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Family Farming Program
Farm Management and Record Keeping Handbook

Article by Michael W. Pewu
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E-mail: michaelpewul@yahoo.co.uk

Abstract

Let me assume that approximately 70-75 percent of the Liberian workforce is involved in agriculture or agriculture-related activities. Many of these farmers lack basic business and loan management training, recordkeeping skills, equipment, and market connections they need in order to grow their business.

For farmers working in subsistence agriculture, it can be difficult to access credit to purchase farm equipment. To bridge this gap, commitment is needed on the part of project staff working as Agricultural marketing officer to offer basic business and loan management training, recordkeeping and equipment skills to rural smallholder farmers with the opportunity to build their businesses. This will help to improve the creditworthiness of potential borrowers in the agriculture sector; become more attractive to lenders/financial institutions.

Farmers can then use the credit to purchase assets such as seeds, farming equipment or irrigation systems that will help generate income, boosting livelihoods and eventually enabling them to pay back loans.

Access to financial services enables rural smallholder farmers to take the increase from subsistence farming to market-based farming, thereby increasing their productivity and income for the long term. Access to financial services can also provide farmers with tools to escape the cycle of poverty and earn a sustainable livelihood.

The article will assist agribusiness enterprises acquire planning and business skills so as to be fully commercial, and achieve higher profits and competitiveness.

Keywords: Agribusiness, Enterprises, Management & Records.

Introduction

This note is intended to provide training on access financial services by smallholder farming households. This information on agribusiness and financial practices is to be used to advice smallholder vegetable farmers apply it to their farming activities before offering them opportunity to apply for a loan from MFIs. The manual focuses on building farmers’ business management knowledge and skills in record keeping, planning, risk management, market analysis, and contract management. These skills will help farmers understand the impact that improved management, diversification, and market selection can have on their farm incomes. The manual was not developed to replace existing training materials, but to complement them by addressing gender disparities in the management of agribusiness enterprises.

Methods

Description of the site

The research work solely in Bong County, Central region of Liberia. Specifically, in Bellemu, Panta District, Bong County, Liberia. Panta District is situated near the Guinea Border with Liberia and between Zota District and Kpaai District in Bong County.

Description of the experiments done

The researcher was focused on providing training note on access financial services by smallholder farming households. This information on agribusiness and financial practices is to be used to advice smallholder vegetable farmers apply it to their farming activities before offering them opportunity to apply for a loan from MFIs and how to improve their business.
Description of the laboratory methods

The researcher conducted the majority of the fieldwork during visits to Bong County to interview some farmers that are benefiting this SHOPS-I project. Some interviews were also done by phone after returning from the field.

Limitation

The limitations of this study were financial constraints, limited material resources, transportation services, and difficulties faced by the researcher to obtain information from some local farmers.

Results

Farmers can then use the credit to purchase assets such as seeds, farming equipment or irrigation systems that will help generate income, boosting livelihoods and eventually enabling them to pay back loans.

Access to financial services enables rural smallholder farmers to take the increase from subsistence farming to market-based farming, thereby increasing their productivity and income for the long term. Access to financial services can also provide farmers with tools to escape the cycle of poverty and earn a sustainable livelihood.

The article will assist agribusiness enterprises acquire planning and business skills so as to be fully commercial, and achieve higher profits and competitiveness.

Discussion

Farm management

Farm management involves making decisions regarding what crops and livestock to grow based on available resources in an effort to maximize profit.

Farming resources

Farming resources include the following:

Capital

Capital is all the money and assets the owner dedicates specifically for investment in the farming business.

An asset is everything owned by or owed to a business that has cash value, such as: buildings, seeds, tools, equipment, land, vehicles, livestock, and cash

Labor

Work completed by individuals or a group to assist in the growth of crops or livestock. Payment for labor can be made based on an hourly wage, daily wage, or after completing a specific task within a certain area such as harvesting 1 ha of cabbage. (1 ha = 1 hectare = 10,000 m²)

Labor includes the efforts of the farmer himself, other family members and people hired outside the family.

Natural resources

Nature and the environment impact decision making for farmers when determining which crops to grow or livestock to raise.

Climate

consists of the following three categories:

Figure 1. Natural Resources (Sun, Altitude, Water & Land)
Sun

Each species of plant has different needs; some require exposure to the sun, while others require only a limited amount of sun.

Altitude

Altitude affects the temperature, amount of sunlight, and humidity of crops and livestock.

Water

Water availability has a major effect on the survival of plants. One of the key factors of regional water availability is rainfall.

Land

![Figure 1](image1)

Area where plants grow: a provider of nutrients and water resources for plants and animals. Soil content is relevant for rich yields of fruit and vegetables. In addition, some land may be inappropriate for certain livestock or crops. For example, a dry climate with little water

Technology

Technology is the use of more efficient knowledge, methods, tools, and equipment to increase productivity and revenue.

<table>
<thead>
<tr>
<th>Manual Labor using simple tools such as a hoe</th>
<th>Mechanized labor using a tractor</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Requires many hours of labour (200 hours per ha)</td>
<td>• Less labour intensive (only 10 hours per ha)</td>
</tr>
<tr>
<td>• Long processing time for planting and harvesting</td>
<td>• Short processing time for planting and harvesting</td>
</tr>
<tr>
<td>• Procurement costs of hand tools such as hoes are usually low,</td>
<td>• Up-front equipment costs are high, though the total</td>
</tr>
</tbody>
</table>

![Figure 2](image2)

Technology decisions
however the production cost increases production costs per ha are less expensive

Farmer groups or farmer associations

A collection of farmers working together for a specific purpose or towards a specific goal, such as learning new management practices, improving technology, receiving higher prices for produce, or finding a new market.

Farm Bookkeeping

Accounting

Accounting is the process by which financial information about a business is recorded, classified, summarized, analyzed, and interpreted.

Assets

Assets are everything owned by or owed to a business that has cash value.
- Buildings
- Equipment
- Livestock

Liabilities

Liabilities are the amount owed by a business that needs to be paid to creditors such as laborers, seed suppliers, fertilizer suppliers, transportation, and taxes.

It is very important to make a distinction between personal and business assets and liabilities. For instance, appliances and items for domestic use such as a television, bed, carpet, or a table are personal assets, while agricultural land, a storage shed, and farm equipment such as a tractor or plow are considered business assets. The debt to be paid to seed and fertilizer suppliers noted above is a business liability, and school fees for children or money owed for a wedding are personal liabilities.

Examples of some typical farm business assets and liabilities

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>LIABILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>Payment for monthly land lease</td>
</tr>
<tr>
<td>Building</td>
<td>Interest payment on a loan from a bank or</td>
</tr>
<tr>
<td>Nursery house</td>
<td>microfinance organization</td>
</tr>
<tr>
<td>Tools and equipment</td>
<td>Telephone bill for farming</td>
</tr>
<tr>
<td>Cash</td>
<td>Money owed to laborers who worked planting</td>
</tr>
<tr>
<td>Cash in a bank account</td>
<td>seeds</td>
</tr>
<tr>
<td>Livestock</td>
<td></td>
</tr>
</tbody>
</table>

Owner’s equity

Owner’s Equity is the amount of money or investment put into the farm (usually by its owners) 

$$\text{Assets} - \text{Liabilities} = \text{Owner’s Equity}$$

All assets that belong to the farm minus all liabilities of the farm equal owner’s equity; in other words, the remaining amount after subtracting all of the liabilities from all of the assets.

Costs

Costs are all the expenses required to produce something expressed in money terms.

Costs consist of fixed costs and variable costs
Fixed costs

Fixed costs are long-term costs that remain the same no matter how much product is produced or the length of the harvest period. They are not tied to the volume of production; if a farmer does not grow any crops on her land, she will still have fixed costs that need to be paid.

Establishment cost

One of the major items under fixed costs is the establishment cost. This is the total of the costs to establish an orchard. The establishment cost is calculated by adding all the costs incurred by the farmer during the first few years until the trees start to produce fruits. In the table below the establishment cost of 1 ha of a pepper may include the following; knowing that cherries begin bearing an economic crop in the fourth year:

Table 1. Explaining the establishment cost of 1 ha of a pepper

<table>
<thead>
<tr>
<th>Descriptions</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Preparation</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
<td>5,000.00</td>
</tr>
<tr>
<td>Plant of Trees</td>
<td>800</td>
<td>400</td>
<td>400</td>
<td>1,600</td>
</tr>
<tr>
<td>400 trees (1 tree in 5 X 5 meters)</td>
<td>4,000</td>
<td>2,500</td>
<td>2,500</td>
<td>9,000.00</td>
</tr>
<tr>
<td>Weeding</td>
<td>2,000</td>
<td>2,500</td>
<td>2,500</td>
<td>7,000</td>
</tr>
<tr>
<td>Fertilizers</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>300</td>
</tr>
<tr>
<td>Pruning &amp; Training</td>
<td>1,000</td>
<td>2,000</td>
<td>3,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Irrigation</td>
<td>16,000</td>
<td>16,000</td>
<td>0</td>
<td>32,000</td>
</tr>
<tr>
<td>Pest and disease Management inputs</td>
<td>0</td>
<td>300</td>
<td>300</td>
<td>600.00</td>
</tr>
<tr>
<td>Tractors and ATV</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>600.00</td>
</tr>
<tr>
<td>Land Rent</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>3,000.00</td>
</tr>
<tr>
<td>Building</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>3,000.00</td>
</tr>
<tr>
<td>Irrigation System</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>600.00</td>
</tr>
<tr>
<td>Tools and Equipment</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>3,000.00</td>
</tr>
<tr>
<td>Totals Liberian Dollars</td>
<td>32,000</td>
<td>25,200</td>
<td>12,200</td>
<td>71,700</td>
</tr>
</tbody>
</table>

Variable costs

Variable costs are short-term costs that are required only if crops or livestock are grown and change according to the amount produced. Variable costs can be allocated to individual crops or livestock. If more crops or new crops are grown, then additional purchases of seed, fertilizer, labor, and transportation costs are required so variable costs will increase.

Table 2. Explaining fixed costs and variable costs

<table>
<thead>
<tr>
<th>Fixed Costs</th>
<th>Variable Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land rent</td>
<td>Seed</td>
</tr>
<tr>
<td>Building rent</td>
<td>Fertilizer</td>
</tr>
<tr>
<td>Land taxes</td>
<td>Pest and disease management inputs</td>
</tr>
<tr>
<td>Irrigation fees</td>
<td>Family and non-family labor</td>
</tr>
<tr>
<td>Establishment Cost</td>
<td>Transportation</td>
</tr>
<tr>
<td></td>
<td>Fuel for equipment and machines</td>
</tr>
</tbody>
</table>

It is important to remember that the cost of production is relative; in the example noted above a certain area of land is used, such as 1 hectare. Fixed costs (land rent, land tax, and irrigation fees) remain the same whether or not the entire hectare is farmed and regardless of what crop is planted. Variable costs change depending on the amount spent per ha or per kg more of output, assuming maximum yields cannot be increased by efficiencies or improved agriculture practices. For instance, if a farmer had extra land that was not planted and could potentially grow 2,000 kg of tomatoes, the fixed costs would remain the same, while the variable costs for more tomato seed, fertilizer, pest and disease management inputs, labor, and transportation of the harvest to market would increase.

Revenue or sales
Revenue is the amount of money received from the sale of products or services. Revenue = Volume of product \times Price per unit

Example

The total Grape harvest of Mr. Flomo is 18,000 kg and the selling price is L$ 1,200 per kg. The total revenue received by Mr. Flomo is 18,000 kg \times L$1,200 per kg = L$ 21,600,000

Table 3. Calculation of revenue for five crops

<table>
<thead>
<tr>
<th></th>
<th>Rice per Year</th>
<th>Pepper per Year</th>
<th>Tomato per season*</th>
<th>Groundnut per season*</th>
<th>Cucumber per year*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land in hectares (ha)</td>
<td>1 ha</td>
<td>1 ha</td>
<td>1 ha</td>
<td>1 ha</td>
<td>1 ha</td>
</tr>
<tr>
<td>Production volume</td>
<td>15,000 kg</td>
<td>18,000 kg</td>
<td>30,000 kg</td>
<td>25,000 kg</td>
<td>20,000 kg</td>
</tr>
<tr>
<td>Price per kg in L$</td>
<td>1,500</td>
<td>1,200</td>
<td>800</td>
<td>600</td>
<td>750</td>
</tr>
<tr>
<td>Revenue in L$</td>
<td>22,500,000</td>
<td>21,600,000</td>
<td>24,000,000</td>
<td>15,000,000</td>
<td>15,000,000</td>
</tr>
</tbody>
</table>

*please note that a season does not mean a complete year: planting and harvesting time depend on the type of crop.

Break-even point

Break-even price

Break-even Price is the product price needed to cover all costs at a given production level where there is no profit or loss.

Break-even Price = Estimated Total Cost of Production (Fixed and Variable Costs) / Estimated Total Quantity of Production

Cost and quantity of rice

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost in L$</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Land rent</td>
<td>2,000,000</td>
</tr>
<tr>
<td>• Seed</td>
<td>1,250,000</td>
</tr>
<tr>
<td>• Manure</td>
<td>80,000</td>
</tr>
<tr>
<td>• Fertilizer</td>
<td>800,000</td>
</tr>
<tr>
<td>• Pest and disease management inputs</td>
<td>80,000</td>
</tr>
<tr>
<td>• Tools and equipment</td>
<td>100,000</td>
</tr>
<tr>
<td>• Labors</td>
<td>1,100,000</td>
</tr>
<tr>
<td>• Transportation</td>
<td>250,000</td>
</tr>
<tr>
<td>• Tax</td>
<td>100,000</td>
</tr>
<tr>
<td>Estimated Total Cost</td>
<td>5,860,000</td>
</tr>
<tr>
<td>Estimated Total Quantity of Production</td>
<td>20,000 kg</td>
</tr>
</tbody>
</table>

Based on the example above: Break-even = 5,860,000 / 20,000 kg = L$ 293 per kg.

If the farmer sells all of his rice at a price of L$ 293 per kg then he will have neither a profit nor loss (breakeven).

Note: It is important for farmers to use accurate prices and yields to determine realistic figures. The market prices are set and cannot be controlled by farmers; however, farmers need to realistically assess if they can reach the necessary production targets to break even based on recent prices paid for the crop, in this case, cauliflower. If the farmer believes that she can produce 20,000 kg of rice the question is if L$ 283 per kg is a realistic price? If the latest prices for rice are below L$ 293 then he may suffer a loss when producing this crop.

* Figures in the above calculation are only an example and may not reflect actual prices or volumes for rice.
Break-even quantity

Break-even quantity provides information on the total yield required to cover all costs where there is no profit or loss.

**Break-even Quantity = Estimated Total Cost of Production (Fixed and Variable Costs) / Estimated Product Price**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost in L$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land rent</td>
<td>2,000,000</td>
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<td>1,250,000</td>
</tr>
<tr>
<td>Manure</td>
<td>80,000</td>
</tr>
<tr>
<td>Fertilizer</td>
<td>800,000</td>
</tr>
<tr>
<td>Pest and disease management inputs</td>
<td>80,000</td>
</tr>
<tr>
<td>Tools and equipment</td>
<td>100,000</td>
</tr>
<tr>
<td>Labors</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Transportation</td>
<td>250,000</td>
</tr>
<tr>
<td>Tax</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Estimated Total Cost</strong></td>
<td><strong>5,860,000</strong></td>
</tr>
<tr>
<td><strong>Estimated Production Price per kg</strong></td>
<td><strong>275 L$</strong></td>
</tr>
</tbody>
</table>

Based on the example above: Break-even quantity = $5,860,000 / 275 per kg = 21,309 kg

If the farmer produces cauliflower and sells the entire quantity of 21,309 kg for L$ 275 per kg then he will not have either a profit or a loss (break-even).

If the farmer believes that he cannot produce 21,309 kg of rice based on a marker price of L$ 275 per kg then he may want to reconsider which crop to grow or he may suffer a loss in producing rice.

* Figures in the above calculation are only an example and may not reflect actual prices or volumes for rice.

**Conclusion**

For farmers working in subsistence agriculture, it can be difficult to access credit to purchase farm equipment. To bridge this gap, commitment is needed on the part of project staff working as Agricultural marketing officer to offer basic business and loan management training, recordkeeping and equipment skills to rural smallholder farmers with the opportunity to build their businesses. This will help to improve the creditworthiness of potential borrowers in the agriculture sector; become more attractive to lenders/financial institutions.

**References**

Modern Business Ethics, Anti-Corruption and Corporate Governance in the United Nations

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Abstract

The fundamental of modern business ethics, anti-corruption and co-operate governance in the United Nations is to support an organizational culture that is informed by integrity, accountability, transparency and respect. Organizational culture describes the social norms and rules of behaviour that express our beliefs about ourselves, how work is accomplished, and how we relate to each staff relate with each other as well as outsiders. More than 50% of work-related conflicts are related to ethical issues, corruption and violations of governance. The ethical behavior of organizations is rarely recognized as a pillar of good corporate governance. However, there are many ways that ethics underpins much of UN business behaviors, whether it is at the senior management or staff members’ level and regardless the UN organization’s geographic location, size, or specialization (agency). The moral underscoring the decision-making processes can be observed not only at the UN level but also from an OECD (Organization for Economic Co-operation and Development) country doing business in its own back yard. This largely depends much on the quality of mangers.

In an ethical organization like the UN, 95% of every staff member is usually able to recognize, appreciate, and resolve ethical issues that arise in our everyday work. Thus, staff members are able to take decisions based on the shared values and core competencies.

Keywords: Corporate governance, ethics, anti-corruption, teleology, United Nations, management, UN agencies, stakeholder, shareholder, corporate social responsibility.

Introduction

Ethics, anti-corruption and corporate governance in practice presents as the mainstream considerations in business decisions even above competitive advantage and financial performance. A few years ago, the story was altogether different (Putting Ethics to Work, 2012). Understanding of modern business ethics is fundamental to understanding what goes on in organizations, how to run them and how to improve them (Schein, 1992). In a broad consideration from most businesses, these topics are acknowledged as marginal non-financial issues, but at worst, they are rejected or denounced as irrelevant to the core objective of profit maximization (2). The United Nations (UN), just like other companies from all industries and of all sizes, and across all regions of the world, have now readily embraced these issues as strategic components of their long-term business sustainability and ideals (https://www.unglobalcompact.org/library/1151, 2018). This UN shift of non-financial topics from marginal to mainstream components of her business decision making is among the most positive developments that can be observed over the past few decades. The great implications of this shift, and its evolving implication, will be of rudimentary importance to the future of sustainable development goals--global economic integration, national development and poverty reduction (5,6).

With the greater awareness and willingness by the corporate world to engage in good governance agenda, there is a growing global consensus spearheaded by the UN via international conventions and national legislative frameworks — on which standards, values, tools and policies connote good practices. UN quest for global economic integration through the World Bank, has been a leading force behind the increase in developing and disseminating good corporate governance practices and standards. Co-operate investors, regulators, shareholders, executives, directors and the media have all played key roles in this change processes, specifically in the context of emerging markets. A good example, of the 6,000 organizations and stakeholders that are adopting sustainable and socially responsible policies as prescribed in the framework of the United Nations Global Compact since its
creation in the year 2000, more than a half are from emerging markets. As an agent of change the UN and all these stakeholders recognize that managing non-financial issues based on shared accountability and collaboration is not just central to their competitiveness, effectiveness and global brands, but more importantly, to the capacity building of the countries and societies where they operate (UN Global Impact, 2018).

Furthermore, improving good governance is a never-ending challenge with unlimited space for innovation. Impressively, there is an upsurge from the benchmark of corporate governance standards and ethical values that were absent a few generations ago. Most organizational scholars and observers recognize that organizational culture has a powerful effect on the performance and long-term effectiveness of organizations. Cameron and Quinn (1999) propose that what differentiates successful firms from others is their organizational culture. With the worldwide globalization trends, special attention has been given to the study of organizations and their cultures. Just as ethics underlies much of what we do in the United Nations, the actual ethical performances of individuals differ among staff members often significantly; and these variations can in large part be explained by the differences in political, economic, and social institutions from where the individual staff members came from. Usually, business and ethics are seen as two separate worlds. It is important to note, that sustainable businesses, as many early thinkers of today’s economic theory have argued over the centuries, are defined by the ability of companies to do repeat transactions with their customers. Customers need to feel that they are treated fairly and honestly.

Studies of organizational cultures have been carried out in various countries and industries. Zhang and Liu (2006), examined organizational culture profiles of construction enterprises in China. Ankrah and Langford (2005) highlighted the cultural variability between organizations in project coalition

Objective of the study and research questions

A) This study aims to describe cultural profile of UN organizations by referring to results of a critical review.

B) The study was designed to analyze the current dominant ethics compliance types of organizations in the UN.

Research questions

A) How does compliance to ethics affect the general conduct of business in the United Nations?
B) What is the anti-corruption structure in the United Nations?
C) How does effective corporate governance affect the conduct of business globally?

Study methods and data collection

This study used both primary and secondary data. The main focus of the study was on determining the cultural profiles of UN organizations like UNICEF, WHO, IOM etc. and the Peace Keeping Missions using United Nations Missions in South Sudan as a case study. The study used the following techniques to collect the data: focused group discussions, in-depth study, observation, oral interviews and critical review of UN documents. All the UN documents used were in unclassified, so no special approval was needed in order to use them. To obtain the primary data, colleagues in UNICEF, IOM, WHO and UNMISS were interviewed in a confidential interview, focused group discussion organized, personal observation were also made. There was no administering of questionnaire to respondents. Secondary data on modern business ethics, anti-corruption and cooperate governance in the United Nations. was pulled from UN and UN agencies’ documents from the period of 1970 to 2017.

Study design

This is a descriptive study aimed at cultural profile of UN organizations by referring to results of a critical review. The study was designed to analyze the current dominant ethics compliance types of organizations in the UN. Literature review was conducted on the internal and external conditions that generally influence office outcomes among UN staff members. Common themes were grouped into vast categories to map out the exact model.
Search strategy and restrictions

The information search was by the following electronic databases: CENTRAL (Cochrane Central Register of Controlled Trials), EMBASE, PsycINFO, PubMed, and Google scholar employing relevant search terms. The search strategy was iterative, in that references of included studies were searched for additional references. Search terms included ‘ethics’ AND ‘United Nations’ OR ‘Business’ OR ‘Modern’ OR ‘modern business ethics’. Preferably peer-reviewed studies published in English between 1999 and January 2018 was included. Conference abstracts were also eligible but not comments, editorials and unpublished works.

Definition of concepts

What is business ethics and corporate governance

Business ethics in the world today is not just about axioms; it is about reasonable actions and the personal commitments to raising ethical business standards. Ethics and moral norms have now set a new benchmark for choosing to “do the right thing” in business practices. The corporate world has a lot of examples of firms that profess strong ethical cultures in documents, but become disgraced by grave corrupt behaviors. The first recorded comprehensive ethical guide was the Codes of Hammurabi developed in C. 1780 BCE and running to about 282 directives, the Code became the foundation for the Kingdom of Babylon. Business ethics is therefore an attempt to set out certain standards by which all the employees of a firm can know what is expected of them while on their functional roles. To have a strong sense of ethics is not necessarily a guarantee that a company will always do the right thing or do things right. Ethics is about doing the right things as well doing things right. However, a paradox can be seen to be true: many companies start with poor reputations and end up setting new benchmarks of corporate ethics. The strategic component underlying much of what the most ethical organizations do is leadership. Leadership that is visible through actions rather than information, commitment, and examples usually sets the moral tone that emanates from the top of an organization and then translates ethical principles into the concrete behavior expected from all persons acting on behalf of the organization. A very important factor in dealing with corruption in any organization is the establishment of strong public and private regulating institutions. The differences in UN agencies are one of the reasons some UN are more corrupt than others ranging from sexual exploitation to sex for food among UN aid workers or subcontractors. A cross sectional study of countries showed from Bribe Payers Index data, suggests a positive correlation between the weakness of an economy and democratic institutions and the likeliness that companies/organizations to pay bribes in order to get business deals. This capstone project looks critically at how different UN agencies and leadership practices can come together to create ethical systems and thereby reduce corruption in the UN.

Corporate governance connotes system of rules, practices and processes by which a company or organization is directed and controlled (Cadbury, 1992).

Corporate governance delves into the balance between the economic and social goals of an organization as well as between the individual and communal goals of the same. The sole aim is to align as nearly as possible the vested interests of individuals, corporations and the society. The spates of corporate scandals of fraud, greed, dishonesty, and briberies have turned the tides today, so that corporate codes of ethics are the norm rather than the exception. This gradual change is only a few decades old but its principles are now reflected in current definitions of all corporate governance and mainly codified in the OECD and UN international conventions against bribery.

Corporate Governance talks about the way in which companies or organizations are governed and for what purpose. It usually identifies who has power and accountability, and who makes specific decisions. It is essentially, a toolkit for enabling management and the board to deal more effectively with the issue’s challenges of operations an organization (Hasnas, 1998). Corporate governance tries to ensure that businesses or organizations have appropriate decision-making processes and control system in place so that the interests of stakeholders (shareholders, employees, suppliers, customers and the community) are secured.

