exists a significant relationship between Pharmaceutical packaging and consumers' product identification and differentiation in the marketplace. Kotler and Keller (2007) state that packaging refers to all activities of designing and producing the container for a product and forms the primary encounter for consumer evaluation of branding attributes. This includes styling, dependability, prestige, convenience, functionality, attraction, confidence, brand image, brand identity and innovation which can also create brand personality. Kotler and Keller (2007) added that the packaging elements which include colors, font, text, and graphics, size, shape, and material, have a very significant role in the package appearance and are critical to shaping the market offerings. Packaging includes the label which may be a simple tag or graphics that contains information about the product as well as warranties which are formal statements of expected product performance by the manufacturer and which entitles the buyer to get compensation or restitution in case of product failure while guarantees are promises by the manufacturer about the product's ability to give complete satisfaction (Kotler & Keller, 2007).

Akinyandenu (2013) states that the two categories of packaging namely; visual and informational elements, can be enhanced by complex labels and holograms to make it difficult for counterfeiters to imitate. Similarly, Oghojafor, Ladipo, and Nwagwu (2012) argue that brand equity and loyalty are created when consumers consider the nutritional labeling of packaged food products as significant. Consumers exhibit these behaviours by a conscious search for nutrition information on the package, reading of the information on the package, buying based on the nutritional information on the package, and trust the authenticity of the nutritional information on the package (Oghojafor *et al.*, 2012). According to Alagala, Bagbi, and Shaleye (2018), drug appearance in terms of colour and design has played a key role in consumers' perceived expected therapeutic outcome right from the early days of medicine. However, the extent to which this perception may influence the preference of buyers between countries of origin is not well ascertained. We, therefore, hypothesize as follows:

H_{02}: Package branding will not significantly influence consumers' preference in the purchase between European and Asian drugs in Nigeria.

Ingredients Branding and Consumers Purchase of Drugs

The ingredient in a drug is critical to the physiological functioning of the body and thus has been the major debate in assessing the efficacy of drugs especially for antibiotics which is measured in terms of its ability to kill and inhibit the growth of disease (Finberg, et al., 2004). Also, emphasis has been placed on the standard for drug administration that can lead to improved clinical outcomes (Klastersky, 1986).

Ingredient branding occurs when elementary products or services are embedded within an end product with particular emphasis on consumer recognition and identification of the components in the final product and with the motivation revolving around the ingredient to create brand awareness and consumer loyalty for the brand (Pfoertsch & Chen, 2010). Desai and Keller (2002) also conceptualize ingredient branding in which key attributes of one brand are incorporated into another brand as a strategy for product line extensions or brand expansions. Desai and Keller (2002) further suggest that the impact of ingredient branding depends upon the importance of the ingredient itself such that branding a more important ingredient should facilitate the host brand's differentiation and evaluations to a greater extent. Similarly, Kotler and Keller (2007) note that ingredient branding creates brand equity especially in 'self-branding' where the firm advertises and trademark its own ingredients which can create sufficient awareness and preference for the "host" product.

Faasse *et al.* (2015) report that branded drugs conferred a treatment benefit and absence of side effects even in the absence of an active ingredient, while generic labeled tablets were considered substantially less effective if they contained no active ingredient. Consequently, owing to this outcome, it is expected that an ingredient associated with a branded drug will be preferred to a generic drug even when it possesses a better active ingredient. We, therefore, hypothesize that:

H_{03}: Ingredient branding will not significantly influence consumers' preference in the purchase between European and Asian drugs in Nigeria.

Theoretical Framework

The underlying theory for this study is the customer-based brand equity model (Aaker, 1991). The theory posits that the power of a brand lies in what customers have responded, seen, read, heard, learned, thought and felt about the brand over time.

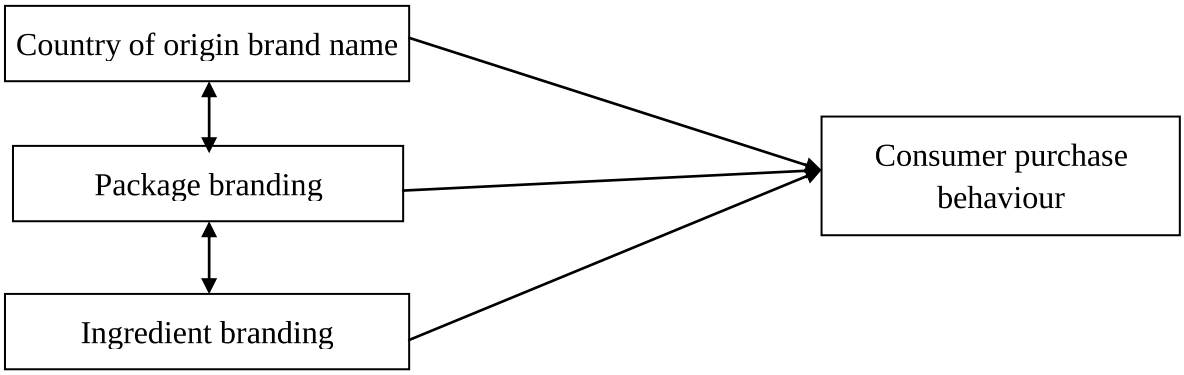

Figure 1: Branding strategy and consumer purchase of drugs

In other words, the power of a brand lies in the minds of existing or potential customers based on the branding elements they have experienced directly and indirectly about the brand. Consequently, this study follows the traditions of (Aaker, 1991; Yoo & Donthu, 2001) based on their suggestions that the customer's evaluation of a brand includes awareness, image, quality, and loyalty dimensions. Consequently, Aaker and Keller (1990) indicated that brand values can be used as information cues for consumers' judgments and preferences.

METHODOLOGY

This study employed a descriptive research design using a cross-sectional survey method. This type of design enables the researchers to understand the market characteristics, estimation, and to determine the degree to which marketing variables are related (Malhotra, 2007). The population comprises of consumers of over-the-counter drugs in Lagos and Osun States of Nigeria. Lagos and Osun States are recognized as homes to several of Nigeria's most famous landmarks, and are important destinations for political, religious, and cultural tourism and have overtime shared a common cultural heritage (Bankole, 2013). Moreover, Lagos State is recognized as the commercial nerve centre of Nigeria and the hub for business transactions in the West and Central Africa region (LASG Economic & Fiscal Update, 2016). This makes the two states viable sites for research. Thus, care was taken to purposefully select adult respondents from 18 years and above who are consumers of over-the-counter drugs and that have attained a minimum of high school qualification. This was done through a brief interview before the questionnaire was administered to them. The age and educational criteria were necessary because of the respondents' ability to comprehend the contents of the instrument and be motivated to elicit responses (Nachmias & Nachmias, 1996).

In terms of the drugs population, the study considered over- the – counter (OTC) drugs. According to the U.S. Food and Drug Administration - FDA (2015), OTC drugs are defined as drugs that are safe and effective for use by the general public without a prescription. The study selected four commonly purchased OTCs by consumers which include analgesics, antibiotics, antimalarial, and multivitamins. The selection was done in consultation with reputable pharmacists and resellers in the two states.

The study employed judgmental and convenience sampling method. These methods are non-probability sampling techniques useful when typical cases are studied and the sampling frame is unavailable (Saunders, Lewis, & Thornhill, 2009). The judgmental sampling method is appropriate when the sample elements are handpicked because it is expected that they can serve the research purpose (Dixon-Ogbechi, 2002). The convenience sampling method provides the researcher with the opportunity to conveniently administer questionnaire to respondents who are readily available and cooperative (Nachmias & Nachmias 1996; Malhotra, 2007). Consequently, selected pharmacies were judgmentally selected while questionnaire were administered to willing customers who patronize them.

The following quantitative sample size determination as suggested by Rose, Spinks, and Canhoto (2005) was employed:

$$n = \frac{(1.96)^2\,pq}{d^2}$$

where n = required sample size

p = proportion of known and unknown population

q = 1- 0.5

d = margin of error

Since the proportion of the drugs buyers in relation to their total population is unknown, p will assume maximum heterogeneity (i.e. a 50/50 split) and p will be equal 0.5(p = 0.5) (Rose, Spinks, & Canhoto, 2014). The margin of error is also assumed at 0.05(5 percent) which implies 95 percent confidence level or 1.96 confidence interval.

Substituting in the equation therefore: $n = \frac{(1.96)^2 \text{ x } 0.5 \text{ x } 1- 0.5}{0.05^2}$

$$= 3.8416 \text{ x } 0.25/0.0025$$

$$= 0.9604/0.0025$$

$$n = 384.16 = 384 \text{ approx.}$$

The calculated sample size as stated above is approximately 384. However, the study adopted a sample size of 400 with the provision of excess made for non-response questionnaire in order to pre-empt the low response rate sometimes associated with questionnaire administration (Dixon-Ogbechi, 2002).

Data Collection Instrument

For the purpose of data collection, the study made use of a structured questionnaire to gather data from consumers of OTC products in Lagos and Osun states in Nigeria. The questionnaire was designed to contain questions useful for hypothesis testing and is divided into two parts. The first part asked questions concerning the respondents' demographic background while the second part contained the scaled statements on branding dimensions and purchase behavior based on the constructs of the study. The response structure used for the demographic data was the closed-ended questions type with multiple choice options where respondents are offered the opportunity with a set of answers to choose the one that most closely represents their opinions (Nachmias & Nachmias, 1996).

The rating type statements based on the Likert-style summated rating scale were used to gather data on the study variables. This is meant to enable respondents make judgments in terms of ordered categories of the statements on the perceived brand dimensions of the study (Saunders, Lewis, & Thornhill, 2009; Nachmias & Nachmias, 1996). The rating of the ordered categories by respondents of the perceived brand dimensions was based on their level of agreement/disagreement on a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

Validity and Reliability Tests

To test the questionnaire for suitability and refinement so that the respondents will easily provide the relevant responses to the questions in the instrument, a pilot study was conducted to test for its validity and reliability (Saunders, Lewis, & Thornhill, 2009).

The validity tests include content and construct validity. The content validity was conducted by consulting two reputable pharmacists and marketing academics each who reviewed each statement contained in the questionnaire to assess the extent to which they relate and adequately cover the relevant questions meant to represent the topic of the study (Nachmias & Nachmias, 1996). The construct validity was also verified by the same experts to ascertain the extent to which the measures measure the constructs contained in the questionnaire (Saunders, Lewis, & Thornhill, 2009).

In terms of reliability test, questionnaire was administered to a sample of 50 respondents who are also part of the final respondents. Reliability test was also conducted to test for consistency of findings, internal validity, and to ascertain the questionnaire overall robustness (Saunders, Lewis, & Thornhill, 2009). The reliability test conducted used the Cronbach alpha method of testing internal consistency with SPSS statistical software (Version, 21).

Table 1: Test of Reliability of Constructs

Construct	Cronbach's Alpha	No. of Items
Country of Origin Brand Name	0.804	3
Package Branding	0.727	5
Ingredients Branding	0.753	4
Purchase Behaviour of Drugs	0.82	3
Overall Cronbach alpha	**0.778**	

The result of Cronbach alpha overall coefficient of α .778 or .78 is considered sufficient proof of the instrument's reliability (Nunnally, 1978). Table 1 above shows the inter-item correlation of the individual constructs Cronbach alpha coefficient based on the result of a pilot study conducted for this study.

Data Analysis

The independent group sample t-test was conducted for hypothesis testing and the necessary test of assumption of equal variance between the two groups was carried out using Levene's test for equality of variance to determine the significant level (Pallant, 2010). The assumption that the data for the two groups must have the same standard deviation was corrected by the usage of the large sample size (Hays, 1994).

RESULTS AND DISCUSSION

The respondents rated four countries two each of European (Britain and Switzerland) and Asia (India and China) based on the level of preference of the countries' product branding. 400 copies of the structured questionnaire were administered and 312 returned. This represents a returned rate of 78 percent which were equally confirmed as usable for data analysis.

Descriptive Statistics (Branding Elements and Socio-Demographic Data)

Figure 2 shows consumers' rating of the individual branding elements. The order indicates that ingredient branding is rated highest, followed by the country of origin (COO) brand name, and lastly the package branding.

Table 2 shows the result of analysis of the socio-demographic data of the respondents. The result shows that 53.8 percents were males and 46.2 percent females. The result of the analysis showed that there were more male than female respondents that participated in the study. This indicates the pattern of patronage by buyers at the pharmaceutical stores where most men buy for self and family.

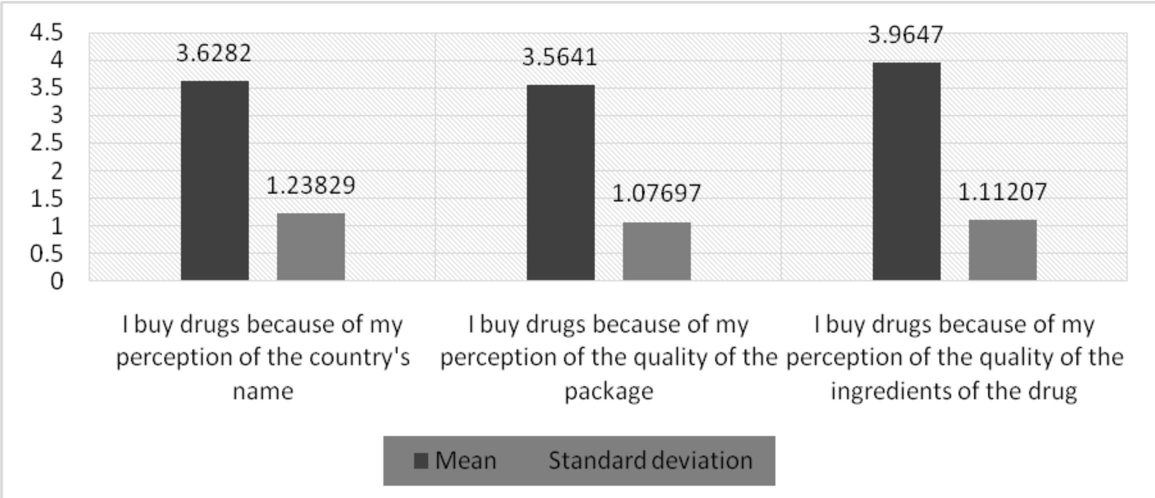

Figure 2: Perception of Branding Elements and Purchase of Drugs.

Table 2: Socio-Demographic Characteristics of Respondents

Variables	Items	Frequency	Percent
Sex	Male	168	53.8
	Female	144	46.2
Age (years)	18-22	18	5.8
	23-27	47	15.1
	28-32	99	31.7
	33-37	57	18.3
	38-42	41	13.1
	43-47	28	9.0
	48 and above	22	7.1
Educational Qualification	School certificate	40	12.8
	Diploma	72	23.1
	HND/B.Sc.	150	48.1
	Postgraduate Degree	38	12.2
	Others	12	3.8
Occupation	Teacher	60	19.2
	Corporate Worker	50	16.0
	Entrepreneur	40	12.8
	Civil Servant	44	14.1
	Trader	40	12.8

In terms of age, majority of the respondents fall within the age of 23-42 years constituting 78 percent of the total respondents. This part of the population constitutes a major part of the active population who purchase and use OTC drugs either for self and or for relatives.

The result also showed that diploma and degree holders were the major buyers of OTC drugs indicating a self-medication attitude probably because of their level of education which enables them to read and interpret the branding elements as well as information on the drug leaflet which facilitates their purchase decisions. In terms of occupation, the result reflects an almost average buying behavior of OTC drug among all the categories of occupation.

Results of Hypotheses Testing

H_{01}: Country of origin brand name will not significantly influence consumers' preference in the purchase between European and Asian drugs in Nigeria.

Table 3: Group Statistics of Independent Sample t-Test of Effect of Country of Origin Brand Name on Consumer Purchase of Drugs.

Country of Origin	N	Mean	Std. Deviation	Std. Error Mean
European	146	3.589	1.28477	0.10633
Asian	166	3.6627	1.19876	0.09304

Table 3.2: Result of Independent Sample t-Test of Effect of Country of Origin Brand Name on Consumers' Purchase of Drugs.

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	1.134	0.288	-0.52	310	0.601	-0.07361	0.14066	-0.350	0.20316
Equal variances not assumed			-0.52	298.34	0.603	-0.07361	0.14129	-0.352	0.20444

Table 3.1 above shows the result of the group statistics indicating the mean and standard deviation values. The mean score shows that the drugs imported from the Asian countries resonate more in the minds of the consumers than drugs imported from the European countries with the mean value of 3.6627 and 3.5890 respectively.

On the other hand, Table 3.2 shows that there is no statistical significant difference in the effect of country of origin brand name on consumers' purchase of drugs between European and Asian countries as examined in this study ($t= -.523$, $p>0.05$).

H_{02}: Package branding will not significantly influence consumers' preference in the purchase between European and Asian drugs in Nigeria.

Table 4.1 shows the result of mean and standard deviation in terms of the group statistics. The table indicates that the mean score of the perception of Asian package branding is higher than the European packages. The result may further imply that the consumers are more familiar with the packages from Asian countries than the European countries. This is indicated by the low standard deviation among the group in the Asian category of 0.91. Table 4.2 shows that there is no significant difference in the effect of package branding in the purchase of drugs between the European and Asian countries as examined in this study ($t= -.994$, $p>0.05$).

Table 4.1: Group Statistics of Independent Sample t-Test of Effect of Package Branding on Consumers' Purchase of Drugs.

Country of origin	N	Mean	Std. Deviation	Std. Error Mean
European	143	3.4965	1.24964	0.1045
Asian	169	3.6213	0.90555	0.06966

Table 4.2: Independent Sample t-Test of Effect of Package Branding on Consumers' Purchase of Drugs

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	21.63	0	-1.02	310	0.309	-0.1248	0.12236	-0.366	0.11596
Equal variances not assumed			-0.994	253.861	0.321	-0.1248	0.12559	-0.372	0.12253

H_{03}: Ingredient branding will not significantly influence consumers' preference in the purchase between European and Asian drugs in Nigeria.

Table 5.1: Group Statistics of Independent Sample t-Test of Effect of Ingredient Branding Effect on Consumer Purchase of Drugs.

Country of origin	N	Mean	Std. Deviation	Std. Error Mean
European	163	3.9755	1.26662	0.09921
Asian	149	3.953	0.91781	0.07519

Table 5.2: Independent Sample t-Test of Effect of Ingredient Branding on Consumer Purchase of Drugs.

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	9.163	0.003	0.178	310	0.859	0.02244	0.12624	-0.226	0.27084
Equal variances not assumed			0.18	295.012	0.857	0.02244	0.12448	-0.223	0.26743

Table 5.1 shows the result of group statistics and standard deviation. The result indicates that European drugs scored marginally higher than the Asian drugs in terms of the influence of ingredients of drugs on consumers' purchase. Furthermore, Table 5.2 shows the result of the independent sample t-test. The result indicates that there is no significant difference in ingredient branding on consumer purchase of drugs between the European and Asian countries as examined in this study ($t= .180$, $p>0.05$).

Discussions of Findings

This study revealed that, in terms of the effect of country of origin (COO) brand name, there is no significant difference in consumers' purchase between European and Asian drugs. This result is partially in agreement with the findings of Agrawal and Kamakura (1999) that country of origin is only one extrinsic cue among many extrinsic and intrinsic cues consumers consider in their purchase decision as other information sought by the consumers would further dilute the country of origin effect in the marketplace. However, Granzin and Olsen (1998) opine that the image associated with country of origin brand name plays a significant role in consumers' purchase of products. In terms of basic drugs like analgesics, antibiotics, antimalarial, and multivitamins which were the focus of this study, consumers may not see any special difference in their efficacy based on the country of origin. Moreover, the importation of drugs from China and India seems to be largely available and affordable in Nigeria and the price difference is usually small that consumers may choose to buy any of the European or Asian drug that is available and affordable.

The effect of package branding did not also statistically significantly influence the preference in the purchase of drugs between European and Asian drugs in South-Western Nigeria. Although Kotler and Keller (2007) posit that brand elements have very significant role in the package appearance and are critical to shaping the market offerings, this study however revealed that the elements may not make any statistical significant difference in consumer preference of purchase between European and Asian drugs in the marketplace.

The effect of ingredient branding did not also indicate any statistical significant difference in consumer preference of purchase between European and Asian drugs in the marketplace. Ingredient branding in terms of drugs emphasizes on the standard for drug administration that can lead to improved clinical outcomes (Klastersky, 1986). One may imply that institutional requirements to sustain quality standards by the National Agency for Food, Drug, Administration and Control (NAFDAC) to reduce the production and trafficking of counterfeit drugs (Garuba, Kohler & Anna, 2009) may have created a standardized market for imported drugs that the consumers will rather emphasize NAFDAC number and will less differentiate the drugs based on the three branding elements evaluated in this study.

The study however revealed that the consumers do evaluate the branding elements in a typical drug such that ingredient branding is rated highest, followed by the country of origin (COO), and lastly the branding of package.

CONCLUSION AND RECOMMENDATIONS

The study evaluated the effects of three branding elements (country of origin brand name, package branding, and ingredient branding) on the purchase of over-the-counter (OTC) drugs between selected Asian and European countries in South-Western Nigeria. The study seeks to investigate the perception of these three branding elements by buyers as the basis of preference for purchase of OTC drugs between the two continents. This study has revealed salient strategic and policy implications factors for the marketing and regulation of drugs based on the objectives of the study. The findings of the study suggest that standardization strategy may be prevalent in terms of drug branding since the findings from this study indicate that is no significant difference in consumer perception of the branding elements implying a close competition among the selected countries.

The results imply that the selected branding elements in this study do not significantly influence the basis of preference for purchase of imported OTC drugs between European and Asian brands but are however strong determinants of consumers' purchase decision as indicated in the mean score rating of the individual branding elements. Over the years consumers have come to be more familiar and embraced the Asian brands which have created a kind of relationship that has nearly closed the gap in brand perception between the two major producers. This can render any perceived difference between the two continents insignificant.

Branding is useful for recognition, information and identification since consumers have high preference for branded drugs than generic drugs. It is therefore recommended that marketers of drugs comply with standards set by the regulating institutions for drug manufacture and administration as competitors would endeavor to meet up with expected standards and thus render the effect of branding as a differentiation strategy among competitors void. It is also recommended that pharmaceutical companies operating in international markets recognize branding elements such as the country of origin brand name, package branding, and ingredient branding employed by competitors as consumers rate them reasonably high in their purchase decision.

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LIQUIDITY MANAGEMENT AND PROFITABILITY OF FOOD AND BEVERAGES FIRMS IN NIGERIA

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ABSTRACT

The paper analyzes the effects of liquidity management on profitability using evidence from companies listed on the food and beverage sub-sector of Nigeria. As for the research design, an ex-post-facto was used. A census of 17 companies listed under the food and beverage sub-sector was taken. Data for the study was obtained from income and financial statements of the listed companies. The study covers 10 periods 2007 – 2016. Panel data model was applied. Regression result reveals that current and quick ratios have a significant positive effect on profitability, but defensive internal ratio shows a significant negative result. The study recommends that the listed companies should monitor their current ratios to ensure that they don't exceed the industrial standard of 2:1, quick ratio should be increased by investing in marketable securities. Similarly, food and beverage companies in Nigeria should have a defensive interval ratio of a minimum of three months and maximum of six months, this is the standard norm.

Keywords: Beverage, Company, Food, Liquidity management, Profitability.

INTRODUCTION

Two areas are involved in financial optimization of a company. These areas are long term and short term optimization. Long term involves capital structure optimization which involves a balance of debts and equity while the short term is liquidity management. Liquidity management is a tool for achieving short term optimization, it is the duty of the chief financial officer to maintain an optimal level of liquidity to maximize the wealth of the shareholders. A particular level of liquidity is necessary for meeting the day to day requirements of a business. High-level liquidity is a sign of keeping idle cash without utilization. On the contrary, illiquidity is risky, it translates into a loss of suppliers' confidence, high interest rate to emergency debts and closure of firms (Lamberg, 2000). Moreover, liquidity firms have the advantage of meeting up their short term financial commitments this will help in avoiding late settlement of accounts payable and increase the sourcing of funds externally (Bala, Garba & Ibrahim 2016).

Liquidity management involves the timely conversion of accounts receivable and inventories into cash as well as timely payment of accounts payable and investing the excess balance into short term marketable securities (Samuel & Abdulateef, 2016). Liquidity management is operationalized using different variables such as current ratio, quick ratio and defensive interval ratio. Current ratio measures the capability of a company to settle its debts such as credit purchases and loans that are short term in nature. (Dhurrah, Rehman, Jamil & Ghafeer 2016). The next measurement of liquidity management is quick ratio. This ratio indicates the capability of a firm to settle its short term obligations without relying on future sales (Pandey, 2016). Unlike current ratio which takes into consideration all current assets, quick ratio considers quick assets only. These assets can easily be converted to cash; they include accounts receivables cash and marketable securities. Another measurement of liquidity management is defensive internal ratio (DIR). DIR shows the period a firm will be able to cover all financial expenses by considering only the quick assets without new sales (Blanchette, 2012).

There is a link between liquidity and profitability. A company can face the problem of meeting short term commitments if it tries to increase profitability without increasing liquidity. Liquidity and profitability goals go in the same direction. Where goal of making a profit is overdone, bankruptcy could be faced (Rehman & Nasr, 2007; Alshubiri, 2011). Profitability is the ability of a firm to generate income from the use of its assets. (Return on Assets). This study is motivated by the recent closure of Multi Trex Integrated Venture, a cocoa processing company based in Ogun State by Assets Management Corporation of Nigeria (AMCON). The company was closed down in June, 2015 as a result of its inability to pay the loan collected from Skye Bank Plc (now

Polaris Bank). It is against this background that the study intends to find out the extent to which liquidity management affects the profitability of companies listed on the food and beverage sub-sector in Nigeria.

Statement of the Research Problem

Liquidity management has been operationlized using different variables, while some authors used static liquidity determinants that is traditional liquidity ratios (current ratio, quick ratio, cash ratio and defensive interval ratio); others have utilized dynamic liquidity determinants that is cash inflow and outflow (cash conversion cycle, inventory turnover ratio, accounts receivable and accounts payable). Interestingly, some authors operationalized liquidity management using both static and dynamic liquidity determinants. Studies that used static liquidity determinants include, Khadimat and Rehman (2014) and Durrah, Rehman, Jamil and Ghafeer (2016). The study of Samuel and Abdulateef (2016) used dynamic determinants in operationalizing liquidity management. As for studies that used both static and dynamic determinants include Bala, Garba and Ibrahim (2016), Podilchuk (2013) and Etale (2016). To the best of the researcher's knowledge, the only published study that utilized defensive interval ratio is the study of Dhurrah, Rehman, Jamil and Ghafeer (2016). The study examines the relationship between liquidity ratios and financial performances evidenced from companies in Amman Bursa for four years using Pearson correlation and concluded that DIR is related to return on assets. The methodology gap identified in the study is that Pearson Correlation only shows the relationship between variables but regression show cause and effect relationship. The present study will improve on this, the result of the study would be reliable and improved.

Thus, this study is conducted by adopting the work of Dhurrah, Rehman, Jamil and Ghafeer (2016) after slight modification in their model. The modification is the introduction of control variables. Arising from the above problem therefore, primarily, this study aims at analyzing the effect of liquidity management on profitability of companies listed under the food and beverage sub-sector in Nigeria. Explicitly, the study intends to achieve the following objectives:

i. To identify the effect of current ratio on return on assets of companies listed under food and beverages sub-sector in Nigeria;
ii. To find out the effect of quick ratio on return on assets of companies listed under food and beverages sub-sector in Nigeria;
iii. To evaluate the effect of defensive interval ratio on return on assets of companies listed under the food and beverages sub-sector in Nigeria.

To achieve the above explicit objectives, hypotheses below are devices for proving:

H_{01}: There is no significant effect of current assets on return on assets of companies listed under food and beverages sub-sector in Nigeria;

H_{02}: There is no significant effect of quick ratio on return on assets of companies listed under the food and beverage sub-sector in Nigeria.

H_{03}: There is no significant effect of defensive interval ratio on return on assets of companies listed under the food and beverage sub-sector in Nigeria.

The paper has five sections. Aside from this introductory section, the other four sections presented the following: literature review, material and method, result and conclusion and recommendations.

LITERATURE REVIEW

Concept of Profitability

Profitability is defined as the ability of an enterprise to generate income from the use of its resources (Arshad & Gondal, 2013). According to the authors, profitability could be measured using Return on Assets (ROA) Return on Equity (ROE) and Return on Sales (ROS). In the context of this paper, Return on Assets (ROA) was used. Return on assets (ROA) is used because it shows that percentage of profit earned by an enterprise, it is also an efficiency ratio measuring the management ability to the use of assets.

Concept of Liquidity Management

Liquidity management involves promptness in converting accounts receivable and inventories into cash as well as prompt settlement of accounts payable and investing the surplus balance into short term marketable securities (Samuel & Abdullateef, 2016). Liquidity is measured using two different variables: static and traditional dimensions. In this work, liquidity is measured using traditional ratios and the following ratios are covered: current ratio (CR), quick ratio (QR) and Defensive interval ratio (DIR).

Current Ratio

Current ratio is a ratio of total current assets to total current liabilities. According to Brigham and Houseton (2007) current ratio is the basic liquidity ratio showing the extent to which current liabilities are covered by these assets easily converted into cash in the period not exceeding three months. Current assets include inventories, accounts receivables, cash in hand, cash at bank, prepayments etc. while current liabilities include bills payable, accounts payable, short term loan etc.

Quick Ratio

Quick ratio is the ration of total quick assets to total current liabilities. Unlike current ratio, quick ratio does not include current assets, it excludes inventories of goods. Inventories excluded because it may take time than necessary before converting them into cash.

Defensive Interval Ratio (DIR)

This ratio shows how capable a firm can meet up its projected daily cash expenses from quick assets without accessing funds externally. DIR is an autonomy period in which an enterprise can survive on quick assets only (Guda, 2015). DIR is a ratio of quick assets to projected daily cash requirements.

Liquidity Management and Profitability

Several studies were carried out by researchers on liquidity management and profitability in different countries. This section is dedicated to the review of previous studies.

Abdu (2015) assessed the influence of liquidity management on Profitability of consumer goods sector in Nigeria. Result reveals that current ratio is not connected with ROA, quick ratio is related with ROS, current assets to total assets ratio has no relationship with return on sales. The study recommends the option of borrowing from banks to improve liquidity management policy. Though the study utilized regression techniques, but its core assumptions were violated.

In 2016, Samuel and Abdulateef analyzed the relationship between liquidity management and profitability. To achieve this purpose, ten Nigerian food and beverage companies were selected. The study shows that cash conversion cycle has impacted on profitability negatively but the result is insignificant. The study recommended that management of the companies can enhance profitability by shortening cash conversion cycle and using trade credit.

Moreover, in 2016, Bala, Ibrahim and Garba, studied corporate liquidity and profitability of companies listed on the food and beverages sub-sector in Nigeria. The study covered six year period 2009-2014. The result of regression techniques reveals that there exists a significant positive connection between quick ratio, accounts payable and ROA, while creditors payable period showed negative and significant relationship. Cash conversion cycle found to have an insignificant negative relationship with profitability. The study contributes to knowledge but its major weakness is scope. The study uses six year dataset which is not enough for panel data analysis, the present study will erase this deficiency by using a longer period – 10 year data set.

Etale and Bingilar (2016) inspected the collision of liquidity management on profitability of food and beverages sub-sector of Nigeria. The study sampled 5 companies using income and financial statements for the period of 2011 – 2015. The result of multiple regression technique reveals that current ratio and quick ratio have a positive and significant effect on profitability. Also, cash conversion cycle showed negative and insignificant relation with profitability. The study recommends that management of the companies must have sound policies and procedures to liquidity management to enhance profitability as well as reducing the risk of corporate failure. However, the study failed to tell us the population from which the five sampled companies were drawn. Though the study measured liquidity from static perspective but ignored other static measures like quick and defensive interval ratios.

Podilchuk (2013) carried out a study on the collision of liquidity management and profitability evidences from Ukraine. Regression result indicates that static liquidity measures (current ratio, quick ratios have significant influence on profitability measured in terms of return on assets. Though the study contributes to knowledge but it fails to comply with the assumptions of the technique of analysis (regression) used in the study.

Khidimat and Rehman (2014) inspected whether solvency impacted on the profitability of chemical sector of Pakistan using a sample of 10 listed chemical companies. Regression result indicates that liquidity ratios (current ratio and quick ratio) have a significant positive effect on return on assets. Though the study measured liquidity from static perspective but ignore other static measures like cash ratio and defensive interval ratio.

Durrah, Rahman, Jamil and Ghafeer (2016) conducted a study to find out whether there is a connection between liquidity and profitability using evidences from companies listed on Amman Bursa. The study covered 4 years (2012 – 2014). Pearson correlation result indicates that current ratio, quick ratio, defensive interval ratio and cash ratio are positively connected with ROA.

Theoretical Framework

The study evaluated risk and return theory. Risk and return theory has its origin from portfolio management. This theory has received special attention from researchers in economics, business and finance. It is a fact that decisions relating to investment are quantified in terms of risk and return involved in the investment. Risk behaviour is of two types: Risk seekers and risk aversion. The risk seekers overestimate profit and like better venturing into an investment that has higher loss potentiality. On the other hand, the risk aversion underestimates profit and prefer investment involving a moderately loss potential (Aminu & Zainudin, 2015).

The link between risk and return theory and liquidity management can be seen from the cardinal decision of trade-off between liquidity and profitability. Firms with high liquidity are less profitable and firms with less liquidity are profitable. This theory is related to liquidity management because financial manager are in the right position to determine the composition of assets (portfolio) in terms of receivables and inventories to maximize profit. In other words, the liquidity position of a firm - current ratio, cash ratio, defensive interval ratio and quick ratio determines the profitability of a firm

(Aminu & Zainudin, 2015). The study adopts risk and return theory because it was able to linked the independent and independent variables. It is also in agreement with the study's objectives.

METHODOLOGY

The research design employed in this study was ex-post facto, because longitudinal secondary data was used. The population of the study is 17 companies listed on the food and beverage sub-sector of Nigeria Stock as at 31st December 2016. Data for the study was collected from income and financial statements of food and beverage companies covering 2007 – 2016. The study adopted a census approach because the population is small and manageable. A census approach ensures validity of data collected and eliminates the error associated with sampling (Mugenda & Mugenda, 2003). The following criteria are used in the census:

- Availability of data for 2007 –2016
- Retention of listing status for relevant years (2007 –2016)

The first criteria eliminated Multi-Trex Integrated Venture Plc, Honeywell Floor Mills Plc, UTC Plc, Champion Breweries Plc, Golden Guinness Breweries Plc and Union Dicon Salt. The second criterion eliminated Honeywell Flour Mill plc.

This study adopted the literature of Durrah et al. because of certain similar features which include variable (DIR) and scope (Food industry).

Measurement of variables and Model used

The explained variable of this study is profitability which is measured in terms of return on assets (ROA) while the explanatory variable is liquidity management.

Table 1: Measurement of variables

Variables	Proxy	Type	Operationalization	Source
Return on Assets	ROA	Dependent	Net income to Total asset	Ahmad, (2016), Mansuri & Muhammad (2012)
Current Ratio	CR	Independent	Current Assets to Current Liabilities	Usama (2012); Toby (2014)
Quick Ratio	QR	Independent	Quick assets to Current Liabilities	Marobhe (2014)
Defensive Interval Ratio	DIR	Independent	Quick assets to Projected daily cash requirements	Durrah, Rahaman, Jamil & Ghafeer (2016)
Firm size	FS	Control	Natural logarithm of sales	Medisheti and Kibona (2013)

Variables	Proxy	Type	Operationalization	Source
Firm growth	GS	Control	This year's sales minus previous year's sales divide by previous year's sales	Asad (2012); Ani, Okwo, & Ugwunta (2012)

The hypotheses of this study are tested at 1% and 5% level of significance. Therefore the study rejects the null hypothesis if the results of this study are 1% (0.000 - 0.005) and 5% (0.006 – 0.050) significant. Otherwise, the study accepts the null hypothesis because enough evidence to do so is available.

RESULTS AND DISCUSSIONS

Correlation Matrix

The correlation matrix presented in Table 2 shows that the coefficient of the explanatory and control variable used in the study were less than 0.8, meaning that the data for the study is free from multicollinearity as recommended by (Brooks, 2008 cited in Suleman, 2013).

Table 2: Correlation Matrix

	CR	DIR	QR	FGROWTH	FSIZE
CR	1				
DIR	0.184702	1			
QR	0.615747	0.725181	1		
FGROWTH	-0.0776	-0.09517	0.15972	1	
FSIZE	-0.23845	-0.15458	0.20188	-0.11265	1

Table 3: Levin-lin Chu (LLC) Panel Unit Root Test

Variables	Unadjusted Statistic	Order of Integration
ROA	-12.0267	I(0)
CR	-12.8632	I(0)
QR	-9.5745	I(0)
DIR	-8.0065	I(0)
FGROWTH	-10.7402	I(0)
FSIZE	-5.8361	I(0)

From Table 3 above, it became clear to all the variables are stationary at levels. The implication of this is that all the variables are suitable for panel model estimation.

Table 4: Regression Result of liquidity measures. Dependent variable: Return on assets

Variables	**Pool OLS**	**Random Effect**	**Fixed Effect**	**Fixed Effect Robust**
	Coefficient	**Coefficient**	**Coefficient**	**Coefficient**
CR	0.004 (0.026) [0.16]	0.053** (0.022) [2.35]	0.006** (0.024) [2.54	0.006** (0.023) [2.64
DIR	-.0003*** (0.001) [-3.56]	- 0.002** (0.001) [-2.32]	-0.001** (0.001) [-2.05	-0.001* (0.001) [-2.22
QR	0.127*** (0.033) [3.83]	0.083*** (0.029) [2.83]	0.078** (0.030) [2.60	0.078** (0.028) [2.80]
FGROWTH	0.082*** (0.022) [3.60]	0.072*** (0.018) [3.94]	0.071*** (0.019) [3.81]	0.071** (0.025) [2.80]
FSIZE	0.085*** (0.159) [5.31]	0.089*** (0.023) [3.76]	0.092*** (0.029) [3.23]	0.092** (0.030) [3.05]
Breauch Pagan LM Test	78.95***			
Hausman Test		1.55		
Diagonostic Tests				
Serial correlation	2.810			
Heterokedasticity			199.82***	
Model Summary				
No. of Observations	110	110	110	
F-test	11.67***	52.21***	9.44***	
R-square	0.36	0.33	0.33	

*Note: ***, ** & * represents 1%, 5% & 10% significance levels respectively Value in parenthesis represents standard error*
Value in Bracket represents t-statistics

Table 4 reveals the effects of liquidity measures on ROA of companies listed under food and beverage sub sector in Nigeria. The result presented in Table 4 indicates the detailed outcome of panel data anlaysis of the effect of liquidity measures on return on assets of food and beverage companies in Nigeria using pooled OLS, random and fixed effect models. As indicated by Table 4, the result of Breusch-Pagan Langarangian Multiplier (LM) test of the model shows the relevant of random effect compared to pooled OLS (chi^2 = 78.95, p-value = 0.000). It was then proceeded to test the most preferable model between random and fixed effect using Hausman specification test. Result indicated that random effect is preferable chi2=1.55, p-value = 0.9078. Thus, the study report the result of random effect in proving the hypothesis of the study.

