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EVALUATION OF CORRELATION BETWEEN MOTIVATION AND BUSINESS OWNERSHIP

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ABSTRACT: *The task of entrepreneurship in the economic growth and development of developed economies like The United States, Britain, Japan, Canada and others challenges most developing economies including Nigeria to re-examine their developmental concept and plan and see enterprises development as very vital to their ever-increasing economic problems. As a result, womenfolk's entrepreneurs have been seen as important variable in entrepreneurial development of the nation. However, more important is the understanding of the relationship between the factors that motivate women into entrepreneurship and their choice of business ownership. This paper is therefore focused on examining this phenomenon. Data for analysis was obtained from the women lists compiled by the Business Directory, and other associations of Nigerian Women in business within Ilorin and metropolis. Model of correlation coefficient was used to analyze the data from the primary source through the instrument of questionnaires. The findings of the survey showed that there is a significant relationship between entrepreneurial motivation and women choice of business ownership. Recommendations for policy making were offered based on these findings.*

KEYWORDS: Business Ownership, Developmental Concept, Women Entrepreneurship, Business Management

INTRODUCTION

In today's global economy that is driven by entrepreneurial skills and development the role of the women folks cannot be under estimated, take their involvement seriously or lose their share of contribution to the economy. Schumpeter (1934) and Josiane (1998); held entrepreneurship is the engine of economic growth and wheel that pedal the vehicle of economic development. While Culkin and Smith (2000);ock (2004); Wang et al. (2006) affirmed that its importance has been recognized in the area of job creation, revenue generation, poverty alleviation, wealth creation and as the driver of economic growth. The concept of entrepreneurship has been identified by Josiane (1998) as the central element in the theory of economic development which makes up the largest business sector in economies. It has been recognized as a process that involves willingness to rejuvenate market offerings, innovation, risks taking, trying out of new and uncertain products, services, markets and being more proactive than competitors towards exploring new business opportunities, entrepreneurship needs to be evaluated also in terms of the involvement of the female gender in its operation.

Significant researches had been carried out on female gender involvement in business activities, mainly those reported to have particular type of enterprise that is peculiar to their motive(s) for venturing into the business. This has been observed to have affected their perception, understanding and definition of the concept and meaning of business success

and entrepreneurial development. Thus, it necessitated this paper's examining the relationship between womenfolk's entrepreneurial motivation and the choice of business ownership.

Statement of the Problem

There is a dearth of women folk entrepreneurs in the competing with men in the business world. Thus, Nigeria is not an exception many research have suggested so many reasons why these trend is so. These reasons necessitates the research to find out what drives women folks in Nigeria to own the kind of business they own whether there is a relationship between the motivation and the kind of business they own, a case study of women within ilorin and environ.

Objective of the Study

To ascertain the kind of business women engaged in within Nigeria and the motivation to own such businesses. To also encourage women to participate in entrepreneurial development, as a panacea to their economy emancipation, as well to add to knowledge what entrepreneurship can do and add to a nation's economy.

CONCEPTUAL LITERATURE REVIEW

Hisrich and Peter (1991) in their work classified women entrepreneurial motivational factors into antecedent, triggering and enabling factors or positive, negative and supportive factors. While positive factors are those antecedent factors that have to do with desire for entrepreneurial aspirations such as to be one's own boss, independence, desire to achieve growth etc., negative factors have to do with those triggering tendencies that force women into business such as discrimination in the labour market, lack of alternative job opportunity, divorce, death of spouse and so on. Vesalainen and Pihkala (1999) identified two schools of thoughts as the main factors that determine entrepreneurial action among women. These schools are the environmental and people schools or factors. The environmental factor which is also called "circumstantial approach" emphasizes more on the issues of cultural and structural conditions of the local environment of women, such as government institutions, legislation, financial, family and community support while the people factor which is also called "trait approach" emphasizes more on the entrepreneurial characteristics such as need for achievement; locus of control; tolerance of ambiguity; skill and creativity; and risk taking.

Entrepreneurship and Type of Entrepreneurs

Entrepreneurship is a complex and multifaceted phenomenon. Recent changes in the economy and the restructuring of labour markets in terms of employee's qualifications, nature of work contents and work contracts have raised the profile and importance of entrepreneurship within the global economy which has resulted into different types of entrepreneurs. To ensure adequate development and competitiveness in entrepreneurship, the recognition of different types of entrepreneurs is necessary so as entrepreneurial career relate to a particular identity. Classification of entrepreneurs is usually based on different authors and researchers' views. On this regard, Timmons (1998) classified entrepreneurs based on their patterns of behavior, an entrepreneur can also be classified as self-employed,

traditional self-employed, growth-oriented, leisure, family owned and network entrepreneurs. United Nations (2006) classified entrepreneurs into growth oriented and subsistence entrepreneurs. The importance of motivation-related variables and entrepreneurial types are reflected in the early attempts of typology development in entrepreneurship. Gartner et al. (1989) in relating types of entrepreneurs to motivational variables defined typology development as taxonomy development and a method for identifying the most salient characteristics for differentiating among entrepreneurs as well as describing how each entrepreneurial type behaves.

In recognition of the importance of typological development, different theorists and authors have classified entrepreneurs in different ways. Thus United Nations (2006); and Grasfik (2000) classified entrepreneurs into six different types which include;

- (1) The Self-employed entrepreneur
- (2) The traditional Self-employed entrepreneur
- (3) The growth-oriented entrepreneur
- (4) The leisure entrepreneur or subsistence
- (5) The family-owner entrepreneur
- (6) The network entrepreneur.

However, these classifications depend on the motivational factors, gender characteristics and the sector of the economy under consideration. The reason for this is because different motivational factors arise when the type of entrepreneurship is examined in different sectors of the economy in a particular context.

Entrepreneurship can also be broadly classified according to the type of business, use of professional skill, motivation, growth and stages of development. These are found in various types of business occupations of varying size, we may broadly classify them as follows: **Business Entrepreneur:** Business entrepreneurs are individuals who conceive an idea for a new product or service and then create a business to materialize their idea into reality. They may set up a big establishment or a small business unit. They are called small business entrepreneurs when found in small business units such as printing press, textile processing house, advertising agency, readymade garments or confectionery.

Trading Entrepreneur: The trading entrepreneur is one who undertakes trading activities and is not concerned with the manufacturing work. He identifies potential markets, stimulates demand for his product line and creates a desire and interest among buyers to go in for his product line and creates a desire and interests among buyers to go in for his product line and creates a desire and interests and buyers to go in for his product. He is engaged in both domestic and overseas trade

Industrial Entrepreneurs: Industrial entrepreneur is essentially a manufacturer who identifies the potential needs of customers and tailors a product or service to meet the marketing needs. He is product- oriented man who starts in an industrial unit because of the possibility of some new product.

Corporate Entrepreneur: Corporate entrepreneur is a person who demonstrates his innovative skill in organizing and managing corporate undertaking. A corporate

undertaking is a form of business organization which is registered under some statute or act which gives it a separate legal entity. A trust registered under Trust act or company registered under the companies act is examples of corporate undertakings. A corporate entrepreneur is thus an individual who plans, develops and manages a corporate body.

Agricultural Entrepreneur: Agricultural entrepreneur are those entrepreneurs who undertake agricultural activities as raising and marketing of crops, fertilizers and other inputs of agriculture. They are motivated to raise agricultural through mechanization, irrigation and application of technologies for dry land agriculture products.

Entrepreneurs in Technology: We may broadly classify these entrepreneurs on the basis of use of technology as follows: Technical entrepreneur: A technical entrepreneur is essentially compared to a crafts man. He develops improved quality of goods because of the craftsmanship. He concentrates more on production than marketing.

MOTIVATION AND ENTREPRENEURIAL OWNERSHIP AMONG WOMEN

Typological studies associated each type of entrepreneurs with different motivational variables. Vasper (1980) in his study classified economics, business and capitalist philosophy entrepreneurs as being extrinsically motivated while psychology, politics and communist philosophy entrepreneurs as being intrinsically motivated. Relating entrepreneurial type of ownership to motivation, Minniti and Arenius (2003) reported that women who are intrinsically motivated are found more in nascent, new and necessity firms. These types of entrepreneurship estimate the number of women who start their own business because other employment options are either absent or unsatisfactory.

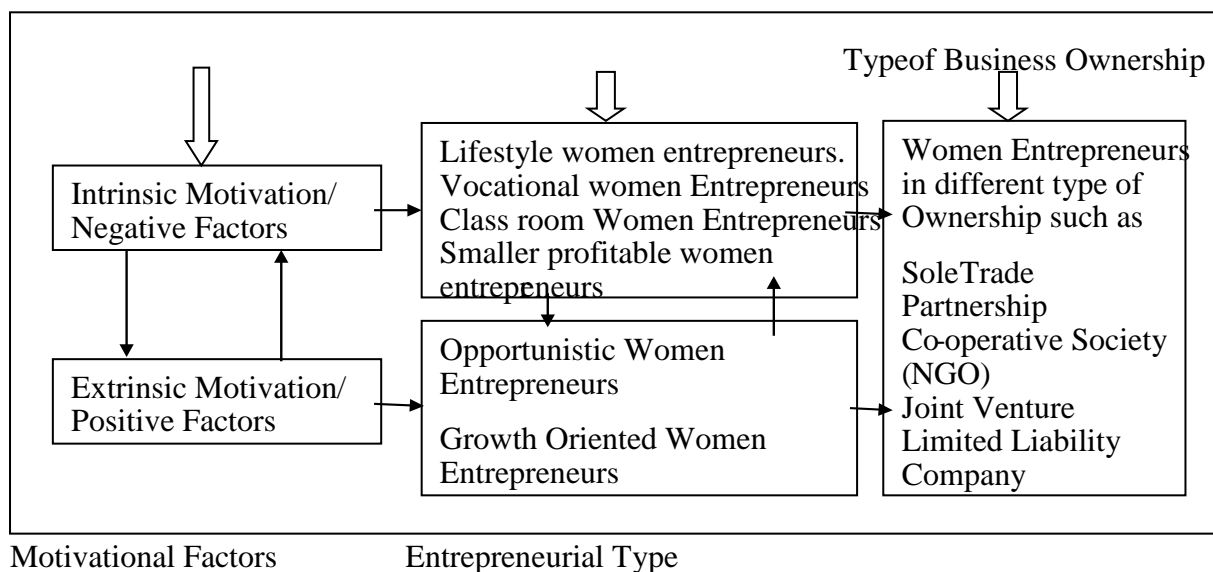


Figure 1. Relationship between Motivational Factors and Women Entrepreneurs' type of Business Ownership

Source: Brunstein and Maier (2005), as in Moses, C. L. PhD. (2014) and Modified by The Researcher.

Their research shows women who are motivated extrinsically are more of opportunistic entrepreneurs this revealed a significant number of women who take the option to start their own business do so with desire to make it a career option. Brunstein and Maier's study also revealed, entrepreneurs that are motivated intrinsically often end up in owning their micro or small enterprises while entrepreneurs that are motivated extrinsically often end up in owning their medium or large enterprise.

Figure 1 shows that there is relationship between motivational factors and women entrepreneurs' type of business ownership. The model shows that women that are either intrinsically or extrinsically motivated are likely to engage in a particular type of business. This confirmed the recent report commissioned by The Organization for Economic Cooperation and Development (OECD) workshop (2003) reported that women that are being driven into entrepreneurship by the necessity arising from poverty, lack and want, are closer to being lifestyle or vocational entrepreneurs. Women that are intrinsically motivated into entrepreneurship are usually found in sole trade and partnership type of business ownership. On the other hand women that are extrinsically motivated are usually regarded as opportunistic women and are usually found in joint venture and limited liability companies and therefore closer to being growth-oriented women entrepreneurs.

Methodology Sample Size

In carry out this study, four hundred (400) women entrepreneurs were selected from different location in the Ilorin North and Ilorin South LGA area of Kwara State. These Local Government Areas were used as the population of the study purposively selected out of the five LGAs in Kwara North Senatorial Seat. A random sampling method was adopted in selecting the women used as the respondents to this study from a list of women entrepreneurs drawn from documents made available by the Business Directory of PIPC, and other associations of Nigerian Women in business and entrepreneurship.

Measurement of Variables

The activities of women entrepreneurs were captured using some demographic items such as state of origin, age, marital status, nature of their business, business structure and other variables. Questionnaire was used to obtain the necessary data required for this study.

Table 1. Descriptive statistics of entrepreneurs by sectors and Geo Political Regions n = 393.

Variables	Freq.	Per. %	Variables	Freq.	Per. %
Geo Political Region	393	100	STRUCTURE OF BUSINESSES	393	100
North West	27	6.87023	Sole ownership	303	77.0992
North East	35	8.90585	Partnership	37	9.41476
North Central	119	30.2799	Joint Stock Company	31	7.88804
South West	63	16.0305	Others e.g. Cooperative Society	22	5.59796
South East	110	27.9898	NATURE OF BUSINESS	393	100
South South	39	9.92366	Family Business	281	71.5013
AGE	393	100	Non Family Business	112	28.4987
14-26yrs	16	4.07125	SECTORS/ CLASSIFICATION OF BUSINESS	393	100
27-40yrs	306	77.8626	Agriculture	133	33.8422

41yrs and above	71	18.0662	Manufacturing	23	5.85242
MARITAL STATUS	393	100	Trade	123	31.2977
Single	133	33.8422	Service	114	29.0076
Married	201	51.145	MODE OF STARTING THE BUSINESS	393	100
Divorced	23	5.85242	Scratch	246	62.5954
Widow	36	9.16031	Purchased	57	14.5038
NUMBER OF CHILDREN	260	100	Inherited	42	10.687
None	9	3.46154	Joined husband to start the business	48	12.2137
1 to 4	184	70.7692	HOW MANY YRS. DID YOU WORK IN YOUR FAMILY BUSINESS?	393	100
4 and above	67	25.7692	Less than one yr.	9	2.29008
EDUCATION QUALIFICATION	393	100	One – three yrs.	356	90.5852
Primary Education	4	1.01781	Four yrs. and above	28	7.12468
WAEC/NECO	82	20.8651			
Diploma/NCE	105	26.7176			
HND/BSc/ MSc	202	51.3995			

Source: Field Survey in Ilorin, 2017.

The use of questionnaire was necessitated so as to enable the respondents to be objective and precise in responding to the research questions. Structured questions in different sections of about twenty nine (29) items were asked so as to get information on the profile of the women. A five-point Likert- scale that ranges from strongly disagree to strongly agree of point (1 to 5). A statistical model of correlation coefficient was used to determine the level of relationship between entrepreneurial motivation and the choice of business ownership among women entrepreneurs. The use of correlation coefficient is important so as to test the relationship between the independent variables with the dependent variable. Variables such as family influence, psychological, financial and environmental factors were used to capture women entrepreneurial motivation while variables such as the nature of the business, the structure of the business, and the sector/classification of the business were used in measuring the business types.

Survey Results

To analyze the survey results of this study, SPSS (Version 15) and Microsoft Excel Statistical Program were used. Descriptive statistics which include percentage distributions, mean and standard deviation were calculated based on the respondent's responses for each item on the demographic information of the respondents which include the marital status of the respondents, their business data, motivation, and their entrepreneurial type. Table 1 depicted that out of the 400 questionnaires distributed, 393 or 98.25% of them were retrieved from the respondents and this forms the sample size of this study. Table 1 revealed that 27(6.87%) of the women entrepreneurs under the study came from North West Geo Political Region, 35(8.906%) of them came from North East, 119(30.28%) came from North Central, 63(16.03%) of them came from South West, 110(27.99%) came from South

East and 39(9.924%) came from the South South Region. It was shown that majority of the businesses owned by women entrepreneurs are distributed as follows 133(33.84%) in agricultural Sector, 123(31.3%) in trade, 114(29.01%) in service and 23(5.852%) in manufacturing sector. Few of the respondents are 16(4.071%) were at the age range of 14-26; 306(77.86 %) were at the age range of 27-40 while 71(18.07%) were at the age range of 41-above when they started their business. Considering the respondents' educational background, majority of them, 202(51.4%) have HND/B.Sc./ M.Sc. certificates while 82(20.87%) have WAEC/NECO certificate.

Looking at the mode of starting the business, 246(62.6%) started their business from the scratch, 57(14.5%) of the respondents purchased their ventures, 42(10.69%) inherited the business while 48(12.21%) of them joined their husbands' businesses'. The survey showed that 281(71.5%) of the respondents are involved in their family business while 112(28.5%) are involved in the businesses that has nothing to do with their families. The data also showed that 9(2.29%) of the respondents put in a period that is less than a one year in their family business, and 356(90.59%) had put in between one to three years working experience in their family businesses while 28(7.125%) of them had four years and above working experience in their family business.

Table 2. Motivation and entrepreneurs' type of and business ownership.

Statements	Freq.	Mean	Std. Dev.
I chose this type of business because it will enable me to achieve self-independence	393	4.36132	0.48099
I chose this business because it will enable me to be involved in the family decision making process.	393	3.26718	0.83444
I chose this business because it does not require too much capital to start.	393	3.26718	0.84053
I chose this business because I have personal characteristics in line with this type of business.	393	3.47837	0.50017
The government is supporting this type of business with loan that is why I started it.	393	2.80153	0.52615
I chose this type of business because it is the type of business most People around me do.	393	4.66921	0.47109
I chose this type of business because it is convenient for me as a woman.	393	3.2341	0.8928
I chose this type of business because the risk involved is relatively low.	393	3.15267	0.86136
I chose this type of business because it does not require too many Employees to run it.	393	3.5598	0.79132
I started this type of business because it is peculiar to women.	393	3.54962	0.64539

I started this type of business because I wanted to prove that I can do what a man can do.	393	3.16031	1.27666
I chose this type of business because it is peculiar to my family.	393	3.07125	1.23305
I chose this business because it will improve my quality of life.	393	3.71501	0.89796
I chose this type of business because the registration process is very easy.	393	3.20611	0.85462

Source: Field Survey in Jos, 2016. (SPSS 15th Version)

Motivation and Entrepreneurs' Type of Business Ownership

Table 2 identifies motivation for choice of business among women entrepreneurs. The strongest of the items is "I chose this type of business because it is the type of business most people around me do" which has a mean score of 4.66921 and standard deviation of 0.4711. No wonder, environmental factor was identified as one of the motivational factors that have the highest correlation coefficient with type of business ownership. This is followed by "I chose this type of business because it will enable me to achieve self-independence"; this has a mean score of 4.36132 and a standard deviation of 0.48099. Need for independence equally was given as one of the reasons (a pull factor) why many women under this survey go into business. The third is to improve my quality of life with a mean score of 3.71501 and standard deviation is 0.89796. Then fourthly is family issue with a mean score of 3.26718 and standard deviation is 0.83444. This is not surprising because women usually consider their family as an important factor in most of their activities. Other factors (in the order of their rating) that motivates women into choosing their type of business ownership are; the peculiarity of business to women with a mean score of 3.54962 and standard deviation of

0.64539; possession of personal characteristics required for the business with a mean score of 3.47837 and standard deviation of 0.50017; "I chose this type of business because it does not require too many Employees to run it." with a mean score of 3.5598 and standard deviation of

0.79132. The least of the mean score is "choosing this type of business because government is supporting me with financial assistance" which has a mean score of 2.80153 and standard deviation of 0.52615.