Governance at a corporate level implies the processes through which organizations objectives are formulated and implemented in the context of the social, regulatory and business environment. It focuses on practices and procedures for trying to make sure that an organization is run in such a way
that it achieves its objectives, while making sure that stakeholders have and retain confidence that their trust in that organization is well founded.

Co-operate provides amongst other things, the infrastructural toolkit for improving the quality of the decisions made by those who manage organizations. The end result is good quality, ethical decision-making that builds sustainable organization and enables them to create long-term value more effectively.

Organizations cannot operate corporate governance regulations, if there are no springboards to improve the overall legal and regulatory climate in a country in general. So, corporate governance cannot exist in a vacuum. Ethics that are systemic as well as morals and values (internally) and institutions (externally) generally guide how corporate governance is developed and implemented to benefit not only businesses and organizations themselves but the country as a whole. It is important to mention that the existence of sound corporate governance standards in an organization does not guarantee a corruption-free environment. The stakeholders’ unique role in cooperate governance is to appoint the directors, auditors and to satisfy themselves that an appropriate governance structure is in place at any given time. This also happens at the UN level of business from donor countries.

In business settings, in order to maintain co-operate governance, effective relationship between the providers of capital and organizational managers, high levels of trust must exist between these two groups. Four overarching corporate governance principles which must be in place in order to achieve trust in the business world are:

- **Transparency**: managers in the UN must make clear how funds were used
- **Accountability**: managers should be held accountable for their decisions and account to the organization by submitting themselves to appropriate scrutiny
- **Fairness**: All staff members and stakeholders should receive equal consideration by the management with a sense of justice and avoidance of bias or vested interests.
- **Responsibility**: managers and staff should carry out their duties with all honesty, probity, and integrity. Corruption having been understood as an outcome of poor governance; the definition and practice of corporate governance is incrementally expanding beyond its traditional understanding of legal rights and obligations.

**Brief history of business ethics and anti-corruption campaign**

The term ethics comes from the Greek ethikos, which has several meanings (Wikipedia, 2017). Firstly, ethics can be dealing with what is good and bad, with moral duty and obligation. Secondly, ethics can also be seen as a particular set of moral principles or values. In certain settings, these ethical standards are restricted to a particular culture, while in some others; they might be part of the common cultural heritage of all nations as in the Universal Declaration of Human Rights. Thirdly, ethics can be seen as the principles of conducts governing an individual or a group. This implies that professional ethics standard such as business ethics, banking ethics and more recently accounting or advertising ethics. Fourthly, ethics can also be seen as a traditional branch of philosophy, which is related to the development of the ideas of a market economy. Most of the original market philosophers such as Adam Smith and David Hume, were quite concerned with introducing an ethical foundation or a moral code to govern commerce. The feeling that was identical in most of these philosophers and their legacy is that for an orderly transaction in a market system, some standard, some objective utilitarian standard of behavior has to be institutionalized in order to ensure that business could perpetuate over time. Over the years, philosophers and business leaders have attempted to set out both ethical values and general guides for codes of conduct. Experimentally, corporate organizations that adhere to ethical standards perform far better financially in the long run than those without such a commitment (www.globalethics.org, 2018).

There were many of the provisions in the ancient Codes, such as those regulating slavery which can be seen as unethical by modern standards. However, the code tried to establish a set of rules making commerce and civilization possible. Other ancient civilizations developed certain codes or principles of their own, for e.g. the “Analects of Confucius” (C. 500 BCE), the “Ten Commandants” of Moses, and the Koran. Each of these principles were developed to establish codes of conduct and principles to ensure that societies could be held together. The works of great philosophers such as Aristotle and
Immanuel Kant were cited in American business schools today. The world of business today is beginning to recognize one of the key challenges facing business in a multicultural world and that is to develop ethical guidelines which are meaningful to employees from a wide variety of cultural and geographical backgrounds.

In the recent several decades, the UN have witnessed profound changes in the way it conducts her business around the world. One of the most notable areas of changes in UN conduct of business is the treatment of corruption-related issues. Apart from the UN itself, the global private sector has become active leaders in efforts to curb corruption by developing landmark and far-reaching transparency and accountability standards as well as mechanisms to enforce them. While organizational ethical codes play an important role in driving transparency and accountability reforms, other initiatives that extend beyond internally established rules have also made their mark in combating corruption. However, at the same time, the quality of organizational laws and regulations well as their enforcement) has a direct effect on the levels of corruption in a particular organization. Study showed that heavy business regulation and procedural complexities in the judiciary are associated with higher levels of corruption (World Bank, 2016). Another study, also illustrates well that higher degrees of economic freedom are correlated with lower corruption (Heritage Foundation/Wall Street Journal Annual Index of Economic Freedom, 2013). That implies that corruption is directly related to the enabling environment issues. As a result, efforts to establishing the rule of law, strengthening the protection of property rights, and having improved quality of regulations has become crucial in anti-corruption reforms globally.

Finally, another dimension to consider is the fact that corruption is amorphous. For example, bribery, may denote an organization’s desire to sidestep regulations and secure a favorable deal; extortion however, on the part of government officials may present a whole different set of problems also.

Corporate governance and low-risk organizational ethics profiles start with a corporate code of ethics.

Irrespective of the term employed by any given organization, it is important to recognize that a code of ethics is not the only tool available to pursue an organizational ethical objective. Therefore, an ethical risk assessment as a means to decide how to get from the existing state to the desired ethical organization. Although, it tends to be the most common first approach in fostering an ethical business environment, if an ethical code is employed as a single instrument, its benefits will be limited and of a minimal reach. However, there lies a danger in that members of an organization may develop a false sense of protection because they believe that the code automatically absolves them from having to use personal discretion or individual judgment about issues that are wrong or right.

**United nations application of business ethics in anti-corruption fight**

The UN decision to fighting corruption from pragmatic point of view has remained both optimal hence enacting December 09 as the global anti-corruption day $1 trillion is paid in bribes annually, while an estimated $2.6 trillion are stolen annually through corruption. This 2.6 Trillion USD is equivalent to more than 5 per cent of the global GDP. In developing countries, according to the UNDP, funds lost to corruption are estimated at 10 times the amount of official development assistance.

Corruption is a serious crime that can undermine social and economic development everywhere. No country is immune to corruption and it affects education, health, justice, democracy, prosperity and development globally (http://www.un.org/en/events/anticorruptionday/, 2017).
There have been reported cases, where UN staff was employed into positions where they were totally unqualified for. An example is a former field administrative officer in Bentiu, Unity State of South Sudan who hails from India that could barely write a good sentence in English, but was given a position where his incompetence could not be hidden (Igo, 2017). Many other cases abound, but the UN is still resolved to removing corruption anywhere it may cause it an embarrassment. In other cooperate organization, experience, shows that organizational adherence to ethical standards brings about better performance in the long run than those without such a commitment.

Although ethical issues are considered more from the angle of the right thing to do rather than a calculation of whether it will lead to higher business profits, numerous attempts have been made to estimate the financial value of ethical behavior and good corporate citizenship. Quantitative and perception studies have been carried out and were all fraught with methodological defects; since there are no reliable indicators with which to measure the pecuniary gains of business ethics in general. Despite methodological compromises, all research tends to support the veracity of intuitive knowledge that entrepreneurs gain from business experience which is that integrity is the foundation of sustainable business and contributes to greater shareholder value. Researchers (Margolis and Walsh, 2002) analyzed 95 previous studies produced over a 30-year period by examining the link between social and financial performance and found a very strong positive correlation between ethical and financial performance. Perception surveys, being a qualitative survey revealed consistently across different countries, cultures, and industries, a consistent belief that ethical companies are more successful than those that are not, especially over the long run. It however difficult to accept the value of business ethics without precise figures, especially in this managerial age that is accustomed to using precise metrics for decision making and management operations. Cases of corporate failures and severe financial losses due to weak or inexistent corporate ethical cultures and anti-corruption systems abound in the business world. On the opposite side, it is also true that a lot of qualitative evidence demonstrates that organizational ethical behavior pays off over time by building of brand and corporate reputation, customer and employee loyalty, and this is important in overcoming crisis situations that place the company’s survival in jeopardy.

In recent studies there is strong evidence that good corporate governance and business ethics policies lead to increased business success.

Studies shows that globally investors are willing to pay a premium for organization that demonstrate high governance standards the average premiums of 12-14% in North America and Western Europe, 20-25% in Asia and the Latin America and over 30% in Eastern Europe and Africa (Mckinsey, 2002).

The 2nd studies from Mckinsey portrays that whereas more than a half of all corporate executives employ public relations as well as lobbying as strategies in order to manage social and political challenges; a greater proportion believe that the more effective strategies are to be found in developing ethics policies as well as increasing transparency about the risks of products, processes or services.

Best-practice companies have been proactive agents of change, simply by voluntarily agreeing to raise their standards of business ethics (UK Institute of Business Ethics, 2012).
In order to control corruption in globally, a variety of legal and regulatory tools have been often proposed, some have proven to be more effective than others. According to the principles of transparency and fair competition; these strategic tools are important in creating an atmosphere where corporate entities thrive; however, they need another dimension for anti-corruption initiatives to be truly successful.

Given the varied mandates of different UN agencies, each agency should find them pressed to develop strong codes of ethics which guide the behavior of staff members and managers.

There are many different factors that the UN needs to take into account when developing their own code of ethics as part of global corporate governance guideline entity.

Business ethics is therefore an attempt to set out a standard by which all of the employees of an organization can know what is expected of them

**United nations multi-dimension anti-corruption treaties**

The UN Convention on anti-corruption is the first legally treaty that is global in nature. It was first adopted in October 2003, entered into force in December 2005, and as of January 2008 has been ratified by 107 countries. The UN Convention spans provisions for prevention, criminalization, assets recovery, technical assistance, and international cooperation. The provisions of the convention cover a broad range of corruption acts (viz bribery, embezzlement, money laundering, abuse of functions, trading under influence, and obstruction of justice,) and it applies to both public and private sectors. The UN Convention is readily available in all six UN official languages. ([http://www.unodc.org/unodc/en/treaties/CAC/index.html], 2015).

The UN introduced UN Global Compact-Principle 10 in June 2004 and this added to the anti-corruption dimension of the Global Compact’s framework of 10 principles for good corporate citizenship. It is a voluntary initiative that tend to recognize the direct role that can be played by organizations in fighting corruption by the application of universally-accepted values codified in the UN declarations on human rights, labor, environment, and even more recently the UN Convention Against Corruption. It behooves on corporate organizations to share experiences and best practices and to collaborate on collective/action initiatives that can create transparent business practices. ([http://www.unglobalcompact.org/Issues/transparency_anticorruption/index.html], 2016)

**United nations perspective on modern business ethics and cooperate governance**

Business ethics and corporate governance are great anti-corruption tools which is also represented in other common terms such as codes of business standards, declaration of business principles, standards of conduct, and similar variations. Business ethics is managerial strategy of ensuring that individuals working in organizations act in an acceptable way consistent with the rule of law and other principles underpinning market economics and democratic governance at all levels.

Mainstreaming, ethics into good corporate governance studies shows that it is never too late to start building an ethical organization and that initial steps are as important as those taken later in order to sustain the advanced systems which characterize the ethical culture of internationally recognized organization. Building ethical organizations is in three levels of progression in namely: beginning from mere compliance, continuing to the systematic implementation of an integrated ethics program and finally organizational leadership and innovations that sets new standards and benchmarks for business ethics.

The 1st Level is a defensive position, while the 2nd Levels and 3rd are more proactive and offensive in nature, going beyond the requirements established by law or the benchmarks set by national best practices.

Control and monitoring mechanisms are meant to safeguard the effectiveness of co-operate governance implementation of the code of ethics thereby holding delegated guardians accountable to the board of directors and thus indirectly to all employees as well as external stakeholders. To track ethical breaches both procedural and anonymous mechanisms are required. Establishing of anonymous hotlines to report violations and fraud are important tools to identifying corruption and closing loopholes while introducing preventive measures and sanction breaches in ways that motivate employees to respect rather than ignore the organization anti-corruption’s standards. Procedural anti-corruption mechanisms, on the other hand, such as the designation of an Ethics Office, helps to ensure
that UN ethical framework is synchronized with its critical policies and structures, such as office of internal oversight, human resources, audit, risk management, compliance, disclosure, and sustainability practices (OECD, 2001)

In the overall, the UN has integrated cooperate governance as the defining nature of its existence and how it conducts business internally and externally. An ongoing process of adaptation to the evolving context of ethical standards and of communication with staff and external the ultimate objective of stakeholders on a regular basis. Co-operate governance pursuit cannot lose sight that its framework must permeate all actions and operations, and that it must be applied on a consistent basis.

Finally, the pursuit of a culture of cooperate governance, anti-corruption and ethics cannot be a one-time pronouncement nor should it fail to spell out implementation and accountability mechanisms, otherwise it will breed staff cynicism and contempt about the true nature of “doing the right thing” in the organization.

United nations relationship with governments and co-operate entities

As a rule, UN personnel are prohibited from accepting Gifts and hospitality, awards, other tokens of appreciation, and honours in the course of their duty as this can impact their independence and impartiality and may compromise both the integrity and the reputation of UN personnel. Generally, acceptance of a gift usually creates a conflict of loyalties or raise expectations from the giver of the gift.

UN staff members carrying out functions in sensitive areas such as procurement and investment management are warned to be particularly attentive to this issue, and are to be held to an even higher standard, in relation to the discharge of their duties and responsibilities. In a bid to maintain absolute neutrality, the UN cannot accept any honours, decorations, favors, remuneration or gifts from any Government sources. Moreover, if refusal of an unanticipated gift may cause embarrassment to the Organization, the staff member may accept it on behalf of the UN and then report and entrust it to the Secretary-General. If it is from non-governmental sources, the receipt of honours, favor’s, gifts or remuneration from such sources must be permitted with the prior approval of the UN Secretary-General and usually approval are only granted in exceptional cases. If it involves any source having or seeking a contractual relationship with the UN, accepting gifts from such entities doing business with the UN, or seeking to have any sort of contractual relationship with the UN, constitutes a conflict of interest and so a UN personnel may not accept anything from such sources. A few cases of offering gifts such as a birthday present is acceptable if there is no expectation of any official action in return.

The establishment of ETAKING ACTION by the UN is to ensure that all vendors and contractors are aware of the UN’s strict policy regarding gift giving. This rule makes it clear that accepting meals, tickets, travel expenses, or other hospitality from UN vendors or contractors is totally prohibited. In furtherance of probity, the UN rule says that gifts that arrive unexpectedly and cannot be returned are to be registered and disposed of in accordance with ST/Al/2010/1 (A Guide for UN Staff 17, 2010). The UN does not allow distribution of business cards, brochures, or any other type of business solicitation on behalf of an external entity and also prohibits taking a gift on behalf of the Organization for your personal use.

Corporate ethics and culture of doing business in the united nations

There is a minimum standard of acceptable conduct in doing businesses in the UN and this reflects what the organization holds as fair and appropriate behavior by the legal and regulatory framework of all its agencies. Thus, compliance with UN administrative policies is the starting point for doing the right thing by the organization. UN management executives, and the office of internal oversight (OIOS) provide oversight over management decisions, rely on a battery of internal policies and guidelines; regulations, and governance mechanisms to meet her compliance obligations. These cooperate governance systems transcend the minimum floor established by law and thus reflect the higher level of business ethics aspired to by the UN, as its frequency increases. The variance of ethical performance found across the UN and its agencies covers a spectrum ranging from merely complying with legal requirements to setting new standards for responsible diplomatic behavior.

Benchmarking UN ethical practices
The 2008 World’s Most Ethical Organizations (WMEO) global ranking from Ethiophere Magazine recognizes organizations that use ethical leadership as a profit driver, and thus exemplify the best practices across 50 separate organizations. The 80 recognized organization emerged after editors screened more than 6,000 organizations against 10 ethical leadership criteria viz governance, citizenship, legal, internal systems and regulatory, innovation, executive leadership, organizational leadership, perception and reputation, transparency. The major issues that are leveraged by visionary leaders to build an ethical organization like the UN remain the criteria for the representatives of any such institution. And though some might not agree with Ethiophere’s methodology, by recognizing current best practice the WMEO shows the path to be traveled by competitors who want to catch up and surpass the leaders (http://www.un.org/en/ethics/, 2016)

A commitment to building ethical organizations like the UN is no easy task and such a good ideal reflects a broader understanding of global sector enterprise, where meeting the core purpose of maximizing profit is in a fair balance with the broader interests of society.

This principle is reflected in an expanded definition of corporate governance given by Sir Adrian Cadbury.

The UN can be very comprehensive in the demands it places on its agencies’ disclosure, reporting, and corporate governance requirements through its regulatory and current framework.

Robust checks and balances on inappropriate business behavior are created by the UN stringent requirements of business, which go a long way in curtailing unethical behaviour across its agencies and the mainstream UN. However, even under ideal conditions, such regulatory environment is still not enough to safeguard against corruption.

An ethical organization has to do more with individual commitment to leadership and organizational commitment rather than mere compliance with formal processes or systems. “Setting the tone” is the term used to describe the exercise of such critical leadership at the top and thus its significance applies equally to both internal and external stakeholders of the organization.

Usually, it takes long-term organizational efforts and investments to build a corporate ethical culture, but it only takes a few second of poor judgment or bad luck to undermine it beyond repair. It is not good to have any exceptions to the ethical standards and values that are internally promulgated, as this will generate systemic apathy and undermine all efforts. From the external perspective, any scandal, no matter how trivial, can destroy the progress made through years of hard work and invested resources. From research, the best way to protect the ethical culture of an organization is to actively promote it, train in it, update it, practice it and make it real and visible to the external and internal stakeholders. Howbeit, the development of an ethical culture results from the continuous and consistent corporate commitment to integrate and align an organization’s ethical standards with its business strategy and operations. The implementation of a comprehensive ethics program is institutionalized through various elements that are elaborated for all staff members. Even to the degree where leadership in particular is seen to “eat, drink, relate with local indigenes/host country and sleep”, ethical behavior is still expected from staff at all levels. Collecting gratification of any sort is strictly prohibited by the UN for her staff members. Such visible commitment to ethics helps keep the UN on track to progress from just having a firm commitment to diplomatic ethics and creating an organizational culture where ethics is a central consideration in organizational decisions across all layers. The perceived and observed behavior by senior management of the UN sets the tone throughout the organization; it helps to establish the commitment and reputation of anticorruption initiatives, and helps to shape her identity.

To the UN, ethics is about doing your job right and not an issue of compliance. In practice this means that to uphold its ethical philosophy, at times the UN must stand ready to lose agreements rather than compromising its values. Good corporate governance and concrete ethical standards are strong allies to organizations navigate the mine fields of corporate corruption which is on its way.

Ethics and co-operate politics in the united nations

An extract of the United Nations Oath of Office “I solemnly declare and promise to exercise in all loyalty, discretion and conscience the functions entrusted to me as an international civil servant of the United Nations, to discharge these functions and regulate my conduct with the interests of the United
Nations only in view, and not to seek or accept instructions in regard to the performance of my duties from any Government or other source external to the Organization. I also solemnly declare and promise to respect the obligations incumbent upon me as set out in the Staff Regulations and Rules”.

The United Nations Charter calls on the United Nations staff members to uphold the highest levels of efficiency, competence and integrity in the course of their duties. This commitment is reflected in the Oath of Office shown above, which they take upon assumption of UN careers. The UN as an Organization has maintained its good name so far by the adherence of United Nations staff to the highest ethical standards while in the course of their duty.

As the UN endeavours to build a more peaceful and prosperous world, the ethical conduct of all staff members is needed. The fundamental ethical values are based on the UN Charter that informs the ethical culture of UN staff members in the conduct of their business. These values are:

**Impartiality**

Personnel’s of the United Nations should always act with gross aptitude, impartiality, objectivity and professionalism. That implies that expression of personal views and convictions should not compromise or appear to compromise the performance of their UN assignments or the interests of the United Nations.

**Independence**

Here it is the duty of the UN personnel to maintain their independence and not seek or receive instructions from any Government or from any other person or entity external to the UN and also shall refrain from any action which might reflect negatively on their position as UN personnels.

**Loyalty**

Commitment to the purposes, values and principles of the United Nations is the equivocated obligation of all UN personnels. They should be loyal to the UN and shall always discharge their functions and regulate their conduct with the interests of the United Nations.

**Integrity**

Personnels of the UN are expected to have maximum standards of honesty, truthfulness, fairness incorruptibility and integrity while on official duties.

**Accountability**

Every United Nations personnel should be accountable for the proper discharge of their functions as well as for their decisions, actions and inactions. They should submit themselves to scrutiny or investigations when required.

**Respect for human rights**

In the course of their jobs, all UN personnel must fully respect the human rights, dignity and worth of all persons and must act with understanding, tolerance, and sensitivity and respect for diversity and without discrimination of any kind while on duty post and elsewhere (http://www.un.org/en/ethics,2012).

The UN Oath of Office requires UN staff to act with impartiality and independence. As international civil servants, UN staff always considers the impact of our comments and actions, and so manage their conduct so that it will represent the international community, rather than interests of individual governments or political interests.

Sexual exploitation and sexual abuse is highly prohibited and there is zero tolerance by UN for all level of personnels. Any violation of good sexual behaviour represents a catastrophic failure to adhere to UN ethical obligations. It is bad because it brings harm to those whom the UN is mandated to protect as well as violating universally recognized human rights, norms, and standards. In the UN context, “Sexual exploitation” means any actual or attempted abuse of a position of vulnerability, differential power or trust, for a sexual purpose, which includes but not limited to profiting monetarily, socially or politically from the sexual exploitation of people. In the same vein, the term “sexual abuse” means the actual or threatened physical intrusion of a sexual nature, especially by force or under unequal or coercive conditions. Very often, there is a great disparity in the economic and social power
between a UN staff member and our beneficiaries. The UN staff must be alert to the potential for exploitation and abuse, regardless of intention, and take every measure to avoid even the slightest appearance of inappropriate behaviour (UNMISS CDT, 2018).

(Photo: UNMISS) Showing no tolerance for sexual exploitation and abuse for UN personnel’s.

**Ethics and finance management in the United Nations**

This UN has financial regulations and rules applicable to all UN operations, from the Headquarters in New York, to the Country Offices of UNDP and UN agencies worldwide. In the UNDP, Rule 102.2, it states “All personnel of UNDP are responsible to the Administrator for the regularity of actions taken by them in the course of their official duties. Any contravention to these Financial Rules or to the instructions which may be issued in connection therewith may be held personally responsible and financially liable for the consequences of such action.”

In the UN, Financial Disclosure Programme (FDP) has helped to maintain and enhance public trust in the integrity of the UN operations. Under the FDP, selected staff members especially at the senior management levels are required to disclose annually their assets and liabilities as well as outside activities, and affiliations. Staff members that are covered are placed on an honor system, and so are expected to provide truthful and complete information. Managing the risks for personal conflicts of interest while carrying out official duties is the core purpose of this programme. The FDP seeks to resolve, identify and mitigate conflict of interest situations arising from staff members’ financial assets, investments, liabilities and outside activities. It may include advising the selected staff members to divest themselves of holdings, or rather to recuse themselves from a particular activity or aspect of their official functions. In every calendar March, the covered filers submit information about themselves as well as their spouses, and dependent children through a secure website. If a staff member is required to participate in the FDP, he will be contacted by the UN Ethics’ Office (UN Code of Ethics, 2017). If he is required to participate, he will ensure that he fully comply with the filing
obligations within the specified timeframe. Failure to fully comply with the programme requirements is considered a breach of applicable regulations and rules. The UN staff should seek the advice of the Ethics Office if he has any questions concerning this programme. The head of department of the selected staff members are the ones that identifies which staff members must file, following ST/SGB/2006/6.

Conflicts of interest situations include circumstances in which UN staff, directly or indirectly, may become the benefactor improperly, or allow a proxy to benefit improperly, from his association with the organization. It can arise from UN personnel’s personal or familial dealings with third parties, individuals, beneficiaries, or other institutions. Thus, UN staff may be required to disclose certain personal assets if this is necessary to enable the UN to make sure that there is no conflict of interests. This is the way by which UN as an organization ensures ethical procedure in her financial dealings.

(UN staff regulation 1.2 (m) & (n), ST/SGB/2012/1, Staff Regulations • ST/SGB/2006/6, Financial Disclosure and Declaration of Interest Statements Post-Employment)

Ethics and humanity in the united nations

Conventional morality seems too easy. It is easy to say “Life is sacred”, “Criminals deserve to go to prison”, “Killing people in war is completely different from murder”, “Never break a promise”, “We should respect the dignity of the human embryo” etc. Often times, philosophers, have reacted against the haphazardness of conventional moralities by questioning the criterion of right and wrong, axioms or set of axioms. Unravelling the center which falls within uncritical acceptances of intuitive responses as well as jettisoning all our emotionally rooted human values in the face of some contrived abstract theory remains the hardest questions in medical ethics. These concerns led the UN to establish a human rights regime viz: International Human Right Law and International Humanitarian Law. Furthermore, military operations began to adopt torture as a means of warfare, the UN waddled in by calling a General Assembly where it recalled its resolution 31/85 of 13 December 1976, in which it invited the World Health Organization to prepare a draft Code of Medical Ethics which will be relevant to protecting of persons subjected to any form of detention or imprisonment against torture and other cruel, inhuman or degrading treatment or punishment. Alarmed that not infrequently members of the medical profession or other health personnel are engaged in activities which are difficult to reconcile with medical ethics.

