

**GOOD GOVERNANCE, DEVELOPMENT AND PEACE BUILDING: REFLECTIONS
ON THE NIGERIAN SITUATION.**

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Abstract

This is an interrogation of the concepts of good governance, development and peace building. It however anchors their operationalization on the socio-political and economic realities in contemporary Nigeria. The discourse questioned the theoretical and ideological origins and underpinnings of the concepts. It unmasks the neoliberal stuff of good governance and yet, affirms that the notion may bore well with any human community in search of development and peace. In other words, there is a nexus. However for Nigeria to attain the ideals of good governance, development and peace building, chapter two of the 1999 constitution which contains the fundamental Objectives and Directive Principles of State Policy should be enforceable and Justifiable in the courts. Therefore, the Nigerian federal executive authorities should consider it a matter of urgency to initiate a bill in the National Assembly to pass appropriate legislations to give effect to the provisions of chapter two of the 1999 constitution. This will move Nigeria some inches close to the welfare state.

Keywords: Good Governance, Development, Peace, Peace Building and Conflict Resolution.

1. Introduction

The concept of “Good Governance” is use in Nigeria and in virtually all corners of the World to refer to some ideas of authority of any sort, whether at government level or corporate organization level or even sometimes, at the private space of family management which are responsive to the good and general well-being of those who are managed or governed by the given authority. The concept logically implies that there is also “Bad Governance”. But, the idea of “Bad Governance” is not in vogue. Rather, other adjectives are used to qualify governance which fails to be responsive and responsible to its mandate. Terms like “poor leadership”, “corrupt government”, “weak government”, “irresponsible leadership”, “dictatorship”, “non-transparent government” and others are used to depict governments which are acclaimed or adjudged bad or poor.

And so, in common usage, the idea of “Good Governance” is lapped up and parroted by all and sundry. In government circles, public institutions, in the private sector, i.e in industries and the corporate world, the concept of good governance, sometimes, tied up with the idea of “transparency”

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gained currency. It is argued fervently, and believed by many, that with good governance in a country, there is bound to be development. Development here, referring to progressive social change in economic life, political life, social and cultural life of the citizenry. Further, the argument is well canvassed that in the event of conflict which can manifest on several fronts; ranging from ideological differences, belief systems, hunger and starvation, religious cleavages, injustice and oppression, violation of fundamental human rights to contestations over resources in a polity, with good governance conflict resolution is achievable. Even where conflict has escalated into full blown war, resulting in heavy casualties, some contend, peace can be fathomed out of the ashes of conflict and war. What is more, with peace restored, it becomes imperative to build peace and return society to some relatively peaceful and stable state, enabling the citizens to return to normal life.

Peace building becomes an end-state in the pursuit of good governance. This assumption is commonplace in Nigeria and in the rest of the World. But, there is more that meets the eye. Ordinarily, good governance by its literary meaning is desirable. Development is the desire of all mankind. Peace building after major crisis can be achieved from good governance. While these ideals are realizable within the human community, it is important that the concepts of “good governance”, “development” and “peace building” be interrogated, and their meanings properly put in perspective for the purpose of establishing the linkage.

In doing this, the Nigerian context, and indeed, the African context in which these concepts are explained and exemplified are germane. Therefore, the discourse is organized around the following sections. The introduction is the first section. The second section clarified the concepts of good governance, development, social justice, peace, and peace building. Section three discusses how the concepts of good governance, development and peace building are related. Section four concludes the chapter with some recommendations.

2. Conceptual Clarifications

Good Governance

The term, good governance is today a universal phrase. What does it really mean? What are its theoretical attributes, its evolution and its current manifestations, usages and relevance? It is in answering these questions that we can understand the concept. The concept of governance is contested in political science. Two broad perspectives can be explained here, i.e, the technical sense and the holistic sense. In the technical sense, governance refers to the efficient management of state institutions. In this wise, issues of public accountability, transparency in government procedure, rule of law, and public sector management are emphasized. (Adejumobi, 2004:14). A second definition, which is considered broader, all-encompassing and transcends state and its institutions is the one that views governance as the process of steering state and society towards the realization of collective goals. (Ibid)

The United Nations Economic Commission for Africa (UNECA) in line with the second sense on governance articulated above defines governance thus:

Governance is a process of social engagement between the rulers and the ruled in a political community. Its component parts are rule-making and standard setting, management of regime structures and outcomes and results of social pact. (UNECA, 1999; cited in Adejumobi, 2004:15).

Similarly, the United Nations Development Programme (UNDP) views governance as:

The totality of the exercise of authority in the management of a country's affairs comprising of the complex mechanisms, processes, and institutions through which citizens and groups articulate their interests, exercise their legal rights, and mediate their differences. It encompasses the political, economic, legal, judicial, social and administrative authority and therefore includes: government, society (UNDP, 1997 cited in Adejumobi, 2004:15)

From these definitions, the major actors or agencies of the governance project include *the state*, the *civil society* and the *private sector*. To sum up the effort at explaining the concept of governance, it is important to state that it readily implies good governance separate from bad governance. The point should be made as (SIDI, 1998:74) points out that good governance entails the management of political, economic and socio-cultural structures with a view to enhancing the legitimacy of the effectiveness of public bureaucracies, and the capacity of the economy to produce, and for the benefits of the citizenry, who in turn are able to carry out their daily activities without fear of insecurity and other security threats. Thus, as Mohideen (1997) notes: governance becomes “good” when it operates in accordance with legal and ethical principles as conceived by society. Good governance symbolizes a situation whereby society seeks to provide a guide and direction to itself through standards and norms embedded in the governance idea. It is the desire, and indeed, the art and science of steering state and society according to defined rules and procedures, and ensuring that governance in all its ramifications serves the interest of the greatest number of people in society through a collective. While good governance is desirable for all human society, it is regrettable that the idea is being forced through from the developed western countries on Africa, with a doze of market (neo-liberal) ideological bent. Thus, merely looking at good governance from its intention and harmless connotation does not shed light on the political economy origin of the concept and its ideological trajectory which deepens the non-autonomization of the neocolonial state in Africa, nay, Nigeria. However, more explanation of the political economy and ideological orientation of good governance will come up in section three of the discourse.

Development

For some social scientists, especially, those of the liberal persuasion, development is synonymous with economic growth measured in aggregate terms. For these scholars, a country is developed if it can sustain, by its own effort having reached a per capita Gross National Product (GNP) level of \$500 (for some observers) of \$1,000 (for others) an annual rate of growth ranging from five percent to seven percent. Today, this unleaner view of development has been rejected by the world citizen body. The United Nations Organization (UNO) at the start of the United Nations First Development Decade described development thus: “Development is economic growth (plus) social change”. (cited in Opubor, 1986:184). It is in this sense of economic growth plus social change that the concept of development has found meaning in contemporary times. Walter Rodney, in his magnum opus, *How Europe Underdeveloped Africa*, defines development as:

... a many-sided process. At the level of the individual, it implies increased skill and capacity, greater freedom, creativity, self-discipline, responsibility and material well-being. The achievement of any of those aspects of personal development is very much tied with the state of the society as a whole. (Rodney, 2009:11)

Indeed, development is a multi-dimensional process involving major changes in social structures, popular attitudes and national institutions as well as the acceleration of economic growth, the reduction of inequality, and the eradication of poverty. Development, in its essence, must represent the whole gamut of change by which an entire social system, turned to the diverse basic needs and desire of individuals and social groups within that system, much away from a condition of life widely perceived as unsatisfactory toward a situation or condition of life regarded as materially and spiritually better (Todaro and Smith, 2009:16).

Dudley Sears, British economist provides an explanation of development which is deep and profound. According to him, development involves the creation of opportunities for the realization of human potential. Sears assumes that human beings have certain basic requirements which must be satisfied in order for them to function properly. Among these are: enough food (i.e, good nutrition), something worthwhile to do (employment) and the elimination of the kinds of inequality which lead to poverty. For Sears, the questions to ask about a country's development are: what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of those have declined from high levels, then beyond doubt this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially, if all three have, it could be strange to call the result "development" even if per capita income doubled. (Cited in Opubor, 1986:184). Amartya Sen, the 1998 Nobel Laureate in Economics, contends that the "capability to function" is what really matters for status as poor or non-poor person. According to him: "Economic growth cannot be sensibly treated as end in itself. Development has to be more concerned with enhancing the lives we lead and the freedoms we enjoy? Sen identified three core values of development. They are: *sustenance* (The Ability to Meet Basic Needs): self-esteem (To Be a person) and freedom from servitude (To Be Able to Choose) (Sen, 1999:14-20).

Three objectives of development were identified by Todaro and Smith (2009:22):

- i. to increase the availability and widen the distribution of basic life-sustaining goods such as food, shelter, health and protection;
- ii. to raise levels of living, including, in addition to higher incomes, the provision of more jobs, better education, and greater attention to cultural and human values, all of which will serve not only to enhance material well-being but also to generate greater individual and national self-esteem:
- iii. to expand the range of economic and social choices available to individuals and nations by freeing them from servitude and dependence not only in relation to other people and nation-states but also to the forces of ignorance and human vision.

To sum up this effort at explaining development, it is noteworthy to summarize the description of development by the United Nations Development Programme (UNDP) in its 2016 Annual Report on Human Development in the World:

Human development is all about human freedom: freedom to realize the full potential of every human life, not just of a few, nor of most, but of all lives in every corner of the World – now and in the future. Such universalism gives the human development approach its uniqueness (UNDP, 2016).

However, it seems that this projection by the UNDP that all lives in every corner of the World – now and in the future should realize their full potentials is unattainable. Rather, there are billions of peoples all over the World who live in abject poverty. In Nigeria, 62.3 percent of the population lives in poverty and yet, it is the 12th oil producer in the World (Development and Peace, 2016). What is responsible for this unpalatable state of affairs? This will be addressed in the following sections of this work.

Social Justice

Social justice emphasizes the fundamental character of justice in social life. It refers to the place of justice in the lives of citizens in a political community. Justice, generally implies a moral ideal which the law upholds in the protection of rights and punishment of wrongs. Duties of justice are duties towards others. Justice naturally applies to the framework of social existence. This is why some scholars think that the concept of “social justice” is superfluous since justice is necessarily a social or interpersonal concern (Reeve, 2003:499). Nevertheless, the concept of social justice is pre-dominant in human society in the course of daily interactions of citizens in a given political society.

Social justice as a concept describes the movement towards a socially just world. It is based on the concepts of human rights and equality. Social justice reflects the way in which human rights are manifested in the everyday lives of people at every level of society. Social justice entails working towards the realization of a world where all members of society, regardless of background, have basic human rights and equal opportunities to access the benefits of their society. In a general sense, social justice can be seen as a belief in and the pursuit of human rights and the equal distribution of resources for all people. Social justice ensures that all citizens enjoy equal opportunities for self-development and self-actualization irrespective of sex, class, race, ethnic background or any ground whatsoever. (Gbadamosi, 2007:282).

Illustrating further the contents of social justice, Gbadamosi (2007) states inter alia:

Social justice is grounded in the practical day-to-day realities of life. It is the ability to feed your children well and send them to school where their education not only equips them for employment but reinforces their knowledge and understanding of their cultural inheritance. It is the prospect of genuine employment and good health: a life of choices and opportunities, free from discrimination.

Peace

Peace is the absence of direct or indirect violence, or threat of violence in relationships between individuals, groups, classes and states. It is the absence of war, fear, conflict, anxiety, suffering and violence. Peace, and the search for peace, as Francis (2006:17) noted, is primarily concerned with creating and maintaining a just order in society and the resolution of conflict by non-violent means. Some peace researchers have identified six meanings of peace. They are: (i) peace as the absence of war (absence of direct violence): (ii) peace as justice and development (absence of structural violence): (iii) peace as respect and tolerance between people: (iv) peace as Gaia (balance in and with the ecosphere, (v) inner peace (spiritual peace): and (vi) peace as “unwholeness” and “making whole” (Ibid; 17-18). Peace is a world phenomenon, a concern, desire of peoples throughout the world. The establishment of the United Nations in 1945 at the end of the most devastating war in human history (Second World War, 1939-1945) was an embodiment of this universal desire.

Keeping peace and developing friendly relations among nations are among the main objectives of the United Nations. (<http://www.pathwaystopeace.org/2017>). The ideal of world peace provides basis for peoples and nations to willingly cooperate, either voluntarily or by virtue of a system of governance that prevents warfare. While different cultures, religions, philosophies, and organizations may have differing concepts about how such an ideal state might come about, they have in common this ideal of a cessation of all hostility amongst all humanity (World Peace-Wikipedia, 2007). Peace, and the conditions for peace both at the world level and the national level are subjects for debate. The particular historical and political context of a country and community determines their perceptions of peace. As Francis (2006), rightly observed, a society fragmented and polarized by perpetual war and armed conflict will interpret peace as the absence of war. Similarly, a political community driven by unjust structures and policies will equate peace with justice and freedom. People suffering material deprivation and poverty will

inevitably perceive peace in terms of equity, development and access to existential necessities of life. This last view may well be the defining situation in Nigeria – why there are pockets of conflicts in different parts of the country. However, there are several factors contributing to the near-absence of peace in Nigeria today.

Peace Building

While the idea of peacekeeping, which the United Nations (UN) defined as a unique and dynamic instrument developed by the organization as a way to help countries torn by conflict create the conditions for lasting peace appears similar to peace building, they are distinct concepts. Peacekeeping can, and do create the condition for peace building. So, what is peace building? Peace building is a stage in the complex web of conflict resolution mechanism. It aims at reconstructing conflict-ridden and massively destroyed communities. Such reconstructions manifest in physical, psychological, economic, political, cultural and social rebuilding of beleaguered and devastated societies.

The United Nations defines peace building as consisting of a wide range of activities associated with capacity building, reconciliation, and societal transformation. (cited in Oche, 2006:235) Peace building is a long-term process that occurs after violent conflict of the peace process that occurs after violent conflict has slowed down or come to halt. Peace building is conceived by scholars and civil society groups as an umbrella concept which includes not only long-term transformative efforts, but also peacemaking and peacekeeping. Peace building, according to this school of thought, include early warnings and response efforts, violence prevention, advocacy work, civilian and military peacekeeping, military intervention, humanitarian assistance, ceasefire agreements, and the establishment of peace zones. Peace building is a process that facilitates the establishment of durable peace and tries to prevent the recurrence of violence by addressing root causes and effects of conflict through reconciliation, institution building, and political, as well, as economic transformations. This consists of a set of physical, social and structural initiatives that are often an integral part of past conflict reconstruction and rehabilitation. (Oche, 2006:235-236)

Peace building is characterized by the effort to resolve the issue-fields of conflicts and change the patterns of perceptions and interactions of conflicting parties and conflict entrepreneurs. Peace building often involves demobilization and reintegration programmes, as well as immediate reconstruction needs. (Ibid). It also involves psychological resigning of parties in conflicts, changing mindsets towards sustainable peace as against mindset of pre-conflict situations. However, the purpose of peace building in a post-conflict society should be the promotion of substantive and procedural justice, institutional building and the strengthening of civil society to achieve durable peace and prevention of the re-emergence of earlier causes or roots of conflict. Peace building promotes non-violent mechanisms that can eliminate violence, nurture structures and institutions that can fulfill basic human needs, and encourage inclusion in the socio-economic, political and cultural advancement of citizens in post-conflict societies.

3. Good Governance, Development and Peace Building in Nigeria: Connecting the Duct

The idea of good governance in the matrix of global capitalist political economy is rooted in the hardware politics of international financial institutions (IFIs) – the World Bank (WB) and the International Monetary Fund (IMF). The concept, according to the WB and the IMF is essentially institutional adaptability to achieve the goal of macroeconomic stability in a process which allows for responsibility to the creditors, i.e., the WB and IMF (Odion-Akhaine, 2004:23). The WB and the IMF have engaged in the process of promoting their blueprints and programmes as the frameworks of socio-economic reforms in Nigeria and the rest of Africa since the 1980s, pushing through the agenda of the Structural Adjustment programme (SAP), Poverty Reduction Strategy Papers (PRSPs) and the National Economic Empowerment and Development Strategy (NEEDS) I and II which the Nigerian State has been implementing since the 1980s till date, including the rebranded and continuing version which the ruling All Progress we Congress (APC) government now calls Economic Recovery and Growth Plan (ERGP) launched in April 2017 – two years into its four year term. (Olorode, 2017).

The ruling class implements ideologically oriented socioeconomic reform programmes from the IFIs and introduced these programmes as homegrown when in actuality these programmes are blueprints from the IMF and the WB to create the objective conditions for debt repayment and capital outflow from Nigeria to the country's western creditors. A good instance of this economic arrangement imposed on

Nigeria and the rest of the poor indebted Third World States is Nigeria's payment of over \$12 billion dollars to the Paris Club in 2006 in the so-called Paris Club debt deal of 2005 and another over \$2 billion to the London Club to off-set Nigeria's so-called external debt to these clubs of Western creditors.

Thus, state reforms are necessarily woven into conditionalities for new credit lines. Nigeria had since met the "objective" criteria of the international creditors, with the IMF's Policy Support Instrument (PSI) giving the Nigerian reform programmes a pass-mark and creating the opportunity for Nigeria to return to the borrowing spree as the President Muhammadu Buhari administration is currently doing by retuning to concessional and market sources in the global financial system to borrow to fund the 2017 budget and the provision of infrastructures in the country. The concept of good governance is foregrounded from this imposition of neoliberal economic policies on Nigeria by the International Financial Institutions (IFIs) and the western imperialist political institutions which control the political, economic, social and cultural destiny of Nigeria and the rest of the underdeveloped Third World countries. It is a consequence of what Ebohon (2008) calls "development by invitation". Good governance, as it is currently promoted in Nigeria, is not original to the Nigerian ruling class and the Nigerian peoples. The idea is super-imposed by the powerful global governance institutions – IMF and WB, which continue to dominate Nigeria's national life even after flag independence, reinforcing the doctrine of neocolonialism. Attahiru Jega correctly articulates the imposed concept of good governance thus:

Its (i.e. World Bank) policies and programme are said to be aimed at bringing about effective utilization of resources, efficient management, political and economic institutions and good governance. However, in reality, they effectively lead to hasty, uneconomical disposal of public investment through privatization and bad governance due to lack of responsiveness to popular demands and aspiration, which cuts in social expenditures and "rolling back the state" engender.

Good governance syndrome is imposed along with other features of neoliberalism which include periodic elections (no matter how poorly conducted), market fundamentalism, liberalization of trade, privatization of the economy. The point is that the import of good governance as thrown up by the IMF and the WB – the so-called global governance institutions or international financial institutions (IFIs) is in contradiction to the expectation of the mass of the Nigerian peoples who constitutes the majority of the population as against the one percent of the population which constitutes the ruling class. Nigeria deserves a government that can deploy the country's abundant natural and human resources to meet basic needs such as food, clothing and shelter. Ordinarily, Nigeria does not need external forces to define for her what good governance should be. External forces did not dictate to the great leaders of precolonial Africa like Oba Ewure of Benin Empire who built his empire through cheer visioning, courage, great intellect and passionate commitment to his people.

The constitutional provisions for the attainment of good governance, democracy and social justice which will cater for citizens' welfare are provided under the Fundamental Objectives and Directive Principles of State Policy, which is in chapter Two of the 1999 constitution. The chapter states inter alia: The Federal Republic of Nigeria shall be a state based on the principles of Democracy and social justice. Accordingly, it is hereby declared that:

- (a) sovereignty belongs to the people of Nigeria from whom government through this constitution derives its powers and authority;
- (b) The security and welfare of the people shall be the primary purpose and responsibility of government; and
- (c) The participation by the people in their government shall be ensured in accordance with the provisions of this constitution. (The constitution of the Federal Republic of Nigeria, 1999, chapter 11)

The state social order is founded on the ideals of Freedom, Equality and Justice. In furtherance of the social order, the constitution listed the following:

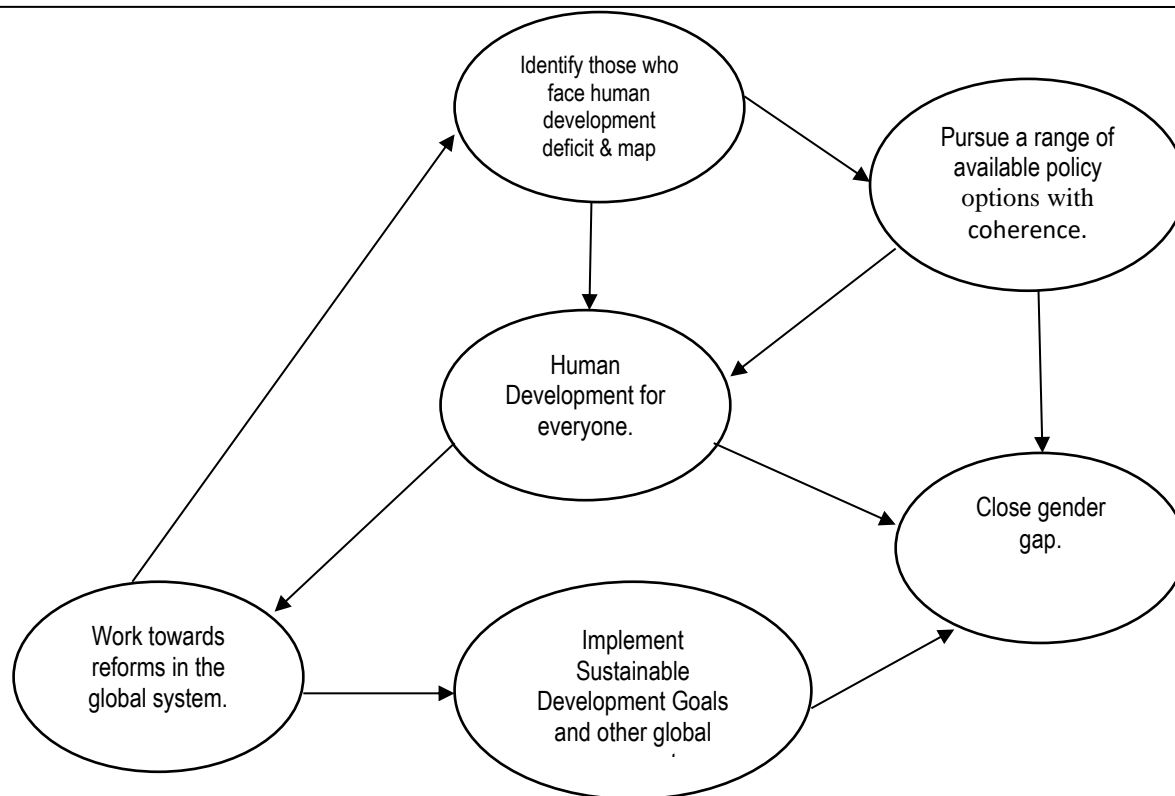
- (a) every citizen shall have equality of rights, obligations and opportunities before the law;
- (b) the sanctity of the human person shall be recognized and human dignity shall be maintained and enhanced;
- (c)

- (d) government shall be humane,
- (e) exploitation of human and natural resources in any form whatsoever for reasons other than the good of the community shall be prevented;
- (f) the independence, impartiality and integrity of courts of law and an easy accessibility shall be secured and maintained. (Ibid)
The states shall direct its policy towards ensuring that:
 - (a) all citizens without discrimination on any ground whatsoever have the opportunity for securing adequate means of livelihood as well as adequate opportunities to secure suitable employment;
 - (b) conditions of work are just and humane and that there are adequate facilities for leisure, and for social, religious and cultural life;
 - (c) the health, safety and welfare of all persons in employment are safeguarded and not endangered or abused;
 - (d) there are adequate medical and health facilities for all persons;
 - (e) there is equal pay for work without discrimination on account of sex or any other ground whatsoever;
 - (f) children, young persons, the aged, and the disabled are protected against any exploitation whatsoever and against moral and material neglect;
 - (g) Provision is made for public assistance in deserving cases or other conditions of need; and
 - (h) The evolution and promotion of family life is encouraged. (Ibid)

With these provisions in the Nigerian constitution, it can be correctly argued that good governance, social justice, peace and development are guaranteed in the country. But, is there good governance in Nigeria? Is there social justice in Nigeria? Is there peace in Nigeria? Is there development in Nigeria today? Today, the country is in a terrible state of confusion and flux partly because the Nigerian ruling class or so-called ruling elite is self-serving and concerned only with the oiling of the skin of its ever greedy, irresponsible members. As a matter of fact, the Constitutional Provisions on Fundamental Objectives and Directive Principles of State Policy enshrined in Chapter Two of the 1999 Nigerian Constitution are said to be non-justiciable and therefore, are not enforceable.

The implication of the non-justiciability of Chapter Two of the constitution is the preponderance of numerous of social, economic, cultural and political ills confronting the country today, leading to threat to the country's national security with centrifugal forces like *IPOB, Arewa Youth, OPC, Boko Haram, Niger Delta Militants* and others calling for the balkanization of the country. The non-justiciability of Section Two of the 1999 constitution is grossly responsible for lack of economic development in the country: engendering mass poverty, lack and want among the majority of Nigerians across the 36 states and Federal Capital Territory.

Development, which Rodney (2009), Seers (in Opubor, 1986) and Sen (1999) have all characterized as having a lot to do with the economic advancement, cultural process and the ability to make good and informed choices by the citizens is arrested while government officials bandied statistics of growth in the economy as representing development. The UNDP 2016 Annual Development Report graphically presented development as shown in the diagram below:



Human development for everyone – a five point action agendas source: UNDP 2016 Annual Report

The UNDP Human Development Report (2016) described Nigeria as a Low Human Development Country. In terms of poverty rate, Nigeria occupies the 152nd position out of the 185 countries that were sampled (UNDP, 2016). While Nigerian rulers at the three levels of government – federal, state and local government make so much noise about “good governance” to Nigerians, over 62 percent of the citizens lived below the poverty level. Over 63 millions of Nigerian youths have no jobs in a country that has earned over 800 billion dollars from oil sales in the last 60 years.

Little wonder that when Nigerian rulers talk of “good governance”, they mean the “good governance” of the IMF and the World Bank which imposed the structural Adjustment programme and the so-called economic reforms on the Nigerian state. The adjustment and reforms imposed on Nigeria and other indebted Third World States favour the owners of international capital in the triangle of North America, Western Europe and Japan; and now China.

Nigerians who were hoodwinked to cough out over 15 billion dollars as loan payment to the Paris club and the London Club between 2006 and 2007 are left to wallow in poverty as governments in the country continue to implement reform programs which insist on sack of workers (downsizing of the work force), sale of public enterprises and other public properties at give-away prices to cronies of state managers and their foreign collaborators in the guise of privatization (see El-Rufai, 2013). Liberalization of the economy cut in social welfare spending by government and the handing over of the national economy to foreign capital are other features of the perpetual adjustment state in Nigeria since the 1980s. These IMF-WB programmes are partly implemented by successive Nigerian governments and packaged as home-grown-programmes of National Economic Empowerment Development Strategy (NEEDS) I and II (part of which is the Buhari’s ERGP launched in April 2017) coupled with in-built official corruption and the shameless stealing of the country’s money by the ruling elite, the country cannot achieve good governance, irrespective of the claims of the managers of state power. Good governance must be rescued from the agents of international capital and domesticated within the socioeconomic realities, cultural matrix and the national interest of Nigeria. Good governance, as it is currently promoted by the trio of IMF, World Bank and successive Nigerian rulers since the 1980s cannot in concrete terms address the poverty situation in the country. So long as mass poverty is prevalent in the

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country, with no conscious effort by state managers to look inward, and use the country's resources efficiently to address unemployment and create social security for Nigerians rather than panders to the whims and caprices of IMF and the World Bank, the country will continue to come under serious security threat – the type that frontally attacks its national survival.

Poverty in the country breeds insecurity. Insecurity or threat to the country's national security is a recurring decimal. Today, there are Low-intensity conflicts (LICs) in different parts of the country. Low-intensity conflict (LIC) is a limited politico-military struggle to attain political, military, social, economic or psychological objectives. It is often of lengthy duration and extends from diplomatic, economic and psychological pressure to terrorism and insurgency. Low-intensity conflict is generally confined to a specific geographical area and is often characterized by limitations of armaments, tactics and level of force.

All conflicts that are below the high or medium intensity levels, including those that are commonly referred to as "communal" can be regarded as low-intensity conflicts. In view of this approach to understanding of LICs, it is clear that the concept is a comprehensive one that covers many different types of conflicts. It is not purely military in nature. The aim of LICs is not necessarily military victory, but for social control towards which attainment military means can be used as an element of struggle. Thus, military means within LICs can be seen as a tactical element within a broader strategic programme. LICs are given rise to by certain dynamic forces, which include *change, discontent, poverty, violence and instability*. These factors interact to create an environment that is conducive to the prevalence of LICs in the Third World (Oche, 2007:52-53).

Since attaining "flag" independence in 1960 to date, LICs are recurrent features of the Nigeria's political life. Since 1999 when the country returned to civil rule, LICs have become more frequent, more violent and more lethal. The Niger Delta resistant militancy piloted by different militant groups including *MEND, AVENGERS*, etc; the resistant activities of the *Odua Peoples Congress (OPC)* in South-West; the resistant activities of the *Movement for the Actualization of the Sovereign State of Biafra (MASSOB)* and the *Indigenous Peoples of Biafra (IPOB)* in the South-East; the anti-Biafra activities of the *Arewa Youth Movement* in the North, the guerilla warfare campaigns of *Boko Haram* in the North-East have all come to symbolize the insecurity of the Nigerian state. Added to all these is the killing spree of herdsmen in different parts of the country. Kidnapping, rape, murder, armed robbery, ethnic and communal clashes are more rampant in Nigeria today. Can the managers of state power still claim that they are providing good governance that can win the confidence of the citizenry?

Against the looming security threats to the country's survival, especially, against the insurgency campaigns of the Boko Haram sect in the North-East, peacemaking and peace building should be critical in the priority list of the Nigerian government. The peace building idea which envisages early warning and response efforts, violence prevention, advocacy works, civilian and military peacekeeping, military intervention, humanitarian assistance, ceasefire agreements, and the establishment of peace zones should be on the priority list of the governance agenda in Nigeria today. Government agencies concerned with the security of the country should be alert, proactive and prompt in curtailing violent activities of militant groups, including herdsmen across the country. This is not to say that the peace building idea which contemplates reconstruction of conflict-ridden and destroyed communities, capacity building, reconciliation and societal transformation is less important. Government should always be on top of any given situation, especially, threat to lives and properties. The on-going peace building in the North, especially in communities destroyed by the Boko Haram insurgency should be encouraged. Similarly, communities destroyed by militant herdsmen should be reconstructed. Efforts should be made to build the peace in the herdsmen – farmers relationships across the country. Legal instruments and other socioeconomic imperatives should be employed in such peace building efforts.

4. Conclusion and Recommendations

From the issue raised so far, it is self-evident that "Good Governance", "Development" and "Peace building" are related concepts which do have far-reaching implications for both the international system and domestic (national) live. The World envisages that good governance will engenders development and promote peace and peace building wherever and whenever conflict breaks out. While good governance should be inherent in any polity which strives for peace and stability, the good governance philosophy of the IMF and WB, recommended for Third World states, including Nigeria serves the profit interest of the owners of international capital represented by IMF and WB. Ordinarily, the idea of good governance in a polity is undebatable. But, not the good governance that ensures that Nigeria and other

Third World rulers embrace free market economy and free hard-earned national wealth for debt servicing which benefits the owners of international capital. Good governance must be tailored to the benefit of the local citizenry. Therefore, Nigerians and other Third World citizens should confront the good governance ideology of IMF and World Bank which promotes what Klein (2007) called the policy trinity – the elimination of the public sphere, total liberation for corporations and skeletal spending.

This is the good governance of capitalism-neoliberalism which ensures that the resources of elsewhere colonized countries flow to the global (metropolitan) centres of capitalism – North America, Western Europe, Japan; and now China. Good governance in Nigeria should be targeted to bring succor to the Nigerian peoples, especially, the poor and the vulnerable Nigerians. It should be such governance that eschews corruption and looting of the national treasury by politicians and the so-called ruling class so that national wealth could be freed for the development of the country's infrastructures, the building of the capacity of Nigerians in all spheres, the education of Nigerian children and the promotion of good and responsible inter-group and inter-ethnic relations. Good governance in Nigeria should promote the rule of law, social justice, gender equality, free and fair elections, and independence of the judiciary and guarantee economic development in the country.

To attain the great ideals of good governance, development and peace building, it is imperative that chapter two of the 1999 constitution which contains the Fundamental Objectives and Directive Principles of State Policy is made enforceable and justiceable in the courts. The presidency should present this to the National Assembly, passing appropriate legislations to give effect to the provisions of chapter two of the 1999 constitution. This section of the constitution when enforceable will guarantee good governance, development and peace to Nigerians.

As Olaide (2007) correctly opined: "it will ultimately lead to economic redistribution, abolition of poverty and creation of wealth which are prerequisites of social justice". Does the present crop of rulers in Nigeria have the political will to make chapter two of the Nigerian Constitution justiciable and enforceable? This is the crux of the matter. Otherwise, good governance, development and peace building will continue to be illusion.

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DETERMINANTS OF INFLATION IN NIGERIA

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ABSTRACT

In an attempt to empirically identify the determinants of inflation in Nigeria, this study expands existing paradigm by including structural variables to some monetary and fiscal policy variables. The study sourced secondary quarterly data covering the period 1981Q1 to 2016Q4 from the Central Bank of Nigeria and National Bureau of Statistics on ten variables including Transportation, Rainfall and Utilities. An Autoregressive Distributed Lag-Error Correction Model (ARDL-ECM) was formulated and the estimation technique used was the Fully-Modified Ordinary Least Square Co-integrating Regression method. Preliminary investigations include testing for data normality using descriptive statistics, stationarity test using the Augmented Dickey Fuller and Lag Length Selection using the Akaike Information Criteria, Schwatz Information Criteria and the Hannan Quinn Information Criteria. The results show that money supply and agriculture have significant impact on general price movement in the short run while taxation impacts general price movement in the long run. The study however failed to provide evidence to support transportation and rainfall as significant determinants of inflation dynamics in both the short run and long run. Based on the findings of the study, policy recommendations include controlling money supply and boosting agricultural production in order to control prices in the short run while for long run price stability objective, manipulating taxation is recommended.

SECTION 1-INTRODUCTION

1.0 Introduction

It is quite appropriate for policy makers to be overtly concerned about achieving low inflation rates because stabilizing prices is not only a policy objective in itself, it is also an essential policy tool required for the success of other policy objectives. Unfortunately, the outcomes of most government policies in developing countries directed at keeping inflation rates low most often than not either fall short of expected results or yield contrary results or at best, policy successes are short-lived (Oluba, 2008; Fielding, 2008 & Ajayi & Atanda, 2012).

The reasons for the unsuccessful attempts are not farfetched. Fielding (2008); Labonte and Makinen(2007) and Sims (2009) argue that the widely accepted views that inflation is always and everywhere a monetary phenomenon and the keynesian view that inflation is caused by excess demand are rather over-simplified and is only relevant to developed economies where markets are efficient and integrated and inter-sectoral resource mobility are smooth and fast. Missio, Jayme and Oreiro(2015) asserted that developing countries have certain structural constraints that perpetuate inflationary pressures. For the Chilean economy, Jameson (1986) identified a weak agricultural sector as the structural bottleneck while to Fischer and Mayer (1980), the rigidity of food supply and the instability in the purchasing power of exports is the major causes of inflation in Latin America. Contrary to the monetarists and the keynesian views that these factors are unfortunate imperfections which can be ignored, structural theorists take such factors as fundamental initiators of inflationary pressures and they believe that to successfully curb inflationary pressures, policy makers need to expand their paradigm beyond attempting to identify if the prevailing inflation is strictly a monetary phenomenon or as a result of excess demand because when efforts to control inflation fails, it is the ultimate reflection of the existence of other drivers of inflation that are yet to be identified (Fielding, 2008; Missio, Jayme & Oreiro, 2015).