RESULTS

Table 3 reveals the motivational factors that determine women entrepreneurs' type of business ownership. From Table 3, it is apparent that the Null Hypothesis which stated that

Ho: Motivational factors does not have relationship with women entrepreneurs' type of Business Ownership.

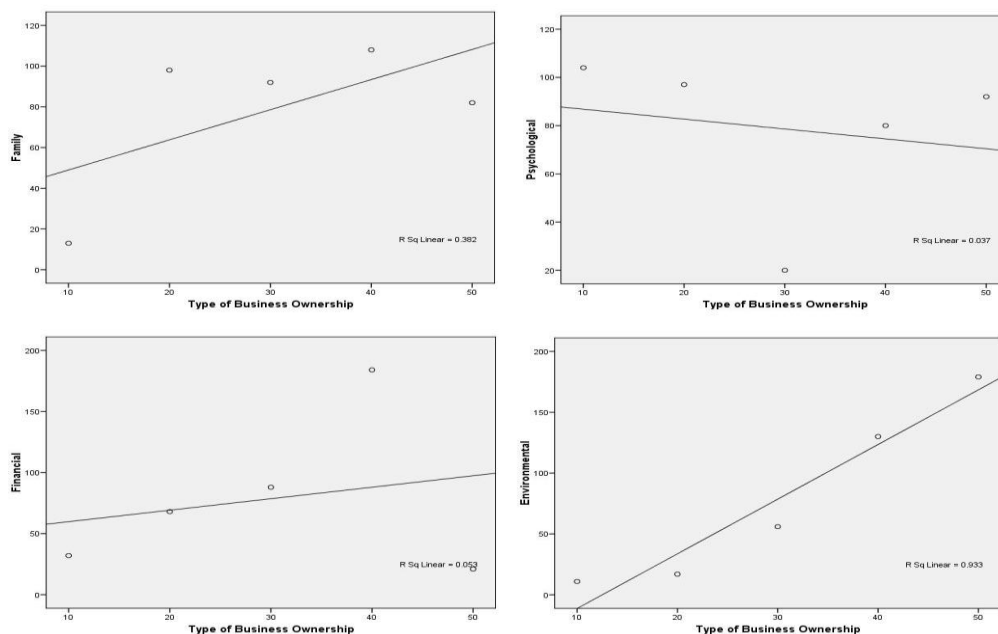
Hi: Motivational factors does have relationship with women entrepreneurs’ type of Business Ownership.

Motivational factors does indeed have significant relationship with women entrepreneurs’ type of business ownership as the research finding reveals in Table 3 below.

Table 3. Summary of correlation coefficient between the factors that motivate Nigerian women entrepreneurs and type of business ownership.

Variables	1	2	3	4	5
Family	-	0.382	-	-	-
Psychological	-	-	-0.037	-	-
Financial	-	-	-	0.053	-
Environmental	-	-	-	-	0.933
Type of Business Ownership	-	-	-	-	-

Note: P<0.05 (2-tail test)



Source: Field Survey in ilorin, 2017. (SPSS 15th Version)

Acceptable. This is because there is a positive relationship between the family, psychology, financial, and environmental factors and the type of business owned by women entrepreneurs under this study. The coefficient result revealed that the strongest influence is the environmental factors with the value of 0.933. This is followed by family influence with the value of 0.382, then the financial and psychological factors with the values of 0.053 and -0.037 respectively.

The highest value of the environmental factor confirmed the results in Table 2 where majority of the respondents entered into business because their friends are doing the same

type of business. This confirms the result of the descriptive statistics which revealed that a lot of women under this survey chose their businesses simply because a lot of people around them were doing the same type of business. Family influence as the second highest value among the factors that determine the type of business ownership among women entrepreneurs is an indication that most women under this study are doing their family business or are in partnership with their husbands. The Psychological factor's least value of -0.037 a negative relationship with type of business ownership is an indication that most of the women entrepreneurs under this study did not start their business because they have a psychological issue with the type of business.

DISCUSSION

The research hypothesis was rejected, meaning that, motivational factors determine women entrepreneurs' type of business ownership. The two patterns of motivation (intrinsic and extrinsic or pull and push) identified in the literature review seem to have effect on the entrepreneurial types of business that is chosen by women entrepreneurs. In other words, irrespective of the factors that motivate women entrepreneurs, they have the opportunity to choose their entrepreneurial activities within an identified type, they include different types of entrepreneurship that were identified by several researchers. Among the entrepreneurial typological studies are Vesalainen and Pihkala (1999); Timmons (1978); Grafisk (2000); Vesper (1980); and Filley and Aldag (1978). These researchers supported the typological study of Smith (1967); and Braden (1977) which classified entrepreneurs as "craftsmen", "opportunists", "caretaker" and "administrator". While Filley and Aldag typological study grouped entrepreneurs into three categories; the "craftsman", "entrepreneur" and "professional", Vesper categorized entrepreneurs into economic, business, philosophy, political and social entrepreneurs. Their results revealed a strong relationship between entrepreneurial type and motivational variables.

The results of Karim (2001); and Barwa (2003) showed that the largest percentage of 46 percent of women entrepreneurs under their study are involved in livestock farming; 15 percent were involved in service, 13 percent in craft/textile, while 26 percent was involved in other kind of business. This indicates that women entrepreneurs were involved in micro, small and medium enterprises because of factors such as availability of the required capital, educational background, parental type of business, special skills and experience. Women assumed that businesses are very easy to start with minimum capital requirement; technical knowledge and skills to match.

CONCLUSION

The study examined the relationship between womenfolk's entrepreneurial motivation and the type of business ownership. Different types of entrepreneurs were looked at in relation with women entrepreneurial motivation. The result of the hypothesis shows that positive relationship exists among the motivational factors (which include; family influence, psychological factors, financial and environmental factors) and these have positive relationship with women entrepreneurial type of business ownership. However, it was discovered that among these independent variables environmental factor seems to command

the highest influence on the type of business ownership among the women entrepreneurs under the survey of this study.

RECOMMENDATIONS

Based on the results of this study, the following recommendations are made for policy implementation;

- (I) Women should choose the entrepreneurial type that will enable them to maximize their business objective, not just because their friends and relations are doing the same type of business.
- (II) Irrespective the factor(s) that motivate women into business, they should learn to set their business objectives based on their available resources.
- (III) Finance as an important factor must be considered by women entrepreneurs while trying to choose their entrepreneurial business type. This can help to reduce the disappointment and frustration that might result from looking onto the government and financial institutions for loan and other financial assistance.
- (IV) Women entrepreneurs should start with businesses that have growth potentials for growth and endeavour to adopt business strategies that encourage business growth.
- (V) Since environmental is an important motivational factor in business, women entrepreneurs should engage in activities that will expose them to learn more about business and its environment. This will help to enhance their business growth.
- (VI) It is not enough to desire to own a business or entrepreneurial venture, women must also consider their traditional role and responsibility and choose businesses that will help to combine their family and business roles.
- (VII) In choosing their entrepreneurial type, women should consider their personal characteristics, skills and potential rather than trying to compete with their men counterparts.

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ASSESSING THE CONNUBIAL OF CONFLICT MANAGEMENT STRATEGIES AND ORGANIZATIONAL EFFECTIVENESS FROM THE PARADIGM OF SOCIAL EXCHANGE THEORY.

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ABSTRACT: *The purpose of this study is to examine the influence of Conflict Management Strategies on Organizational Effectiveness of selected international oil producing companies in Nigeria. The study adopted the survey-cross sectional approach with a sample size of 300 Oil producing companies chosen based Onkrejcie and Morgan model. Copies of the survey instrument were distributed to the senior managers of the 300 companies that form the sample size. 226, representing 81% of the research instrument was retrieved which was finally used to analyze data received for the purpose of testing hypotheses. The hypotheses were tested using Pearson's product moment correlation coefficient with the aid of SPSS version 20. The result of the tested hypotheses shows a significant relationship between the two variables. The study concludes that there is a strong positive relationship between conflict management strategies and organizational effectiveness in the oil producing companies in Nigeria. Therefore, we recommend that it is critically important for managers at every level in the oil producing companies to be trained and retrained in conflict management strategies in order to improve productivity and effectiveness.*

KEYWORDS: Conflict Management Strategies, Organizational Effectiveness, Productivity, Survival

INTRODUCTION

Conflict in an organization is a state of discord by the actual and opposing powers which arise from the pursuit of divergent interests, goals and aspirations by individuals and groups in the organization or social environment. This is so because changes in the social environment, such as different ideologies, beliefs, principles and social status which develop a sense of tussle and disagreement with each other and when this happens, the productivity and survival of such organization is undermined (Owoseni, 2012). The researcher is looking at the effective conflict management strategy or strategies that can be adopted in the organization to manage conflict situations without rendering the organization porous for incessant conflicts.

Contrary to the prevailing perception, conflict indeed had played quite a positive role in several respects for progressive and good governance of the corporations. After reconciliation of the conflicting parties, better ideas are produced, clarification of individual views, people willingly search for new approaches, and long-standing problems brought to the surface and resolved. Awan and Anjum (2015) maintain that properly managed conflict promotes open communication, collaborative decision making, regular feedback, and timely resolution of conflicts. Open communication and collaboration enhance the flow of new ideas and strengthen work relationship, which can have a positive effect on employee morale. Regular

feedback and timely resolution of conflict has the potential of improving employee satisfaction and job performance. Awan and Anjum (2015) argue that a negative work environment that does not promote conflict resolution can result in poor employee behavior and job performance. Unmanaged conflict promotes dysfunctional communication and poor behaviour among staff. Poor behaviour on the part of one employee has the power to affect overall employee morale, which results in lower productivity. According to Dana (2000), conflict is not just an annoyance. It costs money and those costs can be calculated, in terms of wasted time, bad decision, lost employees. In the health care industry, patients' health and even their lives can be affected by unmanaged conflict.

Awan and Ibrahim (2015) contend that if the individuals do not have the communication or interpersonal skills to resolve their disputes, the conflict can grow and spread to others, eventually affecting their job performance, which, in turn, affects the job satisfaction of others as well, in addition to the staff not having the communication skill(s) to address their disputes, their leaders often lack the necessary skills to be effective in conflict resolution.

Hence the need to ascertain whether conflict affect only the employees, the management or the entire organization and how it affects economic development and what will happen if an existing conflict is poorly managed. It is against this backdrop that this research is deemed necessary to empirically determine the relationship between conflict management strategies and organizational effectiveness of selected oil producing companies in the Niger Delta geo-political region, of Nigeria.

LITERATURE

The formation of successful relationship between managers and employees, which is one of the core elements of conflict management theory, is based upon the social exchange theory and the equity theory. Social exchange involves the exchange of tangible and intangible resource between interdependent parties with an expected benefit to both of them (Homans, 1958). Social exchange relationships are based on the feeling of common purpose between different parties of specific relationship and its fulfillment (Gouldner, 1960). These parties will not carry out their obligation in this relationship unless they see that the other party has something of value to offer (Chiaburn and Marinova, 2006). Therefore, fulfilling obligations constitutes the vital aspect in any social exchange relationship (Rousseu, 1990). For example, beneficial actions aimed at employees by the organization and its representatives facilitate the establishment of high-quality exchange relationships that create obligations for workers to reciprocate in positive ways (Settoon et al, 1996). Employees' beliefs as regards the reciprocal obligations existing between their managers and them also rely on the equity theory (Adams, 1963) which posited that employees evaluate their effectiveness by comparing their inputs and outputs.

Conflict Management

Consequently, conflict management orientation is a highly obstructive process which can be implemented in a number of diverse ways in organizations to achieve desire set of goals.

Ford (2007) posited a four-way process which includes assessment and inquiry, design, implementation and evaluation aimed at achieving efficacious and objective conflict decision

in the work place. This accommodating approach is often employed to encourage management to satisfy the needs of stakeholders in the management of conflict.

Vigil and King (2000) observed that the use of accommodating strategy in managing conflict is likely to create better results and higher commitment in individuals than teams using non-integrative conflict management styles. The accommodating approach broadens the understanding of the conflict or problem area and increases effectiveness.

According to Rahim (2002) conflict management involves designing effective strategy to minimize the dysfunctions of conflict and enhance the constructive functions in order to optimize learning and effectiveness of an organization. This implies that managing conflict does not necessarily connote avoidance or termination but the decrease of the odds of non-productive escalation.

As such, conflict management is the method by which organizations and people handle grievances or disputes so as to find a mid-way alternative to increase resolution, work towards consensus and offer genuine commitment to decision-making. As observed by Uchendu, Anijaobi and Odigwe (2013), since conflict is inevitable in organizations, its management determines whether it will generate positive or negative effect on the organizational effectiveness. The timely recognition and immediate explication of the underlying tension before the conflict issues go out of hand are germane to effectual management of conflicts in the workplace.

Thomas (1976) also put forward some approaches for managing conflicts. These are avoidance, accommodation, compromise and collaboration. The avoidance strategy is called conflict avoidance. Any organization using this method is sitting on a keg of gun-powder. The accommodation strategy believes that no amount of sacrifice is too much to allow peace to reign. It is a palliative technique which involves capitulation and appeasement.

The competition strategy involves the survival of the fittest and win-lose method, without taking other party into consideration. In the compromise strategy, parties to the conflict are willing to give up something in order to settle the conflict.

The last approach is collaboration which is a win-win approach whereby parties to a conflict are prepared, willing and ready to satisfy each other's demands fully. Except for the collaboration strategy which is reflected in behaviours that are both cooperative and assertive, all other approaches depend majorly on the structure of the organization, because they provide a short-term solution to conflict situations.

Another conflict management approach for managing conflicts in Nigeria is offered in the provision of the Trade disputes Amendment Decree, 1988; No. 39 and Trade dispute Act CAP 18, 2004 which provided five steps for legal management of conflict in organizations in the country. These are voluntary settlements of conflict using internal machinery of grievance procedures and the external machinery involving appointment of mediator, conciliator, and reference of disputes to industrial arbitration panel, National Industrial Court and the constitution of a Board of Inquiry if such is considered necessary. In conflict resolution, the award of the National Industrial Court is final and binding on the employees and employers from the date of the award in the country.

Conflict also provides good or bad results or outcome depending on the manner it is interpreted, understood and resolved by the affected parties. She therefore suggested three different ways of managing or resolving conflict in an organization viz: Dominance, Compromise and Integration. **Dominance:** the management of conflict through dominance implies a victory for one party over the other. It would require the use of force and suppression of the party by the strong. In this case, it does not necessarily mean that the conflict is resolved. As far as Follett is concerned, this method of managing conflict is like sweeping the dust under the carpet. Sapru, (2009). **Compromise:** under this method, each party in the conflict situation surrenders certain value or interests in order to allow peace to reign. She points, out however, that, just like the first method (domination), this method has its own shortcoming with the magnitude of the shortcomings depending on each conflict situation, environment and the extent of the compromise or values surrendered by each party in the conflict (Ngu, 2008). She warns however, that a conflict resolved through this method is not the best, despite its wide acceptance, because it may simply suspend yet a greater magnitude of the problem which is likely to resurface in either the same form or in an entirely different manner. Often, also people resist the temptations of reaching compromise due to ego clashes or stated positions (Sapru, 2009). **Integration:** in giving preference for the resolution of social conflict through integration', Follett argues that when conflicting interest meet, they need not oppose, but only confront. What should be sought in this confrontation of differing interest is an integration that gives all parties what they really desire (Sapru, 2009). This seems to receive the approval of Follett as the best. Each party has to recognize the importance of x-raying all the various aspects of the conflict to be put forward for discussion, usually in round table conference.

Organizational effectiveness (OE) commonly referred to when discussing organizations that have achieved maximum performance. In order to achieve increased and sustainable business results, organizations need to execute strategy and engage employees. Effectiveness defined as simply having the intended outcome. In an organizational context, the intended outcome is the goal of the organization that often expressed in a mission statement.

Organizational effectiveness proposes to a large concept and acquires into its thought the variables of objective achievement along the organizational and departmental plane. Ordinarily, the goal model defines the principle of effectiveness as a complete or in some example partial realization of the organization's goals (Etzioni, 1964; Sandefer, 1998). The efficiency important to organizations in the result of the great development, and intense competition for survival and continuity, has been sought by a number of researchers who are interested in finding a theory adopted by organizations in order to be effective. Organizational effectiveness is the level to which an organization recognizes its objective (Daft, 1995).

This research, evaluate organizational effectiveness that were adopted from Lee and Choi (2003) which encompass organizational members' observation of the degree of the overall achievement, profitability, growth rate, and innovativeness of the organization in comparison with key competitors. The sixties and early seventies views changed the concept of the effectiveness of the organization's ability to survive to the standards partial to measure effectiveness (such as the morale of the workers, the incidence of work-related injuries and the percentage of absenteeism and turnover of work, which was considered indicators of the effectiveness of regulations. There who see that the effects effectively the organization is culture powerful her work environment and positive team spirit and team work loyalty to the

group, trust and safety and communication between management and employees (Daft, 2001). This is what organization theory seeks. Concerned with identifying the concept of organization theory or clear concepts of organizational effectiveness of the most important foundations of the theory of regulation: how job is designed, and identify the roles of personnel, labour relations, including, factors specific to the effectiveness of the organization. In addition, the extent of the diversity and multiplicity of standards proposed measures of effectiveness and the degree of discrepancy between them (Weshahi, 2002).

While, the team adopted a third link between economic indicators and behavioral indices together, with absenteeism and turnover, accidents, satisfaction and motivation and organizational goals, training and development, communication and stability, adaptation and evaluation by factors and the value of human resources, participation and skills of individuals and the performance and flexibility as behavioral indicators (Daft, 2001). Therefore, organizational effectiveness can be said to be the ability of the organization to achieve her goals of long-and short-term balance of power that reflects the views of the impact and the interests of stakeholders and the evaluation stage of growth or development experienced by the organization (Najat Qureshi .2006).

The organization effectiveness as a function of “the ability of the organization to achieve its objectives and adopt this capability and the criteria used measured in the model used in the study of organizations (Saleh, 2006). In addition, it is clear that there is close contact between the effectiveness of the organization and goals, as the goals and endpoint or outcome to reach or attain. In order for Organizations to be effective (up to the point when it achieved its objectives and the basis of the planning function that determines the goals to be accessible), it must be better lighted than the administrative strategies to achieve these goals. Furthermore, the measures of organizational effectiveness are discussed further.

Productivity

The purpose of measuring firm-level of productivity is to evaluate the efficiency with which inputs are transformed into outputs. The most common type of productivity measures is the simple or single factors, ratio of output to a specific type of input, such as sales per employees.

Stevenson, William (1998) noted that the productivity of an organization is the ability it has to produce a goods or service. More specifically, productivity of an organization is the measure of how its specified resources are managed to accomplish timely objectives as stated in terms of quality and quantity.