Medical and health services are increasingly being performed by health personnel which are not licensed or trained as physicians, such as physician-assistants, paramedics, physical therapists and nurse practitioners; a fact that the UN also recognizes. So, the UN has provided "Guidelines for Medical Doctors and all medical practitioners concerning Torture and other Cruel, Inhuman or Degrading Treatment or Punishment in relation to Detention and Imprisonment", as was adopted by the twenty-ninth World Medical Assembly, held in Tokyo in October 1975. Noting that in accordance with the Declaration of Tokyo measures should be taken by member states and by professional associations and other bodies to debar threats or reprisals resulting from refusal of a health personnel to condone the use of torture or other inhuman practices in the course of their duty and this declaration should also protect members of the families of the health care workers.
The UN Declaration in 9 December 1975 declared any act of torture or other cruel, inhuman or degrading treatment or punishment an offence to human dignity, a denial of the purposes of the Charter of the United Nations and a violation of the Universal Declaration of Human Rights (UN Reports, 2012). The UN committed member states under resolution 3452 (XXX) to ensure that all acts of torture, as defined in article 1 of that Declaration, or participation in, complicity in, incitement to and attempt to commit torture, are offences in its criminal law. In furtherance of this objective it was stated that under no circumstances shall a person be punished for carrying out medical and health duties compatible with medical ethics regardless of the benefactor, or shall be compelled to perform acts or to carry out work in contravention of medical ethics, but contravention of medical ethics for which health personnel, particularly physicians, can be held responsible should entail accountability. Further information on this is seen on principles 1 – 7 of the World Health Assembly declaration on medical ethics.

**Result and discussion**

A total of 200 UN staff cumulatively participated in this research. The result of this study shows that 89% (178) of UN staff that participated, believes that the pivot accounting for ensuring quality and sustainability of a free and fair business environment and proven effective anti-corruption tool has been corporate governance in the UN. 11% (22) of the participants were indifferent, as they believed otherwise. This research, portrays that corporate governance has the advantage of not only setting up a system of institutions that is predictable, competitive, and fair economic environments free from corruption but are also central to sustainable business, economic growth and national development. The study outcome tally with other literature (Deshpande. & Webster, 1989) which opines that the introduction of corporate governance in the UN introduced and sustained standards, mechanisms of transparency, accountability as well as compliance with administrative laws and regulations, which in the long run exposes bribery and illegal behavior thereby making corporate corruption in the UN sustainable.
Furthermore, this study infers that the underlying principle of corporate governance is business ethics as 95% (190 participants) of the participants in the focused group discussion and in-depth interviews were supportive of this view, however, some literatures (Redet et. al, 2016) differed on this, by opining that good salary and not just ethics will mitigate corruption in the corporate world. A deviation of 5% (10 participants) from this belief ethics crucial for 21st century business was mostly supported by lower paid staff of the UN. This view is corroborated by Abraham Maslow’s theory of need where survival is key to all drive-in humans (Maslow, 1943). Business ethics here refers to a set of principles and values by which the UN defines the very nature of its mission and operations and which guide the behavior of its staff members and management as well as employees at all levels.78%(156) of the participants favored the view that leadership and the organization’s wide commitment to adapt and embody it is ethical values in all decisions and operations, rather than to prescribe top-down rigid rules that will have no bearing on how the organization functions on a day-to-day basis. What the UN needs now are the working solutions that will build around the idea of ethics and tie together corporate governance reforms and anti-corruption initiatives in all its agencies.

Table 1. Showing Number of Participants from Different UN Agencies

<table>
<thead>
<tr>
<th>UN ORGANIZATION</th>
<th>NUMBER OF PARTICIPANTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>IOM</td>
<td>25</td>
</tr>
<tr>
<td>WHO</td>
<td>8</td>
</tr>
<tr>
<td>UNICEF</td>
<td>20</td>
</tr>
<tr>
<td>UNMISS</td>
<td>147</td>
</tr>
</tbody>
</table>

Finally, a 97 % (194) of the participants are of the view that corruption is key to all systemic problems, not only in the UN, but elsewhere. This thus, agrees with Mr. Douglas Minge Brown of Stanford Business Magazine that said “In my experience, a truly corrupt outfit diverts, distracts, and demoralizes. When the wrong things are being done, the right things don’t get done” This means that business ethics, corporate governance and anti-corruption fight are well interwoven that they all depend on each other to be achieved. 3% (6) of the participant were of the view that corruption has nothing to do with poverty, most literatures are averse to this opinion (Walden Bello, 2010)

From a broader angle, this study shows that UN participation in poverty reduction is important as the private sector alone cannot build economic prosperity and national development that is crucial to poverty alleviation. This is by strictly propagating that poverty thrives more where there is corruption. As a result, she must continue to expand its engagement with governments and NGOs in developing solutions and reforming organization’s level as well as country-level institutions against corruption. There must be collaboration amongst the business world, civil societies and governments in order to devise and implement solutions that can carry significant benefits for all, in the global fight against the hydra-headed monster.

Conclusion

Anti-corruption fight and business ethics attitudes have changed significantly over the past two decades. Due to its damaging effect on countries, industries, organizations, governments, and the livelihoods of individual citizens, corruption is now seen as a subject at the front burner and is now widely condemned globally. It is clear from this work that the view of the UN personnel is that corruption equation is changing very fast. While anti-corruption efforts are now seen as integral to good corporate governance, organizations and companies are no longer viewed only as facilitators of corruption rather they are increasingly being recognized as victims and a valuable source of working solutions.
A predictable, competitive, and fair economic environment free of corruption is key to achieving a sustainable United Nations framework for business, economic growth and national development. This is important in eradicating poverty as stated in UN sustainable development goals (SDGs). In order to raise the awareness which is geared towards diminution of the corrosive effects of corruption, especially its worst manifestation of state capture; it usually an arduous task. Although the challenges defy simpler solutions, significant progress is being made globally. International conventions and global collective action initiatives that intends to install maximum standards of transparency and accountability in corporate and public governance has been put in place today by the UN. Most importantly, these standards are buttressed by a growing convergence of widespread ethical values that set the tone for “doing the right thing” both in the public and private sectors. Moreover, ethical behavior on the part of the UN as a leading global organization and decision maker, underlies much of what is reflected in what the comity of nations making up the UN accept or reject in establishing good governance mechanisms and combating corruption.

Finally, for companies and industries the challenge against corruption is complicated by the undulating nature of the quality of institutions between countries. Most multinational companies operating globally find themselves competing against local companies and working with supply chains that have different governance structures thus they face varying legal requirements and a diverse quality of law enforcement borne out of different views of corruption and approaches to combat it.

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The Impact of Digital Inside on the Financial Sector of Sub-Saharan Africa

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Abstract

The number of connections, interaction and transmission of information that we carry out using the digital technology is growing exponentially, blurring physical barriers and reducing the cost of accessing information. Interconnectivity, Mobile technology, the internet of things, Big Data, Artificial Intelligence and automation are the main exponential technologies to which Banks have to adapt now. The adoption process of digitalization hasn’t been fully successful in sub Saharan Africa and the implementation process too is still lacking in many ways ie from employee’s ability to use the right hardware and software to fully work digitally. Thus, the question of how has the digitalization of the Bank internal process and people impacted the bank’s operations and productivity? This study made use of both qualitative and quantitative methods. All scales were tested for reliability using Pearson Correlation. The relationship between digitalization and employees of banks investigated using Pearson correlation coefficient. There was a positive correlation between the two variables \( r = .275, n=46, \ p=.1 \), with increasing levels of digitalization associated with higher levels of employees’ performance. Digital inside of banks brings about satisfied employees who create satisfied customers as they work within a shorter time effectively and efficiently. Thus, it can be concluded that digital inside plays a significant impact in the financial sector of Sub Saharan Africa even though most employees initially turn to be resistant to digital transformation in their way of work if it is not properly implemented as they see it as a possible cause of unemployment.

Keyword: Digitalization, Internal processes, Productivity, Digital inside.

Introduction

Banking and the financial sector have undergone radical changes and improvements in the last few years and is in a constant state of development. Since the emergence at the end of the twentieth century, digital technologies have achieved very rapid adoption within a very short space of time, leading to a process of transformation which is profoundly changing the society and the economy. The number of connections, interaction and transmission of information that we carry out using the digital technology is growing exponentially, blurring physical barriers and reducing the cost of accessing information. Interconnectivity, Mobile technology, the internet of things, Big Data, Artificial Intelligence and automation are the main exponential technologies to which companies and Banks have to adapt now.

Digitalization has brought to the banking industry new business models, development concepts and areas of improvements, from internet banking to monetization of transactions. Currently there is no doubt that the banking sector is at a major crossroads. The negative impact of the economic environment on banking, expectation of the prolonged period of low interest rate and the stagnation in lending leads inevitably to the quest for a transformation process, enabling cost to be reduced and revenue boosted.

At the moment, digitalization is one of the major disruptors that is changing the banking business forever. With the advent of digitalization in the banking sector, the daily operations are becoming faster, cheaper and easier for customers to use and therefore every bank is grasping to adjust their own operations to fit the needs of a demanding customer. The customer has now become the dictator of the type of banking services that they would like to enjoy. Banks must transform or be faced out within the next coming years. Financial Technology companies, Fintech as they are commonly call are keeping the
pressure and providing competitive financial inclusion services that were hitherto never provided by traditional banks.

Digitalization has brought the banking sector the need to become more customer-oriented. Improving customer experience is one of the most important elements of digitalization. Due to continuous development and improvement of technology and security of mobile phones, many banks have created mobile applications to facilitate payments. This digital trend is not limited to just banks, but also large technological companies. Large IT companies, such as Apple and Google, are also interested in the development of mobile payment and other digital financial services that opens the business model to competitors outside of the normal banking sector (Google 2016; Apple 2016, cited 8.12.2016). Today we talk of GAFA (Google, Apple, Facebook and Amazon) as key players in the digital financial space and will certainly be the biggest challenger to the traditional banking model.

Digital innovation is enabled by digital technology and digitization (Yoo et al., 2009) refers to the embedding of digital computer and communication technology into a traditionally non-digital product (Henfridsson et al., 2009). Digital innovation differs from other forms of innovation primarily due to the architecture and the generativity of digital technology (Yoo et al., 2012; Yoo et al., 2010a; Tilson et al., 2010). The architecture is modular and multilayered and due to standardized interfaces between the layers, it is possible to combine and reconfigure components to create digital innovations (Yoo et al., 2010a; Kallimikos et al., 2013). This layered characteristic of digital technology enables generativity which creates unbounded opportunities and features for digital innovations (Zittrain, 2006; Yoo et al., 2012). However, the architecture and the generativity also create challenges for how to organize digital innovation processes (Yoo, 2010; Yoo et al., 2012; Svanhnoch Henfridsson, 2012).

Contemporary literature highlights the networked aspect of digital innovation where it is important, even necessary, to involve a wide set of heterogeneous actors (Tilson et al., 2010; Yoo et al., 2012; Eaton et al., 2015). However, this requires network activities that can handle the complexity related with digital innovation (Yoo et al., 2012), i.e. activities such as production and translation of knowledge and enrollment of actors (Pavitt, 2006; Dhanaraj and Parkhe, 2006). As different architectural layers of digital technology require different sets of knowledge, organizations typically need to collaborate to succeed with digital innovation (Andersson et al., 2008; Yoo et al., 2012; Kallimikos et al., 2013). These collaborations include finding new ways of combining different technologies as well as doing business in the digital landscape where business roles might rapidly change (Van de Ven, 2005; Yoo et al., 2005; Vanhaverbeke and Cloodt; 2006). In digital innovation there is a need to find new ways of organizing activities that embrace and build on the networked aspects inherent in digital innovation (Yoo, 2010; Tilson et al., 2010; Yoo et al., 2012; Svanon and Henfridsson, 2012). (Pohjola 2015, cited 28.11.2016). observed that digitalisation had hit most parts of the world based on data gathered from 2008-2012, but nothing was mentioned as to how digitalisation has affected the financial sector in Africa and how it might impact the future of banking in Africa as a whole and particularly sub-Saharan Africa. Every major commercial bank in Sub Saharan Africa and particularly in West and Central Africa has or is in the process of crafting its own digital strategy with the principal objective of offering more inclusive banking services to the population who in their majority has limited or no access to banking facilities.

The adoption process of digitalisation hasn’t been fully successful and the implementation process too is still lacking in many ways i.e from employee’s ability to use the right hardware and software or the appropriate to server the customer digitally. Thus, the question of; how has digitalization of the Bank internal process and people impacted the bank’s operations and productivity?

**Methodology**

This study followed a cross-sectional descriptive research design. This design employed mechanisms that utilised systematic techniques and actions to gather raw data and generate data construction that depicts the existing features of a defined target population (Hair et al. 2010). Descriptive studies usually accommodate large sample sizes and make use of survey and questionnaire techniques to gather the
necessary data required by a specific study (Solomon et al. 2006:113). Neuman (2007) argues that surveys are beneficial in providing information that is inherently statistical in nature. Cross-sectional study is the most frequently used descriptive research design. It involves the collection of information from any given sample of population elements (Malhotra, 2007).

Quantitative and Qualitative research methods are two broad approaches to research design that are often used in social science research. Qualitative research involves non-numerical examination and interpretation of observations for the purpose of discovering underlying meaning and patterns of relationships. It emphasises processes and meanings that are not generally examined or measured, in terms of quality, intensity or frequency (Zikmund, 2010). According to Aaker (2010), qualitative data collection uncovers information from the perspective of the interviewee about a phenomenon, such as behaviours and attitudes that are not directly observable, that is, ‘in someone else’s mind’. The findings of qualitative research are not used to test a theory and make generalisation about a population, but rather, to build a theory for further testing through quantitative methods.

This study made use of both qualitative and quantitative methods. During the qualitative stage, in-depth interviews were conducted with 60 employees of Ecobank, Bank of Africa and Diamond Bank by means of convenience sampling divided into 5 managers per bank and 10 non-managers. This is in order to understand their underlying motivations for using or not using digitalized banking services. The findings from this interaction were used to refine the constructs during the quantitative phase. In the quantitative phase, a structured questionnaire using mostly closed-ended questions were distributed to the employees to fill and return.

These banks were chosen for this study because of their geographical outreach in the region and the fact that they are in the process of digitizing their internal processes to improve collaboration with the employees and the interact with all their stakeholders. The study was undertaken at the headquarters of these banks and a few affiliates within their African footprint.

Questionnaires were used to collect data, mainly using a five-point Likert scale. Data collected in this study were analyzed using the latest version of the Statistical Package for Social Sciences (SPSS). All scales were tested for reliability using Pearson Correlation.

**Results**

**Correlation results**

**Employees Correlations results**

<table>
<thead>
<tr>
<th>Financial sectors</th>
<th>Financial</th>
<th>Digital inside</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>0.1</td>
<td>.275</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.064</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>46</td>
<td>46</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Digital inside</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.275</td>
<td>.064</td>
<td>46</td>
</tr>
</tbody>
</table>

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

Source: Tita-sama (2018)

The relationship between digitalization and employees of banks was investigated using Pearson correlation coefficient. Finding shows that there was a positive correlation between the two variables \( r = .275, n=46, p=.1 \), with increasing levels of digitalization associated with higher levels of employee’s performance.
Management correlations - results

<table>
<thead>
<tr>
<th>Financial sector</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.074</td>
<td>46</td>
</tr>
<tr>
<td>Digital enablers</td>
<td>-.074</td>
<td>.623</td>
<td>46</td>
</tr>
</tbody>
</table>

**Source:** Tita-sama (2018).

The relationship between digitalization and management involvement in digitalization of banks was investigated using Pearson correlation coefficient. Pre-tests were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a positive correlation between the two variables \( r = .623, n=46, p = 0.1 \), with increasing levels of digitalization is associated with lower levels of management stress as a result of increase in their training, provision of digital equipment and training to their employees on the various digital devices which allow them to do their jobs more efficiently than with the traditional tools thus increasing productivity in their banks.

**Discussion**

Findings on the effect of digitalization on the employee’s various banks revealed that 43.1% of the respondents agreed that many branches have been closed down as a result of digitalization of the banking system and this is as a result of trained staff and equipment. 45.7% respondents less of their branches have been closed down as a result of digitalization of the banking processes and this is as a result of trained staff and equipment used. 82.6% respondents confirmed the statement that many new digital branches have been opened.

On employment, 23, 9 % of the respondents agreed to that fact that more people have been laid off during the past 18 months, 52.2% stated that less people have been laid off during the past 18 months while 23.9% of the respondents said no person has been laid off during the past 18 months in their banks.

The findings of this study go a long way to confirm with Kama and Adigun (2013) on financial inclusion in Nigeria, its challenges and the impact on employee’s productivity.

Findings on the number of complaints employees’ received from customer about digital banks on monthly basis revealed that 23.9 had no complaints about delay in banking functions from customers view point. 52.2% of the employees were of the fact that they have received complaints from 1 to 5 times from their customers regarding the delay in banking operations from the customer’s view point while 23.9% of the employees said they have received more than 5 complains on this from their customers.

Also, employees were given the option to examine the complaints they have had in regards to high cost of service charges which revealed that 32.6% of the respondents said they have no complaint on this issue, 41.3% said they have had 1-5 complaints on the high cost of services charges as a result of digital banks while 26.1 said they have had more than 5 complains.

On the aspect of complaints regarding use of ATMs or online banking technologies 23.9% of the employees affirm that they have no complaint in this regard, while a higher percentage of the employees were of the opinion that they have had more than 5 complaints on a monthly bases on issues of ATMs or online banking technologies with a percentage of 54.5%.

In regards to the issue of wrong entries into account there were less complaints on this as 52.2 of the respondents were of the opinion that they have had no complaints on this issue.

On the use of digital tools, 32.6% of the respondent strongly agrees and 63% agreed to the fact that their banks use digital devices and enablers as tools to improve customer relationship while 4.3% of the respondents were neutral.
On profitability, 56.5% of the employee strongly agreed and 37% agreed that Digitalization helps you to identify profitable customers while, 6.5% of the respondents were neutral.

Testing the level of satisfaction of employee working through e-channel reveal that 28.3% of the respondents were very satisfied working with e-channels, 19.6% were just satisfied, 47.8% were highly dissatisfied while 4.3% of the respondent were neutral.

On the reaction of employee towards the introduction of digitalization in their various banks, 47.8% of the respondents (Managers) were of the fact that their employees are very resistant to the change, 17.4% of the respondent were of the opinion that their employees are resistant and 17.4% of the respondent were neutral while 13% said their employees are welcoming the idea of digitalization and 4.3% said their employees are very welcoming on the aspect of digitalization of the banks.

**Conclusion**

Basing on the findings of the stud, digital inside of banks brings about satisfied employees who create satisfied customers as they work within a shorter time effectively and efficiently. Thus, it can be concluded the digital inside plays a significant impact in the financial sector of Sub Saharan Africa.

**Tables relating to the results**

**Table 1.** The digital tools available to employees in the bank, today to ease their work live

<table>
<thead>
<tr>
<th>Tool</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desktops and laptops</td>
<td>43</td>
<td>93.5</td>
</tr>
<tr>
<td>Mobile phones, BYOD</td>
<td>42</td>
<td>91.3</td>
</tr>
<tr>
<td>Collaboration tools – VOIP, Skype for business</td>
<td>42</td>
<td>91.3</td>
</tr>
<tr>
<td>Electronic documents sharing</td>
<td>36</td>
<td>78.3</td>
</tr>
<tr>
<td>Video conferencing and web conferencing</td>
<td>28</td>
<td>60.9</td>
</tr>
<tr>
<td>Automated workflow</td>
<td>28</td>
<td>60.9</td>
</tr>
<tr>
<td>Instant messaging</td>
<td>31</td>
<td>67.4</td>
</tr>
<tr>
<td>Social media – Whatsapp, Facebook, LinkedIn</td>
<td>28</td>
<td>60.9</td>
</tr>
<tr>
<td>Help desk</td>
<td>35</td>
<td>76.1</td>
</tr>
<tr>
<td>Intranet and extranet</td>
<td>35</td>
<td>76.1</td>
</tr>
<tr>
<td>Remotes access facilities</td>
<td>30</td>
<td>65.2</td>
</tr>
<tr>
<td>Unlimited internet access</td>
<td>29</td>
<td>63</td>
</tr>
</tbody>
</table>


**Table 2.** Making your potential customer aware of your location on the net

<table>
<thead>
<tr>
<th>Method</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising on the net</td>
<td>18</td>
<td>39.1</td>
</tr>
<tr>
<td>News media</td>
<td>16</td>
<td>34.8</td>
</tr>
<tr>
<td>Banks publication</td>
<td>11</td>
<td>23.9</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>


**Table 3.** The relative importance of factors determining the provision of digital banking

<table>
<thead>
<tr>
<th>Factor</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision of the future</td>
<td>19</td>
<td>41.3</td>
</tr>
<tr>
<td>Prediction of customers’ acceptance</td>
<td>19</td>
<td>41.3</td>
</tr>
<tr>
<td>Organizational culture of innovation</td>
<td>6</td>
<td>13.0</td>
</tr>
<tr>
<td>Market share or strength or organization</td>
<td>2</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Total 46 100.0

Source: Tita-sama (2018)

Table 4. Comparative aspects based on digital inside of your bank, before digitisation

<table>
<thead>
<tr>
<th>No</th>
<th>Comparative aspects</th>
<th>Traditional Banks</th>
<th>Digital Banks</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>F</td>
<td>%</td>
<td>F</td>
</tr>
<tr>
<td>1</td>
<td>More facilities to employees</td>
<td>7</td>
<td>15.2</td>
<td>28</td>
</tr>
<tr>
<td>2</td>
<td>Employees of which type of banks are more satisfied from job?</td>
<td>4</td>
<td>8.7</td>
<td>30</td>
</tr>
<tr>
<td>3</td>
<td>Salary packages is comparatively better</td>
<td>17</td>
<td>37</td>
<td>17</td>
</tr>
<tr>
<td>4</td>
<td>Top management involvement – branch level is comparatively more in</td>
<td>30</td>
<td>65.2</td>
<td>9</td>
</tr>
<tr>
<td>5</td>
<td>Total</td>
<td>58</td>
<td>31.5</td>
<td>84</td>
</tr>
</tbody>
</table>


Table 5. Differentiating strategies between

<table>
<thead>
<tr>
<th>No</th>
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<th>Digital Banks</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>%</td>
<td>F</td>
</tr>
<tr>
<td>1</td>
<td>18</td>
<td>39.1</td>
<td>19</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>4.3</td>
<td>38</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>6.5</td>
<td>40</td>
</tr>
<tr>
<td>4</td>
<td>43</td>
<td>93.4</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>11</td>
<td>23.9</td>
<td>33</td>
</tr>
<tr>
<td>6</td>
<td>25</td>
<td>54.3</td>
<td>16</td>
</tr>
<tr>
<td>7</td>
<td>12</td>
<td>26.1</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>73</td>
<td>22.6</td>
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</tr>
</tbody>
</table>


Table 6. The factors that contribute to better services in

<table>
<thead>
<tr>
<th>No</th>
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<th>Digital Banks</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>%</td>
<td>F</td>
</tr>
<tr>
<td>1</td>
<td>18</td>
<td>39.1</td>
<td>24</td>
</tr>
<tr>
<td>2</td>
<td>15</td>
<td>32.6</td>
<td>24</td>
</tr>
<tr>
<td>3</td>
<td>12</td>
<td>26.1</td>
<td>32</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>2.2</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

Table 7. Collaborative culture factor” in digital banks

<table>
<thead>
<tr>
<th>Statements</th>
<th>S A</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>S D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>f</td>
<td>%</td>
<td>f</td>
<td>%</td>
<td>f</td>
</tr>
<tr>
<td>Brings about group cohesiveness</td>
<td>4</td>
<td>8.7</td>
<td>34</td>
<td>73.9</td>
<td>5</td>
</tr>
<tr>
<td>Enhances the collaborative culture</td>
<td>5</td>
<td>10.9</td>
<td>34</td>
<td>73.9</td>
<td>4</td>
</tr>
<tr>
<td>Helps to communicate efficiency with peers</td>
<td>9</td>
<td>19.6</td>
<td>30</td>
<td>65.2</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)
SA= Strongly Agree, A= Agree D=Disagree,=SD=Strongly Disagree, N=Neutral

<table>
<thead>
<tr>
<th>Statements</th>
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<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helped in reducing work stress</td>
<td>16</td>
<td>34.8</td>
<td>23</td>
<td>50</td>
<td>4</td>
</tr>
<tr>
<td>helped in reducing chaos and confusions</td>
<td>12</td>
<td>26.1</td>
<td>26</td>
<td>56.5</td>
<td>5</td>
</tr>
<tr>
<td>Helped to do routine work more efficiently</td>
<td>7</td>
<td>15.2</td>
<td>27</td>
<td>58.7</td>
<td>6</td>
</tr>
<tr>
<td>Increased interest in work</td>
<td>13</td>
<td>28.3</td>
<td>27</td>
<td>58.7</td>
<td>3</td>
</tr>
<tr>
<td>Increased level of motivation</td>
<td>10</td>
<td>21.7</td>
<td>24</td>
<td>52.2</td>
<td>7</td>
</tr>
<tr>
<td>Increased level of job satisfaction</td>
<td>10</td>
<td>21.7</td>
<td>30</td>
<td>65.2</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