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The structuralists argue that factors responsible for inflationary pressures are peculiar to each country specific. They therefore recommend that the typical strategy policy makers should adopt therefore is to distinguish specific institutions and structural characteristics peculiar to their region and to formulate models based on their distinct characteristics (Foley & Taylor, 2004). Unfortunately more recent Nigeria-base inflation related researches such as Akinbobola (2012), Ogundipe and Egbetokun (2013) ignored structural factors in their models while Asekunowo (2016) made a weak attempt to acknowledge structural factors by adding a dummy variable capturing union density and product market activities. This therefore creates a gap as policy makers are yet to appreciate fully all relevant issues concerning inflation dynamics. This gap raises the concerns expressed in the following questions:

- i. Can the any combination of monetary and fiscal policy adequately control inflation in Nigeria?
- ii. Are there some significant veritable sources of price variations that are often neglected in inflation models in Nigeria?

Under these circumstances, it is of utmost importance to return to the topic bordering on the determinants of inflation in Nigeria and to provide appropriate answers to the questions hitherto highlighted. This study therefore aims to reduce the gap created by dearth of researches on structural issues concerning inflation introducing some quantitative but often ignored fundamental structural data that are most likely to explain inflation dynamics in Nigeria. For the sake of clarity, the rest of the paper is structured into sections. To wit, the proceeding section is a review of related literature while the section 3 is dedicated to discussions of materials and methods used. The results obtained from the data analysed is discussed in section 4 and the last section in this study is concerned with the conclusions drawn from previous sections and the policy recommendation arising therefrom.

SECTION 2- LITERATURE REVIEW

2.1 Conceptual Literature

The concepts of inflation given in Vegh (1992), Jhinghan (2003); Umaru and Zubairu (2012) include: (a) a continuous increase in the amount of money in circulation and over time (b) a sustained rise in the prices of broad spectrum of goods and services (c) general trend of price increases or (d) expansion in aggregate income. From the works of Haberler (1960), Jhinghan (2003), Totonchi (2011), Umaru and Zubairu (2012), Oseni (2013) and Asekunowo (2016), it can be inferred that inflation can be classified either as chronic, continuous or intermittent depending on its persistence; or as demand pull, cost push or external according to its source; or as headline, core and food inflation according to the composition of items used for evaluation. One common typological classification is according to its magnitude of intensity. This is done by measuring the magnitude of inflation as the rate of change of the consumer price index (CPI) or the implicit price deflator of gross domestic prices and then categorizing inflation as creeping inflation for rates less than 3%, trotting inflation for rates less than 10%, while double digit rates between 10-20% are categorised as running inflation. When prices rise at rates higher than 20%; this is termed as galloping inflation, runaway inflation or hyperinflation. Umaru and Zubairu (2012) however observed that this classification varies from country to country and depends on a country's level of development or a country's inflation history. For example, developed countries attach lower values for their magnitude of inflation intensity while higher values are given to the magnitude of intensity in war-time than in peace-time such that 20% in war-time is regarded as trotting inflation.

2.2 Theoretical Literature

The workhorse for the theoretical position on inflation is rooted in the classical theory of exchange also referred to as the quantity theory of money expressed as follows:

$$\frac{M_t V_t}{Y_t} = P_t \quad \dots\dots\dots 4$$

Where M_t =stock of money

V_t =velocity of the circulation of money in time t

P_t = Price level in time t

Y_t = Number of transaction (or real output) in time t

$t=0, 1, 2, 3, \dots$

The monetarists built their premise on inflation on the quantity theory of money. They argued that at the macro level, money supply is the most significant cause of changes in price levels. (see Brunner & Meltzer, 1973; Friedman, 1957 as in Darryl, 1975; Levacic & Rebmann, 1982; Meltzer, 2002; Forthin, 2003; Vernengo, 2006 and Williamson, 2008). However, critics believe that the monetarist view is incomplete stating that there are other determinants of prices besides money supply (Blinder, 2003).

By stressing that inflationary pressures are overt expressions of structural maladjustments inherent in phases of development, the Structuralists explained that monetarist theories is more relevant to developed countries where markets are efficient and resource mobility is smooth and fast and less relevant in economies characterised with market imperfections and structural rigidities. As a starter, the Structuralists believe that developed and developing countries are characterized by structural and technological differences and the real character of the inflationary process is much more pronounced in underdeveloped countries than in the industrial ones. Therefore, policies appropriate for developed countries are unlikely to be right for the much poorer and structurally less developed nations (Myrdal, 1944; Streeten, 1986; , Vernengo, 2006; Filippo & Fee, 2009 & Carriolle, 2012).

From the large number of theories explaining price dynamics, it is appropriate to conclude that a country's vulnerability to inflation is driven by many factors and developing countries are more vulnerable to inflationary pressures. This implies that all significant factors need to be identified in order to effectively model inflation dynamics in developing countries including Nigeria.

2.3 Empirical Literature

A lot of inflation related studies have been conducted over the years. For the oil-rich Gulf Cooperation Council (GCC), Kandil and Morsy (2009) used the Vector Error Correction Techniques on a panel data of six countries for the periods 1970 to 2007, The result show that the external factors were more significant determinants of price variations than the internal factors. Baldini and Ribiero (2008) studied an unbalanced panel data of 22 sub-saharan african countries employing the VAR technique. The result reveal that fiscal dominance could be a direct source of price variability.

Some notable inflation related researches conducted for Nigeria over the years include Asogu (1991), Moser (1995), Fakiyesi (1996), Masha (2000), Batini (2004), Feridun and Adebisi (2005), Fabayo and Ajilore (2006), Fielding (2008), Amassoma, Nwosa and Olaiya (2011), Okwo, Eze and Nwoha (2012). More recent Nigeria-based empirical studies include Alade (2015) who established a growth-friendly inflation threshold rate 8%, Ngerebo (2016) and Njoku and Dike (2016) who established that monetary variables significantly explained inflation dynamics.

However, structural factors are rarely investigated though a lot of them were highlighted in literature. For example, some of the structural impediments to price stability identified by Batini (2004) and Fabayo and Ajilore (2006) are summarized as fiscal largesse, lack of operational autonomy of the Central Bank, insufficient and low quality statistics, Weak transmission mechanism, Weak financial system, the degree of exposure to external shocks, the extent to which changes in the exchange rate are "passed through" into domestic prices, the extent of existing indexation in price and wage contracts and the potential ability of the CBN to forecast inflation. No empirical proof was however given to what extent any of these variables affect prices. Taking a cue from the premise that structural factors may be significant determinants of inflation, Asekunowo (2016) sought to identify the traditional and institutional variables responsible for inflation phenomenon in Nigeria. The study built an Autoregressive Distributed Lag (ARDL) model using variables such as real wages, real profits, output gaps, real exchange rates crude oil prices in addition to a dummy institutional variable capturing union density and product market regulation. By sourcing and analysing secondary data for periods covering 1974 to 2013, the result showed that the institutional variable was insignificant.

Section 3- Research Methods

3.1 Theoretical Framework

The framework for the analysis used in this study is the Aggregate Demand-Aggregate Supply (AD-AS) framework. The Aggregate supply (AS) is the total value of the output available at each possible price levels while the aggregate demand (AD) is the value of output that will be purchased at each possible price level.

The AD function is given as

$$Y = Y^d\left(\frac{M}{P}, Z_1\right) \dots\dots\dots (1)$$

Where Y is the output level, M is the nominal supply of money, P is the general price level and Z₁ is a vector of exogenous variables that affect the location of the IS-LM curves.

On the other hand, AS depends on the economy’s level of potential output and input cost and it also describes the price adjustment mechanism of an economy. The AS function is given as:

$$P_{t+1} = P_t [1 + \lambda(Y - Y^*)] \dots\dots\dots (2)$$

Where P is the general price level, Y and Y* are actual output and potential output respectively. The difference between Y – Y* is the output gap such that if Y ≠ Y*, prices will keep adjusting overtime until Y = Y*. The speed of adjustment is controlled by the parameter λ. Where λ is large, Prices moves very fast and the AS mechanism returns the economy to its potential output relatively quickly. Where λ is small, prices move very slowly and policies directed to manipulate AD may be used to speed up the process of returning the economy to its potential output level.

In the AD-AS framework, short run equilibrium occurs when total output demanded is equal to output supplied. The AD-AS model is an improvement over the Aggregate Expenditure (AE) model in two major areas. Firstly, the AD-AS model sets aside the fixed price assumption of the AE model and secondly, in the AD-AS model, the explicit role of aggregate supply is prominently acknowledged and incorporated in its analysis. The AD-AS framework is adopted for this paper because in line with this study, the AD-AS framework ensures that neither the factors affecting the demand side nor the supply side are overlooked.

3.2 Model Specification

Guided by the research objectives and adapting the work of Adamgbe (2008), the implicit form of the model used in this study is as follows:

$$INF = f(INF_{t-1}, AGR, EXR, GEX, GTX, INV, MS, RNF, TRP, UTL) \dots\dots\dots (3)$$

Where:

- INF = Inflation Rate
- AGR = Agricultural Production
- EXR = Exchange Rate
- GEX = Government Expenditure
- GTX = Government tax revenue
- INV = Investment
- MS = Money Supply
- RNF = Rainfall
- TRP = Transportation
- UTL = Utilities

In order to reduce the problem of heteroskedasticity, all variables where used in their log forms. Expressing equation (3) in the framework of an Auto-Regressive Distributed Lag - Error Correction model (ARDL-ECM) gives the following:

$$\begin{aligned} \Delta LPT_t = & \alpha_0 + \alpha_1 \sum_{i=1}^k \Delta LPT_{t-i} + \alpha_2 \sum_{i=1}^k \Delta LAGR_{t-i} + \alpha_3 \sum_{i=1}^k \Delta LEXR_{t-i} + \\ & \alpha_4 \sum_{i=1}^k \Delta LGEX_{t-i} + \alpha_5 \sum_{i=1}^k \Delta LGTX_{t-i} + \alpha_6 \sum_{i=1}^k \Delta LINV_{t-i} + \alpha_7 \sum_{i=1}^k \Delta LMS_{t-i} + \\ & \alpha_8 \sum_{i=1}^k \Delta RNF_{t-i} + \alpha_9 \sum_{i=1}^k \Delta LTRP_{t-i} + \alpha_{10} \sum_{i=1}^k \Delta LUTL_{t-i} + \beta_1 LPT_{t-1} + \beta_2 LAGR_{t-1} + \\ & \beta_3 LEXR_{t-1} + \beta_4 LGEX_{t-1} + \beta_5 LGTX_{t-1} + \beta_6 LINV_{t-1} + \beta_7 LMS_{t-1} + \beta_8 LRNF_{t-1} + \\ & \beta_9 LTRP_{t-1} + \beta_{10} LUTL_{t-1} + \lambda ECM_{t-1} + \mu_t \dots\dots\dots \end{aligned} \quad (5)$$

Where α_0 is the drift component, the parameters $\alpha_1, \alpha_2, \dots, \alpha_{10}$ are the short run coefficients and the terms with the summation (Σ) signs represent the error correction dynamics while Δ is the first-difference. $\beta_1, \beta_2, \dots, \beta_{10}$ are the parameters that correspond to the long run relationships, λ is the speed of adjustment parameter and ECM is the model residuals while μ is the error term. k is the determined lag length for the explanatory variables (see Shresta & Chowdhury, 2005; Chowdhury, 2011). In line with theoretical positions, the a priori sign expectations for the parameters are:

Short run sign expectations: $\alpha_1, \alpha_2, \alpha_3, \alpha_4$ and $\alpha_7, \alpha_9 > 0$; $\alpha_5, \alpha_6, \alpha_8$ and $\alpha_{10} < 0$

Long run sign expectations: $\beta_1, \beta_3, \beta_4, \beta_7 > 0$; $\beta_2, \beta_4, \beta_5, \beta_6, \beta_8, \beta_9$, and $\beta_{10} < 0$

3.3 Data Description and Sources

The study employed quarterly time-series data for the period 1981(Q1) to 2016(Q4), making a total of 143 observations per variable. The choice of this period is strictly based on availability of data. Secondary data were obtained from various issues of the Central Bank of Nigeria (CBN) and the National Bureau of Statistics (NBS) Statistical Bulletins.

3.4 Methodology

The estimation technique used in this study is the ARDL-ECM technique credited to Pesaran, Shin and Smith (2001). The study began with an investigation of the order of stationarity in order to establish that none of the variables is I(2). The Augmented Dickey-Fuller (ADF) unit root test is employed to check for data stationarity while the optimal lag length was determined using the OLS iteration process. By applying this process, the model adopted is the model with the lowest Akaike Information criteria (AIC), Schwartz information criteria (SIC) or Hannan Quinn information criteria (HQ) values. Where there are conflicts, the SIC criteria for lag length selection is chosen because it is known to be a consistent model selector (Giles, 2018).

The first stage of this study investigated the existence of a long-run relationship using the Wald test commonly referred to as the bounds test. The verified existence of long run equilibrium relationship makes it essential to estimate the parameter of the associated error correction term (ECM) in order to determine the speed of convergence to equilibrium level after a shock. Pesaran et al. (2001) argue that it is extremely important to check for the stability of its parameters. The study employed the commonly used cumulative sum (CUSUM) for this purpose. The results of the various tests are presented and discussed in the next section.

SECTION 4- PRESENTATION OF RESULTS AND DISCUSSION OF FINDINGS

4.1 PRESENTATION OF RESULTS

4.1.1 Descriptive Statistics

The result of the descriptive statistics of the variables conducted in the course of the study is shown in Table 4.1 below.

Table 4.1 Descriptive Statistics

	LINF	LAGR	LEXR	LGTX	LINV	LMS	LRNF	LTRP	LUTL
Mean	2.9878	12.08370	3.225034	11.00949	10.89488	13.19865	4.043947	7.794639	8.347456
Median	3.3861	12.46153	3.090804	10.81269	11.00959	13.12412	4.191338	7.504606	8.234643
Maximum	5.1935	16.50679	5.283559	14.20945	13.77892	16.81273	5.581877	11.88040	10.37017
Minimum	-0.0619	7.983798	-0.597837	7.343549	7.651971	9.461294	1.419267	7.048855	6.543163
Std. Dev.	1.6147	2.393156	1.925535	2.348848	2.025607	2.396338	1.107226	0.679325	1.143052
Skewness	-0.4662	-0.224715	-0.720301	-0.197910	-0.127488	-0.013278	-0.319304	1.858005	0.094717
Kurtosis	1.9016	1.659979	2.166444	1.547060	1.626474	1.610391	1.799878	10.42788	1.972791
Jarque-Bera	12.1078	11.65292	16.15920	13.22829	11.38425	11.26836	10.78066	402.3960	6.364420
Probability	0.0024	0.002948	0.000310	0.001341	0.003372	0.003574	0.004560	0.000000	0.041494

Source: Author's Computation

The result reveal that all variables are significantly normally distributed, showing very negligible differences between their mean values and their median values. The standard deviations are also of relatively lower values, revealing no evidence to suspect outliers in the variables. The data are also slightly skewed and except for the log of transportation (LTRP) and the log of utilities (LUTL) which are slightly skewed to the right, all other variables are slightly skewed to the left. Regarding the level of peakedness, LTRP is absolutely platykurtic judging from the difference between its value of 10.43 and 3.00 for normal kurtosis. All other variables are leptokurtic. The Jarque-Bera statistics confirm at the 5% level of significance that each of the series is normally distributed.

4.1.2 Stationarity Test

The ARDL-ECM technique requires that none of the variables used should be I(2). In order to establish this criterion, the study tested the stationarity of the variables using the ADF test. The result of the test is presented in table 4.4 below:

Table 4.4: Unit Root Test

	LINF	LAGR	LEXR	LGEX	LGTX	LINV	LMS	LRNF	LTRP	LUTL
ADF results at levels	-2.146	-1.469	-2.054	-2.538	-0.629	-0.194	-0.474	-4.174	-0.954	-0.153
ADF results at first difference	-15.58	-4.439	-10.19	-2.439	-9.073	-5.112	-12.46	-	-10.02	-5.219
ADF results at second difference	-	-	-	-7.142	-	-	-	-	-	-
Order of stationarity	I(1)	I(1)	I(1)	I(2)	I(1)	I(1)	I(1)	I(0)	I(1)	I(1)

Source: Author’s computation using E-views 8 ADF critical values: 1% =-3.47; 5%=-2.89

The results of the unit root test presented in Table 4.4 were significant at 1% level. Rainfall (LRNF) is stationary at levels {I(0)} while the inflation (LINF), agriculture (LAGR), exchange rate(LEXR), tax (LGTX), investment (LINV), money supply (LMS), transportation (LTRP) and Utilities (LUTL) are stationary at first difference{I(1)}. However, government expenditure (LGEX) is stationary at second difference {I(2)}. The study therefore drops LGEX as one of its explanatory variables thereby restating the model in order to exclude LGEX. It then becomes appropriate to apply the ARDL-ECM technique to the reformulated model.

4.1.3 Lag Length Selection

The study then proceeds to determine the appropriate lag lengths for the variables by iterating the model using several different lag lengths ranging from 4 lags to 1 lag length. The optimal lag length is decided using the results from various information criteria. The estimated results for optimal; lag length selection is presented in table 4.5 below:

Table 4.5: Lag Length Selection Criteria

	(4LAGS)	(3 LAGS)	(2 LAGS)	(1 LAG)
Akaike Information Criteria (AIC)	- 1.2209	- 1.2880	- 1.4058	- 1.2062
Schwartz Information Criteria (SC)	- 0.2357	- 0.4742	- 0.8119	- 0.8051
Hannan Quinn information criteria (HQ)	- 0.8205	- 0.9573	- 1.1645	- 1.0432

Source: Author’s computation using E-views 8

The results presented in table 4.4 were extracted from the AIC, SC and HQ results reported in the printouts from the OLS computation of the various models listed in the table. Using the Maximum Likelihood criteria, the decision rule is to select the model with the lowest values as the model with the optimal lag length. Based on this criterion, the most preferred model is model 3 which shows that the optimal lag length is 2. The study therefore commences by using two lag lengths for each of the explanatory variables. In order to proceed with the estimation, the study tested the adopted model for serial correlation of errors and for stability. The result of the test is presented in table 4.5 below.

Table 4.5: Serial Correlation Test

Breusch-Godfrey Serial Correlation LM Test:

	0.679		0.50
F-statistic	786	Prob. F(2,108)	89
	1.715	Prob. Chi-	0.42
Obs*R-squared	635	Square(2)	41

Source: Author's Computation using E-views 8

The result of the Breusch-Godfrey test is presented in table 4.5 above. The null hypothesis guiding the test assumes that the error terms are serially correlated. The P. value of the F- statistics however indicates a rejection of the null hypothesis thereby supporting the conclusion of no serial correlation.

4.1.4 Test for Long Run Relationship

Based on the rejection of the null hypotheses of serial correlation and parameter instability, this study then proceeds by verifying the existence of a long-run relationship using the wald test also called the Bounds test. The null hypothesis $C20=C21=C22=C23=C24=C25=C26=C27=C28=0$ is tested against the alternative hypothesis $C20 \neq C21 \neq C22 \neq C23 \neq C24 \neq C25 \neq C26 \neq C27 \neq C28 \neq 0$. The computed value is compared with the bipolar critical values given in Pesaran et al. (2001pp.300) . The result of the computed values is presented in table 4.6 below.

Table 4.6 Bounds Test Result

Wald Test:

Equation: Untitled

Test Statistic	Value	df	Probability
	2.2955		0.021
F-statistic	67	(9, 110)	1
	20.660		0.014
Chi-square	10	9	2

Source: Author's Computation using E-views 8

The computed F-statistic value given in table 4.6 at k=9 degree of freedom is 2.296 at 5% level of significance. Comparing this with the corresponding pair of critical values at k=9 degree of freedom and at 5% given in table CI(iii) case III for an unrestricted intercept and no trend model given as 2.14 and 3.30 for the lower and the upper bounds respectively, show that neither the null nor the alternative hypothesis can be rejected.

4.1.5 ARDL-ECM Estimation

The study then commenced on the ARDL-ECM estimation. The result is presented in Table 4.8 below:

Table 4.8: ARDL-ECM Estimation
 Dependent Variable: D(LINF)
 Method: Fully Modified Least Squares (FMOLS)
 Date: 27/08/18 Time: 11:11
 Sample (adjusted): 1982Q2 2015Q4
 Included observations: 135 after adjustments
 Cointegrating equation deterministics: C

Long-run covariance estimate (Bartlett kernel, Newey-West fixed bandwidth = 5.0000)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(LINF(-1))	-0.435371	0.088714	-4.907547	0.0000
D(LINF(-2))	-0.484638	0.059215	-8.184316	0.0000
D(LAGR(-1))	0.105127	0.048013	2.189564	0.0307
D(LAGR(-2))	0.127927	0.039429	3.244466	0.0016
D(LEXR(-1))	-0.041646	0.048790	-0.853563	0.3953
D(LEXR(-2))	-0.114901	0.049529	-2.319879	0.0223
D(LGTX(-1))	-0.080632	0.055703	-1.447526	0.1507
D(LGTX(-2))	-0.071288	0.057912	-1.230965	0.2211
D(LINV(-1))	-0.150253	0.099872	-1.504458	0.1354
D(LINV(-2))	-0.104861	0.101210	-1.036081	0.3025
D(LMS(-1))	0.376637	0.119056	3.163525	0.0020
D(LMS(-2))	0.010839	0.123894	0.087483	0.9305
D(LRNF(-1))	-0.003821	0.022879	-0.167000	0.8677
D(LRNF(-2))	-0.032369	0.019463	-1.663118	0.0992
D(LTRP(-1))	0.006740	0.024187	0.278648	0.7811
D(LTRP(-2))	0.013592	0.016467	0.825422	0.4110
D(LUTL(-1))	0.039297	0.062726	0.626477	0.5323
D(LUTL(-2))	0.035307	0.060194	0.586556	0.5587
LINF(-1)	-0.067643	0.059247	-1.141704	0.2561
LAGR(-1)	-0.060615	0.053205	-1.139273	0.2572
LEXR(-1)	0.078438	0.027559	2.846227	0.0053
LGTX(-1)	-0.073161	0.031279	-2.338983	0.0212
LINV(-1)	0.070973	0.045043	1.575663	0.1181
LMS(-1)	-0.025153	0.051555	-0.487888	0.6266
LRNF(-1)	0.025084	0.040944	0.612630	0.5414
LTRP(-1)	-0.005646	0.030516	-0.185035	0.8536
LUTL(-1)	-0.027008	0.050991	-0.529667	0.5975
ECM(-1)	-0.513816	0.131840	-3.897262	0.0002
C	-0.238981	0.473353	-0.504868	0.6147
R-squared	0.548330	Mean dependent var		0.038180
Adjusted R-squared	0.429021	S.D. dependent var		0.140267
S.E. of regression	0.105990	Sum squared resid		1.190796
Durbin-Watson stat	1.568115	Long-run variance		0.012654

Source: Author's Computation using E-views 8

Table 4.8 shows the result of the co-integrating regression using the fully modified OLS (FMOLS) method. The R-squared value indicate that the model explains 54.8% of the observed variation in inflation rates. The Durbin Watson statistic of 1.57 also reduces any reason to suspect auto-correlation of the variables used. The ECM is rightly signed and its value suggests at the 1% level of significance that 51.4% of any deviation from long run equilibrium path is corrected in the next period. .

The sign expectations for the long run variables were as predicted for LAGR, LEXR, LGTX, LMS. However, only LEXR and LGTX were significant at the 5% level. The short run results also reveal that DLINF, DLAGR, DLEXR(-2) and DLMS(-1) are significant at the 5% level however, the parameter sign for short run exchange rate (DLEXR) was against expectations.

The ARDL-ECM model requires that the dynamic model is stable. To test for instability this study employed the Hansen Instability test. The result of the test is presented in Table 4.9

Table 4.9: Hansen Instability Test for ARDL-ECM Model

Cointegration Test - Hansen Parameter Instability

Date: 03/09/18 Time: 19:51

Equation: UNTITLED

Series: D(LINF) D(LINF(-1)) D(LINF(-2)) D(LAGR(-1))

D(LAGR(-2)) D(LEXR(

-1)) D(LEXR(-2)) D(LGTX(-1)) D(LGTX(-2)) D(LINV(-1))

D(LINV(-2))

D(LMS(-1)) D(LMS(-2)) D(LRNF(-1)) D(LRNF(-2))

D(LTRP(-1))

D(LTRP(-2)) D(LUTL(-1)) D(LUTL(-2)) LINF(-1) LAGR(-

1) LEXR(-1)

LGTX(-1) LINV(-1) LMS(-1) LRNF(-1) LTRP(-1) LUTL(-

1) ECM(-1)

Null hypothesis: Series are cointegrated

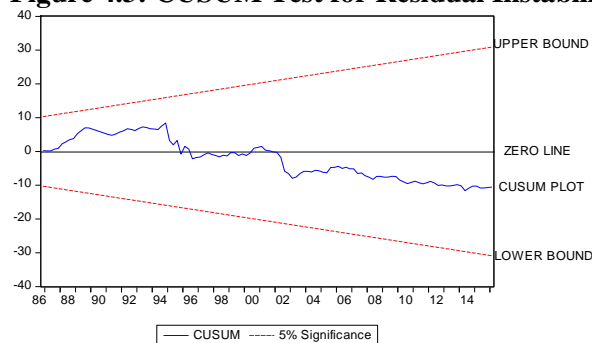
Cointegrating equation deterministics: C

Lc statistic	Stochastic Trends (m)	Deterministic Trends (k)	Excluded Trends (p2)	Prob.*
47.61984	28	0	0	< 0.01

Source: Author’s computation using E-views 8

The null hypothesis guiding the Hansen Instability Test states that the series are cointegrated. The null hypothesis is supported at 1% level of significance as evidenced by the p.value of <0.01. The study also applied the CUSUM test in order to check for residual instability. The result of the CUSUM test is presented in figure 4.3 below.

Figure 4.3: CUSUM Test for Residual Instability for ARDL-ECM Model



Source: Author’s Computation using E-views 8

The result of the residual stability test as shown in figure 4.3 reveals that the plot of the recursive residuals about the zero line are within the upper and lower bounds of the pair of critical lines. Based on this result the null hypothesis of residual instability is rejected.

4.1.6 Test for Dynamic Relationship

The empirical work done in this study is concluded by testing the dynamic relationship existing between inflation rates and each of the explanatory variables in the short run. This was done using the Wald Test. The result is presented in table 4.10 below:

Variable	F.Statistic	P.value	Remarks
Δ LINF	12.78026	0.000	A relationship exist
Δ LAGR	2.204373	0.1148	No relationship exist
Δ LEXR	0.184033	0.8321	No relationship exist
Δ LGTX	0.908131	0.4061	No relationship exist
Δ LINV	0.054187	0.9473	No relationship exist
Δ LMS	3.198085	0.0444	A relationship exist
Δ LRNF	5.709416	0.0043	A relationship exist
Δ LTRP	0.035883	0.9648	No relationship exist
Δ LUTL	0.007635	0.9924	No relationship exist

Source: Author's compilation from Wald Test Estimate using E-views 8

Critical values @5%: lower bound =3.79; upper bound = 4.85

The software printout of the Wald Results can be found in appendix 5 while a summary of the results of the various Wald test is compiled in a table form and presented in table 4.10. The result shows that at 5% level of significance a relationship exist between inflation rates and the lag values of Δ LINF, Δ LMS and Δ LRNF separately.

4.2 DISCUSSION OF FINDINGS

The broad objective of the study is to examine the relationship between inflation and some macroeconomic variables in Nigeria with the specific aim of testing how relevant monetary, fiscal and structural variables are in influencing observed variations in inflation rates in Nigeria. The bounds test and the Johansen cointegration test confirmed the existence of long run relationship among the variables while the R-squared result obtained in the ARDL-ECM estimation show that the model explains 54.8% of the observed variations in general prices. The Error correction term was rightly signed and its value suggests that 51.4% of deviations from long run equilibrium path are corrected in the next period.

The Wald test also confirmed that dynamic relationships exist between inflation and its lag values. The study also confirmed the existence of dynamic relationships between inflation and money supply and rainfall respectively. The test however failed to confirm dynamic relationships between inflation and agricultural production, exchange rate, tax, investment, transportation and utilities.

The results of the ARDL-ECM estimation also reveal that the two lag values of agriculture, taxation, investment, money supply and transportation are in line with the a priori parameter sign expectations while the lag values of inflation, exchange rate and utilities were against parameter sign expectations. The computed P-value also reveal that at 5% level, only DLINF, DLAGR, DLEXR(-2) and DLMS(-1) are significant. The long run results reveal that LAGR, LEXR, LTRP and LUTL met the parameter sign expectations. However, the P-values show that only LEXR and LGTX are significant at the 5% level of significance.

Based on the results, it is plausible to conclude that monetary policy has a short run effect on inflation while fiscal policy has long run effect on inflation. Of the five variables used to represent structural impact (LAGR, LINV, LRNF, LTRP and LUTL), only agriculture had significant impact on inflation and only in the short-run. Finally, the result of the short run dynamic relationship done through the Wald test confirms a dynamic relationship between rainfall and inflation and money supply and inflation at 5% level of significance.

SECTION FIVE- CONCLUSION AND RECOMMENDATIONS

This study was basically carried out with the aim of finding the impact of some macroeconomic variables on inflation dynamics in Nigeria with the specific objective of examining the short run and long run effects of monetary policy, fiscal policy or structural variables on inflation. The result indicates that monetary variables affect prices in the short run while fiscal variables have long run effects on prices. The study failed to give enough evidence on the effect of structural variables on prices because only one of the five structural variables used in this study was significant at 5% level. The study however confirmed the existence of a dynamic relationship between rainfall and prices.

Based on the findings of this study, policy recommendations arising from its empirics are that price stability can be achieved in the short run if money supply and exchange rates are effectively controlled. Giving more attention to agricultural production also have a positive impact on controlling prices and as such policies geared at encouraging agricultural production should be formulated. Finally, due to the dynamic relationship between rainfall and prices, efforts to check the effect of low rainfall through proper irrigation and the effect of too much rainfall through adequate draining systems and ecological laws will go a long way to stabilize prices.

Based on the structural theory of sluggish response of prices to price control measures due to structural impediments, the study also recommends further research on other structural variables using low frequency data.

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**The Effect of Organization Justice and Organization
Commitment on Intention to Leave**

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ABSTRACT

The objective of this research is to examine the effect of organization justice and organization commitment on intention to leave of Nigerian employees. The study used the questionnaire survey research design methods. The population of this research consists of employees working in the banking industry in Edo state. Using a sample size of 200, data were collected using the questionnaire and analyzed using descriptive and inferential statistics. Descriptive statistics were carried out using percentages while regression analyses were used as the inferential methods. The research findings show that there is a significant relationship between the organizational justice (procedural justice and distributive justice), organizational commitment and intention to leave. This implies that both procedural and distributive justice perceptions and organizational commitment were significant contributors in explaining employee intention to leave the organization. The study recommends that management of organizations should develop programs that bring about organizational commitment of employees in order to reduce employees' intention to leave the organization.

KEYWORDS: Organizational Justice, Organizational Commitment, Intention to Leave, procedural justice, and distributive justice.

Introduction

Staff retention is one of the greatest human resource challenges faced by organizations today. The degree of fair treatment relative to others that employees received have been postulated to influence their motivation and performance which may include their intention to stay or leave the organization (Hassan2002). High employee turnover adversely affects organizations. The costs of high staff turnover is substantial as it involve not only the direct financial costs of replacing staff but also other repercussions such as the potential loss of key skills, knowledge and experience, disruption to operations and the negative effect on workforce morale. In addition, high turnover represents a considerable burden both on human resource and line managers as they are constantly recruiting and training new staff.

Human resource practices enhance organizational commitment by raising employees' commitments to their institutions and performances, which is of great importance especially in knowledge intensive production of goods and services(Kwon, Bar, and Lawler, 2010). To appreciate organizational justice is vital for organizations because organizational justice is important for employees' job satisfaction, organizational commitment, and intention to quit. (Azeez, Jayeoba, andAdeoye,2016)

The state involving separation from qualified and experienced employee who serves in areas requiring advanced and high cost training brings out various charges like training cost for companies. Employee's leaving of employment is among the issues on which organizations put emphasis. For this reason, it is crucial to prevent employees that organizations make investment to a large extent and can lead material and moral loss from leaving. Rusbelt, Farrell, Rogers, Mainous, (1988), describes the intention of employees to leave employment as active and destructive actions which reveal in the cases of not being satisfied with working conditions of organization in which employees are employed within changes. In addition to these, Yildirim, Acar, Bayraktar and Akova (2015) describe the intention to leave

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paid employment as a cognitive process has been divided into three parts: thinking, planning, and wanting to leave. They believe that highly committed employees are willing to contribute their extra effort to achieve the organizational vision and goals. Thus, it is important to identify the factors that could enhance employees' organizational commitment, which includes increasing employees' dedication to the profession, commitment to the organization matters in terms of increasing employee performance and customer satisfaction and decreasing employee turnover rate in business too. Therefore this study, seek to find out the relationship between organizational justices on commitment to the organization and it impacts on the intentions of employee to leave the organization.

Statement of the Research Problem

Previous studies on organizational justice (Folger and Konovsky, 1989;Najafi, Noruzy, Azar, Nazari-Shirkouhi, and Dalvand, 2011; Zeinabadi and Salehi, 2011; Usmani and Jamal, 2013) have identified two major types of justice perceptions: distributive justice, which refers to fairness perception of outcomes; and procedural justice, which refers to the fairness perception of procedures used to decide the outcome allocation. Although much research relates these two types of justice perceptions to organizational commitment (Malik, and Naeem, 2011; Lambert, Hogan, and Griffin, 2007) only a few studies (Loi, Hang-yue, & Foley, 2016; Hassan, 2002) have explored their effects on intention to leave. Hence, the underlying processes through which organizational justice leads to employee turnover remain largely unknown. To fill the gap in research, this study develops a model to explain the concurrent effects of distributive justice and procedural justice on organizational commitment and intention to leave.

Research Questions

- 1.What is the relationship between distributive justice and employees' intention to leave?
- 2.What is the relationship between procedural justices and employees' intention to leave?
- 3.Do employee's organizational commitments affect their intention to leave the organization?
- 4.What extent does distributive justice along with organizational commitment affect employees 'intention to leave?
- 5.To what extent does procedural justice along with organizational commitment affect employees 'intention to leave?
- 6.Is the perceived organizational justice (distributive justice and procedural justice)significantly related to employees' intention to leave the organization?
- 7.To what extent do distributive justice, procedural justice and organizational commitment significantly affect employees 'intention to leave

Research Objectives

- 1.To determine the relationship between distributive justice and employees intention to leave
- 2.To ascertain the relationship between procedural justices and employees intention to leave
- 3.To find out the relationship between organizational commitments and employees intention to leave
- 4.To examine the relationship between distributive justice along with organizational commitment and employees intention to leave
- 5.To determine the relationship between procedural justice along with organizational commitment and employees intention to leave
- 6.To look out the relationship between organizational justice (distributive justice and procedural justice)and employees intention to leave
- 7.To explain the relationship between distributive justice, procedural justice and organizational commitment and employees intention to leave.