Vora& Jay (1992), posits that productivity is an objective of concept. As an objective concept it can be measure, ideally against a universal standard. As such, organization can monitor productivity for strategic reasons such as corporate planning, organization improvement, or comparison to competitors. It can also be used for tactical reasons such as project control or controlling performance to budget.

Plenart Gerhard (2001), stated that organizational productivity is also a scientific concept, and hence can be logically define and empirically observed. It can also be measured in quantitative terms, which qualities it as a variable, therefore it can be defined and measured in absolute or relative terms. However, an absolute definition of organizational productivity is

not very useful (Ojielo 2000). It is much more useful as a concept dealing with relative productivity or as a productivity factor.

Survival

Organizational survival is very crucial at this period of business turbulence. Maintaining a place in this competitive era becomes not only the responsibility of the owners or leaders of the organization but that of the employees. Employees are part of the company's resources which has been found to appreciate with time by knowledge gained, skills, abilities and experience. The success of business depends on collaboration and stakeholder shared interests, they must be working for the same purpose, otherwise business will come to an end and new collaborations will be formed (Venkatarman, 2001). Thus, involvement of employees in the firm's strategic decision making is tapping into their knowledge and experience for gaining competitive advantage and earning a retained workforce. Surviving in the global struggle to meet with increasing conflict on firms in the workplace has seen many researchers and academicians having a resort to pay attention to the individual employees and environment of the organization since conflict management in the organization is a key to organizational effectiveness.

Conflict Management Strategies and Organizational Effectiveness.

Hefferman and Flood (2006), stated that as a concept in modern management, organizational effectiveness suffered from problems of conceptual clarity in a number of areas. The first was the area of definition while the second was that of measurement. The term effectiveness was sometimes confused with productivity. Effectiveness is a broader indicator that could include productivity as well as quality, survival, consistency and other factors.

Conflict management has been the most vital issues for every organization either profit or non-profit making organization. It is expedient for managers to know the factors that affect the effectiveness of the organization.

According to Rivers (2005), the hidden costs of unresolved conflict in organizations are enormous and finding effective ways to manage and resolve organizational conflicts can have a significant impact on productivity and hence organizational survival. However, it is quite difficult in actual sense to measure effectiveness, but in this context, effectiveness is taken to be the productivity level i.e. the relationship between input and output.

Sambamurthy and Poole (1992) noted that the organizational effectiveness depends on organizational commitment, quality, motivation, negative resistance to change that we use these in our research. Whether and how a particular way of managing conflict can influences team effectiveness has been studied extensively in the field research. Much of this research has been inspired by Deutsch's Theory of Cooperation and Competition (1973), and reviews of this literature suggest that when teams manage conflicts through collaborating, avoidance strategy, and other factors like accommodation, organizations' effectiveness is enhanced. In contrast, when teams manage conflicts through contending, organizational effectiveness suffers (Tjosvold, 1997). Laboratory experiments on collaboration emphasized the importance of pro-social motives and concomitant collaborating behavior as a way to solve conflicts about opposing interests (Dreu et al.) Field research stresses the importance of cooperative goals and concomitant 'constructive controversy the open-minded discussion about opposing ideas, feelings and opinions.

On the whole, these studies converge on the conclusion that conflict management tools such as collaborating, accommodating and so on will tend to increase individual and organizational effectiveness, as exemplified by greater productivity and feelings of self-efficacy among conflict parties, more mutually beneficial solutions, reduced likelihood of future conflict, and better goal achievement.

Hence, we hypothesize that

H₀₁: there is no significant relationship between conflict management strategies and organizational effectiveness.

Method

This study generated data from 300 senior staff of IOCs operating in the Nigeria and was conducted in a non-contrived setting as a cross sectional survey, of the returned survey 226 was useful and form the basis for data analysis in testing the stated hypothesis. The study unit of analysis was at the individual level of the organization. The study relies on extant literature for the survey instruments used to measure the study variables. Response to each of the item in the research instrument was rated using 5-point Likert scale. For test of reliability of the scale the following Cronbach's alpha coefficient were obtained Collaborating (0.861) Accommodating (0.766) Avoiding (0.731) Productivity (0.815) Survival (0.777), according to Nunnaly's model the reliability level of the study scale is confirmed to be acceptable.

DATA ANALYSIS AND RESULTS

At our secondary level of analysis, inferential statistics such as Pearson r correlation coefficients and Regression coefficients including the p-values, were calculated for purposes of testing the research hypotheses. Correlation analyses using the Pearson r correlation were interpreted based on Guilford's (1956) scale given in Irving (2005). The correlation coefficients (r), which were all significant at the 0.01 level (2-tailed) and coefficient of determination (r²) are shown in tables 1. The coefficient (r) for the hypothesis is 0.812;

Table 1 Correlations Analysis showing the Relationship between conflict management strategies and organizational effectiveness

Correlations				
Type	Variables1	Statistics	Conflict Management	Organizational Effectiveness
Spearman's rho	Conflict management strategies	Correlation Coefficient	1.000	.812 **
		Sig. (2-tailed)	.	.000
		N	226	226
	Organizational effectiveness	Correlation Coefficient	.812 **	1.000
		Sig. (2-tailed)	.000	.
		N	226	226

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

Source: SPSS 20.0 outputs based on 2018 field survey data.

Table 1 shows that the Spearman's correlation coefficient ($r = 0.812^{**}$), this value is high, implying that a strong relationship exists between conflict management strategies and organizational effectiveness. The positive sign of the correlation coefficient means that a positive relationship exists between them. That implies that improvement in conflict management strategy will result in organizational effectiveness in the studied firms. The probability/ significant value (PV) = $0.000 < 0.05$ (level of significance) therefore a significant relationship exists between conflict management strategy and organizational effectiveness.

Test of Hypotheses

Decision Rule: If the t-cal is $< t$ -tab accept the null hypothesis, otherwise reject but if t-cal $> t$ -tab, accepted the alternate hypothesis otherwise rejected

Effects of conflict management strategies on organizational effectiveness

Table 2: Summary of Regression Analysis result showing the Effects of conflict management strategies on organizational effectiveness

Variables	Coef.	t-cal	sig. t	t-tab (0.05, 225)	r	R ²	F-cal	F-tab (0.05, 1, 224)	sig f
Constant	0.204	1.245	0.215	1.96	0.816	0.666	446.7	3.84	0.000
CMS	0.880	21.136	0.000						

Dependent Variable; organizational effectiveness

Source: SPSS 20.0 Output (based on field survey data 2018).

$$OE = a_0 + a_1CMS + U_1$$

$$OE = 0.204 + 0.880CMS$$

$$T\text{-values} = (1.245) (21.136)$$

Table 2 above showed that the correlation coefficient is 0.816. This implies that a very strong correlation exists between the explanatory variable and the dependent variable. (Correlation coefficient r is closer to 1). The Coefficient of Determination (R^2) = 0.665. It implies that 66.5% variation in Organizational effectiveness is explained by variations in conflict management strategies. This is an indication that the model has a good fit (Explanation is $> 50\%$). The remaining 33.5% is explained by other variables not included in the model. The F-calculated of 446.7 had a corresponding significant f-value of 0.000; the researcher therefore concludes a good and useful model. Conventionally $F\text{-cal} = 446.7 > F\text{-tab}_{(0.05, 1, 224)} = 3.84$ hence the decision of a useful model is accepted.

The test of significance conducted as shown in table 1 above shows that conflict management strategies significantly influence Organizational effectiveness (PV = $0.000 < 0.05$). More so, $t\text{-cal} = 21.136 > t\text{-tab}_{(0.05, 224)} = 1.96$ therefore the null hypothesis is rejected and the alternate accepted hence we conclude that there is a statistically significant relationship between conflict management strategies and organizational effectiveness.

DISCUSSION

Although, scholars have reasoned that conflict cannot be completely ruled out in any organization hence different organizations adopt diverse strategies in tackling conflicts (Uchede, Anijaobi & Odigove, 2013) however, frequent occurrence of organizational conflict have an adverse effect on the organization effectiveness in terms of loss of production hour, reduction in profits, and of course reduction in income level of the organization. In other to avoid the adverse effect of conflict, Ubhenin, (2013) pointed out that organizations that adopt collaborating strategy increases their productivity and foster harmony amongst its workforce.

Furthermore, the findings of this study showed that collaborating strategy has a significant positive relationship with the two measures of organizational effectiveness used in this study (productivity and survival) with correlation-coefficient values of 0.621 and 0.756. The results corroborate with the studies of (Segal and Smith 2013) they posit that several dimensions of managing conflict which includes collaborating between the parties engenders high performance.

Also, the findings agree with the conclusion of (Orji, 2010), whose study showed that, using collaborating style gets the actors to a conflict committed to their task, without supervision.

The mode of choice, as shown in the literature, is Collaboration (Confrontation). Its true meaning is creating a Win–Win solution for all involved by openly and freely discussing the issues and sharing views about where there is a disagreement. Intervention aimed at maximizing assertive and cooperative behaviour, to promote collaboration would benefit managers and the environments in which they work (Barton 1991, Marquis & Huston 1996).

Conflict resolution represents the one-best-way long-term approach, which emphasizes that contextual variables are changeable and that the ideal organization should be brought nearer by all manner of means. Successful conflict resolution strategy not only removes frustration but also leads to higher effectiveness, trust and openness (Van de Vliert 1998)

Furthermore, in order to maintain relationship one party is ready to place another party's interests above its own interests. Over the years many researchers have observed that accommodation strategy has positive relationship with organizational effectiveness (Chih-Sheng, 2012). The result of this study showed that accommodation strategy is a strong dimension of conflict management that positively and significantly relate with organizational effectiveness (productivity and survival), this implies that improvement in accommodating strategy directly affect organizational effectiveness in the studied firms. Also, the findings agree with the conclusions of Vigil and King (2000). They observed that the use of accommodating strategy in managing conflict is likely to create better result and higher commitment in individuals in the organization, and that accommodating approach to conflict resolution broadens the understanding of the problem and increases organizational effectiveness. The study in line with the findings of Thomas (1992) showed that firms that use accommodating strategy in addressing conflict at work substantially influence individual, group and organizational effectiveness.

CONCLUSION AND RECOMMENDATION

On the basis of the analysis and results of this study we drew the following conclusions. The study showed that there is a significantly positive relationship between conflict management strategies and organizational effectiveness. This means that the aspects of conflict management strategies (collaboration, accommodation and avoiding strategy) as used in this study must be considered for organizational effectiveness of productivity and survival. Hence, we recommend that: Management of oil and gas companies should adopt a blend of management strategies in managing conflicts in their organization for higher effectiveness and that Conflict at whatever level should be effectively managed for better productivity in the workplace. This can be achieved by operationalizing any of the known strategies.

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INFORMATION AND COMMUNICATION TECHNOLOGIES FOR SCHOOL MANAGEMENT IN CÔTE D'IVOIRE

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ABSTRACT: *Côte d'Ivoire devotes a significant part of its budget to the construction of many educational infrastructures. However, these schools that are traditionally run need current ICTs for their efficient management. This paper highlights the impact of ICT in the school's management in Côte d'Ivoire, precisely in Abidjan, Grand Bassam, Bonoua and Bingerville. The results of the survey carried out in urban and semi-urban areas show that 90% of establishments have an Internet connection. It has more or less a place among institutions in Abidjan and those of the interior in terms of use of management software. Nevertheless, less than 50% of managers are trained in the use of ICT. In addition, only 37% of functional email addresses.*

KEYWORDS: ICT, Management, Schools and Managers, Education, Côte d'Ivoire

INTRODUCTION

Education is one of the priorities in the training of children and young people in all countries. In Africa, many efforts have been made by governments to realize the political will expressed by the charter of education adopted by Addis Ababa Conference at 1961, followed by the Jomtien declaration on education for all in 1990 and reaffirmed by the Dakar framework for action in 2000 (Abdelrahman, 2013; UNESCO, 2015). Following these recommendations, Côte d'Ivoire decided to make education and training the pillars of its development. Moreover, since independence, Côte d'Ivoire has devoted more than 45% of its national budget to education by building many school infrastructures in both rural and urban areas in order to provide quality education for all children of school age. However, these institutions have always been managed by directors or principals in a traditional way. This has resulted administrative delays, managerial errors in students' numbers, grades and financial resources (Oluyemisi, 2015).

Since the advent of Information and Communication Technologies (ICT), several institutions have been equipped with its tools. Several schools are being provided with computers with or without internet connection (Pelgrum & Law, 2003). Generally, the motivations for directors to integrate ICT in their schools are exploring new horizons, using new educational opportunities, tackling service gaps such as the lack of libraries and above all improvement of school management (Touré *et al.*, 2008; UNESCO, 2011). As far as the management of schools by ICT is concerned, not all schools are housed in the same category. While in some institutions all academic and pedagogical activities are managed by a computer network, in most other schools this is not yet the example. Thus, several questions can arise:

- What can explain this situation?
- Why this delay in the use of ICT in the management of institutions?

- Where these technologies are available, how are they used in the management of institutions?
- What the school managers and all other administrative managers actually do with the ICTs within the institutions?
- What are ICTs increasingly bringing to the level of results of different services?
- Are the challenges the same in urban and semi-urban settings?
- As new information and communication technologies increase dramatically and are truly integrated into all sectors of activity, institutional managers can do without these tools?

The main objective of this work is to study the impact of ICT on the management of schools in Côte d'Ivoire.

- Describe the different uses of ICT by school managers;
- Show the influence of ICT in the management of institutions;
- Identify incentives for the use of ICT by managers and other school managers;
- Identify the obstacles related to the effective use of ICT by managers in the management of schools;
- Meeting the challenges for better use of ICT in the management of institutions.

THEORETICAL UNDERPINNING

The current evolution of the school environment seems to be characterized by a not inconsiderable phenomenon: The growing importance of ICTs in society, which obliges the school to take into account new training requirements, new tools, new work strategies and new roles to be an emerging knowledge society (Djédjé, 2007a,b). These changes mean that technological tools and the creative application of technology can improve the quality of life by making education and learning more effective, increasing the productivity of businesses and governments and increasing the well-being of nations (ETS, 2002). To this must be added that globalization seems largely determined by the effective use of ICT in all areas of economic and social life in general and education in particular. Indeed, education is seen as the appropriate framework to prepare citizens for the new technological, information and communication. For the last twenty years, the education sector has been an ICT location, which is why ICT in education are increasingly being debated in international fore, and the majority of countries are increasingly being considered in their educational policies. This situation requires schools to review their method of operation in order to take account of new management tools and new working strategies in view of the benefits that ICT brings to schools. For example, the Organization for Economic Cooperation and Development shows, on the basis of one study, that in schools in the 21 countries of this international body, the use of ICT by teachers and by school administrators encourages the updating of educational files and the rationalization of administrative tasks. ICT also frees up time for teaching or professional development. They also help reduce isolation through the use of e-mail and the Internet to communicate and collaborate with colleagues, parents and the outside world. Finally, the use of ICT has contributed to the growth of professional development activities

(online self-training) and the opening of the school to the outside world (Uys, 1998; Oluyemisi, 2015). In addition, this study highlighted the arguments in favor of the introduction of ICT in schools. These reasons relate to three logics i.e. economic, social and pedagogical development. ICT can simplify and modernize administrative tasks and management, facilitate and improve the teacher's preparation and lessons, make communication between parents, pupils, teachers, schools, school authorities and organizations faster and more efficient and fine-tuning assessment procedures through electronic testing and evaluation. On the other hand, the use of ICT can transform education by adapting teaching and learning to projects, making them flexible, focused on skills, problems, the individual and the environment child. It could be the driving force and the adjunct to a radical change in school curricula (UNESCO, 2002; Adomi & Kpangba, 2010). ICT help students become self-motivated, self-motivated learners, strengthen interaction and collaboration, foster a deeper understanding, offer information-rich learning environments, and focus on mentoring, supporting and mentoring teachers. Than the dispenser of knowledge.

Some recent works takes all the activities taking place in a school as an anchor to reflect on the educational uses of ICT (Ahmed *et al.*, 2013; Oluyemisi, 2015). For example, groups them into three main categories: uses for administration (budget, inventory, student records, etc.), uses for action research (storage of data, statistical analyzes), teaching and learning (Forcier, 1999). Similarly, "a computerized school, a systemic and adaptable vision of the multiple possible uses of ICT in the process of a typical school" were showed (Basque *et al.*, 1998; Ahmed *et al.*, 2013). The model identifies the four fundamental processes of a school (Teach, Learn, Manage School and Operate a Multimedia Resource Center). After a review on the computer technology use in the cinematographic schools served by the educational services center ended up adding an element on institutional coordination to make it more attractive. This involved the sharing of information and the coordination of ICT departments within an institution or between institutions. In addition, Aylwin (1984) lists nine types of activities in a school. In fact, the share of general administration in computer education, followed by educational documentation, supervision of teaching, apprenticeship, and so on. Furthermore, it is identified for each of them, the benefits obtained by the use of computers. For many authors, two broad categories of computer use in education were distinguished. There are, on the one hand, activities aimed at the study of computers by (1) the development of a computer awareness (knowledge of history, the impact of computers on society, Software) and (2) computer skills (programming and use of hardware). On the other hand, the authors group together applications of the computer as vehicles: (1) teaching (exercisers, tutorials, simulations and problem-solving software), (2) data management such as (Program objectives, planning, etc.) and (3) the storage and retrieval of information (such as of documentary banks). However, many constraints remain to be overcome if ICT is to improve the management of schools in both developed and southern hemispheres apart from questions related to the equipment of computers, Internet access and others, particular emphasis is placed on the role of the school head for the effective use of ICT in schools. According to Atkins and Vasu (2000), teachers themselves argue that principals play a key role in stimulating the use of ICT in schools but this support seems to be lacking. This can be explained by the fact that administrators lack training in this area. Already, in the early 1990s, Kearsley & Lynch (1994) reported that school leadership training was one of the most often neglected aspects of the pedagogical appropriation of ICT. Roberts *et al.* (1998), in their research on professional development and learning technologies (needs, problems, trends and

activities), report that in the study of documentation specifically addressing the needs of school administrators regarding professional development and technology has not been found. Thus, according to the school principals' various problems limit the integration of ICT in their schools (Roecks, 1981): The time allotted for professional development, subsidies, the need to reach all teachers, easy and equitable access to technological means, the perception that the faculties of education are lagging behind and do not follow what is happening in the schools.

CSE (2000) consider technological resources and accessibility in schools as necessary elements to support the implementation of ICT in the schools. Apart from the weaknesses observed at the level of head teachers, some authors believe that the low use of ICT in the management of schools is linked to a general problem of access to ICT infrastructures. For example, the main obstacles encountered by African schools and particularly tertiary institutions for accessing the Internet include: lack of infrastructure in general and network infrastructure in particular; The high costs of telephone service and Internet access; Limited expertise and skill levels with respect to ICT, and the absence of a supportive policy framework (Isaacs, 2002). Similarly, Bridges.org (2000) provides access to ICT access problems. For him, actual access refers to material access, appropriate technology, affordability, capacity, relevant content, integration with everyday tasks, sociocultural factors, trust, legal and regulatory frameworks, The local economic context, macroeconomic conditions and political will. While several Western countries have begun to implement ICT in schools, most African countries are lagging behind for a variety of reasons. Despite this fact, Côte d'Ivoire motivated by the desire to improve the profitability and performance of its education system as well as its determination to adapt to globalization and globalization, did not remain marginal of this awareness of the importance of ICT in the international societal as well as educational movement. Therefore, the set of challenges listed should not be an obstacle to the integration of ICT in the management of institutions. On the contrary, each State must look for ways to overcome them, with a point of inception, the head of school, who has an essential role to play in the effective use of ICT in academic and pedagogical activities. For this reason, the training of school leaders appears to be a necessary step towards a successful integration of ICT in schools (Isabelle *et al.*, 2002).