<table>
<thead>
<tr>
<th>Statements</th>
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<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helped in reducing work stress</td>
<td>16</td>
<td>34.8</td>
<td>23</td>
<td>50</td>
<td>4</td>
</tr>
<tr>
<td>helped in reducing chaos and confusions</td>
<td>12</td>
<td>26.1</td>
<td>26</td>
<td>56.5</td>
<td>5</td>
</tr>
<tr>
<td>Helped to do routine work more efficiently</td>
<td>7</td>
<td>15.2</td>
<td>27</td>
<td>58.7</td>
<td>6</td>
</tr>
<tr>
<td>Increased interest in work</td>
<td>13</td>
<td>28.3</td>
<td>27</td>
<td>58.7</td>
<td>3</td>
</tr>
<tr>
<td>Increased level of motivation</td>
<td>10</td>
<td>21.7</td>
<td>24</td>
<td>52.2</td>
<td>7</td>
</tr>
<tr>
<td>Increased level of job satisfaction</td>
<td>10</td>
<td>21.7</td>
<td>30</td>
<td>65.2</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

<table>
<thead>
<tr>
<th>Statements</th>
<th>S A</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Training</td>
<td>10</td>
<td>21.7</td>
<td>30</td>
<td>65.2</td>
<td>4</td>
</tr>
<tr>
<td>Enhanced technical skills</td>
<td>15</td>
<td>32.6</td>
<td>19</td>
<td>41.3</td>
<td>10</td>
</tr>
<tr>
<td>Increased effectiveness at job</td>
<td>8</td>
<td>17.4</td>
<td>28</td>
<td>60.9</td>
<td>8</td>
</tr>
<tr>
<td>Organized training programmes</td>
<td>18</td>
<td>39.1</td>
<td>24</td>
<td>52.2</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

<table>
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<tr>
<th>Statements</th>
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<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empowered with better access to information</td>
<td>17</td>
<td>37</td>
<td>26</td>
<td>56.5</td>
<td>1</td>
</tr>
<tr>
<td>Empowered with more control over work</td>
<td>15</td>
<td>32.6</td>
<td>25</td>
<td>54.3</td>
<td>6</td>
</tr>
<tr>
<td>Enhanced creativity</td>
<td>17</td>
<td>37</td>
<td>20</td>
<td>43.5</td>
<td>8</td>
</tr>
<tr>
<td>Empowered to solve problems</td>
<td>17</td>
<td>37</td>
<td>20</td>
<td>43.5</td>
<td>7</td>
</tr>
<tr>
<td>Enhanced capacity to contribute in research &amp; development activities</td>
<td>19</td>
<td>41.3</td>
<td>22</td>
<td>47.8</td>
<td>4</td>
</tr>
<tr>
<td>Increased involvement in decision – making</td>
<td>21</td>
<td>45.7</td>
<td>18</td>
<td>39.1</td>
<td>5</td>
</tr>
<tr>
<td>Magnified abilities to think and articulate thoughts</td>
<td>13</td>
<td>28.3</td>
<td>23</td>
<td>50</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimizes the cost of transactions</td>
<td>13</td>
<td>28.3</td>
<td>21</td>
<td>45.7</td>
<td>10</td>
</tr>
<tr>
<td>Saves time</td>
<td>13</td>
<td>28.3</td>
<td>20</td>
<td>43.5</td>
<td>11</td>
</tr>
<tr>
<td>Minimize inconvenience</td>
<td>18</td>
<td>39.1</td>
<td>19</td>
<td>41.3</td>
<td>7</td>
</tr>
<tr>
<td>Provided up – to date information</td>
<td>22</td>
<td>47.8</td>
<td>11</td>
<td>23.9</td>
<td>12</td>
</tr>
</tbody>
</table>
Table 12. Effects of Digitalization at your bank

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>More than</th>
<th>Less than</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many branches have been closed down</td>
<td>20 43.1</td>
<td>21 45.7</td>
<td>5 10.9</td>
</tr>
<tr>
<td>How many new digital branches have been opened</td>
<td>38 82.6</td>
<td>6 13</td>
<td>2 4.3</td>
</tr>
<tr>
<td>How many people have been laid off during the past 18 months</td>
<td>11 23.9</td>
<td>24 52.2</td>
<td>11 23.9</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

Table 13. Number of complaints (per month) from digital Bank customers as compared to customers of traditional Banks

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>No complaints</th>
<th>1-5</th>
<th>More than 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delay in banking functions from customers view point</td>
<td>11 23.9</td>
<td>24 52.2</td>
<td>11 23.9</td>
</tr>
<tr>
<td>High cost of service chargers</td>
<td>15 32.6</td>
<td>19 41.3</td>
<td>12 26.1</td>
</tr>
<tr>
<td>Higher amount of minimum balance maintained in their accounts</td>
<td>21 45.7</td>
<td>16 34.8</td>
<td>9 19.6</td>
</tr>
<tr>
<td>Problems regarding use of ATMs or online banking technologies</td>
<td>11 23.9</td>
<td>10 21.7</td>
<td>25 54.4</td>
</tr>
<tr>
<td>Lack of attention or improper behaviour of bank employees</td>
<td>9 19.6</td>
<td>14 30.4</td>
<td>23 50</td>
</tr>
<tr>
<td>Wrong entries in their accounts</td>
<td>24 52.2</td>
<td>15 32.6</td>
<td>7 15.2</td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

Table 14. Customer Orientation of IT Facilities

<table>
<thead>
<tr>
<th>Statements</th>
<th>S A</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>S D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your bank uses digital devices and enablers as tools to improve customer relationship</td>
<td>15  32.6</td>
<td>29 63</td>
<td>2 4.3</td>
<td>0 0</td>
<td>0 0</td>
</tr>
<tr>
<td>Digitalisation helps you to identify profitable customers</td>
<td>26  56.5</td>
<td>17 37</td>
<td>3 6.5</td>
<td>0 0</td>
<td>0 0</td>
</tr>
<tr>
<td>Digital banking customers carry out more Transactions than traditional customers</td>
<td>16  34.8</td>
<td>27 58.7</td>
<td>3 6.5</td>
<td>0 0</td>
<td>0 0</td>
</tr>
<tr>
<td>Digital banking can help to offer more complete products of an equivalent quality with lower costs to more potential customers</td>
<td>22  47.8</td>
<td>22 47.8</td>
<td>2 4.3</td>
<td>0 0</td>
<td>0 0</td>
</tr>
</tbody>
</table>
Digital banking is helpful in product offerings 25 54.3 15 32.6 5 10.9 0 0 1 2.2
Source: Tita-sama (2018)

Table 15. The effects of digitalization and bank productivity

<table>
<thead>
<tr>
<th>Statements</th>
<th>S</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>S</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a downsizing of employees due to the emerging technology, but efficiency in terms of productivity has increased.</td>
<td>11</td>
<td>23.9</td>
<td>13</td>
<td>28.3</td>
<td>9</td>
<td>19.6</td>
</tr>
<tr>
<td>Source: Tita-sama (2018)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 16. Employees satisfaction on e-channels

<table>
<thead>
<tr>
<th>Statements</th>
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<th>N</th>
<th>D</th>
<th>S</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>How satisfied are you with Working through e-channels?</td>
<td>13</td>
<td>28.3</td>
<td>9</td>
<td>19.6</td>
<td>2</td>
<td>4.3</td>
</tr>
<tr>
<td>Source: Tita-sama (2018)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 17. Reaction of employees to the introduction of digitalization

<table>
<thead>
<tr>
<th>Statement</th>
<th>VR</th>
<th>R</th>
<th>N</th>
<th>W</th>
<th>VW</th>
</tr>
</thead>
<tbody>
<tr>
<td>How can you describe the reaction of employees to the introduction of digitalization?</td>
<td>22</td>
<td>47.8</td>
<td>8</td>
<td>17.4</td>
<td>8</td>
</tr>
<tr>
<td>Source: Tita-sama (2018)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reference


The Nature of Recruitment and Employee Performance in Government Organizations in Uganda (East Africa), a case study of Wakiso District Local Government

Article by Bombo Henry Lubega  
PhD-Management, Texila American University  
E-mail: bombohenry@gmail.com

Abstract

The study sought to investigate the nature of recruitment and its effect on employee performance in government organizations in Uganda with reference to Wakiso District Local Government. The objectives that guided the study were: to identify how Educational levels influence employee Performance, to examine the relationship between experience and employee performance & to establish the relationship between personal training and employee performance.

The respondents were selected using stratified, purposive and simple random sampling techniques. Descriptive and Associational research designs were adopted with Data gathered through Questionnaires and interview guides administered to respondents. Out of the 142 questionnaires distributed to the target sample, 127 responses were received. The SPSS technique was used to establish the relationship that existed between experience and employee Performance, Personal training and employee Performance & between financial Status of the organization and Employee performance.

The major findings from the research study indicated that the Level of education is a key aspect of employee performance in an organization. It acts a better tool for recruitment in the organization. The study findings revealed that there is a positive linkage between the educational level, experience, personal training and financial status on employee performance.

The study recommends that there is a need to motivate the employees and to ensure socio-economic development, adopt a general policy of transparency & encouraging the development of performance personal training processes that ensure that performance expectations are agreed upon and reviewed regularly.

Keywords: Recruitment, employee performance, Motivation, educational level, experience, personal training and the financial status of the organization.

List of abbreviations

CAO : Chief Administrative Officer  
CVR : Content Validity Ratio  
DLB : District Land Board  
DSC : District Service Commission  
Gout : Government of Uganda  
HR : Human Resources  
L.C.2 : Local Council 2  
LG : Local Governments  
LGA : Local Government Act  
NAADs : National Agricultural Advisory Services  
PAC : Public Accounts Committee  
PS : Public Service  
SPSS : Statistical Package for the Social Scientists  
WDDP : Wakiso District Five Year Development Plan  
WDLG : Wakiso District Local Government
General introduction

Background to the study

Recruitment according to Costello (2006) is the set of activities and processes used to legally obtain a sufficient number of qualified people at the right place and time so that the people and the organization can select each other in their own best short- and long-term interests. This implies that recruitment is a process of attracting individuals on a timely basis, in sufficient numbers and with appropriate qualifications, and encouraging them to apply for jobs in an organization.

In public or private Organizations recruitment is the major function of the human resource management departments and the first step towards creating the competitive strength and the strategic advantage for organizations. Recruitment process involves a systematic procedure from sourcing the candidates to arranging and conducting the interviews and requires many resources and time. In public service, the stages of recruitment include: Identifying the vacant post, confirming availability of funds, writing a job description and person specification, Request for recruitment, advertising the post, identifying the interviewing panel, short listing the candidates, interviewing the candidates, selecting the candidates, appointing them, deploying them and induction.

The primary role of the Recruitment in any organization is to help select employees in an equitable, effective and efficient manner that ensured the provision of the most effective personnel able to meet service requirements. The Recruitment and Selection procedure should enable the researcher to attract applicants from diverse backgrounds and ensure that recruitment is carried out without discrimination on the grounds of race, ethnicity, nationality, nation of origin, color, disability, age, religion or belief, sexual orientation or any other unjustifiable criterion (Rao et al., 2002).

Recruitment and employee performance in local governments in Uganda is so central in as far as how the human resource is managed under decentralization. Human resource is an important aspect of any Organization. It is critical in ensuring that the objectives of the organization are achieved through policy and programmes being implemented. The structure for the management of human resources is complex, requiring adequate guidance and coordination. In a system that is intended to be decentralized, the management of human resources (HR) at the central headquarters, national and regional is the responsibility of Public Service (PS), while the HR at the District and lower-level are managed by the district administrations. The Ministry of Public Service provides overall guidance and support to the sectorial-ministries and districts. The decentralization policy in Uganda introduced a separate personnel system for the management of the staff of the Local Governments. The aim of the separate personnel system is to strengthen the capacity of Local Governments to provide functions and services for which they are mandated to provide (GoU report, 2009).

Under the separate personnel system recruitment begins with a submission from the chief administrative officer or town clerk. The DSC (District Service Commission) receives the submission, verifies it, advertises the post, shortlists and interviews and directs the appointment of the successful candidate. It is important to note that the DSC acts only upon the request by the District or Urban council. It is the CAO/Town clerk who issues all the letters in respect to Recruitment of staff in their Councils. One of the critical roles of the DSC is to ensure fairness, equity, and protection of staff against arbitrariness, nepotism, sectarianisms and other malpractices.

Wakiso District is one of the old formed districts in the Central Region of Uganda that partly encircles Kampala, Uganda's capital city. The town of Wakiso is the site of the district headquarters. Kira is one of the largest municipal centers in Wakiso district. It is located and lies in the Central Region of the country, bordering with Nakaseke District and Luweero District to the north, Mukono District to the east, Kalangala District in Lake Victoria to the south, Mpiji District to the southwest and Mityana District to the northwest (Kato, 2007). Wakiso, where the district headquarters are located, lies approximately 20 kilometers (12 miles), by road, northwest of Kampala, the capital of Uganda and the largest city in the country(Kato, 2007). The coordinates of the district are: 00 24N, 32 29E.

The district is composed of 17 sub counties, 135 parishes and 1519 villages. The administrative structure is characterized by a Political and technical arm. The Political arm is headed by the
Chairperson who leads the District Council made up of 145 Councilors. The Council has standing Committees that help in various functions of management (Kato, 2007). These committees include the District Land Board (DLB), District Service Commission (DSC), and the Public Accounts Committee (PAC). The DSC is the body charged with the function of recruitment and performance of staff in the District. The Technical arm of the District is composed of the civil servants led by the Chief Administrative Officer. These civil servants are organized in the departments of Administration, Finance & Planning, Production, Community Based services, Works, Education and Sports, Natural Resources, Health and Statutory Bodies each led by a head of department (Kato, 2007). The Administration department is charged with Human Resource management which works in conjunction with the DSC in performing the staffing function (WDDP, 2010).

Wakiso District Five Year Development Plan (WDDP) (2010) also reveals that poor management at all levels is the one most frequently cited weakness as a cause of inadequate workforce performance. Recruitment, equitable distribution and adequate retention of staff need improvement, particularly in hardship areas. Motivation and empowerment of the workers need to be addressed. Poor supervision, performance particularly in lower-level institutions, is a major management shortcoming, while staff appraisal fails to distinguish between good and poor performers.

The problem statements

Though Recruitment in Wakiso District is based on Qualifications, Experience, the District Service Commission is faced with the challenges which affect its performance. According to the Wakiso District Development Plan (2010), the DSC not being fully constituted though operational since it has 3 members out of 5 who make quorum; Contradicting guidance/advice by PSC and Solicitor General on rescinding appointments; Challenges of DSC decisions by sections of community through appeals; Increasing numbers of job seekers as compared to available job opportunities which over stretch the recruitment and selection process; Need to constantly sensitize members of the DSC; and Lack of a well-stocked registry leading to poor records management (WDDP, 2010).

Poor management at all levels, unsatisfactory recruitment process characterized by political peddling, tribalism and segregation, equitable distribution and inadequate retention of staff, inadequate motivation and empowerment of the workers are all issues for the performance of the Local Government. Poor supervision, performance particularly in lower-level institutions, is a major management shortcoming in distinguishing between good and poor performers hence affecting the performance in the District (WDDP, 2010). This causes a need to study the relationship between recruitment and performance in the district which has never been studied before. The research, therefore, aimed at finding out how recruitment affects employee performance in Wakiso District. Internal recruitment affects Employee performance for instance promotions and a transfer demoralizes other staff, promotes conflict, bias, corruption and political interference.

Major objective of the study

The major objective of the study is to determine how Recruitment affects employee Performance in Organizations in reference to Wakiso District Local Government.

Specific objectives

The specific objectives of the study were:

i. To identify how Educational level influence employee Performance.

ii. To examine the relationship between Experience and employee Performance.

iii. To establish the relationship between Personal training and employee Performance.

iv. To examine the Relationship between Financial Status of the organization and Employee performance.

Research questions

i. How does Educational level influence employee Performance?
ii. What is the relationship between Experience and employee Performance?

iii. What is the relationship between Personal training and employee Performance?

iv. What is the Relationship between Financial Status of the organization and Employee performance?

Justification of the study

Several studies have been carried out on Recruitment and Performance in Organizations, however, none of studies focused on Employee performance. Basing on the above argument, it was therefore justified that a study is undertaken on Recruitment and Employee Performance.

Scope

The study was carried out in Wakiso District with particular focus on the Civil Servants at the District and Lower local governments who are subjected to the recruitment process by the DSC. The local community/beneficiaries were sampled too, to measure the performance in the organization.

Significance of the study

This study provides important information which may be used by both private and public organizations to improve on their recruitment and staff performance policies. The study adds on the existing literature about Recruitment and Employee performance in organizations. The findings from the study can be used to influence policy change on recruitment to boost performance in organizations. There is also need to identify the cause of the poor staff performance which then affects the whole recruitment process.

Conceptual framework

Table 3.1: Showing the Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recruitment</strong></td>
<td></td>
</tr>
<tr>
<td>Educational level</td>
<td>Service delivery</td>
</tr>
<tr>
<td>Experience</td>
<td>Health services</td>
</tr>
<tr>
<td>Personal training/skills</td>
<td>Education services</td>
</tr>
<tr>
<td>Financial Status of the organization</td>
<td>Infrastructure</td>
</tr>
<tr>
<td><strong>Intervening Variable</strong></td>
<td></td>
</tr>
<tr>
<td>Motivation</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td></td>
</tr>
</tbody>
</table>

Source: International Journal of Humanities and Social Science Vol. 3 No. 17; May 2013.

Recruitment

Recruitment is a core function of human resource management. It is the first step of appointment. Recruitment refers to the overall process of attracting, selecting and appointing suitable candidates for jobs (either permanent or temporary) within an organization (Sulich, 2016). Recruitment can also refer to processes involved in choosing individuals for unpaid positions, such as voluntary roles or unpaid trainee roles (Darling, 2007).
Managers, human resource generalists and recruitment specialists may be tasked with carrying out recruitment, but in some cases public-sector employment agencies, commercial recruitment agencies, or specialist search consultancies are used to undertake parts of the process. Internet-based technologies to support all aspects of recruitment have become widespread (Schawbel, 2012).

**Employee performance**

Employee Performance is a process for establishing a shared workforce understanding about what is to be achieved at an organization level. It is about aligning the organizational objectives with the employees' agreed measures, skills, competency requirements, development plans and the delivery of results (Chien 2004).

Employee performance in the organization is very important to determine company's success and profitability. According to Chien (2004) found that a successful organization require employees who are willing to do more than their usual job scope and contribute performance that is beyond goal's expectations. Employees’ performance also is important in undertaking of the flexible performance to be critical to organizational effectiveness in an increasingly competitive environment (Perryet al., 2009) as cited in (Aryee, Chen &Budhwar, 2004).

This rapid change indirectly affects performance of the employees and give stressful feelings among the employees and managers from the condition of changing environment (Gruman, & Saks, 2011) as cited in (Tavakolia, 2010). These problems can lead to various behavioral and health issues that can result in the organizational change (Lindstrom, 1990) as cited in (Tavakolia, 2010). In the recent year, many companies started to reduce or eliminate raises of the bonuses because of the need to make changes to cope with the economic downturn (Gruman, & Saks, 2011).

**Motivation**

Motivation is a theoretical construct used to explain behavior. It gives the reason for people's actions, desires, and needs. Motivation can also be defined as one's direction to behavior, or what causes a person want to repeat a behavior and vice versa (Sulich, 2016). A motive is what prompts the person to act in a certain way, or at least develop an inclination for specific behavior Erwin, 2009). According to Maehr and Meyer, "Motivation is a word that is part of the popular culture as few other psychological concepts are (Chien, 2004).

Internal and external factors that stimulate desire and energy in people to be continually interested and committed to a job, role or subject, or to make an effort to attain a goal (Schawbel, 2012). When we look at motivation, it results from the interaction of both conscious and unconscious factors such as the; Intensity of desire or need, Incentive or reward value of the goal, and Expectations of the individual and of his or her peers. According to Schawbel, (2012) these factors are the reasons one has for behaving in a certain way. An example is a student that spends extra time studying for a test because he or she wants a better grade in the class.

**Environment**

Environment is the location where a task is completed (Gruman, & Saks, 2011). When pertaining to a place of employment, the work environment involves the physical geographical location as well as the immediate surroundings of the workplace, such as a construction site or office building (Tavakoli, 2010). Working Environment has to always change the way in doing business in order to sustain growth, competitive and survive from the pressure by external and internal environments (Herold & Fedor, 2008; Martins, 2008) as cited in (Liu, 2010). Implementing change in an organization forces people to alter how they relate with one another (Mowat, 2002). In general, the conceptual frame, independent variables are recruitment, while dependent variable is organization performance and intervening variable. The study was to establish the relationship between recruitment and employee performance.

The performance of an organization is related to its capacity to deliver basic goods and services, and to provide a suitable policy and regulatory environment for development to take place. Performance should therefore be measured by the results (outputs/outcomes) that an organization produces (Kuseket et al., 2005). Thus Employee performance is measured by service delivery. The
conceptual framework succinctly hints on the facets under independent, dependent and intervening variable, as illustrated in figure 1.

**Literature review**

**Recruitment concept**

Recruitment refers to the process of attracting, screening, and selecting a qualified person for a job (Mondy et al., 2009). All companies in any industry can benefit from contingency or retain professional recruiters or outsourcing the process to recruitment agencies (Rue et al., 2005). Mondy et al., (2009), defines recruitment as a process of attracting individuals on a timely basis, in sufficient numbers and with appropriate qualifications, and encouraging them to apply for jobs in an organization. Rue et al., (2005) refers to recruitment as involving seeking and attracting a supply of people from which qualified candidates for job vacancies can be selected. The extent of recruitment that must be done is determined by the difference between the forecasted human resource needs and the talent available with the organization. Bateman et al., (2009), views recruitment as the development of a pool of applicants for a job. Recruitment, therefore, may be internal to the organization i.e. considering current employees for promotion and transfers, or external i.e. from outside the organization.

**Sources of recruitment**

There are two sources of recruitment that include internal and external recruitment. Rao et al., 2004) refers to internal recruitment as a kind of re-deployment from one unit to another within a firm. It can also be from one area or level of management to another. There are 2 types of internal recruitment i.e. promotion and transfers. Internal recruitment as a source, encourages the existing staffs to work extra hard as to be promoted to a new and greener positions (Rao et al., 2004). The offer to fill in a certain job is considered as a promotion, acts as a reward for employee’s performance, cost related to orientation and training can be reduced, helps employees to upgrade their working experience through transfers, the performance record of employees who are offered new jobs is more reliable when compared to new employees, and it motivates the rest of the staff. However, sometimes, the job requirements cannot be matched by existing employees, especially for those in higher ranking positions. Failure to acquire the knowledge and expertise of employees, who have been trained by other organizations, may breed rifts amongst staff.

**Methods of recruitment**

Rao et al., (2004) defines promotions, job posting and transfers as methods of filling vacancies from within. A transfer is a lateral movement within the same grade, from one job to another. It may lead to change in duties and responsibilities, working conditions, but not necessarily salary. Promotion, on the other hand, involves movement of employee from a lower level position to a higher level position accompanied by usually changes in duties, responsibility, status and value. Job posting is another way of hiring people from within the organization. In this method, the organization publishes job openings on bulletin boards, electronic media and similar outlets. The advantage of this method is that it offers a chance to highly qualified applicants working within the company to look for growth opportunities within the company without looking for greener pasture outside. The Indirect method involves advertisement which includes advertisement in newspapers, trade, professional and technical journals; radio, and television. The advertisements generally give a brief outline of the job responsibilities, compensation package and prospects in the organization. This method is appropriate when the organization intends to reach a large target, and the organization wants a fairly good number of talented people, who are geographically spread out (Rao et al., 2004).

**Recruitment process**

Recruitment is the major function of the human resource management departments in organizations and it is the first step towards creating the competitive strength and the strategic advantage for the organizations (Mondy et al, 2009). Recruitment process involves a systematic procedure from sourcing the candidates to arranging and conducting the interviews and requires many resources and
time. In public service, the stages of recruitment include identifying the vacant post, confirm the availability of funds, writing a job description and person specification, request for recruitment, advertise the post, identify the interviewing panel, shortlist the candidates, interview the candidates, select the candidates, appoint the employee, deploy and induction (Mondy et al, 2009). Recruitment is an important part of an organization's human resource planning and their competitive strength. Competent human resources at the right positions in the organization are a vital resource and can be a core competency or a strategic advantage for it. The objective of the recruitment process is to obtain the number and quality of employees that can be selected in order to help the organization to achieve its goals and objectives (Okafor et al., 2011). With the same objective, recruitment helps to create a pool of prospective employees for the organization so that the management can select the right candidate for the right job from this pool.