Significance of the Study

This study will aid managers in proper handling of with commitment related issues in organization. The result of the study would contribute to literature in terms of revealing the relationship between the variables, their dedication to the profession, commitment to the organization and leave of employment intentions in accommodation business. Also, this study will help researchers to investigate how organizational justice affects employee advancement choices and organizational commitment, and how

dissatisfied employees see the relationship between advancement choices and intent to leave the organization.

Scope of the Study

Flowing from the research questions, the scope of this study focuses on four main constructs: distributive justice, procedural justice, organizational commitment and turnover intention of employees in the Nigeria banking industry. The study seeks to clarify the links between organizational justice and organizational commitment as well as the links between organizational justice and employees' turnover intention. Besides, the study also examines the impact of perceived organizational justice by employees on their organizational commitment and turnover intention.

Conceptual Framework

Intention to leave is when an employee desire to cease voluntarily from work or move from one workplace to another workplace. Mobley (1982) believes that intention to leave is employee's intention to leave his/her job voluntarily or move from one workplace to another workplace according to his/her own choice. Employees who left company leaves large cost and incurred large losses for their host organization as experts who may also move specific knowledge to a competitor.

Distributive Justice is when there is a congruency of actual and expected outcomes. People mostly expect on the basis of their experience, effort and ability. Adams(1965)took the social exchange approach, in which he mentioned that mostly individuals are seek towards distributive justice, because they think fairness will be favorable to their outcomes. Distributive justice is linked with the outcomes an individual receives in literature distributive justice was taken in concern to pay injustices.

Procedural Justice is about the perceived fairness of the means that leads to determine the outcomes, as it shows the concerns about consistency, impartiality rationality and employee participation. Cropanzano (1997); Folger and Konovsky (1989); and Greenberg (1990) conclude that procedural justice and distributive justices are linked to employee work related behaviors and attitudes. The development of procedural justice theory came into existence when (Thibaut, 1975) research on different disputes and individuals reactions towards them, in this judgments was concerned with means by which decisions are made. In this perspective of procedural justice, researchers offered different operationalization typologies (Thibaut, 1975). In this fairness of decisions making practices and policies was the main concern for the individuals.

Organizational Commitment is willingness to exert extra effort for organization benefit, and a strong desire to maintain membership in organization (Mowday, Steers & Porter, 1979). Commitment will reduce employee turnover (James and Duane, 2011; Ramesh, Ramendran and Yacob, 2012). These literatures suggest that strongly committed employees are those who are least likely to leave the organization.

Review of Empirical Studies

Nazim, Ali and Shahid (2012) investigated the relationship between organizational justice, organizational commitment and turnover intention. Data were collected from 223 medical representatives of pharmaceutical companies of Pakistan. Statistical Package for Social Sciences (SPSS) was used for finding out the relationship between organizational justice, organizational commitment and turnover intention. The results indicated that both distributive justice perception and procedural justice perception had a significant relationship with organizational commitment and turnover intentions amongst medical representatives of pharmaceuticals companies operating in Pakistan.

Rafei-Dehkordi, Mohammadi and Yektayar (2013) examined the relationship between organizational justice and its relation with organizational commitment of the staff in Directorate of Youth and Sport of ChaharMahalvaBakhtiari. 150 staff employed in the Office of Youth and Sports in ChaharMahalvaBakhtiari were selected as sample. To collect data, questionnaire of organizational justice (Nihoof and Moorman 1993) and organizational commitment questionnaire (Allen and Meyer, 1991) were used. Results indicated that all of the components of the organizational justice distributive justice, procedural justice and interactional justice effect organizational commitment and there is direct and significant relationship between organizational justice and its dimensions with organizational commitment.

Sani and Soetjipto (2016) believes that employees' organizational commitment is a pivotal aspect in determining the success of banking reform and banking effectiveness and that highly committed employees are willing to contribute their extra effort to achieve banking vision and goals. Thus, it is important to identify the factors that could enhance employees' organizational commitment. Their study seek to analyzed the role of organizational commitment in mediating effects of job satisfaction on intention to leave, and to identify the function of organizational justice to produce organizational outcomes and it was conducted at Bank Syariah Mandiri in Malang. There explanatory research was conducted with questionnaire as a tool for data collection with 225 employees of the Bank population. The samples of 72 full time employees were selected by proportional random sampling were used. Generalized Structured Component Analysis (GSCA) is used to analyze data. Their findings revealed that procedural justice does not affect job satisfaction, but gives direct effect on organizational commitment. Interactional justice directly affects satisfaction and organizational commitment. Job satisfaction directly affects organizational commitment. Job satisfaction affects intention to leave, and organizational commitment directly gives negative effect on intention to leave. These findings enlightened that organizational commitment partially mediates effect of job satisfaction on intention to leave.

Jawad, Raja, Abraiz, and Tabassum (2012). They seek to explore the moderating role of organizational justice in organizational commitment; with the main focus was to see the effect of employee work attitudes on this relationship. There research study was a great contribution in thee education sector, where it is really difficult to have committed workforce, this study is an attempt to measure that how much work attitudes moderate the effect of organizational justice on organizational commitment. Their findings show positive and strong correlation among the model variables. That is a clear identification of the fact that perceived fairness in distributive, procedural and interactional justice's leads towards high level of commitment. Positive work attitudes are taken as highly effective towards the organizational commitment.

Loi, Hang-yue, and Foley (2016) examined the relationships among employees' justice perceptions, perceived organizational support (POS), organizational commitment and intention to leave. A hypothesized model was developed and tested using hierarchical regression analyses on a sample of 514 practicing solicitors in Hong Kong. The results showed that both procedural and distributive justice contributed to the development of POS, and POS mediated their effects on organizational commitment and intention to leave. As expected, organizational commitment was negatively related to intention to leave. Additional analyses revealed that these relationships held for both partners and non-partners in law firms.

This review proposed generally to recognize and apply various factors for increasing organizational justice in order to reduce intention to leave among employees. This in the long run would considerably increase the output of employees.

Methodology

The methodology of this study consists of companies in the banking industry. The population was all permanent employees excluding the leadership element of the organizations under study, who has worked more than 1 year with amount of 255 employees. Most of the respondents were employees working in organizations in the Benin area since these organizations represented most of the industries in Nigeria. The samples selected for this research were based on convenience sampling. The study targeted 200 employees who have a supervisor. The researcher used an online questionnaire method and respondents were sent the questionnaire through their email and other social media (whatsapp message, facebook, twitter) with the link to access the questionnaire. 200 questionnaires were successfully completed online.

Reliability Measurement

This study used the Cronbach alpha formula to test for the reliability of all constructs, procedural justice, distributive justice, organizational commitment and turnover intention. The final output of the reliability test is shown in Table 1 below.

Table 1: Reliability coefficients.

Construct	Cronbach's Alpha	No. of Items
Distributive justice	0.8220	5
Procedural justice	0.9366	10
Organizational commitment	0.9387	10
Intention to Leave	0.9336	5

* Acceptable significance Cronbach's alpha is more than 0.5

As illustrated in Table 1, the Cronbach's alpha obtained from this analysis for all the constructs were higher than significance level of 0.5. Therefore, we can conclude that all the constructs used for this study were highly reliable.

We also did not consider dropping any of the items from all four constructs' since the original Cronbach's Alpha obtained for every construct is rather high with procedural justice recording 0.9366, distributive justice recorded 0.8220, organizational commitment recorded 0.9387 and turnover intention recorded 0.9336.

Demographic characteristics of responding respondents

Table 2 below indicates the demographic characteristics of respondents to the questionnaire. 36% of respondents' were male while 64% were female and 40% were married while 60% were single. 52% of the respondents were between the ages of 31-40 years while 44% were age between 21 to 30 years. None were above 50 years. Majority of the respondents were newly employed staff as 60% accounted for 1-5 years tenure of service with 4% accounting for those that have spent 16 to 20 years and 12% each accounted for those with the years of experiences of 6-10 years, 11-15 years, and those above 21 years respectively. 52% were graduate, while 24% were masters' degree holders, and 12% each accounted for professionals and secondary school holders.

Descriptive Statistics

	N	Mean	Std. Deviation
My supervisor has fairly rewarded me when I consider the responsibilities I have.	200	0.48	0.12
My supervisor has fairly rewarded me when I take into account the amount of education and training that I have.	200	0.56	0.13
My supervisor has fairly rewarded me when I consider the amount of effort that I have put forth.	200	0.52	0.12
My supervisor has fairly rewarded me when I consider the stresses and strains of my job.	200	0.60	0.12
My supervisor has fairly rewarded me when I consider the work that I have done well.	200	0.52	0.12
Distributive Justice	Average	0.54	0.12
Job decisions are made by my supervisor in an unbiased manner.	200	0.40	0.12
My supervisor makes sure that all employee concerns are heard before job decisions are made.	200	0.52	0.12
To make job decisions, my supervisor collects accurate and complete information.	200	0.44	0.09
My supervisor clarifies decisions and provides additional information when requested by employees.	200	0.32	0.06
Employees are allowed to challenge or appeal job decisions made by my supervisor.	200	0.60	0.14

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When decisions are made about my job, my supervisor treats me with respect and dignity.	200	0.40	0.08
When decisions are made about my job, my supervisor is sensitive to my personal needs.	200	0.56	0.11
When decisions are made about my job, my supervisor shows concern for my rights as an employee.	200	0.24	0.05
Concerning decisions about my job, my supervisor discusses the implications of the decisions with me.	200	0.48	0.10
My supervisor offers adequate justification for decisions made about my job.	200	0.44	0.10
Procedural Justice	Average	0.44	0.10
I talk up this organization to my friends as a great organization to work for.	200	0.56	0.12
I would accept almost any type of job assignment in order to keep working for this organization	200	0.56	0.14
I am willing to put in a great deal of effort beyond that normally expected in order to help this organization be successful	200	0.44	0.09
I find that my values and the organization's values are very similar.	200	0.56	0.12
I am proud to tell others that I am part of this organization.	200	0.56	0.12
I would be very happy to spend the rest of my career within this organization	200	0.64	0.16
This organization really inspires the very best in me in the way of job performance.	200	0.60	0.14
I am extremely glad that I chose this organization to work for, over others I was considering at the time I joined.	200	0.52	0.10
I really care about the fate of this organization.	200	0.52	0.15
For me this is the best of all possible organizations for which to work.	200	0.64	0.16
Organizational Commitment	Average	0.56	0.13
It is very likely that I will actively look for a new job in the next year.	200	0.76	0.14
I will leave this organization in the next year.	200	0.80	0.16
I often think about quitting current job	200	0.56	0.12
Even if the this organization would offer me a raise after tendering my resignation, I will leave	200	0.76	0.18
Leave as soon as can find a better job	200	0.56	0.12
Intention to Leave	Average	0.69	0.14

Source: Field Survey, 2017.

The table above reviews the mean and standard deviation of each question answers. From the table, the threshold is that since the lowest mean value is 0.24 and the highest mean is 0.80, then the average value is 0.52. Hence, the mean values are greater than most of the questions asked, this shows that the researchers agree to the responses given by the respondents.

Regression Analysis

Apart from the descriptive statistics carried out, the researchers also performed a regression analysis on the data to determine the relationship between distributive justice, procedural justice and organizational commitment on employees intention to leave holding the correlation coefficient (r) value at between plus and minus one (-1.00 and +1.0). The study used the significance level of alpha = .05 (95%), Degrees of freedom (df) of 7, and two-tailed test. The regression analysis results is presented using regression model summary tables, analysis of variance (ANOVA) table and beta coefficient tables.

Model Summary

Table 3 show that the coefficient of determination is 0.910; therefore, about 91% of the variation in the employee intention to leave is explained distributive justice, procedural justice, organizational commitment, distributive justice and organizational commitment, procedural justice and organizational commitment, distributive justice procedural justice and organizational commitment. The regression equation appears to be very useful for making predictions since the value of R² is close to 1.

Table 3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.954 ^a	.910	.907	.40179

Source: Research Data, (2017)

b. Dependent Variable: Intention to Leave

Analysis of Variance

Table 4 below presents the results of the Analysis of Variance (ANOVA). The results below show a significant value of 0.000 which is lower than 0.05 meaning that there is a statistically significance relationship between the variables identified and intention to leave.

Table 4: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	315.224	7	45.032	278.942	.000 ^a
	Residual	30.996	192	.161		
	Total	346.220	199			

Source: Research Data, (2017)

b. Dependent Variable: Intention to Leave

a. Predictors: (Constant), Distributive justice, Procedural justice, Organizational commitment, Procedural justice distributive justice and organizational commitment, Distributive justice and procedural justice, Procedural justice and organizational commitment, Distributive justice and organizational commitment.

Coefficients

Table 5 shows the coefficients of individual variables obtained by this analysis and also indicates whether individual variables have a significant relationship to the dependent variable (intention to leave). This demonstrates that the most the variables identified significantly influenced employees' intention to leave.

Table 5: Coefficients

Model	Unstandardized Coefficients		Stan dardized Coefficient s	T	Sig.
	B	Std. Error	Beta		
(Constant)	-.339	.086		-3.926	.000
Distributive Justice	.328	.117	.304	2.802	.006
Procedural Justice	.380	.088	.382	4.347	.000
Organizational Commitment	.507	.102	.517	4.970	.000
Distributive justice and organizational commitment	-.053	.146	-.052	-.366	.715
Procedural justice and organizational commitment	.082	.133	.085	.618	.537
Distributive justice and procedural justice	-.045	.140	-.043	-.320	.750
Distributive procedural and organizational commitment	-.222	.167	-.220	-1.333	.184

Source: Research Data, (2017)

a. Dependent Variable: Intention to leave

Using the values of the coefficients (β) from the regression coefficient table 5, the established regression equation takes the form of:

$$\text{Intention to leave (Y)} = -0.339 + 0.328X^1 + 0.380X^2 + 0.507X^3 - 0.053X^4 + 0.082X^5 - 0.045X^6 - 0.222X^7$$

Therefore table 5 above shows that distributive justice, procedural justice, organizational commitment, procedural justice and organizational commitment, have positive coefficients, implying that these independent variables positively predict employees intention to leave. Therefore taking all independent variables constant at zero (0); employees intention to leave will be at -0.339.

The results of the study further indicate that p-value of = (0.006, 0.000, 0.000) for distributive justice, procedural justice, organizational commitment respectively are smaller than the significance level of 0.05. This shows that there is a significant relationship between Procedural justice distributive justice and organizational commitment, Distributive justice and procedural justice, Procedural justice and organizational commitment, Distributive justice and organizational commitment

The results also shows that any unit increase in distributive justice, procedural justice, organizational commitment, procedural justice and organizational commitment by 0.328, 0.380, 0.507, and 0.082 respectively to change in employee intention to leave while a decrease in Procedural justice distributive justice and organizational commitment, Distributive justice and procedural justice, Distributive justice and organizational commitment by 0.053, 0.045, and 0.222 respectively to change in employee intention to leave. We also gathered that intention to leave has a negative sign hence can easily change as a result of change any slight increase or decrease in the variables identified.

Summary

The results show that there is a significant, strong and positive relationship between organizational justice (procedural justice and distributive justice), organizational commitment and intention to leave. Therefore, when employees' perceptions of procedural and distributive justice were high, their organizational commitment was also high and their intention to leave decrease. Employees will be more committed to their present employer if they perceived higher fairness in the organization and will intends to stay for a long time with the organization.

The results also show that procedural justice plays a more important role than distributive justice in influencing employees' intention to leave. This is because procedural justice accounted for 38% of the variance while distributive justice accounted for closely 32.8% of the variance and intention to leave, organizational commitment accounted for closely 50.7% of the variance and intention to leave. This result is in line with the findings of previous research by McFarlin and Sweeney (1993), they also found that procedural justice is a better predictor of intention to leave when compared with distributive justice.

Procedural justice accounted for 38% of the variance while distributive justice accounted for 32.8% of the variance in intention to leave. This means that procedural justice plays a more important role in explaining employees' turnover intention in comparison to distributive justice.

Another possible explanation for this finding is that procedural justice is a better predictor for turnover intention as compared to distributive justice. This is because more than half of the respondents (60%) have spent less than 5years in the job. In Nigeria, employees at this job level may not have sufficient insight into the decision making process used to allocate rewards, they have less opportunities to observe distributive justice in action. What they are more exposed to is the method of obtaining rewards they seems to wants to impress their supervisor. This leaves them to use any methods as a way of obtaining favouritism from their boss and further deciding whether to leave the organization if they fall out of favour from their supervisor.

Conclusion

Arising from the findings of this study, one major conclusion that could be drawn is that both procedural and distributive justice were positively related to organizational commitment but procedural justice plays a more significant role in this relationship and both procedural and distributive justice were negatively related to turnover intention but distributive justice plays a more significant role in this relationship. Previous researches like Folger and Konovsky (1989), McFarlin and Sweeney (1993), Ponnun and Chuah (2010) reported that as compared to distributive justice, procedural justice, and organizational commitment is a significant predictor of intention to leave. These show that the findings of the present research were supported by previous research.

Recommendation

Based on the findings of the study, the following recommendations were suggested to improve employees' commitment and their perceived justice system in the organization in order decreases their intention to leave of employment:

1. Management should consider all the employees' needs and should pay attention to the factors which might reduce the motivations of the employees. Thus, the commitments of the employees' to their organization and profession may increase.

2. Justice processes play important roles in the organizations and affect the quality of behaviour with people in the organizations, their attitudes and commitments to the organization. Also regarding the cases that illustrate the importance of organizational justice and organizational commitment, it is suggested that managers gain more awareness about the variables of organizational justice and organizational commitment.

3. Furthermore, due to the dependence of the efficiency and effectiveness of the organization on the efficiency and effectiveness of the workforce, especially managers, it is suggested that the effort to increase fairness, commitment and satisfaction among the workforce be placed among the main tasks of organization. It is suggested that fairness especially in management practices (distribution of rewards, relations, support, advancement and employment) in contact with the staff which is very important for them, would increase organizational commitment and job satisfaction and would prevent low employee morale, and lack of motivation to try and work.

Suggestions for Further Studies

Future research should be carried out to support the current research finding that perceived distributive justice is more important than perceived procedural justice when explaining turnover intention. In order to cover the whole population of Nigeria, data should be gathered from a larger sample with different age groups, job level and industries so as to get a better representation of the analysis, employees located in various parts of the country should be included in the sample size as well.

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**IMPACT OF MACROECONOMIC VARIABLES ON THE
GROWTH OF FINANCE HOUSES IN NIGERIA**

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Abstract

Finance houses play a major role in the financial system by providing complementary financial services to small, medium and other commercial enterprises. Although they fill relevant gaps left out by the conventional commercial banks, not much research is focused on them in the financial system in Nigeria. Using the stepwise econometric equations, the Unit root test, Co-integration, the Vector Error Correction (VECM), and the Impulse response models, this paper examined the effects of macroeconomic variables on the growth of finance houses in Nigeria. The results show that there is a significant positive relationship between the GDP and the growth by total assets of Finance houses on the short run but decreases in a 2 years lag and subsequent years. The policy implications are that apex regulatory agencies and management of finance houses should be proactive and consistent in conceptualizing sustainable policies directed at the performance and growth of finance companies in Nigeria on long term basis as poorly conceptualized short term measures are not likely to impact sustainably and significantly on the growth of finance houses and their contributory role in the growth of the Nigerian economy.

Key Words: 'Finance Houses', 'Growth', 'GDP', 'Nigeria Economy'.

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Introduction

Finance Houses are middle tier financial institutions in the financial system of many countries. They are also known as non-bank financial institutions. Though they provide financial services similar to banks, they are restricted in some areas most especially that they are not authorized to take deposits from the general public. Rather they rely on borrowing to finance their activities. Ogbonna, (2000) defines finance companies as institutions whose financial operations involves holding cash balances and borrowed funds from high net worth individuals and other institutions with the aim of creating loans.

In spite of their limitations, they play a major role in the financial system by providing complementary financial services to small, medium and other commercial enterprises in the areas of consumer loans, funds management, asset finance such as finance leases, hire purchase, debt factoring, local purchase order (L.P.O) financing, loan syndication, project finance and financial consultancy services. Others include trade finance, import and export refinancing, as well as warehouse refinancing etc.

Finance companies thus through their activities accumulate capital which are channeled to the productive sectors of the economy for increased productivity and output (Enofe, Osa-Erhabor, and Ehiorobo 2013). Going further, Isern (2009) observed that the relevance of finance companies have in recent years come to limelight, through their financing of small and medium scale enterprises, and this has led the Central Bank of Nigeria (CBN) along with the Finance Houses Association of Nigeria (FHAN), to look at ways to strengthen the sub-sector.

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Finance companies fill some of the gaps left out between the conventional commercial banks, microfinance banks and other financial service providers in the financial system of the economy. As a result of the important roles played in the economy by finance companies, they are subject to apex regulatory supervision and regulatory framework of CBN under the Banks and other Financial Institutions (BOFID) Act. Since 1992 when they came under the decree, the assets and liabilities of the finance companies have continued to grow as they impacted on the economic activities of the Nigerian economy.

Finance houses like other non-bank financial institutions in Nigeria are bedeviled with inadequate access to loanable funds as a result of the growing competition from banks and microfinance institutions that seem to have more access to grass root and retail deposits and savings from the general public. They are therefore faced with taking loans at a higher cost and thus lending at higher rates. In the competitive financial market environment, commercial and microfinance banks are therefore more able to raise deposits and loanable funds than finance companies and could therefore lend at lower rates compared to finance houses. Moreover, finance companies are to a greater extent constrained to lend to more risky projects with relatively high cost of monitoring and recovery. Most beneficiaries of Finance companies loans do not have direct savings or current accounts relationship with the finance companies and thus exposing such relationships to higher cost of due diligence, monitoring, control and recovery of exposures.

Finance companies are thus directly and indirectly more vulnerable to macroeconomic variables such as inflation, exchange rate, aggregate interest rate in the financial market and the general economic growth or economic recession measured by the gross domestic product (GDP). Notwithstanding the apparent limitations to their potential growth in the economy, their total assets grew from N2.44 billion in 1992 to N103.05 billion in 2013 (CBN Statistical Bulletin, 2013). Apart from providing financial services to the general public, they have also contributed to economic growth by providing employment to a large clientele base in the country in line with their permissible functions as approved by the CBN. In spite of their relevance in meeting the financial intermediation services, research into the growth and activities of Finance Houses in Nigeria has been scanty (Sufian2008). Thus it has become necessary to investigate through research, how various macroeconomic variables affect their growth and sustainability. Going forward, the major objective of this study is to investigate the impact of macroeconomic variables on the growth of finance houses in Nigeria, so as to ascertain whether macroeconomic variables, specifically, the variables employed in this study, significantly affects the growth of finance houses in Nigeria for the period under view.

Literature Review

Several authors have examined the relationship between the roles of financial institutions and economic growth. Demirguc-Kunt and Huizinga (2001) in their research find that rapid growth in the GDP of a market economy has positive effects on bank profitability performance. Thus while financial institutions contribute to economic growth, research has shown that economic growth and other macroeconomic variables also affect the growth of the banking sector.

Studies by various authors show the relationship between inflation as an external factor and bank profitability as demonstrated by (Drivir and Windram2007). The study find that inflation has negative impact on bank profitability as it may lead to a decrease in business activities (Gul, Irshad and Zaman 2011). However, there seems to be a high level of consensus among many economist, central bankers, policy makers, academics, and practitioners that one of the fundamental objective of macroeconomic policies in both developed and developing economics is to sustain high economic growth which is favorable to the financial sector together with a single-digit inflation. This is can be attributed to the fact that a low digit as well as high level of inflation disrupts the smooth functioning of a market economy (Chude and Chude 2015).

Earlier studies by on the influence of external factors on the profitability of banks by Demirguc-Kunt and Detragiache (1998) in several developing economies during the period 1980 – 1994 indicated a positive influence of exogenous variables on bank profitability. Though there are several studies in the literature on banks and other financial institutions, there are only a few studies that relate to non-bank

financial institutions particularly finance companies in developing countries. Studies by Nzotta and Okereke (2009), and Iyoha (1999) revealed that there is a significant positive relationship between the

activities of financial institutions and growth and development of the economy through their multiple intermediation services and related multiplier effects.

In their studies on the relationship between finance companies and economic development, Enofie, Osa – Erhabor and Ehiorobo (2013) while observing the relevance of Finance companies in the financial system of Nigeria find the need for Finance companies to work in collaboration with other major financial institutions to allow for a greater synergy to meet the financial muscles needed to stimulate economic growth on a sustainable basis.

In Malaysia, Islam and Osman (2011) in their study on the long run relationship between the real GDP and the roles of Non-Bank Financial Institutions (NBFIs) revealed that NBFIs play a major component in the contributions of financial institutions to economic growth.

Gupta Yesmin and Khan (2013) in their study on growth of Non-Bank Financial Institutions find that NBFIs provide additional and alternative financial needs and help to facilitate long term investment financing and thus contributing to the growth of the economy. Thus while there are studies on how finance companies contribute to economic growth, there have not been much attention on how the macroeconomic variables in the economy affects the growth and sustainability of Finance companies. This has been a major gap in the literature which this paper intends to address.

Theoretical Framework

The activities and operations of economies of the world revolve around finance, through the movement of funds in the intermediation process done by financial institutions, which can affect the economy as a whole, either positively or negatively. In order to engender and maintain the productive base of any economy, a sound and stable financial structure must be in place. This is also a necessity for the attraction of foreign investments either through direct or portfolio investments. This study seeks to ascertain the effects of various macroeconomic variables on the growth of finance houses in Nigeria, since macroeconomic indicators tend to have effects on every sector of the economy. Hence this study adopts the big push theory and its assumptions which asserts that economic growth including the growth of finance houses are only possible from within and not from without (Rosenstein-Rodan, 1943, as cited in Conrad, and Kulkarni, 2009). Also, according to this theory, internal structure and viable economic policies must be put in place to stimulate economic activities that will transform into capital accumulation and investments, and thus bring about sustained economic growth and development (Schumpeter, 1934). Intuitively, investments, or capital accumulation tend to have effects on major macroeconomic indicators (money supply, inflation and gross domestic product) which in turn affects the level of activities and operations of financial institutions, including finance companies in the economy, depending on the macroeconomic objective intended.

Methodology

For the purpose of this study, the total asset of finance houses in aggregate is used to capture growth of finance houses in Nigeria for the period of 2003 – 2015. Data were obtained mainly from publications of the Central Bank of Nigeria. The stepwise econometric analyses employed are the unit root test, co-integration, the vector error correction model (VECM), and the impulse response analysis.

Model Specification

Following the big push theory and its assumptions; where no single sector is independent of other sectors in a way that one sector cannot affect the entire economy as a whole, and the growth potentials of an economy is incumbent on the internal framework of the economy, the model is thus specified into 5 equations with GDP as a constant independent variable. This is because GDP is a major macroeconomic determinant of variations in macroeconomic variables of the economy. The linear equations of the model are as follows:

$$TAS_t = \beta_0 + \beta_1 GDP_t + E_t \text{-----} 1$$

$$TAS_t = \alpha_0 + \alpha_1 GDP_t + \alpha_2 EXCH_t + E_t \text{-----} 2$$

$$TAS_t = \pi_0 + \pi_1 GDP_t + \pi_2 INF_t + E_t \text{-----} 3$$

$$TAS_t = \mu_0 + \mu_1 GDP_t + \mu_2 INT_t + E_t \text{-----}4$$

$$TAS_t = \#_0 + \#_1 GDP_t + \#_1 M2_t + E_t \text{-----}5$$

The dynamic equations specification is stated below:

$$TAS_t = \beta_0 + \beta_1 TAS_{t-1} + \beta_2 TAS_{t-2} + \beta_3 GDP_{t-1} + \beta_4 GDP_{t-2} + U \text{-----}1'$$

$$TAS_t = \alpha_0 + \alpha_1 TAS_{t-1} + \alpha_2 TAS_{t-2} + \alpha_3 GDP_{t-1} + \alpha_4 GDP_{t-2} + \alpha_5 EXCH_{t-1} + \alpha_6 EXCH_{t-2} + U \text{-----}2'$$

$$TAS_t = \pi_0 + \pi_1 TAS_{t-1} + \pi_2 TAS_{t-2} + \pi_3 GDP_{t-1} + \pi_4 GDP_{t-2} + \pi_5 INF_{t-1} + \pi_6 INF_{t-2} + U \text{-----}3'$$

$$TAS_t = \mu_0 + \mu_1 TAS_{t-1} + \mu_2 TAS_{t-2} + \mu_3 GDP_{t-1} + \mu_4 GDP_{t-2} + \mu_5 INT_{t-1} + \mu_6 INT_{t-2} + U \text{-----}4'$$

$$TAS_t = \#_0 + \#_1 TAS_{t-1} + \#_2 TAS_{t-2} + \#_3 GDP_{t-1} + \#_4 GDP_{t-2} + \#_5 M2_{t-1} + \#_6 M2_{t-2} + U \text{-----}5'$$

Where;

TAS= Total assets,

GDP=Gross domestic product,

EXCH=Exchange rate,

INF=Inflation rate,

INT= Interest rate,

M2=Broad money supply

$\beta, \alpha, \pi, \mu, \#$ = parameters

U= Error team

3.2 Estimation Procedure

This study used the Johansen co-integration analysis and vector error correction modeling including the impulse response analysis in estimating the impact of macroeconomic variables on growth of finance houses in Nigeria. The reason for co-integration analysis is the fact that most time series data may drift together; if there is a tendency for some linear relationship between them overtime, the co-integration analysis helps to discover it (Okungbowa and Eburajolo 2014).

The presence of a unit root is tested for in this data using the Augmented Dickey Fuller test, to avoid spurious regression results. The Vector Error Correction model was employed, given that there is a co-integration in the variables, and the short run relationship is examined using this tool (Yang, 2011).

Analysis/ Discussion of Empirical Results

The presence of unit root was examined in the series using the Augmented Dickey Fuller test as seen on table 1 below. From the test only INT among the variables was stationary at levels even at 1%. However, M2 was stationary after differencing twice; M2 and EXCH were stationary at 10% while others were stationary at 5% after first difference.

Table 1: Augmented Dickey Fuller

Variables	ADF	Critical	Order of Integration	Remarks
TAS	-7.509158	-4.246503	I(1)	Stationary
INT	-6.398262	-4.008157	I(0)	Stationary
INF	-5.455197	-4.450425	I(1)	Stationary
GDP	-7.2186	-3.691	I(1)	Stationary
EXCH	-3.964967	-3.590496	I(1)	Stationary
M2	-5.198274	-4.187634	I(2)	Stationary

Source: Data Computation by authors, 2016.

The Johansen Co-integration Test was adopted to determine the number of co-integrating equations in the model estimated in order to ascertain the long run relationship between the variables. It indicated that from the trace statistics, the result have six co-integrating relationship among the variables at 5% significance level. This implies that both the explained and the explanatory variables are co-integrated as shown in the table below.

Table 2: Johansen Co integration Test

Hypothesized No. of CE(s)	Eigen Value	Trace Statistics	0.05 Critical Value	Prob. **
None *	0.999733	276.5505	95.75366	0.0000
At most 1 *	0.949461	120.2367	69.81889	0.0000
At most 2 *	0.758132	63.52135	47.85613	0.0009
At most 3 *	0.621202	36.55343	29.79707	0.0072
At most 4 *	0.443778	18.10912	15.49471	0.0197
At most 5 *	0.306861	6.963972	3.841466	0.0083

Source: Data Computation by authors, 2016.

In order to estimate the model, there is the need to ascertain the lag length. In this study, the lag length selection is based on five criteria, and they include; the Sequential modified LR test statistics, Final prediction error (FPE), Akaike information criterion (AIC), Schwarz information criterion (SC), and the Hannan-Quinn information criterion (HQ). From the result all the criteria selected lag order of two, therefore, this study adopts the lag order of two. The tabular depiction of the various test is shown in the table below:

Table 3: Lag Order Selection Criteria

Lag	Logl	LR	FPE	AIC	SC	HQ
0	-441.0857	NA	6.18e+17	46.64060	46.74002	46.65743
1	-404.1636	62.18457	1.94e+16	43.17512	43.47336	43.22559
2	-379.0148	37.06137*	2.14e+15*	40.94893*	41.44600*	41.03306*

• Indicates lag order selected by the criterion

The VECM was used to analyze the stepwise regression specification using a 2 period lag, and revealed the direction and impact of the variables in each equation with its corresponding level of significance on the explained variable. Table 3 below shows the VECM result.

Table 4: Short run Determinants of growth of finance houses in Nigeria

	Equation1	Equation2	Equation3	Equation4	Equation5
C	-18570.57 [-0.98215]	18531.20 [0.39896]	10713.98 [1.27749]	-23738.65 [-1.50292]	12251.99 [1.55526]
DTAS(-1)	1.234020	-0.513022	-0.212795	2.017679	0.229209
t-statistics	[1.30732]	[-0.24868]	[-0.72526]	[2.15033]	[0.33646]
DTAS(-2)	1.898401	-0.173329	0.045286	2.570877	0.340743
t-statistics	[1.61210]	[-0.06544]	[0.12471]	[2.33262]	[0.37991]
DGDP(-1)	2.720388	-0.550438	-0.015703	3.140634	-2.276561
t-statistics	[1.43546]	[-0.11909]	[-0.01713]	[2.09469]	[-1.16514]
DGDP(-2)	-0.649927	-1.446274	-1.168295	-0.978378	-3.044811
t-statistics	[-0.81966]	[-1.01474]	[-1.39085]	[-1.46379]	[-2.52129]
DEXCH(-1)	-----	-349.7833	-----	-----	-----
t-statistics	-----	[-0.79784]	-----	-----	-----
DEXCH(-2)	-----	-108.7541	-----	-----	-----
t-statistics	-----	[-0.30778]	-----	-----	-----
DINF(-1)	-----	-----	140.9646	-----	-----
t-statistics	-----	-----	[0.29909]	-----	-----
DINF(-2)	-----	-----	250.0468	-----	-----

DINT(-1)	-----	-----	-----	3797.335	-----
t-statistics				[1.74145]	
DINT(-2)	-----	-----	-----	1965.293	-----
t-statistics				[1.98462]	
DM2(-1)	-----	-----	-----		0.000759
t-statistics					[0.04690]
DM2(-2)	-----	-----	-----		0.012081
t-statistics					[0.50998]
R ²	0.335639	0.269225	0.254219	0.564075	0.437251
F-statistic	1.212493	0.526300	0.486965	1.848535	1.109986

Source: Data Computation by authors, 2016.

From the analysis, it is clear that the total assets of finance houses as a proxy for growth is only affected by its 2 years lag periods but not its immediate past year as TAS(-2) was statistically significant at 10% while TAS(-1) was not. It therefore means that it takes a long time at least 2years for past growth to affect the current growth of finance houses. While the GDP(-1) was positive and significant at 10%, GDP(-2) was negative and not significant implying that as GDP increases finance houses are growing using total assets as a proxy for growth. Previous years' total assets i.e. TAS(-1) and TAS (-2) and also previous years' GDP(-1) and GDP(-2) were not significant even at 10% and were negative including EXCH(-1) and EXCH(-2). This means that an increase in TAS(-1), TAS(-2), GDP(-1), GDP(-2), EXCH(-1), and EXCH(-2) will cause a decrease in the growth of finance houses, showing an inverse relationship between these independent variable and TAS.