Moreover, Table 4 reveals the test for panel level heteroskedasticity. The test produced a chi-square of 199.82 which is statistically significant at 1 percent level. Thus, it was clear that there is presence of heteroskedasticity. The problem was taken care using fixed effect robust model. Wooldridge test was used to test the problem of autocorrelations. The statistic reported was f-test with one and ten degrees of freedom and value of 2.810. The value F-statistic value was 0.1246 implying that the F-test was not statistically significant, meaning that the data was free from autocorrelation.

The coefficient of determination (R-squared = 36) meaning that about 36% variation in return on assets is jointly explained by current ratio, defensive interval ratio, quick ratio, firm growth and firm size. The value of F-statistics is presented at 1% significance level. This means that the model is fit to test the effect of liquidity measure on return on assets.

Table 4 reveals that current ratio has significant positive effect on ROA from the coefficient of 0.0539957, t-value = 2.35 which is statistically significant at 5% level of significance (0.019). Also, the table indicates that DIR has significant negative connection with return on assets from the coefficient of -0.0002629, t-value = -2.32 which is statistically significant at 5% level of significance (0.020). Quick ratio has significant connection with return on assets from coefficient of 0.0826514, t-value = 2.83 which is statistically significant at 1% level of significance (0.005).

The negative effect implies that an increase in DIR lead to decrease in ROA of food and beverage firms in Nigeria, while the positive effect indicates that increase in current ratio and quick ratio increases return on assets. Based on these evidence hypothesis ($H0_1$) which claimed that there is no significant effect of current ratio on return on assets of companion listed under food and beverage sub-sector in Nigeria was rejected. Thus, current ratio has significant influence on profitability of companies listed under food and beverage sub-sector in Nigeria. Also, hypothesis ($H0_2$) which argued that there is no significant effect of quick ratio on profitability of companies listed under food and beverage sub-sector in Nigeria was rejected. Thus, DIR has a significant effect on companies listed under food and beverage sub sector in Nigeria. Hypothesis ($H0_3$) which claimed that there is no significant effect of DIR on the profitability of companies listed under food and beverage sub-sector in Nigeria is also rejected. Thus, DIR has a significant effect on profitability of companies listed under food and beverage sub-sector in Nigeria.

Discussion of Findings

The discussion is based on the findings of the three hypotheses derived in the study. Hypothesis one confirms that current ratio has a significant positive effect on return on assets. This finding is in agreement with the findings of Podilchuk (2013), Khidmat and Rehman (2014), Durrah, Rahman, Jamil and Ghafeer (2016). However it contradicts the result found by Abdu (2015) who found no connection between current ratio and return on assets. Hypothesis two confirmed that quick ratio has a significant and positive effect on return on assets. These findings is in accord with the findings of Bala, Garba and Ibrahim (2016) Khaidmat and Rehman (2014) but Arshad and Gondal (2013) found significant negative relationship between quick ratio and return on assets. Hypothesis three confirmed that defensive internal ratio has a significant and negative relation with return on assets, this findings is dissimilar from the findings of Durrah, Rahman, Jamil and Ghafeer (2016) who found positive connection between defensive interval ratio and profitability. This discovery is seemingly pioneered by this study.

CONCLUSION AND RECOMMENDATIONS

The study can be concluded by saying that current ratio has a significant connection with ROA, quick ratio is positively related with ROA, but defensive interval ratio is negatively connected with ROA.

The following recommendations are proposed:

i. Policymakers of companies listed under food and beverage sub-sector should monitor their current in line with the industrial standard which is ratio 2:1. Any attempt to exceed the industrial standard will translate into low profitability because excess cash balances are not properly utilized.

ii. Food and beverage companies should increase their quick ratio. This could be done by investing in short-term marketable securities. The result from the investment can be re-invested until a required level is attained.

iii. Food and beverage companies should have DIR of minimum of three months and maximum six months, this is the standard norm, non-compliance may lead to liquidity deterioration and this can affect profitability negatively.

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EFFECTIVE SUCCESSION DECISION IN ENTREPRENEURIAL FAMILY BUSINESSES: A REVIEW OF LITERATURE

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ABSTRACT

The paper reviewed the literature on effective entrepreneurial succession in the family business with a focus on the prominent views from both empirical and conceptual research. The paper gave an overview of the concept of entrepreneurial succession about entrepreneurial family businesses. The follow-up discussion consisted of three broad aspects: the concept of effective entrepreneurial succession in a family business; determinants and measures of effective entrepreneurial succession decision; and characteristics of effective entrepreneurial successor. The gap in the literature was discussed and propositions for new directions were presented.

Keywords: Entrepreneurial succession, Family business, Effectiveness, Successor.

INTRODUCTION

The concept of family business emerged in the late 80s (Hoy and Verser, 1994) and since then it has continued to receive attention in the academic field, with several arguments on what constitutes family business. Presently, there is a lack of generally agreed definition of family business (Handler, 1990; Churchill & Hatten, 1987; Lorna, 2011; Woodfield, 2009). As Bertoldi, Giorgini and Giachino (2011) put it, the definition of the concept of family business had not been stable. Different scholars have defined it in different ways, and have incorporated different elements thereby making the concept very broad (Bertoldi, *et. al* 2011).

However, family business can be described as the business owned, controlled and managed by a single family member(s) or two unrelated family members in partnership, with each family having its member in the management; and ownership and the instrument of control are fused and undifferentiated or un-separated; decision making and control power are transferred to one generation from another generation of the owning family (or families) i.e. decision making and control power resides perpetually in the owning family (or families); and not quoted in the stock market, but if quoted, majority of the shares (more than half of the total stock) is held in one family, such that the family can exercise considerable control over the management of the enterprise.

Ogundele, Idris and Ahmed-Ogundipe (2010) pointed out that succession is a crucial phenomenon in the life of a family business. Therefore, it requires serious attention, particularly by the owning family, because the succession event is capable of ruining the business or sustaining it, depending on the quality of the decision that is made. The effectiveness of a succession event is inextricably tied to the choice of successor that is made by the predecessor or the business-owning family, as the case may be.

Statement of the Problem

It is one thing to have a succession decision made but it is another thing, and indeed more critical to make an effective succession decision. Succession in itself would be valueless except it achieves the purpose for which it was contemplated. But evidently, the issue of effectiveness in succession decision making in the entrepreneurial family business and its relevance has not received the required attention in research. Although succession in business is topical in the literature the element of effectiveness in succession has often been undermined not only in the practical decision process by firms but also scholarly works have been less vocal in discussing it. The available literature is not coherent and appears to be hollow about the concept of effective succession, therefore, causing it to be inadequately understood, both in terms of its meaning, its measures as well as its relevance. Consequently, the literature failed to provide a cohesive framework for effective succession decision making in entrepreneurial family business.

Research Objective

The paper aims to bring together the relevant views in the literature into a framework for understanding the concept of effective succession, its measures and its relevance in entrepreneurial family business. It brings together the scattered and disjointed jungle of propositions in a more organized tutorial. The objective is to enable the development of a concerted conceptual framework for effective entrepreneurial succession in family business context. The paper is contemplated essentially to provide coherent criteria for ensuring an effective succession decision in family businesses.

LITERATURE REVIEW

What is Succession?

Although traditionally, many people see succession as a form of inheritance, but in reality, it carries with it more responsibilities than the conventional form of inheritance. Inheritance in the conventional sense means the acquisition of possession or condition, or the receipt of a right or title discernible by law or certain prescribed rules from an ancestor at his death (Ukaegbu, 2003). Succession is much more than this. It is the act or process of one person taking the place of another in the enjoyment of or liability for his rights or duties or both (Andreas & Bitsch, 2019). For example, as Ukaegbu (2003) pointed out, inheritance takes place upon death of the property owner, while succession can take place any time, and not necessarily when the owner of the property dies.

For a family business owner, the enterprise is his/her property which can also be transferred to other person(s) upon his/her exit from participation in the business either by death or incapacitation. By implication, the objective of succession is to enable the successor (transferee) to enjoy the benefits derivable from the ownership control of the property. The enjoyment of such benefits, however, goes with responsibility and obligation on the part of the successor, to maintain and assure the life of the property.

In the light of organizational theory, several people have defined succession to include the transfer of management control and leadership as the common denominator. The definitions seem to lump together succession in different contexts into a generic concept which reflects more of managerial characteristics than any other aspects of organizational theory. Shepherd and Zacharakis (2000) cited in Ukaegbu (2003); Ogundele *et.al.* (2010); and Brockhaus (2004) defined succession in the context of an organization as the transfer of management control from one leader or one generation of leaders to another. The concept has been referred to as "management succession" by Erven (2007), who viewed succession in organization as a long-term process of preparation, selection and grooming of the next generation of managers, transfer of management responsibility and role of previous managers to new and younger managers. Ogundele *et.al.* (2010) stated that succession is a process of transition which not only includes the outcome but also the actual pre-transitional and post-transitional dynamics of the process.

Succession is considered the most important issue and the critical determinant of family business continuity by Ward, (1987). He defined family business as “one that will be passed on to the family’s next generation to manage and control.” In the view of Beckhard and Burke (1983) family business succession is “the passing of the leadership baton from the founder-owner to a successor who will either be a family member or a non-family member”. Also, in the context of family business, Sharma, Chrisman, Pablo and Chua (2001) cited in Ukaegbu (2003) defined succession as the actions and events that culminate into the transfer of leadership from one family member to another. Others have divided the "leadership baton" into two axes – that of ownership and management (Barry, 1975). In this context, many authors (Miller, Steier and Le Breton-Miller, 2003; Morris *et. al.,* 1997) have described succession in family business, as the transfer of the combination of the two axes of leadership from one generation to the next generation of the owner family.

Although the general concept of succession in business tries to combine the transfer of management control and ownership, a few authors (e.g. Handler, 1994; Sharma et.al 2003) differentiate between succession in management and succession in ownership (Duh, 2012). This suggests that there are two varieties of succession available to the family firm, viz, ownership and management succession. Management succession implies the transfer of management control from one generation of owner-manager to another generation (Phan, Butler & Lee, 2005 cited in Van der Merwe, 2011). This is without the transfer of the right of ownership. Notwithstanding the distinction, however, in most family businesses both phenomena go hand-in-hand (Duh, 2012). Thus, to capture together both phenomena, succession in family business has been defined by some authors (e.g. Hess, 2006; Balshaw, 2003) simply “as a process during which a business is transferred from one generation to the next” (Van der Merwe, 2011).

Massis, Chua and Chrisman (2008) referred to family business succession as the situation where both the current leader who relinquishes his managerial control of a business and the individual who takes over his position, are members of the same family. While Surdej (2010) pointed out that family business succession deals with the dilemma of how to preserve (and possibly increase) family wealth while at the same time ensuring the positive transformation (in terms of managerial, technical, operational etc. capacity) of the business. In general, succession in family business, by definition is a dynamic process during which the roles and duties of the two parties involved, i.e. the predecessor and the successor, evolve interdependently and overlap, with the ultimate goal being to transfer right of control in the management of the business to the next generation of the family (Cadieux, Lorrain & Hugron, 2002).

As some authors explained, ownership succession, however, draws special attention because it involves a strong "personal" factor. In an intra-family ownership succession, it is not only financial capital that is transferred but also a "social and cultural capital" that usually results in an enhanced personal commitment to the enterprise and the family. Duh (2012) pointed out that, family business owners think that, beyond capital, they also possess the workers, products, responsibilities, and so on.

Although family businesses are open to external options, many family business leaders have shown a strong desire to retain family control beyond their tenure through intra-family succession (Donckels and Lambrecht 1999; Bjuggren & Sund, 2001 cited in Duh, 2012). Several reasons, including nepotism, the relevance of idiosyncratic knowledge, and specific business experiential knowledge as a means for gaining competitive advantage, have been used to explain this (Gersick, *et al.,* 1997; Bjuggren & Sund, 2001; Royer, Simons, Boyd & Rafferty, 2008). It is in this context that Bertoldi *et.al.,* (2011) defined family business succession as "the passing of leadership of governance of family business to a new generation, within the family".

While it seems so, from the views expressed in the literature, that there can be a distinction between ownership succession and management succession in a firm, in family business, this does not apply completely. There is no ownership succession in family business. Ownership resides perpetually in the hands of the family. What occurs is management succession, where operational decision-making authority and leadership is transferred from one member of the family to another member. The right of ownership is perpetually within the family. Some authors have erroneously argued that Management Buy-Out and Management Buy-In are ownership succession in family business. In any of these forms of transfer, ownership right leaves the family to another group of people, therefore it is not succession in the context of family business. Management Buy-In occurs where family firms have no internal Management successor (Scholes, Westhead & Burrows, 2008). Management buy-in or buy-out necessitates new ownership of the firm and the owner(s) may not necessarily be member(s) of the founding family, and if there is a family member in the ownership, it is only by coincidence and not under he/she being a member of the founding family. In Management buy-out/in there is little or no possibility post ownership transfer that the enterprise's identity and ethos will remain the same, both of which are important considerations for family business owners (Westhead, 1997). In as much as family identity will be lost, there is no succession in family ownership of the business within the founding family.

Entrepreneurial Succession Defined

This laudable concept of entrepreneurial succession was originated by Davis (1968) who saw the entrepreneur as an important person who would not only take risks and carry out innovation, but ensures that the entrepreneurial knowledge and function in his new enterprise can be "transmitted" to other persons.

There is a tendency to view entrepreneurial succession as synonymous with succession in ownership and management combined and therefore, to reduce it to a pedestrian level of transfer of ownership and management of an enterprise from generation to generation of the same family. For instance, Ukaegbu (2003) defined entrepreneurial succession as "the process by which ownership and control of the production or commercial infrastructure accumulated by one generation of a nuclear or extended family are transferred to the next". This according to Ukaegbu (2003), entails the transfer of the business from the owner-founder to his prospective survivors, which could be the wife and children, uncles, aunts, nephews, nieces and cousins. This definition, like most other definitions, contrives entrepreneurial succession as synonymous with mere inheritance and reduces the process of entrepreneurial succession or the criteria for the choice of a successor, to the rules of inheritance, in most societies, by which the owner-founder bequeaths his business to the offspring, particularly the first son, or where he is still alive and active, the offspring is assumed to be heir designate to his assets, including his commercial enterprise, not-withstanding the qualification or suitability of the offspring.

But the concept of entrepreneurial succession extends much beyond mere inheritance and even more than the mere transfer of ownership and management control. It is not just about a business being transferred from the founder to the next generation of his family. Entrepreneurial succession is the transfer of entrepreneurial learning or knowledge between generations of family members and the revitalization of entrepreneurial spirit through the transfer of ownership and management control (Howorth et.al., 2006). The concept entails the transmission of the entrepreneurial spirit and vision of the founder of an enterprise to subsequent generations of the founder's family, where it is a family business. As Woodfield (2007) interpreted it, entrepreneurial succession is the process of continuous innovation and entrepreneurial behaviour from one generation to the next. This can be made manifest by a founder translating his vision through training and mentorship into a culture for the next generation to imbibe and to be used as guide for the successor's own vision for the future of the business (Woodfield, 2009).

In line with views of Howorth *et.al.* (2006) and Woodfield (2007), Kuratko and Hodgetts (1998) had distinguished between entrepreneurial successor and managerial successor, when they stated that the former is a person who is high in ingenuity, creativity, and drive. While the latter is a person who is interested in efficiency, internal control, and the effective use of resources. They argued that whereas entrepreneurial successor is required to provide the critical ideas for new product development, new markets, and future ventures; managerial successor is merely required to provide the stability and day-to-day direction that is needed to sustain the enterprise. Brockhaus (1994) emphasized the transfer of the founder's vision to other family members as an indispensable element of entrepreneurial succession. This view was emphasized by Hoy and Vesser (1994) and Fletcher (2004) who suggested that this aspect of family business transfer between generations is an important, yet an underdeveloped area of research (Woodfield, 2009).

The views which associate entrepreneurial succession with the intergenerational transfer of entrepreneurial character, spirit and behavior, apparently provide a reliable pathway for defining entrepreneurial succession. Accordingly, entrepreneurial succession is defined in this paper as the transfer of entrepreneurial orientation and vision of the founder of an enterprise to younger generation such that the entrepreneurial spirit is retained across generations of managers of the business after the exit of the founder who may or may not be members of the family of the founder. The objective is to recreate its competitive edge, overcome retardation or death of the enterprise and to assure survival.

The need to differentiate between entrepreneurial succession and other aspects of business transfer between generations is incontrovertible in the context of competitive business and changing market conditions in which family enterprises operate and under which they have to survive. In the circumstance, an enterprise requires continual adaptation and renewal, to recreate its competitive advantage as means for long term survival. This is achieved only by retaining the entrepreneurial spirit and behaviour across generations and the amount of tacit embedded knowledge, networks and social capital that new generation of managers are equipped with.

Thus, to define entrepreneurial succession merely as the transfer of decision-making authority embedded in leadership as enshrined in ownership and management control, from one generation to another, without capturing the transfer of the core characteristics of entrepreneurship would be inadequate. Succession in general implies leadership transfer, but what distinguishes entrepreneurial succession from mere managerial or ownership succession is the type of leadership i.e. entrepreneurial leadership as against managerial leadership and ownership claim. Therefore, the question that confronts many of the definitions is that what type of leadership is the focus or being mirrored, whether entrepreneurial or managerial leadership and ownership claim.

The view in this paper is that both entrepreneurial leadership and managerial leadership may be or can exist without ownership claim. However, by action, entrepreneurial leadership carries along with it, managerial leadership but managerial leadership may not necessarily involve entrepreneurial leadership. Therefore, defining entrepreneurial succession based on a strictly management succession paradigm would be very erroneous and misleading. It is the view of this author that ownership and management succession in themselves do not equate entrepreneurial succession, which involves the transfer of tacit knowledge, skills, experience, values, creative orientation and other elements of entrepreneurial role and orientation.

The whole concept of entrepreneurial succession is about entrepreneurial learning by younger generations from older generations and passing on the knowledge of business and entrepreneurship from one generation to another generation of entrepreneurs in the same social unit/family or outside it.

Entrepreneurial Succession Decision in Context

The concept of succession decision implies the choice made among alternative potential or prospective successors. It means electing and designating the successor from the pool of potential successors. The choice must be based on a consideration of the kind of leadership the business needs for the years ahead as well as the specific qualities and skills the leader will require (Van de Merwe, 2010). However, King, Winslow and Jacobs (1998) have observed that the decision about who takes over the management and ownership is more often based on the family needs are, and not what the business requires, consequently, problems occur when the needs of the family are at variance with what business requires (Frishkoff, 1987; Goldberg & Wooldridge, 1993; Jonivic, 1987; in King *et al.*, 1998). A number of authors (e.g. Aronoff & Ward, 1992; Ibrahim & Ellis, 1994) in supporting this view, have pointed out that the choice of a successor by an owner-manager often reflects more of the family's values than the capability of the chosen successor. For example, to keep the business under his/her control, an owner-manager may decide to choose a child that is obedient and submissive to him/her rather than a child who is more capable, but who is independent-minded and family deviant (Frishkoff, 1994, cited in king *et.al.*, 1998).

Succession decision impacts heavily on family businesses because often, potential successors are limited and the selection process is restricted leaving no room for objective analysis of the suitability of potential successor (Barnes & Hershon 1976; Ibrahim, Ellis & Rosenblatt, 1994). However, it is expected that the succession decision should involve an analysis of potential successors' characteristics bearing in mind the objective of the owner of the business to perpetuate the family business identity, stability, continuity and growth. This means that ideally, consideration must be given to several possible successors rather than considering only one successor possibility

(Vancil, 1987). The process of the succession decision is critical to effective succession. It determines not only the quality & suitability of the successor but also his leadership acceptance by members of the family and family business. Thus, the succession decision has potential effects on effective succession. It is against this background that this paper explores the phenomenon of effective succession decision in family business by harvesting the views presented in the literature to position the concept for more advanced analysis in future debates in the context of family business.

METHODOLOGICAL PROCESS

The method of research adopted in this paper is critical analysis and discussion of the views in the existing literature in family business succession research. The methodological underpinnings of the paper comprise of several research works that are both empirical and conceptual studies carried out from the 1970s to 2017. For each of the aspects under review, the author presents the views of researchers and identify areas of differences and congruence among them, as well as his personal position on the issue whether in agreement or disagreement with existing views in the literature. In the search for relevant data, 250 articles on family business were sourced, out of which 120 articles were identified as articles which dealt with succession in family business. The 120 articles form the sources of the literature for review, with only 5 of them featuring entrepreneurial succession. After a general overview of succession in family business and entrepreneurial succession, the review was undertaken with a focus on the concept of effective entrepreneurial succession in family business, determinants and measures of effective entrepreneurial succession, and the characteristics of effective entrepreneurial successors. The lines of arguments in the literature formed the basis for the propositions and conclusion sections of the paper with suggestions for future research.

REVIEW

Effective Entrepreneurial Succession in Family Business

There is no consensus by scholars as to what constitutes effective succession in family business. One perspective (e.g. Handler, 1989) is that satisfaction by the predecessor and other family members with the process of succession can be used as a measure of the effectiveness of the succession decision. Some scholars have used “successors ability to maintain the family business healthy” as a criterion for effectiveness. According to Venter, Boshoff and Mass (2005) and Sharma and Irving (2005), the effectiveness of the succession is determined not only by succession success and the extent of satisfaction with the process but also by the continued profitability of the business after succession.

An interesting concept of effective entrepreneurial succession in this review paper is adapted from the definition of successful succession by Le Breton-Miller, Miller and Steier (2004) as "the subsequent positive performance of the firm and ultimately the viability of the business." The concept goes beyond smooth and successful transition of leadership from predecessor to a successor. It is about achieving the goal of succession, which is to ensure the viability and continuity of the enterprise as a family enterprise after the owner-manager exit from the leadership of the enterprise. In other words, succession is effective if the new generation leadership perpetuates the family business identity, stability, continuity and ensures the growth of the enterprise, and succession is ineffective if the successor fails or lacks the capacity and unable to achieve these very fundamental goals and purposes of succession.

Determinants and Measures of Effective Entrepreneurial Succession

Handler (1989) and Morris *et. al.* (1997) both cited in Sharma, Chrisman, Pablo and Chua (2001) reveal that success in management succession for a family enterprise consists of two interactive dimensions. One dimension is the satisfaction of family members with how the succession is undertaken, and the other dimension is succession effectiveness. Satisfaction is a subjective assessment about the process and decision regarding the selection of a new leader, based on perceptions rather than objective criteria. On the other hand, effectiveness relates to how succession affects the subsequent performance of the enterprise. Thus, effectiveness is an assessment based on an objective measure of the performance of the enterprise following the change of leadership.

In family enterprises, however, maintaining family cohesion (good family relationship) is also extremely important. Sometimes this goal is given more regard by family members, than profitability (Tagiuri & Davis, 1992). A conceptual argument was made by Sharma *et. a.*, (2001) for an interactive relationship between these two dimensions of effectiveness in family business leadership succession. They have argued that inability to forge cohesion among family members could cause the enterprise to make wrong strategic decisions. On the other hand, if the financial performance is not satisfactory, dissatisfaction with the succession effectiveness, after the fact, could occur and this may lead to division among family members. Thus, effectiveness is determined by both the ability to achieve family cohesion and the ability to generate profit. The satisfaction or dissatisfaction with post succession financial performance will affect post succession family relationships, which may in turn, shape the decision making and subsequent performance of a family enterprise" (Sharma *et al.*, 2001). Subsequent performance may also alter family members' satisfaction with the succession process even in the absence of any changes in the relationships among family members.

The stream of research on the determinants of effective succession indicates a number of influences on the effectiveness of succession. Much of the research (e.g. Kets de Vries,1993; Mitchel, Morse and Sharma, 2003; Astrachan & Keyt, 2003; Ibrahim *et. al.,* 2009) point to the importance of the succession process, including preparation and socialization of potential successors; the maintenance of harmonious relations among family members; maintaining the family capital associated with the firm's success (Venter, Boshoff, and Mass, 2005; Murray, 2003), as well as the rationality with which to assess and select the successor which allows the stakeholders including the successor himself, to accept the process and his emergence as free and fair judgment. However, Rivers (2005) looks beyond the external influences and locates effective succession squarely around the successor himself. He contends that it is also important that the prospected successor is not only credible but also possesses management skills and competencies. These factors enable him to effectively and successfully deal with the external influences and to achieve the goal of success in business (Rivers, 2005).

Venter and Boshoff (2007) cited in Van de Merwe (2010) explained the measures of effective succession to include the fact that the "successor should have increased the revenue or profits of the family business after taking over leadership. Furthermore, the successor should have secured the sustainability and financial security of the family business after succession." In a nutshell, the successor should have the ability to add significant value, and how much he/she has added to the family business after his/her entry into the business would be the measure of succession effectiveness. Going by these criteria, attaining post transition entrepreneurial succession effectiveness has been a far cry for many family enterprises. Not many successors in family business can cause any appreciable increase in the value of the enterprise beyond what the founder or predecessor of the incumbent has left during his exit. Evidence from Ward's (1987) study of the causes of family business failure reveals that more than 60 percent of businesses are sold or acquired or experience their sales decline significantly in the hands of successors over time.

Evidently, many factors have been identified in the literature to account for the lack of effectiveness by family business successors. For instance, Le Breton- Miller, Miller and Steier (2004), surveyed the operations and post succession survival potentials of family enterprises and identified some factors which affect successors' effectiveness in this class of enterprises. These include the firm's industry and its competitive position; the firm's strategic approach; structure of ownership and composition management of the enterprise; the extent of grooming and mentoring of potential successors as well as the quality and inherent characteristics of potential successor.

Apparently, the concept of succession effectiveness and the determinants/measures presented in bulk of the literature only give partial explanation about entrepreneurial succession. Entrepreneurial succession effectiveness and determinants/measures go beyond elements discussed so far in the bulk of the literature. They include the attainment of the core components and descriptors of entrepreneurship. Effectiveness in entrepreneurial succession is described or measured by creativity and innovativeness, market place rejuvenation, environmental adaptation, new methods and processes enshrinement, new sources of materials purchase and procurement, tolerance for uncertainty and calculated risk-taking orientation, and opportunity seeking orientation as well as determination for success. If entrepreneurial succession is to be effective, post succession enterprise must pursue and show good evidence of the achievement of these parameters. These are the parameters for growth and survival of the enterprise.

Characteristics of Effective Entrepreneurial Successor

The analysis of effective entrepreneurial succession and the determinants provides insight into the characteristics that an entrepreneurial successor must possess to be effective. "Effective successors are defined in the literature as successors who, in the long term, demonstrate the ability to create a positive trend of growth and profits for their business" (Goldberg, 1996). Ibrahim, *et. al,* (2009) and Rivers (2005) suggest that a key component of effective succession is the quality of the successor. Ward (1987) also noted that effective succession is a function of an effective successor i.e. one who possesses the characteristics that are capable of rejuvenating the business.

A number of studies, (e.g. Chrisman, *et al.*, 1998; Goldberg, 1996; Lansberg and Astrachan, 1994; Goldberg & Wooldridge, 1993; Barnes 1988; Alcorn, 1982; Ibrahim *et al*, 2009), which have examined the qualities of an effective successor focused on the successor's credibility, business experience, management skills and competence.

In these considerations, there seems to be a consensus that managerial competence and credibility are important factors (Rivers, 2005). This implies that the successor is not only required to possess management competence but also certain moral values and capacity for action taken in accordance with the family values and interest. The person's ability to correctly manage the family patrimony is a critical consideration and this can be established based on indirect information such as reputation, qualifications and professional experience. Lin (2006) refers to credibility as being reliable and having the capacity to refrain from opportunistic behaviour.

Chrisman, *et. al.* (1998) in their consideration of successor's attributes that would cause effective succession, identified successor's competence measured in terms of a variety of relevant skills in business operations, and personality traits and characteristics such as aggressiveness, creativity, independence, integrity, intelligence, self-confidence, trust, respect for others, communication capability and a willingness to take risk as very important desirable attributes for an effective entrepreneurial successor. Leadership orientation is often associated with 'conceptual capability' of the individual. This makes 'conceptual capability' a required attribute. But King, *et. al.,* (1998) pointed out that, there is difficulty in assessing the conceptual capability of individuals, because there is neither a meaningful definition of "capability" nor a precise and usable method for assessing it available. In this paper, however, "capability" is viewed as the extent to which the individual can play his required role in order to achieve the goals of the enterprise and the family. 'Capability' in this context include Knowledge, skills, competencies, orientation and behaviour of the successor that allow him to perform his business role and other roles associated with family business.

The importance of a successor's competence and loyalty was also emphasized by Meng and Li (2010) when they stated that cultivating the eligible successor who has certain abilities and traits is the first basis of successfully achieving family business intergenerational transition.

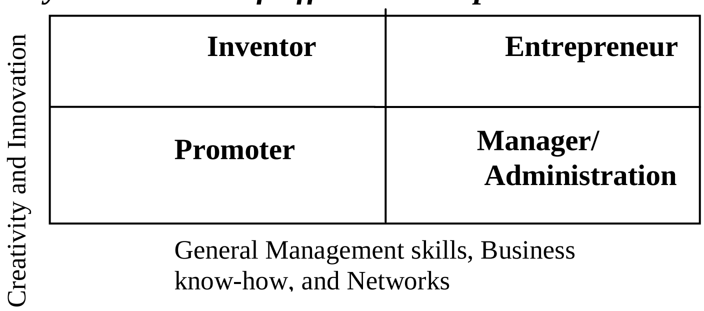
In their study of succession in family firms, Ibrahim, Soufani and Lam (2009), identified specifically that an effective successor must be a high achiever, independent, analytical, dominant, a risk-taker, aggressive, a skillful negotiator, and a deal maker, as well as possess a good knowledge and experience about the business and industry. The descriptors provided by Ibrahim, *et al.*, (2009), are important factors among others, particularly in the context of entrepreneurial succession as defined in this paper. For managerial succession alone, the attributes required of a successor can be summarized into three kinds: competence, moral qualities and a promise to act according to the family interest. In the context of entrepreneurial succession other important factors to consider for effective succession are: the creative and innovative ability of the successor; his opportunity seeking and identification propensity, as well as the ability to convert identified opportunities to marketable products.

It is important to highlight, however, that the weight placed on these attributes will most likely vary across business environments (Buoziute-Rafanaviciene, Šarapovas and Cvilikas 2011). However, within the context of each environment, the development of a set of desired attributes helps in the process of choosing the best successor when there is more than one potential successor (Pardo-del-val, 2008).

Eddleston, Kellermanns, Floyd, Crittenden and Crittenden (2013) suggested that entrepreneurial attributes are necessary for family business survival. According to them, family owned businesses' survival depends on their ability to enter new markets and revitalize existing operations in order to create new business. In other words, successors should have entrepreneurial qualities as a necessity for succession effectiveness. Entrepreneurial abilities enable and increase the distinctiveness of the family firms' products and therefore enhance their profitability and growth (Zahra, 2003 cited by Taruwinga, 2011). It is therefore important that family firms can innovate and aggressively pursue entrepreneurial activities. Bozer, Levin & Santora (2017) assert, however, that the qualities of persistence, commitment, engagement, the willingness to take calculated risks, sound people skills, creativity and innovative ability and a positive attitude and approach are required for successful entrepreneurship. This implies that successors must possess these qualities to be effective.

Timmons & Spinolli (2007) argued that there is no evidence of an ideal or best entrepreneurial personality. "A look at some of the greatest entrepreneurs shows that they are either gregarious or low key, analytical or intuitive, charismatic or boring, good or terrible, delegates or control freaks" (Taruwinga, 2011). Timmons & Spinolli (2007) show in the figure below that for effectiveness, an entrepreneur must possess a combination of high creative skills, innovation and general management skills as well as network skills.

Figure 1: Quality combination of Effective Entrepreneurial Successor



Source: Timmons & Spinolli (2007). New Venture Creation: Entrepreneurship for the 21st century. New York: McGraw-Hill Inc.

The model can be interpreted to mean that the entrepreneurial succession process is not seeking for successor who is a mere inventor or promoter, or just a manager/administrator, but an entrepreneur. That person who is high in creativity and innovation and high in general management skills, business know-how, and networking abilities.

The successor's attributes for effectiveness were captured by McCrae and Costa (1997) in a model which grouped the attributes into five unique broad sets of psychological traits namely consciousness indicating dependability and achievement; agreeableness as a signal for compliant and altruistic propensity; emotional stability which is the capability to adjust to various circumstances and to handle stress; openness to experience representing creativity, imagination, perceptivity and thoughtfulness tendency; extraversion representing sociability, networking along with expressiveness (Boudreau, Boswell, Judge and Bretz, 2001). In this paper, the author agrees that entrepreneurial characteristics or factors are quite relevant, but also believes that moral values of the successor and his family relationship are also critical factors.

Propositions

The traditional view about effective succession in business suggests that effective succession is being able to achieve smooth management transition process without conflict. In this view, the concept of effectiveness is based on successful enthronement of a new leader. Thus, the determinant of effectiveness is the absence of conflict in the process of selection of a successor among the potential alternative contenders. This view presents a theory of pre- succession effectiveness.

In this paper, the concepts of effective entrepreneurial succession and the determinants and outcome measures in family business are moved away from the traditional views. Succession effectiveness is explained in terms of an enterprise post succession performance. Effective entrepreneurial succession is conceptualized as the profitable performance of the firm and the viability of the business after succession has occurred. In this context, the key element of effectiveness is entrepreneurial drive and the ability of the enterprise to increase business performance, and maintain the expected relationship with the owning family, after succession.

The paper proposes that, the concept of entrepreneurial effectiveness goes beyond smooth and successful transition of leadership from predecessor to a successor. It is about achieving the goal of succession, which is to ensure the viability and continued existence of the enterprise as a family enterprise after the owner-manager exits from the leadership of the enterprise. In other words, succession is effective if the new generation leadership perpetuates the family business identity, stability, continuity and ensures the growth of the enterprise, and succession is ineffective if the successor fails or lacks the capacity and he is unable to achieve these very fundamental goals and purposes of succession.

Thus, the factors that determine effective entrepreneurial succession are in the context of the core entrepreneurial requirements for business growth and survival, which a successor possesses, such as creativity and innovativeness, environmental adaptability, opportunity seeking, risk taking orientation, networking, leadership, knowledge of the dynamics of the relevant market, etc. Accordingly, an effective entrepreneurial successor is assessed based on these factors aside from his commitment to the values of the owning family.

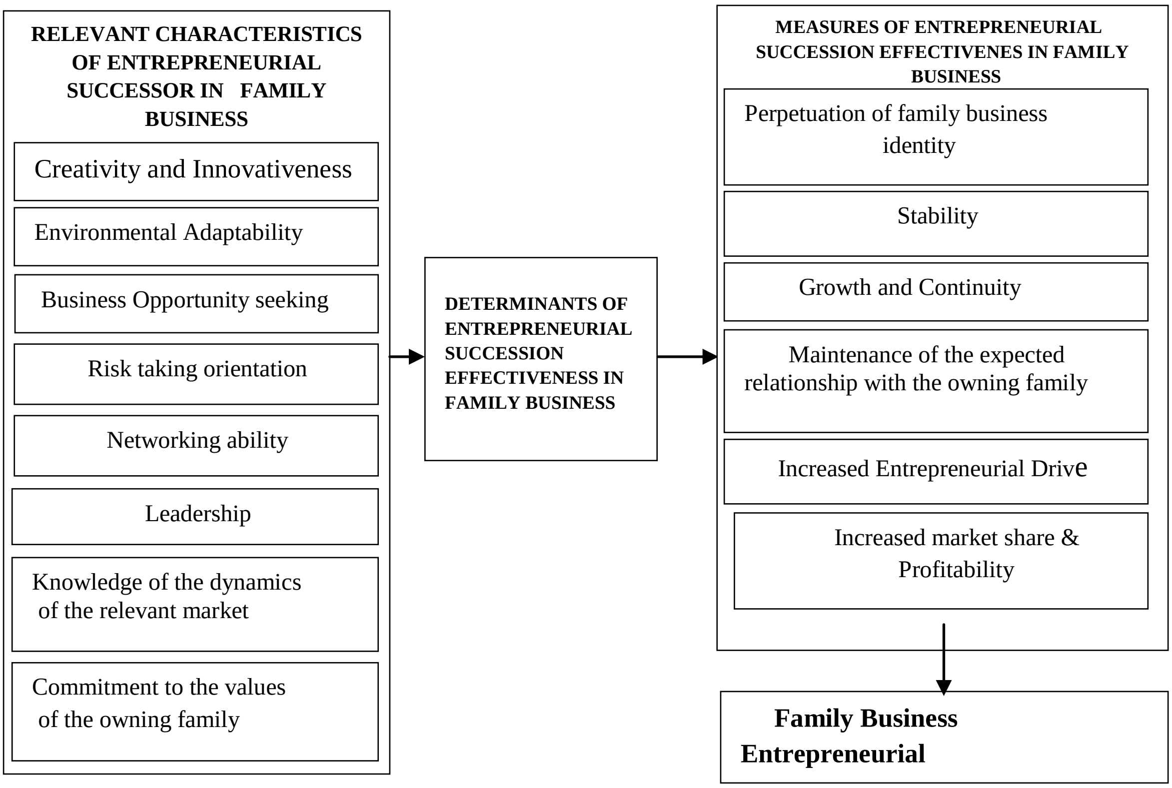


Figure 2: Conceptual framework of entrepreneurial succession effectiveness

The model presents effective entrepreneurial succession as a function of the attributes of the chosen successor which enable him/her to attain the conditions which define family business survival and growth. The argument is that entrepreneurial succession effectiveness is not explained by the smoothness of the process by which a successor is enthroned as in the traditional thought. It is rather explained by the positive conditions which the enterprise enjoy after succession has occurred. Thus, succession effectiveness is not measured by the smoothness of the process but by the enterprise post-succession business performance and positive relationships occasioned by the enthronement of the new leadership. Family business entrepreneurial succession is said to be effective if the successor has the capacity and can ensure the attainment of the criteria specified in the model. However, whether he/she can actualize the measures specified depends on the extent to which he/she possesses the relevant characteristics specified on the left side of the model.

The benefit of this theorization and conceptualization of entrepreneurial effectiveness is that it disentangles entrepreneurial succession from the traditional meaning of succession in business, such that the concept of effective entrepreneurial succession stands out from the general concept of effectiveness of business succession. This distinction makes it possible to identify the required characteristics for the choice of a successor in family business that would facilitate the growth and sustainability of the enterprise beyond the founder(s). This departure from the general stream of thought is the contribution to the theory of entrepreneurial succession in family business. It is expected that the distinction will add clarity to the understanding of the task of making the right succession decision in family business. However, a potential drawback of this author's conceptualization is perhaps that it adds to the many unresolved issues and arguments in the field of entrepreneurship study, particularly in the domain of family business. But the author hopes that his views will find some support since they draw inputs and strength from existing views in the literature.