**Recruitment in local governments**

Government of Uganda Report (GoU Report) (2008) reveals that the Public Service Commission (PSC) is a constitutional body established under article 165 of the constitution of the Republic of Uganda with a responsibility for appointing, confirmation in appointment, Career development, training and development, performance and performance of the public service. The core functions of the PSC are recruitment, confirmation, promotions and exercise of disciplinary control over public officers.

The process of recruitment starts with declaration of vacancies to the PSC by the Ministry or department. Once the commission is satisfied with the submission, it places an advertisement in the press inviting applications thereby giving all Ugandans with necessary qualifications opportunity to compete for the posts. In addition, the PSC deals with such matters as termination of appointments, guiding District service Commissions (DSCs) and determining appeals from officers appointed and aggrieved by the decisions of the DSC. However, in the exercise of its functions, the PSC is independent, and is not subject to the direction of any person. In this way the PSC maintains an effective and efficient administration, capable of and prepared to implement the policies of Government.

**Performance in organizations**

Organizational performance is improved through the people working in them but the staff is subject to “merit, motivation, management and contex” (Nielsen et al, 2005). However, many other factors both internal (Like salary, facilitation, equipment, and management) and external (Like competitors, taxes and government regulations), also play an important role. Merit, motivation and management are to some degree integral to the organization. Therefore, organizational performance also depends on the context in which the organization operates ‘its enabling environment’. Merit based recruitment of staff does not enhance performance if employees are not motivated; in turn staff motivation is influenced by staff management and the political, economic, psychological and social context. The performance of an organization is related to its capacity to deliver basic goods and services, and to provide a suitable policy and regulatory environment for development to take place. Thus, there is a direct link between organizational capacity and its performance. Motivation of staffs in an organization is one way of managing employees in such organization. Performance should therefore be measured by the results (outputs/outcomes) that an organization produces (Kusek et al, 2005). In Uganda, systems have been developed to assess Local government compliance with financial management regulations and other rules deemed crucial for the capability of the organizations to deliver results.

**Recruitment and employee performance in organizations**

Recruitment is to the people who work in the organization while the ultimate Performance is to the organization as a whole. Performance should be measured by the results (outputs/outcomes) that an organization produces (Kusek et al., 2005). However, the results are highly delivered by staff. Therefore careful, efficient and effective recruitment of staff enhances organization performance. Kusek et al., (2005) further gives another option of focusing on simple interim results or internal processes that are widely acknowledged to be preconditions for outputs and outcomes. Recruitment is an internal process which is very essential to organization performance. Recruitment is either from within or outside the organization i.e. internal or external recruitment. Persons who are already
working in an organization constitute the “internal sources” of recruitment. The advantages of internal recruiting are that employers know their employees and employees know their organization. Also, an internal policy can exhibit a company that wants to change the nature or goals of the business by bringing in outside candidates (Bateman, 2009).

In conclusion, the recruitment process should be designed in such a way that the staff who win jobs know what to expect in reference to merit, motivation, management and context as factors for organization performance. The terms of service must address these factors appropriately in order for boosting organization performance. Therefore, recruitment affects organization performance and on the other hand, the organization performance affects recruitment. An example of poor organization performance affecting recruitment is seen in retrenchment policies emerging, untimely salary payment, transfers, political interference and early retirement of employees.

Conceptual framework and research methodology

Research design

This research was both quantitative and qualitative approach. These approaches gave in-depth and comprehensive information, for a wider understanding of the entire situation related to the topic of the study.

The study considers two (2) data sources, which include; the civil servants, and the community in the Districts. The 2 data sources formed 2 data sets which were studied separately. Data was collected with the aid of 2 questionnaires i.e. a civil servant and a community questionnaire. The civil servants considered included, those at the District headquarters (i.e. from the departments of finance, administration, audit, planning, natural resources, community, health, works, education, production and council), and lower local governments. At the District headquarters, the heads of departments and sections are the respondents, while, the sub-county chiefs are the respondents at lower local governments. The community is represented by the Local Council (L.C) Chairpersons at the parish levels. There are 15 heads of departments/sections and 30 sub-county chiefs, making a population size of 45. There are 164 L.C. Chairpersons in the district, which is the population size at that level. The civil servants were selected for the study because they implement Government programmers that include projects and services at community level, while the communities as recipients of these services justify service delivery.

Simple random sampling design was administered on the two data sources by use of random tables in order to select the sample. Simple random sampling enabled the elements under study to have equal chances of being selected into the sample. In addition, literature was reviewed, from secondary data in order to ascertain what had been studied about the topic by other researchers and strengthen the results of the study.

Study area

The study was carried out in Wakiso District with particular focus on the Civil Servants at the District Headquarters, and Lower local governments (Sub-counties). The local community/beneficiaries were sampled to measure the employee performance in the organization.

Study population

The study was based on Wakiso District as an organization which is a Local government and the civil servants and the community as the respondents. The civil servants were those based at the district headquarters and sub counties. Those at the headquarters included the heads of departments while those at the sub counties included the Sub county chiefs, Town Clerks and Community workers (45 Civil servants and 165 Community (L.C. Chairpersons).

The sample size

A sample is simply a subset of the population (Amin, 2005). The sample was used in this study because of the inability of the researcher to test all the individuals in the population. The sample was representative of the population from which it was drawn and it had a good size to warrant statistical analysis because a scientific approach by Krejcie & Morgan (1970) sample size table was used to
determine the sample to participate in this study. Here the total population and a sampling error of ±5% were used to determine the sample size of the study. The main function of the sample is that it allowed the researcher to conduct the study to individuals from the population so that the results of their study were used to derive conclusions that was applied to the entire population. When we consider the total units under study for civil servants and the community, taking the sample size was34 for the civil servants’ group, and 108 for the communities.

**Sampling techniques**

The sample was selected using Simple random sampling design with the aid of random tables. The population under study involved 2 groups as data sources resulting into 2 data sets which was studied separately. The study units were assigned numbers from 1 to 45 and 1 to 164 for the civil servants and the community sampling frame respectively. Random tables were used to select 34 respondents from the civil servants’ group, and 108 from the community and this formed the 2 samples that were studied.

**Data collection methods**

Two methods of data collection were used in the study. This included Primary method which involved the use of, face to face interview and self-administered questionnaires. The questionnaires were both categorical and continuous variables. The Secondary method was used and this involved exploring literature written by others through books, magazines, journals and so forth.

**Data collection instruments**

Data was collected using questionnaires. Data was collected using 2 questionnaires (i.e. the civil servants questionnaire and the community questionnaire). The questionnaires both are categorical and continuous variables. The study adopted five-point Likert-style rating scale method of questionnaire to obtain information from respondents. The Likert style rating scale method of questionnaire design enabled the researchers to ask respondents on how strongly they agree or disagree with a statement or series of statements on a five-point scale, for instance 5 (Strongly Agree), 4 (Agree), 3 (Not sure), 2 (Disagree), 1 (Strongly Disagree). This formed most of the categorical variables for the study in the respondent questionnaire.

**Quality control methods**

**Validity**

Validity refers to the degree to which a study accurately reflects or assesses the specific concept that the researcher is attempting to measure, i.e. whether the results are generalized or transferrable. The result of this study can be generalized. The study used a well-designed questionnaire with categorical variables that was easily understood by the data collectors and respondents. In addition, Content Validity Ratio (CVR) for the questionnaires was computed. If the CVRs for the questionnaire are above 0.7, which is recommended by Nunnally as cited by Kent (2001), the questionnaire was considered suitable for collecting data. The data collection tool was derived from related theories thereby content and constructs validity of the study being assured.

**Reliability**

Reliability is the extent to which an experiment, test or any measurement procedure yields the same result on repeated trials. This study considered specifically the frequencies and relationships. Inter-relater reliability is dependent upon the ability of two or more individuals to be consistent. This study used categorical variables in the data collection tool and this ensured reliable data and results. Reliability was used to measure the degree to which the questionnaire produced consistent results that was used under the same conditions. The questionnaires were pilot tested on respondents and the results subjected to Cronbach alpha reliability, which is a test of internal consistency. If the alpha for the questionnaire is above or equal to the recommended 0.7 Nunnally (1967) cited by Kent (2001), the questionnaire was considered reliable for collecting data.
Data processing and analysis

The researcher used both qualitative and quantitative techniques for data analysis. Quantitative data was used in interpreting numerical data while qualitative was used in interpreting non-numerical data.

Quantitative data analysis

In quantitative technique, questionnaires were administered and data was coded, sorted, categorized and fed in to the computer using statistical package for social sciences (SPSS Version 16) data was analyzed using frequencies, percentages, means and standard deviation. Descriptive statistics and factor analysis was used to identify how Educational level influence employee Performance, relationship between Experience and employee Performance, relationship between Personal training and employee Performance and examine the Relationship between Financial Status of the organization and Employee performance.

Qualitative data analysis

In Qualitative analysis, the researcher used content analysis technique to analyze data. This technique involved first conducting face to face interviews between key informants where all conversations were recorded in a book. Thereafter, all interview content was reviewed and only extracts with relevancy to the study were presented in a narrative statement or themes placed in quotes to supplement on the quantitative data obtained from the questionnaire, interview was arranged according to the objectives and the content scope.

Ethical consideration

The principles of research ethics - informed consent, privacy, confidentiality, and accuracy was adhered to during the study. Participants received full disclosure of the nature of the study, the risks, benefits and alternatives, with an extended opportunity to ask pertinent questions regarding the research. The researcher treated all information provided by participants with maximum confidentiality. Honesty was maintained throughout the research process; in reporting data, results, methods and procedures in order to avoid fabrication, falsification, or misrepresentation of data. All quotations were used and sources that were consulted was clearly distinguished and acknowledged in references list.

Research limitation

Some of the respondents may not be willing to give information and this problem was solved by assuring them that this study was purely for academic purposes. The rate of return of questionnaires may be slow, and if they return them, some may be improperly completed. The coverage of the selected sub counties for the study may pose a threat during data collection as some of the places fall under hard to reach areas especially during the rain seasons. If the researcher gave the necessary assistance from some of the departments, much information may be collected to enhance the work. Lack of financial resources may restrict the desire to seek information from several areas.

Result of findings

Introduction

The presentation follows the study objective that is, to identify how Educational level influence employee Performance, to examine the relationship between experience and employee Performance, to establish the relationship between Personal training and employee Performance and to examine the Relationship between Financial Status of the organization and Employee performance. The data collected was subjected to computer software package known as SPSS version 16. The responses were presented in terms of frequencies and percentages which were displayed in tables, charts and graphs.

Demographics characteristic of the respondent

The first part of the data presentation is social demographics of the respondents. This included aspects of gender, age, qualifications, marital status, work station and the working Experience at
WDLG as presented below;

**Table 4.1. Socio-demographic of the respondents**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender of the Respondents</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>38%</td>
</tr>
<tr>
<td>Female</td>
<td>62%</td>
</tr>
<tr>
<td><strong>Marital Status of Respondents</strong></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>36%</td>
</tr>
<tr>
<td>Married</td>
<td>53%</td>
</tr>
<tr>
<td>Widowed</td>
<td>6%</td>
</tr>
<tr>
<td>Others specify</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Age of respondents</strong></td>
<td></td>
</tr>
<tr>
<td>20-30 Years</td>
<td>27%</td>
</tr>
<tr>
<td>31-40 Years</td>
<td>21%</td>
</tr>
<tr>
<td>41-50 Years</td>
<td>34%</td>
</tr>
<tr>
<td>51-60 Years</td>
<td>13%</td>
</tr>
<tr>
<td>61+Years</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Natures of education of respondents</strong></td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td>12%</td>
</tr>
<tr>
<td>Degree</td>
<td>47%</td>
</tr>
<tr>
<td>Masters holders</td>
<td>22%</td>
</tr>
<tr>
<td>others</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Duration of working with WDLG</strong></td>
<td></td>
</tr>
<tr>
<td>Less than 5 years</td>
<td>28.3%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>26.0%</td>
</tr>
<tr>
<td>11-15 years</td>
<td>29.9%</td>
</tr>
<tr>
<td>16 + years</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

The result from the study 79 of respondents representing 62.2% of the total number of participants was male while 48 representing 37.8% of the total number were females. This clearly shows that there were slightly more male participants than female in this survey and it may be as a result of the sample technique used in selecting respondents or that WDLG has more male workers than females. The result from table 4.1 indicates that; 52.78% of the total respondents were married followed by 36.22% as singles from the study, the least 6.30% and 4.72% were widowed and others (divorced) respectively. Findings Table 4.1 shows the age range and the revealed that 34% of the respondents were aged between 41-50 years, 27% were aged between 20-30 years, 21% were aged between 31-40 years, and the least 6% were aged 61 years and above. Majority 46.46% of the respondent had attained a degree. The findings also revealed that, 12.26% had diploma, 22.05% were masters holders and the least 10.24% others respectively.

Finally shows the length of service where out of a total of 127 respondents, 29.9% had worked with WDLG for at least 11-15 years, 28.3% had worked for < 5 years see Table 4.1

**Descriptive findings**

This section deals with the respondents’ understanding of succession planning practices/features. This section aimed at achieving the study objective and the result of the study are provided in accordance to the study questions: -
The result indicates that the level of education is the key aspect for employee performance in an organization with meaningful results with a (mean=1.7) and S.D of 0.93616. The results also indicated that the respondents strongly agreed that, employees’ level of Education improves organizational performance. Employees, level of Education improves organizational performance with a (mean=1.6) and S.D of 0.75758. Furthermore, the respondents strongly agreed that, Employee’s education affects job performance with a (mean=1.7) and S.D of 0.78735. Majority of respondents strongly agreed that, education level acts as a better tool for recruitment in the organization with a (mean=1.8) and S.D of 0.82343. Finally, the respondents were neutral/not whether employees who are highly educated perform better at work than those who are not with a (mean=3.0) and S.D of 1.30285.

Table 4.2. Showing how educational level influence employee performance

<table>
<thead>
<tr>
<th>Item (N=127)</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of education is the key aspect for employee performance in an organization</td>
<td>1.00</td>
<td>5.00</td>
<td>1.7402</td>
<td>0.93616</td>
</tr>
<tr>
<td>Employees level of Education improves organizational performance</td>
<td>1.00</td>
<td>5.00</td>
<td>1.6063</td>
<td>0.75758</td>
</tr>
<tr>
<td>Employee’s education affects job performance</td>
<td>1.00</td>
<td>5.00</td>
<td>1.6693</td>
<td>0.78735</td>
</tr>
<tr>
<td>Education level acts as a better tool for recruitment in the organization</td>
<td>1.00</td>
<td>5.00</td>
<td>1.7559</td>
<td>0.82343</td>
</tr>
<tr>
<td>Higher level of education can negatively affect employee and organizational performance</td>
<td>1.00</td>
<td>5.00</td>
<td>2.0315</td>
<td>1.02304</td>
</tr>
<tr>
<td>Employees who are highly educated perform better at work than those who are not</td>
<td>1.00</td>
<td>5.00</td>
<td>2.9685</td>
<td>1.30285</td>
</tr>
</tbody>
</table>

Table 4.3. Showing how Experience influence employee Performance

<table>
<thead>
<tr>
<th>Item (N=127)</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience is the best tool for employee performance in an organization</td>
<td>1.00</td>
<td>5.00</td>
<td>2.0945</td>
<td>1.21781</td>
</tr>
<tr>
<td>Employee experience is the tool for better performance</td>
<td>1.00</td>
<td>5.00</td>
<td>2.4016</td>
<td>1.08569</td>
</tr>
<tr>
<td>Employee’s Experience affects job performance in an organization</td>
<td>1.00</td>
<td>5.00</td>
<td>1.9055</td>
<td>1.06483</td>
</tr>
<tr>
<td>Employees who are highly experienced perform better at work</td>
<td>1.00</td>
<td>5.00</td>
<td>2.2047</td>
<td>1.21720</td>
</tr>
<tr>
<td>Employee experience limits high turnover in the organization hence better performance at work</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4016</td>
<td>1.18362</td>
</tr>
<tr>
<td>Highly Experienced employee tend to leave the job easily</td>
<td>1.00</td>
<td>5.00</td>
<td>2.8504</td>
<td>1.03186</td>
</tr>
<tr>
<td>Highly experienced employees produce the same result in an organization as those who are not</td>
<td>1.00</td>
<td>5.00</td>
<td>3.3386</td>
<td>1.32869</td>
</tr>
</tbody>
</table>

The study indicates that respondents agreed that Experience is the best tool for employee performance in an organization with a (mean=2.1) and S.D of 1.21781. From the study, the findings designate that majority of the respondents agreed that employee experience is the tool for better performance with a (mean=2.4) and S.D of 1.08569. Furthermore, respondents agreed that employee’s experience affects job performance in an organization with a (mean=2.0) and S.D of 1.06483.

The result indicates that respondents agreed that employee’s Experience affects job performance in an organization with a (mean=2.0) and S.D of 1.06483. From the study however respondents were not sure whether employee experience limits high turnover in the organization hence better performance at work with a (mean=3.4) and S.D of 1.18362. The respondents were not sure whether highly
experienced employee tend to leave the job easily with a (mean =3.0) and S.D of 1.03186. Finally respondents were still not sure whether highly experienced employees produce the same result in an organization as those who are not with a (mean =3.3) and S.D of 1.32869.

**Table 4.4.** Showing how personal training influence employee performance

<table>
<thead>
<tr>
<th>Item (N=127)</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trained employee tend to keep Time and commitment in an organization</td>
<td>1.00</td>
<td>5.00</td>
<td>2.2598</td>
<td>1.11421</td>
</tr>
<tr>
<td>Training adds value to the employee for better Performance in an organization</td>
<td>1.00</td>
<td>5.00</td>
<td>2.3150</td>
<td>1.42929</td>
</tr>
<tr>
<td>Employee’s Training affects job performance in an organization</td>
<td>1.00</td>
<td>5.00</td>
<td>2.1890</td>
<td>1.18007</td>
</tr>
<tr>
<td>Employees who are highly Trained perform better in an organization than those who are not</td>
<td>1.00</td>
<td>5.00</td>
<td>2.0709</td>
<td>1.16960</td>
</tr>
<tr>
<td>Training in an organization acts as motivation to employees</td>
<td>1.00</td>
<td>5.00</td>
<td>1.9055</td>
<td>1.01913</td>
</tr>
<tr>
<td>Training in an organization reduce labor turn over</td>
<td>1.00</td>
<td>5.00</td>
<td>1.8504</td>
<td>1.03953</td>
</tr>
</tbody>
</table>

The result indicates that the respondents agreed that: trained employee tends to keep time and commitment in an organization with a (mean =2.1) and S.D of 1.11421. Furthermore, the respondents agreed that, training adds value to the employee for better Performance in an organization with a (mean =2.3) and S.D of 1.429291. Majority respondents agreed that employee’s training affects job performance in an organization with a (mean=2.1) and S.D of 1.18007. Majority of the respondents agreed with the statement with a (mean =2.1) and S.D of 1.16960. Training in an organization acts as motivation to employees evidenced with a grand (mean =2.0) and S.D of 1.01913. This indicating that respondents agreed with good recruitment practices. Finally, majority agreed that training in an organization reduce labor turn over with a (mean =2.0) and S.D of 1.03953.

**Table 4.5.** Showing how financial status influence employee performance

<table>
<thead>
<tr>
<th>Item (N=127)</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability of funds helps to improve employee performance</td>
<td>1.00</td>
<td>5.00</td>
<td>2.2047</td>
<td>1.10797</td>
</tr>
<tr>
<td>A well-financed organization performs better than a poorly financed one.</td>
<td>1.00</td>
<td>5.00</td>
<td>1.9213</td>
<td>1.10271</td>
</tr>
<tr>
<td>Organization financial status affects job performance</td>
<td>1.00</td>
<td>5.00</td>
<td>1.9055</td>
<td>1.01913</td>
</tr>
<tr>
<td>Highly qualified employees tend to work with financially stable organizations</td>
<td>1.00</td>
<td>5.00</td>
<td>2.0236</td>
<td>1.11601</td>
</tr>
<tr>
<td>Recruitment is done well in a financially stable organization</td>
<td>1.00</td>
<td>5.00</td>
<td>1.8661</td>
<td>1.14339</td>
</tr>
<tr>
<td>Monitoring and evaluation of performance is done better when the financial Status of the organization is good</td>
<td>1.00</td>
<td>5.00</td>
<td>2.0709</td>
<td>1.25471</td>
</tr>
</tbody>
</table>

Majority of the respondents agreed that availability of funds helps to improve employee performance with a (mean =2.03) and S.D of 1.10797. The results also indicate that the respondents agreed with the fact that a well-financed organization performs better than a poorly financed one with a (mean =2.0) and S.D of 1.10271. Further majority agreed that organization financial status affects job performance with a (mean =2.0) and S.D of 1.01913. On whether highly qualified employees tend to work with financially stable organizations the respondents agreed with a (mean =2.0) and S.D of 1.11601. Majority of the respondents agreed that recruitment is done well in a financially stable
organization with a (mean = 2.0) and S.D of 1.143391. Finally monitoring and evaluation of performance is done better when the financial Status of the organization is good with a (mean = 2.1) and S.D of 1.25471.

<table>
<thead>
<tr>
<th>Table 4.6. Showing the Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>Organizations are interested in employees who comply with instructions</td>
</tr>
<tr>
<td>Organizations do not recruit employees who are non-performers</td>
</tr>
<tr>
<td>Organizations Performs better if employees are innovative</td>
</tr>
<tr>
<td>Organizations hires employees who persist to overcome obstacles to complete tasks</td>
</tr>
</tbody>
</table>

Majority of the respondents in table 4.6, agreed that, organizations are interested in employees who comply with instructions with a grand (mean = 2.0) and S.D of 1.19512. However, majority of the respondents disagreed that organizations do not recruit employees who are non-performers with a grand (mean = 4.0) and S.D of 1.11690.

The study findings reveal that majority of the respondents were not sure whether organizations perform better if employees are innovative with a grand (mean = 3.3) and S.D of 1.179701. Finally, majority of the respondents agreed that, organizations hires employees who persist to overcome obstacles to complete tasks with a grand (mean = 2.0) and S.D of 1.03434.

**Correlation analysis**

Two or more variables are said to be correlated to test if their coefficient of correlations is greater than 0.5. If there is correlation between any two of the predictor (independent) variables one of them must be dropped from the analysis. As shown in table 4.7, none of the predictor variables had coefficient of correlation between themselves more than 0.5 hence the variables were included in the model.

<table>
<thead>
<tr>
<th>Table 4.7. Pearson’s correlation between the educational levels, experience. Personal training and financial status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational level</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td>Experience</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td>Personal training/skills</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>
The study tested the relationship between the educational level and Employee Performance. The findings from the study revealed that there was significant relationship between them. Since $p=0.00 < 0.01$ at $r = 0.247^{**}$, this implies that there is positive linkage between the educational level and Employee Performance. The findings on the relationship between the experience and employee performance indicates that there was significant relationship between them. Since $p= 0.00 < 0.01$ at $r = 0.339^{**}$ an indication that there is positive linkage between the experience and employee performance as reflected in table 4.7. The study tested the relationship between personal training and employee performances. However, the study findings showed that there is an important relationship between the two variables. This is because $p=0.00 < 0.05$ at $r = 0.343^{**}$ this means that, personal training of the respondents affects the employee performance positively. Finally, the result indicates that, the relationship between Financial Status and employee performance. The findings from the study revealed that there was significant relationship between them. Since $p= 0.00 < 0.01$ at $r = .320^{**}$ an indication that there is positive linkage between financial status and employee performance.

**Summary, conclusions and recommendations**

**Summary of findings from the study**

Majority of the respondents agreed that level of education is the key aspect for employee performance in an organization with 50.4% employees said education level acts as a better tool for recruitment in the organization. Thus organization considers the level of education when searching for employees for recruitment. The sources of recruitment used include advertising, and direct methods. The sources of recruitment have a positive effect on employee performance because of the “new blood” that comes in with new ideas and innovations and through competition its ushers in quality staff, promotes effectiveness, commitment and it is fair other factors remaining constant.

Majority of the respondents agreed that experience is the best tool for employee performance in an organization with 47.2%; employee’s experience affects job performance in an organization. Thus, employee experience, time keeping, commitment and team working spirit are positively correlated with employee performance and hence organization performance. The more an employee gain experience at work such employee is capable of performing much better in an organization. Majority of the respondents agreed that trained employee tend to keep time and commitment in an organization with 53.5%, employees who are highly trained perform better in an organization than those who are not. Thus, employee performs better if the teams he/she is working with are subjected to Personal training in an organization. However, many other factors in organizations also play an important role.

Service delivery is enhanced by the staff whose performance is enhanced by the recruitment process. The findings indicate that the communities in WDLG benefit from government services including provision of farm inputs, capital of income, employment, production extension services and access to social services including health, water, roads, education, agriculture, environment protection and production through programmes. Majority of the respondents agreed that availability of funds helps to improve employee performance with 52.8%, of employee said a well-financed organization performs better than a poorly financed one. Thus, the organization financial status has an impact on employee performance in an organization. Promotion depends on financial status of the organization. In the same vein, the district motivates her employees through provision of allowances, transport, training, awards, periodic leave, promotions, prompt salaries and transfers.