In equation4; all the variables in this equation were statistically significant going by their t-statistics with TAS(-1), TAS(-2), INT(-1), INT(-2) and GDP(-1) at 5%, and GDP(-2) significant at 10%. In other words a 10% change in any one of these variables will cause more than 89% change in TAS, meaning they all affect the growth of finance houses significantly. The variables, variables-M2(-1), and M2(-2) were found to be statistically insignificant and with a positive sign. This means that there is a direct relationship between growth of finance houses in Nigeria and money supply. However this direct relationship is not significant to the growth of finance houses in Nigeria even at 10%. TAS(-1), TAS(-2), and GDP(-1) were also found to be statistically insignificant variables in determining the growth of finance houses. However, GDP(-2) was seen to be statistically significant at5% and negative, showing its consistency in terms of the direction of relationship between the dependent variable. The results reveal the impulse response of an asymmetric impact of one standard innovation in TAS to shocks in GDP, M2, INT and INF. The results of the impulse response of TAS to shock in GDP, M2, INT and INF are shown in table 4 below:

Table 5: Impulse response function

Response of TAS:						
Period	TAS	GDP	M2	INT	INF	EXCH
1	20221.54	0.000000	0.000000	0.000000	0.000000	0.000000
2	102091.3	14311.49	- 39569.36	- 9938.204	- 726.4973	- 6734.401
3	327961.4	20241.63	- 95269.07	- 9368.204	- 419.2408	- 7093.598
4	1820494.	166036.5	- 683403.4	- 13353.17	- 1397.620	- 8473.338
5	6363138.	280956.3	- 1970162.	- 12764.38	- 1514.455	- 8491.190
6	29700168	2013872.	- 10519172	- 8138.506	- 1192.154	- 6617.145
7	1.10E+08	5015454.	- 35061376	- 9140.211	- 1286.564	- 6332.888
8	4.79E+08	29491754	- 1.66E+08	- 5986.785	- 782.5531	- 5090.294
9	1.84E+09	91713194	- 6.03E+08	- 6339.777	- 593.4617	- 4496.599
10	7.81E+09	4.59E+08	- 2.67E+09	- 8071.720	- 538.0714	- 4792.020

Source: Data Computation by authors, 2016

The result shows a stable and positive response throughout the period for two variable, that is, TAS and GDP, while the other variables (M2, INT, INF, and EXCH) had negative responses for the period under study. The response was relatively stable from period one to six but rose sharply after period seven. The response of TAS to shocks in GDP was also captured. The response of TAS to shocks in GDP was stable and positive all through the period. However, response of TAS to shocks in GDP started from period two. There was no response in period one. This is an indication that the impact of GDP on TAS is positive but not instantaneous.

The response of TAS to shocks in money supply and exchange rate was negative and consistent all through the period. However, there was no response in period one to shocks in money supply and exchange rate. This shows that TAS has an inverse relationship with interest rate and this is sustained even up to 10 periods. The responds of TAS to shocks in the rate of inflation was negative indicating that the inflation rate has a negative impact on TAS.

Summary of Findings, Recommendations, and Conclusion

This study examined the effects of different macroeconomic variables, on the growth of finance houses in Nigeria for a period of 18years after adjustments. The results of our analysis show that the impact of GDP is positive and significant but not instantaneous. It is only affected by a 2 years lag periods and not the immediate past year. Inflation and exchange rates have negative impact on the growth of finance houses in Nigeria. However, there is a positive but not statistically significant relationship between growth in finance house and money supply while the positive relationship between the growth of finance houses and interest rate are significant. It is observed that most of the variables in the study were not statistically significant on the short run. Thus all the variables seem to have long run effects on the growth of finance houses in Nigeria. The policy implications and recommendations from this study based on our findings, is that, the apex financial regulatory agencies and management of finance companies should be proactive, and consistent in formulating sustainable policies, directed at the performance and growth of finance companies in Nigeria with a long term goal. This is because, poorly formulated short term goals are not likely to significantly impact positively on the sustainability and growth of finance companies and their contributory role in the growth of the Nigerian economy.

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**CORPORATE GOVERNANCE STRUCTURE AND INTELLECTUAL CAPITAL
DISCLOSURE OF LISTED HEALTHCARE FIRMS IN NIGERIA**

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Abstract

The objective of this study is to investigate the effect of corporate governance structure on intellectual capital disclosure of seven healthcare listed firms for five years (2013- 2017). Based on content analysis of intellectual capital disclosure items on the annual reports of the selected firms, the empirical results of multiple regressions reveal that size of the audit committee and frequency of board meeting are insignificantly related to intellectual capital disclosure. While board size and board composition are significantly positively associated with intellectual capital disclosure. This study supports and contributes to existing literatures that board size and board composition is a factor that influences intellectual capital disclosure.

Keywords: corporate governance; corporate governance structure; intellectual capital disclosure

1. Introduction

The purpose of this paper is to ascertain the effect of corporate governance structure on intellectual capital disclosure of listed healthcare firms in Nigeria. Intellectual capital (IC) is the economic value created by employees of an organisation and it is classified into human capital, relational capital and structural capital. Researches on disclosure of intellectual capital have increase over the years. Yet countries do not disclose sufficient information on intellectual capital, especially in the developing and underdeveloped economies. Many scholars in developed countries have discussed on this issue (Abeysekera, 2006;Bruggen, Vergauwen,& Dao, 2009;Li, Pike, & Haniffa, 2008;An, Eggleton, Umesh, Harun & Luo, 2017). Corporate Social Reporting and Intellectual Capital Disclosure (ICD) are believed to be highest in countries, such as USA, Japan, Germany, and U.K. and in industries, such as chemicals, pharmaceuticals, electronics and automotive(Lobo & Zhou, 2001). This subject has been an important issue among researchers in various countries. The global economy at the moment is skewing towards knowledge-based economy, hence the reason why most modern researchers are now developing interest in ICD. The new economy is now knowledge-based economy where value creation becomes one of the crucial issues in the world and tends to be based on intangible rather than tangible assets (Taliyang & Jusop, 2011).

Corporate governance code in Nigeria was first introduced by the Bankers' committee in August 2003. The code was applicable to all banks and other financial institutions that were operating in Nigeria. It was not strictly adhered to because it had no regulatory power backing it from the constitution. In 2003, the Securities and Exchange Committee (SEC) issued the Code of Best Practices on Corporate Governance in Nigeria. From this period, various bodies issued codes that were peculiar to their industries. In 2006, the Central Bank of Nigeria (CBN) issued the corporate governance code for banks in Nigeria. While in 2008, the National Pension Commission (PENCOM) issued its code of corporate governance for licensed pension operators in the country. Furthermore, in 2009, the National Insurance Commission (NAICOM) issued its industry-specific code of corporate governance to regulate the insurance industry in the country.

The National Code of Corporate Governance 2016 (which is currently under review) issued by the Financial Reporting Council of Nigeria (FRCN) covers various issues on: responsibilities of the board, board structure and composition, officers of the board, meetings of the board, board committees, appointment to the board and other relevant matters. It is expected that by the introduction and development of the corporate governance code in Nigeria, firms might be encourage to disclose more voluntary information on intellectual capital.

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Most of the researches on corporate governance and intellectual capital disclosure are in developed countries and to the best of the researcher's knowledge, there is paucity of studies on intellectual capital in developing economies like Nigeria, especially studies that cover the healthcare sector in Nigeria, which is an important sector that requires strong intellectual capital to be viable. Hence, this study intends to fill this gap in literature.

The rest of this study is organised as follows: Section 2 reviews previous research on intellectual capital disclosures. Section 3 develops the study's hypothesis. Section 4 specifies the research method applied in the study. Section 5 discusses the empirical results and finally, section 6 reports on the conclusion and recommendations.

2. Literature Review

Corporate governance is the way and manner in which an organisation is governed and directed. There have been improvement in the corporate governance codes in Nigeria but most of its content is a replication of what we have in developed economies. It is pertinent that developing countries should have a corporate governance code that is peculiar to their environment. The essence of better governance is to make firms more accountable and transparent through stakeholders' relevant disclosure (Abeysekera, 2010). Literatures of this nature provide some evidence that low disclosure of intellectual capital information is an indication of weak governance practices in the governing reporting process (Haniffa & Cooke, 2002).

Intellectual capital is the aggregate sum of intangible values which comprises of human capital and structural capital (Skandia, 1994). Low and Kalafut (2002) expanded this definition by defining IC as an intangible assets which include technology, customer information, brand name, reputation and corporate culture that are invaluable to a firm's competitive power. Stewart (1997) posit that the components of IC are classified into knowledge, information, intellectual property and experience. One of the concepts that explain these definitions is the intangibility of the assets. Capital is categorized into human capital, physical capital and financial capital, but most firms report more on the physical and financial aspect. (Falikhathun, Aryani & Prabowo, 2011). Intellectual capital is a vital resource to an organisation and not disclosing on it might lead to information asymmetry. By reassuring a firm's investors about various aspects of its operations or performance, expanded disclosure leads to a reduction in information asymmetry between managers and investors and, ultimately to a reduction in information costs to be incurred by investors (Kim & Verrecchia, 1994; Cormier, Aerts, Ledoux & Magnan, 2009)

Hasan, Mohammad and Alam (2017) examine the determinants that influence intellectual capital reporting by reviewing the annual reports of 40 banks listed on the Dhaka Stock Exchange and it was found that corporate reputation, which represents board size and board independence have a significant positive impact on intellectual capital disclosure.

Bhattacharjee, Chakraborty and Bhattacharjee (2017) investigate the association between the extent of intellectual capital disclosure and the corporate attributes of listed banking companies in Bangladesh. The findings reveal that board size and size of audit committee are important attributes to explain the IC disclosure in Bangladesh, but no significant association was found between ICD and other independent variables like number of independent directors to the board, frequency of board meeting and ownership concentration.

In a similar study by Tejedo-Romero, Araujo and Emmendoerfer (2017), the corporate governance characteristics of Spanish companies included in the IBEX35 stock price index was examined. Content analysis was used to examine 115 annual reports from 23 IBEX 35 companies over 5 years. The study reveal that companies with the most information on intellectual capital are those in which managers have greater managerial ownership, fewer independent directors, separation of functions between the chairman and the chief executives, and larger board of directors.

Muttakhan, Khan and Belal (2015) empirically examine the links between corporate governance and intellectual capital. The sample consists of 135 non-financial companies listed on the Dhaka Stock Exchange (DSE) over a five year period (2005-2009). The study found that foreign ownership, board independence, and the presence of audit committees have a positive association with the extent of intellectual capital disclosure while family duality is negatively associated with the extent of intellectual capital disclosure.

Li et al (2008) investigate the relationship between intellectual capital disclosure and corporate governance variables (board composition, ownership structure, size and frequency of audit committee meetings and CEO role duality). The study examine a sample of 100 companies out of a population of 319 companies listed on the London Stock Exchange (LSE). The result of the analysis reveals that intellectual capital disclosure has a significant association with all the governance factors except for CEO role duality.

2.1 Theoretical framework

The theoretical perspective of this study is anchored on the agency theory and legitimacy theory. The agency theory explains the contract that subsists between the principal and agent. It suggest that self-interest of managers and directors within the firm can compromise the best interest of investors (Fama, 1980; Fama & Jensen, 1983). Panda and Leepsa (2017) posit that agency theory discusses the problems that surface in the firms due to the separation of owners and agent (managers) and focuses on ways to mitigate the agency problem. In addition, the theory enables the firms in implementing the various governance mechanisms to regulate the agents' action in the jointly held corporations. Agents are expected to act in a way and manner that the expectations of owners and other stakeholders of the organisation are considered in their operations.

According to Dowling and Pfeffer (1975) legitimacy theory is:

“a condition or status which exists when an entity's value system is congruent with the value system of the larger social system of which the entity is a part. When a disparity, actual or potential, exists between the two value systems, there is a threat to the entity's legitimacy.”

This theory posits that there is a *social contract* (i.e. the myriad expectations society has about how an organisation should conduct its operations) between the firm and the society in which it operates (Shocker & Sethi, 1973; Patten 1991; Mathew 1993). The continuous existence of the firm is largely dependent on these social contracts which are sometimes implicit or explicit in nature. Intellectual capital disclosure by a firm leads to information symmetry, which helps to bridge the legitimacy gap between owners and agent.

3. Hypothesis Development

3.1 Board Size

According to Jensen and Meckling (1976) board size is the number of directors serving in the board. Board size can help boards to overcome skill deficiencies in making more discretionary disclosure (Abeysekera, 2010). Larger boards are more likely to include increased pool of expertise that will enhance boards' information processing capabilities (Bhattacharjee, Chakraborty, & Bhattacharjee, 2017) thereby seeing the need to provide sufficient information to satisfy the firm's stakeholders. Most researchers report a positive relationship between board size and intellectual capital disclosure in both developed and developing countries (Abeysekera, 2010; Faisal, Hassan, Shahid, Rizwan, & Qureshi, 2016; Hasan, Mohammad & Alam, 2017; Shazali & Joseph, 2017) and a positive relationship between board size and corporate disclosures (Ferchichi & Skanji, 2017). In contrast, some researchers report a negative relationship (Falikhhatun, Aryani & Prabow, 2010).

The size of the board will be operationalized using the number of directors serving in the board (Jensen & Meckling, 1976). Therefore, the discussion from above leads to the formulation of the hypothesis that: H1 – There is a positive significant relationship between board size and intellectual capital disclosure.

3.2 Board Composition

Board composition in this study refers to the proportion of non-executive directors (including independent non-executive directors) over total number of directors. The National Code of Corporate Governance 2016 (Nigeria) requires a minimum of eight directors on the board, which should be made up of a maximum of one-third executive directors and a maximum of two-third non-executive directors. The number of independent non-executive directors shall not be less than half of the number of non-executive directors.

Taliyang and Jusop (2011) examine the impact of board composition on intellectual capital disclosure of Malaysian listed companies. It was found that board composition has a negative impact on

intellectual capital disclosure. This position is in contrast with some studies that found a positive significant relationship between proportions of independent non-executive directors with voluntary disclosure (Li et al., 2008). While other studies found a negative relationship (Ramadhan, 2014; Faisal et al, 2017). Forker (1992) suggests that non-executive directors would enhance the monitoring of the quality of firm disclosures and would reduce the benefits from withholding information. Thereby reducing the information asymmetry with the owners and the agents. Therefore, we hypothesize that: H2 – There is a positive significant relationship between board composition and intellectual capital disclosure.

3.3 Size of Audit Committee

The audit committee otherwise known as statutory audit committee is made up of members who demonstrate knowledge, skills and experience necessary to address the company's area of greatest financial reporting risk (FRCN, National Code of Corporate Governance, 2016)

The role of this committee is to review the preparation of company's financial statements as well as the disclosure of value-relevant information such as intellectual capital (Taliyang & Jusop, 2011). Allegrini and Greco (2011) argue that according to the Resource Dependency theory, larger audit committees are willing to devote greater resources and authority to effectively carry out their responsibilities. Most researches report a positive relationship between the size of audit committee and the extent of intellectual capital disclosure (Ho & Wong, 2001; Pomeroy & Thornton, 2008; Li, Mangena & Pike, 2012; Madi, Ishak & Manaf, 2014; Bhattacharjee, Chakraborty & Bhattacharjee, 2017). Khan and Khan (2010) found a negative relationship between the size of audit committee and intellectual capital disclosure. Audit committee as an independent variable will be measured as the number of audit committee members. Based on this conflicting opinions we hypothesize that: H3 – There is a positive significant relationship between the size of audit committee and intellectual capital disclosure.

3.4 Frequency of Board Meetings

Few researches have been examined to assess the impact of frequency of board meeting on intellectual capital disclosure. The revised National Code of Corporate Governance (NCCG) in Nigeria requires that for the board to effectively discharge its oversight function, there is need for it to meet at least once every quarter and each director is required to attend at least two-third of all board meetings. The frequency of board meeting can be used as a measurement of directors' sense of responsibility towards business (Faisal et al, 2016). We expect that the frequency of board meetings where issues that affect the company and other disclosure matters are being deliberated upon would have influence on the level of voluntary disclosure. Effectiveness of a board depends on how often the board members meet to discuss the various issues facing a firm (Vefees, 1999). Lack of sufficient meetings could inhibit or vitiate deliberations thereby affecting resolutions on voluntary disclosure. Frequent board meetings could lead to increase in performance and it is a pledge to continuously share information with managers (Brick & Chidambaram, 2007). According to Madi et al (2014) frequency of meeting is positively associated with the extent of corporate voluntary disclosure. In contrast, studies conducted by Bhattacharjee et al (2017); Ferchichi and Skanji (2017); Faisal et al (2016) found a negative relationship between frequency of board meeting and intellectual capital disclosure. From the above discussion, we therefore hypothesize that: H4 – There is a positive relationship between frequency of board meeting and intellectual capital disclosure.

4. Methodology

4.1 Sample

The total population of the study is ten (10) listed healthcare firms in Nigeria as at 2017. Purposive sampling technique was adopted to arrive at a sample size of seven firms due to the availability of their annual reports. The annual reports of the other three firms were not completely available on the internet and those found did not disclose sufficient IC items for analysis. Hence, the seven firms were selected for analysis. The sample size forms 70 per cent of the total population which is sufficient. The annual reports of the companies from 2013 to 2017 were analyzed using multiple regression analysis. Content analysis technique was also adopted to obtain the intellectual capital disclosure score; this technique is widely used by various researchers (Li et al., 2008; Tejedo-Romero et al., 2017; Li et al, 2008; Hasan et al., 2017). Most of the IC items were derived from the Chairman's report and other qualitative information in the annual reports.

4.2 Disclosure Index Construction and Dependent Variable

The intellectual capital disclosure checklist used for this study was adapted from the study of Muttakin, Khan, & Belal (2015). It was used in this study to examine the relationship between corporate governance structure and intellectual capital disclosure. The ICD checklist is made up of 32 items

categorised into internal capital (7 items), external capital (10 items), and human capital (15 items). A score of 1 is assigned to a firm if an item on the ICD checklist is disclosed and 0 if not disclosed. Finally, the formula below was used to ascertain the ICDS for each company.

$$ICDS = \frac{\text{Score obtained}}{\text{Maximum possible score}} \times \frac{100}{1}$$

4.3 Model Development

The estimated multiple linear regression model was employed to test the relationship between corporate governance mechanisms and the level of intellectual capital disclosure. The regression model developed for this study is:

$$ICDS = \beta_0 + \beta_1 BSIZE_{it} + \beta_2 BCOMP_{it} + \beta_3 SACOM_{it} + \beta_4 FBORM_{it} + \varepsilon$$

Where:

ICDS =Intellectual Capital Disclosure Score

β_0 = Intercept

β_1 SIZE = Board Size

β_2 COMP = Board Composition

SACOM = Size of Audit Committee

FBOD = Frequency of Board meeting

ε = residual errors.

As mentioned above, a positive relationship is predicted between the ICDS and independent variables.

Table 4.1: Operationalisation of Variables

VARIABLES	TYPE	MEASUREMENT	APRIORI EXPECTATION
Intellectual capital disclosure index	Dependent	Intellectual capital disclosure index adapted from Muttakin et al (2015), measured as scores obtained divided by maximum possible scores.	
Board size	Independent	Total number of directors in the board	+
Board composition	Independent	Proportion of the non-independent directors to the total directors	+
Size of Audit Committee	Independent	Total number of audit committee members	+
Frequency of Board meeting	Independent	Number of board meeting during the year	+

Source: Researcher’s design (2018)

5. Empirical Results

5.1 Regression Results

The results of the multiple regression analysis of the association between the independent variables (board size, board composition, size of audit committee and frequency of board of directors meeting) and the intellectual capital disclosure in the annual reports of a sample of listed healthcare firms show that the F-ratio is 37.755 (p-value=0.000)(Table 1). This result statistically supports the

significance of the model. The model has an adjusted R² of 0.865 (86.5%), which implies that the independent variables explain 86.5% of the variance in intellectual capital disclosure score (Table 2).

From the regression results, board size and board composition turnout to be statistically significant at confidence level of 95% with p-values of 0.000 and 0.001, while size of audit committee and frequency of board meeting are non-significant at confidence level of 95% with p-values of .847 and 0.787 (Table 3).

Table 5.1: Multiple Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
	.942 ^a	.888	.865	3.78133	.888	37.755	4	9	.000	1.399

Table 5.2: Multiple Regression ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2159.341	4	539.835	37.755	.000 ^b
Residual	271.671	19	14.298		
Total	2431.013	23			

Table 5.3: Multiple Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.	Collinearity Statistics	
	B	Std. Error	Beta		Tolerance	VIF
(Constant)	32.716	6.540		5.002	.000	
Board Size	7.041	1.204	.1725	5.848	.000	.068
Board Composition	-.486	.121	-.974	4.027	.001	.101
Size of the Audit Committee	-.354	1.810	-.029	-.196	.847	.276
Frequency of Board of Directors Meeting	-.269	.983	-.025	-.274	.787	.705

5.1.1 Board Size

From the regression results (Table 3), board size has a p-value of 0.000 (0%). This reveals that board size is statistically significant at 95% confidence interval. Therefore, we accept the hypothesis that states there is a positive significant relationship between board size and intellectual capital disclosure. These results are in line with prior studies that report a positive significant relationship between the size of the board and intellectual capital disclosure (Abeysekera, 2010; Faisal et al, 2016; Hasan et al, 2017; Shazali & Joseph, 2017).

5.1.2 Board Composition

The association between board composition and intellectual capital disclosure is significant. With a p-value of 0.001 (1%). We accept the hypothesis that states there is a positive significant relationship between board composition and intellectual capital disclosure. This result is in tandem with studies that reports a positive significant relationship between board composition and intellectual capital disclosure (Li et al., 2008).

5.1.3 Size of the Audit Committee

This variable from the regression results show an insignificant impact on intellectual capital disclosure. It has a p-value of 0.847 (84.7%). Therefore, we reject the hypothesis that there is a positive

significant relationship between size of the audit committee and intellectual capital disclosure. These results are not in line with prior studies that reports a positive significant relationship between size of the audit committee and intellectual capital disclosure. In the present study, it reveals that the size of the audit committee does not have any impact on the extent of intellectual capital disclosure. This result is inconsistent with the study by Khan and Khan (2010).

5.1.4 Frequency of Board Meeting

In the present study, frequency of board meeting does not have any significant impact on the extent of intellectual capital disclosure, with a p-value of 0.787 (78.7%) and at 95% confidence interval. We therefore reject the hypothesis that there is a positive relationship between the frequency of board meeting and intellectual capital disclosure. This result is in tandem with the study by Faisal et al (2016).

6. Conclusion

This study examines the role of corporate governance structure and intellectual capital disclosure of listed healthcare firms in Nigeria. The paper investigates the relationship between corporate governance variables (board size, board composition, size of audit committee and frequency of board meeting) and intellectual capital disclosure in the healthcare firms in Nigeria. The study revealed that size of audit committee and the frequency of board meetings have no significant impact on intellectual capital disclosure. However, board size and board composition have significant and positive impact on intellectual capital disclosure. The findings of this paper is consistent with previous studies that larger boards are more likely to include increased pool of expertise that will enhance boards' information processing capabilities (Bhattacharjee et al, 2017) thereby seeing the need to provide sufficient information to satisfy the firm's stakeholders. Therefore, organisations should ensure that they have a sizeable number of directors in their board with the requisite expertise as this would likely influence their decision on ensuring that adequate disclosure is being made as regard intellectual capital. In addition, the mixture of executive directors and non-executive directors/independent non-executive directors should be taken seriously in order to ensure equity and a level playing field for the directors.

Findings of this paper are likely going to be of immense benefit to policy makers, employees, researchers, investors and firms as they provide insight into the effect of corporate governance structure on intellectual capital disclosure. In addition, the findings of this study contributes to existing literatures on corporate governance structure and intellectual capital disclosure. Nevertheless, the limitations of the study are that the sample size of seven firms may not be sufficient to give a very robust empirical results and the intellectual capital disclosure index adopted for the study may not adequately capture the corporate governance variables relevant to Nigeria. Finally, future research could examine the effect of other corporate governance variables on intellectual capital disclosure of listed healthcare firms in Nigeria.

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Appendix 1

Intellectual capital disclosure checklist

I. Internal capital category

1. Intellectual properties
It is a term that encompasses patents, copyrights, trademarks, trade secrets, licenses, commercial rights and other related fields.
2. Management philosophy
The way leaders in the firm think about and its employees i.e. the way a firm is managed.
3. Corporate culture
Specific reference to working culture.
4. Processes
Management or technical processes implemented
5. Systems
Information systems.
6. Networking
The systems available in a firm that allows interaction of people via a broad array of communication media and devices.
7. Financial relations
Defined as a favourable relationships the firm has with investors, banks, and other financiers, financial rating, financial facilities available, and listings.

II. External capital category

1. Brand
Description of brands owned/bought by the firm.
2. Customer satisfaction and loyalty
Reference to overall satisfaction of customers
3. Quality standards
Includes ISO accreditations, reference to quality initiatives.
4. Company image/ reputation
It refers to the perception of a firm by the stakeholders.
5. Favourable contract
Favourable contract signed.
6. Business collaborations
Reference to informal collaborations with business partners which did not lead to formal agreements.
7. Licensing agreements
Any partnership or collaborative agreements with other firms
8. Franchising agreements
Any franchise agreements signed.
9. Distribution channels
Reference to supply chain management and distribution.
10. Market share
Any mention of product/division market share or competitive Position.

III. Human capital category

1. Number of employees
Clear detail of total number of employees.
2. Know-how
Description of knowledge, know-how, expertise or skills of directors and other employees.
3. Vocational qualifications
Additional qualification held by employees and directors.
4. Employee training
Any mention of training programme.
5. Employee education
Education of directors as well as other employees.
6. Work related knowledge
It mainly relates to knowledge that employees have related to their current job description, including employees' previous working experiences.
7. Entrepreneurial spirit, innovativeness
It refers to employee engagement, empowerment, and creativity.
8. Union activity
Trade union relations.
9. Employee thanked
Thanks given to the employee.
10. Employee involvement in the community
Company and employee involvement in community based activities
11. Employee share and option scheme
Employee share and option ownership plan
12. Employee benefits
Employee benefits such as provident fund, gratuity and group Insurance.
- 13 Profit sharing
Employee profit sharing.
14. Health and safety
Employee occupational health and safety.
15. Equity issues
Equity issues such as race, gender, disability and ethnic group

Source: Adapted from Muttakin, M. B., Khan, A., & Belal, A. R. (2015)

Appendix 2

Regression

Descriptive Statistics

	Mean	Std. Deviation	N
Intellectual Capital Disclosure Score	67.8406	10.28087	24
Board Size	8.9167	2.51805	24
Board Composition	50.0917	20.60633	24
Size of the Audit Committee	5.5833	.82970	24
Frequency of Board of Directors Meeting	4.9583	.95458	24

Correlations

	Intellectual Capital Disclosure Score	Board Size	Board Composition	Size of the Audit Committee	Frequency of Board of Directors Meeting
Pearson Correlation					
Intellectual Capital Disclosure Score	1.000	.837	.536	.750	.453
Board Size	.837	1.000	.883	.607	.415
Board Composition	.536	.883	1.000	.262	.228
Size of the Audit Committee	.750	.607	.262	1.000	.526
Frequency of Board of Directors Meeting	.453	.415	.228	.526	1.000
Sig. (1-tailed)					
Intellectual Capital Disclosure Score	.000	.003	.003	.000	.013
Board Size	.000	.000	.000	.001	.022
Board Composition	.003	.000	.000	.108	.142
Size of the Audit Committee	.000	.001	.108	.000	.004
Frequency of Board of Directors Meeting	.013	.022	.142	.004	.000
N					
Intellectual Capital Disclosure Score	24	24	24	24	24
Board Size	24	24	24	24	24
Board Composition	24	24	24	24	24
Size of the Audit Committee	24	24	24	24	24
Frequency of Board of Directors Meeting	24	24	24	24	24

Coefficient Correlations^a

Model		Frequency of Board of Directors Meeting	Board Composition	Size of the Audit Committee	Board Size
Correlations	Frequency of Board of Directors Meeting	1.000	.071	-.221	-.113
	Board Composition	.071	1.000	.700	-.944
	Size of the Audit Committee	-.221	.700	1.000	-.779
	Board Size	-.113	-.944	-.779	1.000
Covariances	Frequency of Board of Directors Meeting	.967	.008	-.393	-.134
	Board Composition	.008	.015	.153	-.137
	Size of the Audit Committee	-.393	.153	3.275	-1.698
	Board Size	-.134	-.137	-1.698	1.450

a. Dependent Variable: Intellectual Capital Disclosure Score

Collinearity Diagnostics^a

Model Dimension	Eigenvalue	Condition Index	Variance Proportions				
			(Constant)	Board Size	Board Composition	Size of the Audit Committee	Frequency of Board of Directors Meeting
1	4.855	1.000	.00	.00	.00	.00	.00
2	.111	6.625	.02	.00	.07	.00	.03
3	.018	16.438	.35	.01	.01	.00	.68
4	.014	18.485	.13	.08	.10	.14	.29
5	.002	45.815	.51	.91	.82	.85	.00

a. Dependent Variable: Intellectual Capital Disclosure Score

Residuals Statistics^a

	Mini mum	Maxi mum	Mea n	Std. Deviation	N
Predicted Value	48.1680	86.2598	67.8406	9.68940	24
Residual	-3.30470	7.80017	.00000	3.43683	24
Std. Predicted Value	-2.030	1.901	.000	1.000	24
Std. Residual	-.874	2.063	.000	.909	24

a. Dependent Variable: Intellectual Capital Disclosure Score

Appendix 3

List of sample listed healthcare firms

1. Pharma Deco
2. Fidson
3. Ekocorp
4. Union Diagnostic
5. Evans Medical
6. Neimeth
7. Glaxosmithkline

**A Discourse on Nigerian Youths as a Gullible Consumer of
Social Media and Popular Culture**

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Abstract

The mass appeal of social networks on the internet could be a cause for concern, particularly when attending to the gradually increasing amount of time youths spend online. Social networking sites offer youths the possibilities of networking and sharing media content, therefore embracing the main web 2.0 attributes against the framework of their respective structural characteristics (Jenkins, 2006). The internet has an indescribable power to influence, connect and mobilize youths. Some youths are overwhelmed by the easy access and freedom to multifarious media content on the internet and have lost control over its usage and begun having problems with their functionality in social, vocational and personal circles as the internet has taken over total control of their lives. Thus, this paper attempt to examine social media and popular cultures and specifically focuses on the gullibility of Nigerian youths that are addicted in consuming foreign media contents via social media sites and how social media has affected their communication and socialization habits. Although, it is impossible to dissuade youths from using the social media, however, youths should be encouraged to engage online websites more creatively to their advantage and to the benefit of the society. This paper recommends that there is need for parents, guardians, to understand the use of these forms of media and, if possible, attempt to use them, and try to be involved thereby monitoring their wards on how they use these sites and what they use the sites for. They should also encourage youths to engage media content on social media platforms pro-actively and profitably.

Keywords: Social Media, Popular Culture, Media Consumption, Gullibility.

Introduction

Social media are forms of electronic communication, which facilitate interaction based on certain interests and characteristics. Social media are Internet sites where people interact freely, share and discuss information about their lives, using a multimedia mix of personal words, pictures, videos and audio. Social media enable individuals and groups create and exchange content and engage in person-to-person conversations. They are in many forms including blogs and microblogs, forums and message boards, social networks, wikis, virtual worlds, social bookmarking, tagging and news, writing communities, digital storytelling, scrapbooking, and data, content, image and video sharing, podcast portals, and collective intelligence. Some of the well-known sites include Facebook, LinkedIn, Myspace, Twitter, YouTube, Flickr, Wordpress, Bloggers, Typedpad, Live Journal, Wikipedia, Wetpaint, Wikidot, Second Life, Del.icio.us, Digg, Reddit, Lulu, etc (Haruna and Danladi, 2013).

The advent of social media heralded a change in our cultural norms because it connects people instantly from across the globe and serves as a platform to establish new relationships amongst youths. Since the emergence of social media, youths have increasingly immersed themselves with cyber or online activities which have deeply integrated into their daily lives. Thus, this has attracted a growing debate between scholars and commentators on the emergent impact of new media technology on the activities, social relationships and worldviews of youths in contemporary societies in late modernity (Mesch, 2008).

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The transformation of social media becoming an integral part of the way we live, connect to the globe and streamline our relationship to new concepts, innovation and design has created a paradigm shift from the mundane traditional way of communicating to mainstream online activity where information and communication is limitless and not goal oriented. Accordingly, Kaplan and Haenlein (2010) quipped that social media is "a group of Internet-based applications that build on the ideological multi-faceted and technological foundations of Web 2.0 and allow the creation and exchange of user-generated content." Social media is often used interchangeably with web 2.0, denoting second generation of internet-based services. O'Reilly (2005) in Ekeli and Enobakhare (2013, p. 119) provided a comparison of Web 1.0 and Web 2.0 to demonstrate how Web 2.0 represents a new mindset: Web 1.0 was the era when people could think that Netscape (a software company) was the contender for the computer industry crown. Web 2.0 is the era when people are recognizing that leadership in the computer industry has passed from traditional software companies to a new kind of internet service company.

The transmogrification of web 1.0 to web 2.0 is not a backlash on older network but an improvement to digital network that is more accessible and less controllable enabling a new sense of disquisition of hopes between and among individuals. The intricacies of social media according to Ociepka (2012, p. 25) is an easy route that enables individuals to disseminate information, intensify social contact and engage in multifarious discussion on diverse platforms, while at an instant can control content through networks they participate. There are diverse forms and usage of social media varying on different platform with keenness embedded with its characteristics of participation, openness, conversation, community and connectedness (Mayfield, 2008). In its entirety, social media can never sail free from technological advancement, social interaction and cohesion, content creation via online connectivity.

Theoretical Framework

The commodification of culture theory best depicts this study as it is concerned with what transpires when a foreign culture is mass produced and distributed in direct competition with locally or community-based culture. Baran and Davis (2003, p. 331) observed that the mass media have become industries specializing in the production and distribution of cultural commodities. This has direct implication on our culture as foreign entrepreneurs with greater economic power and advantage are able to displace the local producers of cultural fare, to the detriment of the people's everyday lives. Folarin (2005) asserts that elite entrepreneurs engage ill-paid workers who weave together bits and pieces of folk culture which they then market for profit and as a substitute for the authentic folk culture. Thus, the people are made to subsidize subversion of their own everyday culture. This sub version is perpetrated through westernized and other hybridized folk music, movies and television programmes. Culture emanating from the Hollywood industries of the United States; tend to be accepted in Nigeria as the genuine folk culture because of the huge supporting industries, lack of government competition, and the sophistication with which the products are packaged. Ironically, these packaged products when exported often become subject of controversies in Europe, Asia and other Third World countries and are hardly tolerated in the media of some Asian countries and most Arab countries, particularly at the initial stages of trial and error which culminate in what authorities and critics regard as destroyers of local culture and of daily life.