To get post-succession family enterprises on a survival path, there is need to understand the needs of a family enterprise and the characteristics required of a successor for effectiveness. This paper takes a holistic approach in analyzing the needs of family enterprises and the critical successor's characteristics necessary for effective succession, from the inputs of the several works reviewed and the moderations that the author has made in the presentation of the views in the literature. It is expected that entrepreneur-owners of businesses would tap the potential for entrepreneurial succession effectiveness that the paper presents, to enjoy the essence of succession in family business by relying on the revelations in the paper in choosing a successor.

CONCLUSION AND SUGGESTIONS FOR FUTURE RESEARCH

Succession in family enterprises has been extensively researched, being one of the critical areas in the management of this class of businesses, with practical implications for their survival and continuity. Evidently, succession success has been researched by Davis (1982), Dyer (1986), Lansberg (1986), Marlone (1989), Goldberg and Woodridge (1993), and Handler (1989), but in these studies, successful succession has been equated with effective succession. The two concepts are different. The former implies the ease with which a successor is enthroned without resistance, while the latter implies that the chosen successor can meet the needs of the enterprise and stakeholders and fulfil their objectives. The apparent misunderstanding or misinterpretation of what succession effectiveness means concerning successful succession has affected the choice of the variables of focus in most previous research and the interpretations of their findings. Successful succession implies being able to pass enterprise leadership from one person to another person without resistance and conflicts that can eventually affect the survival and continuity of the business. On the other hand, effective succession is enthroning a successor that can achieve the goals of the enterprise and able to fulfil the aspirations of stakeholders eventually.

The main outcome of successful succession is the assumption of leadership by the chosen successor within the owning family next generation. This has been misplaced by previous studies and reports (e.g Lansberg, 1986; Longenecker & Schoen, 1978) as the outcome of effective succession. The outcomes of effective succession are financial performance, turnover, image/reputation of enterprise, and asset base of the enterprise after succession. Friedman (1986) reported these variables as outcome measures of effective succession but lumped them with other variables which are outcomes of successful succession. The use of successful succession as a synonym for effective succession can only be applicable if successful succession is used as pre-succession effectiveness, in which case we are referring to being able to effect leadership change through the method or process that has been employed consisting the of the various stages from planning to the final stage of the successor assuming office.

One aspect where research in family business succession has been weak is the focus on pre-succession effectiveness of family business succession without adequately focusing on post-succession effectiveness. Research on pre-succession effectiveness usually deals with how to ensure smooth transition process that will ultimately enthrone a potential successor, and therefore measures succession effectiveness by the extent that the process is trouble free, rather than by the post-succession performance of the enterprise in terms of financial performance, turnover, image/reputation and net worth of the enterprise that are achieved through the capabilities and behaviour of the successor. Post-succession effectiveness is a measure of performance by the enterprise after the enthronement of a new entrepreneurial leadership (under a chosen successor). These two aspects in family business succession must be given equal attention in research.

Another aspect where research appears to be scant is the aspect of entrepreneurial succession. Bulk of the existing research is on management succession. The aspect which deals with the transfer of entrepreneurial orientation and culture which is the crux of this paper has not received adequate attention.

Furthermore, bulk of the views in the literature lacks empirical support. The views are intuitively generated and are therefore subject to individual thought process that usually varies from person to person. Even though such views may be reasonable and valid on their face value, many of them would need to be validated empirically. This calls for increase in empirical research in entrepreneurial succession in the study of family business.

In general, in-spite of the progress made so far in the research in succession in family business, there is still much to be addressed concerning the aspect of entrepreneurial succession, particularly, the factors determining effective entrepreneurial succession and the characteristics of entrepreneurial successor. It is, however, hoped that in a few years from now these gaps will be filled and the concept of effective entrepreneurial succession will be better appreciated and what produces effective entrepreneurial succession in family business will also be better understood, so that post-succession mortality rate of family businesses can be reduced. The goal of research in this area is to provide entrepreneur business owners with an understanding of what effective succession is about, to be able to make the right choice of successors rather than just enthroning individuals who cannot cause positive changes in the conditions and fortunes of their enterprises.

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WORK-LIFE CONFLICT OF FEMALE EMPLOYEES IN THE NIGERIAN BANKING SECTOR

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ABSTRACT

The study examined work-life balance among Nigerian female employees in commercial banks. The population for this study comprised of one thousand two hundred and forty-one (1241) female employees of some banks in Benin City, Edo State. The range age of the population used is between 25-45 years. A total of 120 female staff of the banks were considered an adequate representation of the selected banks. The research instrument used for this study is a questionnaire survey. Data were organized using frequency distribution table of responses given by the respondents. Data obtained from the questionnaire were analyzed and findings shows that majority of Nigerian female employees in commercial banks, are working harder and longer than ever before and so they find it difficult to achieve work-family balance. Finding also shows that a suitable balance between work and daily living is a challenge that all married women face. Families are particularly affected. The study shows that women engage in formal employment to increase their family's economic status and that their engagement in formal employment gives them limited time to spend with their families. Female employees' dual roles as wives, mothers and formal sector employees are stressful. It demands that female employees work twice as hard as their male counterparts to excel in both the offices and workplace. Based on the study findings it is recommended that female employees in commercial banks should not allow their duties in the place to override their family responsibilities.

Keywords: Family, Lifestyle, Work-family, Working-life, Working class.

INTRODUCTION

Nigeria is a country of more than 190 million people of which a large percentage of the people are working-class men and women. Like every other developing nation, Nigeria is undergoing rapid change due to the increased pace of technology and modernization and Nigerian women belonging to all classes have entered into paid occupation and have embraced the increase in exposure to educational opportunities, increased aspiration and career growth. This increase in aspiration, career and personal growth along with the current state of the economy has influenced women to take steps in entering the workforce while managing their lifestyle.

Work is any activity that is done regularly to earn money. It is described as any job or activity carried out to assist support and improve standard of living. It is a very important part of any human life and people derives satisfaction and joy from it. Lifestyle on the other hand comprises health, pleasure, leisure, family and spiritual development. Work-life conflict, therefore, arises when the female employees extend their efforts to satisfy their work demands at the expense of their family and life demands or vice versa (Cole, 2004). work-life balance for female employees has become an important issue as there has been an increase in demand for the productivity of employees and also a call for women to keep their homes as well as being spiritually, mentally and physically sound and this is a common theme in such that female employees are required to consolidate their efforts in finding the right mix between their work and non-work roles.

A significant amount of research has concluded that work-family conflict and family-work conflict are related but distinct constructs (Ajiboye, 2008). This conflict has led organizations to implement a variety of solutions such as flexible working, job sharing, telecommunicating, compressed hours; part-time, maternity benefits and so on to foster workplace performance. However, it is also important to state that despite the robust frameworks of work-life balance practices, there still exist growing gaps between the ideal and the real work-life balance situations due to social, economic and labour-market pressures manifesting through long working hours culture, changing demographics and global recessions which is still rendering negative spillovers in female work-life integration (Bond, 2018; Chiekezie *et al.,* 2016; Sayer *et al,* 2012).

In contemporary Nigeria, there are more women in the labour force, especially married women, and the highly educated are more committed to work and do not interrupt their careers after marriage. The rising levels of female employment bring about changes in the structure and functions of the family group. Munyolo (2015) observes that the majority of employees, especially female workers, are working harder and longer hours than ever before and so they find it difficult to achieve work-family balance. Finding a suitable balance between work and daily living is a challenge that all married women face. Families are particularly affected. It is a challenge to any society because if women cannot achieve their desired work-family balance, not only is their welfare lowered, the future of the children and the home are also affected and the development in that country.

Research Problem

A successful combination of both work and lifestyle makes an individual fulfilled. A lot is achieved and the individual is rewarded. The focus on the female gender acknowledges that despite the many changes in gender roles in the past 20 years a balance can be achieved. In Nigeria, most cooperate organizations have come to that realization and have sorted out innovations and initiatives include female employee training and other social benefits and female empowerment which hitherto were not available. The success of any worker to get to the pinnacle of their profession rests on the individual's output and performance at the working environment and the desire to work towards promotion or progression to higher levels. This is best achieved in an environment where there is little or no social or personal life involved in the work output of employees. Women who are always striving to balance the duet (professional and personal life) are touted or christened as not serious or fit for the job or lazy. Traditionally, employees who show less concern to their personal life than professional life are given or had the advantage and opportunity to progress (grow) through the levels of their career at the disadvantage of those who always try to balance the two. Currently, the high financial demands of families' pose too much work/stress on female employees who are also mothers. The circumstances leave the woman stressed, pressured, frustrated, confused and squeezed with long hours, unable to meet caregiving needs; under financial pressures; unhealthy; and conflicted and/or demoralized and failing to meet a holistic psychological contract that requires one to attend to other life-related demands beyond work (Chandra, 2012; Greenhaus & Beutell, 1999).

Within this framework, organizational leaders do not believe that women are often under pressure and distressed in their quest to make it up to their families and it is even more difficult when the men (Husband) are not supported. Hence, the consequence of the neglect of the family, spouse and ultimately, broken homes may not be the intention of the women who are striving to strike a balance. This the knowledge gap that brings this study to the fore. It is for these reasons that this study is geared towards finding the work-life balance of female employee in Nigeria and also to bridge the gap and to achieve growth in the woman desire in her career

Research Questions

This study seeks to proffer answers to the following questions:

i. Which are the ways female employees can balance their work with family life?
ii. What is the impact of family life on the career progression of female employee in Nigeria?
iii. What is the relationship between work-life balance and job performance among female employee in Nigeria?
iv. What are the challenges female employees in Nigeria face in combining work and family life?

Objectives of the Study

The broad objective of this study is to examine work-life balance among female employees in Nigerian commercial banks. The specific objectives are to:

i. Examine how female employee in Nigeria balance their work with family life and still progress in their career.
ii. Assess the impact of family life on the career progression of female employee.
iii. Evaluate the relationship between work-life balance and performance among female employee in Nigeria.
iv. Assess the challenges female employee in the Nigerian bank industry face in combining work and family life.

LITERATURE REVIEW

In Nigerian, changing societal attitudes, inflation and rising educational levels have made more women than ever before to drive into the paid workforce. Nigerian women, who were confined only to socially acceptable jobs like banks, teaching, nursing, etc., are now stepping into various sectors. Managing work and family responsibility can be very difficult for women employees in dual-income families. There is an increasing need for organizations to address these demands of working mothers by implementing innovative human resources policies Sahana and Bagali (2013). Work-life balance is one such human resource practice that enables the employees particularly working mothers to give proper prioritization between work and life roles. Hence, work-life balance has become a growing concern in both public and Private sectors in Nigeria.

Working mother is an institution in herself and aiming at a successful career with financial independence, she has to also nurture her growing child to accomplish motherhood Sahana and Bagali (2013). Both these jobs are extremely demanding and doing justice to each other without neglecting the other is a formidable task. Many women struggle to find better ways to balance these two domains and often are confronted with this guilt from outside sources like pressure from husband, family and friends.

Concept of Work-Life Conflict

There are various definitions of work-family conflict. (Carslon, (Higgins, Chen & Carikci) define work-life conflict as a form of inter-role conflict when one of the roles imposes different demands and requirements on people that are not compatible with the other role. It refers to all activities that can affect work (or personal life) as a result of the engagement on activities related to the other side. It is when your family interferes with your career and your ability to get ahead at work" (Duxbury). Netemeyer, Boles and McMurrian (1996) define work-life conflict as "a form of inter role conflict in which the general demand of, time devoted to and strain created by the job interfere with performing family-related responsibilities".

Greenhaus, Collins and Shaw (2017) defined work-life conflict as “the extent to which an individual is equally–self engaged and equally satisfied with –his or her work role and family role”. Greenhaus argue that work-life conflict as “a form of friction in which role pressures from work and family domains are mutually incompatible in some respects”. Pandu, Balu and Poorani (2013) on their part defined work-life conflict (WLC) as discord that arises when the time devoted to or time spent fulfilling professional responsibilities interferes with or limits the amount of time available to perform family-related responsibilities. This phenomenon results when the expectations and time constraints associated with the professional and personal lives of an individual are not compatible, making it difficult to manage both. The WFC is a byproduct of the stress and overload that arises from the demands associated with home and work roles. It reflects the degree to which one's responsibilities from either the work or family domains affect or disrupt an individual's life: participation in the work role/family role is made more difficult under participation in the family role/work role. Ultimately, the demands and responsibilities of professional life make it more difficult to accomplish or meet activities in the home and personal life. Work-family conflict becomes difficult to handle when work activities keep interfering with family activities.

From the concepts above it can be noted that when there is no ‘right’ combination of participation in paid work (defined by hours and working conditions) and other aspects of live and when work interferes with family life, there is a conflict and this can affect any individual adversely particularly married female employee who is usually saddled with so much responsibility at home aside from work.

Work-life balance, in its broadest sense, is defined as a satisfactory level of involvement or ‘fit’ between the multiple roles in a person’s life (Hudson, 2005). Work-life conflict is about the interaction between paid work and other activities, including unpaid work in families and community, leisure and personal development Work-life balance, in its broadest sense, is defined as a satisfactory level of involvement or ‘fit’ between the multiple roles in a person’s life (Hudson, 2005).

Work-life conflict is about the interaction between paid work and other activities, including unpaid work in families and community, leisure and personal development

Work-life conflict does not mean an equal balance in units of time between work and life. It is not a tight rope walk between two poles acting as organizational commitments and home demands at the same time, but it is about proper understanding of the priorities of the professional and personal level.

Theoretical Framework

This study on work-life balance among Nigerian female employees in commercial banks is anchored on Spillover-crossover theory propounded by Bakker, Demerouti & Burke (2009). The theoretical framework used to explain negative spillover is called the role scarcity hypothesis. The main argument of Bakker, Demerouti & Burke here is that since people have a limited, fixed amount of resources (e.g., energy, time), problems may arise when different roles draw on these same resources. For example, when both family and work roles draw on the scarce resource of time, one of these roles is likely compromised due to a lack of available time. A different framework, the role expansion hypothesis, has also been used to explain positive spillover. According to this hypothesis, individuals generate resources (e.g., positive mood, skills) and opportunities from the multiple roles they are engaged in. These, in turn, can be used in both life domains to improve functioning and promote growth.

In the process of crossover, transmission of states of well-being takes place between closely related persons). This process is characterized by transmission on the inter-individual level (Bakker, Demerouti & Burke, 2009). In other words, crossover is a dyadic process where states of well-being 'cross over' to another individual. Research has shown that this process can entail both the transfer of negative, as well as positive experiences. An example of a crossover effect is one in which an individual transfers feelings of stress or fatigue to his/her partner. Research studies (Demerouti, Bakker and Schaufeli (2005) have shown this effect to occur between partners.

The Spillover-Crossover model is used in psychological research to examine the impact of the work domain on the home domain, and consequently the transference of work-related emotions from the employee to others at home (particularly the partner). How well-being can be transferred have been categorized into two different mechanisms: spillover and crossover. Spillover concerns the transmission of states of well-being from one domain of life to another. This is a process that takes place at the intra-individual level, thus within one person but across different domains. The experiences that are transferred from one domain to the other can be either negative or positive. Spillover effects apply to situations in which there is a form of inter-role conflict. That is, being involved in a work-role may put strains on the family role, or vice versa. This implies that an additional categorization can be made between two different types of inter-role conflict. Firstly, work-family conflict (WFC) refers to a situation where the pressures related to the work-role have an unfavorable impact on the family role.

Second, family-work conflict (FWC) refers to a situation where the pressures of the family role have an unfavorable impact on the role individuals have at work. An example of a (WFC-) spillover effect would be one in which an individual experiences a need to compromise on leisure time (i.e. private domain) due to work overload (i.e. work domain). It has been shown (Pope, 2009) that crossover is more likely to occur in situations where individuals pay close attention to others. According to Ajith, Madhu and Vidya (2013) crossover are more likely when individuals have self-construal that is focused on being interrelated to others, rather than being unique and independent. Sensitivity and susceptibility to emotional stimuli may also predict crossover. Both dispositional variables (e.g., Type A personality, negative affectivity; as well as work characteristics have been shown to play a role in work-family conflict; Different job demands have been shown to predict WFC, including work-role overload; and work pressure, but also an unfavorable working schedule; and emotional job demands. Apart from the hampering, negative effects of WFC/FWC-conflicts, positive effects may also occur. This process is called work-family enrichment or facilitation. Research (Malik et al. (2010) have shown that, in general, positive spillover is positively related to job resources (e.g., social support, autonomy, feedback Also, positive spillover has been related positively to job performance and other outcomes (Haar *et al*, 2010).

METHODOLOGY

The survey method aimed at examining work-life balance among Nigerian female employees in commercial banks was used for this study. The population for this study comprised of one thousand two hundred and forty-one (1241) female workers of all the financial institutions in Edo State. A total of 120 female staff of financial institutions in Auchi, Edo State was considered adequate representation of the entire staff of the five banks selected. Simple random sample technique via balloting gives every member of the population equal chance of being selected as sample subjects. The female bankers were made up of marketers, cashiers and customers service officers. The study used simple random sample technique which was aided with balloting in the selection of female staff of United Bank for Africa (UBA), First Bank of Nigeria (FBN), Fidelity Bank Plc, Zenith Bank Plc and Union Bank. They were interviewed in their various offices. The research instrument used for this study is a set of questionnaire developed based on the objectives and research questions raised for the study. The questionnaire was administered by the researcher by hand to the respondents in their various departments or units. Information was collected from two main sources namely-primary and secondary sources.

RESULTS AND DISCUSSIONS

Demographic Analysis

To provide answers to the research questions, the data gathered was manually processed by the researchers by preparing the data, counting responses for frequency and the computation of the same using the sample percentage method of measurement. Thus, the analysis took the form of using the specified question.

Table 1: Distribution and Return of Questionnaire

S/N	Names of selected Banks	Number of Questionnaire Administered	Number of Questionnaire Returned
1	United Bank for Africa (UBA)	20	12
2	First Bank of Nigeria (FBN)	20	16
3	Fidelity Bank Plc	20	14
4	Zenith Bank Plc	20	20
5	Union Bank	20	18
6	Eco bank	20	20
Total		120	100

The information in Table 1 above shows 83% return rate of questionnaire. The section of result presentation and interpretation below provides the statistical outcome of the data analysis.

Table 2: The total respondents chosen for the research work based on status or designation of staff

Designation	No. of Respondent	Percentage (%)
Junior staff	49	49
Senior staff	51	51
Total	100	100

The above table shows the total respondents chosen for the research work. 49 respondents were junior staff representing 49% of the sample population of the six financial institutions and the other 51 respondents which represent 51% of the sample population were senior staff of the six financial.

Table 3: Respondents based on Age of staff

Age of staff	No. of Respondent	Percentage (%)
25 - 44	60	60
45 – and above	40	40
Total	100	100

The above table shows that of the total respondents chosen for the research work. 60 respondents which represent 60% of the sample population were between the age range of 25-44years while the other 40 which represents 40% of the sample population were between the age range of 45years and above.

Table 4: Respondents based on Department of staff

Department of staff	No. of Respondent	Percentage (%)
Marketers	40	40
Cashiers	30	30
Customers service officers	30	30
Total	100	100

The above table shows that of the total respondents chosen for the research work. 40 respondents which represent 40% of the sample population were marketers, 30% of the sample population were marketers while the other 30% of the sample population were customers service officers.

Table 5: Respondents based on Marital Status

Marital Status	No. of Respondent	Percentage (%)
Single staff	55	60
Married staff	45	40
Total	100	100

The above table shows that of the total respondents chosen for the research work. 55 respondents which represent 55% of the sample population were single staff while the other 45 which represents 45% of the sample population were married staff.

Presentation and Analysis of Data

Research Question 1: What are the ways female employees can balance their work with family life?

Table 6: The ways female employees can balance their work with family life.

S/N	ITEMS	SA	A	D	SD
1	Female employees should show equal concern to their personal life as they show to their professional life.	50 (50%)	10 (10%)	10 (10%)	30 (30%)
2	Female employees who are also mothers should accept job offers that do not conflict with their family life roles	46 (46%)	10 (10%)	34 (34%)	10 (10%)
3	Husbands should empower their wives on vocational skills to enable them to choose from a variety of job that would not conflict with their family life roles	50 (50%)	30 (30%)	10 (10%)	10 (10%)
4	Female employees should liaise with or discuss with their husbands over job offers or additional responsibilities in the work place before accepting them	45 (45%)	10 (10%)	35 (35%)	10 (10%)
5	Female employees should employ house helpers in homes who can relieve them of their duties at home whenever they are away at work	55 (55%)	25 (25%)	15 (15%)	5 (5%)

Table 6 shows that 50 (50%) of the respondents strongly agreed, 10 (10%) agreed 10 (10%) of the respondents disagreed while 30 (30%) strongly disagreed that Female employees should show equal concern to their personal life as they show to their professional life. The study also shows that 46 (46%) of the respondents strongly agreed, 10 (10%) agreed, 34 (34%) disagreed while 10 (10%) strongly disagreed that Female employees who are also mothers should accept job offers that do not conflict with their family life roles. The study also shows that 50 (50%) of the respondents strongly agreed, 30 (30%) agreed, 10 (10%) disagreed while 10 (10%) strongly disagreed that Husbands should empower their wives on vocational skills to enable them to choose from a variety of job that would not conflict with their family life roles.

In the vein, the study also shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed, 35 (35%) disagreed while 10 (10%) strongly disagreed that Female employees should liaise with or discuss with their husbands over job offers or additional responsibilities in the workplace before accepting them. The study also shows that 55 (55%) of the respondents strongly agreed, 25 (25%) agreed, 15 (15%) disagreed while 5 (5%) strongly disagreed that Female employees should employ house helpers in homes who can relieve them of their duties at home whenever they are away at work. Since majority of the respondents are in the affirmative concerning the ways female employees can balance their work with family life it, therefore, implies that Female employees should employ house helpers in homes who can relieve them of their duties at home whenever they are away at work.

Research Question 2: What is the impact of family life on the career progression of female employees in Nigeria?

Table 7: The impact of family life on the career progression of female employees in Nigeria

S/N	Factors	SA	A	D	SD
1.	Family life work conflict creates elements of frustration in the form of job stress for female bankers by making them to work shorter hours thereby affecting their career progression	40 (40%)	40 (40%)	20 (20%)	5 (5%)
2.	Family life-work conflict creates elements of unhealthy living (decreased health) for female bankers by making them live on drugs thereby affecting their career progression due to regular absents from duties	45 (45%)	10 (10%)	35 (35%)	10 (10%)
3.	Career progression of female staff in financial institutions is greatly affected as they strive to meet or balance their maternity needs during pregnancy at home with their work-life responsibilities	55 (55%)	25 (25%)	15 (15%)	5 (5%)
4.	The impact of family life on the career progression of female employees in	50 (50%)	30 (30%)	10 (10%)	10 (10%)

S/N	Factors	SA	A	D	SD
	Nigeria is that owing to family life responsibilities, most female workers hardly accept a transfer to distant locations away from their homes.				
5	Career progression of female staff in financial institutions is greatly affected as they strive to meet or balance their care giving needs (cooking and bathing of children) at home with their work-life responsibilities	50 (50%)	10 (10%)	10 (10%)	30 (30%)

Table 7 shows that 40 (40%) of the respondents strongly agreed, 40 (40%) agreed 20 (20%) of the respondents disagreed while 5 (5%) strongly disagreed that Family life-work conflict creates elements of frustration for female bankers by making them work shorter hours thereby affecting their career progression. The further showed that the study also shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed, 35 (35%) disagreed while 10 (10%) strongly disagreed that Family life-work conflict creates elements of unhealthy living for female bankers by making them live on drugs thereby affecting their career progression due to regular absents from duties. The study also shows that 55 (55%) of the respondents strongly agreed, 25 (25%) agreed, 15 (15%) disagreed while 5 (5%) strongly disagreed that Career progression of female staff in financial institutions is greatly affected as they strive to meet or balance their maternity needs during pregnancy at home with their work-life responsibilities. In the vein, the study also shows that 50 (50%) of the respondents strongly agreed, 30 (30%) agreed, 10 (10%) disagreed while 10 (10%) strongly disagreed that the impact of family life on the career progression of female employee in Nigeria is that owing to family life responsibilities, most female workers hardly accept a transfer to distant locations away from the homes. Lastly, the study also shows that 50 (50%) of the respondents strongly agreed, 30 (30%) agreed, 10 (10%) disagreed while 10 (10%) strongly disagreed that Career progression of female staff in financial institutions is greatly affected as they strive to meet or balance their caregiving needs at home with their work-life responsibilities. The results of the study in table 4.5 above, therefore, indicates that since majority of the respondents were in the affirmative regarding the research question items, therefore implies that career progression of female staff in financial institutions is greatly affected as they strive to meet or balance their maternity needs during pregnancy at home with their work-life responsibilities.

Research Question 3. What is the relationship between work-life balance and job performance among female employees in Nigeria?

Table 8: The relationship between work-life balance and job performance among female employees in Nigeria

S/N	Factors	SA	A	D	SD
1.	The most common consequences of work-life conflict is depression which results in low job performance among female employee in Nigeria	45 (45%)	10 (10%)	35 (35%)	10 (10%)
2.	Work-life conflict results in decreased productivity i.e low job performance among female employee in Nigeria	50 (50%)	30 (30%)	10 (10%)	10 (10%)
3.	WORK-life conflict results in higher absenteeism among female employee in Nigeria	45 (45%)	10 (10%)	35 (35%)	10 (10%)
4.	Work-life conflict can lead to employees experiencing low morale and non-challant attitude towards work	45 (45%)	10 (10%)	35 (35%)	10 (10%)
5.	Work-life conflict results in Lower productivity and poorer work quality among female employee in Nigeria	55 (55%)	25 (25%)	15 (15%)	5 (5%)

Table 8 shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed 35 (35%) of the respondents disagreed while 10 (10%) strongly disagreed that The most common consequences of work-life conflict are depression which results in low job performance among female employee in Nigeria. The study further showed that the study also shows that 50 (50%) of the respondents strongly agreed, 30 (30%) agreed, 10 (10%) disagreed while 10 (10%) strongly disagreed that Work-life conflict results in decreased productivity.

The study also shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed, 35 (35%) disagreed while 10 (10%) strongly disagreed that WORK-life conflict results in higher absenteeism. In the vein, the study also shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed, 35 (35%) disagreed while 10 (10%) strongly disagreed that Work-life conflict can lead to employees experiencing low morale and non-challant attitude towards work.. consequently, the study also shows that 55 (55%) of the respondents strongly agreed, 25 (25%) agreed, 15 (15%) disagreed while 5 (5%) strongly disagreed that work-life conflict results in Lower productivity and poorer work quality. The data in the table above indicates that there is a relationship between work-life balance and job performance among female employees in Nigeria.

Research Question 4. What are the challenges female employees in Nigeria face in combining work and family life?

Table 9: The challenges female employees in Nigeria face in combining work and family life

S/N	Factors	SA	A	D	SD
1.	Work-life conflict can lead to child neglect and broken homes among female employee in Nigeria	50 (50%)	30 (30%)	10 (10%)	10 (10%)
2.	Work-life conflict results in higher levels of stress among female employee in Nigeria	45 (45%)	10 (10%)	35(35%) (35%)	10 (10%)
3.	Work-life conflict results in health issues (decreased health) that may lead to death	45 (45%)	10 (10%)	35 (35%)	10 (10%)
4.	Work-life conflict is associated with increased occupation burnout among female employee in Nigeria	50 (50%)	30 (30%)	10 (10%)	10 (10%)
5	Work-life conflict results in unaccomplished dreams and unfulfilled life	50 (50%)	10 (10%)	10 (10%)	30 (30%)

Table 9 shows that 50 (50%) of the respondents strongly agreed, 30 (30%) agreed of them agreed, 10 (10%) of the respondents disagreed while 10 (10%) strongly disagreed that Work-life conflict can lead to child neglect and broken homes. The study further showed that the study also shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed, 35(35%) disagreed while 10 (10%) strongly disagreed that Work-life conflict results in higher levels of stress. The study also shows that 45 (45%) of the respondents strongly agreed, 10 (10%) agreed, 35 (35%) disagreed while 10 (10%) strongly disagreed that Work-life conflict results in health issues (decreased health) that may lead to death. In the vein, the study also shows that 50 (50%) of the respondents strongly agreed, 30 (30%) agreed, 10 (10%) disagreed while 10(10%) strongly disagreed that Work-life conflict is associated with increased occupation burnout. Finally, the study also shows that 50 (50%) of the respondents strongly agreed, 10 (10%) agreed, 10 (10%) disagreed while 30(30%) strongly disagreed that Work-life conflict results in unaccomplished dreams and unfulfilled life. The result above indicates that the challenges female employees in Nigeria face in combining work and family life is enormous.

Discussion of Findings

From this research study, it was discovered that the majority of the women in financial institutions in Auchi Edo State Nigeria are in their youthful age between 25-45 years, and highly educated. It can be deduced that women in financial institutions have gained increased access to educational opportunities. This can be corroborated by the works of Muchiti *et al* (2015) and Munyolo (2013), that both age and education are critical determinants of women in financial institutions' employment. In addition to this, the researcher discovered that majority of the women in financial institutions' employment are either Christians or Muslims and that traditional religious practice among them is low.

Majority of the women in financial institutions in Auchi Edo State Nigeria are in the position of junior staff. Furthermore, it was discovered that while women in financial institutions employment have the moral and spiritual support of their husbands, support for domestic chores is very low. This implies that women in financial institutions employment do not get much domestic support from their spouses. In corroborating this, Adikaram (2016) stated that Nigerian men although supportive of their wives working because of extra family income, do not accept an equal sharing of household tasks. But it was reported that all those who practice traditional religion have no support from their spouses.

The study discovered that majority of women in Auchi Edo State Nigeria who are engaged in financial institutions' employment have little number of children. However, this is not due to their job as majority of the women said that their job does not influence the number of children they have. But majority of them anticipated having more children. The variation was reported to be due to the economic cost of raising children rather than rigorous work schedule. Also, women engagement in formal employment is not the cause of marital instability. This can be supported by Asher (2011), that marital stability or instability is not as a result of women working outside the home or not. Women engagement in financial institutions' employment does not influence fertility. Husbands of majority of the respondents are employed but their salaries are higher than those of their husbands. Therefore, majority of the respondents engage in formal employment basically for economic reasons to support as well as provide for the needs of the family due to the stiff economic situation of the country.

Hence, the reason for continuance support from their husbands as regards engagement in formal employment.

Women in financial institutions' employment though are enjoying their jobs because of the financial gain and increase in family status; they have limited time to spend with their families on daily basis as they spend the larger part of the day on their jobs. Majority of the respondents depart their homes as early as 5.30 am and return as late as 9.00 pm for at least 6 days a week. However, majority of the respondents employ the services of relatives to take care of their children and other domestic shores while at work. The further showed that the most common consequences of work-life conflict are depression, Work-life conflict results in decreased productivity, work-life conflict results in higher absenteeism, Work-life conflict can lead to employees experiencing low morale and non-challant attitude towards work. Work-life conflict results in Lower productivity and poorer work quality, Work-life conflict results in higher levels of stress, Work-life conflict results in health issues (decreased health) that may lead to death, Work-life conflict is associated with increased occupation burnout

Work-life conflict results in unaccomplished dreams and unfulfilled life and work-life conflict can lead to child neglect and broken homes. The study discovered that there is a significant relationship between employment of house helps in homes and female employees' balancing their work with family life. Findings also show that there is a significant relationship between conflict in family life roles and employment life roles and career progression of female employees in Nigeria. Findings further show that there is a significant relationship between work-life balance and better job performance of female employees in Nigeria. The study discovered that there is a significant relationship between work pressures (loads) and neglect of the family roles by female employees in Nigeria.

CONCLUSION AND RECOMMENDATIONS

The economic reality of the contemporary world has made women go beyond home made to make the best use of their talents, gift and skills in improving their living standards and also contributing to national development. Women dual roles as wives, mothers and formal sector employees place them in an enviable position in society. It demands that women work twice as hard as their male counterparts to excel in both roles. Though the demand can be stressful and scary, women must brace up to face the challenge. Being wives and mothers is God-given privilege which should not be a hindrance to success in one's career and the pursuit for success in one's career should not hinder the proper management of the home. Women should ensure they build the character of their children who are the future leaders of the nation and use their skills for the development of the nation.

The following recommendations are made to help improve the way women in formal employment will become successful in both economic and domestic roles.

i. Since women in financial institutions' employment are usually accused of abandoning the homes for their jobs, they should work harder towards balancing both their economic and their domestic roles so that none suffers for the other. These different roles both need to be performed; therefore, women should look for competent house helps, nannies and relatives, to help them look after the home while they are at work and when back from work should find out what happened in their absence and interact with their husbands and children. By so doing the stability of the family and proper upbringing of the children will be guaranteed.
ii. Men should help their wives with domestic work so that the workload at home will not be much for them to handle.
iii. Men should drop the notion that taking care of the children or overseeing activities in the home are the sole responsibility of women and embrace an equal sharing of these activities.
iv. There should be a social policy that will reduce the number of hours women spend at work without a reduction in their pay. This will give women more time to spend with their families.
v. There should be the introduction of telework, that is, work away from the workplace. With this women can work from home since there is an improvement in information technology in society these days.

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EMPLOYEES OVERHEAD COSTS AND ORGANIZATIONAL PRODUCTIVITY IN DAAR COMMUNICATION PLC

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ABSTRACT

Most management practitioners and researchers are aware of the relevance of employees' overhead costs in an organization and the role it plays in motivating employees to be more productive. This study looked at the effect of employees' overhead costs and organizational productivity in Daar Communication Plc, Nigeria. The objectives of the study were to determine whether training and development costs, staff welfare costs and remuneration costs enhance employees' contribution. The study adopted an expo factor research design and used the sample size of five years (2014 – 2018) financial statement of Daar Communication plc. Data were collected from secondary sources, while hypotheses were tested using multiple regression analyses. The findings of the study indicate that there is a significant relationship between employees' overhead cost moderating variables (training and development cost, staff welfare cost and remuneration cost) and the organizational productivity level (employees' contribution) in Daar communication plc. The study recommends that more efforts should be made on training and development of employees, staff welfare should be given better attention, and employees' remuneration should be fair and transparent to improve the productivity of the organization.

Keywords: Development, Employee contribution, Remuneration, Staff welfare, Training.

INTRODUCTION

It is imperative in today's internal business environment, for organizations to have complete knowledge of their employees' overhead costs to improve their organizational productivity. Most organization these days now invest in staff training and development, staff welfare, and employees' remuneration to gain their employees' full commitment. Various strategies have been used by employers to enhance their employees' collective contributions to their organizational work. However, Andrew (2017) noted that if employees do not commit themselves to their assigned assignments, the strategy used will still lead to lower productivity. Andrew (2017) also pointed out that the quality and number of employees in an organization plays an important role in an important role in the functioning of the organization, and believes that employees are the 'pillar' of public and private institutions, with an important role in ensuring that effective and efficient management policies are implemented. Maugo (2013) attested to the fact that employees are the most important drivers of a company's competitive advantage. Daar Communications Plc has been used as a focal point for this study, one of Africa's leading entertainment and media outlets in producing, developing and selling news and entertainment news, to audiences and audiences worldwide. Daar Communications Plc operates a significant portfolio of entertainment and television news, which also has the highest quality television performance in Nigeria.

Statement of the Problem

Most employers in developing countries like Nigeria have little or no value for human dignity for employees, some employer sees their employees as robots or machines. This projection of some employers' assertion is owing to the forecast of the high rate of unemployment, which will stand at 33.5 percent in the country by 2020 (Ngige, 2019), due to this high unemployment rates, the researcher has found that Daar Communication plc rarely uses positive motivational techniques to enhance employees contribution to their organization.

It has also emerged that some organizations (Daar Communication plc) are trying to reduce their overhead cost, by reducing training and development cost, staff welfare cost and even employees' remuneration cost to improve organization's productivity, which in the long run may not yield the desired result. Daar Communication plc has, however, been battling on how to improve their profit, from 2014 until now as revealed in their company's financial statement, this has led to non-payment of salaries, and retrenchment of employees. It is on this backdrop that the researcher decided to investigate the effect of employees' overhead cost and organizational productivity in Daar Communications Plc, no research has been done by any telecommunication company that has made a sequential loss for five years.

Objectives of the Study

The broad objective of this study was to determine the effect of employees' overhead costs on organizational productivity. The specific objectives are as follows;

i. To establish the relationship between employees' training and development costs on employees' contribution to Daar Communications plc.

ii. To ascertain the relationship between staff welfare costs on employees' contribution to Daar Communications plc.

iii. To establish the relationship between employees' remuneration costs on employees' contribution to Daar Communications plc.

Research Hypotheses

The following hypotheses were formulated and stated in the null form to guide the thought of the researcher.

i. H_o: There is no significant relationship between employee training and development costs on employees' contribution to Daar Communications plc.

ii. H_o: There is no significant relationship between staff welfare costs and employees' contribution to Daar Communications plc.

iii. H_o: There is no significant relationship between employees' remuneration costs and employees' contribution to Daar Communications plc.

Review of Related Literature

Employees Overhead Costs

Employee overhead costs are the amount of expenses an employer has to endure, to provide employees with the necessary tools, supplies and equipment that defines the work environment. It includes all types of fixed or variable costs over the long term that may relate to the employees and their work environment. Novák, Dvorský, Popesko, and Strouhal (2017) opined that in recent decades, economic structure, company operations, productivity and customer expectations have all changed, so the perception of cost management should also change. As a result, employees are more loyal to their organization and less likely to leave the organization or perform less. Organizational productivity has a direct relationship with the level of employees' overhead costs (Ivancevich, 2010). Dedicated employees perform on their duties well beyond the expectations of management (Bragg, 2002).

Training and Development

Swanson (2001) described training and development as a process of organizing work-related knowledge and expertise in people to improve performance. Training and development have a direct relationship with the contribution of an active employee to an organization (Apospori, Nikandrou, Brewster, & Papalexandris, 2008). Training and development create a sense of job satisfaction among employees (Zafar, 2015). Training and development programmes help employees in an organization to become more efficient and effective in their work. Zafar (2015) further added that all business organizations should make efforts to promote the productivity of employees through effective training and development programs that meet the knowledge gap with assigned tasks.

Staff Welfare

Staff welfare includes everything from services, benefits, and facilities offered by the employer to the comfort of their employees (Martins, 2017). Staff welfare is often created by organizations to improve employee contributions. The level of employee well-being enjoyed by the employee is an integrated approach to the organization as a whole (LaMarco, 2019). Employee welfare comes via financial and non-financial means at Daar Communication plc. Other staff welfare options for workers include health insurance, housing, layoffs, working conditions, travel and food. However, this study is about the financial well-being of workers. When organizations foster a culture of caring that focuses on the well-being of employees, the organization not only retains existing staff but also attracts new employees.