Although different strategies can be used by school principals to promote efficient pedagogical integration of ICT in schools, general leadership qualities are not enough: technological knowledge is also needed. According to Sharratt (1999), it is essential that principals have knowledge of technology in order to provide the necessary support to teachers. This knowledge allows them, among other things, to communicate with staff in the language of technology and pedagogy. Sharratt (1999) argues also that successful integration of information and communication technologies in schools largely depends on the leadership and technological skills of principals. Any-Gbayéré (2000) emphasizes that the school principal in Côte d'Ivoire must promote creativity and creativity, encourage, reward and stimulate teachers.

According to Peraya & Viens (2005), the actor involved in managing the implementation of ICT as an innovation must drive innovation in a proactive rather than reactive way and manage it in a flexible and evolutionary way by integrating Adjustment. In the same vein, Gbongué (2000) considers that the school principal in Côte d'Ivoire must be a source of motivation for the teacher involved in the management and implementation of ICT. For Schoales (1998), TECE training should be mandatory for all school personnel, including

administrators, and training objectives should be linked to wider educational goals and other change initiatives. Finally, the process of integrating ICT must therefore take place in an organizational, structural and cultural context. According to Sandholtz *et al.* (1997), the introduction of ICT into unprepared school environments has little effect on both teachers' pedagogical practices and academic achievement. In this regard, research emphasizes the important role of school leaders in the proper preparation of the school, both in terms of material resources and human resources (Otto & Albion, 2002). Similarly, Byrom (1998) states that leadership is one of the most important factors affecting the use of computer technologies in schools.

METHODOLOGY

Type of research

This research combines both the quantitative and qualitative approaches generally used in this type of work. As regards the qualitative component, the search for information made it possible to meet resource persons to obtain relevant information on the subject (Savoie-Zajc, 2000; Gomm *et al.*, 2000). Since little research in Côte d'Ivoire has emphasized the role of ICT in the management of schools, this research is intended to be empirical and exploratory. Thus, the quantitative component made it possible to collect data from different actors of the school. Field research was carried out according to protocol of Yin (1994). This protocol consists of the following elements: type of research; (1) choice of sites and schools; (2) sampling and selection of respondents; (3) instruments and data collection; (4) data processing and analysis; (5) strengths and limitations of the study. This qualitative and quantitative research was carried out at four sites and in ten primary, secondary and higher education school.

Selection of Sites and Schools

The study was conducted in urban and semi-urban areas. Abidjan, the economic capital of Côte d'Ivoire, has been chosen as the main data collection site because it is home to more than 70% of schools in Côte d'Ivoire. Then, the town of Bingerville, located about twenty kilometers east of Abidjan is the site that hosts the oldest schools of the Country. Finally, the cities of Grand-Bassam and Bonoua located respectively 30 and 60 kilometers south of Abidjan in semi-urban zone. The schools are composed of a mixed primary school, eight mixed and non-mixed secondary schools and a higher teacher-training college. The different structures have been chosen based on selection criteria, among which the presence of a minimum of ICT infrastructure is highlighted. They can be presented in three groups:

- Group 1: International School of the Corniche and the Anne Marie Raggi Institute: These institutions offer computer courses to students and integrate ICT into teaching. They are schools that practice the Ivorian and French system. They have equipment and infrastructure for ICT education.
- Group 2: Nid de Cocody, Lycée Technique d'Abidjan (LTA), Cours Secondaire Méthodiste, Ecole Normale Supérieure (ENS), Lycée Sainte Marie (LSM) and Groupe Scolaire Emmanuel de Bonoua (GSE): These structures practice the Ivorian educational system. They teach computers to students but do not yet integrate ICT

into teaching. They do not have enough computer hardware and software and infrastructure. For the most part (LTA, ENS, GSE, CSM and LSM), the computer course remains very theoretical.

- Group 3: Modern High School of Treichville and the School Boys of Bingerville. These School with an Ivorian educational system do not teach computers to students. These institutions have cybered within them enabling teachers and students to make use of ICT. At the Lycée Moderne of Treichville, for example, the teachers succeeded in opening a cyber computer with 30 computers with connection (of which 20 are functional) for the students. In addition, the teaching unit in mathematics has a computer with Internet connection. That of physical science also has a computer without connection which allows it to improve the quality of the teachings and evaluations.

Sampling and Selection of Respondents

The chosen sampling technique is the reasoned method which makes it possible to interrogate in each school the managers who have some knowledge of the subject (N'da, 2002). This method implies the choice of the persons participating in the study according to criteria of relevance to the question and the objective of the research. Steps have been taken with each manager to get approval for the project by signing a consent form before proceeding with the data collection. Thus, on the basis of volunteerism, the managers agreed to answer alone or with the help of their closest collaborators, to all the questions asked about the place of ICT in the management of schools.

Instruments and Data Collection

Three questionnaires were developed for data collection in each of the participating institutions. An "Institution" questionnaire comprised of 30 questions, including closed and open questions administered to school administrators. Another "Manager" questionnaire composed of 32 questions and respecting the same configuration as the first one was administered to heads of departments, school principals, managers and other administrative staff. Finally, a final questionnaire "Managers in Teacher Training Institutions", composed of 17 questions presented under the same register, supplemented the regular manager questionnaire at the level of the Training of Trainers Institution. Data collection was done by a team of investigators under the supervision of the principal Investigator and Associate Researcher. The teams traveled all the institutions to administer the questionnaires and to check the quality of the data collected before validating them in the presence of the principal investigators.

Data Processing and Analysis

The data obtained from the questionnaires were processed manually for closed questions due to the small number of questions.

Strengths and Limitations of the Study

The methodological limitations of this study would undoubtedly be those imputed to the geographic space of the study and the low sampling. Indeed, the small number of educational institutions and respondents can have an impact on the generalization of the results of this

research. However, the approach used to collect the data respects the scientific approach and allows to guarantee the quality of the results and to study the impact of the ICT on the management of the establishments in a restricted environment.

RESULTS AND DISCUSSION

The processing of the data makes it possible to carry out an analysis in three main articulations: the first gives to present the existing one, that is to say the state of the premises, the second emphasizes the induced effects on the management of Institutions and lastly identify the challenges to be overcome for a genuine use of ICTs in the management of institutions.

State of play of the institutions in terms of ICT: Equipment, Connectivity, Accessibility and Availability of Management Software

The computer is now part of the equipment available to all schools in Côte d'Ivoire given its applications which make the management of these structures much easier. Indeed, making ICTs an essential tool for the management of schools requires that a minimum of equipment be available for carrying out daily activities. However, not all establishments are housed in the same category of ICT equipment. The number of computers per institution varies from 14 to 85 in the structures visited during the survey and private schools are significantly better equipped than in public schools. If acquiring a sufficient number of computers is a good thing for the training of learners and the management of institutions, having access to the Internet is even better to facilitate and speed up this process. Thus, the majority of institutions, despite the difficult economic environment, have access to the Internet (Figure 1).

Approximately, 90% of school has an internet connection. This not only allows learners to do research but especially managers to use ICT to carry out the day-to-day activities of the institutions. Beyond the usual uses, the websites are for the school a showcase to make them known and to improve their image with the parents of learners and the whole educational community. These sites are regularly animated by ICT specialists who also have the mission of informing the net surfers about all the activities carried out within these schools. Their role is therefore not limited to the training of learners and educators, the maintenance of equipment and the management of computer rooms. In all schools visited there are at least one ICT specialist whose minimum qualification is the Breeder of Higher Technician (BHT) in Computer Science. Internet is no longer a "luxury" or a fashion effect, but a genuine tool for managing educational and educational institutions. Apart from the connection to the Internet, the availability of software for the management of the establishments is another element of motivation which leads the managers to use the ICT. Currently in Côte d'Ivoire, the NkraGestEtab software, designed by teachers, is a model of success in this field. Already, for the first year of commercialization of this software, more than a hundred establishments have acquired it as well in Abidjan (58.33%) as in province (41.67%) of Côte d'Ivoire. The purchasers include public (28.33%) and private (71.66%) schools in the following proportions (Figure 2).

These data are certainly not representative of all the schools in Côte d'Ivoire, but they make it possible to say that the dynamics of the use of ICT in the management of the establishments is initiated both in urban environment and in environment. Managers who have understood

the usefulness of ICT have made efforts to acquire management software for their schools. Even when the resources of the school do not allow it, some managers involve the parents by raising contributions, with the agreement of the management committees (COGES), to equip the institutions with computer tools. This is much easier, since some regional directors of the Ministry of National Education encourage exchanges between the central administration and schools using ICT. Overall, the state of play shows that the minimum exists at school level to make ICTs a management tool. The questions that need to be asked, however, are what do these ICT institutions really do? What do computers do in these schools? What is the impact on the day-to-day management of schools?

Impact of ICT on the management of institutions: management of practices, educational programs, educational programs, continuing education

All the managers interviewed are unanimous on one fact: ICT have considerably improved the management of schools in Côte d'Ivoire at all levels. In terms of administrative management, the impact of computer use can be seen in the automatic edition of registration forms and receipts, the schools of badges, the making of photographs, the schools of register in the same way, all administrative activities concerning personnel are dealt with the ICT tool: ration lists, etc. Similarly, all administrative activities of the staff are treated with computers: Editing of administrative lists and management of information on all staff. This saves time and efficiency by avoiding errors as recognized by this manager of school. "Today, the use of computers has allowed us to master the numbers of learners in the different cycles of teaching, to identify our students from the badges made by our services, all of which changed qualitatively the management of the institution by considerably reducing fraud". The testimony of this manager is edifying as to the induced effects of the ICT on the administrative activities of the schools. This view is also shared by many managers who believe that in addition to these aspects, ICTs also contribute to improving communication within institutions. This is internal communication and external communication. Through the intranet network, it is easier to exchange between the different departments and other services of the institution. Similarly, the Internet facilitates contact with parents of learners because they can regularly monitor the performance of their children without moving around the school. Indeed, ICTs offer many advantages in terms of communication, because managers can exchange information more easily with the parents of learners and with all the players in the school. This is a remarkable step forward in the integration of ICT in education and it is with good reason that Karsenti *et al.* (2008) maintain that the pedagogical integration of ICT now seems inevitable in order to promote the educational success of students, to increase the professionalism of the teaching staff, to encourage managers' leadership and even to encourage collaboration between school, family and community.

School is no longer a closed system in which managers, educators and learners are cut off from the rest of the world. Rather, it is a place where citizens are educated in permanent contact with the family, the community and the community at large. From a pedagogical point of view, the use of ICT enabled the editing of educational lists: Pupils by grade and level of study, distribution according to gender and age groups, etc. This new approach ensures reliable listing and up-to-date data at all times to better manage the numbers of learners and educators. The use of the computer has improved the management of academic results by considerably reducing the possibility of fraud. From a precise code, each educator takes his notes and validates them according to an application created for this purpose. This prevents school officials from falsifying notes and also gives parents of learners the

opportunity to regularly consult the work of students wherever they are. At the level of educational practices, some advances are observed in some institutions. Many managers put at the disposal of educators the necessary tools for the pedagogical integration of ICT by equipping institutions with video projectors, retro projectors and computers with Internet connection. Thus, educators and learners are invited to research, update their knowledge and improve their competence in all disciplines taught in the institution. Lastly, in terms of financial management, ICTs have promoted transparency in operations, as the head of the school recognizes: "Before the computerization of my establishment, I did not master all the operations my agents carried out in terms of registration fees, learner education, and vehicle fuel management and so on. Every time we did the accounts, there were missing. Since the establishment of the ICT-assisted management system, all these problems have disappeared because from my workplace, I have the daily situation of all the financial movements.

In Côte d'Ivoire, the use of ICT has not only made it possible to modernize the management of schools, but has also and above all helped to reduce the embezzlement of funds facilitated by the manual management of operations. This situation is the cause of the inability of many managers to honor their commitments to learners and tax burdens. This leads to teacher strikes, failure to complete school programs and poor results at the end of the year. Today, computerization enables institutions to improve their financial management by carrying out daily or periodic balance sheets, controlling the details of student payments, making financial statements 2, 3 and 4, and so on. In the same way, summary sheets are produced at the level of schooling, canteen, and boarding school and transport costs. As soon as a payment is made to the school or to the boarding school, for example, the management of the establishment is informed in great detail so that the risks of fraud are low. There is also an improvement in the management of educators' vacations, which facilitates payments after the dispensation of lessons. On the basis of statistical tables of inputs and outputs, all activities related to accounting are monitored by managers, so that it is difficult to make false invoices, unjustified disbursements, in a word, falsifications which are of a nature compromise the performance of educational structures that play an important role in the development of African countries. In short, there is every reason to believe that, in the days to come, ICT have acquired their reputation in the management of schools in Côte d'Ivoire. While this is true in some situation, it is worth acknowledging that in the majority of schools much remains to be done. Indeed, many challenges exist and can considerably hamper the use of ICT as an essential tool for school management. What are these difficulties? How do they present themselves and what their consequences are at the administrative, pedagogical and financial levels?

Challenges posed by the Management of Institutions through ICT

Despite remarkable advances in the use of ICTs for the management of institutions, there are some challenges to be faced. In the case of computer equipment, more than 65% of establishments have a number of devices which are clearly insufficient in relation to their actual needs, so that essential services do not have them. In public institutions, the situation is more dramatic than in the private sector, given the weakness of the resources made available to managers by the state.

Worse, only one institution out of the ten visited (1/10) has an ICT integration plan with well-defined objectives and a strategy for renewing it equipment. For the vast majority, this is not yet the case so it is common to find several computers down with no means to replace them,

computer rooms under equipped as well as some services, devices of another generation. To this must be added that the connection in the establishments or schools is not always of good quality. Interruptions are noted and regularly disrupt the use of the Internet for pedagogical and administrative purposes. The managers encountered are fully aware of this situation, but evoke the lack of means to justify the under-equipment of their establishments in these terms: "We are aware that ICT can help us better manage our institutions, but we lack the means to equip ourselves appropriately. Moreover, being responsible for a public establishment in a semi-rural area, where the parents do not have significant financial resources, the means made available to us by the Ministry of National Education can't allow us to have the desired material". Apart from questions related to the equipment of the institutions in computer tools, another challenge relating to the integration of ICT in managerial practices remains the training of the actors. Indeed, less than 50% of managers are trained in the use of ICT. Trained women (70.52%) are more important than men (53.33%). Thus, there are fewer untrained women (29.48%) than men (46.67%) as shown in figure 3.

These data are certainly not representative of all the schools in Côte d'Ivoire, but they make it possible to say that the dynamics of the use of ICT in the management of the establishments is initiated both in urban environment and in environment rural. Managers who have understood the usefulness of ICT have made efforts to acquire management software for their schools. Even when the resources of the school do not allow it, some managers involve the parents by raising contributions, with the agreement of the management committees (COGES), to equip the institutions with computer tools. This is much easier, since some regional directors of the Ministry of National Education encourage exchanges between the central administration and schools using ICT. Overall, the state of play shows that the minimum exists at school level to make ICTs a management tool. The questions that need to be asked, however, are what do these ICT institutions really do? What do computers do in these schools? What is the impact on the day-to-day management of schools?

To this end, training is provided to strengthen skills in basic software and for the use of certain software used only in each institution. The situation is virtually identical with regard to the Internet. Apart from the fact that the type of connection chosen by the institutions is not often efficient, few managers encountered have an e-mail address. So, only 37.10% of managers have a functional email address (Figure 4). However, it should be pointed out that many of them do not use it often or when they do, it is done by intermediaries (to consult or send messages). Some managers even acknowledged that they lost their first e-mail addresses because they did not use them regularly. The challenges listed have important implications for the management of institutions. At the administrative, educational and financial level, the lack of knowledge of it tool by many managers is a serious handicap for the pedagogical use of ICT. For example, in many schools, managers do not have control over the workforce until the middle of the year. This situation is an obstacle to the planning of classrooms, working groups in different subjects. It is also not uncommon to find parallel entries made by agents without the managers being informed. There are falsifications of marks for the benefit of certain learners with the complicity of the agents of the school administration. The same is true of financial management, where the lack of computerization leads to mismanagement in the institutional funds (Bialobrzaska & Cohen, 2005). According to the managers, many examples of fraud have been committed by some agents due to a lack of computerization of the management of the establishments. This has led in most cases to the dismissal of persons convicted of such conduct. Faced with the concerns that managers encounter in order to

integrate ICT into the management of institutions, should we consider that the use of informatics is only reserved for a category of educational structures or is it necessary to carry out major actions to enable. To all managers to benefit from the benefits of ICT to improve the management of establishments? The second approach seems to be the most realistic, which is why the following recommendations are made to policy makers (state) and school managers.

The State must fully engage in the popularization of ICT by taking to de-tax all the computer tools in order to allow the establishments to dispose of the equipment in sufficient quantity and whose quality is recognized by all. In this same dynamic, the Ministry of Education can develop incentives to encourage institutions to acquire effective computerized tools for the training of learners and the management of schools. the popularization of ICT by taking. This measure also applies to the Internet connection because the cost of the subscription is still high in Côte d'Ivoire compared to other countries of the sub-region. The Internet must be able to cover the whole territory in order to give the same opportunities to all managers of establishments in the use of ICT, wherever they are. The role of the State is decisive because it defines national ICT policy and it is up to the State to ensure that it is not a privilege granted to a particular social class but rather Scope of all. The managers of private or public institutions must make the effort to equip their computer hardware structures and sensitize all their employees to the use of ICT. In addition, they must provide in-service training to strengthen their ICT skills. Each institution must have an ICT pedagogical integration plan as well as an equipment renewal strategy. Modern management requires predicting, planning at all levels, and ICT equipment does not escape this logic. This is why all managers are invited to develop strategies to have at all times high-performance computing equipment for the management of establishments.

Implication to Research and Practice

The impact of ICTs on the management of institutions is limited to a small number of educational structures, given that many schools are severely lacking in facilities. Similarly, access to the Internet is not always guaranteed for many establishments due to lack of financial means to pay for the connection or to maintain a website. Even cybercafé open in institutions are often not functional due to frequent computer breakdowns, the absence of a strategy to maintain and renew the computer park. The inadequate training of managers is also one of the major challenges because one cannot speak of pedagogical integration of ICT without a minimum of knowledge of the actors in computer science. The above-mentioned challenges represent obstacles to the pedagogical use of ICT in general and to the management of schools in particular. These challenges are important, but they are not likely to have the impact of information and communication technologies on school management. Thus, it is important to define a national policy for ICT development in Côte d'Ivoire and to put in place an incentive policy for managers, educators and learners.