Critical and cultural theorists have examined the implications of taking a part of a people's culture without critical insight into the issues involved and then package same for marketing in another cultural context. Baran and Davis (2002, p.232), Jamieson and Carebell (1997) and earlier studies by Hay 1989, Meyrowitz (1985) and Postman (1985) postulates that the effect of deployment of some unethical marketing device have greater consequences for the mental health of the audience and particularly youths. Second, representations of segments of community through restructuring of experiences seem over dramatized as a selected aspect of culture is made attractive to audience. This can give a wrong picture of the pertinent cultures to foreigners and to the youthful members of the audience. Third, advertising is especially implicated in the commodification of culture syndrome through its encouragement of people to costume products whose values are suspect, to engage in spurious fun or to seek fake identity. Fourth, the entrepreneurs who operate the cultural industries are generally ignorant of

the consequences of their bastardization of culture because of their social and psychological distance from their consumers. Where the entrepreneurs are aware of unwholesome effects, they resort to what Baran and Davis call “strategic avoidance” or denial of evidence” about these effects. They either pretend ignorance of them, strive to distort the evidence or claim they are giving the audience what they want. However, this can lead to intrusion and disruption or corruption of indigenous cultures. Thus, commodification of culture theory explains how our behaviours when faced with communication tools (social media sites) have not only modified time and space, but also the culture of Nigerian societies. Each stage in the use of these tools has modified the filters of our perception and the imagination of individuals.

Popular Culture

Okumagba, Arisi and Nwaezeapu (1997) in Oduh (2007, p. 177) stated that: “Culture is the totality of the way of life evolved by a people in their attempt to meet the challenges of living in their environment”. Thus, culture provides order and meaning to socio-political, economical aesthetic, religious and values espoused by people which, in turn, define the uniqueness from other people. According to Diver (2007, p. 13) culture is best understood not as a static entity that is taken; however, on the contrary, Michel de Certeau noted that culture “consists not in receiving, but in positing the act by which each individual marks what others furnish for the needs of living and thinking”. Such thinking shifts away from reifying culture as contained object to be consumed or meaning to be known.

Popular culture also referred to as pop culture is a contemporary lifestyle that is well known and generally accepted with diverse cultural patterns that are widespread within a population. According to WordIQ.Com (2010) popular culture is the vernacular (people's) culture that prevails in a modern society. The content of popular culture is determined in large part by industries that disseminate cultural material, for example the film, television, and publishing industries, as well as the news media. Nonetheless, popular culture cannot be described as just the aggregate product of those industries; instead, it is the result of a continuing interaction between those industries and the people of the society who consume their products. Steinem (1965) noted that the definition of pop culture is ambiguous and slippery but the term encompasses anything currently in vogue which is familiar to the public. Furthermore, pop culture vocabulary is always familiar, although they make little or no sense to the average man. Popular Culture is the entirety of ideas, perspectives, attitudes, memes, images, and other phenomena that are within the mainstream of a given culture, especially Western culture of the early to mid 20th century and the emerging global mainstream of the late 20th and early 21st century. Heavily influenced by mass media, this collection of ideas permeates the everyday lives of the society.

Storey (2006, p. 4-6) stated that there are six definition of popular culture: the quantitative definition of culture has the problem that much "high culture" is also "popular". "Pop culture" is also defined as the culture that is "left over" when we have decided what high culture is. A third definition equates pop culture with "mass culture" and ideas. This is seen as a commercial culture, mass-produced for mass consumption by mass media. From a Western European perspective, this may be compared to American culture. Alternatively, "pop culture" can be defined as an "authentic" culture of the people, but this can be problematic because there are many ways of defining the "people". Storey argued that there is a political dimension to popular culture; neo-Gramscian hegemony theory "... sees popular culture as a site of struggle between the 'resistance' of subordinate groups in society and the forces of 'incorporation' operating in the interests of dominant groups in society." A postmodernist approach to popular culture would "no longer recognize the distinction between high and popular culture". Storey claims that popular culture emerges from the urbanization of the Revolution. In many ways, popular culture is the Polaroid snapshot or Facebook photo page that documents our lives in the social world; it is a backdrop of day-to-day life and its power is both diffuse and indisputable. From Disney to Barbie to MySpace, youth today navigate a range of popular culture and media. The reality that children and youth interact with a vast amount of media—books, toys, video games, advertisements, etc.—requires parents to become aware of and fluent with the diverse popular cultural materials young people read, view, and consume.

Marshall and Sensoy (nd) in their book title -“Rethinking popular culture and media” states that popular culture is a challenging term given that culture is constantly changing and renders what was once popular soon to be outdated and perhaps quaint. With this, they offer an approach to popular culture

by examining variety of expressions of popular culture: (i) Popular culture can describe texts like Michael Jackson's Thriller album that are or were widely accepted by many people; (ii) Popular culture is often used to refer to things that are less sophisticated or considered "low" culture. Adults often dismiss children's culture as innocent, crass, or dumped down. For instance, popular series books produced for youth, such as the Nancy Drew mysteries, were not available in public library collections for decades because librarians dismissed them as popular texts that had little or no literary value; (iii) Popular culture is often synonymous with a consumer culture that is produced for mass consumption (Disney's animated films; McDonald's Happy Meal toys); (iv) Popular culture might also be defined as a place for creating new forms of expression as well as a vehicle for critique. In particular, mainstream popular culture and media offer a space where new meanings are made through tactics such as culture jamming. Culture jamming refers to the rewriting or reimagining of media such as corporate logos or advertisements in a way that subverts or overturns taken-for-granted ideas. In addition, Diver (2007, p. 14) noted that popular culture is a process through which queer girls creatively imagine possibilities, forge connections, make meaning and articulate relations.

Media Consumption

Media consumption or media diet is the sum of information and entertainment media taken in by an individual or group. It includes activities such as interacting with new media; reading books and magazines; watching television and film; listening to radio; and so on. The principles to be an active media consumer include capacity for skepticism, judgment, free thinking, questioning, and understanding (Ekharefo and Uchenunu, 2014). With social media networks rapidly growing such as Instagram, Facebook, Twitter and other social network sites, our world of media consumption is reaching youths and younger age group, making our consumption much larger as a country. With easy access to mobile devices such as iPhone, news, entertainment, shopping and buying is all now at the tip of our fingers, anytime, anywhere (Sambuno, 2016). In a research carried out by Broadcasting Board of Governors (2014) on contemporary media use in Nigeria, it was revealed that new media platforms empowered by internet connectivity surpassed ownership rate of both radio and television. This trend in ownership of mobile smart phones is likely to revolutionize communication in the near future as personal ownership rate increased by 10 percent points in 2012. Their research findings also revealed that the percentage of mobile phone ownership is more prevalent among those aged 24-34, well ahead of those aged 35 and above and also leading those of age 15-24 due to their lack of purchasing power suppressing the rate among younger Nigerians. It is particularly revealing from their research findings that younger Nigerians engage in accessing the internet and social networking sites weekly. Media consumption in any given contemporary society is on the increase due to easy accessibility of mobile and technological gadget. In a holistic research conducted by Statista (2018) on number of internet users in Nigeria from 2013 to 2019 revealed that internet usage in 2018 is 84.3% and by 2019 it will increase to 93%. This new trend in media consumption have not only opened youths to the ample opportunity of consuming versatile information on diverse social web platforms but have created a door way for youths to be at the centre of news creation. Due to the freedom created by new media technology, young-news consumers are creating their own news and developing their own content of self-expression rather than media approval of their creative production. The paradigm shift in modern media consumption by younger news consumer is that their mind set has moved from competition (Me perspective) to cooperation (We perspective) 'underscored by big-data possibilities developed out of the emergent sharing economy – moving from an old individualist perspective to a collective mindset' (Okusaga, 2018, papa. 2). Media content and consumption have moved from only controlled content (professional) to uncontrolled content (armature) which has altered a lot of culture and also brought to light certain types of cultural practices that was thought to be nonexistent. The influence of social websites empowered by new media technology and internet connectivity has not only increased news consumption of youths and younger generation but it has also greatly promoted pop culture across boundaries and nations. The influx of youths on social media platforms have created a domicile modification in character which have shifted their needs and accommodate their preference for diverse culture (Akande, 2018).

The Intersection of Social Media and Pop Culture

The content and flow of information on social media is hardly controlled as access is not monopolized making connectivity between and within audience possible all over the globe. In addition, communication does not flow in a centralized way from the top or centre of the society because its prevalence outpaces regulation making it easy for pop culture to easily reach out to its audience. The intersection between social media and pop culture will go beyond national boundaries and create

ideological alliance. Social media platforms has given birth to internet based pop culture which has facilitated knowledge in diversification of popular culture and has deeply affected our sense of cultural creativity (McQuail, 2000). Thus, entertainers and musical groups get involved with social media because social media offers them an incredible opportunity to engage and make an immediate connection with their fans (Arends, 2011). Celebrities in the entertainment industry are taking the advantage to reach and engage fans in their target market. In this fast-paced, digital world, industries, brands, and products are all competing for audience attention. It is a known fact that due to the activity of pop culture on diverse social media platforms a lot of people are glued to their phones because that is where the action is constantly taking place. A popular music producer on social media using snapshot as a marketing instrument discovered that out of the one million daily active users, 71% are under the age of twenty-five – his ideal market. This is a clear indication of how entertainers of pop culture connect their targets especially youths through social media platforms (Easy Media, 2017).

A popular social media site can allow audio streaming of song clips, the displaying of current music videos, an online blog and photo galleries. Such tools can offer an immediate connection between musicians and their fans. Popular social media sites offer instant connectivity, so entertainers (or their agents) can update a social media page from anywhere they can get an Internet connection, including Wi-Fi hotspots. Links from a social media site to the entertainer's main site can result in additional revenue by spurring product purchases. Not only can bands promote their current albums, but they can advertise items such as hats, sweatbands, T-shirts, posters and any other branded items they offer. Such online publicity allows musicians to let fans know all of their latest news and significant achievements as well as offering information on the prerelease sale of new projects and the fans respond. They post feedbacks, ask questions, and post messages on the bands fan pages. The world of social media has in many ways allowed entertainers to be viewed by fans as approachable and friendly. In a sense, social media levels the playing field between the famous and not so famous. The social media environment becomes an odd mix of entertainment report, reality TV and fan base. Social media allows pop stars to keep their past, present and future offerings constantly in front of fans (Arends, 2011).

Uses of Social Media by Nigerian Youth

Social media and its consequent effect on a range of attitudes and beliefs on Nigerian youths are evident in contemporary public discourse. It is a major concern of how media content and flow of information that out space regulations can either influence the Nigerian youth positively or negatively. Nonetheless, efforts to control the content of new media influences have raised timely and penetrating questions about the types of features or interactions that warrant attention. Social media has become a sine qua non in the life of Nigerian youths as it is now a part of their everyday life. This is evident as it is constantly noticed in diverse places that youths tightly hold their phones which is more or less their companion (Ibidapo, 2014). The new media which is propelled and driven by the Internet has provided platforms for social interactions between and among Nigerian youths in such a manner that no older platforms/media can boast of. The new media display such potentials that the only limitation to the dynamism is ignorance or illiteracy in terms of the ability to use the hardware and/or software for maximum effects in the realm of communication, education, politics, economics, social or technology (Adaja and Ayodele, 2013).

Social media, which include blogs (political Blog), networks (Facebook, Twitter, etc), video sharing (YouTube) audio sharing (Podcast), mobile sites (2go etc), image or picture sharing (flicker), etc have the capacity of boosting Nigerian youths participation because of its openness, conversation nature, connectedness, and textual and audio-visual characteristic appeal (Abubakar, 2011 p.447). It is imperative to concede to the fact that social media are “fast becoming the default internet mode of interaction, communication and collaboration” (Verster, 2010). According to Abubakar (2011), “social

media are both internet and mobile based apparatuses that allow people to easily share and discuss information". Thus, the role of the different social media platforms in enhancing socio-cultural, economic, political and technological development of any nation as well as its citizenry can never be overemphasized.

The internet has an indescribable power to influence, connect and mobilize youths. Some youths have lost their control over social media usage and begun having problems with their functionality in social, vocational and personal circles as the internet has taken over total control of their lives (Ajewole and Fasola, P. 62). Idakwo (2011) in Ajewole and Fasola (2013 p. 62) posit that school work and social interaction have been affected at the advent of these social media. Undergraduates spend more time on Facebook, Twitter and other social networks through smartphones that are now in abundance among these youths. Many youths cannot go for two-three hours without checking and updating their profiles on these social networks even at the detriment of other activities such as educational and career pursuit. Ajewole and Fasola (2012 p. 63) further says that, today's youths have grown up understanding the power of the internet and as a result they feel a constant pressure to be connected with their peers through maintaining a continuous connection with technology. Their connectedness is creating new kinds of peer-to-peer relationships that are considerably different from what used to be the norm.

The spiraling effects of social media platforms have signaled a wide range of youth's connectivity that has built a strong networking relationship between them. Facebook, Instagram, Snapchat and Twitter which are the popular social media platforms in Nigeria have become invaluable tools for keeping in touch with friends and family. Indeed, social media are opening up the Nigeria social space in new ways. It is now the new equalizer that is breaking the information monopoly that was enjoyed by the state and a few media houses. In the process, it is unleashing hidden journalistic talents as we witness a mushrooming of bloggers, citizen journalist, social commentators and critics. The latter are a part of a new generation of social activists who have now appropriated this new technology and now use it to network, share news stories, ideas, criticize and vent their frustrations. Elatedly, citizen power is now growing. Those who were formerly voiceless now have a voice. These voices are now possible once you can sign up to an account on a social media, say Twitter or Facebook. Social media have become a veritable tool with vast potential to use for awareness creation, sensitization and social mobilization (NigerianMonitor, 2013).

According to Sawyer (2011, p.3-4) people use social media for many reasons. First, the need for connection and interaction with other people is evident. As supported by Maslow's Hierarchy of Needs, people desire to fulfill a sense of belonging through support from relationships with others. After obtaining physiological and safety needs, people strive to achieve Maslow's third need of belonging. New social media provide this opportunity where people can communicate with others and belong to different networks via virtual communities on the Internet. In relation to interacting with others online, people use social media to gain knowledge and learn about different opinions and perspectives of issues, topics, and events. Most importantly, new social media is used for socializing; it is a form of media that allows people to participate in conversations and online dialogue without being face-to-face with others.

Influence of Social Media on Culture

It is somewhat predicted that the internet is also an instrument of glorification by its 'technophile' advocate. The social media empowered by the internet is transforming lives and changing societies towards a more enlightened and creative existence. The audience or users of the new media technology are constantly told that internet will revolutionize human existence. The transformation of societies through the new media technology has constantly changed the way we talk, work, play and interact with each other globally. Thus, the impact of digital new media is already evident on diverse culture of the world (Furedi, 2015).

While cultures around the world value their individual traditions, beliefs, and norms that make them unique, social media links people around the world regardless of differences and geographical boundaries. According to Chen and Zhang (2010), "The compression of time and space, due to the convergence of new media and globalization, has shrunk the world into a much smaller interactive field". People across the globe can interact with each other within seconds of sending and receiving messages. Social media has brought people from different cultures together in the "global village."

People use social media to learn about their host countries, establish and maintain relationships, and stay informed with events in their home countries (Sawyer, 2011). In the process of learning, contesting, confronting and promoting culture through the internet empowered by social media, our lives and behaviours have been greatly influenced. In recent times, the social media has been instrumental in outbreaks of social protest and resistance like “the mushrooming of occupy protests, the Arab Spring, the mobilization of resistance against the Government of the Ukraine or in Hong Kong was heavily dependent on the resources provided by the social media”. Social media is indeed a power tool for transforming and promoting public participation, engagement and the process of democratizing public life and culture (Furedi, 2015, para 2).

In relation to new social media, differences in individualistic and collectivistic cultures are apparent in users’ communication and behavioral styles. Rosen, Stefanone and Lackaff (2010) describe how people from individualistic cultures focus on meeting new people and being seen by many people, rather than maintaining their already existing relationships. On the other hand, people from collectivistic cultures utilize social network sites to “maintain close relationships with a small number of ties instead of creating new connections with people” (Rosen et. al, 2010). Peters (2013) in her work: ‘social media and its influence on culture’ cites an example on how social media such as Facebook are used by youths to share their culture and cultural practices with friends and in turn learn likewise about the culture of others in the western world. Another example cited is the sharing of new born baby pictures on Facebook which is received with mixed feelings as it contradicts the offline (African or Developing Countries) cultures (P.2). Social media has also caused revolution in cultures across the globe ranging from girl right to education in Pakistan, radicalization of jihadist youth in the west, female circumcision etc. A lot of cultures in the globe have gone through a process of political correctness via imperial social media of dominant government campaign like was seen in the Arab spring spiraling through Arab nations such as removal of Presidents in Tunisia, Egypt, Libya and Syria. Inarguably, social media has ‘enabled greater political awareness and organization, rewriting political landscapes and causing significant change in the way we live today’ (Lowisz, 2014, para 2). Taking into cognizance the consequent effect of social media in cultural change and transformation can either be misleading or deceptive if not properly monitored and controlled. For example, in many cases, Muslim youths in the west have been radicalized into jihadist youth. There are considerable evidence of young Muslims from good cultural background who go online to visit jihadist social media pages have gone through a process of self-radicalization (Furedi, 2015).

Also in the work of Peters (2013), participants discussed the economic advantages of owning a Facebook account. Many participants advertise their goods, services or themselves on Facebook and one participant mentioned that Facebook contributes to a “cleaner city” because it gets rid of paper ads. Words like “mass customization” were also used and of course, this advertising space is “free”. Selling on Facebook also extended beyond the geographic borders of participants and new methods of dealing with foreign traders/sellers and currency transfer takes place. Different mechanisms are implemented to trade online beyond their own geographic boundaries. Participants also discussed how they used Facebook as e-learning platform by forming class and course groups, sharing assignments, asking and answering questions and since most of them access Facebook via cellphones and often cannot access other internet sites, they would collaborate with friends who have access to computers to look up information. “Our internet culture, like the internet itself, is always changing. Whether through casual references to the latest meme or through finding sources to corroborate claims in an essay, our internet culture has and will continue to influence the way we communicate and interact with one another, both in person and online” (Tim, 2007, para 2).

The Nigerian Youth as a Gullible Consumer

Growing up in an era when mass media representatives increasingly pervade their cultural environments and imagination, youth are challenged to use popular images and stories to make sense of their lives and communicate their differences. Popular cultures are intensely passionate sites through which learning and enjoyment overlap in the daily experiences of youths. While they constitute public pedagogical tool of knowledge, popular cultures are also realms in which youths derive pleasure, elaborate fantasies, and feel belonging. When it comes to popular cultures, youth interests,

interpretations and identifications are hard to pin down; they are incredibly complex realm in which changing selves and social languages converge unpredictably. In this way, popular cultures simultaneously regulate relations and spur questioning, they are controlling and permissive, and they reproduce conformity one minute and disrupt normative codes the next minute. The enticements and incitements of pop culture provide a productive meeting point between texts, subjectivities, and collectivities through which to consider Nigerian youths (Diver, 2007). Social media as medium of communicating popular cultures contains 60% entertainment and have a high dosage of foreign (Western) material. These contents are produced without our (African) culture in mind as a result wrong or conflicting culture is circulated. According to the Nigerian Youth Policy (2001, p. 2) youth comprises all young persons between the ages of 18 and 35 years who are citizens of the Federal Republic of Nigeria. These youths consist one third of Nigerian's population and they are the ones that make use of these social media sites such as Facebook, Instagram, LinkedIn, Twitter, YouTube, Flickr etc to derive pleasure, communicates and feel sense of belonging.

The Nigerian youth becomes gullible on the precise that they consume almost any content on the internet that is foreign to Nigerians and in most cases conflicting with our culture. This is because of the addictive power mobile smart phones empowered by the internet have on youths that makes them susceptible to learning popular cultures that are contrary to African culture (Osahenye, 2012). The unstoppable power of the social media has a contagious and outreaching influence which the conventional media lack. The mass appeal of social media has become a concern for Nigerian youths particularly considering the amount of time spend online (Lami, 2011). A study conducted in 2013 revealed that youths spend most of their time on social media for the purpose of entertainment, pornography, follow news about their celebrities, share images and discuss with friends and family members (Greg, Euphemia, Asogwa and Obiorah, 2013). Due to the exposure of controlled and uncontrolled content on social media, Nigerian youths are consuming too much of foreign content that have made them mentally, psychologically and intellectually enslaved to foreign cultures which have affected their ways of dressing, dancing, eating habits and how they relate to people in their environment.

An excerpt from Nigerian Monitor (2013) states that: as usual, youthful exuberance or perhaps unguarded youthful exuberance has taken over the airspace; unclad, offensive, sexually appealing and sexually abusive pictures are the new strategies inhibiting the youths from productive use of the social media. Youths that are craving to attain cheap fame, tend to step over the line by introducing this technique to attract and expand their network base. Pictures revealing entire unclad body, parts of private parts, entire private parts, chest, laps etc are posted with little or no regard to other users. Such youths use these aforementioned pictures as their contact pictures while others post it periodically online. On the other hand, various youths have debated extensively on this worrying trend, arguing that it is sheer abuse of social media, infringement on the rights of other intending users by intentionally posting such pictures on general sites and a violation of the tenets of religious doctrine.

Conclusion

The emergence of social media and diverse platforms empowered by the internet has a far reaching effect and influence on Nigerian youths than any other form of media. Social media has indeed revolutionized communication and has broken the monopoly of traditional media once enjoyed by the state and few media institutions. In recent times, youths have been the most gullible users of social media as they are at the centre of this new trend of communication. This has however, open youths to a whole new world of unregulated media content where information surpasses boundaries of the world. The implication of this new and dynamic information age where information and diverse media content is free and at our finger tips has begun to change the way youths speak, dress, walk and address people in the society. This learned behaviour is as a result of a wide range of youth's connectivity that has built a strong networking relationship and brought about a paradigm shift in their awareness and sub conscious mind which have influenced their cultural values. The implication of the rapid usage of newer social media platforms like Facebook, Instagram, Snapchat and Twitter and others have inculcated a sense of global cultural acceptance and viewing the world in newer ways different from previous generations. The growing concern of Nigerian youth's involvement and activities on social media platforms has reached an all new height. This growing concern of social media reshaping and restructuring Nigerian youths has invoked unnecessary attention to attain cheap fame in order to attract

and expand their social network base (for more see, Ibidapo, 2014). These new ways of cyber or online lifestyle is well reflected in Nigeria owing to acquiring and distribution of media content that makes the Nigerian youths to copy and act foreign cultures; thus, revealing sensitive and private parts of their body are posted with little or no regard to other users. Such youths use these aforementioned pictures as their contact or display picture while others post it periodically online (Nigerian Monitor (2013).

The attitudinal change in the cultural value of Nigerian youths is evident that they are gullible users of social media. Due to the unregulated control of cyber space, issues are raised over what type of features and interactions warrant attention for regulation by the state as social media has become a sine qua non in the life of Nigerian youths. The prevailing effect of social media is constantly noticed in diverse places as youths now have sentimental attachment to their phones that has become more or less their companion. However, these smart phones has over time made youths susceptible to learning popular cultures that are contrary to African culture. This conflicting cultural mix has even made it

difficult to understand the way of life of Nigerian youths as they tend to live a life of secrecy and double standard online and offline.

It will therefore be naïve or unwise to think that immediate change of youths to social media addiction is the solution. As a matter of fact, it will be an almost impossible task to curb youths involvement on social media platforms due to the information age we now live in rather it is a long lonely road of sensitization and education that will bring about somewhat change in the life of Nigerian youths. This is because youths have effectively keyed into the capabilities and potentials of social media and they spend enormous amount of time on social networking which is signaling obsession. These networking sites have aided a radical change in the social, interpersonal and personal behaviour of youths in recent times and they have become an essential medium for communication and entertainment among youths. Thus, this attributes of social media have brought about isolation as youths tend to spend more time online than with individuals and family members which have started to affect their daily activities of normal human interaction and productivity. Consideration to limit the time youths spend on social media, though a daunting task, but if achieved will go a long way in curbing addiction and obsession thereby sustaining Nigeria cultural heritage.

Recommendations

It is imperative to engage and sensitize Nigerian youths to the benefits of using social media sites for education and innovation purposes rather than engaging themselves with illicit content that tend to erode their cultural values.

While it is impossible to control the type of contents displayed on social media, youths should be encouraged to use social media or internet websites more creatively to their advantage and to the benefit of the society.

There is a need for youths to understand the implication and consequent effect of partaking in online activities as it will help guide against becoming gullible to all sort of social media content.

Parents, guardians, tutors, religious leaders, etc. need to understand the use of these forms of media and, if possible, attempt to use them, and try to be involved thereby monitoring their wards on how youths use these sites.

Youths should not be discouraged in using social media but rather encourage due to the information age we now live in. They should be encouraged to engage social media pro-actively and profitably.

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**A POSTSCRIPT OF MDGS IN NIGERIA WITH REFERENCE TO SOCIAL
PLANNING AND DEVELOPMENT**

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Abstract

The place of social planning as a veritable mechanism for development to occur cannot be over emphasized. This paper sought to give a retrospective-prospective analysis of a global planning strategy adopted by most nations to better the lives of people – MDG's. It is in this light, that the study using secondary data evaluated the MDG's epoch in Nigeria, how far and how well they achieved their set targets. The paper opined that although the MDGs era in Nigeria recorded minor progress with regards to targeted goals, it did not meet the required reasonable targets. Hence as the world shifted attention to the SDG's, it becomes imperative that Nigeria should strive to achieve the new goals through a concerted effort by all stakeholders. It is therefore essential that the Nigerian government distillates on key areas that can help boost and sustain its developmental objectives to avoid the inadequacies in achieving the MDG's.

Keywords: MDGs, SDGs, Nigeria, Social Planning, Development.

Introduction

It is common knowledge within development circle that development involves a physical reality and a state of mind (Adejumo and Adejumo, 2014). In recent years, the reality of some people and countries (especially developing countries) continues to reflect impoverishment and development inadequacies. People wallow in abject poverty - a cankerworm against growth and development (Ajiye, 2014). For example, it is said that more than 1.2 billion people or about 20 percent of the world population live or survive on less than US \$1 per day (Shetty, 2005: 67). The United Nations Development Programme (UNDP) in its 1998 Report documented that the three richest countries in the world have assets that exceed the combined Gross Domestic Product (GDP) of 48 least developed countries (UNDP, 1998 in Ajiye, 2014). Similarly, it was said that the 1000 richest people in the world have personal wealth greater than 500 million people in the least developed countries (Ibid). These issues became worrisome they converged and developed a blueprint to channel efforts to meet the needs of the world's poorest. The blueprint was tagged the Millennium Development Goals (MDGs) with an eight-point agenda and specific target. It is a bundle of developmental goals and a target committing about 189 independent states including Nigeria and virtually all of the world's main multilateral organisations to an unprecedented effort to reduce multidimensional poverty through global partnership. The Millennium Declaration was signed in the year 2000 in New York and the year 2015 was fixed as the deadline for achieving most MDGs (Kayode et al: 2012: 2 in Ajiye, 2014).

The MDGs have specifically eight goals: Eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and women empowerment; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria and other diseases; ensure environmental sustainability; and develop a global partnership for development (Lawal et al 2012 :74 in Ajiye, 2014). To surmount and meet these goals, poorer countries pledged to invest in their people through healthcare and education

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while wealthier nations vowed to support them by providing aid, debt relief and fair trade. Goal Eight sets objectives and targets for developed countries to achieve “global partnership for development” by supporting fair trade, debt relief for developing nations, increased aid and access to affordable essential medicine and encouraging technology transfer. Meanwhile, developing countries were not left on their own to achieve the MDGs, but as partners in development to reduce world poverty. These laudable goals were described as a road map for world development by the year 2015 using 1990 as baselines (Ajiye, 2014). The Millennium Development Goals (MDGs) therefore have been the world’s only time-bound and quantifiable targets for addressing extreme poverty in its many dimensions: income poverty, hunger, disease, lack of adequate shelter, and social exclusion, while promoting gender equality, education, and environmental sustainability (Oleribe and Taylor-Robinson, 2016). Based on these goals, the world has galvanized previously unprecedented efforts to meet the needs of the world’s poorest and most disadvantaged (United Nations, 2015 in Oleribe and Taylor-Robinson, 2016).

Nigeria, like most other nations of the world, signed this treaty and promised to work towards the realization of this goal. To achieve this, a number of steps were taken, including the release of central government funds. Offices were created and individuals appointed to key positions to work towards the MDG targets (Oleribe and Taylor-Robinson, 2016). This is 2018 and 2015 (endpoint for the MDG’s) was three years ago. Did Nigeria actualize the goals set? Have there been strides made thus far in revamping the poor state of the Nigerian society through appropriate social planning manifesting in sustained development? Or is the country, like other nations pursuing the Sustainable Development Goals (SDG’s) when she did not score well in the MDG’s? These are some of the issues this paper seeks to analyse as we examine a postscript of the MDG’s with special reference to social planning and development in Nigeria.

Methods and Materials

The paper is an analytical one, based on retrospective-prospective study design. As earlier noted the MDG’s have come and gone, hence we will deploy historical analysis while also examining the MDG’s from a Post perspective view in its impact on Nigeria’s social planning and development. Academic works earlier done that has linkage with this paper will be duly consulted to give us a robust literature review. Empirical findings from earlier works and critical analysis will be used in x-raying the issues that bother us in this study, some level of comparative analysis will equally be needed in trying to see what other countries did regarding the MDG’s.

Social Planning and Development

Development means as a concept is a victim of definitional pluralism which has been given different meanings to its credence by different scholars based on their ideological belief or intellectual capacity (Durokifa and Abdul-Wasi, 2016). The linear movement of the concept from an economic growth based to general well-being and now multi-dimensional well-being had kept the definition varying (Seers, 1969; Harris, 2000; UNDP, 2000; S’a Cobinah, Black and Thwaite, 2011, UNDP, 2015 in Durokifa and Abdul-Wasi, 2016). Rodney (1976 in Durokifa and Abdul-Wasi, 2016) describes development as the ability of a state to harness its resources for the beneficial use of its citizens. Ghai (1977:6) defines development as the availability and accessibility of man’s fundamental needs such as: food, shelter, clothing, education, and health. Todaro and Smith (2005: 51) cited in Akume (2014: 443) views “development as a distinct transformation by which an entire society transforms the lives of its citizenry and social groups from an unsatisfactory way of life to a fine-tuned life, regarded to be materially and spiritually better.

Therefore, it can be deduced that the whole essence of development is to enhance advancement and improvement that is reflective on individuals, and the political, economic, social and cultural aspect of the state (Durokifa and Abdul-Wasi, 2016).

Development is human-centered, equally carried out by humans to meet their needs and future needs. For development to be in motion, adequate social planning must also be in motion. As opined by Ekpung (2015), planning is a conscious and deliberate use of the resources of the community for achieving pre-determined objectives. Prof. H. D. Dickson, in Stephen and Osagie (1985:408 in Ekpung, 2015) stressed that, planning is the making of major economic decisions, what and how much is to be produced and to whom it is to be produced and to who it is to be allocated by the conscious decision of determinant authority, on the basis of a comprehensive survey of the economic system as a whole

(Ekpung, 2015). Hardina (2017) stated that social planning is a process for planning social services programs, services, and policies. Government agencies engage in large-scale development, research, and planning to address social problems. From the foregoing, we can thus opine that a Social Development Plan is a comprehensive plan that focuses on enhancing the quality of life for the citizens of a community and helps provide a direction for future decisions in the key areas identifies by its community members. It is built through a collaboration of citizens, organizations, and government, and creates a balance between the social, health and economic needs of that community. The strength of a Social Development Plan lies in its ability to engage citizens, mobilize the community, and to reinforce and build upon the work already being done (<http://www.draytonvalley.ca/social-development-plan/>). From a global viewpoint, the MDG's became a tool or mechanism for some level of planning by developed, underdeveloped and developing countries to raise the quality of life of their people. Hence the MDG's were set out as one of those key strategies for achieving that.

Millennium Development Goals (An overview)

Kolawole, Adeigbe, Zaggi & Owonibi (2014) stated that according to UNDP, the MDGs are comprised of the following eight goals, targets, and indicators:

* Goal 1: Eradicate Extreme Poverty and Hunger

Target 1: Reduce by half the proportion of people living on less than a dollar a day

1. Proportion of Population Below \$1 (PPP) per Day (World Bank)

2. Poverty Gap Ratio, \$1 per day (World Bank)

3. Share of Poorest Quintile in National Income or Consumption (World Bank).

Target 2: Reduce by half the proportion of people who suffer from hunger

4. Prevalence of Underweight Children Under Five Years of Age (UNICEF)

5. Proportion of the Population below Minimum Level of Dietary Energy Consumption (FAO)

* Goal 2: Achieve Universal Primary Education

Target 3: Ensure that all boys and girls complete a full course of primary schooling

6. Net Enrolment Ratio in Primary Education (UNESCO)

7. Proportion of Pupils Starting Grade 1 who Reach Grade (UNESCO)

8. Literacy Rate of 15-24 year-olds (UNESCO)

* Goal 3: Empower Women and Promote Equality Between Women and Men

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015

9. Ratio of Girls to Boys in Primary, Secondary, and Tertiary Education (UNESCO)

10. Ratio of Literate Women to Men 15-24 years old (UNESCO)

11. Share of Women in Wage Employment in the Non-Agricultural Sector (ILO)

12. Proportion of Seats Held by Women in National Parliaments (IPU)

* Goal 4: Reduce Under-Five Mortality By Two thirds

Target 5: Reduce by two thirds the mortality rate among children under five

13. Under-Five Mortality Rate (UNICEF)

14. Infant Mortality Rate (UNICEF)

15. Proportion of 1 year-old Children Immunised Against Measles (UNICEF).

* Goal 5: Reduce Maternal Mortality by Three quarters

Target 6: Reduce by three quarters the maternal mortality ratio

16. Maternal Mortality Ratio (WHO)

17. Proportion of Births Attended by Skilled Health Personnel (UNICEF)

*Goal 6: Reverse The Spread of Diseases, Especially Hiv/Aids And Malaria

Target 7: Halt and begin to reverse the spread of HIV/AIDS

18. HIV Prevalence Among 15-24 year-old Pregnant Women (UNAIDS)

19. Condom use rate of the contraceptive prevalence rate and Population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS(UNAIDS, UNICEF, UN Population Division, WHO)

20. Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years

Target 8: Halt and begin to reverse the incidence of malaria and other major diseases

21. Prevalence and Death Rates Associated with Malaria (WHO):

22. Proportion of Population in Malaria Risk Areas Using Effective Malaria Prevention and Treatment Measures (UNICEF):

23. Prevalence and Death Rates Associated with Tuberculosis (WHO):
24. Proportion of Tuberculosis Cases Detected and Cured Under Directly-Observed Treatment Short Courses (WHO)
 - *Goal 7: Ensure Environmental Sustainability
 - Target 9: Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources.
 25. Forested land as percentage of land area (FAO)
 26. Ratio of Area Protected to Maintain Biological Diversity to Surface Area (UNEP)
 27. Energy supply (apparent consumption; Kg oil equivalent) per \$1,000 (PPP) GDP (World Bank)
 28. Carbon Dioxide Emissions (per capita) and Consumption of Ozone-Depleting CFCs (ODP tons):
 - Target 10: Reduce by half the proportion of people without sustainable access to safe drinking water
 29. Proportion of the Population with Sustainable Access to and Improved Water Source (WHO/UNICEF)
 30. Proportion of the Population with Access to Improved Sanitation (WHO/UNICEF)
 - Target 11: Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020
 31. Slum population as percentage of urban population (secure tenure index) (UN-Habitat)
 - * Goal 8
 - : Create A Global Partnership For Development, with Targets for Aid, Trade and Debt Relief
 - Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system, includes a commitment to good governance, development, and poverty reduction — both nationally and internationally
 - Target 13: Address the special needs of the least developed countries Includes: tariff and quota- free access for least developed countries' exports; enhanced programme of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction.
 - Target 14: Address the special needs of landlocked countries and Small Island Developing States.
 - Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.
 - Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth.
 - Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries
 - Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications Official development assistance
 32. Net ODA as a percentage of OECD/DAC donors' gross national product (targets of 0.7% in total and 0.15% for LDCs)
 33. Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation)
 34. Proportion of ODA that is untied
 35. Proportion of ODA for the environment in Small Island Developing States
 36. Proportion of ODA for transport sector in landlocked countries
 - Market access
 37. Proportion of exports (by value and excluding arms) admitted free of duties and quotas
 38. Average tariffs and quotas on agricultural products and textiles and clothing
 39. Domestic and export agricultural subsidies in OECD countries
 40. Proportion of ODA provided to help build trade capacity
 - Debt sustainability
 41. Proportion of official bilateral HIPC debt cancelled
 42. Total Number of Countries that Have Reached their HIPC Decision Points and Number that Have Reached their Completion Points (Cumulative) (HIPC) (World Bank-IMF)
 43. Debt Service as a Percentage of Exports of Goods and Services (World Bank)
 44. Debt Relief Committed Under HIPC Initiative (HIPC) (World Bank-IMF)

- 45. Unemployment of 15-24 year-olds, Each Sex and Total (ILO)
- 46. Proportion of Population with Access to Affordable, Essential Drugs on a Sustainable Basis (WHO)
- 47. Telephone Lines and Cellular Subscribers per 100 Population (ITU)
- 48. Personal Computers in Use and Internet Users per 100 Population (ITU).