Employee Remuneration

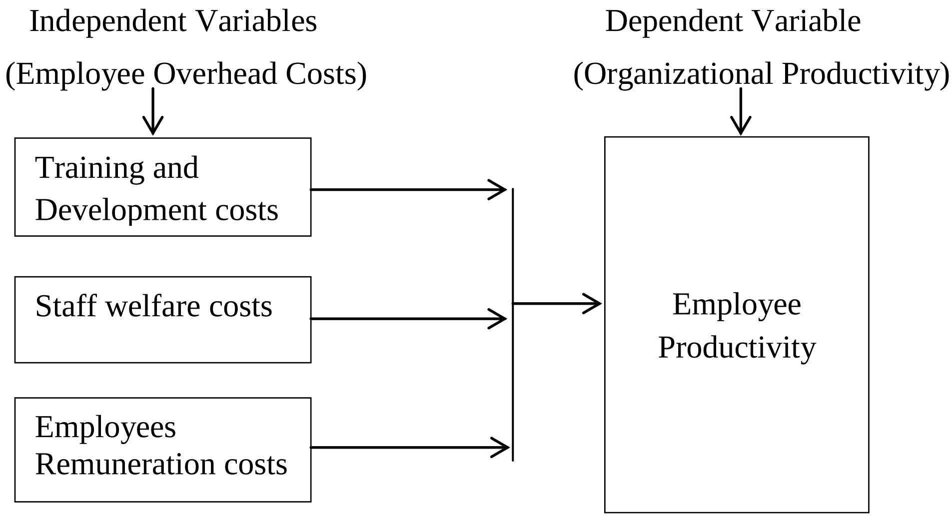
Maicibi (2005) defined remuneration as pay or reward given to individuals for work done. Remuneration can also be referred to as monetary or financial benefits in the form of salaries, wages, bonuses, incentives, allowances and benefits received or given to an employee to perform their duties effectively and efficiently. A fair compensation package is considered as a tool to build employee commitment and organizational success (Zafar, 2015). It is also seen as compensation that gives an employee or group of employees by an employer (firm) as a result of services provided by the employee to its organization to receive a reward for the terms and conditions of employment (Ojeleye, 2017). The reward system of any given organization is usually significant for arousing employees' productivity (Youndt, & Snell, 2004). Organizational rewards programs are one of the most important tools that management for easy adoption.

Employees' Productivity

Organizational productivity is technically the aggregate net productivity of an individual employee in an organization. Employee productivity is an evaluation of the efficiency of an employee or a group of employees. Fiorita, Bozeman, Young, and Meurs (2007) stated that employee overhead costs can lead to positive outcomes such as increased organizational performance, productivity, and efficiency, as well as decreased staff turnover and absenteeism. Employee contribution can be evaluated in terms of employee output within a given period in an organization. Sarker (2012) emphasized that to achieve sustainable growth and high productivity of an organization, special attention should be given to improving human resource management practices. Managing human resources at work is an important part of management processes. Employee engagement is based on the recognition that the success of any organization is determined by the contribution of its employees (Butali & Njoroge, 2018). Understand the relevance of employees in an organization, is relatively important to the degree organizational goals will be achieved through individual employees contribution.

Research Model

The researcher model below presents a link between the independent variables (training and development costs, staff welfare costs, and employee remuneration costs) and the dependent variable (employee contribution). Based on the formulated hypotheses, the researcher has established a nexus between training and development costs, staff welfare costs, and remuneration costs as determined from the independent variable (employees overhead costs) and employee contribution, reflected in organizational productivity. The figure below shows the relationships between variables;



Source: Research Model

Theoretical Framework

The Side-Bet Theory: The Side-Bet theory was developed by Becker’s in 1960. The term “side-bets” refers to the accumulation of overhead investments an employer invests in an individual employee (Becker, 1960). Becker's view argues that the relationship between workers and their organizations is rooted in an ethical economic exchange agreement. Dedicated employees are committed because they have hidden interest (employment benefits) or investments in their organization, this hidden interest or investment is called side-bets. The theory of side bet is relevant to this study because it was intended to investigate the level of employees' overhead cost to organizational productivity. Hidden interest is the backbone that determines every employee's level of contribution in any given organization.

Empirical Review

Okafor, Daramola and Tafa (2018) have studied the impact of welfare programs on employee performance at Bells University of Technology. The purpose of the study was to determine the relationship between income level and employee performance. Primary source data was used. The study used a descriptive design. Percentages were used for descriptive statistics. Pearson correlation was used to test hypotheses developed in research. Findings find that social programmes have a positive impact on employee morale.

Daddie, Andrews, Iroanwusi and Princewil (2018) investigate the employee welfare scheme as the driving force of workers performance in insurance companies, Portharcourt. The study used a survey design. The sample size used was one hundred and one (101) employees taken from ten insurance firms. The questionnaire was used as a data collection tool. The statistical tools for data analysis were simple percentages and non-Parametric Kruskal Wallis tests using SPSS. It was therefore concluded that the employee benefit plan provided by the insurance companies had a significant effect on the performance of their employees.

Ojeleye (2017) looked at the impact of remuneration on employees' performance at Abdul Gusau polytechnic and State College of Education, Zamfara State. The sample size was 83 workers, and the questionnaire was used to ask for information on remuneration and performance. The dependent variable was employee performance while the exception was salary (salary/earnings, bonus/incentives). Pearson correlations and multiple regressions were used to analyze the data using SPSS 22.0 and E-Views 9.0. The findings reveal a strong and positive relationship between remuneration and employee performance and that salary/wages and bonuses/allowances increase employee productivity.

Najmeh and Ghanbar (2016) examined the effects of employee welfare on the performance of Islamic Azad University staff, Abadan and the Khorramshahr branch. Descriptive research design was developed for research purposes. The study sample included 150 respondents. The questionnaire was used for data collection. Data were analyzed with the help of SPSS and LISREL software. The result shows that employee welfare facilities have a positive working relationship.

Ekundayo (2015) examined the training and development practices of selected oil-processing companies in Port Harcourt to influence workers' productivity, 109 questionnaire were distributed among respondents from ten selected oil service companies. Correlation and regression analyzes were used to establish the interaction between variables. The researcher concluded that there is a positive relationship between training/development and productivity of employees. There is also an important relationship between training/development and job security.

Edasoriya (2014) examined the impact of extrinsic rewards and intrinsic rewards on employee performance in ElectriCo firm, Sri Lanka. The questionnaire was used as the main source of data collection. Data were analyzed using nonlinear and descriptive statistics. A sample of 100 employees was selected from 1,075 employees. The results revealed that there was a positive relationship between extrinsic reward, intrinsic reward and employee performance.

Malaolu and Ogbuabor (2013) investigated the effects of training and manpower development on employee productivity and organizational performance in First Bank of Nigeria Plc. The survey used a structured questionnaire, which was administered to 75 respondents. Data were analyzed using descriptive statistics. Findings from the research survey indicated that 70 percent of respondents agreed that training and development of employees improve their efficiency and productivity. Secondly, 80 percent of the respondents agreed that training and manpower development enhances organizational performance.

Knowledge Gap

After carefully reviewing both domestic and international studies on topics related to employees’ overhead costs and productivity, none of the investigators has studied telecommunications companies that have made consistently made losses for five years.

METHODOLOGY

The study adopted expo factor research design. The population of the study was limited to Daar communication Plc. The sample size for this study was the secondary data for five years annual financial statement spanning from 2014 – 2018 for Daar communication plc, Nigeria. The source of data was obtained from the company annual financial statement report and the Nigeria Stock Exchange 2014 to 2018.

Variable Measurement

Employee overhead costs (Independent Variables): A number of variables measuring employee overhead costs were calculated based on the data obtained from training and development costs (total training and development costs / total number of employees), staff welfare cost (total staff cost / total number of employees) and employee remuneration (total wages and salary / total number of employees), while employee contribution (dependent variable) measures total net income/numbers of employees the calculated values as extracted from Daar Communication financial statement (2014 – 2018) are stated in the table below;

Table 1: Dependent variable and independent variables calculated cost

Year	Organizational Inflows '₦'	Training and Development Costs '₦'	Staff Welfare Costs '₦'	Employee Remuneration Costs '₦'
2014	88.37	164.75	37.14	89.01
2015	1247.54	839.91	22.2	56.4
2016	2628.49	1405.44	23.19	68.72
2017	506.93	987.85	11.35	85.82
2018	3760.1	900.45	23.51	194.71

Source: Researcher survey, 2019.

Method of Data Analysis

The study employed a parametric statistical technique using multiple regression analysis for hypotheses testing.

Model Specification

The model below was formulated to test the hypotheses

EC = f (TD + SW + ER)

Where;

EC = Employee Contributions

TD = Training and Development Costs

SW = Staff Welfare Costs

ER = Employee Remuneration Costs

Table 2: Model summary between the dependent variable and independent variables

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.970[a]	.941	.765	739.91260

a. Predictors: (Constant), SW, TD, ER

The summary results of the multiple regression model summary, show that the R=.970, R-square = .941 (97% and 94.1%) of the variance explained by the model, indicate that employees' overhead cost has a high impact on organizational productivity. The result was consistent with the findings of Okafor, Daramola and Tafa (2018), as well as Daddie, Andrews, Iroanwusi and Princewil (2018), which states that employee overhead costs have a significant link to organizational productivity.

Table 3: ANOVA between the dependent variable and independent variables

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	8769696.402	3	2923232.134	5.340	.006[a]
	Residual	547470.652	1	547470.652		
	Total	9317167.055	4			

a. Predictors: (Constant), SW, TD, ER

b. Dependent Variable: EC

Table 3 above, measures the Analysis of Variance (ANOVA) used to assess the significance of the fitted regression model. From the table above, F_{ratio} (F-calculated) value is 5.340, P = 0.006. Since P < 0.05 the alternative hypotheses were accepted, because the level of significance indicates that there was sufficient evidence that the slope of the regression line was not zero, and therefore employees' overhead costs have a noticeable effect on organizational productivity. This means that all the independent variable (training and development costs, staff welfare costs and employee remuneration costs) have a significant impact on organizational productivity (employee contribution), which is in line with the findings of Okafor, Daramola and Tafa (2018), Ojeleye (2017), and Malaolu and Ogbuabor (2013) of the important link connection between employee overhead costs and performance.

Table 4: Coefficient between the dependent variable and independent variables

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-5006.618	2231.446		-2.244	.003
ER	3.271	1.134	.958	2.885	.000
TD	82.498	55.289	.495	1.492	.376
SW	19.243	6.723	.695	2.862	.004

a. Dependent Variable: EC

Table 4 above shows the fitted model coefficients. It revealed which independent moderating variables (ER, TD & SW) significantly affect the dependent variable (EC). This is the remuneration (2.885) and staff welfare (2.862). The result confirmed that two of the three variables significantly influenced employee contributions (employee remuneration and staff welfare at 0.05 level of significance). The third variable (training and development) has little effect on employee contributions. However, the researcher concluded that training and development could be partially accepted as an influence on organization’s productivity.

CONCLUSION AND RECOMMENDATIONS

The present study looked at the effects of employee overhead cost on organizational productivity. Organizations can increase the morale of their employees by successfully implementing employee overhead costs (training and development costs, staff welfare costs and employee remuneration costs). If these independent variables are managed properly, it will eventually result in the improvement of the employee’s contribution. The results of this study revealed that employee overhead costs are a good predictor for improving an organization’s productivity. Employees’ overhead costs are crucial to effective and efficient service delivery and profitability growth of Daar Communication plc. Organizations are required to combine all employee overhead costs moderating variables (training and development cost, staff welfare cost, and remuneration cost) in ways that should lead to improvements in organization’s productivity (employee’s contribution).

The contributions to knowledge include building a research model for understanding the multiple relationships between employee’s overhead costs and organizational productivity.This research work is one of the first to use secondary data to measure employee's overhead costs on organizational productivity. The study also resolved the problem of low employee's contribution to Daar Communication plc, which has been operating at a loss for the past five years

As a result of the findings of this study, the following recommendations were made:

i. that a fair and transparent remuneration system should be developed and implemented, to enhance employee's loyalty and trust to ensure continuous improvement of employee's contributions.

ii. that training and development programmes should be planned in such a way that it can address employees training needs required for both current and future job performance.

iii. those organizations should design a comprehensive and integrated staff welfare scheme that will lead to improvement in employee's contribution, and as well attract new employees and retain qualified employees.

Suggested Areas for Future Studies

The researcher made the effort to conduct a detailed study on determining the effects of employee overhead costs on organizational productivity, but other variables such as organizational culture, leadership style and motivation were not considered in this study, due to the scope of the study. These other variables should be considered by future researchers when examining the relationship between employee overhead costs and organizational productivity of any organization.

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ELECTRONIC BANKING AND CUSTOMER SATISFACTION IN THE BANKING INDUSTRY

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ABSTRACT

The objective of this research was to find out the effect of e-banking on customer satisfaction in three GTBank, branches in Abuja Nigeria. The work applied survey research design. The target population included 2500 customers of GTBank Plc, Kubwa, Wuse and Central Business District FCT Nigeria. The study used primary data. The sample size for the work was 345 and they were served with questionnaire. Regression and correlation analysis were used to test the postulated hypotheses and all the calculations were done through SPSS (Statistical Package for Social Sciences) version 25. The regression model shows that Automated Teller Machine, Point of Sale and mobile banking are positively related to customer satisfaction in GTBank, branches in Abuja Nigeria. The study recommends that policymakers create more awareness on mobile banking and that policymakers ensure they key into the business of mobile banking to be relevant in the digital age.

Keywords: Automated Teller Machine, Customer satisfaction, e-banking, Mobile banking, Point of sale.

INTRODUCTION

In the early 1960's all it took for banks to become and remain successful was to make banking transactions easy and understandable for the customers who were not educated and also for the educated elites (Arons 2012). Changes in the way businesses are conducted which arose due to improved technology have made Nigerian banks to improve technology-wise. The 21st century is very dynamic hence there is a need for banks to improve their digital outlook (Stevens, 2002). E-banking is key to this transformation which is also germane to the growth and development of innovation in the banking industry (Gupta, 2008; Kamel, 2005). Since e-banking is important to banks, ICT is also seen at the heart of business success which will attract and retain customers (Kannabiran & Narayan, 2005). Chang, (2003), stated that e-banking is important for banks when it comes to the distribution of financial services such as automated teller machine (ATM), e-banking and now internet banking. Various banking services like checking savings account balances among others have improved because of the deployment of internet banking (Mohammed, 2009). By implication, the banks will benefit from e-banking in terms of service delivery since there will be less physical contact. Researchers have also argued that better performance will be derived from e-banking. (Gonzalez, 2008; Maholtra & Singh, 2007; Christopher 2006).

Customer satisfaction is seen as expectation versus performance (Ho, Chan, & Hsu, 1990). It should also be noted that customers need the utmost attention so that businesses can make progress (Mozaheb, Alamolhodaei and Ardakani, 2015). Customer satisfaction in no small measure aids the success of a business. Many financial institutions now appreciate the importance of services that are customer-oriented therefore fostering better customer relationships. Service companies, banks inclusive, are benefitting from technology (Worku, Tilahun and Tafa, 2016). To be competitive locally and globally, banks need to apply communication technology formula into their operations which will enable them to satisfy the electronic demand of their customers (Worku, Tilahun and Tafa 2016). Therefore technology has given rise to the use of e-banking which is acceptable globally; though with various degrees of limitation. This study, therefore, wants to know e-banking has affected customer satisfaction in the banking industry. The success of e-banking, as argued by many researchers, such as Abdulsalam (2006), Aghdasi, Persson &Ghasemi (2006), Akinbola, (2005) and Akinyomi, (2010) depends probably on the quality of service, choice of customer and satisfaction. The banking sector in Nigeria has had series of change recently owning to the concept of e-banking services (ATM, POS, and Mobile Banking) which enables banks to have less crowd in their halls with many customers preferring to use the Automated Teller Machine (ATM) for their various transactions.

With the country's large population of over 170m people and so many commercial banks and their electronic bank services, it is becoming increasingly difficult to ensure customers satisfaction in these products. Ogbuji (2012) postulates that Nigerian customers are being frustrated with the daily use of the ATMs though it allows them to do seamless operations. The formerly strong felt presence of customer's satisfaction is beginning to diminish gradually. As bank managers have increasingly become aware of customers lack trust in their electronic banking services and so they have to try to work on the feedback they are getting from customers and keep making effort to improve their electronic banking service. Past studies on the subject show that electronic banking significantly contributes to the satisfaction of customers. In the work of Khan (2010) where he used five key ATM service quality factors: convenience, efficient operation, security, privacy, reliability and responsiveness, which revealed that e-banking service quality impacts customers' satisfaction level. Sheshuoff (2000) suggested that e-banking can create loyal customers.

The broad objective of the study is to examine the relationship between e-banking and customer satisfaction. The specific objectives are to:

i. Examine the effect of automated teller machine (ATM) on customer satisfaction in Guaranty Trust Bank Plc, FCT Nigeria.
ii. Examine the effect of mobile banking on customer satisfaction in Guaranty Trust Bank Plc, FCT Nigeria.
iii. Ascertain the effect of point of sale (POS) the relationship between e-banking and customer retention in Guaranty Trust Bank Plc, FCT Nigeria.

The hypotheses for the research work are:

Ho_1: Automated Teller Machine has no significant relationship with customer satisfaction in Guaranty Trust Bank Plc, FCT Nigeria.

Ho_2: There is no significant relationship between mobile banking and customer's satisfaction in Guaranty Trust Bank Plc, FCT Nigeria

Ho_3: There is no relationship between of Point of Sale (POS) and customer satisfaction in Guaranty Trust Bank Plc, FCT Nigeria

LITERATURE REVIEW

Meaning of E-Banking

E-banking is the application of electronic channels like telephone to banking services. It helps in ensuring that accounting and payment system are done properly which facilitates faster service delivery (Uppal & Jantana, 2007). Ovia (2001) states that e-banking is a subset of e-commerce when it comes to banking and financial services.

Many authors have defined e-banking differently; Daniel (1999) states that it is a means of delivering information and services by banks to customers through electronic means. Berry (2002), see it as the use of digital tools by a bank to conduct business. Electronic payment is a situation whereby payment is done without cash Nsouli and Schaechter (2002). Magemhe and Shemi (2002) said that e-banking also means e-business. Simply put, e-banking means doing banking business electronically. E-banking is not new, they are exhibited like automatic teller machines (ATMs) and telephone transactions. Of recent, the internet has given rise to its transformation (Nitsure, 2003).

Dimensions of e-banking

The e-banking channels are numerous. They include ATM, POS, mobile banking and internet banking.

Automated Teller Machine (ATM): It is a device that enables withdrawal to be done without the need to visit the banking hall. It can be used for withdrawals, deposit and transfer of funds; it is almost always available everyday and every time (Fenuga, 2010).

Studies have shown that universal banking operation needed that the only avenue to prosper is to develop an effective global bank management mechanism with staffs with the ability to structure multinational business techniques through the adoption of modern technology such as automated teller machines (Mahmood *et al.,* 2014; Pavlou, 2003; Ramas, 1998). The automated teller machine (ATM), is a computer-led technology infrastructure that enables customers to have access to financial transactions without the need for a second party. A user simply puts a special plastic card that is encoded with information on a magnetic strip into the machine. The strip has a unique code which is transmitted to the bank’s central computer by modem. To give against fraud, a personal identification number (PIN) must also be keyed in by the user with the aid of a keypad. However, after this operation, the computer permits the machine to complete the transaction (Okwute, 2007; Solomon & Ajagbe, 2014; Anup, 1997). In most cases, the device can gives cash, accept deposits, transfer funds, and allows customers to know their account balances. Solomon and Ajagbe (2014) stressed that banks have formed collaborations that enable them to universally render their services efficiently. These collaborations have greater results when banks allow customers of other banks to use their automated teller machines (Anderson, 1993; Msheliza, 1996; Ajagbe, 2014). Though every commercial bank's activity require a certain degree of technology adoption, researchers differ on the terms of the relationship between the level of ATMs adopted, and the value of the increase in efficiency of the banking services. Nonetheless, they seem to agree that ATMs are germane to the banks though some of them see no correlation between their adaptation and banks profitability.

Mobile banking: It is a system that enables banking customers to offer services from a mobile account through a mobile device. Mobile banking enables customers to pay, deposit and withdraw (Islam2015*)*. Mobile banking services are made available to all bank customers by the Reserve Bank of India irrespective of the mobile network by the Reserve bank of India and the ability of customers to transfer money and make credit card payments anywhere is made possible through mobile banking (Singh, 2017).

Many customers are taking advantage of mobile banking services due to its numerous advantages. Through mobile banking, customers can do seamless operations and it saves time since they can transact business wherever they are through their mobile phones (Sharma & Gautam, 2017) which enables banks to win the heart of their customers (Lalitha & Balakrishnan, 2016).

POS: Point of sale otherwise known as the point of purchase (POP) is the venue where business happens. The terminal enables the salesperson to be accessible and interface accordingly which also enables printing of the receipt. POS systems are used to record sales as well as tax. To avoid paying tax, software like 'zappers' is used on POS to falsify tax records (Olorunsegun, 2010).

While updating manually, the first system to be reckoned with is the POS system since it is important for business analytics by providing management with access to comprehensive historic sales information. POS software helps to identify "not only daily and weekly POS performance, but also inventory levels by SKU and location, order status, in-stock percentage (in-stock in a store as a percentage of shelf capacity), and warehouse and store out-of-stocks" (Shapiro, 2008). Further research shows that a POS system helps businesses with inventory management (Casison, 2013). POS data can be used to forecasts future sales using past demand. This will impact purchase orders, which "should be determined by how much end-users are likely to demand, so POS data can be used to forecast what end-users will buy" (Simon, 2008).

The fact that POS system offers flexibility over cash processes makes it worthwhile for businesses to upgrade. A point of sale system is used to get and aggregate sales data, through which different sales reports can be derived (Polanz, 2011). In agribusiness, it can be used to show progress on plants which helps when dealing with perishable goods. (Youngblood, 2013).

Customer Satisfaction

Satisfaction is the totality of attitude that customers exhibit towards a service provider or the way they react emotionally to the difference between customers' expectations and reality in terms of how well a need, goal, or desire is fulfilled (Hansemark & Albinsson, 2004).

Oliver (1997) sees satisfaction as the result of consumption experience – it is the reality that a particular product meets the expectation of consumers. Kotler (2000) sees satisfaction as a measure of customers' feelings after using a product against their expectations.

A customer is satisfied when he is happy and delighted. This means that organizations must strive to satisfy their customers. Consumers have the opportunity to experience the product during consumption which determines whether they are satisfied or not.

Hence, customers judge their satisfaction level based on their consumption experience. (Ho, Chan & Hsu 1990).

Customer satisfaction and e-banking

E-banking may not be successful without banks' service quality, customer preferences and satisfaction. Studies have found that consumer behavior changes because they have more spare time. Previously, banks get products and services across to customers when they feel like providing. However, with so much power at their disposal, customers now choose their banking, product, pricing and distribution preferences. Banks that fail to recognize these realities could lose between 30-50% of their clientele with the least profitable clients likely to be left. Banks should then adopt buyer-driven strategies towards their customers so that they can survive from both local and international competition in order to get and retain profitable customers and also for the less profitable customers to be serviced by channels to reduce and increase costs and revenues respectively (Mols, 1998). The customers determine whether a bank's e-banking strategy is successful or not. A bank should not just meet the needs of customers profitably, they should also do so always. This will enable them to delight their customers, though that varies from one industry to another just as the products on offer too.

A study conducted by Athanasssopoulous, Gounraris and Sthaakopuoulos (2001) showed that satisfaction is a prerequisite to loyalty. Word-of-mouth campaign is also associated with customer satisfaction. The outcome of their research conforms with earlier researches in the sense that customer satisfaction dimensions are not peculiar to industries alone. The authors opined that banks need strategies that will ensure positive responses to customer satisfaction and reduce negative ones. Among such strategies are; meeting customers desired service levels, preventing service problems from occurring, dealing effectively with dissatisfied customers among others.

A study by Kumbhar (2011) on customer satisfaction towards e-banking services of ICICI bank in Chennai, India showed that service quality dimension has a positive effect on the overall customer satisfaction of ATM services. However, the result of factor analysis indicates that cost effectiveness, ease of usage, and responsiveness also influence customer satisfaction. Hence, banks should ensure that they manage their ATM services effectively to satisfy their customers

Theoretical Framework

Equity Theory: This theory is built upon the argument that a "man's rewards in exchange with others should be proportional to his investments". This theory was a result of research by Stouffer and his colleagues in military administration. They referred to 'relative deprivation' (equity) as the reaction to an imbalance or disparity between what an individual perceives to be the actuality and what he believes should be the case, especially where his situation is concerned. In other words, the equity concept suggests that the ratio of outcomes to inputs should be constant across participants in an exchange (Beatty, Mayer, Coleman, Reynold& Lee, 2006 and Beatty &Talpade, 2004). As applied to customer satisfaction research, satisfaction is thought to exist when the customer believes that the result of the input ratio equals to that of the exchange person. Equity theory, in model satisfaction, states that individuals judge their input/output ratios in comparison with others and that the consumer will be adjudged satisfied if their gain seems to be fair.

For this study, we will adopt the equity theory because it determines the fairness of resource distribution to different parties. Equity is determined by comparing the ratio of contributions (or costs) and benefits (or rewards) for each person. Generally, people value fair treatment which motivates them to be fair when dealing with their peers in the organization.

Empirical Review

As noted by Sweeny and Morrison (2004) in their study conducted in Nairobi commercial banks within the metropolis with a population of 6000 and sample size of 346 using Taro Yamane 1964 formula with a cross-sectional research design discovered that many innovations have brought modifications into the way banks carry out their distributional activities. Such innovations among others are the use of online services in banking, otherwise called internet banking which creates a different customer base that is internet banking oriented and as such for banks to offer quality service the electronic banking must be in place in the modern banking environment. According to Liu and Leach (2001), Kandampully (2008), Kassim and Abdullah (2006) and Muhammad and Gul (2012) in their separate but related studies with a fair and relative population of 150 customers and below, a census techniques for sample size that retained the whole population and a descriptive research design found that online transaction has five factors that impact customer satisfaction, they include logistic support, technical characteristics, features of information, presentation of home page and product personality that delivered quality service to customers, retain the customer and gain customer loyalty.

Oliver (2000), Oliver and DeSarbo (2008) and Nyaoga (2010) in their separate but similar studies conducted in Nigeria with a relatively large population and objective sample representation with a survey design in the banking industry on the challenges of internet banking in Nigeria discovered that many customers have not accepted internet banking due to issues of technology as some customers lack confidence that internet banking services and facilities can be used to addresses their problems that arise and they prefer to interface with the staff than the internet and facilities. With developing countries in mind, Mittal and Kamakura (2001), McMullan and Gilmore (2003), Mittal, Ross and Baldasare (2008) with their participation in the World bank research in the varying years shows similar conclusions that internet banking is still growing and few clients are familiar with the use of electronic channels. Also, Abdulsalam (2006) in his study from the North West, Nigeria, indicated that some customers are not satisfied with e-banking because most products and services fail, this was in consonant with the majority of the respondents given a failure rate account of electronic banking services from one point to the other and also blame bank employees on low response to e-banking issues. Lovelock (2000) mentioned various means of retaining customers to be an adequate number of ATMs with security and convenient services, user-friendly systems and functionality. In their study, Joseph and Stone (2003) revealed that cost as well as functionality influence customer satisfaction. Studies by Kumbhar (2011) revealed that service quality and customer satisfaction on internet banking are somehow the same.

METHODOLOGY

The research design adopted for the study is descriptive survey design, this is because the coverage area is average and expected to isolate a representative sample and assess the effect of independent variable on the dependent variable. The independent variable is the electronic banking while the dependent variable is customer satisfaction. The area where the study is to be carried out is GTBank Kubwa, and GTBank Wuse and GTBank Central Business District FCT Nigeria. The target population of the study is comprised of 2500 customers of GTBankPlc, Kubwa, Wuse and Central Business District FCT Nigeria, the customers that form the population of the study is the ones that use banks' internet facilities/service. This information was collected from the branch manager of the individual branch and is believed to be very reliable the total number summed up to 2500.

Sample and Sampling Techniques

The technique that was used is Yaro Yamane 1964 formula:

n = N/1+ (N (e)^{2})

Where:

n is the required sample size,

N is the required research population size, and

e is the tolerable error in judging the population (Chukwuemeka 2009 and Agburu, 2010).

For the purpose of this study 5% tolerable error is allowed. Therefore, using the above formula we have;

n = 2500/1+2500(0.05)^2

= 2500/1+ 6.25

= 2500/7.25

= 344.83

=345 (Approximately)

Therefore, the sample size for the study is 345 and this would be served with the questionnaire.

Variable/Model Specification

The model for the study is specified thus:

$Y= a+\beta_1X_1 + \beta_2X_2 +\beta_3X_3+ e$

Y= Customer Satisfaction

a= intercept (value of Y when X_j is Zero)

β_j = Regression weight attached to the variation j (j = 1, 2, 3)

X_1= Automated Teller Machine (ATM)

X_2 = Mobile Banking

X_3 = Point of Sale (POS)

e = error terms

Data Analyses

The data needed for this research will be collected on nominal scale such as (5 strongly agree, 4 agree, 3 slightly agree, 2 disagree, 1 strongly disagree). Hence, the researcher adopts basically descriptive statistical technique to analyze the data. Tables will be used to code the data collected on nominal and ordinal scales. This will be imperative to help comprehend the diversity in the opinions of the respondents, so as to help understand the effect of electronic banking on customer satisfaction in GTBank PLC Kubwa, FCT Nigeria. Regression and correlation analysis will be used to test the postulated hypotheses and all the calculations will be done through SPSS (Statistical Package for Social Sciences) version 25.

RESULTS AND DISCUSSIONS

Response Rate of Questionnaire

Data analyzed in this chapter was obtained from 345 respondents comprising of customers of Guaranty Trust Bank Plc, FCT Nigeria. Although there were 345 respondents administered the questionnaire, only 222 returned a valid copy of the questionnaire. The response rate was 64 percent.

Table 1: Summary of Response Rates to the Questionnaire

Questionnaire	Numbers	%)
Total Number of Questionnaires Returned & Usable	222	64.35
Copies of questionnaire not returned/Unusable	123	35.65
Total number of Questionnaires distributed	345	100

Table 2: Descriptive Analysis of Study Variables

Questionnaire Items		**SD**	**D**	**N**	**A**	**SA**	**Total**	**Mean**	**SD**
You engage in e-banking	No	7	12	15	87	101	222	4.18	0.99
	%	3.15	5.41	6.76	39.19	45.50	100.00		
Automated teller machines provide sufficient services which encourage you to use it more often than visiting the bank	No	7	13	6	76	120	222	4.30	1.00
	%	3.15	5.86	2.70	34.23	54.05	100.00		
Automated teller machines provide adequate financial information and support which enables you to use it confidently and efficiently	No	5	2	10	55	150	222	4.55	0.81
	%	2.25	0.90	4.50	24.77	67.57	100.00		
Automated teller machine services are safe to use, secure, accurate and reliable	No	6	18	12	65	121	222	4.25	1.05
	%	2.70	8.11	5.41	29.28	54.50	100.00		
Automated teller machine service plays an active role in increasing your satisfaction with your bank	No	2	19	19	40	142	222	4.36	1.01
	%	0.90	8.56	8.56	18.02	63.96	100.00		
You tend to use mobile banking more than other electronic banking channels because they inform you about specific information to the bank services / new products	No	1	2	6	62	151	222	4.62	0.63
	%	0.45	0.90	2.70	27.93	68.02	100.00		

Questionnaire Items		SD	D	N	A	SA	Total	Mean	SD
Mobile banking has played an important role in increasing your trust and adequately influenced you to use more electronic banking channels	No	5	8	16	98	95	222	4.22	0.89
	%	2.25	3.60	7.21	44.14	42.79	100.00		
You have never been debited without the money being transferred	No	12	11	10	80	109	222	4.18	1.09
	%	5.41	4.95	4.50	36.04	49.10	100.00		
You have never been a victim of mobile banking fraud	No	9	7	16	88	102	222	4.20	0.99
	%	4.05	3.15	7.21	39.64	45.95	100.00		
Using the point of sales service saves time for you rather than going to the ATM or doing a mobile transaction	No	0	1	19	56	146	222	4.56	0.67
	%	0.00	0.45	8.56	25.23	65.77	100.00		
You intend to keep on using the Pos due to the positive experience you've had in the past	No	3	3	14	74	128	222	4.45	0.79
	%	1.35	1.35	6.31	33.33	57.66	100.00		
POS services are flexible and easy to use and you have never changed your mind as a result of Pos being the only means of fund transfer	No	2	7	19	83	111	222	4.32	0.83
	%	0.90	3.15	8.56	37.39	50.00	100.00		

Table 2 presents the results of a descriptive analysis of respondents' opinions on automated teller machine, mobile banking, point of sale (POS) and customer satisfaction. As indicated on the table, majority of the respondents agreed to the items as evident from the mean variables that ranged from 3.50 - 4.499. However, there was strong agreed to the questionnaire items with mean above 4.50. These three items are "Automated teller machines provide adequate financial information and support which enables you to use it confidently and efficiently" with mean of 4.55, "You tend to use mobile banking more than other electronic banking channels because they inform you about specific information to the bank services / new products" with mean of 4.62 and "using the point of sales service saves time for you rather than going to the ATM or doing a mobile transaction" with mean of 4.56. Furthermore, this standard deviation value implies that there is a low dispersion of the data from the mean because the standard deviation is lower than the mean value for all questionnaire items.

Hypotheses Testing

The work was conducted to establish the effect of e-banking on customer satisfaction in three GTBank, branches in Abuja Nigeria. The analysis applied the statistical package for social sciences (SPSS) to compute the measurements of correlation and simple regression for the study. Below are the findings:

Correlation Analysis

Table 3 below explains the correlation matrix for the study variables

Table 3: Correlations Matrix

		ATM	Point of Sale (POS)	Mobile Banking	Customer Satisfaction
ATM	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	222			
Point of Sale (POS)	Pearson Correlation	.533**	1		
	Sig. (2-tailed)	.000			
	N	222	222		
Mobile Banking	Pearson Correlation	.528**	.530**	1	
	Sig. (2-tailed)	.000	.000		
	N	222	222	222	
Customer Satisfaction	Pearson Correlation	.569**	.478**	.529**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	222	222	222	222

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

The findings from research as shown in table 4.4 above demonstrate a positive relationship between the dependent variable customer satisfaction and the independent variables; automated teller machine (ATM), point of sale (POS), and mobile banking. Specifically, Pearson's correlation coefficient between customer satisfaction and automated teller machine is 0.569, this means that the two variables move in the same direction. This implies that an increase in Automate Teller Machine increases customer satisfaction in GTBank, branches in Abuja Nigeria. Furthermore, customer satisfaction and point of sale (POS) show a Pearson's correlation coefficient of 0.478 which implies that an increase in Point of sale (POS) increases customer satisfaction. Besides, mobile banking and customer satisfaction show Pearson's correlation coefficient of 0.529. This implies that an increase in mobile banking increases customer satisfaction.

Regression Analysis (Testing of Hypotheses)

The hypotheses tested in this study related to three dimensions of e-banking against customer satisfaction in GTBank, branches in Abuja Nigeria. E-banking was measured in terms of automated teller machine, mobile banking and point of sale (POS). Multiple regression analysis was done to determine the effect of e-banking on customer satisfaction in three GTBank, branches in Abuja Nigeria. Table 4 shows the effect of e-banking on customer satisfaction.

Table 4: Regression Results

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.641[a]	.411	.403	.55633

a. Predictors: (Constant), Mobile Banking, Automated Teller Machine, Point of Sale (POS)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	47.167	3	15.722	50.799	.000[b]
	Residual	67.472	218	.310		
	Total	114.639	221			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Mobile Banking, ATM, POS

Table 5: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.836	.240		3.486	.001
	Automate Teller Machine	.348	.065	.348	5.332	.000
	Point of Sale (POS)	.153	.066	.152	2.328	.021
	Mobile Banking	.279	.069	.265	4.062	.000

a. Dependent Variable: Customer Satisfaction

From the regression results in Table 4.above, the R value was 0.411 indicating that there is a positive relationship between e-banking on customer satisfaction. The R squared (R^2) value of 0.403 shows that 40.3 percent of customer satisfaction is explained by e-banking. The remaining 59.70 percent is explained by other factors enhancing customer satisfaction in banking sector in Nigeria.

The model was significant with the F ratio = 50.799 at $p > 0.05$. This is an indication that e-banking dimensions have a positive and significant effect on customer satisfaction. The beta values show the degree to which each predictor variable affects the outcome when all other predictors are held constant.

Automated teller machine had the highest positive and significant effect on customer satisfaction at $\beta = 0.348$ at $p < 0.05$. This means that as automated teller machine increased, customer satisfaction improved. Point of sale also had positive and significant effect on customer satisfaction with $\beta = 0.152$ at $p < 0.05$. Lastly, Mobile banking also had positive and significant effect on customer satisfaction with $\beta = 0.265$ at $p < 0.05$. This study, therefore, concludes that e-banking has a positive effect on customer satisfaction and further the effect was significant.

Discussion of Findings

The findings of hypothesis one revealed that Automated Teller Machine has a positive effect on customer satisfaction in GTBank, branches in Abuja Nigeria. The forms of customer satisfaction on the use of ATM at bank include timely withdraw and deposit of cash, print of readable slips and financial min statements, ATM fees charged, carriage of large sum of money using ATM card, ATMs not out of order, tidiness of ATM stations, reliability of ATM transactions, payment of bills on-line, ease of access to ATMs, convenient location, privacy at ATM stations, easy application process for ATM cards and cash availability in ATMs. This agreed with Anderson and Sullivan (2007) who argued that ATM facilitates 24/7 deposits and withdraws of cash by customers account to transact induce customer satisfaction. This disagreement is supported by Diniz (2011) who conjures that cash deposit via ATM point is not as effective as cash withdraws since deposit of cash does not update the account automatically in developing countries. Furthermore, Okior (2015) argued that cheap cash withdraws of funds enables customers to meet their immediate needs which leads to greater satisfaction.

The results of hypothesis two revealed that there is a positive relationship between Point of sale (POS) and customer satisfaction. A POS is used to automatically collect and aggregate sales data, which in turn is used for further function like producing sales reports, history reports etc (Polanz, 2011). For agricultural purposes, a manager can use this to determine which plants are making the most money among other things. (Youngblood, 2013).