CONCLUSION

Information and communication technologies (ICT) is certainly not a panacea for all the problems of school management in Côte d'Ivoire. However, the experiments carried out in a few establishments, both in urban and semi-rural areas showed the impact of information and

communication technologies on improving the management of these structures at the administrative, pedagogical and financial. The testimonies of the managers on the induced effects of the ICT on the functioning of their structures are edifying and show well that the computer revolution has made it possible to correct certain shortcomings observed in the practices of the agents.

Future Research

The digital revolution is becoming globalized, so it must not escape Africans. Indeed, it must serve as a basis for the national development consolidation. This is why all the actors of the school must play their full score to improve the management of schools and finally get best results at the end of the school year. That is why future research should focus on the techniques and means to be defined to popularize ICTs in all schools in Côte d'Ivoire, cover the Ivorian territory with an internet network and train trainers in the mastery of ICTs. The impact of ICTs on school results also needs to be investigated.

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APPENDIX

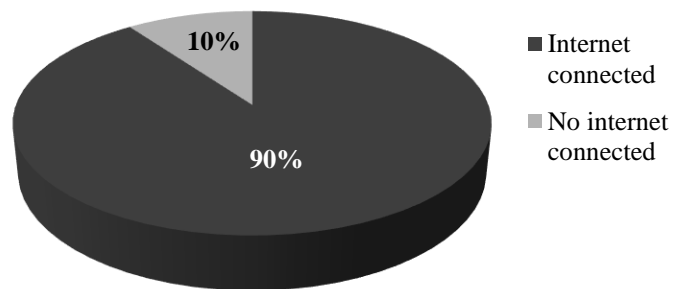


Figure 1. Percentage of schools with an Internet connection

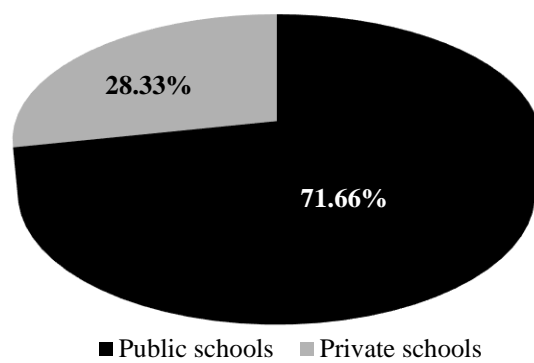


Figure 2. Percentage of schools with NkraGestEtab software in Côte d'Ivoire

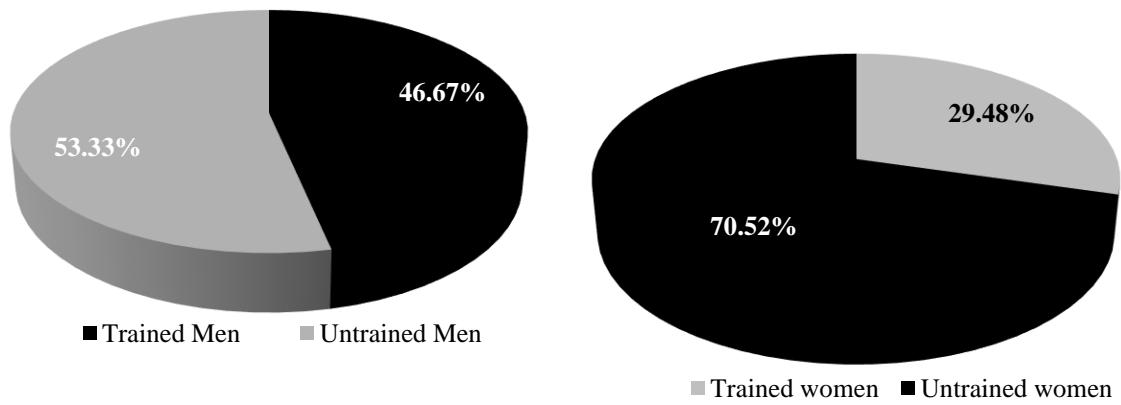


Figure 3. Percentage of managers trained in ICT use by gender

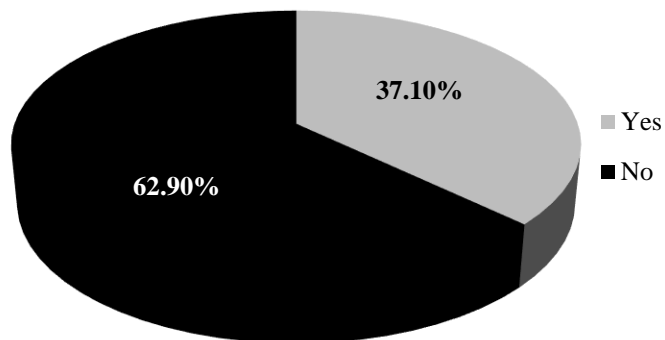


Figure 4. Pourcentage de managers possédant une adresse électronique

THE EFFECT OF DIVIDEND PAYMENT ON SHARE PRICE OF LISTED OIL AND GAS FIRMS IN NIGERIA

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ABSTRACT: *The issue of dividend payment has a long history and some dividend theories are prominent in finance literatures. This study investigates the impact of dividend policy on share price of listed companies in the stock exchange market of the Nigeria economy from 2013 to 2017 on a panel data analysis. Given the crucial impact of the oil and gas sector in Nigeria, it becomes expedient to critically analyze the impact of dividend per share and other variables proxy for dividend that are likely to affect share prices in the oil and gas sector in Nigeria. The study adopted a simple statistical methodology. Some underlining theory of dividend policy in line with the efficient market hypothesis was adopted to practically test the efficacy of the model and if the research hypothesis result corroborates with other studies. Due to the numbers of firms operating in the oil and gas sector in Nigeria, the study uses the Yamane's formula to derive the appropriate sample size while the Kolmogorov test was used to test for normality under the OLS assumption. The variables in the model are statistically significant and the coefficient of determination is very high, indicating that the total variation in the dependent variable are explained by the independent variables in the model. Therefore, the study found out that dividend per share (DPS) affect share price (SP) in the oil and gas sector in Nigeria.*

KEYWORDS: Share Price, Dividend Per Share, Oil & Gas, Regression, Stock Market.

INTRODUCTION

The global financial market crash deeply affected the Nigeria economy, which on the other hand affected the Nigeria capital market. This led most investors in Nigeria to move out their funds from the Nigeria capital market due to the negative impact that the financial crisis had caused. Also, most firms could not pay dividend due to decline in earnings. Thus, there was high level of foreign direct investment (FDI) withdrawal from the economy. In the first quarter of 2018, the Oil and Gas firms share are the most sorted shares in the Nigeria stock exchange market.

In Nigeria, the oil and gas sector industry are one of the most heavily regulated sectors with great attention of investment having noted that Nigeria is a mono economy, i.e depending majorly on crude oil. In finance and economic literatures in Nigeria, it has been considered that the oil and gas firms play a pivotal role in economy development. Oil and gas firms share is highly sort for on the floor of the Nigeria stock exchange. Most firms could not pay dividend and this negatively affect investors interest in trading on shares in the floor of the Nigeria stock exchange. Oil and gas share which are highly in demand decline in price. At this point, investors and the general public began to debate the effect of dividend on share price as investors are only interested in wealth maximization. To maximize wealth of shareholders, dividend policy that necessitates dividend payment is perceived to be the constitutional rights of the shareholders. Pandey (2005), stated that for shareholders wealth to increase up to a

particular level, profit of the firm must increase and that stand as a core objective of the firm. This therefore corroborate with the idea of Baker and Powell (1999), that an essential management decision is the decision of dividend policy because of its effect on share price. Empirical literatures such as the work of Gordon, Walter, Modigliani and Miller etc. has shown that a quantum of the movement of share prices are attributed to some factors such as earnings, dividend and general economic conditions. The question is which variables affect share price? As a result of this question led this study to integrate efficient market hypothesis and the theory of dividend policy.

Dividend has a long history in the world in general. As noted by Sujala (2009) that 'Dividend is the distribution of past or present earnings in terms of real assets among company shareholders proportionally as per their ownership'. Hashim, Shahid, Sajid and Umair (2013), gives reasons why companies pay dividend such as the need for cash or to eliminate agency cost as well as reducing investor's insecurity. Sharma, (2011) stated that earnings per share and dividend per share are vital variables that gives information on value of share price. Therefore, the impact of announced earnings per Share (EPS) on stock prices is something that has been at the core of interest to investors and shareholders. And this owes to the fact that EPS is a crucial instrument that evaluates a company's performance in the long run. As Cootner (1964) claims that "security prices are normally sensitive and responsive to all real and imagined events" made out of the firm's profits/revenues and the decision to pay out dividends is rooted on the dividend policy of the company.

Dividend policy has been a debatable issue in the area of corporate finance. This is indicative of the various theories that have been propounded to either support or reject it. Notable among these theories are the dividend irrelevance theory, the bird-in-hand theory, signaling theory, tax preference theory, agency theory, life cycle theory, dividend smoothing theory and Clientele effect. The Efficient Market Hypothesis proposed by Fama (1965) opined that share price of firms should reflect all available information. The efficient market hypothesis states that current share prices reflect all available information. However, information can be in form of dividend policy, impacts of macro and micro (internal) economic variables. The work of Collins (1957) in the determinants of share price opined that dividend, operating earnings, net profit and book value are core variables the affect share prices.

The work of Baskin (1989) goes along with the work of Graham and Dodd (1934) on investors' preference and dividend but found an inverse relation between stock prices and dividend policy. The inverse relationship is in the context of a fall in price when there is dividend payment or a rise in price when dividend is not paid. In our own view, the implication of this theory to the study of dividend policy on oil and gas firms in Nigeria is that the share price of oil and gas firms in the Nigeria stock exchange market should reflect all available information that will attract investors into the market of investing on the oil and gas sector in Nigeria.

Husam-Aldin et al (2010), carried out an empirical review of theories on dividend policy. They concluded that the more attention is been given to the different types of theories of dividend policy in finance the more it becomes harder to analyze and at the end of it, it may look like a puzzle. There work corroborate with the work of Fisher Black. Erasmus (2012). There are various forms and ways in which dividends can be paid; a company May decide to pay dividends in the form of cash once or twice in a year or declare bonus shares. According to Erasmus, from an investor's perspective, it is not only the level of dividend payment that may be imperative, but also the stability of dividend payments for a considerable period. Thus,

management should be cognizant of the fact that unanticipated changes in dividend payments could alienate existing and potential investors. Unstable dividend policy may have an adverse investors' perception of the Company performance in the financial markets. Priya & Mohanasundari (2016). The principal aim of the study was to review theories on dividend policy and its practical application. Many theories were reviewed such as the Modigliani and Miller theory, the bird in hands theory and the agency cost theory play significant role on this study among others. From the study of Priya & Mohanasundari, we can deduce that there is a divergent view between the management and shareholders due to personal opposing interest. As a result, this divergent interest, one will ask what is the objective of the management and the shareholders in a business platform. Therefore, it is obvious that the aim of the management is growth oriented for the firm while shareholders aim is wealth oriented in terms of share price. Since the aim of the firm and the aim of the aim of the shareholders are two parallel line, it became obvious for Priya and Mohanasundari (2016) to conclude that the more they try to understand dividend decision of firms the more it looks like a game(puzzle).

Harleytega & Ayodele (2017) empirically investigate the impact of dividend policy on firm performance of quoted firms. While they proxy performance with return on asset and return equity. The methodology used by Harleytega & Ayodele (2017) was a simple regression and hypothesis was tested based on the research questions formulated. The findings of their study show that there is a positive relationship between firm's performance and dividend per share. A number of empirical studies have been conducted to examine the relationship between dividend policy and share price (Hussainey, Mgbame, & Chijoke-Mgbame, (2011); Nishat & Irfan, 2004; Suleman, Asghar, Ali Shah & Hamid, 2011). However, the findings by these researchers are not consistent. Uddin (2009) opined that dividend, earning per share, net asset value per share are factors that affect share prices through dividend decision in a firm. Duke et al (2015) carried in their study of dividend policy on commercial banks in Nigeria opined that there is a positive significant relationship between dividend yield and share price. While Mukora (2014) stated that there is a significant positive relationship between dividend announcement and shares yield in the stock market of some selected firms. Baskin (1989) found a negative association between stock prices and dividend yield. His findings, however, was at variance with (Hussainey *et al.*, 2011) who failed to established a negative association between the two variables. In the United Kingdom, Goddard *et al.* (2008) examined the long-run relationship between stock dividends and stock prices, using panel data. Using panel unit root and panel co-integration techniques, the authors found evidence of long-run association between stock prices and dividends. In other words, the study found that share prices and dividend move together in the long run.

Also, a study by Bitok (2004) on the effect of dividend policy on the value of the firms quoted at the NSE found that paying dividends reduces risk to the companies and thus influence stock price. The study also found that dividend yield and payout ratio serve as proxies for the amount of projected growth opportunities. Baker *et al.* (2001) conducted a survey among 603 American firms listed on the New York Stock Exchange (NYSE). Survey was done among the chief financial officers of the selected firms. Their results indicated that majority of the respondents strongly agreed that stock prices will be affected by dividend policy. Gordon (1962) studied dividend policy and market price of the shares and proposed that the dividend policies of firms affect the market value of stocks even in the perfect capital market. He stated that investors may prefer present dividend instead of future capital gains because the future situation is uncertain even if in perfect capital market. Indeed, he explained that many investors may prefer

dividend on hand in order to avoid risk related to future capital gain. He also proposed that there is a direct relationship between dividend policy and market value of share even if the internal rate of return and the required rate of return will be the same.

Linking Dividend Policy and Share Prices of Firms

Dividend policy involves the organization's choice to either pay dividend or not. Besides, dividend policy also examines the frequency of dividend payment (whether semi-annually, annually or quarterly). According to the signaling hypothesis, announcements concerning dividend change should correlate positively with share price movement and future changes in earnings. In recent years, a number of studies have attempted to examine the impact of dividend policy on the share price changes of companies. Al Masum (2014) conducted a study in Bangladesh to examine the impact of dividend policy on the share prices of listed banks on the Dhaka stock exchange. In the study, dividend yield and dividend per share were used as independent variables while controlling for earnings per share, return on equity and retention ratio. A panel data approach was employed to investigate the relationship between dividend and stock prices. The overall result of the study indicates that dividend policy has significant positive effect on stock prices. Waithaka *et al.* (2012) investigated the impact of dividend policy on share prices of selected companies on the Nairobi Stock Exchange. The study used linear regression model to examine the relationship between dividend policy and share prices. They find that share prices are positively related with dividend announcement, implying that dividend policy has some level of impact on the share prices of listed companies. Also, Nazir *et al.* (2010) used panel data analysis to investigate the role of corporate dividend policy in determining stock price changes in the Karachi Stock Exchange. The study established that movement in share prices is significantly affected by dividend policy as measured by dividend yield and dividend payout ratio. According to a study conducted by Rashid & Anisur Rahman (2008), the authors established that there is an insignificant positive relationship between dividend policy (Dividend yield) and share price volatility of 104 non-financial firms listed on the Dhaka Stock exchange from 1999 – 2006.

The review of the literature reveals the existence of many gaps of knowledge in respect of dividend policy. As per the review of the literature most of the empirical studies that have been conducted with the aim of identifying dividend policy theory on performance such as the work of Priya and Mohanasundari (2016) in the India and some emerging markets. Moreover, the literature review also reveals the existence of controversial conclusions that results from different studies made so far. Furthermore, so far as the review of the literature discloses, very scanty work has been done with the objective of identifying the effect of dividend policy on share price in Nigeria using firms from the oil and gas sector.

METHOD

The methodology employed in this study is the OLS and descriptive statistics. Given the nature of the topic of this study and the variables applied in achieving the objectives, the OLS method is seen fit for a study of this nature. To justify this methodology, similar study such as the work of Zhou and Roland (2006) used a multiple regression technique to linearize the relationship between the dividend payout and future earnings growth of some selected firms.

The model for the study is hereby specified as follows:

$$SP = f(DPS, EPS, DY, INF) \dots \dots \dots \text{model}$$

$$SP = B_0 + B_1DPS + B_2EPS + B_3DY + B_4INF$$

Where:

- SP = Share Price
- DPS = Dividend Per Share
- EPS = Earnings Per Share
- DY = Dividend Yield
- INF = Inflation Rate

Table 1.2.3: Panel Least Square for Variables

Dependent Variable: SP
 Method: Panel Least Squares
 Periods included: 5
 Cross-sections included: 13
 Total panel (balanced) observations: 65

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	28.77220	1.560012	1.840013	0.0000
EPS	-0.788895	1.860013	-4.250012	0.0000
DPS	26.75235	2.420012	1.100013	0.0000
INF	0.885891	2.200013	4.030012	0.0000
DY	-873.4974	8.170011	-1.070013	0.0000
R-squared	1.000000	Mean dependent var	32.62000	
Adjusted R-squared	1.000000	S.D. dependent var	3.080189	
S.E. of regression	8.820013	Akaike info criterion	-52.60069	
Sum squared resid	4.670023	Schwarz criterion	-52.43343	
Log likelihood	1714.523	Hannan-Quinn criter.	-52.53470	
F-statistic	1.950026	Durbin-Watson stat	2.269967	
Prob(F-statistic)	0.000000			

Source: Computed using Eviews 2018

Test of Hypothesis Using T-Test Derived From The Panel Data Model Result.

The t-test value is assumed to be the average weighted and can be used to test hypothesis. We assume that T-tabulated is 5% (0.05).

We reject H₀ if T-calculated > T-tabulated. T-calculated can be obtained from the regression table above. T-calculated = 1.100013.

Hypothesis

H₀: Dividend per share does not significantly affect share price in the oil and gas listed firms in Nigeria

From the panel data result, the t-calculated for DPS is 1.100013 and is therefore compared with 0.05 i.e. $1.100013 > 0.05$ we reject the null hypothesis and accept the alternative hypothesis that dividend per share (DPS) affect share prices (SP) in the oil and gas sector of the Nigeria. Therefore, findings of this study are that dividend per share (DPS) affect SP. This finding corroborates with the theory and model of dividend relevance stated by James Walter.