According to the Department for International Development (DFID) (2007, in Kolawole, Adeigbe, Zaggi and Owonibi, 2014), the MDGs were introduced as of a wider attempt to encourage the international community to stop talking about making a difference in developing world and join forces to start doing something about it. Alongside the goals, a series of 18 targets were also drawn up to give the international community a number of tangible improvement to aim for within a fixed period of time, and also make it easier for them to progress to date [Table 1]. The intention is that almost all of these targets would have been achieved by 2015.

Table 1: MDGs, Goals and Targets

Goals	Target
MDG 1; Eradicate extreme hunger and poverty	Target 1. Halve between 1990 and 2015 the proportion of whose income is less than \$1 a day.
MDG 2; Achieve universal primary	Target 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger.
MDG 3; Promote gender equality and empower women	Target 3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
MDG 4; Reduce child mortality	Target 4. Eliminate gender disparity in primary and secondary education, preferably by 2005 and in all levels of education no later than 2015
MDG 5; Improve maternal health	Target 5. Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.
MDG 6: Combat HIV/AIDS, Malaria and other diseases	Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio
MDG 7: Ensure Environmental Sustainability	Target 7: Have halted by 2015 and began to reverse the spread of HIV/AIDS
MDG 8: Develop a Global Partnership for Development	Target 8: Have halted by 2015 and began to reverse the incidence of malaria and other major diseases Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation. Target 11: Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction both nationally and internationally) Target 13: Address the special needs of the Least Developed Countries (includes tariff and quota-free access for Least Developed Countries? Exports, enhanced program of debt relief for heavily indebted poor countries(HPCs) and cancellation of official bilateral debt, and more generous official bilateral debt, and more generous official development assistance for countries committed to poverty reduction). Target 14: Address the special needs of landlocked developing countries and small island developing states (through the Program of Action for the sustainable development of Small Island Developing States and 22 nd General Assembly provisions) Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long-term Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries. Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information communication technologies.

Source: Kolawole et al (2014)

Retrospective Analysis of the MDSs

Hume (2009:4 in Ajiye, 2014) opined that the Millennium Declaration at the Millennium Summit in September 2000 was the world's biggest promise – a global agreement to reduce poverty and human deprivation at historically unprecedented rates through collaborative action. They differ from all global promises for poverty reduction in their comprehensive nature and the systemic efforts taken to finance, implement and monitor them – they envelop you in a cloud of soft words and good intentions and moral comfort (Saith 2006:1167). The Millennium Development Goals (MDGs) are the world's time-bound and quantified targets for addressing extreme poverty in its many dimensions -income poverty, hunger, diseases, inadequate housing – while promoting gender equality, education and environmental sustainability (MDGs Nigeria Report 2010).Az- Zubair(2013:1 in Ajiye, 2014) observed that the Countdown Strategy has been designed to identify the gaps and lay out the policy actions, investments, and milestones that will help us further scale up our successes and remedy our weaknesses. She further pointed out that it provides a road map to achieving the MDGs, drawing on the administration's direct engagement with issues such as improving service delivery and public accountability, increasing investment, and building partnerships across the three tiers of government. In particular, she said it will be the reference point for any new administration, so ensuring that the opportunity to renew momentum provided by such a transition is seized rather than wasted. She further opined that for the MDGs to be achieved on time, massive pro-poor investments will have to be made across all sectors. Without this, lack of investment in one particular area will wipe out the successes recorded through interventions in others, which according to her is the reason why there is a need for a coordinated strategy of accelerated impact as we race towards 2015. Olatunji (2008: 23) conducted a study on the roles of Corporate Social Responsibility (CSR) in achieving the MDGs in Nigeria. He studied the CSR programmes of selected manufacturing companies in two areas in the south-west. His findings showed that more CSR programmes for manufacturing companies are needed to achieve the goals. He called for increased community involvement and empowerment in developmental projects, rather than the present approach that emphasises “money giving” and haphazard execution of CSR projects.

Aribigbola (2009:7) studied the institutional constraints to achieving the MDGs in Africa, using the example of Akure Millennium City and Ikaram/Ibaram Millennium Villages both in Ondo state. He observed that although both the Millennium City and Millennium Village projects have taken off as programmed, the effect of the programme has not been widespread especially in Akure, though the effect of the programme seems visible in the millennium village. He discovered that the problems which programmes are designed to solve are still widespread and the lack of adequate conceptualization of the project militate against full implementation of the project. He identified lack of conceptualisation and understanding both by the implementers and the will of the beneficiaries (people at the grass root), over politicization by the government, lack of interest on the part of grass root would-be beneficiary/ community and inadequate funding and capacity underutilisation as the major problems militating against the success of the project. He recommended collective participation that will carry the community along in project design, and implementation as crucial to the achievement of the MDGs cum complete removal of civil service bureaucracy (Ajiye, 2014).

According to a UNDP Report (2010), the Millennium Development Goals (MDGs) represents the world's commitments to deal with global poverty in its many dimensions. This commitment is supported by a global partnership which calls for country-led strategies and support from developed countries in the areas of trade, Official Development Assistance (ODA), debt sustainability and access to medicine and technology. The World Health Organisation (WHO Report 2010) observed that MDG are currently the highest level of expression of the international community to developmental priorities. It explained that the MDGs commit the international community to an action agenda which emphasizes sustainable human development as the key to fulfilling social and economic progress. It further stressed that all the 191 member states of the United Nations Organisation have pledged to achieve these goals by the year 2015. It observed that the MDGs goals and their targets and indicators have widely accepted as a framework for measuring national and global development progress.

Interestingly, Arif et al (2005:67 in Ajjiye, 2014) are of the opinion that MDGs represent a new attempt to increase the effectiveness of development assistance in reducing poverty with a time-bound targets and strong commitment to monitor progress. They pointed out that in order to achieve these laudable MDGs objectives, it is imperative to address the need for water sanitation, health care, schools, employment and poverty crisis, especially among the less developed economies. In any case, the MDGs are beautiful reforming tools that will transform the have not in our societies and erase extreme poverty class in any third world country. The government at all levels must put all synergy into ensuring that the goals become a reality rather than aspiration, putting into consideration the 2015 benchmark. The goals are quite achievable if our leaders are prudent and ready to channel all the required resources to ensure the success of the goals.

Achievements of the MDG's in Nigeria – An Appraisal

This section critically analyses the achievements of the MDG's in Nigeria. Most observers have noted that Nigeria failed in meeting the MDG's. Others opined that Nigeria made some strides in achieving the goals.

Nigeria was among the 189 countries that adopted the MDGs in the year 2000. The programme was part of the government plan to reduce poverty and uphold sustainable development. The MDGs, however, commenced in 2005, after the cancellation of the debt relief. The cancellation of the debt enabled the government to save US\$1 billion annually and this led to the increase and target of pro-poor interventions such as YES, You Win, Conditional Cash Transfer, Conditional Grant Scheme, etc. (Igbuzor, 2013; Olabode, et al, 2014:47-48; Nigeria MDGs Report:16-17 in Durokifa and Abdul-Wasi, 2016). MDGs project in Nigeria has gulped about N1.4 trillion between 2006 and 2010 (Az-Zubair; 2010). Prodding further, an analysis of the 2012 budget shows that a total of more than 3 trillion was spent on MDGs (PCAMMDGs, 2013 in Durokifa and Abdul-Wasi, 2016). According to UNDP (2007), in 2003, the Government of Nigeria approved a poverty reduction strategy, the National Economic Empowerment and Development Strategy (NEEDS), based partly on the Millennium Development Goals (MDGs). To prioritize its spending in line with the Goals, Medium Term sector Strategies (MTSS) were developed to guide the preparation and implementation of the Medium Term Expenditure Framework (MTEF), with 57 percent of total capital spending earmarked for the MDGs related sectors. A prudential committee on the MDGs was set up in 2005, with membership comprising of the Federal and State governments, the Legislature, Civil Society organisations and the Private sector and development partners (Kolawole et al, 2014).

The robust disbursement of funds towards MDGs programme initiates commitment to the actualization of the MDG goals and targets. However, assessment reports of the MDGs do not seem to suggest much success. According to the United Nations, the number of people living in extreme poverty declined worldwide by more than half, falling from 1.9 billion in 1990 to 836 million in 2015; primary school enrolment rate has increased and the number of out-of-school children of primary school age worldwide has fallen by almost half, to an estimated 57 million in 2015, down from 100 million in 2000 across the world. There has been a significant improvement in gender equality with the empowerment of women as more girls are in school, more women are in paid employment and many more women are now in government around the world. Global under-five year mortality rate has declined by more than half, dropping from 90 to 43 deaths per 1,000 live births between 1990 and 2015 (United Nations. The Millennium Development Goals Report 2015). In addition, maternal mortality ratio has declined by 45 percent worldwide since 1990 with an improvement in contraceptive prevalence; and new malaria and HIV cases have declined, with new HIV infections falling by approximately 40 percent between 2000 and 2013, from an estimated 3.5 million cases to 2.1 million (ibid.). There are a number of unsupported claims that Nigeria achieved most of the goals, especially the HIV and maternal mortality MDG targets ahead of deadline (Akosile, 2015 in Oleribe and Taylor-Robinson, 2016). However, according to the UN report, “nearly 60 percent of the world’s 1 billion extremely poor people lived in just five countries in 2011: India, Nigeria, China, Bangladesh and the Democratic Republic of the Congo” (UN. The MDG’s Report 2015). Nigeria contributed significantly to more than 42,000 people who were forced to abandon their homes and seek protection due to armed conflicts in 2014 (ibid.). Of the 2.1 million new HIV infections that occurred in 2013, 75% occurred in just 15 countries with Nigeria, South Africa and Uganda accounting for almost half of them all (ibid.). Moreover, Nigeria has one of the lowest numbers

of children sleeping under the mosquito nets, in a comparison of surveys among nations of the world (ibid.).

Eradication of Extreme Poverty and Hunger: According to the National Bureau of Statistics (2015) extreme poverty and hunger have been prevalent in the African continent for decades. In view of this, the MDGs sought to halve between 1990 and 2015, the proportion of people who suffer from hunger. In the report, the prevalence of underweight in under-five children was measured. In 2014, the percentage of underweight prevalence was 25.50 percent which is a positive decrease by 6.9 percent in comparison with 27.40 percent in 2012. This shows that there is a lower prevalence of underweight children in 2014. Durokifa and Abdul-Wasi, (2016) stated that statistics show that poverty prevalence in the country has been on the decline. Using the halve of 1992 data which was estimated at 42.7% as a benchmark upon which progress or lack of it was gauged, poverty status has been said to be swaying. In 2004, Nigeria poverty status rose from 53.3% to 65.6% in 2006; then moderated to 54.4% in 2011 (Bello, 2007:46; Nwanolue, 2014: 5-6; Nigerian MDGs Report, 2015; 29). However, a report by World Bank (2014) stated that 33.1% Nigerians lives in poverty which is a closer range to the 21.35 % target for 2015. This report however contradicts the NBS (2011) and UNDP (2013) report estimate that about 69% people live in poverty. The figures appear not to have taken into consideration the country's vast economic growth rate following the country's poverty menace and restrict it to specific sectors like agriculture and manufacturing (ADB, 2015 in Durokifa and Abdul-Wasi, 2016).

The upturn in the agricultural sector led to the notable achievement of Nigeria's fight against hunger. FAO (2013) reports that Nigeria has been able to reduce hunger by 66% in 2012, meeting the MDG target 3 years prior 2015 deadline. This development reduced the proportion of underweight children from 35.7% in 1990 to 25, 5% in 2014 as against the 2015 benchmark of 17.85%.

In light of the above, eradicating hunger in Nigeria recorded a remarkable success while poverty reduction was not achieved (Durokifa and Abdul-Wasi, 2016).

Overall Conclusion on Goal 1: Strong progress made but goal not met (Nigeria MDG's End-Point Report, 2015)

Achieving Universal Primary Education: Education is an established instrument in bringing about development in any Nation. On this platform, MDGs provided 2015 as a bench mark for children everywhere in the world, boys and girls alike to complete a full primary education. On this ground, the Nigerian Government introduced the Universal Primary Education (UPE), Education for All Policy (EFA) and the Federal Teachers Scheme (FTS) to ensure the effective progress of MD Goal 2 (Ajjiye, 2014:28; Nigeria MDG Report, 2015:39-45). These programmes have yielded remarkable achievement following the improvement in school net enrolment rate from 60% in 1995 to 84% in 2004; 87.6% in 2006 and 88.8% in 2008 (MDG Report, 2013). However, due to the insurgency in the Northern part and insecurity in some other parts of the country, the net enrolment rate dropped to 59% in 2011 and moderated to 68.7% in 2014 (Nigeria MDG Report, 2015: 39-40; Odunyemi, 2015:35). The primary six completion rate has also witnessed a strong progress to its feet. Starting with a good performance of 73% in 1993 to 89% in 2006, dropped to 82% in 2013 then picked up to 85.5% in 2015 (Nwanolue, 2014:8; Odunyemi, ibid; Nigerian MDG Report, ibid). On the other hand, the literacy rate of 15-24 years old has witnessed fair progress as revealed by available data. From 64.1% in 2000 to 80% in 2008; bounced to 65.6% in 2011 and stepped up to 66.7% in 2014 as against the 100% target of 2015 (NBS, 2015). According to a survey by NBS (2015), the proportion of boys and girls attending primary school declined in 2014, while those attending secondary schools increased minimally. However, primary 6 completion rate recorded a slight decline in 2014.

Overall Conclusion on Goal 2: Appreciable progress but goal not met. (Nigeria MDG's End-Point Report, 2015)

Promote Gender Equality and Empower Women: According to Nigeria's MDG's End Point Report (2015), the pursuit of gender parity in basic education in Nigeria has witnessed strong progress when seen against the prevailing patriarchal culture and practices in most parts of the country. There has been a steady increase in the ratio of girls to boys in basic education in Nigeria with the end-point status of 94% in 2013 being a significant achievement compared to the 82% achieved in 1991. The statistics from

both the World Bank and Multiple Indicator Cluster Survey (MICS) corroborate the high gender parity index recorded by Nigeria. The success at the basic education level has not been replicated at the tertiary level where there is weak progress even though the policy environment has been supportive at every level of the educational pipeline.

Similarly, Nigeria has not done well in the area of the proportion of women in wage employment in the non-agricultural sector with an end-point status of 7.7% in 2010 (the most recent data).

However, in terms of women's contribution to the total labour force in both agricultural and non-agricultural sectors, the proportion has considerably increased to a record 37.7% in 2014.

The ILO statistics corroborate this with a 48.1% increase in 2011. As regards the proportion of seats held by women in the National Parliament, Nigeria has done badly, with an end-point status of 5.11% in 2015 against the expected target of 35%. The prevailing patriarchal culture and practices remain a major factor against women's access to elective positions. This is however not the case with women in appointive positions as over 30.0% of women got appointed to higher level political decision making positions in recent years.

Overall Conclusion on Goal 3: Strong progress made in gender parity but weak progress in women empowerment. Goal not met. (Nigeria MDG's End-Point Report, 2015)

Reducing Child Mortality: MDG 4 aims to reduce the mortality of children under five years of age from 191 per 1000 in 1990 to approximately 64 per 1000 live in 2015; and infant mortality rate (IMR) from 91 deaths in 1990 to 31 deaths per 1000 people (Nwanolue, et al, 2014:10 in Durokifa and Abdul-Wasi, 2016). However, the under-five mortality rate has witnessed slight progress as it has improved from 191 deaths in 1990 to 89 deaths per 1000 in 2015 as against the 63.7 deaths per 1000 target for 2015. IMR has also witnessed a similar trend, from 91 deaths per 1000 to 100 deaths per 1000 in 2004, then declined progressively to 58 in 2014 as against the 2015 30.3 deaths per 1000 target (NBS, 2014; NDHS, 2014).

An appreciable progress has been met in this area even though targets were not met. There is room for greater improvement in this area given the establishment of government interventions such as the Sure-P initiative to incentivize the uptake of maternal and child health services; the Global Polo Initiative and the Immunization Strategic Plan (Durokifa and Abdul-Wasi, 2016).

Overall Conclusion on Goal 4: Strong progress but goal not met. (Nigeria MDG's End-Point Report, 2015).

Improve Maternal Health: According to Nigeria's MDG's End Point Report (2015) the drive to make progress on this goal has seen improvements in maternal health. With a baseline figure of 1000 deaths per 100,000 live births in 1990, the Maternal Mortality Rate (MMR) consistently decreased over the years to 545 in 2008. The downward trend continued to 350 deaths per 100,000 live births in 2012 and subsequently to its end-point status of 243 per 100,000 live births in 2014. Many policy drivers made the progress possible; one being the Midwives Service Scheme while the other was the collaborative efforts made between donors and the Federal Ministry of Health and its parastatals. In the meantime, the proportion of births attended by skilled health personnel improved appreciably from a baseline figure of 45% in 1990 to the end-point status of 58.6% in 2014 with the conviction that the national figure would have been better had it not been for the wide disparities across states with lower records. The success recorded is attributed to effective implementation of the Midwives Service Scheme (MSS).

In the case of antenatal coverage, significant progress was also recorded. Antenatal coverage of at least one visit recorded an end-point status of 68.9% in 2014, and for at least four visits, the end-point status was 60.6% in 2014. The successes imply the need for a scale-up of the policy interventions.

Overall Conclusion on Goal 5: Maternal mortality target met, and strong progress made on other indicators. (Nigeria MDG's End-Point Report, 2015).

Combat HIV and AIDS, Malaria and other Diseases: The prevalence of HIV among pregnant young women aged 15–24 years has steadily declined from 5.4% in 2000 to 4.1% in 2010 (end-point status). The decline resulted from the implementation of tested high impact interventions implying the need for consistent implementation of such high impact interventions in the sector. With respect to the incidence of tuberculosis per 100,000 people, the efforts have not produced appreciable results. In the past 7 years, the value for this indicator has fluctuated between 343.00 in 2005 and 339.00 in 2012. The end-point status of the incidence of tuberculosis in Nigeria was 338 as of 2013. This latest figure is still unacceptable and calls for renewed efforts, more resources and interventions in order to drastically reduce the prevalence of tuberculosis (Nigeria’s MDG’s End Point Report, 2015).

Overall Conclusion on Goal 6: Appreciable progress in combating HIV and AIDS, but weak progress in other diseases. Goal not met. (Nigeria MDG’s End-Point Report, 2015).

Ensure Environmental Sustainability: Nigeria commitment to ensuring environmental sustainability is enshrined in its Vision 2020, which is an integrated long-term development plan for the country. Also, the Nigerian Government established a Federal Ministry of Environment in 2008, with the constitutional mandate in protecting the environment against pollution and degradation (Nigeria MDGs Report: 2015:86). But Nigeria’s natural resource like its forest keeps depleting. Between 2000 and 2010 for example, forest area shrank from 14.4% to 9.9%. The country also keeps losing forest cover at a startling rate of 3.5% per annum equalizing to 350,000 to 400,000 hectares per year (Nigeria MDGs Report, 2013).

The percentage of the urban population living in slums has been on the decline since 1990. From a baseline figure of 77.3% in 1990, it declined to an end-point status of 50.2% in 2014. Although this implies strong progress, the number of persons living in slums is still very alarming and also considering that the number of slum dwellers has been on the rise owing to increasing housing deficits of 16-18 million units against the reality of growing number of cities with populations of one million and over.

Overall Conclusion on Goal 7: Strong progress in the provision of safe drinking water but weak progress in other indicators. Goal not met. (Nigeria MDGs Report, 2015).

Develop Global Partnership for Development: The flow of Official Development Assistance (ODA) from developed countries to Nigeria has increased dramatically since 2004, with the health sector as a leading recipient. The health sector so far has received about US\$480,017,028 from donors as compared to other sectors (National Planning Commission, 2015 in Durokifa and Abdul-Wasi, 2016). The accrualment of these funds has contributed to the attainment of health-related target especially Goal 4.5 and 6 (Nigeria MDG Report, 2015:96). The agricultural sector has also benefitted greatly from the ODA which it’s visible in the appreciable progress made in dealing with hunger as stipulated in Goal one. Other benefits of ODA had been used in setting up developmental programmes and initiatives such as Mid-wives Service Scheme, Universal Basic Scheme, Conditional Grant Scheme, Conditional Cash Transfer, Vocational Training Scheme, Roll back Malaria Partnership with global fund in providing insecticide treated mosquito nets and Federal Teachers Scheme (Ajiye, 2014:30).

Overall conclusion on Goal 8: Goal met. (Nigeria MDGs Report, 2015).

Why didn’t Nigeria meet most of the goals?

In 2014, Ajiye identified lack of human capacity for implementation, poor access to primary healthcare delivery systems with high cost of healthcare, inadequate and unreliable data systems, inadequate funding and indiscipline with endemic corruption as challenges that were facing MDGs in Nigeria (Ajiye, 2014 in Oleribe and Taylor-Robinson, 2016). While Oleribe and Taylor-Robinson agreed with Ajiye’s findings and believe that Nigeria did not achieve the targets. The reason, apart from all identified by Ajiye, includes (but are not limited to):

Wrong assumptions: the assumptions on which the MDGs were predicated were fundamentally wrong. It was believed that the poor health indices in Nigeria were as a result of poverty and lack of resources.

Absence of true and validated baseline data: Since independence, Nigeria has survived on public health “guesstimates”, rather than informed estimates. There is no single dependable, reliable, validated and easily verifiable public health dataset in Nigeria

Absence of formative, midcourse and proper end-line evaluation: While a lot of resources were invested into the management of MDGs, little was done in terms of progress (formative), midcourse and end-line (summative) evaluations to effectively and scientifically look at the progress of the roll-out of the MDG program.

Sequential healthcare workers’ industrial actions in Nigeria

Boko Haram insurgency in the north, and kidnapping in the south: The upscale of social discord, killings and bombings in the northern part of Nigeria; and kidnapping in southern Nigeria reversed the gains of so many years of investments in healthcare in Nigeria, especially in affected communities.

Verticalization of the healthcare system: Vertical programs may deliver immediate positive change, but they are neither effective, nor sustainable. For decades, the world and donor agencies have depended on this strategy, but with the same inadequate results.

What did some countries do in achieving the MDG’s?

According to a progress report by the UN in 2010 (<http://www.un.org/en/mdg/summit2010/successstories.shtml>), these were some of the strategies adopted by some countries in achieving certain goals -

GOAL 1 - Through a national input subsidy programme, Malawi achieved a 53% food surplus in 2007, from a 43% national food deficit in 2005.

Vietnam’s investment in agriculture research and extension helped cut the prevalence of hunger by more than half, from 28% in 1991 to 13% in 2004-06. The prevalence of underweight children also more than halved from 45% in 1994 to 20% in 2006.

Nicaragua reduced its hunger rate by more than half, from 52% in 1991 to 21% in 2004-06.

In Northeast Brazil, stunting, an indicator of child malnutrition, decreased from 22.2% to 5.9% between 1996 and 2006-07.

Between 1991 and 2004, the number of people who suffer from undernourishment in Ghana fell by 34%, to 9% of the population.

In Argentina, the Jefes y Jefas de Hogar programme employed 2 million workers within a few months after its initiation in 2002, contributing to the country’s rapid poverty reduction, from 9.9% in 2002 to 4.5% in 2005.

GOAL 2- By eliminating fees, Kenya was able to quickly get 2 million more pupils into its primary schools.

In Ethiopia, the net enrolment rate for primary school was 72.3% in 2007, an increase of 88% on 2000 enrolment rates.

In Tanzania, the abolition of school fees in 2001 led to a net enrolment rate of 98% for primary schooling in 2006. This represents an increase of 97% (i.e. almost double) compared to 1999 enrolment rates.

In Bolivia, bilingual education has been introduced for three of the most widely used indigenous languages, covering 11% of all primary schools in 2002 and helping expand access to education among indigenous children in remote areas.

GOAL 3- Mexico’s ‘Oportunidades’ conditional cash transfer programme led to an increase of secondary school enrolment rates of over 20% for girls and 10% for boys in rural areas where the programme operated.

In 2008, Rwanda elected a majority of women (56%) to its lower chamber of parliament, the highest level of female representation of any country.

Starting from a very low gender parity index in primary education (0.35) in the 1980s, Bangladesh closed the gender gap in primary and secondary education within a decade.

Tanzania’s Land Act and Village Land Act of 1999 secured women’s right to acquire title and registration of land, addressed issues of customary land rights, and upheld the principles of non-discrimination based on sex for land rights.

In Ethiopia's Amhara Province, promotion of functional literacy, life skills, reproductive health education and opportunities for savings for girls has significantly reduced marriage of girls aged 10 to 14.

GOAL 4 - In Rwanda and a few other African countries, improvements in care for expectant mothers and new-borns are allowing many more to survive and remain healthy.

Rwanda is very likely to meet – and possibly even surpass – the MDG targets for child and maternal mortality by 2015, in part thanks to the government's successful health insurance programme.

The under-five child mortality rate has fallen by 40% or more since 1990 in Ethiopia, Malawi, Mozambique and Niger. In Malawi, for example, the under-five child mortality rate fell 56% between 1990 and 2008.

The under-five child mortality rate was reduced by 50% or more since 1990 in Bangladesh, Bhutan, Bolivia, Eritrea, Laos and Nepal.

Since 1990, China's under-five child mortality rate has declined from 46 deaths for every 1000 live births to 18 per 1000 in 2008, a reduction of 61%.

From 1990 to 2008, child mortality declined by 25% in Equatorial Guinea and by 14% in Zambia.

GOAL 5 - In Malawi and Rwanda, removal of user fees for family planning services has contributed to significant increases in the use of family planning services.

In Rwanda, contraceptive prevalence among married women aged 15-49 jumped from 9% in 2005 to 26% in 2008.

The contraceptive prevalence rate among married women aged 15-49 in Malawi has more than doubled since 1992 to 33% in 2004.

In Rwanda, the skilled birth attendance rate increased from 39% to 52% from 2005 to 2008.

Between 1980 and 2006, the maternal mortality ratio in Tamil Nadu, India, fell from 450 to 90 per 100,000 live births

GOAL 6 - New HIV infections and AIDS-related deaths have declined significantly in sub-Saharan Africa, thanks to education programmes, prevention policies and the wider availability of anti-retroviral medicines.

In Uganda, the adult HIV prevalence rate dropped from 8% in 2001 to 5.4% in 2007.

Cambodia has managed to halt and reverse the spread of HIV, with the prevalence falling from 1.8% in 2001 to 0.8% in 2007.

The number of new HIV infections among children has declined five-fold in Botswana, from 4,600 in 1999 to 890 in 2007.

GOAL 7 - Between 1999 and 2005, Costa Rica prevented the loss of 720 sq km of forests in biodiversity priority areas and avoided the emission of 11 million tons of carbon.

In 2006, 80% of the rural population in Ghana had access to an improved drinking water source, an increase of 43% on 1990 levels.

In Mali, the percentage of the population with at least one point of access to improved sanitation rose from 35% in 1990 to 45% in 2006.

GOAL 8 - In 2008 the only countries to have reached or exceeded the target of official development assistance as 0.7% of Gross National Income were Denmark, Luxemburg, the Netherlands, Norway and Sweden.

China, India, Iran and Uzbekistan succeeded in lowering private sector prices for generic medicines to less than twice the international reference price.

Transition from the MDG's to the SDG's – A Social Planning Continuum

According to Nhema and Zinyama (2016), the disappointment with the experiences of earlier development theories has led to the international community to come up with new development paradigms. These new paradigms were echoed in the Millennium Development Goals, agreed to by the world's leaders at the United Nations (UN) in 2000 whose burial and memorial services were held in 2015 after the adoption of a new set of development objectives under the name of Sustainable Development Goals. According to the Complete A-Z Geography Handbook (Adejumo and Adejumo, 2014), sustainable development has been defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

One of the main outcomes from the UN Conference on Sustainable Development (Rio+20) in 2012 was international agreement to negotiate a new set of global Sustainable Development Goals to guide the path of sustainable development in the world after 2015 (Osborn, Cutter and Ullah, 2015).

The Rio+20 Outcome Document indicates that the goals are intended to be “action-oriented, concise and easy to communicate, limited in number, inspirational, global in nature and universally applicable to all countries, while taking into account different national realities, capacities and levels of development and respecting national policies and priorities”(United Nations Conference on Sustainable Development, 2012:2 47 in Nhema and Zinyama, 2016). Table 2 below provides a list of the SDGs.

Table 2: Sustainable Development Goals

Goal	Description
G1 SD	End poverty in all its forms everywhere
2 SDG	End hunger, achieve food security and improved nutrition and promote sustainable
3 SDG	Ensure healthy lives and promote well-being for all at all ages
4 SDG	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all
5 SDG	Achieve gender equality and empower all women and girls
6 SDG	Ensure availability and sustainable management of water and sanitation for all
7 SDG	Ensure access to affordable, reliable, sustainable and modern energy for all
8 SDG	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9 SDG	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10 SDG	Reduce inequality within and among countries
11 SDG	Make cities and human settlements inclusive, safe, resilient and sustainable
12 SDG	Ensure sustainable consumption and production patterns
13 SDG	Take urgent action to combat climate and its impacts
14 SDG	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15 SDG	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16 SDG	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, and inclusive institutions at all levels
17 SDG	Strengthen the means of implementation and revitalise the global partnership for sustainable development

Source: Leowe and Rippin, 2015 in Nhema and Zinyama, 2016

Key Lessons, Conclusion and the Way Forward

According to Nigeria MDGs Report, (2015) there are at least eight (8) key lessons to be shared from Nigeria’s experience of the MDGs implementation era. Some of the lessons will have direct implications for the transition into the SDGs era. Those key lessons and their implications are summarised here below:

1. *Early Commencement:* There is the need for early commencement of programmes and projects aimed at achieving the SDGs. It is realised that Nigeria’s late commencement of the implementation of

the MDGs had a negative impact on both the outputs and the outcomes in later years. Therefore, the Post 2015 Development Agenda should avoid a late start in implementation;

2. *Local ownership*: This is important to the success of programme/project implementation for the simple reason that it engenders the necessary commitment. This fact is amply demonstrated by the Conditional Grant Scheme widely recognized as an MDGs success story in Nigeria. Additionally, the greater lesson is the need to consolidate the culture of implementing participatory partnership programmes such as the CGS and UBE Counterpart funding;

3. *The Funding Challenge*: Although the debt relief gains broadened the fiscal space for MDGs programmes financing, the financial resources were not adequate, hence, irregular funds releases. The lesson is that funding for the SDGs need to be explored from different sources; including from the private sector;

4. *Incentive-based Interventions*: There is need for implementation of Incentive based Interventions such as the Conditional Cash Transfers (CCT), & CGS. These were demonstrated to be key drivers of implementation success achieved on the MDGs. They also served as an effective leverage for implementing desirable public sector reforms;

5. *Incentive-based policy instruments*: there is need to consolidate incentive-based policy instruments that engender effective collaborative and cooperative inter-governmental relations management, as again amply demonstrated in the successful implementation of the CGS in Nigeria. The lesson is that although the CGS has proved successful in the implementation of the MDGs, the intervention would need to be reviewed with a view to strengthening and consolidating it under the SDGs Agenda;

6. *Political Will*: Strong Political will and support made a lot of difference in the implementation of some MDGs interventions in Nigeria. A good example is the polio eradication programme;

7. *Key Policy Drivers*: Sustaining and consolidating key policy drivers in the agricultural sector in order to address the twin problems of poverty and hunger; and

8. *Coordination*: Strong coordination between and among the tiers of government is essential. The post-2015 development agenda in Nigeria needs to overcome weak coordination between and among tiers of government occasionally thrown up by the system's dynamics. This underscores the need to adopt appropriate inter-governmental relations models in a large federation like Nigeria.

The SDGs which is an inclusive developmental plan focuses on six essential elements: human dignity, human advancement, planet warmth, prosperity, developmental partnership, justice and equity. These elements just like MDGs aim to end extreme poverty anywhere and everywhere, transform lives, improve the planet and promote socio economic-development (Ihejirika, 2015 in Durokifa and Abdul-Wasi, 2016).

The SDG agenda which is a broader version of MDGs as stated above and as seen in the figure below comprises of unfinished goals in line with the MDGs. These goals include:

- Goal 1- Ending poverty in all ramifications
- Goal 2- Ending hunger in all its form and promoting sustainable agriculture
- Goal 3- Ensuring Healthy lives and Comprehensive well-being for all ages
- Goal 4- Quality Education for all educational phases (primary, secondary, tertiary)
- Goal 5- Achieving Gender equality and women empowerment

According to Ihejirika (2015), these first five goals are crucial to Nigerian development owing to them being residual goals of the MDGs. Additionally, scholars such as Adegbulu (2015) and Igbuzor (2015) have also included Goal 6-Clean water and Sanitation for all; Goal 8- Promote decent work and Economic Growth for all, to be of immeasurable essence.

Implicitly, all these stated goals are prerequisite for Nigerian development and have become policies which have been enshrined in various pro-developmental interventions within the country such as NEEDS, Vision 2020 and the Transformation Agenda (Igbuzor, 2015; Odunyemi, 2015:38). Likewise, more of these SDG targets are interwoven. For instance, managing agricultural productivity will not be conceivable if there is no income and good health. Also, getting a good and decent job (Goal 8) will reduce inequality in the society (Goal 10); lift one of poverty (Goal 1); avert hunger (Goal 2) and give one access to a good health and well-being (Goal 3). On the contrary, getting a good job cannot be

possible without having a quality education (Goal 4) and an accessible industry and infrastructure (Goal 9). From another point of view, eradication of poverty will lead to the falling in place of SDG targets such as having access to quality education, good health and wellbeing, clean water and sanitation and reduction of inequality (Durokifa and Abdul-Wasi, 2016).