The result of hypothesis three reveals that mobile banking has a significant effect on customer satisfaction in GTBank, branches in Abuja, Nigeria and supports empirical evidence of the effect of e-banking on customer satisfaction. Mobile banking facilitates access to financial services by eliminating travel needs (CGAP, 2006) as well as minimising the bank‘s overheads. Mobile banking enables banks to extend banking services to new clients which will enable them increase their market (Lee, Lee & Kim, 2007).

Furst *et al.* (2002) also observe that banks that adopt internet banking after 1998 made profit though they are laggers. Jayawardhena and Foley (2000) show that internet banking will give banks enormous gains though not many banks are leveraging on it and few customers are online in the UK.

CONCLUSION AND RECOMMENDATIONS

First, the results of the regression model show that there is a positive relationship between Automated Teller Machine and customer satisfaction in GTBank, branches in Abuja Nigeria. It was concluded that automated teller machines provide sufficient services which encourage you to use it more often than visiting the bank. Automated teller machines provide adequate financial information and support which enables customer to use it confidently and efficiently. Automated teller machine services are safe to use, secure, accurate and reliable. Automated teller machine service plays an active role in increasing customer satisfaction with banks. Second, the results show that there is a positive relationship between POS and customer satisfaction in GTBank, branches in Abuja Nigeria. In conclusion, POS system affects customer satisfaction. Third, Mobile Banking also established to have a significant impact on customer satisfaction in GTBank, branches in Abuja Nigeria. It was concluded that internet banking has a high effect on customer satisfaction. In essence, availability and efficiency of mobile banking has a high effect on customer satisfaction.

The study established that there is a positive and significant effect of Automated Teller Machine on customer satisfaction in GTBank, branches in Abuja Nigeria. Hence, banks should engage in ATMs that are useable, secured, affordable and deposit friendly.

Banks should collaborate with outlets and firms that make use of POS systems to see that cards are compatible with point in terms of usage, reliability and speed.

The study recommends the use of the mobile application to increase customer satisfaction, therefore, banks and mobile service providers should have friendly and user-friendly applications for their customers.

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IMPACT OF MANAGERIAL SUPPORT AND ORGANISATIONAL SYSTEM ON EMPLOYEE CREATIVITY AND INNOVATION IN THE WORKPLACE

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ABSTRACT

The study examined the determinants of creativity and innovation among employees in some selected manufacturing firms in Lagos State. The specific objectives are to ascertain the impact of managerial support and organisational systems on employee creativity and innovation in the workplace. The study adopts a survey design method using a sample size of 400 respondents from ten (10) selected manufacturing firms in Lagos State. Data were collected from the sampled respondents and analysed using descriptive statistics such as frequency table, simple percentages and mean). Inferential statistics such as correlation and regression analyses were used in testing the research hypotheses. The Statistical Package for Social Sciences (SPSS) version 24.0 was also used to carry out the statistical analysis where it was deemed necessary. The study found that both managerial supports and organsational systems are positively and significantly related to creativity and innovation in the workplace. The study, therefore, recommends that management of manufacturing firms should improve their managerial style by creating a supportive work environment that encourages employees' participation in decision making.

Keywords: Creativity, Employees, Innovation, Management, Organisation.

INTRODUCTION

Today's global business environment is characterized by uncertainty, risk and competition. Therefore, the Nigerian business environment is also highly competitive and increasingly very complex. The 21st century global drastic changes in production technology have replaced the pre-colonial craft and cottage industries with a whole new production technology vastly different from the local or traditional craft technologies inherited from our ancestors. At the global market, products and services are facing changing consumers' needs as a result of the rapid introduction of new technologies which focus on products' safety and customers' satisfaction. This seems to disrupt the dynamics of the products and service market. Ezenwakwelu and Ikon (2014) opine that with the advent of the global knowledge economy, knowledge is vastly increasing the primary source of creativity, innovation and competitiveness. Also, organisation's success is increasingly becoming dependent on the skills, competencies and abilities of employees to create and innovate organizations' products, services, processes and procedures, particularly to be distinguished from its competitors and to help achieve sustainable competitive advantage through its people (Anderson, De Dreu, & Nijstad, 2004; West, 2002; Zhou & Shalley, 2008). This improvement not only allows for strengthened competition as new actors have move into the market, nevertheless it also means a paradigm shift among many established players. With this new production technology, the products' safety is guaranteed. Therefore, there is also need to attract, engage, train and retain not only workforce but talented and skillful employees to operate these new sophisticated plants/machines that are alien to our local craft and arts technology and also, the need to create a better work climate that supports creative and innovative mindset among the employees is very imperative. The intensifying consumers' demand pressure for products' safety and satisfaction is driven by market forces and knowledge economy which poses greater challenges on manufacturers to produce high quality and safe products to their numerous clients and their end-users (Nakamoto, Watts & Zhou, 2013). To contend with this pressure, manufacturing firms are compelled to innovate their products/services even in the face of harsh economic uncertainty, create a safe psychological work environment that guarantees their employees' loyalty and a sense of belonging, show commitment and willingness to accept the risk of innovation experiment and its failure, if any, as well as involve employees to actively participate in risk-taking even in a stressful and unfriendly work environment. They also need to show more commitment in creating a conducive work climate that supports employees' creativity and product innovation, encourages organization's managers to rethink emerging business strategies to build a sustainable future competitive edge. These also exert pressure on firms to adapt their operations to suit these market dynamics and its changes. Townsend and Calantone (2013) posited that to accommodate variety of consumer's needs and satisfaction from a firm's products, innovation must take place in many ways. To this end, this study seeks to investigate the impact of managerial support and organisational system on employee creativity and innovation in the workplace.

Research Hypotheses

The following hypotheses stated in a null form were tested.

Ho_1 Managerial support does not influence employees' creativity and innovation outcome in the workplace

Ho_2 Organisational System does not affect employees' creativity and innovation in the workplace.

LITERATURE REVIEW

Concept of Employee Creativity and Innovation

To begin with, creativity and innovation are open to diverse definitions. In this overview, industrialisation in Nigeria commences with a critical look from the pre-colonial to the colonial era and shows that early creativity started with the local arts and crafts making and has since metamorphosed into what is known today as a global technology. Creativity is conceived of as the generation of novel and useful ideas whereas innovation is generally argued to be both the production of creative ideas as the first stage and their implementation as the second stage (Amabile, 1998; Oldham & Cummings, 1996; Shalley *et al.,* 2009; West & Farr, 1990). Although many approaches to theory building have proposed various definitions, yet there is a general disagreement between researchers on what constitutes precisely either creativity or innovation with different studies using rather different operationalization of each concept.

Recent literature in the field suggests that the boundaries between both concepts are not very clear. On the other hand, some scholars have advocated a more robust conceptualization between creativity and innovation (Oldham *et al,* 1996; Rank, Pace, & Frese, 2004). Yet, on the other hand, some authors have disputed that creativity occurs not only in the early stages of innovation processes, but rather they suggested a repeated and recursive process of idea generation and implementation (Paulus, 2002). There are indeed some experimental supports for this proposal with several studies showing that the innovation process as it unfolds over time is chaotic, reiterative, and often involves two steps forward and one step backward, including several side-steps (Van de Ven, 1986; King, 2002). It is further reasoned that creativity is concerned with absolute, "true" novelty, whereas innovation involves ideas that are relatively unique i.e. ideas that have been accepted and modified from other organizations but are new to the unit of acceptance (Anderson, Dreu, & Nijstad, 2004). We observed that ideas can reliably be assessed on a continuum and radical basis in terms of its newness or novelty. Similarly, innovation may also be unique and radical as well as those that are less novel and are of a more incremental basis (Zaltman, Duncan & Holbek, 1973). Furthermore, creativity has been argued to involve primarily intra-individual cognitive processes whereas innovation mainly represents inter-individual social processes in the workplace. (Rank, Pace & Frese, 2004). We propose the following integrative definition: Creativity and innovation at the workplace are processes, outcomes, and products of attempts to develop and introduce new and improved ways of doing things. The creativity stage of this process refers to idea generation and innovation to the subsequent stage of implementing ideas towards better procedures, practices, or products. Creativity and innovation can occur at the level of the individual, work team, organization, or more than one of these levels combined, but will invariably result in identifiable benefits at one or more of this levels-of-analysis. Creative employees usually come up with new ideas that enhance the organization's ability to innovate and compete (Kanter, 1983). Therefore, investing in human capital development is surely one of the keys to organizational success growth. However, very few studies have investigated how to manage and, above all, retain those employees with the best creative potentials (Mumford, 2000). Indeed, harnessing creativity means not just developing ways to allow employees to be creative, but also retaining them so that their creative momentum can be built over time and not being disrupted by the constant need to recruit new personnel to fill vacant positions created by the exit of those creative employees.

Managerial Support

Researchers like Cook (1998); Amabile, (1998); DiLiello and Houghton (2006) perceive leadership and managerial support as a key linkage between individual creative knowledge and organisational innovation. Leaders in creative organisations attract, develop and retain creative talents to remain a competitive edge over their competitors. They opine that participative leadership styles with vision and the ability to develop effective workgroups will create a conducive workplace for creativity and innovation to succeed. In addition, leaders who communicate effectively the vision conducive to creativity through any available formal or informal channel of communication constantly encourage employees' creative and innovative mindset. Leaders/managers are to balance employees' freedom and responsibility in order to obtain their commitment and loyalty. Although culture is an important factor, transactional leadership may have negative effect on innovative behaviour when employees have high psychological empowerment. Besides the general management style, different aspects of supervisory styles like supervisory empowerment behaviours, abusive supervision, supervisory developmental feedback and non-close monitoring supervision as well as supervisory support may likely affect employees' level of creativity and supervisory expectations (Carmeli & Schaubroeck, 2007; Madjar, Oldham & Pratt, 2002). Positive feedback from the manager is a form of recognition that builds an important supervisory tool for creativity and innovation. Individuals with strong leadership traits and personality may consider themselves to have more potential for innovation than those with weak leadership traits and ability while individuals with strong potential for creativity and innovation may be more likely to practice their skills if they receive strong support from the workplace. Encouraging self-leadership among organisational members also assists in building organisational climate that supports creativity and innovation. Amabile, (1998) observes a parallel line between organisational innovation and individual innovation and identifies three primary components for organisational innovation. The first was motivation to innovate. Leadership influences motivation. It comes from the highest level of the organisation. Middle management is also very important. The organisation that communicates its values placed on innovation is indicating its willingness to take risks than those maintaining the status quo which they claim to be a sense of pride. This is an offensive strategy of taking the lead towards the future and not a defensive strategy of simply wanting to protect the organisation's past position (O'Sullivan & Graham, 2010; Ma, 2009). The second factor is resources, Drucker (1985), including people with knowledge, funds and training Berkun, (2007). The final factor is skills in innovation management, including management skills and relevant branch, division and project level skills. Management should be professional in balancing freedom, constraint as well as communicating openly to organisational members (Mumford, 2011).

Organisational Systems

Amabile (1998) refers to those organisational structures and systems required for creativity and innovation as those with long term focus on employment of competent and skilled employees with a flat structure, fair employees' creativity support and attractive rewarding system for excellent creative performance. They include individuals of different backgrounds, knowledge and skills working together to encourage creative thinking, discussions and idea generation; also to structure an organisation for group creativity, Amabile (1998) advocates matching the right people to the right projects and giving them freedom around work process. On the other hand, she warns that the common way managers can kill creativity is by bringing together homogeneous teams. It may be efficient and helpful to high morale, but everyone who comes to the table with a similar mindset will leave with the same mindset. She advises that a mutually supportive group with a diversity of perspective and background is a pre-requisite for a team to come up with creative ideas. But diversity alone is not enough, a team needs three other common qualities namely: the members must share excitement over their common goal, they must be willing to assist other team partners in difficult tasks, and lastly, members must recognize the unique knowledge and perspective other partners are bringing to the group. Furthermore, having a multidisciplinary team of people working together is very important, but diversity is very crucial in creativity and innovation. However, when working together with individuals different from one another, preventing misunderstanding and conflict is important to ensure successful collaboration. To do this, Mathisen, Einarsen and Mykletun (2012) argue that establishing clear goals and objectives for a project is very crucial. Specific goals or objectives for working with innovation must be clearly stated. This is primarily because too tight deadlines and demanding goals could potentially conflict with the regular work.

METHODOLOGY

The study adopted a survey design method. Specifically, the study used a cross-sectional survey. The reason for the choice of cross-sectional survey design is to allow for the study of the current state of a unit or group of population of interest. The survey design was preferred because it enabled the researcher to elicit responses from the questionnaire in its natural form with the anonymity of respondents and used for generalization of the entire population under study.

The total population for this study is 6,694 from the ten (10) select quoted manufacturing firms that have operated for the past 5 years (January, 2013 – December, 2017) in Lagos State. The sampling frame for the select manufacturing firms is the list involving the entities of the population. The sample size for this study was determined by Yamane's (1967) statistical formula. Therefore, four hundred copies of the questionnaire were proportionally distributed to ten (10) manufacturing firms understudy in Lagos State. The choice of the ten (10) select manufacturing firms was done through simple random selection of secret balloting methods from twenty-five (25) manufacturing firms selected from Manufacturers Association of Nigeria (MAN's) Products listing; that is, Compendiums for year 2017 were carefully written out and folded as lottery papers. Ten (10) people were asked to pick. The choice of these firms was also informed by the researcher’s past work experience with most of their HR managers who at one time had been his professional colleagues in the industry.

The research instrument was carefully designed questionnaire divided into two sections A and B. Section A contains demographic information of the respondents such as gender, age, marital status, department, years of service and educational qualification. Section B contains statements measuring determinants of creativity and innovation in the workplace with emphasis on managerial supports and organisational systems. The variable items of the study were measured using five points- Likert- scale. The data collected from the sampled respondents were analysed using descriptive statistics (frequency table, percentages and mean). while the relationship between the dependent and independent variables were established using regression analysis. The Statistical

Package for Social Sciences (SPSS) Version 24.0 was used to carry out the statistical analyses.

RESULTS AND DISCUSSION

Out of the 400 copies of questionnaire administered, 240 were retrieved and found to be valid and usable. The response rates for the companies are: Promasidor Nig. Ltd (12), Pharma-deko Nig.Plc (9), COPAC Nig Ltd (10), Flour Mills Nig Ltd (45), Nestle Nigeria Plc. (45), Beta Glass Plc (13), Nigerian Breweries Plc (40), Guinness Nigeria Plc (31), Honeywell Flour Mill Plc (12) and Seven-Up Bottling Co. Plc (23). Overall total response rate stands at 60%.

Descriptive Statistics of Sample

The demographic profile of respondents – gender, grade level, department and number of years in service were descriptively analysed using frequency counts and percentage analysis in Table 1below:

Table 1: Demographic Information of Respondents

S/N	Variable	Category	Frequency	Percent	Cumulative Percent
1	Gender	Male	178	74.2	74.2
		Female	62	25.8	100
		Total	240	100	
2	Grade Level	Senior Management Staff	48	20.0	20.0
		Supervisory Staff	100	41.7	61.7
		Junior Staff	92	38.3	100.0
		Total	240	100.0	
3	Department	Quality/Production	85	35.4	35.4
		Sales/Marketing	59	24.6	60.0
		Operations/warehousing/logistics	46	19.2	79.2
		HR/Admin/Finance	47	19.6	98.8
		Others	3	1.3	100
		Total	240	100	
4	Years in Service	1-5	83	34.6	34.6
		6-10	84	35.0	69.6
		11-15	34	14.2	83.8
		16-20	14	5.8	89.6
		21-25	23	9.6	99.2

S/N	Variable	Category	Frequency	Percent	Cumulative Percent
		Above 25	2	0.8	100
		Total	240	100	

Gender of Respondents: Table 1 shows that majority of the respondents (178) are male. These respondents account for 74.2%. The female respondents consist of 62 that represent 25.8%.

Grade Level: Table 1 presents the grade level of the respondents in the selected manufacturing firms. The respondents were categorized into three: senior management staff, supervisory staff and junior staff. The results revealed that majority of the respondents (100, 41.7%) fell under supervisory staff. This was followed by junior staff representing 38.3% while senior management staff accounted for only 20% of the total respondents.

Department: Majority of the respondents were from quality/production department. This category accounted for 35.4%. Respondents from sales/marketing department accounted for 24.6% while respondents from HR/Admin/Finance department accounted for 19.6%. Respondents from operations/warehousing/logistics department accounted for 19.2%. Only 1.3% of the total respondents did not indicate their department.

Length of Service (years): From Table 1, majority of the respondents have worked between six to ten years which accounted for 35% of the total respondents, while 34.6% have worked for less than six years. Respondents who have worked for eleven to fifteen years accounted for 14.2% while respondents who have worked for sixteen to twenty years accounted for 5.8%. Respondents who have worked for more than twenty years amounted to 10.4% of the total respondents.

Mean, Correlation and Regression Results

Mean and Pearson correlation coefficients were computed on the data for all the variables in the study. The correlation results are shown in Table 2:

Table 2: Mean & Pearson correlation coefficients

Variables	**Mean**	**MS**	**OS**	**CI**
Managerial support (MS)	3.97	1.000		
Organisational systems (OS)	3.82	0.428**	1	
Creativity and innovation (CI)	3.59	0.367**	0.428**	1

Key: N = 240; * = P<5%; **

The Pearson's correlation coefficients between each pair of variables are shown in Table 2. Pearson's correlation coefficient (r) should not exceed 0.80; otherwise the independent variables that show a relationship in excess of 0.80 may be suspected of having multi-collinearity (Bryman & Cramer, 1997). Table 2 shows that none of the correlation coefficients is up to 0.80, thus ruling out any form of multi-collinearity in the model. Table 2 shows that creativity and innovation is positively and significantly related to Managerial Supports ($r = 0.367$, $p < 0.05$); and Organisational Systems ($r = 0.428$, $p < 0.05$). The mean scores for the variables are 3.97, 3.82 and 3.59 for managerial support, organisational systems and creativity and innovation respectively.

Regression analysis was performed to establish the relationship among the variables of interest. Specifically, creativity and innovation (CI) serves as the dependent variable while the independent variables include: Managerial Supports (MS); and Organisational Systems (OS). The regression results are shown in Tables 3:

Table 3: Regression Model

Independent Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Hypotheses Testing
	B	Std. Error	Beta			
(Constant)	2.202	0.187		11.767	0.000	
Managerial Supports	0.117	0.055	0.159	2.110	0.036	Reject H_{01}
Organisational Systems	0.242	0.056	0.327	4.351	0.000	Reject H_{02}

$R^2 = 0.445$; Adj. $R^2 = 0.198$; F-statistic = 29.329; Prob (F-statistic) = 0.000; DW = 1.953
Dependent variable = Creativity and innovation

The results reveal that creativity and innovation is positively and significantly related to Managerial Supports ($\beta = 0.117$; $p<0.05$); and Organisational Systems ($\beta = 0.242$; $p<0.05$); statistically significant at 5% level of significance. R-squared value which is often used to determine the coefficient (strength) of a model is 0.445. Given the value of Adjusted R2 of 0.198 indicates that the independent variables jointly explain 19.8% of the variation in the dependent variable. The F-statistic of 29.329 is significant at $p<0.05$. This means that there is a statistically significant relationship between the dependent variable and the independent variables as a group. Based on the Durbin-Watson statistics of 1.953, there is no presence of auto-correlation in the model.

CONCLUSION AND RECOMMENDATIONS

Creativity and innovation in any organization are vital to its successful performance. They are considered as the key to economic development and growth of any nation, it is expected that organisations should create an enabling environment that promotes creative thinking among their employees' and innovate their products/services if it want to succeed in this era of competitive business environment. The climate of the organisation is inferred by its members through the organisational practices like the type of managerial supports, and structures, systems and procedures. Organizations that are not innovative, is on the verge of extinction, so building strong human capacity to cope with the new market dynamics is the biggest competitive challenge any firm should contend with if it wants to survive in this age of knowledge-driven economy.

In view of the research findings, the following recommendations are suggested: First, management of manufacturing firms should improve their managerial style by creating supportive work environment that encourages employees' participation in decision making. Second, manufacturing firms should have objective human resources policies that ensure engagement of competent and skilled employees, matching the right people to the right projects and giving them freedom around work process with a flat structure.

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THE RELATIONSHIP BETWEEN TOTAL QUALITY MANAGEMENT AND COMPETITIVE ADVANTAGE IN THE NIGERIAN MANUFACTURING SECTOR

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ABSTRACT

This study sought to examine the relationship between Total Quality Management (TQM) and competitive advantage in the Nigerian Aluminium Industry. It assessed TQM along four components: visual management, just-in-time management; total productive maintenance and benchmarking. The study adopted a survey research, through the administration of questionnaire to one hundred and fifty (150) staff of eight selected Aluminium companies. The data were analysed using Pearson matrix correlation techniques through Ordinary Least Squares (OLS) estimation technique. The study revealed that intensive TQM practices can strategically enhance the realisation of significant competitive advantage of the organisation. It recommends among others that Nigerian aluminum firms look upon the state-of-the-art proactive Total Productive Maintenance (TPM) strategy for improving equipment performance for delivering high and quality products.

Keywords: Benchmarking; Competitive Advantage, Just-in-Time Management, Total Quality Management, Total Productive Maintenance, and Visual Management.

INTRODUCTION

Every business organisation striving to survive usually aims at gaining competitive advantage which according to the dynamic capability theory requires they focus on developing and managing their distinctive resources in meeting customers' expectations (Basiouni, Hafizi, Akhtar, & Alojairi, 2019; Qaiyum, & Wang, 2018). There is a need to truly leverage competitive gains through raising the performance and productivity of organisational members. To achieve this goal, organisational leaders need to embrace the practice of total quality management (TQM) more than ever before. TQM comprises a set of management practices that can be used for improving organisational performance through the constant improvement of goods, services and business processes by striving to meet or exceed the expectation of customers and ensuring organisational performance (Eniola, Olorunleke, Akintimehin, Ojeka, & Oyetunji, 2019; Garcia-Bernal, & Ramirez-Aleson, 2015). It is a long-term approach that holistically concerns itself with continuous improvement in all areas of the company (Esiaba, 2016). It aims to radically transform an organisation through improvement in its systems, processes, practices and structures (Esiaba, 2016).

Considering today's global competition where organisations have a short time to market their products, TQM should be an integral part of organisational practices. The management technique has been practiced by some large scale businesses with some degree of success (Jimoh, Oyewobi, Isa, & Waziri, 2019), and researchers are already emphasizing the benefits of the practice of TQM by SMEs (Eniola, *et al.,* 2019; Jabeen *et al.,* 2015; Jimoh, *et al.,* 2019). TQM will enable organisations to attain business success by differentiating their products and gaining competitive position in the industry (Eniola *et al.,* 2019). It could also induce better, faster, cheaper, safer, easier processing of products with the involvement of all employees under senior management leadership. Hence, TQM practices can improve the productivity of an organisation and give the organisation a competitive edge over other firms in the same industry.

Despite knowing that TQM can foster an organisation's competitive advantage, empirical evidence reveals that the level of TQM practices by firms is low (Reed, Lemak & Mero, 2000). To be able to manage TQM practices, organisations must understand the independent variables that drive firms' competitive advantage to entrench TQM practices within the context of the Nigerian manufacturing sector. It is in light of this need that this study seeks to investigate the relationship between TQM and competitive advantage in the Nigerian Aluminium Company.

Statement of the Research Problem

The increasing competitiveness in the manufacturing industry across the globe means that organisations need to maximize quality, innovation, benchmarking, delivery dependency, etc., if they are to succeed. This is so important as the global marketplace is experiencing increased pressure from customers for better value from their purchase with respect to quality, swifter delivery and lower cost in manufacturing as well as service sector (Sinha, & Dhall, 2018).

Modern organisations have often been faced with situations where their products do not measure up to customers' expectations (Eniola, *et al.*, 2019). It is considered that poor product development impacts negatively on firms' competitive advantage. This is against the background that some organisations do not pay much attention to TQM practices even where TQM practices play a crucial role in influencing competitive advantage of organisations (Esiaba, 2016).

Esiaba, (2016) observes that the relationship between TQM practices and competitive advantage of firms has not been explicitly and fully explored. Even where a few studies on the effects of TQM practices on firms' competitive advantage exist, the studies have not fully explored an integrative suite of TQM activities on competitive advantage. Previously, studies have undertaken skewed TQM practices investigation that included a dimensional construct on firms' performance (Ahuja & Khamba, 2008; Al-Dhaafri, Al-Swidi, & Yusoff, 2016; Sinha, & Dhall, 2018). This implies that these studies did not emphasize the degree of influence that other aspects of TQM practices such as benchmarking, just-in-time management, total productive management, visual management, etc., have on firms' competitive advantage. Therefore, there is an existing gap in the literature on TQM practices and firms' competitive advantage that requires to be bridged which involves determining whether each of these aspects of TQM practices has any effect on firms' competitive advantage.

Objectives of the Study

The broad objective of the study is to investigate the relationship between TQM practices and competitive advantage of firms in the Nigerian aluminium industry. The specific objectives of the study are to:

i. investigate the extent to which visual management influences the competitive advantage of firms in the Nigerian aluminium industry;
ii. examine the extent to which Just-In-Time (JIT) management influences the competitive advantage of firms in the Nigerian aluminium industry;
iii. determine the extent to which total productive maintenance influences the competitive advantage of firms in the Nigerian aluminium industry; and
iv. ascertain the extent to which benchmarking influences the competitive advantage of firms in the Nigerian aluminium industry.

Research Hypotheses

To guide this study, the hypotheses put in the null forms are as follows:

Ho_1: There is no significant relationship between visual management and competitive advantage of firms in the Nigerian aluminium industry;

Ho_2: There is no significant relationship between Just-In-Time (JIT) management and competitive advantage of firms in the Nigerian aluminium industry;

Ho_3: There is no significant relationship between total productive maintenance and competitive advantage of firms in the Nigerian aluminium industry; and

Ho_4: There is no significant relationship between benchmarking and competitive advantage of firms in the Nigerian aluminium industry.

LITERATURE REVIEW

Competitive Advantage

Competitive advantage provides distinctive competencies that differentiate one organisation from other similar organisations in the industry. According to Porter, (1985) as cited in Al-Qudah, (2012:63), "competitive advantage refers to the comparative positional superiority in the marketplace that leads a firm to outperform its rivals". This implies that to attain competitive advantage, an organisation should be able to add value to its offerings more than what the rivals are doing in the locality where the business is operating. The sources of competitive advantage include the ability of an organisation to provide cost leadership, product differentiation, and effective people management (Genaparapu, & Prathigadapa, 2015). This claim has been upheld in empirical literature which has been consistent in identifying price/cost, quality, production, innovation, delivery, customer responsiveness and flexibility as domineering competitive capabilities (Al-Qudah, 2012; Eniola, *et al.,* 2019; Li *et al.*, 2006).

Total Quality Management (TQM)

TQM is a management practice that focuses on how the entire organization is been managed in a way that allows it to excel in the delivery of a product or service that meets customers' need (Gaspersz, 2005). It is a management approach that focuses on quality, predicated on the participation of all its members, which seeks at long term achievement through customer satisfaction and benefits to the members of the organization as well as the public (Shankar, 2012). It can be inferred from the definitions that TQM is a set of laid down principles and culture that guide management in the running of a business. There are definite essential TQM principles that can be applied to secure greater market share, improved profits, and lessened costs among firms (Mentzer, Min & Zacharia, 2000). This is based on constant learning, adaptation to changes in customer demand and satisfaction through continuous improvement.

Benchmarking

Benchmarking refers to methodical approaches by which firms evaluate their performances against the best-in-class firms in the industry (Gerrish, & Spreen, 2017; Invernizzi, Locatelli & Brookes, 2018). It is mainly concerned with the acquisition of knowledge through a comparative study and using the results to improve internal orgnanisational processes (Gerrish and Spreen, 2017; Krishnamoorthy, & D'Lima, 2014). It involves the identification of companies or industry best practices that will bring about superior organisational performance (Krishnamoorthy, & D'Lima, 2014). In essence, benchmarking is a continuous process of evaluating products, services, and organisational practices against those of competitors. It provides support for planning and manufacturing where the optimal system performance is the benchmark values (Invernizzi, *et al.*, 2018). Through benchmarking, it becomes easy to track performance overtime (Gerrish & Spreen, 2017).

Just-in-Time Management

Just-in-Time **(**JIT) Management is an inventory strategy used by manufacturers to improve their efficiency by the use of production control that tries to minimise waste and improve work in progress inventories (Carlson, 2019). JIT is a set of actions taken by a manufacturing firm that connects with suppliers and distributors in an attempt to cut down every form of cost or waste in the process of meeting customers' requirements (Wanjiru, 2014; Uzochukwu & Ossai, 2016). Kenton (2018), describe JIT as any method, measure, or tool that enables a firm to identify and eliminate waste. It is a manufacturing philosophy of Japanese origin relating to material management and control. To this extent, it is a manufacturing practice that is aimed at attaining excellence through continuous improvement in productivity. JIT has been named differently. The concept has been associated with lean manufacturing or the Toyota production system (Carlson, 2019). JIT aims to ensure a smooth flow of products from the manufacturer to the customers and at the same time reducing waste in product delivery.

Total Productive Maintenance (TPM)

Total Productive Maintenance (TPM) is a maintenance programme which involves the use of plants and equipment for optimality and reliability by engaging employee participation (Venkatesh, 2015). The essence of TPM is geared towards addressing issues relating to losses, and wastes in production systems by continuous assessment of the production system (Venkatesh, 2015). Zero accident and zero breakdowns are the three critical goals of TPM Ahuja & Khamba, 2008). In other words, TPM is an innovative approach to plant preservation and efficiency which is aimed at improving the competitiveness of an organisation by ensuring that enhanced equipment is made available and utilized efficiently by employees.

Visual Management

Visual Management (VSM) is an aspect of lean manufacturing that is concerned with the use of signs and symbols to communicate to organisational members without the presence of the communicator (Christoph, 2017). VSM is a management system in which an organisation fosters its performance through aligning with business vision, goals, core values and work procedures using stimuli (Catalysis, 2019). It eases management by sight through the understanding of the organisation at a glance. VSM allows people's observance of the expectations of processes by moving from the abstract (what we may not easily perceive or see) to the actual (what we can easily see and perceive) (Markovitz, 2016).

METHODOLOGY

The study used a survey research design. The population of the study consists of employees of the Nigerian aluminium industry. A valid sampling size of one hundred and fifty (150) out of the one hundred and eighty (180) copies of questionnaire that were distributed was used. This gave a response rate of 83%. The respondents consisting of supervisors and managers were drawn through convenience sampling techniques. The firms that consist of the sample were Agen Long span aluminium, Glosa Long span aluminium, Benco Long span Aluminium, Crown aluminium company, Asaba aluminium company, Global Horn Industries, Mid steel industries limited, and GTD (Unique building), all in Benin City. The respondents were chosen based on accessibility and the level of knowledge of TQM in the Nigerian aluminium industry. The data were sourced between May and July, 2017.

The questionnaire used for the data collection employed a five points modified form of Likert type scales with 1 = strongly disagree (SD), 2 = disagree (D), 3 = neutral (N), 4 = agree (A), 5 = strongly agree (SA) to measure all the items. The constructs, which were used to measure competitive advantage, were adopted with modification from Li *et al.,* (2006). Appendix A presents the multiple items representing each of the constructs. Collected data was analyzed through descriptive and inferential statistics. All data were coded and the test analyses were done at 5% level of significance using the Statistical Package for the Social Sciences (SPSS) version 22.0.

Validity and Reliability of the Research Instrument

To ensure validity of the questionnaire prepared, copies of the questionnaire were given to colleagues in the research area to critically examine the application of the questions.

Pilot study was conducted by testing and pre-testing the questionnaire with 20 randomly selected employees of the selected aluminium firms. Feedbacks were incorporated and questions were then revised. The final version of the questionnaire consisted of 40 closed-ended questions as presented in Appendix A. To test reliability of the research instrument, the researchers used Cronbach's alpha as a diagnostic measure. It assesses the consistency of the entire scale. The results of the reliability analysis are summarized in Table 1.

Table 1:Cronbach Alpha

Variables	Number of Items	Cronbach Alpha
Visual Management	5	0.734
Just-In-Time	9	0.703
Total Productive Maintenance	5	0.729
Benchmarking	6	0.715
Competitive Advantage	15	0.728

Model Specification

The model for the study was stated functionally as:

COMPAD = f (VISMGT, JIT, TPM, BENMRK) …………………………………... (1)

Therefore, the model for the study is stated in econometrics term as:

COMPAD = β_0+β_1VISMGT +β_2 JIT +β_3TPM +β_4BENMRK+E_t ………………..… (2)

Where: β_0 = Constant; β_1 to $\beta_4$parameters of the independent variables; COMPAD = competitive advantage; VISMGT = visual management; JIT= just-in-time management;TPM= total productive maintenance;BENMRK = benchmarking; andE_t = error term.

Our apriori expectation is stated as: $\beta_1>0$, $\beta_2>0$, $\beta_3>0$, and $\beta_4>0$

RESULTS AND DISCUSSIONS

Table 2: Pearson's Correlation Coefficient for All Variables

Variables	Mean	Std deviation	COMPAD	VISMGT	JIT	TPM	BENMRK
COMPAD	3.521	1.115	1.000				
VISMGT	3.623	1.017	0.445	1.000			
JIT	3.368	1.030	0.363	0.503	1.000		
TPM	3.210	1.094	0.312	0.363	0.392	1.000	
BENMRK	3.455	1.219	0.387	0.318	0.400	0.367	1.000

In Table 2, all the correlation statistics values are positive, indicating that these variables move in the same direction as competitive advantage of the firm. It shows that competitive advantage is significantly positively correlated with the independent variables at 5% level of significance. It was also observed that the independent variables in relation to competitive advantage did not exhibit multicollinearity since none of the variables have correlations above 0.90 as suggested by Dwivedi (2008).

Table 2 also shows the means of the four dimensions of TQM practices: benchmarking, just-in-time management, total productive maintenance and visual management. The Table reveals that the Nigerian Aluminium industry lay more emphasis on visual management (mean= 3.623) followed by benchmarking (mean=3.455), then JIT with 3.368. The lowest component of TQM practices is total productive maintenance (mean = 3.210). The average score for the four dimensions was equal to 3.414. Given that the scale used a 5-point scale (1=strongly disagree, 5=strongly agree), it can be deduced that the Nigerian Aluminium industry is highly committed to TQM practices above the average mean.

Table 2 also shows the mean of the organisational competitive advantage of the Nigerian Aluminium industry. The Table reveals that the Nigerian Aluminium industry has a high competitive advantage with a mean of=3.521. Given that the scale used a 5-point scale it can be concluded that the Nigerian Aluminium industry has a high competitive advantage above the average mean of 3.

Table 3: Regression Analysis Using Ordinary Least Square

Variable	Coefficient	Std. Error	t- Statistics	P-value	Hypotheses
CONSTANT	7.096	2.462	2.882	0.005	Significant
VISMGT	0.346	0.098	3.543	0.001	Significant
JIT	0.104	0.101	1.025	0.307	Not Significant
TPM	0.101	0.094	1.073	0.285	Not Significant
BENMRK	0.285	0.101	2.812	0.006	Significant
R^2 = 0.278; Adjusted R^2= 0.259; F- Stat (Prob.) =13.987[0.000]; Durbin-Watson Statistic = 1.872					

The results of the estimated multiple regression model using OLS are presented in Table 3 below. The coefficient of determination (R-square) of 0.278 indicates that for the period under study based on the available data, visual management, just-in-time management, total productive maintenance, and benchmarking, jointly explain 27.8% of the systematic variations in competitive advantage of firms in the Nigerian aluminium industry. This indicates a goodness of fit for the model. The model is good for statistical prediction.

The F- Statistics of 13.987 with a probability value of 0.000 indicates that there was a simultaneous linear relationship between the dependent variable and all the explanatory variables combined. Thus, we, therefore, reject the hypothesis of a non-linear simultaneous relationship between competitive advantage and all the explanatory variables combined. This suggests that the joint effects of all the included variables in the model are significant in explaining competitive advantage of firms in the Nigerian aluminium industry.

The results of the OLS analysis revealed that visual management had a positive coefficient (0.346) and a significant influence on competitive advantage at 5% level of significance. These findings indicate that a unit increase in visual management results in approximately 35% increase in the competitive advantage of firms in the Nigerian aluminium industry. This means that sound and reliable visual management influences the competitive advantage of firms in the Nigerian aluminium industry. This is in line with Racine (2002) that visual communication through visual aids can eliminate many of the structural drawbacks that linguistic communication may possess.

The results of the analysis showed that just-in-time management is not statistically significant with competitive advantage at 5% level of significance. This means that the variable is a weak determinant of competitive advantage of firms in the Nigerian aluminium industry.JIT is a relatively new and practical application of TQM in the Nigerian aluminium industry. Most firms in the Nigerian aluminium industry still adopt the practice of keeping high inventories with the fear of running out of stock during production.

The results also showed that total productive maintenance is not statistically significant with competitive advantage at 5% level of significance. This means that the variable is a weak determinant of competitive advantage of firms in the Nigerian aluminium industry. TPM is a relatively new and practical application of TQM in the Nigerian aluminium industry. Most manufacturing firms are yet to key into the practice that it aims to promote a culture in which operators develop ‘ownership’ of their machines, learn much more about them and in the process realize skilled trades to concentrate on problem diagnostic and equipment improvement projects.

From the result, it would be revealed that benchmarking had a positive coefficient (0.285) and a significant influence on competitive advantage at 5% level of significance. These findings indicate that a unit increase in benchmarking results in approximately 29% increase in the competitive advantage of firms in the Nigerian aluminium industry. This means that the search for best practices and innovative ideas influence competitive advantage of firms in the Nigerian aluminium industry. This is in line with the findings of Besterfield, Besterfield-Michna, Besterfield & Besterfield-Sacre (1999).that the pursuit for highly effective operating procedures can help firms to learn from others what they do right and then imitate it to avoid reinventing the wheel.

Considering the strength to which the independent variables affect the dependent variable, the coefficient results showed that visual management has the most significant effect on competitive advantage (β_1=0.346, $p<0.05$), followed by benchmarking (β_4=0.285, $p<0.05$), and the lowest significant effect on competitive advantage is total productive maintenance (β_3=0.101, $p<0.05$). This indicates that TPM may not be a strong indicator of organisational competitive advantage compared to the other three dimensions. Hence, visual management and benchmarking are the strongest significant predictors of competitive advantage.

CONCLUSION AND RECOMMENDATIONS

This paper empirically examines the influence of four key dimensions of TQM practices on competitive advantage within the context of firms in the Nigerian aluminium industry. From this research work, it has been established that TQM practices play a vital role in giving a firm competitive edge over other firms in the industry. TQM practices assist in offering quality products that meet the needs of customers, at the right time.

We also established that an organisation must continually adapt to its competitive environment. This can cause its business strategy to change. To remain successful, an organisation should use visual management, just-in-time management, total productive maintenance, and benchmarking to adopt new business strategies. These variables contribute positively to influencing competitive advantage of aluminium firms when jointly implemented.