DISCUSSIONS AND INTERPRETATION OF RESULT

Table 1.3 shows the relationship between share price (SP) and all variables mentioned in the panel data functional relationship model. The SP represent the dependent variable and the independence variables are EPS, DPS, INF and DY. Dividend Yield (DY). The panel data functional relationship result shows the relationship between Dividend Yield (DY) and SP is a negative relationship of 873.4974. This means that one percent increase in dividend yield (DY) will lead to a corresponding fall in share price (SP) listed in the oil and gas sector of the Nigeria stock exchange. The negative outcome in this study corroborates and negates the study of other previous scholars. The work of Rashid & Rahman (2008) shows that there is positive relationship between share price and dividend yield but not statistically significant. The work of Nazir et al (2010) shows that dividend yield affect stock price volatility. Nazir et al uses 73 firms listed in Karachi Stock Exchange (KSE-100) to empirically investigate their analysis. The work of Nazir et al corroborate with this study but negate the findings of the work of Rashid & Rahman, (2008). Therefore, it would not be an overstatement to generalize from this empirical analysis that dividend yield affect share price. Hussainey et al. (2011), stated that firms with higher dividend yield will have minimum share price volatile when compared with firms with low dividend yield having noted that dividend yield is one of the core determinants of the volatility of share price. Earnings per share (EPS) from the above regression result show a negative relationship with share price (SP) of -0.788895. This means that one percent increase in EPS will lead to a fall in SP. Natasha et al (2017) on their study titled 'the effect on earnings per share on share price, the south Africa evidence' stated that EPS is a strong accounting indicator of risk because any up and down movement of EPS reflect on share price. Their study shows that the impact of EPS on share price is dependent on the degree of EPS as Natasha et al (2017) splinted EPS into three degree. Vaidya (2014) stated that the purpose for calculating EPS is for profit distributing hence EPS represent a quantum of share price. Having noted the significance of EPS on SP, some studies such as Almunani, (2014), Chang et al (2008), Haque & Faruquee (2013) Menaje (2012), Menike & Prabath (2014) and Sharma (2011) justify that there is an EPS as a significant relationship with SP. To generalize this relationship, this study therefore shows empirical that the relationship between EPS and SP is negative in the oil and gas sector. Dividend Per Share (DPS) shows a positive relation with SP of 26.75235. This means that one percent increase in DPS will lead to a corresponding increase in SP. We can deduce that Share Price belong to an investment class called asset. Bond belong to that class of asset. Harley Tega et al (2012). Harley Tega et al noted that the bond prices increase as bond approaches maturity. In this context where there is a positive relationship between DPS and SP, there is certainty that as firms in the oil and gas sector regularly pays dividend the dividend

per share will positively affect share price in the oil and gas sector of the Nigeria economy in the long run. This however, justify the theory of dividend relevance policy that investor is interested in the future benefit if they purchase stock today. The panel functional relationship between DPS and SP is 26.75235. This indicates a positive relationship. From the economic criterion, it is expected that DPS should be positive and thus bring about a positive effect on SP. Therefore, the result of DPS corroborate with the apriori expectation. In this study, dividend per share (DPS) is computed by dividing earns by number of shares. Since the shares of firms operating in the oil and gas sector in Nigeria are highly sorted for having noted that the Nigeria economy is a mono economy, this make the dividend per share to move in an opposite direction with the share price as most investors are not interested in dividend but on the movement of share price for profit making. This decision corroborates with the dividend relevance theory and the efficient market hypothesis. In this study, we can also deduce that there is a positive relationship between INF and SP of 0.885891. Based on apriori expectation, there should be a negative relationship between INF and SP. Therefore, the result of this study negates the apriori expectation. This study does not corroborate with the assumptions that Inflation has a negative impact on any economic value. In this study the relationship between inflation and SP tends to be positive indicating that one percent increase in inflation will lead to a rise in SP of about 0.885891. In the result, the coefficient of determination is very high. It shows that about 100 percent of the total variations in SP are explained by all the independent variables in the panel data functional relationship. The adjusted R^2 also indicates that about 100 percent of the total variations in SP are explained by the functional relationship. This however, indicates that the dependent variable and the independent variables are good fit. The F-statistic is significant at 5 percent critical level. It indicates that the joint variations of the model are significant.

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COMPARATIVE STUDY OF LOGISTICS OUTSOURCING AND IN-HOUSE SERVICES ON CUSTOMER SATISFACTION AMONG NIGERIAN MANUFACTURING COMPANIES

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ABSTRACT: *This study compared logistics outsourcing and in-house logistics services as they affect customer satisfaction in terms of speed of service delivery, service flexibility, service dependability and service effectiveness. This study adopted survey design with questionnaire responses from 800 customers of the ten (10) outsourcing and ten (10) non-outsourcing manufacturing companies in Nigeria. A convenience sampling technique was applied and data collected were analyzed using descriptive and inferential statistics. The independent samples t-test was used to test the hypotheses at 0.05 level of significance. The result showed that the average mean ($m = 13.96$) scores value of the customers of outsourcing companies is greater than the average mean ($m = 11.63$) scores value of the customers from in-house services companies. Also, found that the mean ($M = 12.72$) scores value of the outsourcing companies' customers is greater than the average mean ($m = 10.74$) scores value of the customers from in house services companies' customers. The result also showed that the mean ($m = 13.96$) score value of the in-house services companies' customers is higher than the mean ($m = 13.72$) scores value of the outsourcing companies' customers. Based on the findings, it was recommended that manufacturing companies in Nigeria both outsourcing and in-house services should focus more on the core business activities they have advantages and can do better than its competitors. Then, outsource non-core business activities to other firms who can do it better than themselves.*

KEYWORDS: Logistics Outsourcing, In-House Services, Customer Satisfaction, Service Delivery, Manufacturing Companies, Nigeria

INTRODUCTION

Manufacturing companies are usually confronted with the important decision whether to outsource their logistics functions or to perform them in-house. Others prefer performing logistics services themselves, to maintain control of their supply chain internally.

Companies choosing to adopt in-house logistics services may have very complex supply chain and increase customer's demand challenges. In-house logistics service is a management strategy wherein a business organization uses her in-house employee to perform logistics functions. The manufacturing companies choosing to adopt in-house services typically do so for the following reasons:



- i. Logistics is already considered a core competency
- ii. In-house expertise exceeds the capabilities of most third-party logistics (3PL) service provider.
- iii. Logistics functions are too complex to use outsourcing
- iv. It is too difficult to integrate external information systems and flows.
- v. Companies know their business much better than a third-party logistics (3PL) ever could.
- vi. A belief that cost reductions would not be realized through outsourcing
- vii. It is based solely on mere belief that outsourcing strategy may be unsuccessful.

On the other hand, outsourcing has become a competitive imperative for many companies. The growth of the internet, customer revolution, product variety, and the heightened expectations of customers, have forced companies to focus on core competencies instead of vertical integration (Kulkarni and Sharma, 2008). This means that, logistics activities previously coordinated within one firm are now being allocated to different firms and coordinated actions now have to span the boundaries of these firms. Integration within a firm is thus replaced by integrative efforts across the boundaries of several firms. This trend of change in the logistics system puts the emphasis on the crucial role of businesses relationships. Logistics outsourcing is a management art wherein a business contract with a third-party logistics (3PL) service provider to provide services that might otherwise be performed by in-house employees of the outsourcing company at a minimal cost.

However, manufacturing companies adopting outsourcing or in-house method to perform its logistics functions needs to develop a competitive and consistent manufacturing strategy to cope with the dynamic business environment (Platts, Probert and Canez, 2002). The ultimate strategic goal is to develop core competencies that would satisfy the customer. The focus is on core competencies and utilizing qualified vendor to provide services that are not of the organization's core business, such that the organization's risk can be minimized and shared with its supplier. The core competencies are "the special skills, owners of intellectual technologies, innovative combinations of knowledge and unique operating business methods that provide the product or the services that customers value and want to buy" (Greaver, 2000: p 117).

In addition, outsourcing or in-housing services as a business strategy is expected to help the manufacturing companies to move towards having a competitive advantage and thereby serve their customers better. Today, companies are realizing the significance of quality product, quality service, and speed of service delivery, service flexibility, service dependability, service effectiveness and on time delivery which leads to customer satisfaction. Customer satisfaction is the outcome felt by those that have experienced a company's performance and have fulfilled their expectations. Outsourcing and in-house services are important supply chain. Management strategy that has received a lot of attention from manufacturing companies in Nigeria and globally. Manufacturing companies usually adopt outsourcing or in-house services as a result of stiff competition and the need for prompt responsiveness to



market demand. Besides, both strategies were designed to satisfy customers demand, reduce customer response time, reduced supply chain cost, on time delivery of goods and services.

Contract logistics and outsourcing logistics function to third party logistics (3PL) generally are the same thing (Lieb and Wassenhove, 1993). This involves the use of external firms to perform logistics activities, which have been previously performed in-house. The third-party logistics services providers may perform all the activities or some of the logistics functions within the process (Sahay and Mohan, 2006). A key rationale for such outsourcing is that with intensified global competition, firms are concentrating their energies on core business functions that are critical to survival, and leaving the rest to specialist firms (Bhatnagar and Viswanathan, 2000). Therefore, outsourcing strategy is art of replacing the in-house services by contracting it out to external companies. The replacement of in-house services is done in other to add value particularly with respect to improved customer service delivery. In the same vein, outsourcing previously adopted was unsuccessful. In this regard, one might wonder if outsourcing or in-house services actually has a significant impact on organizational performance in terms of service delivery to their customers. Therefore, the study compares outsourcing companies and in-house logistics services companies' effect on customer satisfaction in terms of speed of service delivery, service flexibility, service dependability and service effectiveness.

Statement of the Problem

Today, there is an increasing trend to outsource or to perform the same logistics functions in-house among manufacturing companies in Nigeria. The idea of outsourcing strategy and in-house services option is that, it helps companies to perform well in their core competencies in order to serve the customer adequately and indeed satisfy them.

Customer satisfaction is very fundamental of any successful business, because customer satisfaction leads to brand loyalty, positive word of mouth and repeat purchase. Customer expectations are the key factor behind satisfaction. When customers have high expectations and the really fall short, they will be disappointed and will likely rate their experience dissatisfying. Customer satisfaction is an important factor to evaluate the effect of outsourcing and in-house services. Therefore, business needs to focus on this, if they want to remain in business in the long-run.

Despite the apparent increase in logistics outsourcing and in-house services research and the growth of the Nigerian manufacturing industry. Most of the researchers focus more on the impact of the business performance in terms of profitability, costs, market share and sales growth. But the impact is not only on the business performance but also the customer's perception of the service delivery. The essence of profitability, market share and sales growth among others is a function of customer satisfaction. Customer satisfaction is the outcome felt by the customers of how products and services supplied by a company meet or surpass their expectations. Customer satisfaction is an asset that should be monitored and managed just like any physical asset. Therefore, studies that examine the effect of logistics outsourcing and in-house services on customer satisfaction in terms of speed of service delivery, service flexibility, service dependability and service effectiveness appear scare. This study was set out to compare the effect of logistics outsourcing and in-house services on customers' satisfaction among selected Nigerian manufacturing companies.

Objective of the Study

The main objective of the study is to investigate the effect of outsourced logistics services and in-house services on customer satisfaction among manufacturing companies in Nigeria. The study seeks to achieve the following specific objectives:

- i. To examine the speed of service delivery between companies that outsource logistics functions and those that do not outsource.
- ii. To determine the level of service flexibility between outsourcing and non-outsourcing companies.
- iii. To examine the level of service dependability between the firms that outsource and those that performs the functions in-house.
- iv. To ascertain the level of service effectiveness between the companies that outsource and those providing the services in-house.

Research Questions

The study addresses the following research questions:

- i. In what way(s) do companies that outsource logistics functions more competent in service delivery to the customer than those that perform the function in-house?
- ii. How do companies that outsource logistics services more flexible in serving customers than those that perform the function in-house?
- iii. In what way(s) do customers experience dependable service delivery with firms that outsource logistics compared to those that do not outsource?
- iv. Do organizations that outsource logistics services serve their customers more effectively than those that do not outsource?

Research Hypothesis

The following research hypotheses were formulated to guide the study:

- H_{0i}: There is no difference in service delivery time between outsourcing and non-outsourcing companies.
- H_{0ii}: There is no difference in service flexibility between outsourcing firms and non-outsourcing firms.
- H_{0iii}: There is no difference in service dependability between outsourcing and non-outsourcing companies.
- H_{0iv}: There is no difference in service effectiveness between outsourcing and non-outsourcing firm.



Significance of the Study

It is hoped that, the findings and recommendations from this study will help manufacturing companies to identify the factors that influence customer's satisfaction.

Also, it will provide insight to the manufacturing companies on the merits of focusing on core functions required by the companies. In other words, firms that focus on their core functions might do better than their competitors in serving the customers.

In addition, the customer will receive added value superior to the previous offer. It will guide suppliers and middlemen on logistics operation, in order to improve on responsiveness and operational flexibility.

It will provide insight to the government to outsource certain contract and handle some within as direct labour.

Finally, this research will serve as a guide to manufacturing companies on how to avoid business activities that may lead to dissatisfaction from customers. Though, not only positive customer satisfaction help business, but also lack of satisfaction takes on even bigger toll on the bottom line.

Scope and Limitation of the Study

The scope of the study consisted of all the customers of 10 selected in-house services manufacturing companies and 10 outsourcing adopted manufacturing companies in Nigeria.

The study is limited in scope because it used data collected from 10 selected outsourcing company's customers and 10 non-outsourcing manufacturing company's customers only, due to the non-availability of listed transactional information by most manufacturing firms.

REVIEW OF RELATED LITERATURE

The literatures on the study were reviewed on three main segments. These segments are conceptual review, theoretical review and empirical review of literatures.

Conceptual Review of Topics

To help discuss the conceptual review of the study, a conceptual model has been constructed. The conceptual model specifies that customer satisfaction is a function of transportation, warehousing, packaging and procurement outsourcing and in-house services as presented in figure 2.1

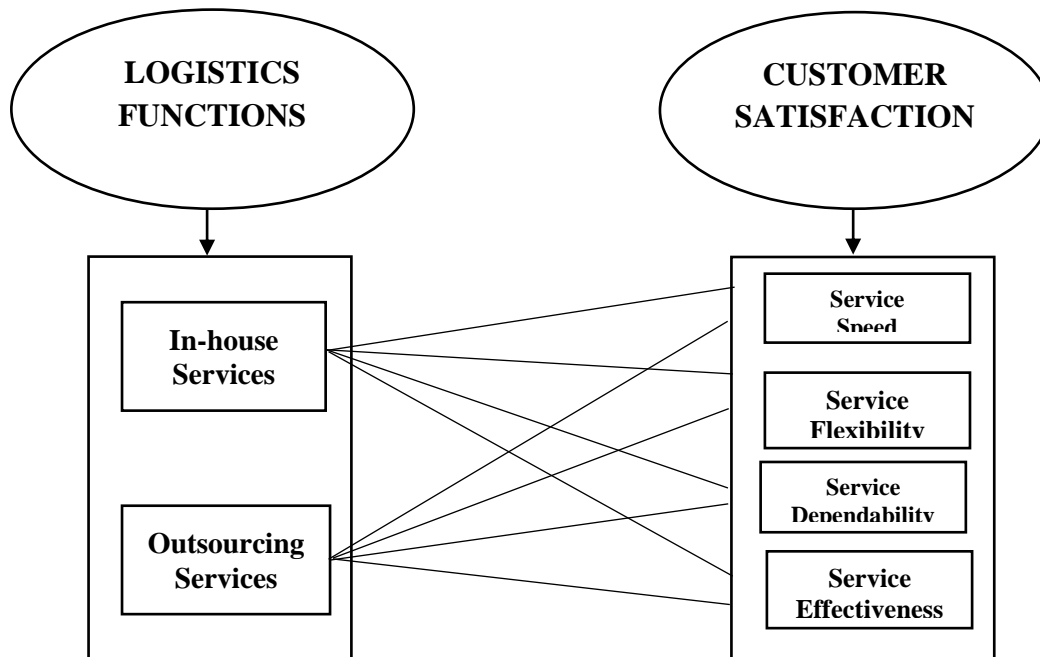


Figure 2.1: Conceptual Model Showing the Relationship Between the Independent and Dependent Variables.

Source: Researcher's conceptualization (2017).

Outsourcing

Outsourcing is not a recent phenomenon; it has been in existence as long as work specialization. In fact, companies have been known to have used outsourcing in some form or the other for a long time now. Typically, companies outsource those functions that are considered non-core to their business or function in which specialized skills are needed and cheaply available in the open market.

Outsourcing is a management tool wherein a business contract with a third-party logistics service provider (3PL) to provide services that might done by the employees of the outsourcing companies. Outsourcing is the art of one firm contracting out some of the logistics functions with another company to provide services for the outsourcing company. The recipients of outsourced logistics activities are generally, but not necessarily in the same country. When a business organization on another continent receives such services, for example china, it is called offshore outsourcing. Offshore outsourcing is the practices of hiring an external services provider to perform certain logistics functions in a country other than the one where the products or services are developed or actually manufactured. But if Nigeria base firm outsourcing logistics functions to a company in Niger Republic which is outside the country, but on the same continent is said to be near shore outsourcing.

Outsourcing has become one of the most important management concepts for the past 75 years as listed by the Harvard Business Review. This concept has become a readily accepted



method of increasing performance of non-supply chain functions (Gottfredson, Puryear and Philips 2005). Outsourcing strategy allows business organization to concentrate on their core competencies to provide a differentiated level of customer services, and to take advantage of higher business operational flexibility. Outsourcing helps the organization to gain competitive advantage and customer satisfaction. Because of these benefits mentioned earlier, companies have diverted their attention to carry out outsourcing (Bolumole, Frankel and Naslund, 2007). Lieb (1992:p30) defined outsourcing “as the hiring of external firms to provide logistics services that have been previously performed within the business organization. Oshei, Kotlarsky and Willcocks (2011:p207) defines outsourcing “as contracting with third service providers for the management and accomplishment of a certain areas of work for a specific period of time, cost and length service” outsourcing is a contract.

Services agreement which a business organization hires out all or part of its logistics functions to an external firm. Despite the diversities of outsourcing definitions, authors agreed that the decision to outsource bothers on reliance of firms as an external source of input service processes or other value-adding activities (Amiti and Wei, 2005, Gillery and Rasheed, 2000). Before now business organizations only trusted themselves and as a result, they performed all business activities. Because, they kept a firm grip on everything like packaging, procurement and production as well as the distribution of the finished products to the markets. Companies believed that they could perform all business activities better than anybody else and that belief also applied to the logistics functions. But, in the course of the years, business organization began to shift from this full autonomy in the field of logistics.

Dimensions of Logistics Functions among In-house Services and Outsourcing Manufacturing Companies

The study considered four (4) logistics functions which include, transportation, warehousing, packaging and procurement that are common among our studied organizations. The study explains the various logistics functions mentioned above. These functions are usually offered by the third-party logistics (3PL) service providers and manufacturing companies performing the same functions in-house. There are other logistics functions such as: inventory control, customs brokerage, information technology, among others (Chopra and Meindl 2010; Hilletoth 2010; Mangan, Lalwani; Butcher and Javadpour, 2012). But the four logistics functions, which have been listed above are carefully chosen for this study. The choice of the four (4) logistics functions is that, it is commonly used among the logistics outsourcing and non-outsourcing manufacturing companies of this study.

Transportation Function

The transportation operation in the supply chain process determines the efficiency of distributing or moving products to the market. This operation could be done in-house or outsourcing it out to a vendor. Manufacturing companies taking a decision on logistics outsourcing or in-house services implementation need an effective management capability to achieve their set objectives. A strong system of business environment needs a clear frame of in-house services or logistics outsourcing strategy to link the production and distribution procedures of the manufacturing firms. So, whatever strategy the manufacturing companies which to adopt, the objective is to serve the customer on-time and appropriately.