On a conclusive note, Durokifa and Abdul-Wasi, (2016) stated that it is anticipated that getting governance right is the fulcrum for achieving developmental programmes. This is indeed the reason why scholars (Kemp, Parto and Gibson, 2005; Oshelowo, 2011: 18-19; Sachs, 2012; Igbuzor, 2013; Terungwa and Akwen, 2014) have attributed good governance as a prerequisite to development. The sphere of good governance which includes but not limited to identifying the needs of the citizens, prioritizing such needs, harnessing available resources with which to meet the needs, distribute the resources among the needs and ensure the judicious use of the resources (Terungwa and Akwen, 2014:122). Anger (2010) also stated the qualities of Good Governance as:

- Engaging the people in the conduct and management of affair
- Accountability and Transparency in the mobilization and utilization of resources
- Responsibility and Responsiveness in public service
- Effective and Efficient manner in handling public/ personal affairs

The SDGs which reflect a broader and better coverage of the totality of the social, economic, environmental and institutional system if adopted and pursued with greater commitment and meticulousness will improve the wellbeing and lives of a country's citizenry. Hence, as Nigeria commences the post-development agenda, the lessons, successes, and challenges learnt from the MDGs will help in navigating challenges that might be faced in the new Sustainable Development Goals and in formulating holistic policies needed to promote an inclusive economic development and environmental sustainability such as the Conditional Cash Transfer which implicitly is a way to impact on the lives of the masses and if implemented effectively will reduce poverty.

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BUDGETING AND BUDGETARY CONTROL: A MECHANISM FOR MANAGERIAL EFFECTIVENESS

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ABSTRACT

The success of every organisation depends on the managers' effectiveness. In recent times, budgeting and budgetary control have become effective management tools in achieving organisations' objectives. Budgeting has stimulated future-oriented perspectives in planning decisions of managers. By looking to the future, managers are able to anticipate and use planning to correct potential problems before they arise. This will enable them to focus on exploiting opportunities instead of managing problems. It is the focus of this study to determine how budgeting and budgetary control help to achieve managerial effectiveness. Survey design was used in the study and data were generated by means of questionnaire to seventy-five management staff of selected manufacturing companies. Two hypotheses were formulated and tested using the Pearson chi-square statistics. The study found that there is relationship between budgetary control and managerial effectiveness. It also established that budgeting and budgetary control mechanisms do assist in achieving managerial objectives for an organisation. It is recommended that effective cost measures should be employed to achieve effectiveness and efficiency of operations.

Keywords: Budgeting, Budgetary control, Managerial effectiveness, Nigeria

1. INTRODUCTION

Budgeting is an ancient practice which has been used for virtually all human activities. It has been used prominently in organised economic, social, and political systems, such that the role of budgeting in an organization cannot be ignored (Abogun and Fagbemi, 2011). Recent surveys show just how valuable budgets can be. Business owners and managers for instance need to budget for their resources, which may include everything from raw materials to human resources, in order to ensure adequate and profitable use of such resources. (Horngren *et al.*, 2008; Dugdale & Lyne, 2004; Anand *et al.*, 2004).

Budgeting is an effective management tool for business's success. It has transformed managers' perspective in problem solving from current challenges approach to future concern approach. By looking to the future, managers are able to anticipate and use planning to correct potential problems before they arise. This has enabled them to focus on exploiting opportunities instead of managing problems (Drury, 2008). Budgeting is the process of mobilizing, allocating, managing, and controlling resources towards achieving specific goals. If budgeting is not in place, spending would amount to waste of resources (Ariyo, 2015).

The formulation of budget and budgetary control are in response to the growth of world economies and increased trade among nations. The need to develop means of managing this emerging large organisations and industries more effectively necessitated the use of budgeting and budgetary control as management tools (Horngren *et al.*, 2008). When budgets are made, they represent the standard the organisation is required to uphold covering both the financial and non-financial aspects. However, most times, the purpose of preparing a budget is not achieved which eventually leads to business failure. They had a plan, they had a budget, but what went wrong? Why has budget and budgetary control failed to achieve its objectives.

In every organisation, controls are necessary to ensure proper planning, communication, feedback and most importantly that the targets set are met. Budgetary control refers to those parameters put in place to ensure that the budget is executed as planned. According to the Chartered Institute of Management Accountants (CIMA), budgetary control is defined as the establishment of budgets relating

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the responsibility of executives to the requirement of a policy and the continuous comparison of actual with budgeted results, either to secure by individual action the objective of that policy, or to provide a basis for its revision. Budgetary control system is part of corporate planning system which coordinates setting the objectives, preparation of plans and budgets, establishment of strategies, policies and monitoring of results and adjustments. Budget control cycle generally consists of five elements, which are budgets, measurement of actual, comparison, feedback and adjustment (Lucey, 2001).

The study is significant to managers and organizations as a whole. It would also serve as a guide to the entire budgeting process and control for achieving set targets. In addition, this study is expected to be of benefit to researchers and students of accounting. It would therefore serve as a reference point for future researchers. Therefore, it is expected that this study would awaken interest in the efficacy of budgeting within the manufacturing sector of the Nigerian economy as this sector often account for a substantial portion of total economic activities of a nation.

The study seeks to achieve the following objectives:

- i. To examine the relationship between budgetary control and managerial effectiveness, and
- ii. To verify if budgeting and budgetary control are mechanisms for achieving managerial objectives for an organisation.

II. LITERATURE REVIEW

In spite of the rich endowment of resources, most countries in Africa have proven that availability of resources is not tantamount to sustainable development (Ariyo, 2017). Budgeting no doubt is a veritable tool for planning, controlling, coordinating, evaluating, directing, communicating and aiding decision making, but the whole process is not perfect altogether. For some years now, there has been movement against budgetary process (Hope and Fraser, 2001). As a result, budgeting has evolved leading to the development of techniques like: Activity based budgeting, performance budgeting; value budgeting, process reengineering; balanced score card, Zero based budgeting, IT based budgetary process, and planning programming budgeting system (PPBS).

Planning is an important tool in achieving set objectives for any organisation. Horngren, Foster and Datar (2002) defined planning as the establishment of objectives and the formulation of the policies, strategies, tactics required to achieve them while a budget is a plan of what the organisation is aiming to achieve and what target it has set. It is based on this premise that budget and budgetary control are seen as necessary tools for organisational planning and decision-making by managers. Budgets and budgetary control go together. Budgetary control is put in place to ensure a budget is effective.

Drury (2008) defined budget as a financial plan for implementing the various decisions that management has made. The budgets for all the various decisions are expressed in terms of cash outflows and inflows; sales revenues and expenses. The business dictionary defines budgetary control as a methodical control of an organisation's operation through established standards and targets regarding income and expenditure and a continuous monitoring and adjustment of performance against them.

CIMA's official terminology of management accounting defines budget as: "Quantitative statement for a defined period of time which may include planned revenues, assets, liabilities and cash flows. A budget provides a focus for the organization aids the coordination of activities and facilitates control."

Budget and budgetary control are therefore continuous processes that help in planning, coordinating and control of business decisions.

The main objectives are:

- i. It operates various cost centres and departments with efficiency and economy.
- ii. It centres on the control system
- iii. It is essential for the planning, control and also acts as the instrument of coordination.
- iv. It helps to eliminate wastes and raises the profitability position of the business enterprise.
- v. It helps in amending deviations from established standards.
- vi.

Babunaku (1998) emphasized that budgets are not primarily all about approving, rejecting, arguing over budget figures and limiting spending but a tool used by most business organizations to focus on company operation and finances. It serves as a control tool for managers for planning and control function and to highlight potential problems, not only for looking forward but also for looking backwards. Wherever the budgets are implemented, it provides the standards for evaluating and scoring the 'company player'.

Therefore, budgetary control coerces management to look into their efforts to outline plans for attaining objectives of department and operation and to predict and grant the company purpose and direction. It is a known fact that managerial performance and organisational performance are linked since the decisions that managers make will influence how well or otherwise the organisation would perform. It is for this reason that performance reports are carried out to spur investigations of exceptional items where actual amounts differ significantly from budgeted amounts for which operations are then made to conform with organisational goals.

Recent surveys show just how valuable budgets can be. Horngren *et al.*, (2008) reported that a study of more than 150 organizations in North America listed budgeting as the most frequently used cost management tools and it was also the tool with the highest value to the organization. Furthermore, they showed that study after study has shown the budget to be one of the most widely used and highest rated cost management tools for cost reduction and control.

Horngren *et al.*, (2008) also point out that the result of a survey carried out in the same place (North America) showed most managers still agree that budgeting, correctly used, has significant value to management. They reported that over 92% of the 150 companies in North America use budget and remarked budgeting as the top among the top three cost management tools. In the same view, in a round table discussions organized by CIMA and ICAEW in 2004 on "The traditional role of budgeting in organization", it is stated that budgeting and the accompanying process are indispensable and that, research in organizations seems to suggest that this is commonly held view.

Budgeting and Managerial Effectiveness

Managerial effectiveness has been defined as the management's use of organisational resources and the meeting of the organisational goals (Certo, 2006). In every organisation there are goals set to be achieved and strategies to achieving them. Budget and budgetary control are twin tools in organisational planning. The company cannot run itself but will be run by managers. The question is how these managers can use these tools such that it achieves the set objectives and they (managers) can be seen as effective.

Every manager must therefore have the strategy in the forefront and be a strategic thinker based on a holistic view, focus on intent, thinking in real time, linking past, present and future which should be hypothesis driven and intelligently opportunistic. Tayles (1998) discovered that the most effective planning budget is that which is most probable. The budget level set for this purpose will not necessarily get the performance out of manager but it will rather create optimum motivation. Most times, budgets are generally understood from the cornerstone of management control and management control system. They are the multi purpose management tool supporting planning, control, coordination, communication, performance, evaluation and motivation. He also said that the use of budgets in evaluation and control is also influenced by the way they are used by the manager. Different management styles observed are:

- Budget constrained: placing considerable emphasis on meeting budget targets.
- Profit conscious: where a balanced view is taken between budget targets, long-term goals and general effectiveness.
- Non accounting: where accounting data is seen as relatively unimportant in the evaluation of subordinates.

The style adopted would affect the degree of interdependency between areas of responsibility with reference to responsibility centres. The functions the budget serves are the same as that of the managers; therefore, they are very relevant to every organisation. It therefore follows that participation in the budget process and discussions over how results are measured have benefits in terms of budget attitude and performance on budgets.

The traditional budgetary control is an example of feedback system where actual outcomes are compared to budgets while the budgetary process is the one of feed forward where expected outcomes

are compared with desired outcomes. In most companies these feedback and feed forward systems are not just adopted but are operated on processes which require periodic reforecast of likely outcomes in order to better manage their planning and control activities.

Tayles (1998) concluded by saying it was apparent that budgets serve various purposes and in some cases these purposes may be in conflict and have a consequent effect on management behaviour. These can be tensions and conflicts between budgets used for different purposes. For these conflicts management need to have some strategy and methods of dealing with this.

Also, is the fact that accountants are often criticized of spending more time on controlling rather than understanding the true nature of control in the enterprise. In the dynamic environment currently faced by most businesses, the budget is still an important information source. They should be aware of the cost of maintaining this planning and control system and set this against the benefits obtained, but as yet there is no evidence of wide use of any alternative approach.

Managerial Effectiveness in Budgeting

From the reviewed literature, it can be deduced that the manager plays an important role to the budget process and implementation. The manager makes the decision using the tools at his/her disposal. One of these is the budgeting and budgetary control tool. The whole budget system is seen and understood from the management control system where the manager is able to perform well by effectively and efficiently using budget to achieve set objectives. Where this is achieved, the manager is said to have performed well and will be rewarded based on company policy (Hilton et al., 2006).

The participative style of budget is advocated. However, this would be of relevance where it is done with caution such that it does not create de-motivation and encourage budgetary slack in the bid to meeting targets. By setting controls, either in the feedback or feed forward mode, a better forecast of likely outcomes could be made in order to meet their planning and control activity.

Every organisation should have a budget. According to Tayles (1998), there is no evidence of any wide use of any alternative approach. In the light of this, it is very necessary that the budget is used effectively and appropriate controls put in place, by a strategic thinking manager to achieve targets which are realistic and cover a wide range of computational indices. In carrying out the managerial role, the manager should not just insist on control but also the proper understanding of the nature of control put in place and a good understanding of the dynamics of the work environment.

A system of management by exception is encouraged where there are wide deviations from the tolerance limit set for budgetary control. In other words, a good budget should be participatory, comprehensive, standardized, flexible and have a good feedback of analysis and costs. In conclusion, and in the words of Hopwood the most sophisticated budgetary system may be of little practical consequence if it fails to elicit the achievement and motivations of significant number of managers and employees (Khan and Jain, 1994).

III RESEARCH METHODOLOGY

The survey method research design was adopted. For the purpose of this study, the list of manufacturing companies in Lagos State of Nigeria constitutes the population of the study. The choice of Lagos state was based on the distribution of manufacturing companies in Nigeria. The study was restricted to Lagos State as it harbours 60% of the Federation's total industrial investments and foreign trade and attracts 65% of Nigeria's commercial activities (Academy of Business Strategy, 2011).

According to Ajibolade (2008), over 55% of manufacturing companies had their head offices located in Lagos. Therefore, it is believed that the choice of Lagos is appropriate for this study. The choice of manufacturing sector for this study was based on the fact that, budgeting is most widely practiced in the manufacturing sector compared to other sectors.

Moreso, Wickramasinghe & Alawattage (2007), posited that the development of standard costing technique and budgeting is traceable to the manufacturing industries.

Few samples were selected from the population for the purpose of this study. This was as a result of the difficulties encountered by the researcher in obtaining an up to date list of manufacturing companies in Nigeria. Consequently, a convenience sampling technique was used. The adoption of this sampling method was based on the fact that the study did not use any sampling frame from which a random sample could be drawn.

The instrument used for data collection was the questionnaire. The use of questionnaire was considered appropriate since the data were generated from primary source. A five point Likert-scale was used in designing the questionnaire where respondents were asked to rate their opinion from two extremes, “Strongly disagree and strongly agree”. This was to give the respondents the latitude or wide ranging options from which to choose the one that best reflects their opinion. The nature of the data needed requires respondents to have the requisite knowledge and experience about the subject matter. Therefore, the target respondents for this study were management staff in each of the sampled companies. One hundred (100) copies of questionnaire were administered across the companies sampled but only seventy five (75) were retrieved constituting about 75% response rate. To test the research hypotheses, the pearson chi-square method of statistical analysis was used.

IV DATA ANALYSIS

The hypotheses formulated for this study were tested with the use of statistical package for social sciences. The statistical method employed was the pearson chi-square. It was tested with 5% level of significance.

Hypothesis 1

H₀: There is no relationship between budgetary control and managerial effectiveness.

H₁: There is relationship between budgetary control and managerial effectiveness.

Table 4.1: TEST STATISTICS

RELATIONSHIP BETWEEN BUDGETARY CONTROL AND MANAGERIAL EFFECTIVENESS	
Chi-Square	28.172 ^a
Df	16
Asymp. Sig.	.000

Source: Researcher’s fieldwork, 2017

The chi-square value is 28.172. Using the asymptomatic value of 0.000 which is lower than the 0.05 level of significance, the alternate hypothesis (H₁) was accepted while the null hypothesis (H₀) was rejected. It was concluded that there is relationship between budgetary control and managerial effectiveness.

Hypothesis 2

H₀: Budgeting and budgetary control mechanisms do not assist in achieving managerial objectives for an organisation.

H₁: Budgeting and budgetary control mechanisms do assist in achieving managerial objectives for an organisation.

Table 4.2: TEST STATISTICS

BUDGETING AND BUDGETARY CONTROL MECHANISMS DO ASSIST IN ACHIEVING MANAGERIAL OBJECTIVES FOR AN ORGANISATION	
Chi-Square	38.950 ^a
Df	16
Asymp. Sig.	0.01

Source: Researcher’s fieldwork, 2017

The chi-square value is 38.950. Using the asymptomatic value of 0.01 which is lower than the 0.05 level of significance, the alternate hypothesis (H₁) was accepted while the null hypothesis (H₀) was rejected. It was concluded that budgeting and budgetary control mechanisms do assist in achieving managerial objectives for an organisation.

V. CONCLUSION

Budgets play a very important role in every organisation; budgetary control helps to ensure continuous monitoring and adjustment of performance against them. However, they should only serve as a guide or standard in organisational planning and not the main focus. Managers should be able to act more efficiently and effectively and ensure goal congruence by subordination of individual interest to organisational objectives for the benefits of all stakeholders. Every organisation should ensure good communication system exists within the organisational structure, encourage staff participation in strategy formulation, and have periodic performance evaluation and rewards without basically focusing on the figures being achieved but on other non-qualitative factors.

The following recommendations are suggested to enable managerial effectiveness for budgeting:

- i. Effective cost measures should be employed to achieve effectiveness and efficiency of operations.
- ii. Budgeting and budgetary control mechanisms should be constantly reviewed and updated in order to achieve managerial effectiveness.

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The Importance of Critical Infrastructure and Productivity in Nigeria

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Abstract

Nigeria is a country that develops along abnormal situations. Everyone seems to know the problem of the country, but no one seems to provide the right answers. The country has refused to go under because of its enormous wealth which has been plundered over the years. In all development and production indices, one aspect that cannot be overemphasised is the presence or absence of infrastructure in international best practices. This paper takes a look at the importance of critical infrastructure and productivity in Nigeria. The paper attempts to expose and interrogate the importance of critical infrastructure in some critical sectors such as manufacturing, oil, transport, agricultural, social, energy banking and services. The paper concludes that there is absence of these infrastructure in all the sectors and Nigeria has not muster the political and technological will to address the issues frontally.

Introduction

A country's level of development is a reflection of its productive capacity or productivity. The Gross Domestic Product (GDP) of any country is measured by its production output in relations to its inputs of natural resources depending on where the country has comparative advantage. Scholars have argued that the GDP of a country is tantamount to its growth. On the other hand, evidence has shown and are abound that growth is not a reflection or synonymous to development. In Nigeria, poor infrastructure has become part of everyday existence and acceptability. Nigerians put up with lack of clean water, poor access to healthcare, rotten schools, crumbling and dilapidated infrastructure. Nigerians have become independent or apathy to government. They provide their electricity, security, water inform of borehole, access roads, transportation, health care facilities and educational facilities. Countries create their part to productivity through the availability of resources (human and materials) by harnessing them to attain certain level of development. However, this process of harnessing is predicated on the availability of infrastructure, better still on the development of these infrastructures.

Conceptual explanation

In this work, there will an attempt to devolve from theoretical postulations but explain as simplistic as possible concepts that relates to the point of discussion. Productivity is a process of converting or changing a form from one state to another to achieve desire results and improvement. Raw materials can be processed into finished products, services can be provided with the ultimate aim of adding value. National Trade Union of Mauritius opined "productivity is a measure of how well resources are brought together in organizations and utilized for accomplishing a set of results. It is seen as reaching the highest level of performance with the least expenditure. It is a process of continuous improvement in the production/supply of quality output/services through efficient and effective use of resources with emphasis on team work for the betterment of all"(NPC,2007). In this definition emphasis is placed on resources and its utilization in an organization. The point must be made here that there are countries with enormous and abundant resources yet remain poor and underdeveloped. This is often refers to as "Resource curse" a term used to describe the failure of resource-rich countries to benefit from their natural wealth. The term explained that countries with large endowments of natural resources, such as oil and gas, often perform worse in terms of economic development and good governance than countries with fewer resources. (Auty, 1993). Therefore, there must be a missing links between resources and productivity which can be interrogated by the role of infrastructure.

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What is infrastructure?

There are several definitions and concepts of infrastructure, but the general consensus is that, it is, a utility that helped in the achievement of other ventures. In other words, infrastructure is a means to an end and not an end in its self. *Economy, Economics, Economic growth* (2008) posits “Infrastructure represents those types of capital goods that serves the activities of many industries included paved roads, railroads, seaports, airports, communications networks, financial systems and energy supplies that all supports production and marketing for industries within the country. Besides that, the quality of infrastructure directly affects a country’s economic growth potential and the ability to engage effectively”. *Understanding infrastructure guide* (2014) opines “Infrastructure can be classified into three major sectors such as Utilities (electricity, gas, communication and water); transport (airport, roads, seaports and rail); social (education facilities, hospital and other community facilities).

The importance of infrastructure cannot be overemphasized in productivity. The elements of critical infrastructure in a country often times determined the level of its development. This can be visibly seen in developing country such as Nigeria. “Infrastructure is important for the services it provides. It provides services that support economic growth by increasing the productivity of labour, and capital thereby reducing the cost of production and raising profitability, production, income and employment. Infrastructure investment and consumption of infrastructure services have significant implications for achievement of sustainable development objectives as infrastructure services encourage new investment across the country” (Op.cit, 2008).

Critical Infrastructure on Productive Sectors in Nigeria.

In this section, this paper will address the effects of critical infrastructure in the various sectors of productivity in Nigeria with a view to pointing out the inadequacies that has led to the level of quagmire in the development of Nigeria.

Manufacturing Sector: This is one of the most negatively affected sectors in Nigeria. No country can develop without the capacity to manufacture its own primary products. Primary products here refer to essential or daily products without which the nation can exist. According to Onisarotu (2016) “Manufacturing industries include the food and beverages and tobacco, chemical and pharmaceuticals, rubber and foam, basic metals, and iron, steel and fabricated metal products, pulp and paper products, electrical and electronics, textile manufacturing, wood and wood products/furniture and motor vehicles and miscellaneous assembly among others”. The manufacturing industries in Nigeria have suffered a lot of set back over the years. Most of the industries that used to boom and thrive in Nigeria in the years past have all relocated to neighbouring countries such as Republic of Benin, Togo and Ghana due to the excessive break down of necessary critical infrastructure. There can be no meaningful industrial development without power supply; manufacturing industries need stable and efficient power and water supply to produce to optimum in order to break even. For instance, the textile industry in Nigeria has a chequered history, it is the oldest manufacturing sub-sector and started in 1957 with the establishment of the Kaduna Textile s Limited and in 1981 operated at near full capacity, it employed 250, 000 workers. The textile industry in Nigeria was third in Africa in terms of production capacity, below Egypt and South Africa. Some of the textile industry at the time includes Kaduna Textile Limited, Arewa Mills, Supertex, Asaba Textiles, Kano Textile, Zamfara Texilte Limited, Aswani Textile, Afprint, Gaskiya Textile, Nichetex and others. Several of these textile companies are sadly no longer in existence for obvious reasons; the breakdown of the infrastructure and the attitudes of successive governments to develop them.

Oil sector: Nigeria after the discovery of oil in commercial quantity abandoned all other productive ventures for petro-dollar. Nigeria is Africa largest producer of oil with 93% of net earning derived from the exportation of crude oil. The country becomes a rental state with full dependence on proceeds from crude oil. One point is clear, Nigeria depended more on exporting crude oil rather than refining oil. It however, built four refineries which later in the years becomes a conduit pipe for siphoning the nation’s wealth. The Turn Around Maintenance (TAM) becomes very elitist and with very little production capacity that could not serve the need of the country. Therefore, importation of refined fuel or Petroleum Motor Spirit (PMS) become a tradition that the country has continue to battle with since independence with the attendance subsidies that successive governments have used to marginalized and pauperize the nation. Over the years fuel prices particularly the PMS has remain unstable and

political, there has been consistent increase with the attendance hardship and scarcity that the citizens had to contend with. Unfortunately, the constant increase in fuel prices also has a corresponding increase in the cost of production, thereby causing spiral inflation and poor productivity. Most sadly in the oil sector is the neglect of the oil producing communities particularly the Ogoni Land with is devastated. This also brought about the rise of militancy in the Niger Delta; the Niger Delta comprising of Nine States of the federation are the oil producing states and are in the minority in terms of ethnic nationalities. The three major ethnic nationalities of Hausa-Fulani, Yoruba and Igbo are non-oil producing. The militancy activities further destroy and weaken the already fragile and weak oil infrastructure. The inability of the government to tackle the agitations of the Niger Delta militancy from the days of Isaac Adaka Boro, ken Saro-Wiwa to Asari Dokubo, has resulted in several militant groups springing up to challenge the exploration of oil without a corresponding benefits to the communities. The end point is that the oil facilities are further degraded causing a drop in the supply of the energy required to oil the production processes.

Transport Sector: This sector is often regarded as the driving sector of every economy or growth. It is the wheel in which all other sectors are mobilized and energized. It is a very important catalyst for growth and development. Rapid urbanization in emerging markets presents transport challenges and opportunities. By 2050, an additional 2.5 billion people are expected to live to urban areas. UN Department of Economic and Social affairs (2014). According to the International Transport Forum (2017), a global demand for urban mobility will be 95 percent higher in 2050 than 2015, with a 185 percent increase in non-OECD countries. Global road freight activity is also expected to more than double between 2016 and 2050. Emerging markets market countries, particularly China and India, account for 90 percent of that increase. Making urban transportation and logistics sustainable will require new thinking around urban design, infrastructure investment, energy-efficiency technology, and urban business models....most developing country cities will require efficient cars and new technology. As well as new investment in public transport infrastructure. Bus Rapid Transport (BRT) is a popular way to rapidly decarbonise intra-city public transport. BRT has the largest ridership in Latin America, with more than 20 million passengers a day, followed by Asia at about 9 million passengers a day. Europe's BRT systems carry about 2 million passengers, a day, with Oceania and Africa each carrying about 420, 000 people a daily, Brazilians use BRT the most, with nearly 12 million passengers per day across 33 cities using 124 BRT corridors along more than 5,600 kilometers of road.

Furthermore, Light rail transit has growing private sector interest. Light rail transit includes light rail, tram, monorail, metrorail, subway, airport rail links and other forms of passenger trains. It can be the backbone of a city's public transport system, facilitate radial access to a city downtown center, and complement other modes of public and private transport to manager high-capacity routes. Globally, light rail systems are being planned and built in the Middle East, North Africa and Asia and are being considered in Latin America as a complement to the BRT system. Nearly 400 cities around the world have a light system operating 2,300 lines along 15, 600 kilometers. In 2015, 850 kilometers of new tracks were under construction, with a further 2, 350 kilometers in planning. (UITP, 2015).

The figure above gives a rosy picture of global transport outlook, but a closer look indicates that Africa is left behind in this modern transport calculus. In the case of Nigeria, it is of note that our transport infrastructure is in a state of despair. For instance, our railway system is completely break broken down until very recently when the government of President Goodluck Jonathan started the rehabilitation. The BRT system operates only in Lagos State out of the 36 states of the federation. Worse still are the dilapidated roads all over the country. There is serious infrastructure deficit; about 200,000 kilometers of roads are in bad shape (Channels News @ 10pm, 2017). Again, the major rural challenge as far as productivity is concerned, is the very appalling feeder roads; farm produce cannot be transported from rural areas to the urban cities. There is a lot of waste which has a multiplier effect in high cost of food and farm produce. The provision of an efficient and effective transportation system in the rural areas is germane to socio-economic growth and has implication for national food security....rural accessibility and mobility involves holistic development of rural roads and waterways (Okotie, 2014).

Agricultural Sector: the agriculture sector drives many economies, but must evolve to meet growing food demand while adapting to a changing climate. The global population is expected to reach9 billion by 2050 and food demand is estimated to increase by 20 percent globally over the next 15 years,

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with the greatest increases projected in Sub-Saharan Africa, South Asia and East Asia (World Bank Group, 2017). A thriving agricultural sector has been the basis for successful economic growth in many countries. Investment in agriculture creates food surpluses, keeps food prices low, and creates jobs for rural communities. Europe, North America, and China have successfully followed this development path. More recently, Vietnam, Latin America, and Sub-Saharan African countries have focused on agriculture to grow their economies (Alexandratos, N and J. Bruinsma, 2012). In many countries, poor infrastructure limits investment in climate-smart agriculture. Governments can address this obstacle by concentrating investment on infrastructure in a “breadbasket” region (a major cereal-producing region), or in a particular infrastructure corridor (World Economic Forum 2016). Mali, for example, is considering a pilot breadbasket programme for its Sikasso region. Another approach is an agricultural development corridor, in which commercial farms and facilities for storage and processing are concentrated around a major infrastructure project (Sanghvi, S. et al 2011).

On the other hand, global food loss is enormous. The food and Agriculture Organisation estimates that about a third of all food that is grown is lost due to infestation, spoilage, waste, ineffective processing and transport, inefficient logistics, and consumer preferences/waste (FAO, 2017).

World Bank (op.cit) enumerated the following policies and practices to reduce post-harvest food loss:

- Evaluate opportunities to reduce food waste along the value chain, taking into account infrastructure needs and bottlenecks and the need to invest in new storage facilities.
- Set a standard for reduction in food waste; establish targets and plans of action to achieve them.
- Provide appropriate technologies (such as storage containers and sealed bags).
- Introduce training programmes for value chain actors for packaging, processing, post-harvest handling, and distribution.
- Raise consumer awareness via food labeling (sell by/use by dates) and introduce social awareness campaigns to promote consumer reduction in food waste.
- Provide incentives for investments in systems to redistribute food and reuse discarded food.
- Improve data collection and knowledge sharing on food waste among value chain actors.

Table 1: Steps to create markets for climate-smart agriculture

1	2	3	4
MAINSTRAMING CSA INTO NATIONAL POLICIES AND SECTOR DEVELOPMENT PLANS	ADDRESS INEFFICIENT PRICE AND SUBSIDY REGIMES	DEVELOP AN AGRICULTURE DEVELOPMENT PLAN THAT INCLUDES INFRASTRUCTURE	PROMOTE FARMER OUTREACH AND TRAINING
<ul style="list-style-type: none"> • Use the NDCs as a platform for integrating climate change in agricultural sector planning. • Secure land/property rights, export-ready food standards and extension services are key enablers 	<ul style="list-style-type: none"> • Price support and energy subsidies should be directed to practices that recognize and reward climate-smart agriculture. • Fertilizer subsidies can be climate-smart if they increase yield. • Water pricing. Technology support and awareness raising can address water waste 	<ul style="list-style-type: none"> • Infrastructure build-out should be strategic-via targeted investment in a specific crop’s value chain, in a “breadbasket” region, or in an infrastructure corridor. • Consider climate resilience up front to mitigate potential weather-related damage to infrastructure 	<ul style="list-style-type: none"> • Establish agribusiness centers to provide farmers with appropriate technologies, peer exchange and extension services. • Actively engage the private sector through creation of partnerships and dedicated outreach efforts • Work with international and local agribusiness and banks on access to finance.

Source: An IFC Climate Investment Opportunities Report, 2017

Many countries of the world especially in Africa, including Nigeria continue to formulate and implement policies and programmes that further widen the gap instead of closing the gap between rich and the poor nations on the one hand and rich and poor citizens of individual countries on the other (CDD, 2014). Agricultural infrastructure has been neglected in Nigeria Over the years until very recently when the Jonathan administration had tried to revolutionise agriculture by increasing the budget and encouraging local farmers particularly in the rice farming.

Social sector: One of the major sectors that suffer severe infrastructural decay is the social sector. The social inequality between the rural and urban sectors in Nigeria has continued to expand largely because of deplorable condition of rural socio-economic infrastructures. The housing, education and the health sectors are nothing to write home about. There is serious housing deficit either in terms of affordability and acceptability. Direct technical assistance can help build expertise in policy development, legal and governance frameworks, and implementation and evaluation projects. Accreditation systems of building professionals, accredited training institutions for the construction of labour force, licencing and verifying the credentials of building professionals, quality control processes for building materials, professional codes of practices and other meaningful regulatory packages can help ensure compliance with building codes. Government can also use public sector construction to develop experience in green building through direct technical assistance and workforce training.

Looking at the budgetary allocation for the housing sector in Nigeria from 2013-2016 shows that what is budgeted is not what is allocated:

Table 2: Trend of allocation and the funding gap (NIIMP)

Year	Overall federal allocation	Total allocation to Housing	% of vote to Housing to overall vote	NIIMP projection	Variance between allocation and projection: the funding gap
013	4,987,382,196,690	32,179,108,276	0.65	223,860,000,000,00	191,680,891,724.00
014	4,695,190,000,000	21,381,376,410	0.46	256,900,000,000.00	235,518,623,590.00
015	4,493,363,957,158	7,312,088,618	0.16	278,740,000,000.00	271,427,911,382.00
016	6,060,677,358,277	68,540,521,680	1.13	441,000,000,000.00	372,459,478,320.00

Source: Budget Office of the Federation and NIIMP

On the health infrastructure, modern healthcare facilities are inadequate at the grassroots level; they are too few to cater for the health needs of the people. Healthcare services are provided by government and private entrepreneurs. Government owned health facilities, including primary healthcare centres, are more accessible to grassroots people because they are relatively more affordable than private owned ones. However, most public health facilities are not adequately equipped and managed. Basic hospital equipment and facilities such as bed, incubators and sterilizing units are usually lacking (Nelson, 2008). This lack of basic facilities and infrastructure in health services has a multiplier effect on the health of the populace which in turns affects the level of productivity of the people.

Education very unfortunately, is the worst hit of all the social infrastructures in Nigeria. No nation can be productive without a sound education ideology and infrastructure. The physical facilities of all the institutions, primary, secondary and tertiary are dilapidated, deteriorated and inadequate. There is also the issue of decline budgetary allocations to education over the years. The poor conditions of service forced good teachers and scholars to immigrate to other countries opt for employment in the private sector... the students' enrolment especially in the higher institutions of learning exploded while the authorities sought to meet demand by establishing all sorts of extra-moral and revenue generating degrees and diploma programmes. Unqualified teachers who were recruited to teach, many of them resorted unethical

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practices such as sexual harassment; sex for grade or money in exchange for grades or both. Cultism is rife and innumerable deaths were recorded as a result of clashes among cult groups on campuses. There are perennial strikes by academics and other staff unions due to poor working conditions and funding (Erinosho, 2010).

Another critical social decay in Nigeria is urban water supply. The need for water- efficient infrastructure is growing and offers a significant opportunity for private investment with quick payback rates. Up to 40 percent of potable water is estimated to be lost in existing water system. Water efficiency covers improving the productivity of water treatment plants and distribution systems, as well water-intensive industrial users (BNPParibas, 2013).

Table 3: Creating markets for climate- smart urban water infrastructure

1	2	3	4
ALIGN GOALS WITH INSTITUTIONAL FRAMEWORK AND PUBLIC RESOURCES	ENSURE FINANCIAL SUSTAINABILITY AND COST RECOVERY	MAKE PUBLIC- PRIVATE COOPERATION WORK	CAPACITY DEVELOPMENT & AWARENESS
<ul style="list-style-type: none"> • Establish goals for water access, cost recovery and service quality • Create an enabling institutional environment among various actors • Establish the role of the private sector • Foster public awareness about water waste and efficiency 	<ul style="list-style-type: none"> • Implement water pricing with a goal to achieve cost recovery • Remove subsidies and cross-subsidies and incentivize water efficiency • Enhance city creditworthiness. • Invest in capacity building of local authorities 	<ul style="list-style-type: none"> • Use guarantees, benchmarking and project preparation funds to reduce risk and improve attractiveness to lenders • PPPs encourage private delivery of municipal water services. • Performance-based contracting can improve water efficiency 	<ul style="list-style-type: none"> • Empower institutions via training and knowledge transfer. • Develop intra-regional cooperation • Conduct public awareness campaigns • Provide home and equipment certification • Audit and benchmark systems

Source: An IFC Climate Investment Opportunities Report, 2017

All of these inadequacies do not encourage productivity but rather brings down the level of productivity whether at the individuals, local, state and national levels.