Finally, in the present context, as also revealed in the literature review, TQM practice has to be inculcated into the strategic decisions and policies of firms as an equal partner in the organisation as a huge potential in enhancing the survival continuity and competitive advantage of the organisation in the face of global business competition. Since the business environment is dynamic, TQM practices are the best choice for any organisation in other to give them a competitive advantage.

Based on the study's data analysis and empirical findings, we recommend that:

i. firms should find additional value by analyzing and constructing its value chain in terms of TQM practices, such as visual management, TPM, JIT, and benchmarking a primary strategy in combating competition;
ii. firms should continue to discover best practices and innovative ideas as a strategy to combat competition;
iii. management should organize a workshop to train and empower their staff on the effective use and maintenance of their plants and machines for optimum efficiency;
iv. management should imbibe the culture of just-in-time management practice to eliminate waste and reduction in a high cost of keeping inventory;
v. management should imbibe the culture of continuous quality measurement to develop quality products that would satisfy the needs of their customers;
vi. firms should strive to develop new products that will be the first in the market to enjoy or obtain pioneering advantages, higher market share and sales volume;
vii. firms should devise switching cost as a practice by rewarding customers in their database, which will make them reluctant to switch to another product or service; and
viii. Nigerian manufacturing firms should look upon the state-of-the-art proactive TPM strategy for improving equipment performance for delivering high and quality products.

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Appendix A: Instrument for TQM Practices and Competitive Advantage in the Nigerian Aluminium Industry

No	Variables	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Total Quality Management Practice						
Visual Management: *the act of using visual aids in the workplace to boost firms' competitive advantage.*						
1.	Employees undergo training on the study of symbols and how they convey meaning.					
2.	The firm puts in place visual aids to support in information communication.					
3.	There is simplification of production control systems in the workplace through the use of visual devices.					
4.	There is simplification and greater coherence in decision making in the workplace through the use of visual devices.					
5.	The firm transforms abstract concept into directly observable concrete practices.					
Just-in-Time Management: *the act of eliminating all sources of waste, including unnecessary inventory and scrap in production.*						
6.	The firm's inventory is reduced to minimal levels.					
7.	JIT is aimed at reducing the cost of keeping warehouses.					
8.	The firm produces the right units in the right quantity at the right time (just-in-time).					
9.	Items are produced only when they are required.					
10.	The firm produces in smaller lot sizes.					
11.	Purchased items are defect free when they are received.					
12.	Quality control is emphasized in the organisation.					
13.	Workers are trained to operate several different machines.					
14.	The firm's production layout provides a smooth flow, in which material introduced at one end of the process moves without delay to finished product.					
Total Productive Maintenance:*an act that is aimed at promoting a culture in which operators learn and develop ownership of their machines in delivering timely and dependable products.*						
15.	Equipment maintenance is an important strategy that can considerably influence organisation's competitive advantage.					
16.	TPM implementation facilitates fewer breakdowns of machines.					
17.	TPM implementation ensures timely and dependable delivery of products to customers.					
18.	TPM implementation fosters motivation in the workforce through adequate empowerment and training of employees in realization of organisation's goals.					
19.	TPM gives workers a feeling of ownership of the production					

No	Variables	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	facilities.					
Benchmarking: *the act of continuously measuring system results and comparing those results to optimal system performance.*						
20.	Efficiency and effectiveness are watchwords of the firm.					
21.	There is a baseline values the firm seeks to achieve.					
22.	The firm takes into practice customer-service vision into its benchmark.					
23.	The firm creates initiatives for identifying services for individual customers.					
24.	The firm strives to reduce new-product development cycle times to barest minimum.					
25.	The firm offers services through multiple service delivery channels.					
Organisational Competitive Advantage						
Price/cost: *the ability of an organisation to compete against major competitors based onlow price.*						
26.	The firmoffers competitive prices.					
27.	The firmis able to offer prices lower than its competitors.					
Quality: *the ability of an organisation to offerquality product thatcreates higher value for customers.*						
28.	The firm is able to compete based on quality.					
29.	The firmoffers products that are highly reliable.					
30.	The firmoffers products that are very durable.					
31.	The firmoffers high quality products to its customers.					
Deliverydependability: *the ability of an organisation to provideon time the type and volume of productrequired by customers.*						
32.	The firmdelivers the kind of products needed by customers.					
33.	The firmdelivers customer order on time.					
34.	The firmprovides dependable delivery of products.					
Productinnovation: *the ability of an organisation to introduce new products and features in themarketplace.*						
35.	The firmprovides customized products.					
36.	The firmalters its product offerings to meet client needs.					
37.	The firmresponds well to customer demand for "new" features.					
Time tomarket: *the ability of an organisation to introduce new products faster than majorcompetitors.*						
38.	The firmdelivers products to market quickly.					
39.	The firmis first in the market in introducing new products.					
40.	The firmhas fast product development.					

IMPAIRMENT ALLOWANCE, DELINQUENT ASSETS AND EARNINGS MANAGEMENT AMONG DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT

Serious concerns continue to be raised over how banks arrive at provisions for loan losses. The banking sector is more prone to earnings manipulation when compared to other sectors in the economy. This study investigates the effect of impairment allowances on earnings of Deposit Money Banks in Nigeria; and the effect of delinquent assets on earnings of Nigerian Deposit Money Banks. The study's population where all the twenty-two deposit money banks licensed by the Central Bank of Nigeria. However, a sample of thirteen Deposit Money Banks licensed and listed on the Nigeria Stock Exchange, met the study sample criteria. Data for the study were extracted from the annual audited financial reports of the DMBs in Nigeria for the study period (2010-2019). Descriptive statistics and Panel data estimation techniques were employed to analyze the study's objectives. Multiple diagnostic tests were carried out to check for the robustness and reliability of the data. Findings revealed that, while impairment allowance has a positive effect on Deposit Money Banks' earnings in Nigeria, delinquent assets have negative effects on Deposit Money Banks' earnings in Nigeria. These mixed results are suggestive of earnings management and signaling on one side and significant deterioration in risk asset quality on the books of the banks on the other hand. Hence, it was concluded that Nigerian deposit money banks may be engaging in possible earnings management practices using impairment allowance. It was recommended that more robust regulatory oversight over the banks and aggressive recoveries on delinquent loans to mitigate deterioration in asset quality should be implemented by the Central Bank of Nigeria.

Keywords: Delinquent Assets, Earnings, Impairment Allowance, Income Smoothing, Signalling.

INTRODUCTION

The Nigeria banking system has witnessed a plethora of reforms initiated by regulators to bolster and build confidence, given deteriorating capital and assets quality of banks in the country over the years. These series of reforms spans, over the last sixty years. The most consequential, where the Central Bank of Nigeria governors, Charles Soludo led banking recapitalization exercise in 2005 and the Sanusi Lamido Sanusi led reforms of 2010. The latter a direct consequence of the global financial meltdown. (Dogarawa & Sabari, 2014).

According to the Revised Prudential Guidelines (2010), factors that drove those reforms in Nigeria, triggered by, but not limited to are; Inadequate capital base, macro-economic instability caused by large and sudden capital outflows, major failures in corporate governance at banks, lack of investor and consumer sophistication; Inadequate disclosure and transparency about the financial position of banks, critical gaps in prudential guidelines previously issued and uneven supervision/enforcement.

The initial perceptions, that the Nigerian banking system was sound and insulated from the global financial meltdown of 2008-2009 were misplaced. Of particular concern, were significant portfolios of non-performing loans (NPL) in the books of Nigerian deposit money banks. These non-performing loans have continued to grow in size and number in the books of the banks. The implication of having such a huge quantum of delinquent assets was not lost on banking system regulators. In 2009 alone, the NPL ratio across the banks was at an all-time high of 37.3% and a record low of 3.0% in 2014. However NPL ratio climbed upwards of 14.8% in 2017, 11. 4% in 2018 and 6.1 % at Dec. 2019 (CBN, 2009, 2014, 2017, 2018, and 2019). These numbers are above the prudential benchmark of 5% NPL ratio industry-wide. The grave implication on financial system stability and the Nigerian economy on a whole is better imagined. One of the pillars embedded in the prudential guidelines is the time-based loan loss provisioning system for banks in dealing with delinquent loans. Faced with this scenario, managers of these banks have resorted to all sorts of means, to provide for delinquent assets, to enhance earnings, attract new investors, and avoid regulatory sanctions.

Research has shown that loan loss provisions, can be used as a tool for earnings manipulations and capital management by banks (Stergios, Panagiotis & Asokan, 2010; Adzis, Tripe & Dunmore, 2012; Ahmed, Takeda & Thomas, 1999; Anandarajan, Hassan & Lozano-Vivas, 2006; Ugoani, 2016; Gwahula, Mancha & Kingu, 2018). Furthermore, loan loss provisioning is associated with the issues of income smoothing, signaling mechanism, and pro-cyclical behavior (Adzis *et al.*, 2012).

In Nigerian banks, this is reflective of the huge profit numbers reported at variance with the huge quantum of non-performing loans in their books. Gornjak (2017) suggests that such manipulations can be undertaken based on an understanding of the deficiencies of International Accounting Standards and exploiting such gaps, in reporting loan loss provisions and stating earnings. Huain (2012) suggests that the incurred loan loss provision model of IAS 39, which was essentially rules-based, was one of the causes of the global financial meltdown in 2008 - 2009. Opponents of the rules-based approach, stand on the fact that rules do not adapt and are useless in an environment with complex, dynamic, and innovative transactions, such as in the banking industry. Opponents of the rules-based approach argued further for a principle-based approach, which the deemed flexible and dynamic in a constantly evolving environment such as the banking industry.

The International accounting standards board (IASB) issued a final version of IFRS 9 – Financial instruments in July 2014, which replaced previously existing international accounting standard IAS 39 – Financial instruments on 1st January 2018. Adekoya (2011) opined, that there are many potential gains to be benefited from the adoption of international financial reporting standards (IFRS). They include uniformity, recognizability, and credibility. Other benefits include cutting the cost of doing business across the borders by reducing the need for complementary information and making information more comparable, thereby improving evaluation and analysis by the users of financial statements. Huain (as cited in Gornjak, 2017).

Ahmed (2011) also opined that users become more confident of the information they are provided with and presumably, this reduces uncertainties, promotes efficient allocation of resources. Hoogervorst (2016) notes that the biggest changes derived from the replacement of the IAS 39 to IFRS 9, requires a timely recognition of inevitable losses in financial statements.

According to Scapens (1994), IFRS 9 introduces impairment allowances based on principles, while IAS 39 is based on rules. This is although these rules allow the decision-makers to take more stable and predictable decisions in an unstable environment. Criticism of the rules-based approach includes the fact that rules do not adapt and are useless in an environment with innovative transactions, while criticism to the standards based on the principles approach includes the lack of operational guidance (Benston, Bromwich, & Wagenhofer, 2006).

IFRS 9 – Financial Instruments; represents more than an upgrade. It’s a major shift in international accounting practices, adopting a principles-based approach to classification of financial assets and liabilities premised on business models and cash flows. IFRS 9 provides for a single impairment model to recognize expected credit loss (ECL). Under this new model, banks are required to estimate expected credit loss on financial assets on an ongoing basis and provide for these. It is at variance with IAS 39, which recognizes credit losses at the point of default. Furthermore, the new standard overhauls hedge accounting policies, aligning accounting treatment with risk management activities.

A 2019 survey conducted by S&P global market intelligence across Europe, Middle East, and Africa (EMEA) economies found that banks in these jurisdictions are encountering significant challenges after the transition from IAS 39 to IFRS 9. These challenges include capital and income volatility; significant increases in total balance sheet allowance and more volatility in income streams. To mitigate these, some banks are producing their accounts alongside IAS 39 rules, with the attendant cost implications. (Baldasarri &Torres, 2019)

Shifting product lines; Transition to IFRS 9 requires significant reconfiguration of the product line-up. Depending on the duration, ratings, and guarantee some products line - up might become unprofitable. Data and Modelling; A lot more data is required under IFRS 9 than IAS 39. This involves not only historical data but risk data too. The implication is that a very significant amount of data gathering is needed in estimation under ECL modeling. Finding the necessary resources, whether in-house or external to build the ECL model is a major concern for banks. (Baldasarri & Torres, 2019).

Furthermore, Baldasarri and Torries (2019) opined that IFRS 9 requires complicated calculations to be done within short times- lines, utilizing a large amount of data. In turn, this requires a robust and flexible banking system infrastructure. Furthermore, this banking system infrastructure may not be compatible with the legacy systems of the banks.

Statement of the Research Problem

The need for a general framework to guide the determination of impairment allowance is essential because the ways banks arrive at their loan loss provisions significantly affect earning, regulatory capital and quantum of loan losses reported. Which in turn, determines what the report in their financial statements. These gaps often result in material misstatements or misrepresentations in financial reporting. The implication is that stakeholders (i.e. Shareholders, Investors, Tax Authorities, Employees, Regulators, and Financial Analysts) who reply on these financial statements to make independent assessment or judgment are hoodwinked about the true state of affairs of the Banks.

The first problem area is the impairment of loans and advances granted to customers under IFRS 9, including financial assets. This is an area of significance due to the level of subjective judgment and uncertainty involved in both the timing of recognition and estimation of the key parameters for the estimation of the recoverability of the loan balances. The allowance for impairment recognized represents management's best estimate of the losses incurred within the loan portfolio, determined on an individual basis for loans and advances above a specific threshold and a collective basis for a portfolio of loans with similar or homogeneous characteristics. This inherent management discretion opens the door for manipulations of earnings.

The second area is the variance between the Nigerian prudential guidelines 2010 and IFRS 9 as effective 2018; Loan loss provisions under prudential guidelines are determined using the time-based rules provisioning regime as prescribed by the Central Bank of Nigeria. The prudential guidelines are essentially a rules-based provisioning system. This is at variance with IFRS 9 expected credit loss model (ECL) which is a principles-based system. As a result of the differences in the two frameworks, deposit money banks in Nigeria, have significant latitude in cherry-picking whichever best suits its current financial situation.

This current state of affairs gives deposit money banks in Nigeria too much latitude to apply management discretion in providing for loan losses. In addition to latitude in cherry-picking which framework to adhere to in financial reporting. The desired goal rather would be for a uniform framework applying stringent conditions in providing for loan losses among deposit money banks in Nigeria.

Objectives of the Study

i. To investigate to what extent impairment allowance, affects earnings of deposit money banks in Nigeria.
ii. To examine to what extent delinquent assets, affects the earnings of deposit money banks in Nigeria.

Research Hypotheses

i. Impairment allowance does not have a negative effect on the earnings of deposit money banks in Nigeria.
ii. Delinquent assets do not have a negative effect on the earnings of deposit money banks in Nigeria.

LITERATURE REVIEW

Conceptual Framework

The following concepts will be examined under this study;

Impairment Allowance

According to Rose (2002), impairment allowance can be defined as an expense for credit risk and this amount will be charged on the income statement as a non-cash expense. The concept behind itemizing it as a non-cash expense is that it should not affect current net income. If the loans turn bad, the impairment allowance is operationalized and charged off profits and if need be regulatory capital of the bank. Non-performing loans are used in place of bad and doubtful debts among banks in financial reporting (Beattie, Brown, Ewers, John & Thomas, 1995).

Determination of impairment allowance is essential because banks have varied ways of providing for loan loss, this in turn affects bank earnings. This flexibility across banks on how to determine these provisions and report the same in financial statements creates gaps (Stergios *et al.,* 2010: Adzis *et al.,* 2012: Ahmed *et al.,* 1999: Anandarajan *et al.,* 2003. Daniel *et al.,* 2006)

Some jurisdictions use the term “allowance” for loan losses. Others use asset impairment allowance and in other cases, loan loss provisions (LLP). A significant number of studies have shown that loan loss provisions can be manipulated to achieve the desired target earnings. Specifically in the banking sector, income smoothing happens when bank managers apply creative tools and judgments in stating income and financial positions (Adzis *et al.,* 2012).

Earnings Management

Healy and Wahlen (1999) define earnings management as the practice whereby, firm owners use subjective judgment in financial reporting and structuring transactions to temper the financial statements to mislead stakeholders about the underlying economic performance of the company or to influence contractual outcomes that depend on reported accounting numbers. This definition is consistent with the underlying assumption of the positive accounting and entrenchment theories as managers would engage in earning management practices to serve their self-interest.

IFRS 9 - Financial instrument is a classic example where a significant amount of earning management practices can be applied. Impairment of loans and advances granted to customers, including financial assets is of significance due to the level of judgment and uncertainty involved in both the timing of recognition and estimation of the key parameters for the estimation of the recoverability of the loan balances. Expected credit loss determination involves the application of a considerable level of management discretion and estimation in determining inputs for calculation.

Income Smoothing

Income smoothing is a form of creative accounting, that allows managers to do be biased in the way they state accruals, loan loss provisions, allowance for bad debts, realized security gains and losses, write-downs, how deferred tax is valued, depreciation, and unexpected pension provisions. Income smoothing is a common form of management earnings, which can be considered as manipulating accruals to smooth the variability of the firm's earnings. In the banking sector, it happens when bank managers allocate higher provisions in good years to back up the losses that normally happen in bad years. Income smoothing is said to be good when it lessens the volatility of reported income but it does not reflect the true performance of banks, which is said to be deceiving their shareholders (Wetmore & Brick, 1994).

Signaling and Pro-cyclical behavior

Signaling is a practice whereby banks increase loan loss provisions, to signal good news to investors. An increase in loan loss provisions signals that banks can deal with their problem loans prudently. Pro-cyclical behavior involves practices, whereby banks may reduce provisions of loss loan during good times and increase the provisions during hard times. In hard times, the increase in loan loss provisions could weaken a bank's capital and that could lead to a corresponding cut in credit supply. This phenomenon is known as an occasional "big bath". (Adzisa *et al.,* 2012).

Theoretical Framework

This study theoretical foundation is anchored on the following theories:

Positive Accounting Theory: The positive accounting theory, explains and predicts actual accounting practices in a dynamic environment. The underlying assumption states that managers' choice of accounting methods is based on their self-interest to maximize their utility and rather than grow shareholders' value (Beattie, *et al.,* 1994; Watts & Zimmerman, 1978). In Nigeria, positive accounting theory can provide the rationale, to explain the motivations that drive managers to manage earnings. Factors influencing the conditions that give room to such practices in Nigeria include harsh macroeconomic conditions, political instability, poor regulatory oversight, need for higher executive compensation, job security fears, poor regulatory framework, and shareholders pressure (Adzis *et al.*, 2012).

Agency Theory: Agency theory guides to explain relationships, between principal and agent, shareholders and managers, employers, and employees, based on an underlying assumption that each of these parties has conflicting interests. That these motivations are spur on by self-interest. (Jensen & Meckling, 1976). Furthermore, based on these motivations, each has expectations. When these expectations are not met or fall short of expectations, the blame each other for not achieving their financial target or not doing their moral duties (Fama & Jensen, 1983; Eisenhardt, 1989).

In Nigeria, shareholders who are the owners of these banks, whom the managers have a fiduciary responsibility and report to, place very high expectations on the mangers in terms of performance, especially in generating earnings. Managers on their part, strive to prove that they are capable of achieving or surpassing expectations to the owners of these banks. Besides, they expect that the owners will provide them with all the needed resources and support. These expectations trigger the managers to device all sorts of means to meet expectations.

Agency theory suggests that concentrated ownership is the most direct means of resolving principal-agent problems related to the separation of ownership from control. Therefore, to the extent that income smoothing is not in the shareholders' interests, having more large institutional investors, who think, long term can be expected to deter managers from engaging in these practices.

Managerial entrenchment theory: According to Shleifer and Vishny (1989), Management entrenchment theory rationalizes managers making a business decision not solely to maximize enterprise value but to entrench themselves further by increasing their value to the firm for self-entrenchment. This self-interest motivation aligns with some of the factors stated under the positive accounting theory, especially the need for higher executive compensation and fears of job security. Entrenched managers will make manager-specific investments that make it more costly for shareholders to replace them, and value will be reduced because free resources are invested in manager-specific assets rather than in a shareholder value-maximizing alternative. Amihud and Lev (cited in Onikoyi and Sokefun, 2013) empirically support this notion and suggest that managers pursue earning management to decrease earnings volatility which, in turn, enhances corporate survival and protects their positions. Entrenchment is not only pursued for job security itself but also because entrenched managers may be able to extract more wealth, power, reputation, and gain fame.

Empirical Review

Van Tendeloo and Vanstraelen (2005) in their study in Germany, investigated earning management practices among German companies. Results found that earnings management behavior is not significantly different between companies in Germany that adopted IFRS and those that did not adopt and relied on German GAAP.

Anandarajan *et al.* (2006). In their study examine, to what extent Australian banks use loan loss provisions (LLPs) for capital management, earnings management, and signaling. Also, the study investigated, if there were changes in the use of loan loss provision due to the implementation of banking regulations consistent with the Basel Accord of 1988. The results revealed that Australian banks use loan loss provisions for capital management, but no evidence of a change in this behavior after the implementation of the Basel Accord. Also, findings revealed that banks in Australia use loan loss provisions to manage earnings. Further results revealed that listed commercial banks tend to engage more aggressively in earnings management using loan loss provisions, than unlisted commercial banks. The study was able to show that earnings management behavior is more pronounced in the post-Basel period. These findings indicate that reported earnings may not reflect the true economic reality underlying those numbers. Finally, their findings showed that Australian banks do not appear to use LLPs for signaling future intentions of higher earnings to investors

Daniel *et al.* (2006) in Spain studied the impact of income smoothing and capital management practices through loan loss provisions (LLP) by Spanish banks. The study involves setting an accounting and behavioral framework from which the derived a reduced-form equation. Using panel data econometric techniques, findings revealed evidence of income smoothing through loan loss, but not of capital management. Their findings also showed that a very detailed set of rules to set aside loan loss provisions does not prevent managers from decreasing earnings volatility, concerning what happens in a principles-oriented accounting framework.

Stergios *et al.* (2010) in Greece studied the impact of the implementation of IFRS on the use of loan loss provisions (LLPs) to manage earnings and capital. The study used a sample of 91 EU listed commercial banks within 10 years (before and after the implementation of IFRS). The study reveals that management earning using loan loss provisions for both early and late adopters have a significant effect over the estimation window is significantly reduced after the implementation of IFRS. Also, the results showed that for risky banks, earnings management behavior is more pronounced when compared to the less risky banks, but is significantly reduced in the post-IFRS period.

Adzis et al (2010) studied the impact of IFRS on income smoothing activities through loan loss provisions of Australia and New Zealand banks for the period of 1995-2009. The results showed that there is no concrete evidence that IFRS, particularly IAS 39 is related to mitigating income smoothing activities of banks in Australia and New Zealand. However, income smoothing activities do drop in public listed banks of Australian banks after IFRS adoption

Ugoani (2016) in Nigeria, investigated a non-performing loan portfolio and its effect on bank profitability. Employing an exploratory research design, data was gathered and classified. Descriptive and regression were used to analyze the data. Findings revealed that non-performing loans have a negative effect on the bank's profitability.

Gornjak (2017) in Slovenia, carried out a study on the comparison between IAS 39 and IFRS 9. Employing the analysis of replacement method, the study observed that replacement changes the view to accounting data in financial statements and also the view to data in organizations, especially banks, and other financial institutions. Historical costs are replaced with market value and fair value, which is not anymore a decision of the managers but has its basis on business operations. Gwahula *et al* (2018) in Tanzania, studied the impact of non-performing loans on bank profitability. The study adopted a causality research design utilizing panel data of 26 commercial banks in Tanzania. The study used descriptive statistics and multiple regression estimation methods. Findings revealed that NPL is negatively associated with the level profitability of banks in Tanzania.

METHODOLOGY

Research design

A quantitative research design was used. Quantitative research aims to determine the relationship between one thing (Independent variable) and another (dependent variable) in a population. Quantitative research designs are either descriptive or experimental. This study employs a descriptive study to establish the association between the variables.

Population and sample

The study population consisted of twenty two, deposit money banks licensed by the Central bank of Nigeria as of 31st December 2019. These include Access Bank, Fidelity Bank, FCMB, First Bank of Nigeria, Guarantee Trust Bank, Union Bank of Nigeria, United Bank of Africa, Zenith Bank, Eco Bank Nigeria, Heritage Bank, Keystone Bank, Stanbic IBTC Bank, Sterling Bank, Unity Bank, Wema Bank, CITIBANK Nigeria, Standard Chartered Bank, Suntrust Bank, and Providus Bank, Titan Trust Bank, Polaris Bank, and Globus Bank. (CBN, 2019)

The population above consists of some banks that are foreign-owned, not listed on the Nigeria Stock exchange, or relatively new in the banking sector in Nigeria. As a result of this factor, a sample that could align with the research purpose needed to be determined. The sample population was determined using the following criteria. (i).The must be indigenous, licensed deposit money banks in Nigeria. (ii) They must not be foreign-owned or foreign subsidiaries. (iii) The must be listed and shares publicly traded on the Nigeria Stock Exchange. (iv).The must-have published audited financial statements for the period 2010-2019

Only thirteen deposit money banks in Nigeria met these criteria and were determined fit for purpose to achieve the study purpose. These include Zenith Bank, Access Bank, Fidelity Bank, FCMB, First Bank of Nigeria, Guarantee Trust Bank, Union Bank, United Bank of Africa, Heritage Bank, Keystone Bank, Sterling Bank, Unity Bank, and Wema Bank.

Type and Source of Data

To achieve the study objectives, the panel data set was determined as the appropriate data type. This is consistent with the type of data utilized by other studies such as (Stergios *et al.,* 2010:, Adzis *et al.,* 2012:, Daniel *et al.,* 2006; Ahmed *et al.,* 1999:, Anandarajan *et al.,* 2006, Ugoani, 2016; Gwahula *et at.,* 2018).

Sources of data for the study were extracted from the audited financial statement of the sample population of thirteen (13) deposit money banks under review. Additional data for the study was extracted from the Central Bank of Nigeria (CBN) Statistical Bulletins 2009-2019.

Method of Data Analysis

Descriptive statistics and Panel regression estimation were employed to analyze the data using the ordinary least squares regression model. Before the estimation of the model, multiple diagnostic tests were carried out to check for the robustness and reliability of the data. See table A, B and C in the Appendix

Operationalization and measurement of variables

The study variables were operationalized and measured as shown in Table 2

Table 2: Operationalization and Measurement of Variables

Type	Operationalization	Measurement
Independent variable	Impairment Allowance	Impairment charge.
Independent variable	Delinquent Assets	Non-performing loan ratio NPL
Dependent Variable	Earnings	Profit Before Tax

Model Specification

Y=f(x)

ERN*= f (IMPC*, NPL*)

Where; Y is the dependent variable, X is the independent variable,

ERN*= earnings of deposit money banks

IMPC *= impairment charge

NPL* = Non-Performing Loan

The econometric equation for the model is specified as;

$ERN^* = \beta_0 + \beta_1 IMPC + \beta_2 NPL^* + \mu$……………………………………………………..1

$ERN^* = \beta_0 + \beta_1 IMPC^* + \mu$……………………………………………………………..2

$ERN^* = \beta_0 + \beta_1 NPL^* + \mu$……………………………………………………………..3

Where; β_0 = Constant parameter/Intercept

β_1 = Coefficient of independent variables

μ = Error term

Here, it is assumed that:

a. The regression model is linear in the parameters

b. Independent variables are fixed in repeated sampling

c. The variance of μ is the same for all observations

The mathematical expectation in the model is that $\beta_1 < 0$ or $\beta_1 > 0$ implying that a unit increase or decrease in the independent variables will lead to an increase or decrease in the dependent variable by a unit.

RESULTS AND DISCUSSION

Summary Statistics

Table 1 presents the descriptive statistics of the variables used in the estimations that follow.

Table 1: Descriptive Statistics

Variable	Mean	Standard Deviation	Minimum	Maximum	Number of Observations
Profit before Tax (PBT)	33,352.22	29,555.91	3,459	80,072	104
Impairment Allowance (IA)	43,171.76	32,077.08	11,837	94,452	104
Non-Performing Loans (NPL)	6.15	2.99	3.02	10.70	104

The profit before tax of deposit money banks in Nigeria had a mean value of 33,352 and a standard deviation of 29,556. The impairment allowance for the banks had an average of 43, 172 and a standard deviation of 32, 077. For non-performing loans average for the deposit money banks in Nigeria was 6.15 and the standard deviation was 2.99

Result of the Test for Stationarity

Before the estimation, the test for panel unit root was done to determine whether the variables were stationary. The result of the panel unit root test is presented in Table 2.

Table 2: Result of the Augmented Dickey-Fuller Panel Unit Test

Variable	Test Statistic	Probability Value
Log of Profit before Tax	5.9662	0.0000
Log of Impairment Allowance	1.7311	0.0417
Non-Performing Loans	8.8734	0.0000

Given that the probability values for all the test statistics of the Augmented Dickey-Fuller Panel Unit Test are less than 0.05 we reject the null hypothesis that all panels contain unit roots and conclude that at least one panel is stationary.

Results of the Regression Equation

Here equation 3 was estimated to determine the effects of Impairment Allowance and Non-Performing Loans on earnings of deposit money banks in Nigeria using profit before tax as a proxy. However, the test for multicollinearity was conducted to verify whether the independent variables were highly correlated. The result of the test as shown in table a.1 in the appendix has a mean VIF of 1.88 and 1/VIF for each variable greater than 0.1. This implies that the independent variables were not highly correlated.

Having established that the multicollinearity is not a concern in the model we carry out the Hausman test for model selection; to decide between the Random Effects and Fixed Effects estimators. The result of the test presented in table a.2 in the appendix has a probability value of 0.50 hence, we accepted the null hypothesis that the Random Effects is appropriate. Since the results of the Hausman test showed that the Random Effects estimator be used it was necessary to employ the Breusch and Pagan Lagrangian Multiplier Test for Random Effects to decide between the random effects model and the simple OLS regression model. The probability value of the test as shown in table a.3 in the appendix is less than 0.05 therefore, the null hypothesis that there are no significant differences across the banks was rejected. The Random Effects model was then used.

To validate the results, the Modified Wald test for group-wise heteroskedasticity and the Wooldridge test for autocorrelation was also done. The results of the tests as revealed in table a.4 and table a.5 in the appendix indicate that the error terms are correlated and their variance is not constant. To cater to these problems the robust standard errors Random Effects estimation procedure was undertaken. The result is shown in Table 3.

Table 3: Random Effects Results of the Effect of Impairment Allowance, Non-Performing Loans on earnings of deposit money banks in Nigeria

Independent Variable	Dependent Variable: Log of Profit before Tax		
	Coefficient	Robust Standard Error	Probability
Log of Impairment Allowance	0.3560	0.0863	0.000
Non-Performing Loans	-0.0272	0.0130	0.037
Constant	6.4761	0.9552	0.000
Number of Observations	104		
Wald Chi-Square Statistic	75.19		
Prob. (Wald Chi-Square)	0.0000		
R^2	0.4748		

Discussion of Findings

The findings reveal, that all the coefficients of the independent variables were statistically significant. While the coefficient of the Log of Impairment Allowance is positive, that of non-performing loans is negative. This is indicative of the fact that whereas an increase in impairment allowance would raise profit before tax, an increase in non-performing loans would lead to a decline in earnings. Specifically, a 1% increase in impairment allowance would lead to a 0.35% rise in the profit before tax of deposit money banks in Nigeria. On the other hand, a 1% increase in non-performing loans will reduce profit before tax of deposit money banks in Nigeria by 2.7%.

These findings produce a mixed bag of possibilities. The first results reveal, that impairment allowance has a positive effect on earnings. This finding negates conventional wisdom, however not unusual. This unusual phenomenon is suggestive of earning management practice, by these banks. In particular income smoothing. Income smoothing is perceived as good because it lessens the volatility of reported income but it does not reflect the true performance of banks, effectively deceiving their shareholders and other stakeholders of the banks (Wetmore & Brick, 1994).

In Nigeria, this is reflective of the huge profit numbers reported by these banks, which does not reflect the quantum and scale of their underlying delinquent assets. Normal assumptions would have presupposed, that impairment allowance would have a negative effect on earnings. Evidence from the literature review has shown that banks can use loan loss provisions (Impairment allowance) to manipulate earnings. These results agree with similar findings by (Stergios *et al.*, 2010: Adzis *et al.*, 2012: Ahmed *et al.*, 1999: Anandarajan *et al.*, 2003. Daniel *et al.*, 2006; Ugoani, 2016; Gwahula *et at.*, 2018).

This behavior by the management of these banks to boost earnings might be influenced by harsh underlying macroeconomic realities, need for higher executive compensation, job security fears, poor regulatory framework, shareholders pressure, and managerial entrenchment (Adzis *et al.*, 2012).

Another possibility that could be adduced from the results could be possible signaling by the banks. According to Adzis *et al* (2012). Signaling is a practice whereby banks tend to increase loan loss provisions to signal good news to curry new investors as an increase in loan loss provisions, implies that banks can adequately deal with their delinquent assets. This could be used to attract investors, in particular, portfolio investments from large private equity firms, hedge funds and multi-lateral financial institutions abroad to bring in desperately need funds to straighten deteriorating capital levels among the banks.

New investments into the Nigerian banking sector, in the aftermath of the global financial crisis in 2008-2009 almost dried up. The capital market was the worst hit. The capital market is the single largest provider of equity funds to the banks. Public confidence in the banking sector has been waning due to a systematic erosion of equity shares value over time.

Also, signaling could be used as a tactic to impress upon regulators, in particular, the central bank that sufficient funds have been provided to prudently manage loan losses. The Central Bank of Nigeria is particularly concerned about this issue. Financial system stability is one of its core mandates.

The second results show that delinquent assets have negative effects on earnings of Nigerian Deposit Money Banks. An increase in non-performing loans would lead to a decline in Earnings. Specifically, a 1% increase in non-performing loans will reduce profit before tax of deposit money banks in Nigeria by 2.7%. These findings are suggestive of a deterioration in risk asset quality. Financial intermediation, being the principal source of earnings for banks. The larger the volume of loans and advances granted, the more interest income earned. The larger the defaults on loans and advances on the book s, would lead to significant impairment of the quality of the credit portfolio of banks. These results agree with findings by Ugoani (2016) and Gwahula *et al.*, (2018) that showed that non-performing loans have a negative effect on banks' earnings.

Findings from the literature suggest that factors that trigger loan defaults include deteriorating macroeconomic and business environment, poor credit origination and recovery processes, unforeseen systematic risk, lack of competent human capital with technical expertise in credit lending, credit concentration, insider related credit, weak corporate governance, poor risk management framework (Revised prudential guidelines, 2010).

CONCLUSION AND RECOMMENDATIONS

Serious concerns continue to be raised about the health and financial soundness of the Nigerian banks. These concerns are mainly attributed to the significant number of non-performing loans on the books of these deposit money banks and their impact on earnings. Another significant concern is the determination of how impairment allowance is arrived at. This determination has a material impact on banks' earnings and regulatory capital. Literature also lends evidence that loan loss provisioning can also be used to shore up earnings and capital levels (Adzis *et al.*, 2012: Stergios *et al.*, 2010; Ahmed, *et al.*, 1999; Bouvatier & Lepetit, 2008; Hasan & Wall, 2004:, Ugoani, 2016: Gwahula *et at.*, 2018). This study concludes that Nigerian deposit money banks may be engaging in possible earnings management practices using impairment allowance (loan loss provisions) and signaling to attract new investors. In addition to signaling to the Central Bank of Nigeria that, sufficient funds have been provided to adequately manage delinquent assets. Furthermore, the findings suggest that the quality of the assets of these banks is rapidly deteriorating.

This study recommends the following

i. A comprehensive and robust regulatory oversight over the banks by regulators to curb earnings management behavior.
ii. Aggressive recoveries on delinquent loans to mitigate further deterioration in the asset quality of the banks.
iii. Introduction of a uniform framework concerning providing for loan losses and reporting these provisions in their financial statements.

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APPENDIX

Table A: Resul
t of the Test for Multicollinearity

Variable	**VIF**	**1/VIF**
Non-Performing Loans	2.13	0.4322
Impairment Allowance	1.11	0.9024
Mean VIF	1.88	

Table B: Hausman Test Results

Variables	**FE Coefficient**	**RE Coefficient**	**Var (Diff.)**	**S.E**
Impairment Allowance	0.2902	0.3560	-0.0657	0.0371
Non-Performing Loans	-0.0236	-0.0272	0.0036	0.0018
Number of Observations	104			
Hausman Statistic – Chi-square	2.35			
Prob. (Chi-square)	0.5024			

Table C: Results of the Breusch and Pagan Lagrangian Multiplier Test for Random Effects

Chi-square Statistic	59.89
Prob. (Chi-square)	0.0000

Table a.4: Result of the Modified Wald Test for Groupwise Heteroskedasticity

Chi-square Statistic	251.25
Prob. Value	0.0000

Table a.5: Result of the Wooldridge Test for Autocorrelation

F- Statistic	7.711
Prob. Value	0.0167

SMALL AND MEDIUM ENTERPRISES GROWTH IN THE NIGER DELTA REGION: CHALLENGES AND PROSPECTS

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ABSTRACT

In a low and middle-income country like Nigeria there is several challenges for small and medium enterprises (SMEs) growth that could impede socio-economic development. This study examined the relevance of SMEs growth as an alternative to the socio-economic development of the Niger Delta Region. The paper adopted a descriptive survey method using a randomly selected SMEs from six state capitals of the Niger Delta Region. Four hundred and ninety-two (492) copies of questionnaire were distributed using the Likert's scale and quantified in percentage while four hundred and twenty-five was returned. The data collected was analyzed using Statistical Packages for Social Sciences (SPSS) IBM model 22. This study found that SMEs growth in the Niger Delta Region would engender employment and aid socio-economic development. Lack of adequate training, inadequate funding, epileptic electricity supply and multiple taxation are major challenges affecting SMEs development in the region. Thus, the growth of SMEs to the socio-economic development of the Niger Delta Region cannot be underrated. Afterward, SMEs development would provide more job opportunities, stimulate productivity which will be beneficial to the populace and increase Nigeria's gross domestic product (GDP). This paper recommended that the government should support SMEs in the region by fostering strategic policies that would reduce the cost of transactions and encourage competitiveness.

Keywords*:* Alternative, Niger Delta Region, Nigeria, Small and medium enterprises, Socio-economic development.

INTRODUCTION

Many countries have shown renewed interest in the development of small and medium enterprises (SMEs) over the past few decades. Several studies have identified the importance of SMEs to a country's economic development (Mariyanti, 2011; Osoro & Muturi, 2013; Etuk, Etuk & Baghebo, 2014; Edoko, Agbasi & Ezeanolue, 2018). A country's socio-economic growth can be facilitated through employment generation that could lead to poverty reduction by encouraging low investment costs in developing the entrepreneurial capabilities and indigenous technology (Ruch & Geyer, 2017). SMEs improve regional economic balance by enabling industrial dispersal in regions and generally promote effective resource utilization which is important for engineering economic growth and development.