Warehousing Function



The warehouse functions usually provide a secure and reasonable place for products and materials to be stored. With physical distribution, storage is often associated with warehousing, including material handling performed in the warehouse.

In addition to storing of goods, sorting, marketing and assembling goods and materials for shipment are also part of material management in the warehousing activities; therefore, to improve on customer's service, the in-house services and outsourcing services are adopted by manufacturing companies in order to satisfy their respective customers.

Packaging Function

Packaging function is the physical wrapping or container for a product. Packaging activities is done in-house or service providers. It is done in-house where in-house expertise exceeds the capabilities of most external suppliers. Some specialized manufacturing firms which produce specific products, often lack capabilities or resources needed to perform functions such as packing, labeling of products and product assembling. On the other hand, external companies take on the task of performing logistics functions as it is easier to consolidate all the necessary information and ship it to the customers. Packaging function and labeling are mainly performed as a single activity.

Procurement Function

Procurement or purchasing is one of the logistics functions of the logistics system. Procurement function is strategic weapon manufacturing firms can source effectively that can create a competitive advantage by building better value in their own products. Dwyer and Tanner (2002) developed two sets of purchasing methods. The traditional purchasing philosophy and adversarial purchasing philosophy. The adversarial purchasing philosophy is to have several vendors for each product. While the alternative approach of procurement is called the traditional purchasing philosophy which involve partnership purchasing or preferred external supplier system. The outsourcing companies prefer the traditional purchasing philosophy while the in-house services companies in most cases adopted the adversarial purchasing philosophy and set a method of supply chain management control. The both procurement philosophy approach was developed in order to increase competition for the buyer's business.

Outsourcing Process

Outsourcing process is a set of procedure that establish and management of a contractual agreement with an external firm for the provision of logistics services that has been previously provided in-house (Momme, 2002).

Step 1; Understanding Company Goals and Objectives: Management taking outsourcing decisions have to be taken within the framework of a company's goals and objectives

Step 2; A Strategic Vision and Plan: Outsourcing companies must incorporate her long-term and short-term strategic vision and plan when drafting the outsourcing contractual agreement.



Step 3; Selecting the Right Vendor: The outsourcing companies will engage in selecting activities which include; collecting external suppliers background information, supplier intelligence and evaluation of this information in order to select the right vendor.

Step 4; Management of the Relationship: Relationship management is an essential requirement for outsourcing contractual agreement to succeed.

Step 5; A properly Structured Contract: Structuring an outsourcing contract requires expertise experience and carefulness to have all the necessary clauses, incentives and scope for growth.

Step 6; Open Communication: To coordinate outsourcing relationship with an external supplier open communication is essential.

Step 7; Senior Executive Support: Outsourcing decision in an organization must consider the inputs from the senior executives.

Step 8; Use of Outsider Expertise: The use or involving outsider expertise is necessary to have things done right.

Customer Satisfaction

In today's competitive business environment goods and services at the right time to the customer is the key to a sustainable – competitive advantage. Customer satisfaction forms the bases of any successful business. Hence, customer satisfaction leads to brand loyalty, repeat purchase and positive word of mouth. The overall purpose of customer's satisfaction is to achieve long-term commitment from customers. The commitment will definitely be built upon positive relationship between a company and its customers.

In a competitive market place where business competes for customers, satisfaction is seen as a major differentiator and has become increasingly a key element of company's strategy (Gitman and McDaniel, 2005). Kotler and Armstrong (2013.p137) defined customer satisfaction "as the extent to which customers perceived a product performance matches a buyers' expectation". To hold on a satisfied customer, companies must set it right on achieving 100% satisfaction for every one of the customers. Customer satisfaction is the total percentage of customers, who's reported an experience with a company, its products, and services rating exceed specified satisfaction needs or goals (Farri, Neil, Philip and David, 2010). The customer satisfaction being extremely important to the business in its own right, we believe that this measure indicates who the customer experience affects future sales and revenue. European integration studies (2011:p1155) defined customer satisfaction "as an increasing clients' wish to purchase new items or repurchase the goods and services of the company".

However, in conducting research on customer satisfaction, company usually ask customer whether their product or services satisfy their expectations. Thus, the important factors behind satisfaction are the expectations of customers. Customers are likely to rate their experience as dissatisfying when their expectations are not meet. For instance, a very wealthy resort place might get a lower customer satisfaction rating than a less expensive budget motel even when its facilities and services are better and superior in absolute terms (Farri et al, 2010). Schiffman and Kanum (2004) defined customer satisfaction "as the individual's



perception of the performance of the products or services in relation to his or her expectations”.

Customer satisfaction is an ideal concept and the real manifestation of the level of satisfaction depends on a number of both physical and psychological variables which correlate with satisfaction behaviours characteristics such as referrals rate and repeat purchase. The state of satisfaction can also vary depending on other available options the customer may have and other goods and services against which the customer can compare the organization's products. The National Business Research institute (1982) suggested possible dimensions that one can use in measuring customer satisfaction. They include: quality of service delivery, the expeditious delivery, handling customer complaints, customer response time and patronage. These indicators are also called the drivers of customer's satisfaction. To create new customers' and maintain old customers, firms must have good knowledge of the level of satisfaction the customer have with each variant to have a competitive advantage.

Measures Customer Satisfaction

The measures of customer satisfaction are indicators to examine customer satisfaction. Companies can achieve increased customer satisfaction, loyalty through their speed in service delivery, dependable service and service effectiveness. Delivery services of high quality are an important strategy for firms that seek to create and provide value to their customers (Gronroos and Ravald, 2011). The study examined customer satisfaction in terms of speed in service delivery, flexibility, dependability and service effectiveness. We can briefly discuss the four (4) measures of customer satisfaction mentioned above.

i. Service Speed

The speed in service delivery is one of the test variables to measure customer satisfaction in the study. The speed in service is a customer-driven operation service that reflects a clear understanding of the time, It takes to ship and receive goods to the customers. It also requires a cross-functional effort of the organization to follow the needs and expectation of the customers getting their order on-time. Manufacturing companies both outsourcing and non-outsourcing focus on the competitive priorities of development speed in service delivery with time-based competition. Therefore, manager carefully defines the steps and time needed to deliver a product or service. Then, critically analyze each step in serving the customer to determine whether time can be saved without hurting quality (Ritzman and Krajewaki, 1999).

ii. Service Flexibility

The concept of service flexibility is the ability of the organization to respond to changing circumstances in business activities towards customer satisfaction. The idea of this concept is to compare the services of the outsourcing strategy and that of the in-house services strategy to ascertain how fast both manufacturing companies who chose to outsource or perform logistics functions in-house respond to the need of their customers. Also, to examine about changes in demand are met in a timely order by both manufacturing companies of the study.

iii. Service Dependability

Service dependability is how reliable the customer feels about the company in terms of meeting delivery schedules or promises. Delivery dependability is the capability to deliver



correct products in the correct quantity. In other words, service dependability is keeping delivery promises. The focus here is how both business strategies (i.e, outsourcing and in-house services) keeping their service delivery promises to their customers. Because, keeping delivery promises in turn build trust and long-term relationship with the customers.

iv. Service Effectiveness

Service effectiveness is doing what you are supposed to do adequately to accomplish a purpose; producing the expected results for customer satisfaction. In general, service effectiveness is described as the capability of producing a specific desired effect or “getting the right things done” (Druker, 2004). From the definition above, it becomes apparent that service delivery effectiveness is related to the degree to which a logistics system’s objective has been achieved. This indicate that, an effective service delivery is the one that have the ability to deliver the outcomes for which it was originally plan and developed (Kingman Brundage, 1991). Scholars have argued that the main objective of service delivery effectiveness is to bridge the gap between customer expectations and experience (Lovelock, 1984 and Armistead, 1990).

Importance of Customer Satisfaction

To research the behaviour of customers, the customers are used as a unit of analysis for making marketing strategies and adopt the marketing mix to their needs. It is assume that marketing always follows the needs for the customers as a basic assumption in the development of a suitable strategy that leads to customers’ satisfaction. In a general term, it is the main satisfaction of the product and services as a whole that merits attention. Because, the customer’s future buying and consuming behaviour is influence by their satisfaction.

In addition, manufacturing companies have need for measuring satisfaction of their customers. Dutka (1993) identified several possible uses of information about customer satisfaction. They include:

- i. The results of customer satisfaction can help the organization to understand the current standard of customers’ level.
- ii. The important customer’s requirements can easily be identify through customer satisfaction result.
- iii. The information about customer satisfaction result can help company monitor the dimension over time.
- iv. It provides comparison to other organization.

Theoretical Review of Literature

The study adopted two main theories, Core Competence (CC) by Prahalad and Hamel (1990) and Resource Based View (RBV) by Barney and Hesterly (1996) theories. The main premise of the Core Competence Theory is that, the core business function of an organization shall remain in-house. While the core premise of the resource-based view theory is that, organization with organized resourced may lack capabilities to perform certain business function may seek to partner with 3PL to achieve a competitive edge.



Empirical Review of Literature

Recent literatures indicate that different scholars have studied outsourcing and in-house services. Hence, a summary of a few was considered in this study. They include, Munovi, 2015; Dominick, 2014; Rajee and Akinlabi, 2013; Ogolo, 2013; Akinbola, 2012; Dogerlioglu, 2012; Muweesi, 2011; Chopra and Meindl, 2010; and Bolat and Yilmaz, 2009 on variables of outsourcing and in-house services reveals that, studies that examine the effect of logistics outsourcing and in-house services on customer satisfaction in terms of speed of service delivery, service flexibility, dependability and service effectiveness appear scare.

METHODOLOGY

Research Design/Population of the Study

The study adopted survey research design. The target population for the study consisted of all customers (i.e, Dealers) of outsourcing and non-outsourcing manufacturing companies operating in Nigeria. The total of 10 outsourcing company's customer is 15, 891 while, the total of 10 in-house services company's customer is 15,667. Therefore, the total targeted population of the study was 31, 558. The choice of both outsourcing and in-house services companies is borne out of the fact they have adopted logistics outsourcing strategy and in-house service for at least five (5) years or more respectively. The 10 selected out-sourcing and 10 selected non-outsourcing manufacturing companies are below:

Table: 10 Selected Out-Sourcing and 10 Selected Non-Outsourcing Manufacturing Companies

S/No	Outsourcing companies for transportation, procurement, packaging warehousing, etc.	In-house services companies for transportation, procurement, packaging, warehousing, etc.
1.	May and Baker Nig. Plc.	1. Friesland Campina Food Wamco Nig. Plc.
2.	Flour Mills Nig. Plc	2. PZ Industries Plc.
3.	Nigeria Breweries Plc	3. Unilever Nigeria Plc.
4.	Nestle food Nigeria Plc	4. Honey Well Flour Mill Nig.
5.	Cadbury Nigeria Plc.	5. Dufil Prima Foods Plc.
6.	7up Bottling Company	6. Promasidor
7.	International Breweries Plc	7. Dangote Flour Mills
8.	Fan Milk Plc	8. Coca-Cola Nig. Plc.
9.	Nascon Allied Industries Plc.	9. Vita Foam Nig. Plc
10.	Royal Salt Limited	10. Mouka Foam Nig. Ltd.

Source: Field data, (2017)

Sample Size/Sampling Technique

The sample size of 800 respondents was considered for the study. Taro Yamane's formula was applied to determine the sample size, because the total number of customers both companies is known. However, the lists of customers were provided through the sales



operation units of outsourcing and in-house services companies. The total number of outsourcing customers (i.e, dealers) as at the time of the study was 15,891 and the total number of in-house services customers (i.e, dealers) as at the time of the study was 15,667, the total of both outsourcing and in-house services customers was 31, 558. Substituting the figure into the Taro Yamane’s formula. This formula is concerned with applying a normal approximation with a confidence level of 95% and a limit of tolerance level (error level) of 5%.

$$\text{Sample size } n = \frac{N}{1 + N (e)^2}$$

- Where,
- n = sample size sought
 - e = Level of significance (degree of tolerable error, 5%)
 - N = Total population
 - 1 = Constant

Outsourcing companies’ computation:

$$n = \frac{15,891}{1+15,891(0.5)^2} = \frac{15,891}{1+15,891 \times 0.0025} \quad n = 390.17$$

In-house services companies’ computation.

$$n = \frac{N}{1 + N (e)^2}$$

$$n = \frac{15,667}{1+15,667(0.5)^2} = \frac{15,667}{1+15,667 \times 0.0025}$$

$$n = 390.041$$

Outsourcing total after computation = 390.17

In-house services companies total = 390.041

Total = 780.211

However, 780.211 divided by 20 companies = 39.01055 each but the researcher deliberately increases the figure from 39.01055 to 42 customers (dealers) per companies (i.e., 42 x 20 to have the total of eight hundred and forty (840). Therefore, 420 copies of the questionnaire were retrieved from the respondents. Eight (8) representing 1.9% were not retrieved. Twelve (12) copies representing 2.9% out of the retrieved questionnaire copies representing 2.9% out of the retrieved questionnaire were discarded, because they were not completely or properly filled. Four hundred (400) copies representing 95.2% response rate were correctly filled and



returned which were thus useful for the study. Base on this regard, forty (4) customers each were selected from the 10 outsourcing manufacturing companies. Similarly, 420 copies of the questionnaire were distributed to the 10 in-house services companies. Out of this number, 410 copies were retrieved from the respondents. Ten (10) copies representing 2.4% were not retrieved while, ten (10) copies out of the retrieved questionnaire representing 2.4% were discarded, because they were not completely or properly filled. But, four hundred (400) copies representing 95.2% response rate were correctly filled and returned, which were valid for the study. We then, select 40 customers each from the in-house services companies. Considering both customers of the outsourcing and the in-house services companies, we have the total of 800 useful questionnaire for the study. The implication of this is that all further analysis made in this study was based on the 800 valid set of questionnaires. Hence, the sample size of the study.

The convenience sampling method was used in the selecting the 800 respondents. This method allowed the researcher to reach out to accessible respondents. The research instrument adopted for the study was a structured questionnaire. Also, two sets of variables were measured for the study. These were independent variables which are logistics outsourcing and in-house logistics services. The dimensions are transportation, warehousing packaging and procurement. The dependent variable is the customer satisfaction in terms of speed of service delivery, service flexibility, service dependability and service effectiveness.

Method of Data Analysis

Both descriptive and inferential statistics was used. The descriptive statistics include, frequency count and simple percentage. The descriptive statistics was used to summarize, qualify and describe the characteristics of data distribution. The inferential statistics adopted was the independent samples T-test. The independent samples T-test was used to test the four (4) hypotheses. The Minitel's Software was used to generate the results. The choice of independent samples T-test statistics is appropriate for comparing two groups' means by testing the difference in their mean scores. It is suitable for making reject, accept decision and to draw inference.

RESULTS AND DISCUSSION

Hypothesis One

H0₁: There is no difference in the speed of service delivery between outsourcing and non-outsourcing companies.

Table 4.6: Two Sample T-Test and C1: Out.1 Vs In.1

Respondent	N	Mean	StDev	SE Mean
Out. 1	400	13.96	1.05	0.053
In. 1	400	11.63	2.33	0.12

Source: Field Data (2017): Computed by the Researcher using data obtained from the Outsourcing and in-house Services Companies' Customers



Key:

Out. 1: Outsourcing Companies' Customers

In-1: In-house services Companies' Customers

Difference = μ (Out.1) - μ (In.1)

Estimate for Difference: 2.332

95% CI for Difference: (2.082, 2.583)

T-Test of Difference = 0 ($V_s \neq$): T – Value = 18.27

P. Value: = 0.000

• **Results:**

1. The result of the independent samples T-test shows that the p-value (0.000) is less than (0.05) significant level.
2. Outsourcing companies' customers mean scores (13.96) is higher than the in-house services companies' customers mean scores (11.63).

• **Decision:** Hypothesis one was rejected at 0.05 level of significance.

• **Findings:** This means the outsourcing companies have more speed in service delivery to the customer they serve.

• **Implication:** The quality of service delivery speed can only be described by the customers. Because, the speed of service delivery influences the bases of their satisfaction. The customers testify that they receive goods and service on time

Hypothesis Two

H0₂: There is no difference in service flexibility between the outsourcing firms and non-outsourcing firms.

Table 4.7: Two Sample T-Test and CI: Out.2 Vs In.2

Respondent	N	Mean	StDev	SE Mean
Out. 2	400	12.72	0.838	0.042
In. 2	400	10.74	1.473	0.074

Source: Field Data (2017): Computed by the Researcher using data obtained from the Outsourcing and in-house Services Companies' Customers

Key:

Out. 2: Outsourcing Companies' Customers

In-2: In-house services Companies' Customers

Difference = μ (Out.2) - μ (In.2)



Estimate for Difference: 1.9350
95% C1 for Difference: (1.8186, 2.1514)
T-Test of Difference = 0 (Vs ≠): T – Value = 23.44
P. Value: = 0.000

• **Results:**

1. The result of the independent samples T-test indicates that the probability value (i.e., 0.000) is less than the (0.05) significant level.
2. Outsourcing companies’ customers mean scores (12.72) is greater than the in-house services companies’ customers mean (10.74) scores value.

• **Decision:** Hypothesis two was rejected at 0.05 level of significance.

• **Findings:** We conclude that service flexibility is more with the outsourcing firms than with the in-house services companies.

• **Implication:** The findings is in agreement with resource-based view theory which premise holds that companies running in severe competitive environment focus on their strong aspect and try to find support from vendors for strengthening their weakness in order to keep their competitive edge.

In other words, the outsourcing companies adopt changes faster and better, and update their services more frequently than the in-house services companies. The customers in their responses testify that, they respond quickly and adapt to changes in their demands which influence their satisfaction time.

Hypothesis Three

H03: There no difference in the speed of service dependability between the outsourcing and non-outsourcing companies.

Table 4.3: Two Sample T-Test and C1: Out.3 Vs In.3

Respondent	N	Mean	StDev	SE Mean
Out. 3	400	13.73	0.946	0.047
In. 3	400	13.96	1.071	0.054

Source: Field Data (2017): Computed by the Researcher using data obtained from the Outsourcing and in-house Services Companies’ Customers

Key:

Out. 3: Outsourcing Companies’ Customers

In-3: In-house services Companies’ Customers

Difference = μ (Out.3) - μ (In.3)

Estimate for Difference: -0.2325



95% C1 for Difference: (-0.3727, -0.0923)
T-Test of Difference = 0 (Vs ≠): T – Value = -3.25
P. Value: = 0.001

• **Results:**

1. From the statistical analysis, the result shows that the probability value (0.00) is less than (0.05) significant level.
2. In-house services companies’ customers mean scores (13.96) is higher than the Outsourcing companies’ customers mean (13.73) scores.

• **Decision:** Hypothesis three was rejected at 0.05 level of significance.

• **Findings:** This means the In-house services companies have more service dependability than with the Outsourcing Company’s counterparts.

Implication: Both outsourcing and in-house services companies’ customers testify that, service delivery are reliable from the companies they received goods and services. But the In-house services companies’ have more dependable service delivery. This is an indication of their satisfaction because reliable service delivery builds long-term relationship between the company and its customers.