**Conclusions**

Employee recruitment in WDLG has a positive impact on employee’s performance because the organization believes that employee’s level of education improves its performance. Thus, they consider recruiting qualified employees because they believe that education level of employee’s acts
as a better tool for employee performance in the organization. It can also be concluded that employees at WDLG are given the opportunity to move upward which encourages them to remain with the organization hence encouraging employee retention.

The study can be concluded that employee experience is the tool for better performance. The higher the level of experience the higher the employee performance other factors remaining constant. Experienced workers have a high chance of being employed as they are likely to perform better than the un-experienced counterparts. Personal training is an element of employee performance. In an organization, employees who are highly trained perform better than those who are not. The study found out that a well-financed organization performs better than a poorly financed one. Therefore, organizational performance depends on the financial status of the organization. Recruitment is also done better in a well-financed organization. Highly qualified employees tend to work with financially stable organizations. This indicates that the more the financial status of the organization the higher the likely employee performance.

Finally, the level of service delivery in WDLG is still poor. Primary schools are performing poorly and this is due to lack of teachers’ commitment, experienced teachers, school inspectors and qualified teaching staff. Poor school conditions, congestion in classes, language barriers for both pupils and teachers, long distance from dwelling homes to schools also affect the performance. Health centers are still few, roads are still poor and piped water is limited to some few areas. Generally, there is a lot to be done to improve on service delivery in Wakiso District.

Recommendations

To improve on service delivery and employee performance, Wakiso district needs to explore all avenues, thus the need to motivate the employees and to ensure socio-economic infrastructures are equally distributed. And such services should be accessible to both the community and the employees.

There is need to adopt a general policy of transparency that is, ensuring that employees know what happens in the organization at all times, why it is happening and the impact it will make on their employment, development, prospects and performance.

Encourage the development of performance personal training processes that ensure that performance expectations are agreed upon and reviewed regularly. Encourage the use of personnel development plans that spell out how improvement of performance can be achieved mainly by self-personal training learning. Use training and personal training development programmes to underpin core values and defined performance expectations.

Finally, WDLG should improve on inspection of schools and health centers in order to improve on service delivery. The Local Government should also make sure that developmental infrastructures are equally distributed within the District and also properly maintained.

References


Nigerian Pharmaceutical Brand Marketing – The Role of the Product Manager in Making Selling Superfluous

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Abstract

The Product Manager in a Pharmaceutical company is considered the CEO of the product and responsible for the strategy, roadmap and feature definition for that product/brand. The roles often include Marketing, Forecasting and Profit & Loss (P&L) amongst others.

The interphase between sales and marketing is not a very clear one in most Pharmaceutical companies in Nigeria and the role of the product manager is usually mistaken or not well defined.

A clear understanding of the role of a PM and its responsibilities will ensure focus of the PM on his core responsibility and maximize his productivity.

Who is responsible when sales do not go as planned? Is it the joint responsibility of Marketing and sales or does the scale tip more to one side? What makes selling easy? Who puts ideas behind sales plan and formula? Is a PM necessary or will the sales team just suffice?

This article will look at the above questions and the Role and responsibility of the Product manager in ensuring the sales process is seamless.

The paper will also define a Pharmaceutical Product Manager and highlight his strengths, challenges, opportunities and threats facing his role.

In conclusion, sales and growth of a brand is the joint collaborative effort of Sales and marketing. Everything marketing does is designed to make sales easier. The sales team, in addition to completing the sales process, also provide valuable information required by marketing such as marketing intelligence.

Successful businesses recognize the role of marketing in ensuring future relevance.

Keywords: Brand, Brand Manager, Marketing, Pharmaceutical, Product Manager, Sales, Sales Manager, Selling.

Introduction

Sales aren’t Marketing. Many people equate marketing with sales. And many salespeople do, too.

Many believe that salespeople are the best source for product ideas because they talk to customers all the time. And while it is true that they are talking with customers, ‘talking’ is the key word. They are talking to the customer about the products/brand they are selling, not listening for what products the customer/market requires.

According to Martin Cagan of the Silicon Valley Product Group in the Paper ‘Behind every great Product’, every member of the product team is important, but to succeed, a company must design, build, test and market the product effectively.

That said, there is one role that is absolutely crucial to producing a good product, yet it is often the most misunderstood and underutilized of all the roles. This is the role of the Product Manager.

In his paper, he discussed the role and responsibilities of the good product manager and the characteristics of good product managers amongst other things.

The expectations from the PM is enormous

The Product Manager (PM) is like a business owner to his brand. His action and activities decide the fate of his business. His plans determine if he’ll make a profit or loss, the growth of his business, market share gained or lost.

A product manager leads the product through the entire life cycle, making intelligent and informed product decisions at each stage.
The PM must understand the environment in which he sells, be aware of changing/emerging policies or trends, and be able to take advantage to position the product in the best way possible.

The PM’s role is also often double-faced, he has to have a long-term strategic focus but also be able to deliver on short-term goals driving the immediate success of the brand.

Chief amongst the Product Managers role / competency is that the product manager must be a ‘User’ expert. The PM must understand the user better than anyone so that he may create products or design his products to meet the needs of the users important to the PMs role.

The PM must understand his customers - their mindsets and beliefs which drive their behaviors and preferences. He must also draw up plans to make the selling of the product superfluous as well as post a healthy profit in the P&L for the brand.

The Product Managers role is also a sales job. However, it's not an external sales job, but rather an internal sales job. The PM has to be able to “sell” his plans, projects, features, and proposals to all of the different stakeholders concerned with the product. A PM isn’t successful unless his ideas and strategies are effectively ‘sold’ to all stakeholder. To achieve this, he must be a proficient in communicating so the “why” of the brand and brand strategy can be understood in very simple terms to motivate the sales team to deliver on the features and benefits messages to the market.

The PM will therefore incorporate some element of selling in doing his Job.

According to Kotler book, Marketing, if well done makes selling superfluous. Marketing is not selling, marketing begins before sales. Selling begins after a product has been made. A product roadmap must be laid and clearly defined before the product enters the market.

Peter Drucker also said “There will always, one can assume, be need for some selling. But the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself.”

From these statements, it can therefore, be inferred that when marketing, which precedes sales is well done, the product sells itself!

It is imperative also that we understand the roles and challenges of a PM and also understand role of the sales team in other to appreciate the uniqueness of each

Role of the pharma PM

The Pharma PM is typically the person who has marketing responsibilities to develop and execute marketing programs that increases brand identity and awareness for a specific product. The Product Manager is responsible for a product’s overall image, and he typically controls most of the major aspects of the marketing for a product or product line.

The brand manager also ensures that all marketing activities do not deviate from brand guidelines, and reinforces brand equity.

A typical PMs role includes

- Product line management.
- Sales and Marketing strategies.
- Budget management.
- Recommendations on packaging, pricing, positioning and promotion.
- Close Interaction with stake holders and agencies.
- Developing and implementing tactical and strategic marketing plan.
- Ensure all marketing materials are current and appropriate, as well as effectively communicated.

If done right, building great products is wonderful and being a leader of a product feels like the best job in the world. Great products when built and effectively introduced to the market are easily adopted by customers. This starts with a strong product manager who feels a deep sense of responsibility for their role and managing all aspects of their job function.

As with most roles, the role of the PM has its perks and challenges.

The perks include

1. Being part of a team that creates, writes the fate, directs and grows a brand, product or service.
2. The PM interphases with all departments and wears a lot of hats. Asides the CEO, only the marketing team has this advantage.
3. The PM is a designer. He understands the macro and macro-economic stratum of the market and must design products that fits in. 

The Challenges includes
1. Lack of role clarity
2. Interference in product strategy from literally every department in the company, the PM must therefore get very good at saying ‘NO’.
3. The unclear line between Sales and Product Management.
4. Lack of direct reports. A PM is not anyone’s boss so he cannot tell others what to do, yet he is accountable for the fate of the product, therefore, he must lead by influence, not mandate and must be good at influencing people who don’t directly report to him

Being a good product manager requires a combination of skills: business, market, technology, and domain. A good PM also needs to be the kind of person who gets things done even when faced with multiple barriers.

**Barriers to being an effective PM**

Most Pharmaceutical product managers come from a sales background. However, these managers do not have the appropriate skill level or knowledge to understand the key tasks of brand management, because the job skills for the two positions are quite different. The skills required in order to be a good salesperson are only a subset of the skills required for a good product manager. Consequently, product managers with a sales background are unprepared for working in a physical office space, as well as for the technical type of expertise required for writing marketing plans and understanding the intricacies of product development (Panigyrakis and Veloutsou, 1999). Ross (1999) states that many newly-appointed pharmaceutical product managers have minimal marketing skills, for the following reasons:

a) Product management is not a career path in the industry;
b) Product managers are recruited from the sales force;
c) Few companies have comprehensive, thorough training programs; and
d) High Staff attrition rate can result in as many as three different individuals handling a product in a short period of time, which causes lack of continuity.

He concluded that product managers need rigorous and systematic training to be effective.

These exact barriers preventing an effective PM is the same reason a sales person cannot handle a PMs role or do the job of a PM

What then are the roles and responsibilities of a sales team?

**The job role and responsibilities of the sales team**

The sales team comprises the Area Sales Manager and the sales rep.

An area sales manager typically manages sales force within his defined regional territory. He/ she is responsible for overseeing sales operations, meeting targets and managing the sales team in the region.

Primary job responsibilities of an area sales manager would include:

a) Managing, training and motivating existing sales team to drive revenue growth
b) Develop and manage efficient distribution networks for sales
c) Develop efficient and creative sales and marketing strategies for the assigned territory and target setting for the sales team
d) Collecting customer and market feedback and reporting the same to the organization
e) Monitoring sales team performance, analyzing sales data, periodical forecasting and reporting to zonal heads

**Role and responsibilities of Salespersons in Pharma Industry**

Generally speaking, a ‘Medical Representative’ is someone who conveys information about Company’s products to the doctors, ensures their availability in the market and is expected to ensure timely payments from the marketing intermediaries.

The job profile of a Med Rep. can be covered under three categories;

a) Prescription generation
b) Customer coverage, and
c) Market intelligence
d) Prescription Generation

The most critical activity of a Med. Rep. is to generate sales revenue and the most effective way to do this is to generate prescriptions for the Company’s products from the doctors he meets.

Therefore, the role of a Sales Manager demands that he possesses the right attitude, good communication skills with leadership qualities, and should be capable of building an energetic team with a competitive edge and ability to execute the plan for achievement of pre-decided organizational goals which are totally different from the expectations from a PM.

Sales or marketing? or sales and marketing?

PMs are highly analytical, data oriented, and project focused. They’re all about building competitive advantage for the future. They judge their projects’ performance critically and failed plans are unacceptable. However, all these performance focus and strategies doesn’t always look like action to Sales team because it all happens behind a desk rather than out in the field. Salespeople, in contrast, spend their time talking to existing and potential customers, are more active and visible.

Marketing is supposed to make selling superfluous and sales people think they can do what is needed in marketing. So which team is needed or are both important?

Literally everything a Marketing department does is intended to facilitate Sales. Some of the efforts are long term or strategic, for example, the creation and maintenance of the company’s brand. Other efforts are more immediate and tactical. These include various kinds of lead generation activities, creating awareness, direct mail and content marketing, product management.

Marketing studies customer behavior and the competition in order to plan strategically for the future. Specific initiatives include advertising and branding to raise awareness and pave the way for the initial sales approach. Product management tries to identify the right products and services, with the right features at the right price. And lead generation is the ongoing process of identifying new prospects and creating content that Sales can use to keep them engaged.

Because of their direct contact with individual prospects and customers, the sales force is a unique resource. Their market intelligence complements the general demographic data that Marketing generates. By working closely together, Sales can help make sure that Marketing is targeting the people with the right potential—when they create sales materials.

Feedback about competitors, reasons for lost sales, and quality of sales materials can make a big difference in the success of the combined Marketing/Sales effort.

Summary

Behind every great product there is a person with great empathy for the customer, insight into what is possible, and the ability to see what is essential and what is incidental…. The PM!!

He has a deep understanding of the customer as well as what is achievable. He operates from a strong basis of knowledge and confidence.

In the classic 4P’s of Marketing, (product, promotion, price, place), salespeople are the last P, not the first. Sales people are designed to be thinking weeks ahead, how to achieve monthly numbers etc., not years ahead. Sales people sell what is available now, not planning what we ought to have.

Selling isn’t marketing; it’s selling! And it starts only when a product is available.

Instead, we should rely on Product Managers to focus on next year and the year after and to be thinking many moves ahead in the roadmap. Product managers are thought-leaders in their marketplace and they create the structure that the rest of the team works within, they are therefore ultimately accountable for the success or failure of the product.

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The Challenges of the Blue Economy in Ghana and the way forward

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Abstract  
This study paper gives highlighting to the major challenges of the blue economy in Ghana and proposes the way forward in curbing those challenges. The study gives emphasis on the fact that the full potential of the blue economy has not been well appreciated because of the major challenges that hinder the potentials of the natural resource. As valuable as it is, the blue economy is being muddled up in Ghana as the resource suffers major challenges spanning from pollution and degradation, terrorist attacks, lack of proper marine policy, over exploitation of the blue economy to climate change and these calls for the need for better ocean governance. This study intends to achieve the following objectives; first is to identify the major challenges of the blue economy in Ghana, to identify some benefits of the blue economy of Ghana and to determine and make effective commendations that would help in curbing the challenges faced by the blue economy. For the slated objectives to be achieve for this paper, review of secondary data from documented reports and the internet, publications, journals and articles were used. The primary data was a coordinated approach to major stakeholders and observation of events relating to the sea in Ghana. Valuable recommendations were presented to curtail the menace for the ordinary Ghanaian and Africa as a whole to derive the blessings of the blue economy.

Keywords: Blue Economy, threats/challenges, Marine, Ocean, solutions, Ghana.

Introduction  
Ghana like many other nations in Africa has relied mainly on the blue economy for the provision of jobs, medicine and food, highlighting and bolding the crucial need to sustainably use and protect this natural resource for current and generations to come. The importance of the blue economy to Ghana or any other nation that is blessed to possess the resource cannot be underestimated. Being a major asset to a nation and a major investment in national development, the resource plays a special role in the productivity and growth of a nation. The Blue Economy has been considered as one of the important tools available for achieving some of the sustainable development goals especially in the sub Saharan Africa. The blue economy also brings about the importance of striking a balance between blue growth, ocean health, and sustainability. With all the above stated substantial contributions of the blue economy to Ghana and Africa at large, it is pathetic to state that the natural resource has not been preserved properly in Ghana and the African continent and as such has resulted in many of the challenges encountered by the ocean. The high tained appreciation of the importance of the blue economy in Africa by African nations has been tipped to be one of the probable reasons why the resource has not been given a decent handling. Another reason why the blue economy is in shambles in Africa could be the altitude of ignorance of the people with respect to the mammoth benefits of the resource. The challenges of the blue economy in Ghana must be handled with iron hands before this great and important resource is destroyed rendering future generations hopeless. For this to be done all hands must be on deck whether small or big, male or female, traditional leaders or religious leaders, governmental agencies or non-governmental agencies, local organizational bodies or international organizational bodies and those living along the coast or those living in the savannah. If Ghana can look at these challenges, in a holistic way and handle them in the proper way, only then the great potentials of the blue economy can be tapped and explored and the sector will contribute meaningfully not only to the sustainable developmental goals but also to national development.
Blue economy defined

The main concepts in this research paper are the blue economy and its challenges in Ghana and as such, the conceptual amplifications would focus on the blue economy and challenges. After the blue economy was brought into prominence by Gunter Pauli’s book "The Blue Economy: 10 years, 100 innovations, 100 million jobs" in 2010, a lot of individual scholars and organizations have made constant efforts to give the concept an acceptable definition. All these efforts have not been fruitful because the concept remains an evolving stage where there is yet to be any complete definition which would be appropriate from the operational point of view. The European Commission (2012) has defined the concept of blue economy as “all economic activities related to the oceans, seas and coasts”. “The blue economy is an economy that aims at diminishing or eradicating of oceanic environmentally friendly dangers to encourage sustainable development of dependent communities or nations without mortifying the oceanic locality. It is an economy that supports the friendly interaction between living beings and the marine environment with the consequential benefit both to the people and to the marine environment”. (Amarh, B.A 2017). The United Nations Conference on Sustainable Development (UNCSD) held in Rio de Janeiro in 2012, defined blue economy as an ocean economy that aims at the "improvement of human well-being and social equity, while significantly reducing environmental risks and ecological scarcities”. The World Bank defined the concept, as “The Blue Economy is sustainable use of ocean resources for economic growth, improved livelihoods and jobs, while preserving the health of the ocean”. The entire above definitions describe the blue economy.

Components of the blue economy in Ghana

<table>
<thead>
<tr>
<th>Related Industry (Sectors)</th>
<th>Types of Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishing</td>
<td>Capture fishery, Aquaculture, seafood processing</td>
</tr>
<tr>
<td>Marine Biotechnology</td>
<td>Pharmaceuticals, chemicals, seaweed harvesting, seaweed products, marine derived bio-products.</td>
</tr>
<tr>
<td>Marine Mining</td>
<td>Oil and gas, deep-sea mining (exploration of rare earth metals, hydrocarbon)</td>
</tr>
<tr>
<td>Marine Renewable Energy</td>
<td>Offshore wind energy production, wave energy production, tidal energy production</td>
</tr>
<tr>
<td>Shipping, Port &amp; Maritime logistics</td>
<td>Port operations, Ship building and repairing, ship owners and operators, shipping agents and brokers, ship management, liner and port agents, port companies, ship suppliers, container shipping services, stevedores, roll-on roll-off operators, custom clearance, freight forwarders, safety and training.</td>
</tr>
<tr>
<td>Marine Tourism</td>
<td>Sea angling from boats, sea angling from the shore, sailing at sea, boating at sea, jet skiing, surfing, sail boarding, diving, swimming in the sea, bird watching in coastal areas, visiting coastal natural reserves, trips to the beach, seaside and islands,</td>
</tr>
<tr>
<td>Marine Commerce</td>
<td>Marine financial services, marine legal services, marine insurance, ship finance &amp; related services, charterers, fishing gears trading, media &amp; publishing.</td>
</tr>
<tr>
<td>Marine ICT</td>
<td>Marine engineering consultancy, meteorological consultancy, environmental consultancy, hydro-survey consultancy, project management consultancy, ICT solutions, geo-informatics services, yacht design, submarine telecom.</td>
</tr>
</tbody>
</table>
Education and research | Education and training, Research & Development.

[Sources: Compiled from World Bank Document (2017), the potentials of the blue economy]

Challenges to the blue economy in Ghana

The potential to cultivate the blue economy in Ghana and for that matter Africa is constrained by a series of challenges. The focus of this study is to gaze at the challenges of the blue economy in Ghana, which when curbed would help the blue economy to be a catalyst for Ghana’s fortune. Identified and discussed below are some of the challenges of the blue economy in Ghana.

Pollution and degradation of the ocean

Pollution and degradation of the blue economy occurs when harmful, or potentially harmful, effects result from the entry into the ocean of chemicals, particles, industrial, agricultural, and residential waste, noise, or the spread of invasive organisms. It is assumed that eighty percent of marine pollution comes from land and one of its biggest sources is known as non-point source pollution, which occurs as a result of runoff. Non-point source pollution includes many small sources, like trucks, septic tanks, cars and boats, plus larger sources, such as farms, ranches, and forest areas. Air pollution is also a contributing factor by carrying off dirt into the ocean. Some water pollution actually starts as air pollution, which settles into waterways and oceans. Both land and air pollution have proven to be detrimental to oceanic life. In Ghana, one other way the blue economy is polluted is the use and washing of mining chemicals by small-scale gold miners into major rivers and lagoons that flows into the oceans. Because these activities are undertaken mostly at the mining areas in the savannah zone of the country, they more often escape being identified as indirect pollutants of the ocean. Even though the current government of Ghana is trying to stop illegal mining, the motive was not because of ocean pollution but to preserve farmlands that are being destroyed. Again, there are legal miners who still contaminate many rivers that streams into the ocean. One of the direct ways the blue economy is polluted and degraded is the use of chemicals like dichloride diphenyl trichloroethane (DDT) and lighting in fishing. These do not only pollute and degrade the ocean but also brings about poisonous ocean foods for human consumption and therefore are regarded as threats to both ocean life and human life.

Over exploitation of the blue- resources

The blue resource has been subjugated for ages with little or no regard to sustainability and prudent management. The irrational exploitation of fisheries and other blue resources has generated unevenness in the ecosystem resulting in the degradation of the marine environment and the waning of many important fish and animals to the point of extermination. Harvesting traditions, methods and technologies were geared towards profitability without a recourse of the fact that it is causing serious damage to the marine environment and fisheries resources. According to the food and agriculture organization (FAO) of the United Nations, fish stocks are mostly exploited by illegal, unreported, and unregulated fishing methods, which is responsible for roughly 11 to 26 million tons of fish catch annually, or US$10 to 22 billion in unlawful or undocumented revenue. For instance, it is now prevalent that almost 90% of anglers in Ghana are fishing using light emission just to always have bumper catch. Some fishing folks in their desperation to have a bumper catch are using fishing nets that catches all ages of fishes without discrimination. Fishing trawlers have been left to unreasonably abuse the God-given resource and end up destroying many marine lives in the process. In addition, a chunk number of Ghana’s population lives along the coast thereby putting pressure on the blue economy as majority relies on it for survival. All the above-described methods of fishing and issues raised form part of the overexploitation activities of the blue economy. If Ghana does put proper measures in place as a matter of urgency, Ghana would be deprived of many marine blessings in the very near future.
Lack of proper policy infrastructure and implementation

In Ghana, there is no proper marine policy infrastructure and implementation strategies from the central government and the authorized institutions to regulate and shape the development of the blue economy. The adequacy, efficiency, equity, and reliability of any blue economy policy infrastructure would largely depend on the solemnity and commitment of the central government, the appropriate institutions as well as coastal dwellers towards the sector. It is extremely appalling that a nation like Ghana having been regarded as the gateway to Africa because of the immense blessings and potentials of the blue economy is yet to take the resource seriously. The blue economy has been left to the mercy of its users because there is no proper policy or law that would streamline, regulate and see to it that the resource is not taken advantage of. The lack of regulations and conventions that apply specifically to maritime activities especially fishing and to other maritime policy areas has indeed influence and heighten the challenges faced by the blue economy.

Terrorist attacks and piracy

One of the many challenges of the blue economy in Ghana and the African state is terrorism and piracy. In recent times, it appears that both the pirate and the terrorist groups are augmenting and using each other to get money, people, and weapons either to hold territory, deprive crews or to hijack ships. Terrorism occurs beyond national borders and is a major global issue that directly affects not only Ghana and other developing countries, but also the entire international community including developed countries. This is evident in the recent terrorist attack that took place in the Ghanaian waters. This makes the threat of international terrorism to remains serious. Piracy is the activity of criminal organizations and is becoming more extensive and more violent. Some pirate activities include attacks on a merchant, fishing, container, auxiliary and other ships for the purpose of robbing the crew, seizing goods and abducting ships with cargo for their subsequent sale, and crewmembers for ransom (Eshchenko & Novikov, 2014). The geography of pirate attacks is quite extensive, of which it includes the waters of West Africa, the Caribbean, the South China Sea and the coastal area of Hindustan. Even though the problem of piracy as a component part of the maritime crime is global in geographical terms, the menace is rampant in some waters like the West Africa waters. Certainly, this is not the good news and sign for the Ghanaian economy.

Climate change

Climate change is a change in the statistical distribution of weather patterns when that change lasts for an extended period of time. This phenomenon concerns itself with a change in long-term average weather conditions. Biotic processes, as well as variation in solar radiation, plate tectonics and volcanic eruptions are the main causes of climate change. Industrial human activities have also been identified as the primary cause of climate change. The term climate change is often used to refer specifically to anthropogenic climate change caused by human activity as opposed to changes in climate that may have resulted as part of earth’s natural processes. Climate change is a global issue and needs a concerted effort by all nations (Amuakwa-Mensah, 2014). The impact of climate change for example in the form of both slow-onset events like sea-level rise and more intense and frequent weather events cannot be overemphasized. Indiscriminate human activities along our coastal belt have in a long way contributed to climate change in Ghana, leading to a rise in sea level, which pollutes other water bodies, destroying aquatic life. The long-term climate Challenges to the Blue Economy change impacts on ocean systems are not yet fully understood, but it is clear that changes in sea temperature, acidity, and major oceanic currents, among others, already threaten marine life, habitats, and the communities that depend on them. Unfortunately, Ghana, as well as the developing countries have not shown clear evidence of committed response to climate change.

Other challenges

Aside the challenges deliberated above, there are other salient challenges that when dealt with would go a long way in sustaining the blue economy in Ghana. Among such challenges are insufficient concerns from the central government, resistance to change in marine activities by some stakeholders of the blue economy,
bribery and corruption, unhealthy competition among local fishing folks and superstition. For instance, most local fishing folks believe that the marine living resources are infinite and indestructible and so should be left alone to fish, use and abuse them at will. The Navy and some officers from the ministry of fisheries tasked to monitor and arrest illegal anglers and marine operators end up condoning and conniving with the perpetrators for a ransom. In addition, some anglers are unwilling to change their methods of fishing siting other illegal method that are being used the trawlers without interference from the authorized institutions and are therefore reluctant to change because of profitability and also the quest to own the bragging right of the best fisherman for a year.