The Niger Delta region which is particularly rich in crude oil and natural gas resources has suffered from both environmental degradation and diverse forms of pollution as a result of the natural resources being extracted from the region (Iwilade, 2015). This overwhelming challenge has affected the smooth running of commercial activities in communities around this area because SME owners cannot transact their businesses due to complications that arise from both pollution and environmental problems (Ebegbulem, Ekpe & Adejumo, 2013). These have further reduced commercial activities that could spur SMEs' growth in the Niger Delta region.

Adebiyi (2014) asserted that SMEs facilitate industrialization, boost employment, and even guarantee the distribution of industrial growth and the development of non-oil exports. SMEs employ 22% of the adult population in developing countries, while smaller firms are the major source of employment opportunities for a wide cross-section of the workforce (youth), older part-time workers, and cyclically unemployed (Naegele & Frerichs, 2017). SMEs have contributed greatly to the growth of the Nigerian economy, accounting for 12–14% of GDP, generating employment opportunities, training entrepreneurs, generating income and providing a source of livelihood for most low-income families in the country (Edoko et al., 2018).

Furthermore, SMEs are vital for achieving national goals by creating employment, encouraging local technology, and the development of entrepreneurial skills (Shalla, 2017). Despite the presence of many SMEs in the Niger Delta region, the high level of joblessness suggests that these SMEs are facing some major challenges that are hindering their performance (Iwilade, 2015). This could be as a result of the circumstance that most SMEs in the region operates as a sole proprietorship business. It is against this backdrop that it becomes relevant to discuss the challenges, and prospects of SMEs in the region.

LITERATURE REVIEW

Small and Medium Enterprises (SMEs)

According to Oteng-Abayie & Frimpong (2016), there is no universally accepted definition of SMEs. Countries like the United Kingdom (UK), United States of America, Canada described SMEs on the bases of paid employees and their annual turnover. In Nigeria, SMEs are defined as businesses whose capital investment does not exceed two million naira excluding land, with not more than fifty and one hundred employees (Adebiyi, 2014). This definition could be analyzed based on the conditions of monetary value in terms of asset and the number of employees.

However, Edoko et al., (2018) argued that SMEs are vital for developing countries like Nigeria because of creating employment, extenuating poverty and promoting socio-economic growth. For socio-economic growth, SMEs role in providing employment prospects globally and contributing to the gross domestic product cannot be underdetermined (Myovella, 2018). In light of this definition, suffice to state that SMEs may largely contribute to the socio-economic development of a Nation. Social-economic development is conceptualized as the dynamic development of the society which involves an improvement of society's standard of living and monetary advancement. It encompasses both qualitative and qualitative structural changes in the social system. This is discussed in terms of expected or realized changes in production, employment structure and an increase in manufacturing and service industries.

SMEs contribution to Socio-Economic Development

Adebiyi (2014) asserted that SMEs are vital sources of wealth creation and provide employment opportunities. It is advantageous to the citizens in terms of income and employment on the one hand while the government also receives revenue through taxes on the other hand, which is a healthy influence for social stability and growth (Somoye, 2013). Most SMEs are not in the formal sector, many of them are in the informal sector which is estimated between four and six percent in developed countries like the UK and US while there is over fifty percent in developing countries (Escandon-Barbosa, Urbano-Pulido and Hurtado-Ayala, 2019).

In 2018, the International Finance Corporation (IFC) annual report stated that there is an encouraging connection between the general level of a country’s income and the SMEs per thousand people. Also, a report published by the World Bank Doing Business in 2019, shown that a strong SMEs industry agrees with a decreased level of black market or non-registered business activities. Therefore, it is essential that in developing and managing the Nigeria SMEs sector non properly registered businesses should be discouraged (Odedokun, 2018). A lot of SMEs have wide business knowledge because they are locally inclined by sourcing for needed materials as well as act as main sources of supply to bigger firms. This sometimes involves the provision of personnel or specific services (Bruce, Deskins, Hill & Rork, 2019). Furthermore, SMEs could contribute to socio-economic development if properly coordinated and managed.

SMEs and Job Creation

The economic policy reforms published by Organisation for Economic Cooperation and Development (OECD) in 2013, acknowledged SMEs as the backbone of a country because they generate over 65% employment and contribute over 55% to GDP. Globally SMEs account for about ninety percent of employment (Basarac Sertić, Pirc Barcic & Klarić, 2018). They are considered as a major source of job creation for socio-economic growth in developed countries (Adebiyi, 2014). Countries that have made economic improvements in the past have shown that SMEs growth has been the prerequisite for economic development (Etuk et al., 2014).

SMEs significant role in job creation and contribution in the development process which is frontline to strategy debates in developing countries cannot be overemphasized (Chege and Wang, 2019). The sustained development of a country’s economy could be inspired by SMEs growth (Ruch and Geyer, 2017). The foremost challenge faced by Nigeria policymakers is the upgrading of technology and financial provision for the countless SMEs that are the backbone of the economy and provide employment (Ozigbo & Ezeaku, 2019). Developing countries like Nigeria should encourage SMEs by providing enabling environment for them to grow which will create more employment opportunities (Kadiri, 2018). According to Myovella (2018) SMEs are a feasible alternative to foreign direct investment (FDI) which is hard to obtain as a result of the assessments for lower middle-income countries like Nigeria.

Possible Alternatives for the Development of the Niger Delta Region

Some of the promising alternatives for development unexplored in the Niger Delta region are: internal capacity building of its indigenes to negate terrorism, focusing on environmental assessment issues as the region is vulnerable to the industrial activities and physical infrastructural development. However, SMEs trends to occupy a specific market because their approaches are practicable which sets them apart from bigger companies and ignite creativity that could promote socio-economic development (Adebiyi, 2014). They explore innovative ways of untapped marketing, distribution or develop new sales techniques to meet market demand. Also, SMEs aid the growth of local savings, mobilization and technology which increases competition in bigger companies that depend on their supply (Afolabi, 2013). Therefore, to increase a country’s viability, SMEs which require low capital for establishing and tend to be more labour-intensive than bigger companies should be improved (Audretsch & Keilbach, 2015).

SMEs Growth

Most SMEs effectiveness is measured in terms of total or labour productivity which is greatly varied by industries (Zondo, 2017). Factors such as the business policy, technology and management which are linked to the firm's size could be related to its efficiency. In developed countries like the UK and USA SMEs have a large market share because of their technological advancement that encourages productivity growth (Dixon and Lim, 2018). The reverse is the case in developing countries like Nigeria because SMEs have small market share due to the low level of technology available which directly affects their profit (Edoko et al., 2018).

SMEs are more innovative than big firms because they strive to be high in the quality of products and are responsive to customers' desires as a way of competing with bigger firms (Adebiyi, 2014). A lot of SMEs in Nigeria try to be innovative but their efforts on innovation for productivity are sometimes unsuccessful due to the time and resource involve which bigger firms easily implement because of enough resources that are available to them (Edoko et al., 2018). However, some Nigerian SMEs are extremely treasured because of their good level of productivity (Bamidele, 2012).

Challenges facing SMEs growth

Some of the challenges faced by SMEs in the Niger Delta Region include:

i. Challenges of access to financing: SMEs are usually seen as unlisted firms, therefore getting external financing is always a problem as bulk of their financing is sourced from their very own speculations or family credits.
ii. Challenges of access to credit and business: SMEs are usually seen as emerging, therefore their sustainability is often question making access to credit is restricted.
iii. Challenges of physical infrastructure
iv. Challenges of internal capacity building limitation: SMEs usually lack the administrative capacity to run a successful venture. Also, they need a skillful workforce to accomplish their business objectives.
v. Environmental challenges for business: The impact of the natural environment cannot be overemphasized as a challenge. This includes financial, socio-social, and political variables that influence the eagerness and capacity of people to embrace SMEs activities.

METHODOLOGY

This study adopted a survey research method by using descriptive research to obtain primary information about the challenges and prospects of SMEs growth in the Niger Delta region of Nigeria. A self-developed questionnaire and subject-based interview were used to collect primary data.

The sample size of the study consists of six states in the Niger Delta Region, Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers. Selected SMEs in each of the state capital where most of the SMEs are found were administered questionnaires. Cities used are Asaba, Benin City, Calabar, and Port Harcourt, Yenegoa and Uyo. To ensure a proportional representation of elements that constitutes the population, a purposive sampling of 82 respondents was drawn from each of these cities. This method allows for a deliberate evaluation of all population sample. The total number of returned questionnaires were 425 which represent 86.4% out of 492 that was administered to randomly selected SMEs in the six cities while 67 of the questionnaires that represent 13.6% were not returned. We avow that 86.4% is a high response rate which is deemed to represent the sample under investigation. It is inferred that the opinions from the 86.4% response rate are significantly representative of the opinions of the total sampled population upon which reliable and valid inferences about the population of study could be drawn.

Data obtained were analyzed using statistical instruments. They were quantified and presented in frequency distribution tables using absolute figures and percentages. The questionnaire used for data collection was divided into two broad sections. The first section contains the respondents' demographic while the second section which was categorized in two parts of SMEs challenges and prospects in Niger Delta, contains items used for the study. The Rensis Likert Scale of Strongly Disagreed (SD), Disagreed (D), Undecided (UD), Agreed (A) and Strongly Agreed (SA) respectively was the frequency distribution used to elicit responses from respondents. The Statistical Packages for Social Sciences (SPSS) Model 22 IBM was used to analyze information obtained through questionnaires.

RESULTS AND DISCUSSION

Data obtained were analyzed using the descriptive statistics and presented below:

Demographic Data of Respondents

Table 1: Respondents gender

Gender	Frequency	Percentage (%) of Respondents
Female	170	40
Male	255	60
Total	425	100

Source: Authors' Fieldwork, (2020).

Table 1 above shows that out of the four hundred and twenty-five (425) respondents, two hundred and fifty-five (255) or 60% are male respondents while one seventy (170) or 40% are female.

Table 2: Respondents Marital Status

Marital Status	Frequency	Percentage (%) of Respondents
Single	85	20
Married	332	78
Widowed/Divorced	8	2
Total	425	100

Source: Authors' Fieldwork, (2020).

Table 2 above shows that out of the four hundred and twenty-five (425) respondents, three hundred and thirty-two (332) are married or 78%, eighty-five (85) or 20% are single while eight (8) or 2% are either widowed or divorced.

Table 3: Age of Respondents

Age	Frequency	Percentage (%) of Respondents
18 – 30 years	38	9
31 – 45 years	241	57
46 – 60 years	146	34
60 years & Above	Nil	Nil
Total	425	100

Source: Authors' Fieldwork, (2020).

Table 3 above shows that two hundred and forty-one (241) or 57% of the respondents are aged between thirty-one and forty-five years (31 – 45 years), while one hundred and forty-six (146) or 34% are aged between forty-six and sixty years (46 – 60 years). Only thirty-eight (38) or 9% are below 30 years of age.

Table 4: Challenges of SMEs in the Niger Delta Region

S/N	Item	SA	A	UD	D	SD	Total (%)
1	Multiple taxations of SMEs in the Niger Delta Region constitute a major challenge in their performance	77 18%	224 53%	64 15%	38 9%	22 5%	425 100%
2	Inadequate funding, epileptic power supply, and lack of training are some of the problems militating against SMEs growth in the Niger Delta Region	67 16%	201 47%	97 23%	38 9%	22 5%	425 100%
3.	The growth of SMEs in the Niger Delta Region could also be affected by lack of useful information to business owners and infrastructural development	32 8%	70 16%	134 32%	122 29%	62 15%	425 100%

Source: Authors' Fieldwork, (2020).

Item one and two indicate that SMEs may be faced with the issue of multiple taxation, inadequate funding, and epileptic power supply as seen in a 71% and 63% submission of respondents. While item three, shows that 44% of the respondents disagree that the challenges of SMEs growth in the region are infrastructural development and lack of useful information to business owners, whereas 24% agree and 32% were undecided.

Table 5: SMEs prospects in the Niger Delta Region

S/N	Item	SA	A	UD	D	SD	Total (%)
1	SMEs generate employment and facilitate socio-economic growth potential in the Niger Delta region	85 20%	247 58%	56 13%	30 7%	7 2%	425 100%
2	SMEs in the Niger Delta Region contribute to Nigeria's socio-economic development	70 16%	154 36%	79 19%	98 23%	24 6%	425 100%

Source: Authors' Fieldwork, (2020)

Table 5 shows 78% of the respondents agree that SMEs generate employment and facilitate economic growth potential in the Niger Delta region, while 52% agree that SMEs in the region contribute to Nigeria's socio-economic development. Although, 13% and 9% were undecided and disagree respectively for item 1 while item 2 shows 19% undecided and 29% disagree. This predicts the possibility that SMEs may generate employment and could facilitate the Niger Delta Region's socio-economic growth.

Discussion of Findings

This investigation evaluated the challenges and prospects of SMEs growth in the Niger Delta Region of Nigeria. It was discovered that SMEs generate employment and would facilitate socio-economic potential in the region. These findings are in line with studies like Mariyanti (2011); Osoro and Muturi (2013); Etuk, Etuk and Baghebo (2014); Edoko, Agbasi and Ezeanolue (2018) whose investigations acknowledged the influence of SMEs to a nation's socio-economic development.

Furthermore, the challenge of multiple taxations, inadequate funding, lack of adequate training and epileptic electricity supply are key issues militating against SMEs growth in the Niger Delta Region of Nigeria. Whereas SMEs contribute to the socio-economic development of Nigeria.

CONCLUSION AND RECOMMENDATIONS

SMEs growth help to boost employment and productivity that would contribute to socio-economic development in the Niger Delta Region of Nigeria. Also, investment in SMEs has an immense and positive impact on the economic progress in the region and the country. Given the underdeveloped nature of the region and Nigeria generally, majority of his residences should be encouraged to embrace entrepreneurship which is a process of socio-economic development. This implies that more people would invest in SMEs and be given access to credit facilities that could promote capacity building, create employment thereby leading to infrastructure development which will dovetail into long-term socio-economic development of the region.

There is need for government to fosters supporting policies that will push for SMEs growth, promote competitiveness and reduce cost of transactions. The removal of unnecessary administrative and regulatory barriers will encourage SMEs operators in the informal sector to expand. Effort should be made to adopt global practice by drawing from experiences of developed counties and implement policies that will aid SMEs advancement and stimulate the socio-economic development of the Niger Delta Region.

Agencies of government like Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), National Youth Services Corps (NYSC), Bank of Industry (BOI), National Directorial of Employment (NDE) etc, should be properly structured to design a programme that will provide adequate training, grooming and supervision for youths of the Niger Delta Region in designated SMEs and make provision thereafter for their start-up funds. Also, the need to boost SMEs in the region to invest in manufacturing instead of procurement by granting tax relief and providing appropriate information that will ease access to venture capitalists should be encouraged.

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CELEBRITY ENDORSEMENT AND ADVERTISING EFFECTIVENESS IN TELECOMMUNICATION INDUSTRY IN BAUCHI METROPOLIS

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ABSTRACT

Organizations use of celebrity for endorsing products/services have become the new norm. Despite this new norm, the measurement of the effectiveness has not been sufficient from the customers' point of view. This research work examined celebrity endorsement factors as predictors of advertising effectiveness within the telecommunication industry in Bauchi Metropolis. Three research questions and hypotheses were raised to guide the study. The study used a population that consists of all the active voice registered customers of the telecoms industry under study. A sample size of 400 participants was randomly selected using a convenience sampling approach. Copies of questionnaire were administered to gather data. Descriptive statistics and regression analysis were utilized to determine the relationship among variables. The finding showed that all three predictors namely: attractiveness, trustworthiness and expertise dimensions of celebrity endorsement are significant factors in determining celebrity's effectiveness towards product advertisement. In line with the findings, the study recommends that marketers, advertising agencies and firms should enhance the use of celebrities with high levels of attractiveness and trustworthiness for product promotion.

Keywords: Advertisement, Celebrity, Endorsement, Effectiveness, Telecommunication.

INTRODUCTION

Advertising as a means for creating awareness on consumers has undergone transformational changes from the classical to the modern, spanning over 150 years. It is part and parcel of the society which is also relevant to the functionality of economic leanings, customers and businesses alike. This offers meaningful information to the end-users, thereby managing the entire marketing activities of the firms. (Khatri, 2006). Advertising as posited by Kotler and Armstrong (2010) is a paid scheme of non-personal exhibition and upgrading of concepts, goods or services through the available promoter.

Companies from different industries use celebrities in advertisements as their basic communication instrument to promote their products, because it seems another way to facilitate or transmit information to the public effectively and efficiently. Often than none, some people tend to look at celebrities as some kind of role models, in that regard, fans put in so much effort, time, energy and resources to look like their favorite celebrity. Similarly, others go as far as dressing like them, mimicking the way they speak, walk and act. Yet while, some go to the extent of patronizing goods and services endorsed by a celebrity without because they do not need the product at that particular moment (Al-Zoubi & Bataineh, 2011; Agrawal & Kamakura, 1995).

Most often, customers are shown the varieties in advertisement voices and images in various media. This results in persistent broadcast often insensitive to marketing strategy and this has become a challenge for marketers and advertising agencies. Marketers and advertising agencies are constantly looking out to find different ways to make their organizations or client sell better than their competitors and this is where celebrity endorsement comes into the picture (Ahmed, Azmat, Mir, & Farooq, 2012). Advertisers worldwide have acknowledged the use of celebrities as a technique for enhancing trade. Advertising and marketing managers spend a large amount of money to make celebrities endorse their products/services (Sushil & Ashish, 2013).

Any individual who attracts the public interest and also improves the firm yearnings by way of holding fascinated can be considered as a celebrity (Adani, 2015). In the same vein, this could be replicated in the area of science, cinema viewing, societal life, socio-cultural life and such orders that have a uniqueness in their outcome (Chan, Leung Ngi & Luk, 2013; Choi & Rifon, 2007). For this study, any person with a wide range of followers could be considered a celebrity. Typically, celebrities have the following attribute; desirability, amazing way of life or extraordinary proficiency. Furthermore, they are mostly found in remote settlements and they enjoy enormous appreciation. Erdogan (1999) observed as celebrities are usually individuals identified by a lot of admirers. Kind of distinct and display exceptionality by doing things differently in society. Some of the celebrities include amongst others are, actors (e,g. Genevieve

Nnaji, Ramsey Nouah, Tonto Diken, Ali Nuhu, Sani Danja etc.), models (e.g. Agbani Darego, Oluchi Onweaba and so on.), sports-men (e.g. Kanu Nwakwo, Austin Jayjay Okocha, Ahmed Musa and so on.), entertainers (e.g. Chioma Ajunwa, Basket Mouth, 2face, 9ice and so on.) as well as businessmen and politicians (Ifeanyichukwu, 2016).

Nowadays, most organisations the world over, appoint celebrities base on specific areas to avail celebrities the opportunity to constitute the organizations' advertisement activities. For organizations to encourage consumers to accept their brand from others, the marketing features and characteristics of a brand usually most supplement by the endorser. According to Choi and Rifon, (2007), "celebrity endorsement seems to be the process of brand message where celebrities behave as brand's representative by encompassing his personality, attitude, popularity, stature in a given environment in a field to the brand's entitlements". Advertisers generally believe that good sales are achieved when celebrities are in the mix. Nowadays, it is the best strategy used by marketers and advertisers in influencing clienteles in showing celebrities with what they can offer, such as lies, exciting, absurdity, sexual etc. in the work of Belch and Belch (2008), the core aim of formulating those strategies is to obtain high branded revelation, longing, concentration and curiosity, for that, marketers tag and endorse well-known personalities with their products.

Since tagging and endorsing celebrities are with them, Ifeanyichukwu (2016) asserts that celebrity endorsement is a process of informing the audience professionally about the products/services in the endorser will stand as in for the organization and endorses the products/services. In recent times, organizations spend a lot of money trying to get the endorsement from celebrities by redesigning and repositioning most of their products to create a positive impression and responsiveness in the minds of consumers. (Amos, Holmes & Stratton, 2008; Apejoye, 2013). Advertising effectiveness is a concern primarily with how well a company's advertising meets the intended purpose. Most businesses use different statistics or metrics to evaluate the effectiveness of their advertising. These evaluation criteria can be employed for all types of advertising which include television, direct mails, radio, internet and even billboard adverts (Belch & Belch, 2008). A company that is effective in advertising usually increases over time with many messages or exposures. But some advertising objectives can be achieved almost immediately (Rizwan, 2015; Akukwe, Oluoko-Odingo & Krhoda, 2020). This research basically, considers celebrity endorsement as a tactic concentrating on how to increase market performance thereby improving the yields of the organization. This becomes imperative to evaluate the effectiveness that celebrities have on product endorsement that will lead to progress in the Nigerian telecommunication subsector (Akukwe *et al.* 2020).

Statement of the Problem

Various forms of industries and institutions allot a lot of money daily by placing one form of advertisement or the other in different platforms trying to convince their potential and actual clients. Shimp (2000) stated that over twenty-five percent (25%) of the sum advertisement in US used celebrities. The situation in Nigeria is not so different. It has been observed that majority of the end-users in emerging markets signposted a preference to see more well-known personality endorsements in advertising.

Potential and actual consumers in the preceding years showed considerable exposure to advertising varieties in mass media, but majorly the concern is about people tend to quickly forget shortly after the advert (Kofi, Asimah, & Agbem, 2015; Paramhar, 2016). Seeking redress for this anomaly, advertisers and marketers started enlisting celebrities for their product/service endorsement for businesses that involve a lot of money. An endorser of a product/service specifically helps to persuade potential and actual customers to recall the organization's products/services (Paramhar, 2016). The increase in competition among producers and marketers has attributed to reason celebrities are used to facilitate sales (Paramhar, 2016).

Some major issues with endorsers appointment are getting the qualified and well-known endorser that can raise the products/service as its brand. According to McCormick (2016), “it is essential for concerned firms to have the best celebrity endorser for succeeding in the marketing activities". The personality of the chosen celebrity must be in sync altogether with a brand to entice the attention of the consumer to the advertisement. The endorser must be sufficiently known in order to get attention, but not upstage the product itself. The product/service must be the centre of attraction, not the celebrity (McCormick, 2016).

Numerous researches have empirically shown the influence of endorsement by renowned personalities in advertising, particularly on endorser's credibility, message reminder, announcements arrangement and purchase intention (Ibok, 2013; Baffour, 2015; Malik & Qureshi, 2017). Other studies have proved the negative influence of the endorsement by the celebrities in advertising (Saaksjarvi, Hellen & Balabauis, 2016; Hakimi, Abidniya & Zaeim, 2011, Zipporah & Mberia, 2014; Ifeanyichukwu, 2016). Most of these studies earlier conducted have found mixed findings between celebrity endorsement and advertising effectiveness. However, majority of those studies have been conducted in advanced economies. In Nigeria, particularly Bauchi State there was no such research with regards to the current topic of discussion. The study specifically examined celebrity's attractiveness, celebrity's trustworthiness and celebrity's expertise on product advertisement.

LITERATURE REVIEW

Celebrity Endorsement

Dean and Baswas (2001) posited that celebrity endorsement has become prominent and meaningful which brings about healthy and aggressiveness between the rivalry businesses, particularly the deployment of commercialization which starts with efficient and effective apparatus for the advertisement to gain a competitive advantage. They also suggested that the opinion held by people that endorsed a brand by celebrities easily can be transferred into a favorable attitude of people and the evaluation of the product (Daneshvary & Schwer, 2000; Soderlund, Koththagoda & Dissanayake, 2017).

Recently, celebrity endorsement has been seen and accepted by marketers. Empirically, it has been tested to have an influence on the message the firm is conveying to the end-users in their effort to compare the brands (Daneshvary & Schwer, 2000; Shaker,2015; Eyitayo, 2017). Consumers often examine data from the endorsers that they use e.g. target, affinity or lifestyle with, more than with someone else (Endogen *et al*, 2001; Silvera & Austad, 2004). Also, celebrities can transfer their image into a particular good or product that is being advertised (Eyitayo, 2017). Business establishments have seized this avenue to try and use it in place of communication apparatus by the firm, to attract strong brand, attention, experience, awareness, yearning as well as ultimately take action (Belch & Belch, 2001).

Celebrity Attractiveness

The attractiveness among endorsers is essential and sacrosanct in the process of selecting the endorser (Rifon, Jiang & Kim, 2016). Attractiveness amongst other characteristics include known structures, knowledgeable and academic skills, temperament attributes, lifestyle and experiences of celebrity (Erdogan, 1999). Endorsers could be good looking simply as a result of their reputable sports activities and society has much admiration for their accomplishment and attainment.

Attractiveness is the degree that brings about the interest of some individuals. However, the size could not constrain rather, it comprises the known structures of the celebrity (Piu Yi & Priscilla, 2012). Looking good intrude customers buying behavior since they are trying to be so gorgeous and handsome, the way the endorsers are looking. Assuming a young girl sees Genevieve Nnaji as beautiful and attractive, she (Genevieve) can easily attract her to the brand she endorses. The girl does that believing it will help look attractive too. The study of Winham, Hampl and Eyitayo (2017) shows that physical and outside beauty is an essential element that assists in examining the efficacy of celebrity. However, Bower and Landerth (2001) posited those celebrities that are more influenced are not like the best for a proper advert. Given the above, we hypothesize that;

H_{01}: Celebrity's attractiveness has no significant impact on product advertisements.

Celebrity Trustworthiness

Trustworthiness means “the honesty, integrity and believability of an endorser” (Erdogan, Baker & Tagg 2001). To maintain good relationships with present consumers as well as potential customers, endorsers must be seen as trustful and honest, believable and dependable (Shimp, 1997). Trustworthiness can be defined as; “The extent to which the endorser is perceived to be believable, honest and dependable” (Shimp, 2008). Ohanian (1990) sees it as “the listener’s degree of confidence in, and level of acceptance of, the speaker and the message” If these attributes of the celebrity are to some extent obtainable and existing on the celebrity, seems to be the tendency of invitation by the organization (Shimp, 2008). While the ranking of the integrity of the endorser, trustworthiness is crucially important as far as the customer is concerned since it is the invisible attribute that exists as a result of confidence (Moynihan, 2004). Other important issues that makeup trustworthiness are dependable, steadfastness, sincerity and uprightness. Because of the need to follow the system by the participant involve where the younger ones have proven to be more reliable than the older ones (Pandey, 2011). From the above, we hypothesize that;

H_{02}: Celebrity's trustworthiness has no significant impact on product advertisements.

Celebrity Expertise

Erdogan (1999) expressed that the proficiency of celebrity is the degree to which an endorser is professed to be a source of effective proclamations. Celebrity endorsers with knowledge in the area of specialization are more influential in the area of product quality (Aaker, 1997). In the same vein, customers get to the great brand appreciation especially where the celebrity is a specialist in the area of discipline also which usually, they are more effective (Amos, Holmes & Strutton, 2008; Malik & Qureshi, (2017). However, the professionalism of the celebrity will affect the use to disturb the acceptability, confidence and integrity among a brand.

According to Biswas, Hussani and O'Donnel (2009), there is a close affiliation between fit and expertise, as the footballer can be proved to be great if it is linked to the enactment of football during the match. Kara, Yu and Edwin (2013) and Kambitsis, Harahousou, Theodorakis and Chatzibeis (2002) opined that, expertise has closer significant value than attractiveness and trustworthiness in product advertisement and can be used to influence and convince end users buying behavior/attitude.

H_{03}: Celebrity's expertise has no significant impact on product advertisement.

METHODOLOGY

The study adopted a post-positivist research approach. The assumption of the post-positivist the approach is to use a particular study which is expected to sample the bases of questions raised. This is in line with the work of Vem, Mbasua and Makrop (2019). This study adopts the survey approach since it has answered the research questions raised and test hypotheses formulated in addressing the main aim of the research. Population of the research work consists of all the registered active voice customers drawn from all the telecom service providers (MTN, Airtel, Glo and 9mobile) in Bauchi Metropolis. This, however, forms the population of the study which is 403,155. The sample size for the study is approximately 400 and was determined using Yamane (1970) formula.

Two sampling techniques (random sampling and convenience sampling) for this study. Four wards out of the ten wards in Bauchi Local Government Area where the population is drawn were stratified and subsequently randomly sampled, while the convenience sampling method was used to select the respondents. When using a convenience sampling approach, the participants are designated on some criteria which include amongst others; proximity, easy access and readiness to partake and contribute (Timothy, 2005). Therefore, this allows the investigator to obtain information from the respondents so easily and speedily.

A structured questionnaire was the instrument employed for this study. The study adapted Baffour (2015) and Kumar (2010), survey instruments of five-point scale. The Cronbach's Alpha value is 0.85. In the work of Saunders, Lewis and Thornhill (2009), it was recommended that a reliability coefficient of at least 0.70 and preferable higher for research purposes. Compare to this figure, the obtained coefficients of 0.85 can be regarded as good and high. Descriptive statistics and multiple regression methods were used at 0.05 level of significance. The research involves many independent variables on one dependent variable, hence the use of the tool.

RESULTS AND DISCUSSION

This section presents the analysis of data, findings from the study and discussion of the findings.

Descriptive Statistics and Correlation

In determining the data sets efficiency, univariate normality of variables were observed and assessed the results and also, to examine multi-collinearity, distinctiveness and uniqueness of the constructs were observed, bivariate correlations analysis was carried out.

Table 1: Summary of Descriptive Statistics with Correlation Coefficient

Variables	**Mean**	**1**	**2**	**3**	**4**
1 Attractiveness	2.31	1.000			
2 Trustworthiness	3.84	0.491**	1.000		
3 Expertise	1.57	0.461**	0.498**	1.000	
4 Advertising Effectiveness	3.92	0.502**	0.515**	0.534	1.000

The mean scores for the variables are 2.31, 3.84, 1.57 and 3.92 for attractiveness, trustworthiness, expertise and advertising effectivess respectively. Table 1 presents the correlation coefficients that show the relationships between the variables. The results showed that advertisement effectiveness is positively and signifiantly related to attractiveness (r = 0.502, p<0.01); trustworthiness (r = 0.515, p<0.01); and expertise (r = 0.534, p<0.01). In furtherance of that, the relationship ranged between 0.461 to 0.534, as this has affirmed the constructs does not have any problem of uniqueness, distinctiveness and multi-collinearity (Bryman, 2015).

Table 2: Regression model on celebrity endorsement and advertising effectiveness

Independent Variables	Beta	t	Sig.	Tolerance	VIF	Hypotheses Testing
(Constant)		2.586	0.010			
Attractiveness	0.260	4.750	0.000	0.665	1.503	Reject H_{01}
Trustworthiness	0.189	3.402	0.000	0.647	1.546	Reject H_{02}
Expertise	0.267	4.759	0.000	0.632	1.582	Reject H_{03}

R^2 = 0.349; Adjusted R^2 = 0.343; F-statistic = 58.37; Prob (F-statistic) = 0.000.
Dependent variable = Advertising effectiveness

Table 2 shows checks for multicollinearity of independent variables also the level of tolerance as well as Variance Inflation Factor (VIF), where the value of the tolerance levels indicates < .1 while VIF values are less than 10, whereas the threshold levels that highpoint issues with the constructs. The results revealed that there is no reason for worry that the independent variables extremely influence themselves.

The results showed that advertising effectiveness is positively and signifiantly related to attractiveness (β = 0.260, $p<0.05$); trustworthiness (β = 0.189, $p<0.05$); and expertise (β = 0.267, $p<0.05$). In Table 3, the tolerance values for variables range from between (0.632 - 0.665), which is not less than .10; therefore, we have not violated the multicollinearity postulation. In the same vein, the VIF value is accepted since is ranged between (1.503 - 1.582), which is well below the cut-off of 10. Therefore, the results indicated that there is no multicollinearity problem among the constructs. The results in Table 3 further indicate that predictors variable explains 35% of the alteration with the dependent variable (advertising effectiveness) (R^2 = 0.349). Granting, the general model fitted great and the variables were significant. The Adj R^2 shows the coefficient of determination, on the disparity among the predictive due to change of predictors. Given the results of the finding above, Adj R^2 is 0.343 which shows that there is a disparity with 34.3% for advertising effectiveness among celebrity as a result of predictors variables at 5% significant level. The F Statistic of 58.37 shows that the model is statistically significant.

Discussion of Findings

Celebrity attractiveness and advertising effectiveness: Attractive models are more effective in making customers recall products/services advertised by celebrity's, that is why professionals stress much in adopting attractive models by flyers and electronic means (Erdogan, 1999). The result of the findings shows that the standardized advertising effectiveness (Adv. efft) will increase by 0.260 units with one unit increase in standardized celebrity's attractiveness. The model indicates that celebrity's attractiveness is significantly explaining the variation in the dependent variable (Advertising Effectiveness). Prior research revealed that attractive celebrity endorser's have a greater impact on the what firm can offer and the image than less attractive endorser's (Wei & Lu, 2013; Malik & Qureshi, 2017; Shaker, 2015). Therefore, this finding suggested that there is a significant influence of celebrity's attractiveness and advertising effectiveness. The outcome is in line with the findings of Abdulrahman and Osman, (2017); Ong and Ong (2015), who concluded that celebrity's attractiveness significantly influences celebrity's effectiveness towards product advertisement in an organization.

Celebrity trustworthiness and advertising effectiveness: Positive and significant relationship was observed to exist between celebrity's trustworthiness and advertising effectiveness. This means that when an organization uses a trustworthy celebrity, this assists and or gives more room in creating good lasting relationship with end-users. (Hung, 2014). Trust positively affect brand attitude that leads to favorable patronage (Mikulas & Svetlik, 2016). The results of the findings show that the standardized advertising effectiveness (Adv. efft) will increase by 0.189 units with one unit increase in standardized celebrity's trustworthiness. The model indicates that celebrity's trustworthiness is significantly explaining the variation in the dependent variable. The study, therefore, shows the trustworthiness of endorsers with strong significance on celebrity's effectiveness in advertising organizational product. The implication is that trust among celebrities will have much effect on advertisement effectiveness. The outcome of this research collided with Ibok (2013), Hung (2014), Baffour (2015), Mikulas and Svetlik (2016) who concluded that a trustworthy celebrity has a positive effect on advertising effectiveness.

Celebrity expertise and advertisement effectiveness: A great value of influence was observed to exist between celebrity's expertise and advertising effectiveness. This means that when a celebrity is an expert and has knowledge in his field it enhances message recall and retention. Besides, if celebrities are specialists with several customers' confidence, the influence has to be great on celebrity's effectiveness in product advertisement. Findings further show results from the regression model suggest a great value of the influence of celebrity's expertise and advertising effectiveness. The outcome agreed with Hung, 2014; Jamil & Hassan (2014).

CONCLUSION AND RECOMMENDATIONS

The research work validates the previous findings that the utmost advantage of engaging celebrities in advertising is to attract new customers, build awareness, influence customers' preference, positioning a brand and retaining existing consumers. Marketers usually are anxious about building some special value proposition for both potential and actual customers while maintaining both. Given the fact that they solely depend on communication tactics by creating sensitization, attracting fresh customers while keeping the former. The result of this research revalidates how the effectiveness of celebrity endorsement in accomplishing the desired goals. In conclusion, to facilitate the relationship between celebrity personality and attributes of the brand will allow proper flow of communication and a positive attitude towards brands and patronage.

The study, therefore, recommends that celebrities should be selected based on a sense of attractiveness and acceptance by the target audience. Also, celebrity trustworthiness is appropriate where product advertisement is scheduled and also, see celebrities that can influence the expected audience that can discuss not necessarily the fit. Celebrity endorsement and expertise should be continuously adopted in the organization by identifying recognized celebrities available in the societies. Finally, future studies should cover other regions in the country to provide a more robust understanding of the subject matter.

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HERDERS-FARMERS CONFLICT: A REVIEW OF CONSEQUENCES AND MITIGATION STRATEGIES ON FOOD SECURITY IN NIGERIA

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ABSTRACT

This study examined the implication of Herders-Farmers Conflict on food security in North Central Nigeria. Herders-Farmer's conflict is one of the topical and contending issues, most especially in north-central Nigeria. Herders and farmers have had a mutual and beneficial relationship ranging from agricultural production and inter-marriages. The sustainability of this relationship is, however, threatened due to clashes that have resulted in the loss of lives and properties. The paper adopted Structural Conflict Theory to explain the position of the conflict between herders and farmers. As a descriptive kind of study, the paper relied mainly on secondary data such as journal, textbooks, conference papers and report from government. The paper concluded that since herders and farmers' conflict in Nigeria have not only caused the destruction of lives and properties but also threatened national security, inter-group relations and government policies on economic diversification, particularly agriculture and food security. The study recommends that the Federal Government should ensure and employ conflict management strategies through empowering traditional institutions with delegated legislation to ameliorate further occurrences. The Government should also build ranches for nomadic herders and provide basic amenities for both herders and their cattle. It further recommends for stringent penalties for violators of constituted authorities and also, adequate policing along the grazing route, since building ranch is capital intensive and requires time.

Keywords: Conflict, Farmers, Food, Herders, Security.

INTRODUCTION

Farmers and herders have a long series of relationships, ranging from agricultural production and inter-marriages. Sinclair and Frywell (1985) stressed the advantage of this historical relationship herders and farmers shared through **s**ubsistence farming activities but reiterated on the negative consequences of conflict over these long ties. It is no gain to say that herding and farming comprised of the major economic activities and growth in the north and north-central Nigeria, precisely. Despite Nigeria's impressive potentials and vast land to boost agricultural output and secure food, specifically in northern regions, overwhelming conflicts have bedeviled this process and increased the seeming threat of climate and other natural phenomena on agricultural services. Mohammed (2015) argued that herders-farmers' conflict in Nigeria has destroyed crops and other farm utilities, through cattle grazing, thereby affecting food production. In the same vein, Hussein (2000) contended that the resultant effects of the conflict between herders and farmers in the borders of Nasarawa and Benue states have caused over fifty (50) deaths and 20,000 persons' displacement, across ten (10) communities.

Akin to this, the National Early Warning System (NEWS) (2018) claimed that the conflicts have increased in frequency, intensity and geographical scope with dire humanitarian, social, political and economic consequences. National Early Warning System (NEWS) analyzed the scourge of the negative relationship between herders and farmers through life destruction, food security, water and land for grazing or farming exacerbated by climatic conditions due to global warming. They affirmed that about 5,281 persons have lost their lives as a result of herders-farmers' conflict.

These persistent conflicts between herders and farmers in the North Central have not only destroyed lives, ranches and farmlands but rather, twisted the Federal Government's will to hold up its campaign on diversifying the economy through agricultural sustenance and food security. Predominantly, agrarian communities in the North-Central Nigeria are not longer reliant on farming due to the fear of encroachment and clash with herders on one side, and herding faces a different dimension as a result of ban and sanctions by the government which in turn affects the parties. These negative implications, coupled with the Federal Government's policy on food production, importation, price of essential commodities and food products, have made these unaffordable and unbearable to the masses which this paper examines.