Hypothesis Four

H04: There is no difference in service effectiveness between the outsourcing and non-outsourcing firms.

Table 4.9: Two Sample T-Test and C1: Out.4 Vs In.4

Respondent	N	Mean	StDev	SE Mean
Out. 4	400	14.14	0.987	0.049
In. 4	400	14.60	0.798	0.049

Source: Field Data (2017): Computed by the Researcher using data obtained from the Outsourcing and in-house Services Companies’ Customers

Key:

Out. 4: Outsourcing Companies’ Customers

In- 4: In-house services Companies’ Customers

Difference = μ (Out.4) - μ (In.4)

Estimate for Difference: -0.4575

95% C1 for Difference: (-0.5939,-0.3211)

T-Test of Difference = 0 (Vs ≠): T – Value = -6.58

P. Value: = 0.000



- **Results:**

1. The result of the independent T-test shows that the p-value (0.000) is less than (0.05) significant level.
2. In-house services companies' customers mean (14.60) scores is greater than the outsourcing companies customers mean (14.14) scores.

- **Decision:** Hypothesis four was rejected at 0.05 level of significance.

- **Findings:** The in-house services companies have more service effectiveness than the outsourcing companies.

- **Implication:** This finding is in agreement with the core competences theory which premise holds that the core business activities of an organization should remain in-house. Outsourcing strategy that is not properly managed usually reduces a company's control on how certain services are delivered to their customers.

CONCLUSION

- The result shows that advantages of outsourcing are true only for some areas of logistics activities.
- Higher flexibility, service delivery speeds are associated more with the outsourcing companies.
- The in-house services companies have more reliable service delivery to their customers than the outsourcing companies.
- Also, service effectiveness is more with the in-house services companies than with the outsourcing companies.

RECOMMENDATIONS

1. Manufacturing companies should focus more on service delivery time for the customers to receive their goods and services on time.
2. Manufacturing companies should ensure to maintain service flexibility in order to serve the customer at the right.
3. Manufacturing companies that stresses to achieve dependable service delivery to its customers should be willing to invest in their schedule of service delivery.
4. Manufacturing companies that outsource logistics functions should continue to monitor the vendor's activities and establish constant communication to improve on service effectiveness in order to satisfy the customers.



5. Manufacturing companies should focus more on the core business activities they have advantages and can do better than its competitors. Then, outsource non-core business activities to service providers who can do better than them.

Contribution to Knowledge

- The study has contributed to existing outsourcing and in-house services literature.
- The outcome of the study has provided empirical evidence of the effect of outsourcing and in-house services strategy option on customer's satisfaction in terms of speed of service delivery, service flexibility, service dependability and service effectiveness.
- Most of the researcher focuses more on how the effect of outsourcing and in-house services impact on business performance in terms of profitability, costs, market share and sales growth.
- But this work looked at business performance specifically on customer's perception of the service delivery, which earlier studies had failed to emphasize.

Suggestions for Further Research

It was suggested that:

1. Similar studies should be conducted in other industries using the four (4) variables of this study.
2. Further studies could be considered to capture participants perceptions related to career development and job satisfaction of both companies.

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ASSESSING CUSTOMER'S PERCEPTION OF NETWORK FAILURE ON AUTOMATED TELLER MACHINE (ATM) TECHNOLOGIES

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ABSTRACT: *Network failure is inevitable in every service organization. Though, network failure could affect customer satisfaction and re-patronage intentions negatively, it could also provide opportunities for service firms to prove their responsive ability (network recovery efforts), which in turn can surprise, and satisfy customers more than ever. Thus, this study assesses customers' perceived rate of network failure on automated teller machines in Minna, metropolis. The study is basically a survey research and relied on consumer's perceptions within Minna and its environs as the population of the study. The questionnaire instrument was used to generate data from 200 consumers (being the sample size), and the data was subsequently analyzed using descriptive statistics. The study finds that there is perceived high network failure rate among the Automated Teller Machines (ATM) in Minna. The study also finds that most of the banks network recovery management is has been good and satisfactory. The study, therefore, recommends that banks should purchase high quality technologies that will aid faster and rapidly response to customer complaints resulting from network failure to minimize customer's frustrations assessing ATMs.*

KEYWORDS: Customer Perception, Network Failure, Service Organisation, ATM, Customer Satisfaction

INTRODUCTION

Upon the introduction of the Central Bank of Nigeria (CBN) new capitalization exercise in 2005, the Nigerian banking sub-sector went through market-induced consolidation phase. Most commercial banks in the country to advantage of that raised money from the capital market through Initial Public Offers (IPO) and public offers for investment purposes. The aftermath of this was rapid expansion of commercial banks' branches, massive recruitment of employees to manage the newly established branches, adoption of modern technologies for service delivery above all (Ennew and Schoeffer, 2003). One fundamental problem resulting from these is on technologies used in providing banking services usually fails during operations. Anderson, Bagett and Widener (2007) studies argued that unlike manufacturing firms where internal quality controls and inventory can safeguard customer from some operation failures, in banking sector, network operations failure are very evident to their customers.

Lovelock, Sandra and Barbara (1996) corroborates these adding that the distinctive service characteristics in terms of providing real-time performance, customer involvement, seeing people as part of the production process, and difficulty in evaluation greatly increase the chance of perceived network failures. With this, the handling of complaints and resolving problems become an important activity to be able to retain customers and to avoid negative word-of-mouth, especially since the acquisition of new customers is generally costlier than



the retention of the current ones. The foregoing has thrown customers within and around Minna metropolis to also embraced electronic banking to enhance better service delivery. The automated teller machines (ATM) were installed to facilitate mobile banking transactions, all day and all time banking to reduce congestion in the banking hall, and to attract, satisfy and retain banks' customers overtime. Experience has often indicated that the ATMs cannot dispense cash and the bank's officials do not respond promptly even after complaints are laid by customers thereby exacerbating tension, frustration and dissatisfaction from customers. Studies in the past indicates that network failure is undoubtedly too pronounced in most service organization (specifically banking sectors). To this, a poor service or network failure result in customer dissatisfaction and this in turn prompt a variety of responses which include complaining, negative word-of-mouth and decisions not to purchase (Ennew and Schoeffer, 2003).

This study is an attempt to assess the extent of network failure occurring during service delivery in commercial banks. The study specifically will access consumers' perceived rate of network failure, and access customer's perception banks network recovery method of ATMs technology that is aimed to improve service delivery, satisfaction and improved patronage.

LITERATURES REVIEW

Ennew and Scoefer (2003), posit that service failure arises when customers experience dissatisfaction because the service was not delivered as originally planned or expected. This impliedly means that service failure arises from the customer's perception of a service experience and not from what the organization believes it has provided. According to Anonymous (2007), organizations and their managers are often obsessed by success. He, however, advised that they should focus on service failure. It could be rightly argued that the greatest learning comes not from success but from failure. Buffet (2008) again, observed that every business should study where its staffs go astray and why things do not work.

The term 'service recovery' implied an attempt by a service organization to restore any partial or total failure in its services. Scholastically, 'service recovery' is usually concerned with process of addressing service failure (Ennew and Schoeffer, 2003). In another vain, it is referred to actions taken by an organization in response to a service failure (Boshoff, Peelen, Hoogendoorn, and Kraan, 2005). They added that it is a thought-out, planned process for returning aggrieved customers to a state of satisfaction with the firm after a service or product has failed to live up to expectations.

Ennew and Schoefer (2003) posits that 'service recovery' should be concerned with productive handling of complaints and include all actions taken by a service provider in order to try to resolve the problem a customer has with their organization. Gronroos seems to be saying that unless customer's forward complaints to the service organization, it (the service firm) may be unaware of that problem existing and unable to appease unhappy customers. Thus, this shows that complaints are necessary to provoke and institute recovery efforts. However, service recovery can take place before the occurrence, on the spot, during the delivery of the service, or after a complaint has been lodged, and it can be related to a specific transaction or to the business relationship in general.



Many scholars specifically in field of marketing have advance different but overlapping dimensions on 'service recovery' as a solution to network failures (Anderson, Bagett and Widener, 2007). Boshoff (1999) developed a six dimensions' instrument for service recovery. These are (*communication, empowerment, feedback, atonement, explanation or reason, and tangibles*). Similarly, Bell and Zemke (1987) further identify another five dimensions for measuring service recovery it. These are: '*apology, urgent reinstatement, empathy, symbolic atonement, and follow ups*'. The literatures are clear about service failures and their effect on the level of customer satisfaction (Anderson, Bagett & Widener, 2007; Tsikriktsis and Heineke, 2004). Findings from the works of Behn and Riley (1999), and Tsikriktsis and Heineke (2004) show that operational or service failure influences customer satisfaction.

Tsiros, Mittal and Ross (2004) assert that while, service failure negatively affect customer evaluation and repurchase intentions. They further stress that a positive and appropriate response from an employee can help overcome the negative effects of a service failure. Boshoff et al (2005), examining it using a different approach to the understanding 'service recovery' agreed that the overall satisfaction with the repurchase intention and behavior thus, indicating that service recovery pays off. This was corroborated in earlier research by (Smith and Bolton, 1998) concluding that satisfaction is key to ensuring effective 'service recovery' to contribute positively to the company and for customers' re-patronage intentions.

METHODOLOGY

This study adopted a survey research approach using a convenient sampling technique to identify, select and distribute questionnaire to selected customers of the bank. The approach is chosen to deliberately drawn its sample from the research study area (Minna, Niger State). The population of the study comprises all customers that have receive banking services from bank. A sample size of 200 customers was used based on convenient sampling technique and presumably large enough for adequate representation given the time and cost constraints for this study. Furthermore, purposeful sampling technique were used to pick the customers around Minna metropolis as respondents into the sample. Hence, the adoption of this instrument facilitated the collection of data.

Measurement of Variables

In measuring service failure, a (ten) 10-item scale was adopted from the consumer perspective. The variables or items were measured using a nominal scale of 5-point likert rating scale. The likert scale ranges from 1 to 5, where '1' stand for 'strongly disagree', '2' for 'disagree', '3' for 'undecided', '4' for 'agree', and '5' for 'strongly agree'. These numbers (or weights) were multiplied with the frequency of responses, and their mean values obtained. Consequently, any mean or average value equal to or greater than 3.00 but less than 3.50 was considered to indicate low level of service failure, while an average value that lies between 3.50 to 5.00 was considered to indicate a high level of service failure. In contrast, mean score that lied between 1.00 to 2.99 was considered as rare or negligible extent of service failure (i.e. service failure rate is almost nil). For service recovery, a (six) 6-item scale was adopted. The variables or items were measured using a nominal scale of 5-point likert rating scale. The likert scale ranges from 1 to 5, where '1' stand for 'strongly disagree', '2' for 'disagree', '3' for 'undecided', '4' for 'agree', and '5' for 'strongly agree'. Hence,



responses to all the items were aggregated and averaged for each respondent to obtain an index of perceived network failure, patronage and recovery effort of banks. Consequently, any mean or average value equal to or greater than 3.00 but less than 3.50 was considered to indicate 'good', an average value that lies between 3.50 to 4.49 was considered to indicate a 'very good', and 4.50 to 5.00 as 'excellent'. In contrast, mean score that lied between 2.00 to 2.99 was considered as 'poor', and 1.00 to 1.99 as 'very poor'.

STUDY FINDINGS

Respondents Having Business Relations with Bank

As shown in Table 1, concerns customers' business relationship with banks. The table shows that out of 200 respondents surveyed, the majority of the respondents 88 or 44% have been doing business with the banks between 2 to 4 years, followed by 63 or 31.5% respondents with less than 2 years' business relationships with the bank. Only 30 or 15% and 19 or 9.5% respondents have been operating with the bank between 4 – 6 years past and more than 6 years ago respectively. Of the 200 respondents surveyed, 99 or 49.5% operate both current and savings accounts, 56 or 28% operate current account, and 45 or 22.5% savings account.

Furthermore, the research data revealed that a majority of the respondents (98 or 49%) describe their frequency of transaction with the bank as 'just frequent', 87 or 43.5% as 'very frequent', 9 or 4.5% as 'rarely', and 6 or 3% as 'undecided' in that descending order. In addition, an attempt to ascertain the customer's mode of transaction with the banks revealed that majority of the respondents (94 or 47%) transact with the banks via 'teller', followed by 80 or 40% respondents that transact with the banks via 'ATM', and 26 or 13% respondents use both ATM and tellers equally. The impact of the above table show that a considerable number of the respondents have conducted business with the banks for quite a number of years, have a wealth of experiences on its major products (current and savings account), and have transacted business via teller and ATM machines technologies. Thus, the respondents can reliably assess the banks service encounters to describe the banks service failure situations and service recovery efforts experienced.

Table 1: Respondents Business Relationship with the Banks

DESCRIPTION	CATEGORY	FREQUENCY	PERCENTAGE
Number of years doing business with the banks	Less than 2 years	63	31.5
	Between 2 – 4 years	88	44
	Between 4 – 6 years	30	15
	6 years and above	19	9.5
Type of account	Current account	56	28
	Savings account	45	22.5
	Deposit account	0	0



	Current & savings accounts	99	49.5
	Current, savings & deposit account	0	0
Frequency of transaction with the banks	Very frequent	87	43.5
	Just frequent	98	49
	Undecided	6	3
	Rarely	9	4.5
	Not at all	0	0
Mode of transaction with the banks	Mostly via ATM	80	40
	Most via Tellers	94	47
	Use ATM & Tellers equally	26	13

Source: Survey Data (2018).

Perceived Level of Service Failure

Table 2 similarly indicates the respondents' perception of service failure in the banking operations. Generally, the perceived service failure rate in banks is perceived low having a (group mean = 3.4511). This indicates that network services are not always available in banks ATM' and 'when network services are available in ATMs, it is usually very slow'. Again, the tellers often complain of slow network with banks staffs not readily available to assist whenever problem arises with the 'ATMs' which most times debit account without dispensing cash' have average group mean scores of (4.1250, 3.9550, 3.6750, 3.6050, and 3.5200) respectively.

This indicates perceived high rate of service failure. In contrast, banks ATM does not dispense cash always', banks staff are often slow in responding to customers' complaints', and 'the tellers often complain of "network failure" while withdrawing cash with cheques or withdrawal slip have average scores of 3.0350, 3.3750, and 3.1100 which is an indication of low rate of service failure for each of the item stated. One of the scale items indicates that tellers often leave their seats when customers are queued for transaction has an average score of 2.6600 indicating absence of service failure.

Table 2: Perceived Level of Service Failure in Banks

S/NO	DESCRIPTION	MEAN	SAMPLE MEAN	MEAN DEVIATION
A	Network services is not always available in banks ATM.	4.1250	3.4511	0.6739
B	When network service is available in ATMs, it is usually very slow.	3.9550	3.4511	0.5039
C	Banks ATM does not dispense cash always	3.0350	3.4511	-0.4161



D	The ATMs at times debit my account without dispensing cash.	3.5200	3.4511	0.0689
E	Banks staff are readily available to assist whenever I encounter problem using ATM	3.6050	3.4511	0.1539
F	Banks staff are often slow in responding to customers' complaints	3.3750	3.4511	-0.0761
G	The tellers often complain of "network failure" while withdrawing cash over the counter.	3.1100	3.4511	-0.3411
H	The tellers often complain of "slow network."	3.6750	3.4511	0.2239
I	Tellers often leave their seats when customers are queued for transaction.	2.6600	3.4511	-0.7911

Source: Survey Data (2018)

Perceived Rate of Service Recovery & Management

Table 3 considered pertinent to assess banks service recovery efforts. Data analysis revealed that the service recovery policies and implementation of the bank is very good (i.e. sample mean = 3.5425). Precisely, the banks have *excellent* service recovery management in entertaining complaints and observations from customers (mean = 4.5750). The banks also have *very good* service recovery policy implementation in operating a customer care unit (mean = 4.4900) and in apologizing to customers whenever service failure occurs (mean = 3.6750).

The bank's service recovery effort as it relates to 'sparing to explain to customers why service failure occurred' and 'finding out from customers the effectiveness of the bank's services' is perceived as *good* (mean = 3.1850 and 3.1300 respectively). However, the bank's service recovery effort as it concerns 'compensating customers for the losses it caused them during service failure' is perceived as *poor* (mean = 2.2000).

Table 3: Perceived rate of service recovery and management

S/NO	DESCRIPTION	MEAN	SAMPLE MEAN	MEAN DEVIATION
A	The bank operates "customer care units" as a department.	4.4900	3.5425	0.9475
B	The bank encourages customers to forward complaints and observations concerning its service delivery.	4.5750	3.5425	1.0325
C	The bank spares time to explain to customer why service failure occurred.	3.1850	3.5425	-0.3575



D	The banks find out from customers about the effectiveness of its services.	3.1300	3.5425	-0.4125
E	The bank often apologizes to customers whenever “network failure” occurs.	3.6750	3.5425	0.1325
F	The bank compensates customers for the losses caused them during service failure.	2.2000	3.5425	-1.3425

Source: Survey Data (2018)

DISCUSSIONS, CONCLUSION & RECOMMENDATIONS

The technologies used in providing banking services are likely to fail and when this occurs, transactions will be interrupted and customers naturally unhappy and dissatisfied. The researcher observed recurrence of such service failure in most commercial banks. It is against this background that the study was carried out and the findings revealing a considerable number of the customers have conducted business with the bank for quite a number of years, have a wealth of experiences on its major products or services, and have transacted business via teller and ATM machines technologies. Furthermore, the study confirmed the recurrence of service failure in the banks and consumer’s perceived rate of service failure in banks ‘low’.

The findings show that the bank operates a customer care department and is doing well in terms of entertaining complaints from customers, informing customers why service failure was experienced at certain times and with certain staff operating machines, and apologizing to customers for service failure situation. The bank, however is careless about compensating customers for non-financial losses (delays, frustration, and dissatisfaction) it caused customers. Above all, the study findings, the study shows a good business relationship exist with the bank which is remarkable. Similarly, the patronage of the banks is average with service failures in banks having recurring problem as findings indicated. Nonetheless, the banks’ ability to manage the services failures is commendable as well. Hence, the study recommends the following:

- i. Service failure as it relates to non-availability of network services in banks ATMs, slow network services in ATMs, slowness of network use by tellers, availability and willingness of staffs to assist customer whenever they encounter problems using ATMs, be improved upon by banks to boost customer satisfaction, patronage, loyalty, and retention.
- ii. Given the fact that the customers are not compensated for non-financial losses incurred, the bank should note that such policy and attitude can lead to customer defection. Thus, the study further recommends that the bank to go beyond offering ‘mere apology’ to customers but should as well compensate customers with promises of better future services (non-financial compensation).
- iii. In order to enhance effective generalization of studies of this nature, it is necessary to expand the scope in terms of the sample size and the selection strategy. The study be



replicated using a much larger sample cutting across different age, status, sex, and occupations of customers.

- iv. The service failure and service recovery rate are most likely to differ among different banks. Hence, there is need to have a comparative assessment of the perceived level of service quality and service recovery effort by different banks.

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