The way forward for the blue economy in Ghana

Successive political regimes come and go without attaching special sentiments on the blue economy, they normally do not go beyond the pintsize coinage they make from their seaports probably because they lack the holistic vision needed to see and access the full potential of resource. This is because, the blue economy, in the life of a nation, provides great advantage than the mere stipend or commission government takes from oil drilling companies and other taxes collected from the seaport users. The blue economy plays important role in nation building and as such, it must be controlled with all the care needed to be able to reap the intended benefits. Some of the benefits of the blue economy is the fact that the resource is used by nations as the force and wall of their national defense, it plays major role in trade facilitation, food and medicinal benefits, employment creation, tourism, sub marine mining, oil and gas minerals, maritime education and research, marine renewable energy, salt production, shipping and transport etc. The discussion above shows some of the challenges or dangers that has submerged the blue economy in Ghana. Some of the challenges centers on over-exploitation of marine living resources, government’s neglect of stringent marine policies, mistreatment, climate change and resistance to change. To address the perennial crises that has bedeviled the blue economy in Ghana, the following were suggested.

Proper and adequate policy regulation and implementation

There must be an adequate marine policy that would regulate everything marine in Ghana. For example, the number of industrial trawlers operating in the Ghanaian fisheries water and other liners who are engaged in deep sea fishing mainly to catch categorized fish and they end up catching and destroying other species must be known, monitored and brought to book. Already, there is a terrific increase in the artisanal fleet of canoes because of the marginal increase in population every year in Ghana of which majority depends on the blessings of the blue economy. This has therefore brought about tremendous pressure on the resources. There is the need for a comprehensive marine policy that will aid in the thorough review of the blue economy sectors in particular fisheries from management and conservation point of view and be attaining sustainability of the resources. The fishing capacity has to reviewed and the fishing effort controlled to rehabilitate commercial ocean species and fish. The implementation of the policy is as important as the policy formation itself. Therefore, the government must not end at the formation of a marine policy but must take the necessary pain to implement it successfully. Severe punishment should be meted out to fishing folks who violate the rules and regulations of fishing the proper way as well as those security agencies who takes bribe in exchange of convicting pollutants of the marine life.

Proper and regular stakeholder engagements, marine training and education

Education of all stakeholders is very important in this regard and should be taken seriously, as a majority of our fishing community are not well informed about the dangers of their fishing practices to the blue economy. With my interaction with most of the fishing folks, it clear that they are not aware of the possible dangers of polluting and degrading the resource as well as over-fishing. Educated, skilled and well-trained human resources are catalysts of national development. The sustainable development of any economy, who can participate and contribute in the globalization of business and the accompanying technological revolution, is largely dependent on the level of education and skills acquired by the citizenry of that nation. Having assessed the need of world market and local industry, appropriate programs and courses on ocean
and coastal engineering, fisheries management, marine science and oceanography, maritime education and trade are essential to be introduced at the tertiary education system of Ghana. The government must engage all stakeholders of the sector without discrimination. This should be done in such a way that the local fishermen who plight the ocean at all times are not underestimated and overlooked. Ministry officials should desist from sitting in the comfort of their office and flashy hotels in the name of organizing stakeholder meetings and go to the shores where it is very easy to have the right people with the technical expertise and knowledge to contribute meaningfully. By this, it would be extremely easier for them to comply with any government policy on maritime. An impetus in the growth of the blue economy especially in Ghana and the sub-saharan Africa may come from a large army of skilled seaside and offshore engineers, commercial coastal traders, navigators, mariners, fisheries management experts, biotechnologists, fishmongers and other vocations and businesses.

Elimination/Minimization of marine pollution

Marine pollution as described above can take many forms, which is rarely monitored and can be detrimental to the survival of the blue resource. Therefore, the growing threat of pollution to the blue economy needs an urgent attention by the central government and all stakeholders of the blue economy as well. The operations of the Environmental Protection Agency (EPA) of Ghana must give exclusive attention to the sector to help in eliminating or minimizing of marine pollution. Activities of gold mining company and other individuals at the savannah Ares must be monitored in order to prevent the disposing of household and industrial chemicals into our rivers and lagoons that streams into the ocean. Both local and foreign anglers must desist from using chemicals, illegal fishing nets and other unapproved gadgets from fishing. These must be done holistically with strict regulations and sanctions to offenders.

A robust blue economy monitoring and control system (MCS)

The ministry in charge and all the government institutions empowered to protect the blue economy must establish a robust monitoring and control system to help in the implementation, management and conservation of marine fisheries resources. Currently, there are officers from the ministry of fisheries that are put on boats of some fishing boats in particular trawlers to monitor and control their activities but this has not been able to solve any issue because of the immoral behaviors of most of the officers. The innumerable number of mechanized and non-mechanized fishing boats engaged in marine and coastal waters must be compel to adhere to measure put in place with every local chief fisherman playing supervisory roles. In addition, the ministry must provide sufficient infrastructure such as, fishing ports, patrol vessel, handheld VHF, vessel traffic management and information systems (VTMS) and other facilities needed to effectively implement an MCS system for management and conservation of Marine Fisheries. A very robust MCS system is needed to achieve the sustainability of the blue economy.

Central government/ private commitment to the sector

The blue economy should be a very serious concern and responsibility of the government of Ghana at the same time, the private sector should be made to participate fully in its preservation. This will be successful if government on its part shows its seriousness and commitment to preserve the natural but great economic force of the nation. Over the years, governments have only taken a section of the blue economy (Port operations, oil and gas sector etc.) serious, leaving other equally important sectors like fisheries and aquaculture. As soon as all and sundry sees the governments’ commitment to the whole sector, no stakeholder would want to abuse the resource because of the accompanying implications. The government should also allow private stakeholders to contribute and participate in the monitoring and preservation of the blue economy.

Improvement of maritime security to combat terrorism and piracy

Maritime security in simplest meaning is concerned with the prevention of intentional damage through sabotage, subversion, or terrorism. Terrorism, piracy and other related maritime crime threatens maritime
wellbeing on a global scale, and countering this threat is a shared global responsibility. Ghana must as a matter of urgency, take prompt actions at both national and regional levels, with support of the international community, to develop and implement national maritime security strategies, including the establishment of a legal framework to curb insecurities on the Ghanaian waters and the Gulf of Guinea as a whole. The types of terrorists and their methods are diversifying, making it even more necessary to enhance international cooperation for counter-terrorism activities. The navy’s effort must be supplement by a private sector participation in terms of providing the needed security for the ocean. The government must therefore invest substantially into the security of our shores to make it safe for trade and commerce. The frequent occurrence of terrorism has a major impact on the economic activity of the affected country on tourism, foreign direct investment, trade, and other areas. For this reason, enhancing counter-terrorism measures and preventing terrorism and piracy is an important prerequisite for the national development in Ghana.

**Addressing climate change and managing carbon emission**

Climate change is one of the most complex issues facing the world today and there is the urgency in tackling it by employing mitigation and adaptive measures on the impacts of climate change. Climate change scenarios need to be taken with great importance if Ghana is serious about the subject. The government of Ghana must ensure that leading companies are taking action both inside and outside their fence lines to reduce their own emissions and become more resilient to inevitable climate impacts. Addressing climate change and managing carbon emission, maintaining sea level rise and change in ecosystem, addressing ocean acidification and blue carbon etc. will go a long way to aid in curbing the effects of climate change as a challenge to the blue economy.

**Conclusion**

The blue economy has not been treated fairly not only in Ghana but also in Africa and this explains the reason why as Africans, we are yet to appreciate the importance and impact of the blue economy on the continent. There exist remarkable opportunities for Ghana to strengthen her ocean-based economy if we can address the major challenges confronting the blue economy. It is unfortunate that we have still not seen that the blue economy is an economic force on its own with greater benefits to the continent. The blue economy is a leading economic force in present times as it is the means for international trade and commerce, and a significant source of food, unmatched revenue from port operations as well as oil and gas resources, hence the need for proper governance. The authorized agencies must endeavor to work together to monitor, assess, and limit the various sources of pollution that may result naturally and by human actions. The government of Ghana must provide among other things the legal, policy, governance and institutional frameworks that will mitigate against the challenges of the blue economy to be able to improve the benefits accruing from the God-given resource. If the marine-based resources are managed through proper planning and inter-sectoral coordination of public-private partnership and investment, it will certainly generate strong foundation for earnings and economic benefits with the assurance of sustainability. Indeed, for the blue economy to be sustained, it requires effective multi-sectoral coordination and integration mechanism, and collaboration across the public-private sectors and on a scale that has not been achieved in the past.

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Performance based Financing as a Health System Reform: Success Story on how the Application Performance based Measures Improve Performance both in Quantity and Quality of Health in South West Region

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Abstract

Background: In order to improve the health status of its population and to find practical solutions to the main challenges of the health system, the Government of Cameroon has been implementing the Performance Based Financing approach (PBF) since 2011. Following the pilot phase from 2011 to 2014, the project produced encouraging results as seen in the use of health facilities by the population, quality improvement and governance in health facilities. The project also enabled the actors involved to learn lessons during its implementation.

Methods: This paper is based on first hand observation carried out by the researcher alongside the ground implementers of the PBF system in the health sector (CDVA South West Region). The group developed some criteria to stimulate improvement in health care, by ensuring payment for greater performance. The group also developed main criteria to measure the improvement in performance which can be translated in monetary terms, coaching was regularly carried out to provide solutions to problems. These activities were carried out between 2011 and 2014 in four health districts of the South West Region of Cameroon.

Results: The paper starts with a discussion, to clarify the core concept of PBF and how the different terms are used. It then develops a framework of on the development of implementation, evaluation, monitoring, coaching and the final results.

Conclusion: The paper brings out a picture of the importance of the PBF system of health financing in the South West Region of Cameroon, showing the pictures of change and the changes in the quality and quantity of health care delivery by health facilities.

Keywords: Performance Based Financing, Monitoring and Evaluation.

Background

Challenges of the health system in cameroon

Cameroon aims to become an emerging economy by 2035 and will have to promote access to quality health services by all the populations with specific emphasis on the poorest. Cameroon is also committed to UHC and the 2015-2030 Sustainable Development Goals. The current challenges of the system are:

Low impact indicators: Since 1990, life expectancy of Cameroonian has decreased by about two years, whereas it has increased by an average of five years in the rest of sub-Saharan Africa. Cameroon is also one of the countries in the world where the under-five mortality rate (122 deaths per 1,000 live births) has decreased the least. According to the 2011 Demographic and Health Survey in Cameroon, maternal mortality rate is 782 deaths per 100,000 live births. These statistics are indeed alarming, and even "unacceptable" to quote the Minister of Public Health, Mr. ANDRE MAMA FOUDA.

Geographical disparities: 40% of medical doctors in the country work in the Centre Region (which includes Yaoundé, the capital) where only 18% of the population lives. Whereas, the Far North, which also accounts for 18% of the country's population, has only 8% of medical doctors.

Inefficiency of the system: Paradoxically, Cameroon spends more money on health than other countries in sub-Saharan Africa, that is, $ 61 per capita compared to an average of $ 51. More to that it is, Cameroonian themselves who pay (out-of-pocket) the greater part. Of the $ 61, the Government only finances $ 20, of which $ 8 comes from donors (2014 WHO health accounts). Despite this level of expenditure, the results are not commensurate. The distribution of the State budget is directed largely towards the central level and major public hospitals.
Poor universal health coverage: Another problem is access to care by the poor and the vulnerable, which generally is estimated at 5-10% of the population. In addition, the number of refugees and displaced persons is increasing because of events in neighboring countries. This affects the health system, particularly in the Northern and Eastern Regions.

Morbidity is still a cause for concern: Infectious diseases (cholera) persist due to hygiene and sanitation problems. HIV remains a major health issue. Non-communicable diseases are on the increase and require special attention. Malnutrition also poses specific problems in some regions.

Poor technical plateau: Baseline studies have also shown poor technical platforms of health facilities in terms of equipment, drugs, medical consumables and infrastructure. The review scores of professional qualities are about 20-30% of the standard. This is also due to the low availability of human resources in quantity and quality and the unequal distribution of those available. Several health facilities in rural districts in Cameroon have no qualified personnel.

Fragmented and weak health information system: Poor collection and management of health data was observed. Data from public health facilities are unreliable and those from private health facilities are almost absent. Synthesis and analysis of all these data at the national level are not done, leading to decisions based on false or incomplete information.

Moreover, the request for data from HFs by the various programmes and departments of the Ministry of Health or by donors is not well coordinated. Consequently, one can sometimes observe up to 2040 monthly activities reports that the HF must complete every month. This overloads the HF personnel, who, faced with these excessive requirements will simply choose which forms to complete; Sometimes the forms are not understood by the personnel and are therefore wrongly filled in; Health personnel are not motivated to collect good quality data as they do not see the importance of these data; When there is no feedback on the data collected, it will even be more demotivating for the health personnel who generate and compile these data; Managers can deliberately under-report data to avoid taxes. Hence, the income is not simply presented in the reports and stays in the informal activities.

The geographical distribution of districts and health areas is not updated. As a result, the populations and geographical areas covered by first category hospitals and others ranking as such are not known or well-defined. The same applies to central and general hospitals.

Functioning of the health pyramid: There is a weak technical connection between the central departments of the Ministry of Public Health, regional delegations and health facilities. This leads to problems of technical supervision and monitoring of norms and standards of services in HFs, pharmacovigilance and quality assurance of drugs in HFs and pharmacies. The regular practice is that actors do not master their roles and activities to be carried out.

Strategic options for PBF implementation in Cameroon

Performance-Based Financing is an approach that not only enables to improve the allocation mechanisms of resources that are scarce and strategic contracting, but also and above all, to make the necessary reforms for the development of the health sector. Several countries are implementing PBF today and some have made it their national health policy with extraordinary results. The inefficacy and inefficiency of a long input-based and process-based approach prevented many low- and middle-income countries and their multiple partners from taking advantage of considerable resources spent during these years. This paradigm shift that focuses more on results has courageously been undertaken by several countries and several organizations that seek to derive greater benefits from allocated resources.

PBF pilot phase in Cameroon

The country experimented Performance-Based Financing (PBF) in 2006 in the East Region by the Catholic Church with the support of the international NGO Cordaid. In 2011, Cameroon started PBF in 26 health districts in 4 regions of the country (Littoral, East, North-West and South-West) thanks to financing of US $ 25 million from the World Bank. With the good results of this project, the Government financed the PBF to the tune of FCFA 670 million in the Littoral region in 2014. Additional funding of US $ 20 million from IDA funds, and a trust fund of 20 million US dollars from the Health Results Innovation Trust Fund (HRITF) was mobilized in 2014 to: (i) continue PBF in the Northwest, South-West, East and Littoral regions; and (ii) extend the project to the northern regions of Cameroon, where social and health indicators are the most alarming and the populations significantly poorer.
The World Bank’s Board of Governors approved additional funding on June 24, 2014. There were no conditions for implementation. The project closing date was extended from 31 March 2014 to 31 December 2017. The World Bank declared the new funding (IDA credit of US $ 20 million) effective from 4 November 2014 and declared the 20 million US dollars Trust fund effective from 18 November 2014. In July 2015, Cameroon was selected as the recipient of the Global Financing Facility (GFF) in support of Each Woman, Each Child and must mobilize additional funds through a new World Bank operation and co-financing from the Government and partners, to extend the PBF progressively throughout the country by 2020.

In addition, other technical and financial partners such as UNFPA and UNICEF signed protocols for collaboration with the Ministry of Public Health since September 2015. WHO and the Global Fund expressed their willingness to contribute to the implementation of the PBF in Cameroon.

The impact of PBF in the various health services and health areas

Before, there was only one building for the CMA (Sub Divisional Medical Health Center). This made activities very difficult because the wards were very small and not many to accommodate the population using this health facility. Men and women sleep in the same ward together with children.

Figure 1. PBF conceptual framework

Figure 2. CMA with One ward

This picture shows the health center at the state were there was only one ward. This was a difficult situation for patients as women, men and children were forced to use the same ward.
Due to the construction of this new building, the maternity has moved to the new site providing much space for the old building for hospitalization and other activities.

From Fig 3 it is clear that, PBF has been instrumental to the construction of the new building providing the initiative and necessary finances to achieve the results. This health facility had the capacity to provide better health care to the population but just needed innovation and finances to achieve high levels.

**DISTRICT HOSPITAL KUMBA CREATION OF VIP WARDS**

The district hospital Kumba have suffered much for long due to the absence of a private ward which made many personalities not accept to go through admission. But with the advent of PBF project in the south west region and subsequent coaching held in this Health facility, they are now proud of having VIP wards which has led to the high demand of private wards as seen above.

**Creation of three new offices for outpatient screening and orientation at the district hospital kumba**

As can be seen in Fig 6 below, there are three new rooms for screening with new chairs and tables for the patients which provide more comfort and information of the patients are confidential.

There is a waiting hall for the patients which is more comfortable, they no longer sit along the corridors.
The Out-Patient Department (OPD) situation at the District Hospital Kumba (DHK) look like this before the implementation of PBF, which posed a problem in terms of delivery of health care and comfort of the patients.

The implementation of the PBF in the South West Region has provided an opportunity for improvement, providing comfort, privacy and quality health care.
Impact of PBF in Limbe health district

Pre PBF-situation

Outpatient services: poorly organized, poor reception, orientation & waiting conditions, improper triage system, no confidentiality, unclear user charger. Inpatient services: poor hygienic conditions, insecurity, poor patient follow up, parallel sales/malpractice.

Specialized services: financially inaccessible, poorly organized, under equipped and poorly maintained working equipment.

Administration and Finance: Poor human resource management, irregular technical meetings, subjective system of staff evaluation, personnel demotivation/absenteeism

After the implementation of PBF there has been considerable changes in the various areas listed above as can be seen in Fig 7.

Conclusion

The implementation of the PBF method of financing in the South West Region of Cameroon has been of great importance. The remarkable improvements noticed in the health areas and health facilities has been impressive. This method of financing has promoted competition among health facilities thus provision of quality and quantity health care to ensure retention of patients. The reward provide by PBF has thus lead to construction of facilities to aid the provision of health care. This article looked at the impact of the PBF method of financing, and found out that much improvement has been recorded. Of course, much work needs to be done to reach to health facilities which are in hard to reach areas, and extend the implementation of the PBF financing strategy to the other health districts in the South West given the fact that there are 18 health districts. This scale up would also need to be done in the entire country and also which will greatly improve quality and quantity of health care. The funds used for the
PBF project comes from donors (essentially World Bank), this therefore possess the question can the Cameroon government continue this project without support and if not what happens then?

**Declaration**

**Acknowledgement**

I would like to gratefully acknowledge the assistance from the PFB branch office in South West and the Regional Delegation of Public Health from the South West Region.

**References**

Customer Relationship Management, A strategic Tool for Business Sustainability: The case of Small, Medium Enterprises in Ghana

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Abstract

The purpose of this article is to highlight the lack of business sustainability of small and medium enterprises in Ghana and how the trend can be reversed through the adoption of customer relationship management and strategic management practices as a solution for sustainable business that can transcend generations.

Small and medium businesses in Ghana more often either collapse, shuts down or in case owners are sick, the business cease or when owners die, the business dies with them. Those that are able to put structures and systems in place soon become dreary and inward looking and eventually fall into decline, as a result of lack of strategic management and customer relationship management. Failure to build, develop and manage strategic and customer relationships creates complacency stifling growth and profits notwithstanding business expansions, hence the business folds up or shuts down with economic turbulence.

According to Bloomberg, 8 out of 10 small and medium businesses fail within the first 18 months and the reason being that, they simply run out of cash. (Bloomberg 2013). The trend can be reversed if small and medium enterprises embeds the necessary elements including customer and strategic relationship management practices to enable their long-term sustainability.

Implications of the short lives of small and medium businesses in Ghana is an indication of a cycle of stifled economic growth as new businesses keep springing up but without a successful, practical and workable existing business model to emulate or learn from to support their sustainable business practices.

Keywords: customer relationship management, strategic management, service management, business sustainability.

Introduction

Globally, the world’s economy is gradually shifting from over dependence on government and conglomerate businesses to emerging dynamic small and medium businesses as a result of inability of most Governments all over the world to absorb the increasing growth of unemployment and Ghana is no exception. Individuals are entering into small scale enterprises and virgin territories trying to create the best out of these territories for survival without going through the hustles and bustles of job seeking or pursuing career development.

By the start of the twenty-first century, one in every three households in the USA had at least one person involved in a new or emerging small business (Economic News 1997). By all definitions, the contribution of small businesses to the economies of every country has begun to be appreciated.

In Ghana, the development of small and medium enterprises have been on past and present Government agenda trying to empower young entrepreneurs with resources and skill development to enable their financial freedoms without depending on the Government for jobs. This call to action is also in line with the one district, one factory agenda of the Government, to establish small scale industries in designated districts to manufacture both for the local market and the West Africa sub-region. This in effect will support government’s efforts in poverty alleviation and help with the building and development of the national economy of Ghana.
While some Governments have generally sought to empower some of these small scale and medium enterprises, the question remains as to whether these businesses usually transcend generation or are able to survive beyond the owners. Many at times, the business proposals or business plans these small medium enterprises present to access funding from Angel Investors, Government or Non-Governmental sectors is written by others and not themselves. They usually have ideas or a skeleton plan of what they want to do and sometimes how to go about it, but it generally ends there. The practicalities of managing a business when faced with economic and environmental challenges are what most of the time caps the wings of these business owners to hardly survive. Most of these small and medium enterprises do not think beyond a short to medium term plan as well as the dynamics of the global and business environment that can impact heavily on their business and cause a change in direction, hence there is usually no plan B or alternative plan for survival when the eventuality happens. Small and medium businesses more often than not, either collapse, shuts down, or in case owners are sick, or die, the business dies after them shortly.

Furthermore, some small and medium enterprises that are able to put structures and systems for survival soon become dreary and inward looking and fall into similar traps as afore-mentioned as a result of lack of strategic and customer relationship management that can enable profitability and business sustainability. Their failure to build and manage strategic relationships with their customers creates complacency and causes stagnation in profits disabling business expansion or more profits to enable withstand the trying times during economic turbulence and environmental shifts in business causing them to fold up or shut down too soon.

This article highlights why many small and medium businesses are short lived or barely survive and how Customer Relationship Management can be used as a strategic management tool to turn around the fortunes of these small and medium enterprises in Ghana to enable a profitable and sustainable business that transcends beyond owners or founders. It is pertinent to address this issue because many small and medium enterprises overlook the relevant frameworks and fails to focus and embed the necessary elements that ensures sustainable businesses especially strategic management practices being the major challenge, the absence of which causes the collapse of small and medium enterprises.

The article further highlights the structure of small medium enterprises and their management principles and practices. Predominantly amongst small and medium enterprises in Ghana, is a lack of understanding of customer relationship management and management information systems which can be used to manage relationship equity and customer life-time value as a strategic management concept.

**Literature review**

During the 1960s the world saw a decrease in the importance of small firms, measured in terms of their share of manufacturing employment and output. The proportion of businesses classified as small and medium enterprise was at its lowest point. However, in the early part of the 20th century, the situation saw a reversal. Small and medium enterprises increased in importance, measured in terms of their number and share of employment and turnover and the number of small and medium enterprises continues to rise. Small and medium enterprises in the UK for instance, increased to 4.7 million by 2007 from 2.4 million, an increase of approximately 96% in 28 years and generating 59.2% of employment and 51.5% of turnover out of 2.8 billion pounds. Small and medium enterprises are increasing in number in most advanced and even emerging economies as is their share of employment. In the EU for example, small and medium enterprises contribute 67.1% of employment and employed approximately 4.3 million people making them a vital part of all the EU economies.

Small and medium businesses mostly dominate the service sector including hotels, catering, retailing and wholesaling and construction but averagely, only 50% of these SMEs survive beyond their fifth year. EU report for instance also found that, small and medium enterprises in the USA are larger with fewer micro businesses and expand more rapidly with a higher dispersion of productivity; productive businesses have a stronger tendency to increase in growth. This can be explained more probably because of an enabling economic environment and fewer barriers to growth.
The issue about survival and growth of small and medium businesses pervades much of government policy. Storey and Greene (2010), remain unconvinced by the arguments for government interventions for SMEs. According to them, government cannot justify the creation of an enterprise culture and policy interventions related to provision of finance, advice and assistance for SMEs. Interventions for Research and Development and other business technology support is what they deem appropriate to guarantee a publicly funded loan scheme. Other schools of thought, that is, Bill et al., (2007); and Greene., (2002) have all supported the view that there is little evidence of success in government interventions in supporting small and medium businesses. They feel that the micro economic policies of governments including taxation, regulation, competition, etc., are ineffectual and can have an effect on small and medium businesses. They further purported that, government interventions for small and medium businesses, will simply encourage more start-ups that may be thought about as actually being set up only to fail. On the other hand, a policy of encouraging surviving small and medium enterprises to grow will result in fewer start-ups because of reduced opportunities. SMEs are particularly vulnerable to economic changes because of their frequently precarious financial situation and in times of economic turbulence or recessions, they hardly survive.