LITERATURE REVIEW

Conflict has been the darkest part of human history through social interaction. It occurs as a result of the relationship between two or more parties (individuals or groups) who have or think they have incompatible goals (Best, 2009). The term conflict has no single definition but it encompasses a disagreement between or among social entities. Anih (2008) sees conflict as not as awful as the thought may be; it becomes unhealthy when it is between people not ideas. He asserts that conflict is bound to occur as long as interactions take place.

Conflict involves a process that starts when one party perceives that another party has or is about to negatively affect something the first party is concerned about (Idris, 2019). Similarly, Schramm-Neilsen (2002) argued that conflict is a state of serious disagreement about something perceived to be important by at least one of the parties involved. In the same vein of the thought, Rahim (2002) also argued that conflict occurs where there are incompatible preference(s), goals, objectives, interest and or desire among different parties within a group. Idris (2019) corroborated this: conflict occurs in pursuit of incompatible goals and interest between parties over resources that should be shared among them; it is also an antagonistic behavior that often occurs as a result of divergent ideas or goals. It occurs when two or more people engage in a struggle over values and claims to status, power and resources in which the aim to neutralize, injure or eliminate the rivals (Coser, 1956:121). Coser (1956) further explained that conflict emerges whenever one party perceives that one or more purposes or means of achieving a goal or preference is being threatened or hindered by the activities of one or more parties (1956:8). Thompson and Richard (1981) precisely defined conflict as the opposition, division and hostility generated in the process of distribution of unlimited resources in a group.

Causes of Farmers-Herders Conflict in North-Central Nigeria

Nigeria is one of the food-deficit countries in sub-Saharan Africa due to her reliance on importation and oil export. Nigeria relied on agriculture in the 60s and early 70s to strengthen its financial policy before the oil boom in late 70s. Albeit, Nigeria's dependant on oil has brought drastic setbacks on agro-allied activities, domestic gross income and abandoned cattle grazing route which is explicit to cause herders-farmers' conflict. It is very pertinent to note that even during the first and second Republic, the communal conflict exists but the dimension these days suffice with the multiplicity of effects. Beatie (1964) contented that the major occupation of the Fulani is herding and is determined by the weather. Tenuche and Ifatimehin (2009) also opined that numerous conflicts in Nigeria arise from land disputes between Fulani herdsmen and farmers over grazing land. As a result of population outburst and the apparent scarce nature of the land, farmers continue to witness enormous encroachment into farmlands by herders in search of pastures for their cattle. This has, more often than not, resulted in blood-letting clashes between farmers and herdsmen. Blench (2004) similarly stressed that farmers and pastoralist conflicts have been associated with the conflict of land resource use and are worsen by the deteriorating nature of the resources.

Tonah (2006), cited by Ofuoku and Isife (2019) argued on the factors responsible for the increasing herders-farmers' conflict to include the southward movement of pastoral herds into the humid and sub-humid zones promoted by the successful control of the menace posed by livestock diseases, pervasive accessibility of veterinary medicine and the expansion of farming activities into areas that up till now served as pastured land. This claim is justified by Stenning (1959) who states that the Fulani have no permanent home because they engage in extensive pastoral movement in search of grazing which is confronted with time, weather, social change and government intervention.

Furthermore, Musa and Igbawua (2019) indicated that herdsmen and farmers' conflict in our communities is caused by a component of events: from the destruction of farmland by herders, incapacitated leadership by the traditional rulers and cattle theft by marauders to mention a few.

Tenuche and Ifatimehin (2009) postulated three basic levels of Fulani herders' conflict:

i. The constitution of Nigeria lacks an explicit explanation on indigene/settler's mirage.
ii. Uncertainty on grazing area(s) and water detect germane for the survival of herders and farmers.
iii. The Nigerian land tenure act which permits ownership and lease of land.

The herders-farmers' conflict in Nigeria has taken a multifaceted measurement. It has developed from a normal conflict between the herdsmen and farmers to ethnopolitical, social and religious conflicts undermining the nation's consolidated intergroup relations and security. Tonnah (2006) remarked that herdsmen and farmers' differences are not only seen as resource conflict but are also sometimes represented as an ethnic conflict between the two groups. For example, the conflicts between the Yargam indigenes and the Hausa migrants in Taraba and the Tiv /Fulani crisis in Benue State respectively.

Concept of Food Security

Food security refers to the access to food needed by all people for a healthy life at all times (FOA and WHO, 1992 cited in Eide, 1999). Idachaba (2004) stated that a country is food-secure when its major population has access to food of adequate quantity and quality consistent with decent subsistence at all times. This implies that food must be available to the people to a point that it meets several nutritional standards acceptable worldwide in terms of its richness in calories, protein and minerals; the possession of the means by the people to acquire with continuity and consistency in supply (Ephraim, 2014). In essence, food security connotes an excessive amount of food available and accessible by all people at all times.

FOA (2002) defined food security as a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life. Food security is one of the essential conditions for a population to be nourished, hale and hearty. Food security guarantees that the basic needs of the poorest and most vulnerable in society are not deserted in policy formulation (Ajibola, 2000). Osundare (1999) opined that the wealth of a nation is judged by its ability to make food available for the populace. In this connection, food security, therefore, becomes an important factor in any consideration of sustaining the wealth of the nation. Riscopoulos, Mukanganya & Guyaux (1998) distinguished food security into two aspects; ensuring that adequate food supplies are available and those households whose members suffer from undernutrition to acquire food, either by producing it themselves or by being able to purchase it. However, irrespective of how food security is defined, it is commonly characterized as follows:

The Availability of Food: Food availability means that the overall supply should potentially cover all nutritional needs in terms of quantity (energy) and quality (providing all essential nutrients). Furthermore, it should be safe (free of toxic factors and contaminants) and of good quality (taste and texture to mention these two). Also food substances commonly available nationwide and in the local market should be culturally accepted (Oshang, 1994).

Food security should be seen from the perspective of its availability in quantity and quality. Food quality (hygiene) has to do with the cleanliness of food from its source to consumption. For instance, food may be available from the source of production but may possess unhealthy chemical substances; due to its preservative may pose a health risk on consumers. It is imperative to consider health and safety measures in terms of food security. For instance, the general misuse of chemicals in developing countries (where chemicals made for treating livestock diseases, indiscriminate application of pesticides) may be harmful to humans much later after consumption of such products (Sinha, 1976).

Accessibility of Food: Food may be available and hygienic but not accessible to the general populace. It has been noted that food security is faced with lack of access rather than an aggregate shortage of supplies; focus on food security has since shifted from macro supply to focus on the ability of households to obtain food in the market or from other sources (Webb, Coates, Frongillos, Rogers, Swindale & Bilinsky, 2006). Despite food security is often the main focus of attention by the government; its conditions are not met if people in the society cannot access it. Hazarika & Guha-Khasnobis (2008) argued that food access is a major problem and often affects children and the poor.

Having access to food includes having physical access to a place where food is available and economically fit to buy. Staats, Boughton, Duncan & Donovan (2009) contended that the prices of food are linked to; availability which reflects the supply side of food security and accessibility which reflects the effective demand.

Utilization/Consumption of Food: This aspect of food security speaks to the proper usage of food which includes processing, storage, consumption and digestion. Thus, how food is (which affects nutritional value) to the health of the individual consuming it (which affects the ability to absorb and use nutrients) involves food security, provided that nutritional education, family and management skill are another aspect of the process involved in ensuring food security (Staaz *et al.*2009).

Stability of Access to Food: This aspect deals with the stability of household access to nutritious food. Fear of instability in access to nutritious food in itself can have a significant effect on the production and consumption decisions of households which, sooner or later, directly affects the experience and outcome of food security (nutrition and health) which should be a matter of consideration (Ibok, 2012).

Theoretical Framework

Structural Theory of Conflict: Structural Theory of Conflict is adopted as the theoretical framework of the study for its suitability to explain conflict situations and orientation based on its dual orientation of the causation of conflict. The first is the radical structural theory represented by Marx and Engels, V. I. Lenin while the second is the liberal structuralism represented by Ross (1993), Scarborough (1998) and the work of John Galtung (1990) on structural violence (Best, 2009). The main tenets of the structural conflict theorists are that conflicts occur as a result of economic and political segregation, injustice, poverty, disease, exploitation, inequality and the way society(s) is structured and organized. To Marx, human societies are polarized into two distinct classes of the haves and the have not conditioned by materialism. Galtung (1990), in his liberalist suggestion, contended that structuralists' position to end the conflict is manifested on class consciousness, revolution and civil war which may have negative consequences (Best, 2009).

Furthermore, Best (2009) stressed how the competing interests of the Fulani herders and farmers are directly related to the social, economic and political organization of our society. Ross (1993), as cited by Best (2009), contended that whenever economic and political discrimination and bad kinship ties characterize a society, conflict in that society becomes inevitably indispensable. Similarly, Scarborough (1998) buttressed that when the existing social structure fails to justify a solution to parties and/or justify its favors over another party, the chances are that conflict will emerge and escalate if nothing is done to correct such anomalies. The structural theory is surprisingly suitable in explaining the pressing and underlying factors of herders and farmers' conflict in Nigeria. Nigeria is faced with extensive structural discrimination such as political institutions, intergroup politics and elite cohesion or fragmentation, national security dilemma, refugee rule, cross-border crimes and civil-military relations and ethnoreligious factors to mention but a few.

Implications of the Herdsmen and Farmers' Conflict on Food Security

Herders-farmers' conflict is undoubtedly the major cruel problem to one side Boko Haram in Nigeria, which is rooted in 1960s. However, some of the prevailing consequences of these conflicts are explained as thus: literature such as Adeleye (2008), Mohammed (2008), Ojeleye (2005) and Hussein (2000) who revealed that herders and farmers' conflict caused the destructions of farm produce, cattle as well as the loss of lives. Ojeleye (2005) disputed that continual conflicts over land resources by farmers and cattle rearers have caused the displacement of people which resulted in behavioral change. Adebayo (2008), in a similar view, revealed that farmers in Kwara State were displaced and shattered as a result of their clash with herders which affected agricultural output. These consequences are obvious in the clash between the Eggon ethnic group in Nasarawa State and the Fulani herders as a result of encroachment by the cattle in search for grazing; this resulted to loss of lives, properties and villages burnt which made the invaded tribe flee their homes (Idris, 2016).

Idris (2016) further revealed a similar encounter between the Fulani herders and the Tiv ethnic group in Obi and Awe Local Government Areas of Nasarawa State which also led to havoc and displacement of both cattle and the people involved. From Nasarawa to Benue, Taraba, Kogi, Niger and Plateau States, clashes between herders and farmers have left, in its path, profound loss of lives and properties. Farmers count losses in terms of houses and farm produce and herders, on the other hand, counted theirs on cattle. Farms and schools in the affected areas have been overtaken by weeds and those that were ready for harvest have been left untouched. The killings and the destruction of crops and animals have chased people out of their ancestral residence into intolerable situations as internally displaced persons (Aggabde, 2015).

Amnesty International revealed that clashes between herdsmen and farmers in Adamawa, Benue, Taraba, Kogi, Ondo and Kaduna have resulted in 168 deaths in January 2018 alone and 2017, 549 deaths and thousands displaced across Enugu, Zamfara, Kaduna, Plateau, Nasarawa, Niger, Cross River, Adamawa, Katsina, Delta and Ekiti State. The effect of these conflicts to both the farmers and the herders is not only manifested on displacements but also causes trauma, which in turn affects production and income on the side of the farmers and shortage of beef in the market. Moreover, children are affected through the closure of educational facilities and, to a larger extent, it renders women become widows.

Government Strategies in Resolving Herders-Farmers' Conflict in Nigeria

Grazing route, livestock development and transformation plan, security and National Commission for Nomadic Education are discussed below:

Grazing Routes: Grazing routes were established since 1965 as a means to deal with farmers-herders' crisis. The establishment generated walkways for both sedentary and pastoralist with about 415 routes. The routes were set to sway an exclusive use of land by herders to graze their livestock, avoid farmland encroachment and encourage farming activities. Climate change made the grazing routes insufficient for the herders to get enough pasture for their cattle (Kwaja & Ademola-Adelehen, 2018). Global warming and the shift in climatic condition have caused the herders to exceed the grazing route in search of pasture for their cattle and to also avoid insect, abominable water, banditry and hostile environment (De St Croix(1954), Awogbade (1983), and Salzman (1980) as cited by Idris (2016).

In 2016, the National Assembly attempted to pass legislation to address conflicts between farmers and herders through the National Grazing Reserve Bill 2016. The bill failed second reading due to its violation of the Land Use Act of 1978 which vests all powers related to the regulation of ownership, alienation, acquisition, administration, and management of Nigerian land with the state governors (Kwaja & Ademola-Adelehen, (2018).

Live Stock Development and Transformation Plan: Kwaja and Ademola-Adelehen (2018) reveal the Federal Government's comprehensive livestock development plan in 2005, through the Federal Ministry of Agriculture and Rural Development (FMARD), to address the disturbing rate of conflict between farmers and herders across the country. To him, the plan was to develop grazing reserves and cattle routes through a review of the existing program. Accordingly, the Central Bank of Nigeria released the sum of N100 billion (nearly USD $300 million) to the 36 states for this reason, but because of poor dedication to the issue, no state has been able to construct a ranch, reserve, or address the issue of stock route (Kwaja & Ademola-Adelehen, 2018).

The abandonment of the grazing route by State Government necessitated the Federal Government in 2018 to reveal her new plan to establish cattle colonies across the country, to deal with the grazing route crisis. The Minister of Agriculture, Audu Innocent Ogbeh, contended that each colony/ranch will cover 5,000 hectares (about 25km by 20km) and would be clustered with resources and facilities such as grass, water, veterinary services, mills for converting agro-waste to livestock feed, schools, hospitals and markets. Each state of the Federation was to provide land for the Federal Government to actualize these objectives. The Federal Government stated that the ranches would protect herders from cattle rustlers, reduce the intensity of farmers-herders' conflicts, on one hand and will benefit in healthier stock, high meat and dairy production and more revenue for state governments on the other (International Crisis Group, 2018).

Security: Salihu (2019) stated that the method employed by the Federal Government to deal with the herders-farmers' crisis is commendable. To him, Government has launched two military operations to curb violence in six states – Exercise Cat Race, which ran from 15 February to 31 March, and the ongoing Operation Whirl Stroke. He argued that the security measures were stepped up to include the police in 2017. Five mobile police (anti-riot) units were deployed to Adamawa State in order to prevent further clashes. Similarly, the International Crisis Group (2018) contended that the crises increased, despite the presence and deployment of the security which made the presidency and other stakeholders suggested for speedy construction of ranches.

Peace Building: According to International Crisis Group (2018), the Federal Government constituted committee, headed by the Vice President Prof. Osinbajo, to disarm and ensure stoppage of killings in Adamawa, Taraba, Plateau, Benue and Nasarawa States. The committee undertook fact-finding and consolation visits to conflict zones and engaged the stakeholders with peacebuilding dialogues. The committee's effort yielded no positive outcome, hence recommended for improved military deployments in the worst affected States, and to continue on inclusive dialogues with all parties involved in the conflict.

National Commission for Nomadic Education: Kwaja & Ademola-Adelehen (2018) noted that the establishment of the National Commission for Nomadic Education (NCNE) in 1989, through Decree 41 failed its standard. The commission was set to economically and socially integrate nomadic herders into the national life, through the provision of relevant and functional life skills and basic education. It was also intended to help the herdsmen revise their techniques of nurturing their cattle with utmost economic potentials to include dairy dispensation and marketing, animal vaccines and modern herding techniques. The program on nomadic education, at present, suffers from dilapidated infrastructure and is short of human resources to educate the herders mainly due to a lack of adequate funding and sustainability by the Government (Kwaja & AdemolaAdelehen, 2018).

CONCLUSION AND RECOMMENDATIONS

Herders and farmers' conflict in Nigeria has not only destroyed lives and properties but threatened the national security, intergroup relations and government policies on economic diversification, particularly agriculture and food security. The scourge of this conflict will never be forgotten by Nigerians and the victims who the present administration of President Muhammadu Buhari failed to deal with. Despite the strategies of resolving herders/farmers' conflict in Nigeria through vigilantism, traditional settlement, deployment of the Armed Forces, to mention but a few, the conflict continued to suffice with dimensions.

The paper, therefore, recommends that the Federal Government should ensure and employ conflict management strategies, through empowering traditional institutions with delegated legislation to ameliorate further occurrences. Third-party involvement should be made imperative in managing and resolving herdsmen-farmers' conflict. The Government should revisit her plan on cattle colonies/ranch and ensure quick construction of ranches for nomadic herders, to provide basic amenities for both herders and their cattle.

The paper further recommends for stringent penalties for violators of constitutional authorities to ensure adequate policing along the grazing route, since building ranch is capital intensive and it requires time.

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THE IMPACT OF ORGANISATIONAL CULTURE ON EMPLOYEE PERFORMANCE IN THE NIGERIAN BANKING SECTOR

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ABSTRACT

The study examined the effect of organisational culture on employee performance in the Nigerian banking sector. Four dimensions of organisational culture: leadership style, employee training, work process and employee commitment were used for the research. The study adopted the cross-sectional survey design involving the use of the questionnaire for data collection. The sample size for the study consisted of 392 employees drawn through convenience and systematic sampling techniques among employees of First Bank, Access Bank, Zenith Bank, Fidelity Bank, First City Monument Bank, United Bank for Africa, Diamond Bank and Guaranty Trust Bank, Nigeria. The model parameters used in the framework were estimated using Ordinary Least Squares (OLS). Data collected were analysed using SPSS 22.0 by running both descriptive and inferential statistics. It was discovered that all the dimensions of organizational culture had positive effects on employee performance indicative of supportive organisational cultures in the Nigerian banking sector. The study recommended that managers use the appropriate mix of leadership style, employee training, work process and employee commitment that would lead to improved employees' performance as the synergistic effect yields better results for the organisation.

Keywords: Employee Commitment, Employee Performance, Employee Training, Leadership Styles, Organisational Culture, Work Process.

INTRODUCTION

Organisations are makeup of people with diverse ideological values, attitudes, orientations, and opinions coming together to realise set goals. Thus, goals, objectives, belief system, philosophies are all part of the corporate culture of any organisation, which are learned by members of the organisation.

Organisational culture is useful in understanding the behaviours of people in organisations. It is a persuasive force that controls an employee's work-life; the thread that fastens the entire organisation together. And this bond is necessary for the achievement of organisational goals and supportive of organisational performance. Consequently, the current discourse on the concept of organisational culture is in support of the view that managers widen their understanding of their company's cultural settings if their organisations are to perform effectively (Hodgetts & Luthans, 2013; Agwu, 2014; Vincent, & Iguisi 2018).

Organisational performance entails engaging in recurring activities aimed at establishing organisational goals, monitoring progress toward the attainment of the goals, and making adjustments to achieve those goals more effectively and efficiently (Mayhew & Seidel, 2019; Spacey, 2018). It also means having the different parts of an organisation work together to achieve great results which are measured in terms of the value being delivered (Adesola 2017). The goal of organisational performance is to get all the parts to work together in harmony as an entity.

Employees do not function in a value-free milieu. They are governed, directed and tempered by the organisation's culture. An important drift in managerial thinking in recent years has been one of encouraging managers to build strong organisational cultures (Isac, 2016; Vincent & Iguisi, 2018). Agwu (2014) asserts that organisational culture is an important concept that affects employee performance, profitability, attraction and retention of good and high performing employees. It is fundamental to achieving results particularly employees' performance (Omoniyi, Salau and Fadugba, 2014). This is also related to the argument that proper understanding and deep knowledge of organisational culture will improve employees' performance (Alharbi & Alyahya 2013; Kabuoh, *et al.,* 2017). In essence, organisational culture is significant as an approach for understanding the organisational life of the employees in all its richness and variations. Therefore, organisations can only attain their goals by ensuring that their culture line up with their performance management system (Agboola, 2013; Kabuoh, Ogbuanu, Chieze & Adeoye, 2017). In other words, employees' performance, which is key to the survival and continuity of any organisation, exists at the heart of an organisation's culture.

The goals of the organisation can be achieved through a collaborative culture in the execution of organisational activities. Organisations should, therefore, focus on some key practices of organisational culture (Agwu, 2014). This will enable employees to exercise greater control and autonomy over their work, thereby increasing their performance, self-assurance and self-worth. It is against this backdrop, that this paper aims at examining some practices of organisational culture to ascertain their influence on the performance of the employees in the banking sector.

Statement of the Research Problem

Increased competition, globalisation, and alliances have led to a greater need for a performance-based organisational culture. Besides, organisations are saddled with a lot of management crises that stem from their organisational culture (Agwu, 2014; Vincent, & Iguisi 2018). These problems tend to impede progress toward achieving high employees' performance.

Consequently a lot of researches (Ahmed, & Shafiq, 2014; Eccles, Ioannou & Serafeim, 2012; Hofstede, 2010; Kabuoh, *et al.*, 2017) have been conducted on organisational culture, behaviour and related studies (Ojo, 2010; Omoniyi, Salau & Fadugba, 2014). Despite these efforts, Ojo (2010) argues that there is no clear conclusion on the exact relationship between organisational culture and employees' performance. Kabuoh, *et al.* (2017) agree and aver that despite many research works done in this area and contributions from various fields, there is no generally acceptable causal relationship between organisational culture and employees' performance. Therefore, more research is needed in understanding and establishing relationship between organisational culture and employees' performance.

Besides, some of these researches consist of accounts and recommendations based on Western practice. Consequently, not much of extant literature on the impact of culture on employees' performance dwells on developing countries. This study was intended to tackle this paucity by empirically examining the impact of organisational culture on employees' performance in the Nigerian banking sector.

Objectives of the Study

The broad objective of this study was to determine the impact of organisational culture on employees' performance in the Nigerian banking sector. The specific objectives were to ascertain if there was a significant relationship between:

i. leadership styles and employees' performance;
ii. employee training and employees' performance;
iii. work process and employees' performance
iv. employee commitment and employees' performance in the Nigerian banking sector.

Hypotheses of the Study

The study was guided by the following research hypotheses stated in the null form:

Ho_1: There is no significant relationship between leadership style and employees' performance in the Nigerian banking sector;

Ho_2: There is no significant relationship between employee training and employees' performance in the Nigerian banking sector;

Ho_3: There is no significant relationship between work process and employees' performance in the Nigerian banking sector; and

Ho_4: There is no significant relationship between employee commitment and employees' performance in the Nigerian banking sector.

LITERATURE REVIEW

Organisational culture practice is conceptualized as a four-dimensional construct. The four dimensions are employees' commitment, training, leadership styles, and work process. Using literature support, the expected relationships among organisational culture practices and employees' performance were discussed.

Organisational Culture

Organisational culture is a system of shared meaning that members hold and distinguishes one organisation from other organisations (Hofstede, 2010; Vincent, & Iguisi, 2018). It includes the unique beliefs, principles, ways of behaviour, and norms that combine to give each organisation its unique character (Annamoradnejad, Fazil & Habibi, 2019), promotes values and statement of beliefs of an organisation (Schein, 2011) and offers a potent means for directing behaviour (Agwu, 2014).

The concept of culture is originally obtained from an image of the organisation as 'something cultivated'. Culture, therefore, bestows on organisations a sense of identity and establishes, through the organisation's rituals, legends, values, norms, meanings, beliefs, and languages, how functions are carried out. These suggest that the notion of culture is the environment and practices that organisations build around the management of people. They also imply that organisational culture is to an organisation what personality is to an individual.

Employee Commitment

Organisational culture can promote the commitment of employees to the organisation's values and philosophy (Annamoradnejad, *et al.*, 2019). As one of its dimensions, employee commitment is a cardinal attitudinal predictor of firm performance (Ji Ji, Huang, Liu, Zhu, & Cai, 2012). From their research, it was found that employees who demonstrate organisational commitment tend to be happier with their work, are less likely to leave the organisation and spend less time away from their jobs. This connotes that when an employee exhibits moral commitment to an organisation, there is a greater chance of retention, regular attendance, and enhanced productivity. Therefore, committed employees will perform better than uncommitted employees.

Employee Training

Adesola (2017) defines training as an organised way of making people acquire knowledge or get some set of skills to perform a definite task. The essence of training is to instill in the employee, the motivation and skills for which the organisation can repose total confidence on the employee resulting from the latter's ability to respond and act in precisely the manner required (Igbinomwanhia, 2010; Adesola, 2017). The knowledge and skills of workers acquired through training are vital in the face of the progressively more express changes in technology, products, competition, and systems of the business world.

In the view of Asamu (2013), organisations can develop to the point that employees who work in such organisations are supported to develop. Empirical studies are revealing that there is a positive impact on employee training and developmental opportunities on organisational performance and other work outcomes (Agunyai, 2014; Pollyn, & Onunwor, 2018). Training yields a two-fold benefit: it improves the employees individually, and the organisation. While the dividual employee gains comparative advantage, the organisation achieves competitive advantage (Pollyn, & Onunwor, 2018).

Leadership Style

Al-sada, Al-Esmael, and Faisal (2017) examined the relationship between organisational culture and leadership styles in large firms in Qatar. A significant positive correlation was found between leadership styles and organisational culture. The study revealed that leadership style plays a significant role in fostering employee commitment

Work Process

Work process such as work climate has a significant impact on the performance of employees (IIjins, Skyvarciany & Gaile-Sarkane, 2015). Specific work process has an insignificant impact except they are coherent element of a work system. In essence, workers involvement in problem-solving committees may shoot up performance if workers play active roles. Assurances of job security may be necessary to motivate workers to share ideas that may increase productivity. Systems where employees' job assignment is flexible and workers participate in decision making are more effective and tend to function better in terms of performance.

Employee Performance

Performance is the term used to refer to the outcome or result of task that has been carried out based on a predetermined set of standards (Shaibu, 2014; Robertson & Cooper, 2015). Employee performance reflects the level of goal achievement among employees of an organisation. The realisation of these goals and objectives depends on the organisation's capacity to develop strategies aimed at promoting organisational performance (Puckett, 2019; Rhatigan, 2016). To this extent, employee performance is a core concept within work and organisational psychology and a pivotal variable in employment relations.

Organisational Culture and Employee Performance

Organisational culture is among key organisational variables that have been studied comprehensively in relation to organisational effectiveness (Zheng *et al*, 2010). Academic arguments hold up the notion that organisational culture is linked to organisational performance and long term effectiveness (Dania, & Oshodin , 2015; Zheng,*et al.*, 2010).

Organisational culture has the potential of boosting organisational outcomes (Abu-Jarad, Yusof, & Nikbin, 2010; Emerole, Kenneth, & Edeoga , 2013 and fueling many activities that engender corporate success (Zheng *et al*, 2010). Consequently, Annamoradnejad, *et al.*, (2019) argue that high performance organisations could be differentiated from low performance firms as they are characterised by certain cultural traits.

Other researchers (e.g Kabuoh, *et al.*, 2017) argue that in spite of the large number of studies that have been carried out in this area and the contributions from various fields, there is no generally acceptable causal relationship between organisational culture and employees' performance. Others (Ariel, 2010; Dasanayake & Mahakalanda, 2008; Emerole, *et al.*, 2013; Ojo, 2010) concur that the relationship between cultural elements and employee performance has not been consistent over time.

METHODOLOGY

The study adopted the survey research design. It made use of primary data that were gathered through field survey using a self-administered questionnaire. The population of the study consisted of employees of the Nigerian banking sector. Three hundred and ninety-two (392) out of the four hundred (400) copies of questionnaire that were distributed were returned. This gave a response rate of 98%. The convenience and systematic sampling techniques were used to select these banks: First Bank, Access Bank, Zenith Bank, Fidelity Bank, First City Monument Bank, United Bank for Africa, Diamond Bank, and Guaranty Trust Bank. The respondents were chosen based on accessibility and the level of knowledge of organisational cultures in the Nigerian banking sector.

The instrument used for the data collection was a closed-ended questionnaire designed for the respondents. It employed a five points modified form of Likert type scales with 1 = strongly disagree (SD), 2 = disagree (D), 3 = Undecided (U), 4 = agree(A), 5 = strongly agree (SA) to measure all the items.

Appendix A presents the multiple items representing each of the constructs. Collected data were analysed through descriptive and inferential statistics. All data were coded and the test analyses were done at 5% level of significance using the Statistical Package for the Social Sciences (SPSS) version 22.0.

Validity and Reliability of Research Instrument

The items on the questionnaire were face validated by senior colleagues in research area. Pilot study was conducted by testing and pre-testing the questionnaire with 20 randomly selected employees of the selected banks. Feedbacks were incorporated and questions were then revised. The final version of the questionnaire consisted of 36 closed-ended questions. To test reliability of the research instrument, the researchers used Cronbach's alpha as a diagnostic measure. It assessed the consistency of the entire scale. The results of the reliability analysis are summarized in Table 1.

Table 1: Cronbach Alpha

Construct	Variables	Number of Items	Cronbach Alpha
Organisational Culture Practices	Leadership Styles	5	0.724
	Training	12	0.801
	Work Process	7	0.785
	Commitment	6	0.779
	Employee Performance	6	0.842

Source: Researchers' computation based on the field survey 2017 using SPSS22.0

Model Specification

The model for the study was formulated as employee performance, a function of leadership style, training, work process, commitment. It was therefore stated functionally as:

EMP = f (LS, TR, WP, CO) ………………………………………………………. (1)

Therefore, the model for the study is stated in econometrics term as:

$EMP = \beta_0 + \beta_1 LS + \beta_2 TR + \beta_3 WP + \beta_4 CO + \varepsilon_t$ …………………………………..…. (2)

Where: EMP = Employee Performance; LS = Leadership Style; TR = Training; WP = Work Process; CO = Commitment; E_t = error term; β_1, $\beta_2 \beta_3$, β_4 = coefficients of elasticity displaying degrees of explanation power about employee performance; and β_0 = constant term.

And a priori expectations: $\beta_1 > 0$, $\beta_2 > 0$,$\beta_3 > 0$, $\beta_4 > 0$.

RESULTS AND DISCUSSION

Table 2: Pearson's correlation coefficient for all variables

Variables	Mean	Std deviation	EMP	LS	TR	WP	CO
EMP	3.521	1.115	1.000				
LS	3.623	1.017	0.305	1.000			
TR	3.368	1.030	0.429	0.646	1.000		
WP	3.210	1.094	0.240	0.390	0.405	1.000	
CO	3.455	1.219	0.522	0.675	0.743	0.296	1.000

Table 2 presents the results of the inter-correlation among the variables. In Table 2, all the correlation statistics values are positive, indicating that these variables move in the same direction as employee performance. In essence, it shows that employee performance is significantly positively correlated with the independent variables on a 5% level of significance. It was also observed that LS, TR, WP, and CO variables in relation to employee performance did not exhibit multicollinearity since none of the variables has correlations above 0.90 as suggested by Dwivedi (2008).

Table 2 also shows the means of the four dimensions of organisational culture practices: leadership style, training, work process, and commitment. The table reveals that firms emphasized more on leadership styles of the firms (mean=3.623) followed by staff commitment (mean=3.455), and the lowest components of organisational culture is work process (mean = 3.210). The average score for the four dimensions was 3.210. It can be seen that organisational culture with leadership styles helps to handle external adaptation and internal integration. The leadership styles as exemplified in a firm's culture could be critical to its performance. Given that the scale used a 5-point scale

(1=strongly disagree to 5=strongly agree), it can be concluded that the firms in the Nigerian banking sector are highly committed to organisational culture practices above the average mean. Table 2 also shows the mean of the employee performance of the firms in the Nigerian banking sector. The table reveals that the firms have high employee performance with a mean of=3.521. Given that the scale used a 5-point scale it can be concluded that the firms have high employee performance above the average mean of 3.

Table 3: Regression Analysis Using Ordinary Least Square

Variable	Coefficient	Std. Error	t- Statistics	P-value	Hypotheses
C	9.846	1.253	7.858	0.000	Significant
LS	0.411	0.087	4.699	0.000	Significant
TR	0.291	0.092	3.169	0.000	Significant
WP	0.238	0.098	2.443	0.000	Significant
CO	0.393	0.065	6.051	0.000	Significant
R^2 = 0.93; Adjusted R^2= 0.84; F- Stat (Prob.) =10.045[0.000]; Durbin-Watson Statistic= 1.872					

The results of the estimated multiple regression model using OLS are presented in Table 3 below. The coefficient of determination (R-square) of 0.93 indicates that for the period under study, based on the available data, leadership styles, employee training, work process, and employee commitment are able to account for 93% of the changes in employee performance of firms in the Nigerian banking sector with only 7% being explained by other variables which were not included in the study. The R squared value for the employee performance equation is very high at 0.93 which indicates a highly impressive goodness of fit for the model. The model is a good method for the estimates.

The F- Statistics of 10.045 with probability value of 0.000 signifies that there was a simultaneous linear relationship between the dependent variable and all the explanatory variables combined. Thus, we reject the hypothesis of a non-linear simultaneous relationship between employee performance and all the explanatory variables combined. This implies that the joint effects of all the incorporated variables in the model are significant in explaining employee performance of firms in the Nigerian banking sector.

The results of the OLS analysis show support for all the alternate hypotheses. In essence, the regression results indicate that leadership style, employee training, work process, and employee commitment significantly affect employee performance in the Nigerian banking sector. Therefore, these results provide support for the assertion that organisational culture practices lead to improved employee performance.

Considering the degree to which the independent variables affect the dependent variable, the coefficient results showed that leadership styles has the most significant effect on employee performance (β_1=0.411, $p<0.05$), followed by employee commitment (β_4=0.393, $p<0.05$), and the lowest significant effect on employee performance is work process (β_3=0.238, $p<0.05$). This indicates that work process may not be a strong indicator of organisational culture practice compared to the other three dimensions. In IIjins, *et al.,* (2015), a specific work process has limited or negligible impact unless they are coherent element of a work system.

The findings in this study find support in the research of prior studies (Adesola, 2017; Combs, Liu, Hall & Ketchen, 2006). Adesola (2017) posits that training will improve the creative and innovative abilities of employees which will in turn foster the commitment of employees for increased performance in the organisation.

CONCLUSION AND RECOMMENDATIONS

This paper empirical examined the influence of four key dimensions of organisational culture practices on employee performance within the context of firms in the Nigerian banking sector. Empirical results indicated that an organisational culture that supports leadership style, training, work process and commitment significantly and positively impacts employee performance. Generally, there is a strong view in the literature that organisational culture fosters increased employee performance. Against this backdrop, there is no doubt that the type of culture existing in an organisation has a great impact on its performance. Therefore, it behooves organisations to create and perpetuate a strong culture in an organisation that supports high performance. Leadership style and other organisational cultural practices discussed in this paper are aimed at increasing employee performance and ultimately lead to higher firm performance.

Among the limitations of this study is the use of only six banks out of the twenty-five banks that were able to meet the recapitalization in Nigeria. Therefore, future research should be conducted that is inclusive of more banks so as to ascertain a more comprehensive and wider impact of organisational culture on employee performance. Also, future research should focus on measuring effects of new dimensions of organisational culture practices on employee performance.

This study offers a number of managerial implications. First, it provides managers with an appropriate framework for evaluating the employee performance of their firms through organisational culture practices. Second, in the long term, the success of firms in the Nigerian banking sector will heavily be dependent on their employee performance. Finally, the theoretical contributions of the study provides researchers new avenues for future research, as well as extracting new dimensions of organisational culture practices.

Based on the study's data analysis and empirical findings, we recommend that:

i. firms adopt leadership styles that is favourable to workers to enhance employee performance;
ii. firms put into operation management practices that foster staff training and internal career development to keep turnover low, and maintain those organisational culture (values, beliefs, norms, assumptions) within the organisation to ensure employees' performance;
iii. policies and strategies that tend to boost work process should be put in place as introduction of such policies will heighten employees' performance;
iv. excellent welfare packages should be introduced to raise workers commitment towards job execution and ultimately improve employees' performance;
v. managers should have the correct mix of organisational culture practices that would lead to improved employees' performance as the combined effect is greater than just one practice; and
vi. leaders should express their commitment to their vision and business model by actions and words. This will send a powerful signal to employees that leaders will do everything to improve their performance.

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APPENDIX A: QUESTIONNAIRE FOR ORGANISATIONAL CULTURE PRACTICE AND EMPLOYEE PERFORMANCE

No	Variables	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
Organisational Culture Practice						
Leadership Style: the pattern of behaviour favoured by an organisation during the process of directing and influencing employees.						
1.	The leadership style in the organisation helps to handle external adaptation and internal integration of the firm.					
2.	The leadership style as exemplified in the organisational culture could be critical to its performance.					
3.	The organisation promotes leadership styles where communication is top-bottom.					
4.	The organisational culture of the firm aligns its leadership styles with performance at all cost/time.					
5.	The organisation promotes leadership styles where decisions are largely taken on the basis of influence of the employees rather than procedural grounds.					

No	Variables	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
Employee Training: *the ability of an organisation to maintain and improve current job performance of employees*						
6.	Firms who have overtime refused to embrace the culture of training have always been underperforming.					
7.	Sustainable competitive achievement is guaranteed for firms that adopt the culture of training.					
8.	Well-designed structures and systems make room for efficient operations and reduce the time for learning jobs.					
9.	The culture of training is a motivating tool at getting employees work towards achieving firm performance.					
10.	The organisation provides employees access to training programmes.					
11.	Employees are equipped with technical skill needed to work effectively.					
12.	I have opportunity to learn new things while doing my job.					
13.	I am satisfied with the quality and orientation I received for my current position					
14.	Participating in training programmes in this company will help me perform my job better.					
15.	Participating in training programmes in this company will increase my chances of getting a promotion.					
16.	My manager makes sure I get the training I need to have if I am to remain effective in my job					
17.	I can count on my manager to help me with opportunities to develop the skills I learnt in training progarmmes I have attended					
Work Process: *the extent to which employees participate in problem solving in the organisation.*						
18.	Employees know what is expected of their functions					
19.	Employees work collaboratively than working alone					

No	Variables	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
20.	Work process is designed in a way that jobs are so tightly defined.					
21.	The organisation does not give room for individual's contributions of talents in achieving organisational goal.					
22.	Work process is focused on relationships and less of the work routine in a bid to achieve firm performance.					
23.	Work process that engenders greater willingness to take risks is essential to firm performance.					
24.	Work process culture with structure, routine and predictability results in firm performance.					
Employee Commitment: *the ability of an employee tobe committed to their work and the organisation.*						
25.	Workers commitment reinforces organisational framework towards firm performance.					
26.	Commitment to excellence at any costs leads to waste and inefficiency.					
27.	Organisational culture that does not reward employees' commitment could frustrate employees' performance.					
28.	Employee is happy with is work.					
29.	Employee spends less time away from his job.					
30.	There is less likelihood of employee leaving the organisation.					
Employee Work Performance						
31.	The organisation provides me work career opportunity.					
32.	Employees in the organisation regularly share and exchange ideas.					
33.	My opinion counts in the organisation.					
34.	My organisation allows me to take initiative when doing my job.					
35.	I enjoy coming to work.					
36.	I am satisfied with the level of pay I receive.					

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