Energy sector: the major bane of productivity in Nigeria remains the lack of energy. The energy sector has been politicized, commercialized and privatized while the nation bears the brunt for the worst. Two major areas come to mind when one is looking at energy in Nigeria is the power or electricity and the petroleum sector. Both have suffered tremendous decline of the years. While developed countries are moving toward solar energy, Nigeria is still grappling with trying to achieve 5,000 megawatts. A lot of money has been spent on providing electricity for the country, all to no avail, but rather besieged by corruption. As a result most manufacturing industries that need heavy electricity to operate their equipment have relocated to neighbouring country where production cost is low while Nigeria has becoming a dumping ground for their goods.

Although, there have been several government policies on privatisation and commercialization which has resulted in unbundling the Power Holding Corporation of Nigeria (PHCN) into generating and distribution companies. The government of Nigeria has for the past one decade been trying to privatize the electricity sector in what it term “electricity power sector reforms”. Under the Electric Power Sector

Reform Act 2005, the National Electricity Company, Power Holding Company of Nigeria (PHCN) was unbundled into 18 separate companies, in preparation for privatization as follows: One(1)Transmission Company of Nigeria, seven (7) Generation Companies: Egbin, Delta, Afam, Sapele, Kainji, Jebba, Shiroro, eleven (11) Electricity Distribution Companies (EDCs): Kaduna, Kano, Yola, Ibadan, Eko, Jos, Enugu, Benin, Port-Harcourt, Ikeja, Abuja.

These policies had complicated the situation the more with small scale business not able to survive the business environment, leading to poor productivity. On the other hand petroleum which is produced in Nigeria which makes the country to bear the title largest oil producer in Africa has been a nightmare to the citizens. The inability of the government to provide refined products for household use and small businesses have further marginalized and impoverish the people.

The world is gradually moving toward solar and renewable energy. Renewable power is transforming the global electricity system, with new capacity and investment value consistently outstripping performance in the fossil-fuel sector. In 2016, more than 160GW of solar, wind, hydropower, geothermal, and biomass capacity was built around the world...this means that 62 percent of capacity added to the system that year was renewable, representing an investment of almost \$297 billion, more than double the investment in fossil and nuclear generation (Bloomberg New Energy Finance, 2017). There is increasing demand for renewable energy in the emerging markets and Nigeria should key in. There is the need for political will power to deliberately invest in all facets of energy by the government in order to revitalize the production capacity of the Nation. In the process Nigeria came up with National Renewable Energy and Energy Efficiency Policy for the electricity sector (NREEEP) and allied policies. The policy stated that the development of renewable energy sources to add megawatts to the available energy mix is a step towards improving available electricity in Nigeria. Through energy efficiency, new energy is created due to the fact that available consumers consumes less thereby freeing up energy for other economic actors. The Nigeria Integrated Infrastructure Master Plan (NIIMP) which is the funding bench mark for the sector states that over the first 5 years, Nigeria need to spend US \$23 billion in power, of which \$14-16 billion will be required to increase generation capacity from current levels to 20 GW by 2018; \$3-5 billion to increase transmission capacity; \$3-5 billion to increase distribution capacity (CSJ, 2016).

A quick look at the table below shows Nigeria's allocation to the power sector from 2013-2016.

Table 4: shows the trend of allocations to the Federal Ministry of Power 2013-2016

Year	Overall federal budget (N Million)	Total allocation to Power (N Millions)	Vote to Power sector as a % of overall vote	\$4.60bn NIIMP requirement	Variance between NIIMP and allocation to Power
2013	4,987,220,425, 601	77,565,547,652	1.56	735,540,000,000.00	657,974,452,348.00
2014	4,695,190,000,000	63,212,100,633	1.35	844,100,000,000.00	780,887,899.267.00
2015	4,493,363,957,158	9,606,813,831	0.21	915,860,000,000.00	906,253,186,169.00
2016	6,060,677,358,227	105,095,466,577	1.73	1,449,000,000,000,00	1,343,904,533,423.00

Source: Approved budget, Budget Office of the Federation (2013-2016) and the NIIMP

Banking and services sector: The Nigerian banking sector is not investment oriented. The interest rates are beyond the reach of the ordinary businessman. The banking sector does not have the doctrine of investing on long-term investments and the conditions for granting of loans are almost impossible for an average business man to fulfill. There have been several reforms and establishment of Bank of Industry, Bank of Agriculture with a view to increase the productivity of industrialists and agricultural sector, yet there has not been significant improvement. In July 2004, the former Central Bank Governor Soludo cited in Adewumi and Adenuga (2010) enumerated six (6) major problems of the banking sector as follows:

- Weak corporate governance, evidenced by high turnover in the Board and management staff, inaccurate reporting and non-compliance with regulatory requirements, falling ethics and de-marketing of other banks in the industry;
- Late or non-publication of annual accounts that obviates the impact of market discipline in ensuring banking soundness;
- Gross insider abuses, resulting in huge non-performing insider-related credits;
- Insolvency, as evidenced in by negative capital adequacy ratios and shareholder's funds that have been completely eroded by operating losses;
- Weak capital base, even for those banks that have met the minimum capital requirement, which currently stands at 1bn, or US\$7.53m for existing banks and N2.0bn or US\$15.06 for new banks, and compared with the RM2.0bn or US\$526.4 in Malaysia;
- Overdependence on public sector deposits, and neglect of small and medium class savers.
-

Conclusion: This work has tried to exposed and bring to the fore the importance of critical infrastructure in the productivity processes of any nation. Unfortunately Nigeria continues to wallow in the neglect of these critical infrastructure either adventently or inadvertently due to corruption, lack of political will, lack of the knowledge and the drive to pursue development based on international best practices.

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**BRAND PREFERENCES SURVEY AMONGST UNDERGRADUATES IN
A NIGERIAN PRIVATE UNIVERSITY**

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ABSTRACT

This paper focuses on top brand preferences survey amongst undergraduates in Benson Idahosa University (BIU) Benin City, Nigeria. The objectives of this paper were: to determine the brands perceived as superior by BIU students, to find out the reasons / factors or attributes that makes them prefer these brands; to ascertain the benefits they derive from these brands and to suggest useful strategies arising from this study to brand managers. Survey research design was employed for this study. The population of the study was undergraduate students in Benson Idahosa University - Benin City, Nigeria with a total student population of about three thousand five hundred students (3,500) and 565 final year students as at the time of the study. A sample size of two hundred and thirty five final year students was employed for the study. A self-developed questionnaire aimed at capturing the issues of the research interest was employed. It was found out that students in the BIU community perceive Fidelity bank as top choice bank, same for ATM services category, then Samsung phone products, HP laptops, Jumia online shop, Whatsapp social network, Uche supermarket, Osas Business Centre, Victor's hair salon, Desti Meals, Bravo noodles, Simon Peter water, Coca Cola, Five alive juice and Toyota brand for the various sampled brands in the BIU community. It was also found that the students prefer these brands because of good quality, reliability, availability, accessibility, confidence in the brand name, comfortable physical environment of service delivery, loyalty to the brands and physical appearance / attraction to the of brands. Based on the findings, this paper recommends therefore that brand managers should ensure high quality in goods and services; managers should ensure that the value of a product is worth its price, ensure products are accessible, easy to use, consistency in quality, especially for services, should be sensitive and responsive to the complaints of consumers, and ensure quick corrective measures to remedy defects. There should be a proper feedback mechanism to ensure openness in communicating with customers. Also brand managers and service providers should adopt a guarantee policy on their brands to foster trust in the minds of consumers, thereby promoting loyalty to the brands, continue to promote good customer relationship and ensure that the environments in which services are provided are conducive.

Keywords: *Brand, Brand Equity, Brand Preferences.*

1.0. Introduction and Background to the Study

According to Kotler & Armstrong, (2010) a brand represents everything that a product or service means to consumers. It is the image that consumers have in mind and entails also the unique characteristics that have been developed all the time in order to differentiate actual products from that of the competitors (Murphy, 1990; Aaker, 1991). Understanding the role that brands play in consumer buying behavior is invaluable in building sustainable competitive advantage (Jobber 2001). Neil & Lopo, (2008) asserts that it is widely accepted that brands are important intangible assets that can significantly contribute to firm performance. Kotler, (2005) submits that most organizations own large product portfolios and market different brands within their product mix. This requires that they make firm-level

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strategic decisions concerning the brand portfolio as it affects the brand equity, brand personality and identity. Good understanding of reasons for brand choice preferences would provide a clue as to how to promote brand awareness and how brand preference and loyalty is built. Tafamel & Abiodun, (2015) citing Alamore & Rowley, (2011) avers that brand preference is an important aspect of marketing research and is “the extent to which the customer favours the designated service provided by his or her present company, in comparison to the designated service provided by the other companies in his or her consideration set” while according to Singh, Ehrenberg & Goodhardt, (2008) as cited in Tafamel & Abiodun, (2015) it refers to the consumers’ hierarchical prioritization of the brand arising from their patronage and cognitive comprehension of the brand.

Objectives of the Study

The purpose of this study is to understand the why and how of brand preferences among students as they are very enthusiastic about where they shop and services they use. Effort is made to compare between brands on the basis of their brand characteristics and components and how these influences the choice of a particular brand. Specifically the objectives of this study are:

- 1.) To determine the brands perceived as superior by B.I.U students.
- 2.) To highlight the reasons, factors or attributes that makes them prefer these brands.
- 3.) To ascertain the benefits they derive from these brands
- 4.) To suggest useful strategies arising from this study to producers / brand managers

Research Questions

- 1.) Which brands are perceived to be superior by students?
- 2.) Why do they prefer these brands?
- 3.) What are the benefits they derive from these brands?
- 4.) What are the strategies that may be suggested for brand management from this study?

2.0. Literature Review on Brands, Branding and Brand Equity

The American Marketing Association defines a brand as “a name, term, sign, symbol or design, or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. A brand therefore is a product or service that adds dimensions that differentiate it in some way from other products or services designed to satisfy the same need. These differences may be functional, rational, or emotional or intangible related to what the brand represents. A brand name offers a symbol that can help consumers to identify service suppliers and to envisage service outcome (Janiszewski & Van Osselaer, 2000). A brand is the image that consumers have in mind (Aaker, 1991). It is also the unique characteristics that have been developed all the time in order to differentiate actual products from the competitors (Murphy, 1990). Furthermore, according to Kotler, Keller, Brady, Goodman & Hansen, (2009) cited in Tafamel & Abiodun, (2015) brands are important intangible assets valuable for the company and are a distinctive tool useful for building long-term relationships with consumers.

From the works of Aaker, (1998); Tafamel & Abiodun, (2015) to the consumers, brands reflect their experience and knowledge; thus simplifying the processing of information accumulated over time about the company and its products. The brands therefore act as signals for products of high quality and low perceived risk, thus, enabling the consumers to capture both cognitive and non-cognitive values expressed in the positive feelings and self-expression experienced. Affirming this, Jobber (2001) submits that strong brands are important to both companies and consumers. The companies get benefits because strong brands add value to the organization, positively affects consumers perceptions of the brands, act as a barrier to competition, improve profits and provide a base for brand extensions. Also, consumers gain because strong brands act as a form of quality certification and create trust (Jobber, 2001; Tafamel & Abiodun, 2015; Ogbuide & Agbadudu, 2015).

Aaker & Joachimsthaler (2003) in describing brands propose that they may be conceptualized variously: **the brand as a good** - (features of a good, quality/equity, experience, consumers, producing country); **the brand as a company** - (features of a company, novelty, care about consumers, reliability, local versus global); **the brand as a personality** - (sincere, active, reliable), the relationship of brand and

consumers; **the brand identity** - extended identity, principal identity, brand essence and **the brand as a symbol** - (visual associations and a number of metaphors and brand inheritance).

Branding according to Nomuoja, Monye & Ekperi, (2013) entails the use of names logos, symbols character, slogans, jingles, distinctive packages and thus brings the product to the attention of buyers, creates brand recognition, differentiation and loyalty. Alamore & Rowley, (2011) cited in Tafamel & Abiodun, (2015) asserts that branding is an important aspect of marketing and is considered to be one of the key success factors in selling products and services to brand conscious customers. According to Aguirre-Rodriguez, Bosnjak, & Sirgy, (2012) a firm which is capable of establishing a level of brand preference among its customers enjoys a considerable competitive advantage over its competitors. Brand preference is the consumers' decision to purchase a brand instead of another based on experience or positive word of mouth recommendation). It is "the extent to which the customer favours the designated service provided by his or her present company, over competitors for the same service or product (Alamore & Rowley, 2011). The consumers' choice for specific brands is determined by the brand equity.

Brand equity according to Kotler & Armstrong, (2010) sharing similar views with Calvo-Porrall & Lévy-Mangin, (2014) is the set of attributes that are linked to a brand, its name and symbol. It is attributes that adds to or subtracts from the value provided by a product or service to a firm and/or to the firm's customers (Tolba & Hassan, 2009). It is also viewed as the value that consumers associate with a brand and is the set of brand assets and liabilities linked to the brand that adds to or detracts the product or service value based on the customers' perspectives and this value is reflected in how consumers think, feel and act. Aaker, (1996) further states that brand equity is an important intangible asset that has psychological and financial value to the firm, and its value depends on the number of same people who buy regularly. In this connection, Motameni & Shahrokhi, (1998) aver that the brand loyalty, brand awareness and brand perceived quality are necessary to maintain the brand equity. Furthermore Kotler & Keller (2009) defined brand equity as "the differential effect that brand knowledge has on customer response to the marketing of that brand." This hinges on the assumption that the power of the brand lies on what has been learned, heard, seen and felt by the consumer about the brand over time. In other words, high brand equity generates a differential effect, facilitates expansion into new markets; promote higher brand knowledge and a higher consumer response which normally leads to better brand performance (Ogbeide & Agbadudu, 2015). A brand with strong brand equity is a valuable asset as they bestow financial advantages on a firm because they often command comparatively large market shares and consumers may pay little consideration to disparity in prices.

Scholars like Lev, (2001, 2005); Tafamel & Abiodun, (2015) opine that brand equity is an intangible resource and leads to high profits/stock returns and brand success. Brand success in the market depends on several factors ranging from brand identity, use of the identity in building the image the organization wishes to project differentiating their products from competitors' products. Kapferer, (2003) opines that the brand image is the most efficient way of communication with consumers and reveals the significance of brand identity. Building a strong brand thus yields a lot of benefits including signaling a definite intensity of superiority so that contented customers can simply select the product again, it provides consistency and protection of demand for the firm, and it forms barriers to entry that make it difficult for other firms to enter the market (Kotler & Keller, 2009).

Consumer Decision Making and Consumer Models

According to Nomuoja, Monye & Ekperi, (2013) understanding consumer decision making is of significant importance to the marketer as it is both a process and also the point of consumers demonstrating their desired preference amongst competing brands. Cobb, Rubble & Donthu, (1995) cited in Tafamel & Abiodun, (2015) asserted that "it is essential to understand how brand value is created in the mind of the consumer and how it transforms into choice of behaviour". Ogbeide & Agbadudu, (2015) posit that consumer brand preference is key to understanding consumer behaviour and has always received great attention from marketers as brand preferences reveal the type of attributes a product possesses, to strengthen its position and increase its market share. Overby & Lee, (2006) asserts further that brand preferences represent consumer dispositions to favour a particular brand and depicts the behavioural tendencies reflecting the extent to which consumers favour one brand over another (Hellier, Geursen, Carr, & Rickard 2003).

Previous Empirical Studies

From the works of Aaker, (1997) research establishes relationship between brand personality and brand equity as two related concepts and that brand personality is one important component of brand image and helps build brand equity (Aaker, 1997). Oduor, Lomkhosi, & Sibusiso (2008) in their study in Swaziland focused on establishing leading brands in several product categories and found that quality, prompt services, trustworthiness, convenience, availability, affordability and dependability were factors influencing brand choice.

In their work PeirVallet- Florence, (2009) relates personality dimensions to brand equity, and reports that numerous studies have revealed effect of elements on brand personality which is reflected in the components and outcomes of brand equity. This is in line with Kim, (2000) who submits that successful brand personality increases customer preference, encourage consumption of the brand, increases consumers' emotional attachment, build brand trust and loyalty and provide a context for differentiation, brand attachment, brand trust and brand loyalty.

According to Bauer (2007) as cited in Oduor, et, al (2008) in a top brand choices survey conducted in South Africa, results indicates considerable stability in the leading brands over a three year survey period and that the brands have been able to achieve high brand equity and maintain strong positions in the minds of South Africans. In that study identified leading brands were Coca Cola, Vodacom, ABSA Bank, Nokia, Toyota etc. in various categories respectively. While the above cited works are essentially foreign in origin, this research attempts to undertake a top brand choice survey in the Nigerian environment amongst university undergraduates.

3.0 Methodology

Survey research design is employed for this study. The population of this study are the full time undergraduate final year students of Benson Idahosa University, (BIU) - Benin City -Nigeria, totaling 565(Source: University Records 2015). The study used a sample size of 235 employees as drawn from the population using Yamane (1968) formula for sample size determination. The instrument was validated using face validation technique while the reliability was determined by cronbach alpha reliability test that yielded a reliability coefficient of 0.88. Some criteria used in evaluating brand selection choice included quality, reliability, availability, responsiveness, assurance, convenience, courtesy, proximity, empathy and tangibles. In all a total of two hundred questionnaires were distributed to the respondents in BIU, out of which one hundred and ninety four copies were returned and found usable. Results were aggregated using Excel package and are presented using simple descriptive statistics and prose explanations.

4.0. Findings

The results of the study reveals that in the Automated Teller Machines (ATM) category, 39 (20.1%) persons of the total respondents patronize UBA ATM, 39 (20.1%) persons also make use of First Bank ATM, 14 (7.2%) persons make use of Eco Bank while 102 (52.6%) people make use of Fidelity Bank ATM. This reveals that majority of the respondents of this study make use of Fidelity Bank ATM. The reasons behind the respondents choice on their preferred ATM brands are 69(35.6%) made their choices based on high service quality, 56(28.9%) persons made their choice based on availability 49(25.3%) made their choice based on dependability, and 20(10.3%) persons made their choice based on other reasons. This result shows that high service quality informed the choice for most of the respondents.

In the banking and financial services brand that the respondents patronize, 13(6.7%) of the respondents patronize Above Only Bank, 75(38.7%) of the respondents patronize Fidelity bank, 47(24.2%) of the respondents patronize UBA, 51(26.3%) of the respondents patronize First bank, 5(2.6%) of the respondents patronize Keystone bank, while 3(1.5%) of the respondents patronize Ecobank. This shows that majority of the students prefer Fidelity bank. Furthermore, for the reason behind respondents' first bank choice, 69(35.6%) respondent based their choice on service quality, 48(24.7%) persons based their choice on availability, 32(16.5%) respondents based their choice on dependability, 14(7.2%) persons based their choice on conducive environment, 31(16.0%) persons based their choice on good customer relationship. The majority of the respondents made their choice based on the quality of services rendered by the bank.

For the phone brands of respondents, 48(24.7%) of respondents make use of Samsung phone, 21(10.8%) respondents make use of Nokia phone, 34(17.5%) of the respondents make use of Blackberry phone, 26(13.4%) of respondents make use of I-Phone, 23(11.9%) of respondents use Techno phone, 6(3.1%) of respondents use Lenovo Phone, 27(13.9%) of respondents make use of Infinix phone and 9(4.6%) of respondents make use of Apple phone. Thus majority of the respondents make use of Samsung phones. As regards the reason for respondents choice on phone brands, 80(41.2%) persons made their choices based on the product quality, 41(21.1%) made their choices based on dependability of the product, 12(6.2%) made their choice based on the appearance of the product, 19(9.8%) made their choice based on confidence in the product, 30(15.5%) made their choice based on affordability of the product while 12(6.2%) of the respondents made their choices based on other reasons not stated. This shows that majority of the respondents got their Samsung phones because of its quality.

In the laptop brands used by the respondents, 119(61.3%) of respondents use HP laptop, 22(11.3%) of respondents use Dell laptop, 10(5.2%) of respondents use Lenovo Laptop, 20(10.3%) of respondents use Apple laptop, 8(4.1%) use Samsung laptop, 8(4.1%) of respondents use Acer laptop, 7(3.6%) of respondents use Toshiba laptop. This implies that majority of respondents make use of HP laptop. As regards the reason for respondents choice of laptop, 105(54.1%) of respondents made their choice based on the product quality, 13(6.7%) made their choice based on advertisement, 38(19.6%) made their choices based on confidence in the brand, 23(11.9%) made their choice based on affordability of the product, 15(7.7%) based their choice on other reasons not stated. This implies that majority of respondents made the choice of HP laptops because of the product quality.

As regards the online shops patronized by respondents, 118(60.8%) respondents preferred Jumia, 33(17.0%) of respondents patronize Konga, 11(5.7%) of respondents patronize Jiji, 19(9.8%) of respondents patronize Alli express, 9(4.6%) of respondents patronize E-bay, and 4(2.1%) of respondents patronize Amazon. Jumia is thus the preferred online shop. The identified reasons behind respondents choice of online shop, 95(49.0%) of respondents made their choice based on quality delivery, 38(19.6%) of respondents made their choice based on advertisement, 30(15.5%) made their choice based on confidence in the brand, 23(11.9%) made their choice based on service quality, while 8(4.1%) of respondents made their choice based on other reasons not stated. Majority of the respondents patronize Jumia online shop because of their quality / effective and efficient delivery.

For the social network respondents prefer to use, 74(38.1%) of respondents prefer using Whatsapp, 54(27.8%) of respondents prefer using Instagram, 33(17.0%) of respondents prefer using Facebook, 25(12.9%) of respondents prefer BBM, 7(3.6%) of respondents prefer using Twitter and 1(0.5%) of respondents prefer using Skype. This shows that majority of the respondents prefer using Whatsapp. For the reasons behind respondents choice of social network, 49(25.3%) based their choice on quality service, 47(24.2%) based their choice on reliability, 69(35.6%) based their choice on affordability while 29(14.9%) made their choice based on other reasons not stated. This shows that majority of the respondents made their choice based on affordability of the social networks.

With respect to the different local supermarkets/ shops respondents patronize, 70(36.1%) of respondents patronize Uche's shop, 19(9.80%) of respondents patronize Harriet's shop, 39(20.1) of respondents patronize Jennifer's shop and, 66(34.1%) of respondents patronize Entrepreneur. This indicates that majority of respondents make use of Uche's shop. The reason behind respondents choice of supermarket, 83(42.8%) of respondents made their choice based on good customer relations, 30(15.5%) of respondents made their choice based on convenience/proximity, 12(6.2%) of respondents made their choice based on conducive environment, 44(22.7%) of respondents made their choice based on availability of products, 10(5.2%) of respondents made their choice based on reliability, 15(7.7%) of respondents made their choice based on other reasons not stated. This means that good customer relations and availability of desired products are key influences in choice of preferred shops.

As regards the business centers/ clerical shops that respondents patronize the most, 23(11.9%) of respondents patronize Da point, 49(25.3%) of respondent patronize Mrs. Agbonkpolo, 42(21.6%) of respondents patronize Mr. BB, 51(26.3%) of respondents patronize Osas, while 29(14.9%) of respondents patronize Madam Happiness. This shows that majority of respondents patronize Osas business centre. The reason behind respondents choice of business centers, 83(42.8%) of respondents made their choice based on service quality, 62(32.0%) of respondents made their choice based on convenient proximity, 24(12.4%) of respondents made their choice based on conducive environment

while 25(12.9%) of respondents made their choice based on dependability. The convenience, proximity and the quality of services obtained influenced respondents' preference.

For the hair salon respondents patronize, 129(66.5%) patronize Victor's salon while 65(33.5%) patronize Romeo's salon. This shows that majority of respondents patronize Victor's salon. The reasons are because of their service quality, 55 persons (28.4%); 34(17.5%) of respondents patronize them because of convenient proximity, 69(35.6%) of respondents patronize them because of good customer relation, 7(3.6%) of respondents patronize them because of their conducive environment, 7(3.6%) of respondents patronize them due to dependability while 22(11.3%) of respondents patronize them for other reasons. This shows that many respondents patronize this salon because they have good customer relations.

For the different restaurants/food vendors' respondents patronize, 51(26.3%) prefer Desti's restaurant, 30(15.5%) of respondents patronize Favour's restaurant, 22(11.3%) of respondents patronize Oge's restaurant, 30(15.5%) of respondents patronize Hebron's restaurant, 16(8.2%) of respondents patronize Tracy's restaurant, while 45(23.2%) of respondents patronize Midesta's restaurant. This implies that a large number of respondents patronize Desti's restaurant. As for the reason for respondents' choice of food vendors, 29(14.9%) of respondents based choice on the quality of service gotten, 106(54.6%) of respondents because of the quality of meals served, 15(7.7%) of respondents because of the quality of environment in which meals are served, while 22(11.3%) purchase food from vendors they have a good relationship with showing that respondents place high priority on quality of meals and services rendered in patronizing food vendors.

As regards the respondents choice of fast foods - noodle shops, 68(35.1%) of respondents prefer Bravo's noodles, 64(33.0%) of respondents chose Bala's noodles, 47(24.2%) of respondents patronize Pastor's noodles, while 15(7.7%) of respondents patronize Juliet's noodles. This implies that majority of the respondents prefer Bravo's noodles shop. As for the reason for respondents choice of noodle shops, 46(23.7%) of respondents made their choice based on the quality of service rendered, 65(33.5%) of respondents patronize the shops based on the quality of meals served, 11(5.7%) of respondents patronize them because of the conducive environment, 49(25.3%) of respondents patronize the shops due to the good relationship they have with the noodle vendors, while 23(11.9%) of respondents patronize them for reasons not stated. This implies that majority of respondents patronize the noodle shops because of the quality meals served and services rendered

As regards the respondents choice of water brands, 92(47.4%) of respondents prefer Simon Peter water, 13(6.7%) of respondents prefer Vasco water, 21(10.8%) of respondents prefer Olivia water, 21(10.8%) of respondents prefer Notre Dame water, while 47(24.2%) of respondents prefer Eva water. This shows that a large number of respondent prefer purchasing Simon Peter water. As for the reasons for respondents choice of water brand, 109(56.2%) of respondents made their choice based on the quality of the water brand while 85(43.8%) made their choice based on easy access to the product. This implies that respondents place priority on quality in choice of water brands.

For the respondents choice of Malt and Soft drinks, 56(28.9%) of respondents chose Fanta, 71(36.6%) of respondents chose Coke, 34(17.5%) of respondents chose Sprite, (6.2%) of respondents chose Maltina, 12(6.2%) of respondents chose BIG, and 9(4.6%) of respondents chose Fayrouz. This implies that majority of respondents prefer Coke. Forreason of respondents choice of soft drink, 103(53.1%) of respondents made their choice based on the quality of the soft drink, 27(13.9%) of respondents made their choice based on the fact that those soft drinks were accessible, 35(18.0%) of respondents made their choice based on the affordability of the soft drinks, 29(14.9%) of respondents based their choice on other reasons not stated. This implies that majority of respondents based their choice of soft drinks on the quality of the product.

With respect to respondents choice of juice brands, 80(41.2%) prefer Five Alive juice, 60(30.9%) prefer Chivitajuce, 29(14.9%) prefer Caprisonne juice, while 25(12.9%) prefer Viju juice. This implies that a large number of respondents prefer Five Alive juice. As regards the reason for respondents choice of juice brand, 110(56.7%) based their choice on the quality of the juice brand, 40(20.6%) made their choice based on ease in accessing the brands, 23(11.9%) based their choice on affordable prices and 21(10.8%) of respondents on reasons not stated. Majority respondents thus based their choice juice on the quality of the product and availability.

As regards the respondents Automobile brand choice, 74(38.1%) of respondents chose Toyota, 55(28.4%) of respondents chose Mercedes, 29(14.9%) of respondents chose KIA, 11(5.7%) of respondents chose Nissan while 25(12.9%) of respondents chose Honda brand. This reveals that majority of respondents prefer Toyota brand of cars. With respect to the reason for respondents car brand choice, 109(56.2%) chose the car because of its quality, 31(16.0%) chose the brand because of affordability, 41(21.1%) of respondents

made their choice based on trust in the brand name, while 13(6.7%) of respondents based their choice on reasons not stated. This implies that respondents preference were for cars with high quality.

Table 1: Summarized Reports on Respondents Opinion on Various Brands Categories.

Product Category	Responses			
	Top brand Choice	Frequency	Percent -age	Some identified reasons
Automated Teller Machine (ATM)	Fidelity Bank	102	52.6	dependable, availability, high quality etc.
Banking Category	Fidelity Bank	75	38.7	high service quality, dependability, decent environment, availability, good customer relations etc.
Mobile Phones Category	Samsung	48	24.7	quality, dependability, affordability product appearance, confidence in the product etc.
Laptop brand	HP	119	61.3	product quality ,adverts on product, confidence in the brand name, affordability etc.
Online Shop Category	Jumia	118	60.8	quality delivery, advertisement, confidence in the brand, service quality etc.
Social Network Category	Whatsapp	74	38.1	high service quality ,reliability, affordability etc.
Local Shops / Supermarket	Uche Shop	70	36.1	good customer relations, convenient proximity, conducive environment, products availability, reliability etc.
Clerical Services Shops / Business Centre	Osas	51	26.3	good customer relations, convenient proximity, conducive environment, product availability, reliability etc.
Preferred Hair Salon Shop Category	Victor Salon	129	66.5	good customer relations, convenient proximity, conducive environment, availability of products, reliability etc.
Preferred Food Vendor	Desti	51	26.3	quality, service, quality meals, conducive environment, good relationship management etc.
Choice of Indomie Shops Noodles/ Fast Foods	Bravo	68	35.1	quality service, quality meals, conducive environment, good relationship with suppliers etc.
Water Brand	Simon Peter	92	47.4	quality, product availability etc.
Choice of soft drink / malt drinks category	Coca-Cola	56	28.9	quality products, affordability availability etc.
Juice Brand	Five Alive	80	41.2	quality product, affordability availability etc.
Car Brand Choice	Toyota	74	38.1	quality, reliability, affordability etc.

Source: Field Work 2016

Discussion of Findings.

In the ATM category, the researcher discovered that majority of students prefer to make use of Fidelity bank ATM, reason being that the Fidelity Bank ATM offers high quality service when compared with other ATM's. A reasonable number of students also chose Fidelity because it is easily accessible and reliable. It was discovered that students prefer banking with Fidelity bank because of their high

service quality. Other reasons for their choice are that the bank is easily accessible, reliable, has good customer relationship and a conducive environment (Tangibles). Furthermore, students in BIU mostly use Samsung phones because of its quality, reliability, its price and appearance. In the category of laptops, most students use HP because of the quality, confidence in the brand name price of the laptop and adverts about their products. For the different online shops majority of students patronize Jumia because of their quality delivery, advertisement and confidence in the brand name. This finding is supported by the study of Oduor, Lomkhosi, & Sibusiso (2008) in their study in Swaziland which focused on establishing leading brands in several product categories. They found that quality, prompt services, trustworthiness, convenience, availability, affordability and dependability were factors influencing brand choice.

For the various social networks, students mostly use whatsapp because of its low cost of usage, service quality and reliability. Students mostly patronize Uche's shop because of the good relationship they have with their customers, and that students' needs are always met because of the availability of products. Students prefer to patronize Osas's business center because of the good services they render and proximity to their hostels and lecture rooms. Most students prefer Victor's salon because of the good relationship they have with their customers, good service quality and convenient proximity. These findings is supported by the study of Wogu, (2016) in the study on service quality analysis in the telecommunications industry who reported that factors such as quality, reliability, availability, responsiveness, assurance, convenience, marketing communication, courtesy, customer service, proximity, empathy, tangibles/ physical evidence etc. are important determinants of customer preferences for a particular brand over another and all contribute to successful brand performance.

For the food vendor category students prefer Desti meals to others because of the quality meals served. Students prefer Bravo noodles to others because of quality meals and quality service rendered. Students also prefer Simon Peter water because of its quality and accessibility. Furthermore students prefer Cokebrand to other brands of soft drinks because of its quality; while they prefer five alive in the juice category while in the Automobile brands category, preferences were for Toyota brand of cars because of its quality and dependability. The study shows that brand patronage is influenced mostly by the quality of those brands in comparison with competing brands. The findings of this study is supported by several other studies such as Pasuraman, Zeithanl & Berry (1985) in their work on service quality and performance; Oduor, et. al (2008) on top brands preferences survey in Swaziland, and PeirVallet- Florence, (2009) who reports diversely that factors such as quality, reliability, availability, responsiveness, assurance, convenience, marketing communication, courtesy, customer service, proximity, empathy, tangibles/ physical evidence etc. are important determinants of customer preferences for a particular brand over another and all contribute to brand attachment, brand trust brand loyalty and successful brand performance.

5.0. Summary, Conclusions and Recommendations.

This study was embarked upon with the intention to survey the top brand choices among students in the BIU community. Several product brand categories ranging from ATM services, Bank services, Phone brands, Laptop brands, Online shops, Social networks, Supermarkets, Business centers, Hair salons, Food vendors, Noodles shops, Water brands, Soft Drinks, Juice brands, and automobile brands were sampled. In summary,

1. Students in the BIU community perceive Fidelity bank to be superior to other banks in the BIU environment in terms of rendering quality services, ATM inclusive. Also Samsung phone products, HP laptops, Jumia online shop, Whatsapp social network, Uche supermarket, Osas Business Centre, Victor's hair salon, Desti Meals, Bravo indomie, Simeon peter water, Coca Cola, Five alive juice and Toyota brand are perceived by students to be superior to their competing brands in the BIU community.

2. It is also discovered that students prefer these brands because they are of good quality, reliable, available, accessible, confident in the brand name, comfortable with the environment in which the service is provided, loyal to the brands and attracted to the physical appearance of products brands. The students thus derive satisfaction from the utilization of these brands.

Conclusions and Contribution to Knowledge

This study provides useful information on students' choice of product brands and why they prefer these brands and also highlights factors that are perceived to make a particular brand of product more appealing or important. This is useful for marketers and product brand managers so as to concentrate on aspects that are important for successful product performance and sustainable competitive advantage.

Recommendations

The following are the recommendations from this study:

1. The businesses should continue to focus on quality improvement. It is evident that quality largely influences consumer purchase behaviour, therefore producers and service providers should ensure top quality always in goods and services. Managers should ensure consistency in the quality and also ensure that the value offered is worth the prices.
2. The businesses should ensure that products are easily accessible by consumers. There should also be ease of use of products and functional after sales service arrangements. The distribution network should thus be efficiently managed.
3. Producers should intensify adopting the strategy of integrated marketing communications as it would enhance adequate promotion of the brand awareness, recall, and benefits, encourage trial, preferences, improve brand equity and enhance brand positioning.
4. The businesses should be sensitive to the complaints of consumers, especially when they are dissatisfied with the products. Quick corrective measures should be taken to correct such defects. There should be an open and functional communication mechanism to ensure ease in getting feedback.
5. Business owners should adopt a guarantee policy on their brands to foster trust in the minds of consumers, thereby promoting loyalty to the brands.
6. The act of good customer relationship should be emphasized. Service providers also should ensure that the environments in which services are provided are conducive.
7. Managers of leading brands should continue to improve on their areas of strength and identified reasons for consumer preference.

Limitations of the Study and Suggestions for Further Research.

This research was conducted in just one private university and this has limitations both in geographical coverage and in sample size. It is therefore suggested that the scope of the study and the sample size should be enlarged to enhance generalization of results. Future researches should also be done on related issues of brand equity and consumer preferences and patronage.

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