A typical example is the Youth Enterprise Support, the “YES” project by the Ghana Government. Beneficiaries were presented with sums of money as reported in the Dailies of August 10, 2015 where the CEO of the YES project called for a change in mind-set as seeing government grants to small and medium enterprises as free money therefore fail to pay back. Although citizens labelled this grant as another mass handout of money for political scores, the CEO proved critics right as she could not outline how monitoring and evaluation would be carried out to ensure efficient and effective utilization of these “free monies”. This may probably confirm the reservations and strong argument put out by the aforementioned schools of thought.

A value added tax (VAT) statistics conducted in the UK in 2008 have been used to show that the most dangerous times for the survival of small and medium enterprise is its first three years of existence, with approximately 50% ceasing to exist as a result of death, retirement of business owners, business not attractive, changes in aspirations and motivations of business owners moving on to other things. Other studies have also provided insights that small and medium enterprises have lower productivity because of lower capital backing. A 2002 study of small and medium businesses also discovered that 50% of small and medium businesses still operate after 3 years; however, 33% fail while 17% shuts down but with some success (Ryan 2014) Research carried out by McGovern et al., (2004), also indicated a disproportionate high number of bad jobs, low training initiatives and poor management practices as reasons for non-sustainability of small and medium businesses.

However, none of the above schools of thought mentioned how start-ups or small and medium businesses can be supported to effectively apply sound business principles and strategically manage their businesses for growth and sustainability or how strategic management practices can push them on to the radar for sustainability if they are not to be financially supported coupled with all the afore-mentioned reasons.

Structure of small and medium enterprises

There is no uniformly acceptable definition of a small and medium enterprise. However, the European Commission coined the widely used term small and medium enterprise (SME) and defined it in 1996 as an organisation employing fewer than 250 people with a turnover of less than 50 million Euros.

However, being a small firm is not just about size but also about satisfying three important criteria as follows:

**Market influence** – having a small share of the market; usually operate in slim market niches with no clear competition, hence influence price and quantity sold.

**Independence** – small enterprises are free from outside control in taking principal decisions and therefore independent.
Personal influence – managed in a personalized way and not through formalised management structures.

Following from the above, the questions to ask are - do the above criteria contribute to their non-survival? The fact that many of these small and medium enterprises do not have a formalised management structure makes them jack of all trade as they are sometimes involved in all facets of the business; many of them are their own Accountants, Human Resource, Marketing and Sales, Procurement, and other functionaries within the business, although the business can be managed by someone else other than themselves and may or may not include family members.

Another question to ask is – do the dynamics of the external environment affect them in times of economic turbulence? The answer is very much so and the reason why many of these small and medium enterprises do not survive. It is however worth noting that, even large corporate organisations are merging their businesses under one “blog” or “cartel” so they can better compete and survive the turbulent times.

Banks in Ghana for example are merging to be able to meet the financial capital requirements demanded by the regulations and requirements of Ghana Government to be eligible to operate.

The final question to ask on the criteria is – how do these small and medium enterprises grow or expand their businesses for survival or sustainability if they operate in a slim niche market and with no clear competition? The high interest rates from banks in Ghana hover between 28 – 35% and obviously not meant for small medium enterprises, therefore injecting financial capital for expansion can only be done through other non-formalized or conventional ways which is finance from friends and family or angel investors. However, the state of the economy coupled with fraudulent micro financiers has also made it impossible for informal sources of finance as individuals mistrust their own friends to lend them money for their business.

The above leaves small and medium enterprises with no better options than to rigorously pursue customer relationship management (CRM) to create customer equity that generates consistent cash flow to run the business. This can also lead to customer lifetime value (CLV), in order to survive or build a sustainable business in the ever changing and dynamic environment.

The Bolton Committee’s (Bolton 1971) criteria for a small and medium enterprise that disregards practical application does not portray or define the important characteristics of small and medium enterprises that can survive the dynamics of a twenty-first century environment to enable its sustainable and transcend beyond the owners.

A focus on the management practices of small and medium enterprises that contributes to its sustainability and how similar or different this is from the practices of large organizations also requires due consideration.

Small medium enterprise business management practices

Small and medium enterprises operate their businesses in fundamentally different ways from large organisations. The personality and behavioural characteristics of the owner may impact on how the business is run and how decisions are made; these underpin their approach to strategic management of the business. While large organisations can easily access finance, small and medium enterprises cannot easily raise capital and are usually short of cash and this has strategic implications on their operations as it constraints the strategies they can adopt to market and create visibility for their products and services, hence a wisely use of their time must be spent on building, developing and enhancing relationships with existing and prospective customers than adopting expensive advertising and promotional campaigns to create awareness and generate desired revenues.

Whereas large organisations are able to operate in global markets expanding their offerings to other customers to generate more revenue, small and medium enterprises usually operate in a single market which also has strategic implications on their income as they offer limited products and difficult to diversify their business risk.
As a result of their small nature, it is difficult to deploy economies of scale with its inherent benefits, thus impacts on their financial evaluation. They do not have formalized and structured way of doing things as compared to large organisations and they do not employ many staff. According to Atkinson and Storey (2016), small and medium enterprises only begin to make some managerial staff appointments to support with strategic management decisions when they have been able to employ about 10 – 20 people, many of who will usually be their relatives. Taking on staff is in itself a major strategic decision involving an increase in costs.

Wynarczyk et al (1993), also identified business evolution and uncertainties in small and medium enterprises than large organisations. The high degree of uncertainty forces small and medium enterprises to make short term decisions and their management style considerably change as the business evolves. They are less concerned with formal systems and structures and strategic decisions are more judgemental and quicker, responding to changes in the market place but with less influence on the developments of the environment.

Whereas large organisations involve in Strategic management practices, small and medium businesses do not usually practice strategic management. The Strategy making process involves thinking strategically about the future direction of the business and making changes in the product, market, customer, or technology to improve current market position and future prospects of the business.

Prof. Azhar Kazmi (2008) indicated that, the strategic decision must focus on few alternatives and the alternatives must be evaluated against certain criteria to make the actual choice, but small and medium businesses already have challenges making strategic decisions, left alone choices.

An organization’s vision can be re-constructed to reflect new structure, culture and systems that better responds to the dynamics of the changing and new environment. Small and Medium Enterprises do not have a Strategic Vision which is the road map that shows the route to take in developing and strengthening their business and therefore do not make any strategic choices; this is an identified factor among others why small and medium businesses are not usually sustainable. Another feature of management practise in small and medium enterprise is that, although they mostly have a vertical structure which is dominant to achieve control and coordination unlike the tall bureaucratic structure which has disadvantages usually synonymous of large corporate organisations, they do not still seem to achieve the benefits and advantages of a vertical structure. This is because they are usually and mostly a one-man decision maker or has the final say in almost all subjects of concern even when they have other management staff. Characteristics of a vertical structure include centralised strategic decision making, specialized tasks, rigid culture, vertical communication and reporting systems, few teams and task forces which enable a business to run efficiently.

Small and medium businesses focusing on a single business or set of capabilities do perform well in the short run but when viewed from a long term perspective may not perform well or even cease to exist. Small and medium enterprises can sustain its growth through vertical or horizontal integration; by new product introductions at in-home market or other geographical locations but they usually do not have the capacity to do that because of scarce resources and therefore has a slim chance of survival in case of economic turbulence or turmoil.

An organization’s plan for its existing business allows it to project total sales and profits, so that, if there is a gap between future desired sales and projected sales, management can develop new businesses to fill it. According to Igor Ansoff, three options are available.

The first is to identify opportunities to achieve further growth within current businesses (intensive growth opportunities) but small and medium businesses in Ghana barely think about this neither do they practise it.

The second is to identify opportunities to build or acquire businesses that are related to current businesses (integrative growth opportunities) but small and medium enterprises do not have the capabilities or capacities for this. They are usually complacent and content with the few customers they have without exploring opportunities for further growth or expansion. One may ask whether the difficulty in accessing finance is what causes these businesses into this state of thought.
The third is through diversification. Independent businesses with the right focus and corporate strategy can grow and become market leaders through integration or diversification. This can enable its growth and sustainability for the foreseeable future while achieving its corporate vision.

In this modern century, although businesses whose concentration is on customer satisfaction, quality, innovation and performance will be rewarded more than businesses whose focus is just on figures, efficiency and meeting budgets, small and medium enterprises can only do one of this very well, which is customer satisfaction through excellent customer service and relationship management, with the necessary systems and tools to support their efforts to sustain those relationships as seen with large corporates. In considering how large corporate organisations are able to sustain their businesses over the years, small and medium businesses can emulate the intrinsic values and strategic management practices of these large organisations.

According to Henry Mintzberg, no matter how well an organisation plans its strategy, a different strategy is likely to emerge possibly due to environmental conditions. These can be intended or deliberate. A deliberate strategy according to Mintzberg is an intended strategy that is realised and an emergent strategy is realised strategies that were never intended. If large corporate organisations practised or adopted any of these strategies, then small and medium businesses can also consider at least practising strategic planning and make strategic decisions that can propel the sustainability of their business. The absence of strategic planning, strategic decisions and choices is also an identified factor that causes small and medium businesses in Ghana to fail to exist for a long time.

Mergers and acquisitions are frequently used by organizations as a means of achieving rapid expansion, but this is obviously not in the language of most small and medium businesses as their businesses are usually one-man or to the higher extent, partnership. The thought patterns of “my own”, command and control syndrome, challenges associated with human relationship management among others are a deterrent to small and medium business owners in Ghana. Hence the issue of sustainable growth is a challenging concern.

**Introducing strategic management practices in small and medium enterprises in Ghana**

Strategic Management has been defined as a set of managerial decisions and actions that determines the long run performance of a business. It involves the formulation and implementation of goals and initiatives based on consideration of resources and an assessment of internal and external environments in which the business operates. (Wikipedia) The concept includes four phases namely;

- Basic Financial Planning
- Forecast-Based Planning
- Externally-Oriented Planning and
- Strategic Management

Benefits of the strategic management concepts emanates from a clearer sense of strategic vision, sharper focus of strategic importance and improved understanding of the changing environment. The question is do small and medium businesses care about these concepts and inherent benefits? Have they at any point of their business embedded any of these concepts? Do they have a purpose for existence? Do they think about where they want to carry their businesses to in the medium to long term? And even if so, do they ever consider the strategic choices that can carry them into the medium and long term. Do they conduct a SWOT and develop long range plans for effective management of opportunities and threats? These are pertinent questions that require credible responses to determine the future of small and medium businesses.

Most small and medium businesses in Ghana do not have a corporate, business or functional strategy as they operate by the day as events unfold, therefore do not think about growth or resource utilization for return on equity or investment. Corporate strategy ensures stability, growth and retrenchment; business strategy enables competitiveness and cooperativeness while functional strategy instils technological leadership and followership. All these are relevant in defining the course of direction and the life cycle of a business but most small and medium enterprises do not have and practice any of these. Strategic decisions
are rare, consequential and directive and these comprise substantial resource commitments and enterprise level thinking. The strategic decisions are made from strategic choices which can enable the long-term existence based on the objectives of the business.

Strategic management process involves the development of a strategic vision, setting objectives and crafting and implementing strategies that can enable achieve the objectives and vision while monitoring and evaluating performance to embed necessary corrective measures and ensure the business is on course to achieve the set objectives and vision.

Strategic vision involves thinking strategically about the future direction of the company, and introducing necessary changes to improve on market and future prospects. It concerns the company’s future and how to get there. John W. Teets (2011) indicated that, “management’s job is not to see the company as it is but as it can become” but the future existence of most small and medium businesses is unknown as they don’t think along this direction. Most small and medium enterprises in Ghana only focus on the current business activities, “the mission”, and not the vision therefore do not have any clear strategic choice and plans to follow for a sustainable future. The purpose of setting objectives is to convert vision into specific performance targets and track the performances guarding against complacency and status quo performance. However, it is clear that small and medium enterprises are more interested in objectives that will achieve current profits, “financial objectives”, than in future performance, more often geared towards entrepreneurship, searching for opportunities to do new things or improve on existing. The exigencies of strategy implementation cannot be mentioned with small and medium businesses as this involves building a capable business and allocating resources to strategy-critical activities; establishing strategy supportive policies, instituting best practices for continuous improvement, installing information, communication and operating systems, creating a strategy supportive corporate culture and motivating people to pursue the target objectives. These are not a one-time exercise as it involves evaluation and making necessary corrections and adjustments. The process may even involve altering the vision, changing objectives, or modifying and improving strategy.

Strategy is all about making choices; developing goals and means to achieve those goals including resource commitments. The surest path to sustained future profitability is to relentlessly pursue strategic outcomes that strengthen a company’s business position and gives it a growing competitive advantage. Since this is not practical with most small and medium businesses, the other option to consider is Customer Relationship Management to enable its growth and sustainability.

Using customer relationship management as a strategic tool to deliver quality service and customer value for growth and sustainability

Small and medium enterprises can use customer relationship management as a strategic management tool to deliver quality service and customer value and this can lead to business sustainability.

The key asset that lies at the centre of every business is the Customer. As the economic environment continues to destabilize, many businesses focus on strategies they can pursue to bring tangible business benefits. In a growth economy, businesses will work hard to expand their customer base to strengthen the growth engine while in an emerging economy, where money is tight, existing customer relations grow in importance to seek a cost-effective way of sustaining the business. Customer Relationship Management solutions can provide the foundation for sustainable growth and enable businesses to survive and thrive in uncertain times. By protecting and investing in customers, businesses can establish the foundation for a sustainable business.

Customer Relationship Management uses a technology that allows businesses to track and leverage every customer interaction to maximise revenue and leverage on other opportunities to improve customer loyalty. Customer Relationship enables to build and track detailed information on customer including details of purchases made by customer, communication preference, demographic and psychographic information among others. This customer information enables to build meaningful relationship with them and enhances sales opportunities, affinity and relationship equity. When the relationship is well managed, it develops into
customer loyalty where customers become ambassadors for the company and support with increased sales and business growth freely through diverse direct marketing opportunities. Customer relationship management can even generate into customer lifetime value (CLV). It is pertinent to note that, customer relationship management is becoming increasingly relevant for business profitability and growth as customers now buy relationship and not just quality of products per se. The quality of relationship with customers through improved and best services enables them to overlook minor product quality flaws at certain times and still keep loyal with the company other than switch to other similar competitor product offerings.

However, to appropriately and effectively manage relationships with customers, the company must deploy effective customer relationship management tools or enterprise resource planning tools. This management software creates tables of data relationships by using parts of the data from several tables. Technology has made it possible for automatic updates that has created enormous shifts in the way companies do business. Strategic planning can be well done by deploying some of these useful information technology tools to enable bring more meaning, lively and achievable strategies. A business simulation software combining a variety of developments, trends and environmental factors can aid small and medium enterprises in anticipating the future demands on their businesses and forward plan to respond to future needs. This practice can enable a sustainable business.

The process of defining an overall frame of scenario-based strategic plan using the “framing checklist” tool that specifies the goals, individuals involved and other characteristics enables to drive the strategic process of small and medium enterprises through three main goals as follows:

The first goal is to establish a list of factors that can potentially influence the future of the company. The second is to evaluate the factors according to performance impact and degree of uncertainty and the third is to match the perspectives of stakeholder groups concerning the influencing factors, in this case, the customer groups. A typical example is the 360-degree customer feedback that poses open and closed questions on factors that has the tendency to influence the future of the business. The comprehensive knowledge gathered from the customer groups can provide a scenario to be used to compare the perspectives on the future of the company. Trends and uncertainties have potential impact on the future of a company; the uncertainty grid serves as a tool that helps to visualize and structure the list of factors which potentially have an influence on the future development of the company. The uncertainty grid allows for the positioning of identified factors according to their potential performance and degree of uncertainty for the future. The uncertainties identified in the scenario-based approach to strategic planning serves as a dimension for which the customer value can be defined. (Wulf, Meissner and Stubner, 2010)

This approach requires some distinct future based scenarios that must be described based on cause and effect. The existing strategy can be tested against the scenarios to build a bridge from thinking about the future to deriving concrete strategic alternatives and action plans that can ultimately lead to the future sustenance of the company. This approach also shows the integration of the opposing views of the planning school and process school of strategy that can be used by small and medium enterprises to achieve sustainable businesses.

Customer Relationship Management enables to optimize operations and standardize best practices. Ultimately, it allows businesses to better acquire, manage, serve, and extract value from their customers while improving operational efficiency. It further provides real business benefits that can be employed for sustainability using the five main strategies below.

- Focus on Existing Customers
- Maximise Revenue Opportunities
- Reduce Operational Costs
- Do More with Less and
- Optimize Existing Assets

Customer relationships will at its inception emanate from perceived value from consistent quality service and how that provides solution to the hidden or emotional needs of the customer. Continuous service quality
is as a result of continuous improvement; that is, bringing improvement in all business functions and processes including leadership and service culture, technological systems, service oriented people leading to customer value and relationship equity which I call the “QUADROLE” model per the illustration below. (All the elements in the square has critical roles to play in SME business sustainability)

**The quadrole model**

<table>
<thead>
<tr>
<th>High</th>
<th>LEADERSHIP AND SERVICE CULTURE</th>
<th>TECHNOLOGY AND SYSTEMS</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>SERVICE ORIENTED PEOPLE</td>
<td>CUSTOMER VALUE AND RELATIONSHIP EQUITY</td>
<td>High</td>
</tr>
</tbody>
</table>


The three elements of Leadership and Service Culture, Service Oriented People, Technology and Systems will lead to Customer Value and Relationship Equity. Each one of the quadrants cannot do without the other. Customer Value and Relationship Equity starts with Leadership that develops and enforces a culture of Service Orientation and effective technology and systems to achieve customer value and relationship equity. Where there is high leadership and service culture, this infiltrates automatically into the DNA of the service delivery people.

Businesses thrives on the loyalty of their customers who perceives value for monies expend and are motivated by the desired service expectations which keeps them coming back. Excellent Customer Service and Relationship Management is not a one or few times practice but a consistent practice of all the elements playing together to provide that flawless and desired service experience, that eventually develops customer loyalty and generates customer equity leading to customer lifetime value. Excellent Customer Service and Relationship Management is done with mindfulness and ownership of the service but must also come naturally as part of business culture when consistently practiced.

Making reference to the Quadrole Model, where there is a lack of leadership and service culture, there is an automatic breakdown of systems and service orientation leading to low customer value and relationship equity. However, when there is high leadership and service culture, there is also an automatic high service orientation, technological processes and systems work and the result is a high customer value and relationship equity which can enable business sustainability.

The design of a customer relationship management tool enables to build, develop and maintain meaningful and relevant customer relationships. The numerous customer data enables to know the customer inside out and segment them according to their needs and their value to the business. The implementation of targeted and relevant customer activities enables a better appreciation between the business, its service and customers thereby creating this triad affinity. The triad affinity creates enormous opportunities for the business and its products or services leading to a sustainable business.

**Conclusion**

The work of small and medium enterprises is hard without guaranteed results, but many more people explore this territory every year around the world. There are always new entrants and an expected post-entry profitability generally related to the growth of the industry they choose. SMEs form the foundation of free-market economies. However, entry barriers such as capital requirements, expensive interest rates (especially in most emerging markets), restricted access to inputs and whether economies of scale exist are all challenges that these small and medium enterprises face. The personal characteristics of managers and owners and the environment in which they operate can be shaped by antecedent influences like experiences, personal situation, character traits, family, social groups and culture as much as economic influences such as unemployment, or even opportunities that pull them into the self-employment, but these can also determine the success of failure of the business. It is not all small and medium business owners who are
entrepreneurial and since it takes time for entrepreneurs to prove that the business is in fact a growth business, is the business then built on aspirations or reality at its inception. This is why decision making is therefore short term and incremental strategies evolve on a step by step basis. The options are open because of all the uncertainties and they reduce and keep investment and fixed costs as low as possible to minimise risks and these are some reasons why there is absence of growth and sustainability.

In effect, small and medium business owners exploit change for profits by seeking out opportunities to make money mindful of the uncertainties, while large corporates with opportunities and calculated risks use strategic management principles to ensure they are achieving their goals and sustaining their business. However, this can also be possible with small and medium businesses as it can be argued that the Nestles’, Toyotas’, Unilever’, General Electrics’, Microsoft’, Proctor and Gamble, etc., all started as small and medium enterprises but applied elements consistent with the Quadrole Model and in tandem with strategic management practices and with clear vision and goals. The variations of the business environment enable a number of changes and paradigm shifts, sometimes, changes even in mission and vision and re-direction of strategies, most often diversion into other non-core areas that equally generate revenue. Corporate organizations change with the times, they predict and predetermine the environment and competition, they invest into people and infrastructure, most of all, they drive and move their customers along valuing the customer relationships and keeping to the great service value for a sustainable business; and small and medium businesses in Ghana can tread this path also to achieve sustainability.

**Recommendations**

In Ghana, customer relationship management is almost non-existent with small and medium businesses, hence they do not have data on their customers, and do not even know who their customers are in some cases. In the large corporates, the know-your-customer (KYC) is developed and enterprise software tools including customer relationship management is used to partner the customer though the voice-of-the-customer mechanisms as well as other relationship management activities deployed to engage and keep the customers for a longer period. This can be emulated by the small and medium businesses as well.

Many customer relationship management tools are available and can be affordable for the small and medium enterprises to build meaningful relationships with their customers. For example, how can a hairdresser keep their customers coming back if all they know and care about is that, “today they got 2 or 3 people, visiting their salon”; not referring to them as customers or even prospects. These prospects can choose to visit any other hairdressing salon the next time they want such service because the previous one they visited obviously did not make any concerted effort to know them, let alone, contact them subsequently to provide relevant information such as their due date for next hair re-touch or hair wash. Small and medium businesses do not take any pain to build meaningful relationship with customers, they do not even know how to receive, treat and appreciate customers for their custom in the first place. Hence their survival leaves much to be desired.

It is pertinent for government to support small and medium enterprises through practical implementation of their business ideas using business incubators to make them ready to take off on a better foot. Knowledge and business skill development must be the foremost on the agenda before handing out “free monies” as Government subventions for small and medium enterprises.

The knowledge builds up and business incubators coupled with practical experiences from successful entrepreneurs sharing their business models can help small and medium enterprises in Ghana. The “my own” and “one-man” business syndrome has to be disabused in the minds of small and medium enterprises to take up the challenge of strategic partnerships to grow and develop their businesses.

Great attention and extra focus must be made on providing excellent customer service and developing excellent customer relationships. Customer service skills are very pertinent in running and managing a business without which customers have choices to take their business elsewhere. Unfortunately, in Ghana, most small and medium businesses think that they are doing the customer a favour by serving them. The business owners themselves who employ other people to work for them do not ensure that these are suitable
people who can drive customer traffic. Complacency makes them lay back and watch as the service employees help to drive visitors and prospective customers away during their first service call. The service orientation is non-existent and not embedded in the behaviours and characteristics of most employees in small and medium enterprises.

The high risk of small and medium businesses does not encourage investors or the banks besides their own friends and families to invest, so many struggles with their little saved capital or look for government subventions to help them start and continue. Small and medium businesses must be able to scan the environment and ascertain customer needs and trends to help position their businesses better to serve the customer.

If for nothing at all, small and medium business must have a goal, a strategic intent and must be able to take risks and initiatives that can propel them to achieve the goal. Customer relationship management application tools can be deployed at the small and medium business level to build meaningful relationship with customers. This will also enable access to customer feedback for product, service and relationship improvement, thereby creating more opportunities for customer engagement, relationship and partnership for sustainability.

References
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The Impact of Digital Outside on Financial Sector of Sub-Saharan Africa

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Abstract

Digitalization has brought to the banking industry new business models, development concepts, from internet, mobile banking to monetization of transactions on different platforms and intermediaries. Currently there is no doubt that the banking sector is at a major crossroads. This disruption can be seen also from the demand and supply of financial services, forcing banks to develop new low-cost models. Due to this pressure, almost all commercial banks in West and Central Africa are in the process of crafting their own digital strategy with the principal objective of offering more inclusive banking services to the population who in their majority has limited or no access to banking facilities. Recent studies show that less than 10% of Sub Saharan Africa population is banked, yet not much research has been done in this area to understand why. Thus, the need to investigate the impact of digitalisation of Banks external (Digital Outside) processes on the financial sector, of Sub-Saharan Africa. This study made use of both qualitative and quantitative methods. The relationship between digitalization and customers of banks was investigated using Pearson correlation coefficient. There was a positive correlation between the two variables \( r = 0.236, \quad n=278, \quad p=0.05 \), where increasing levels of digitalization is associated with higher levels of customers satisfaction. Based on the finding of the study, one can conclude that internet, mobile, ATMs, are the mostly used digital channel to reach the customers and thus increases the level of customer satisfaction and digital banking adoption in sub Saharan Africa.

Keywords: Digitalization, Customers Satisfaction, Profitability, Digital outside.

Introduction

Digitalization has brought to the banking industry new business models, development concepts and areas of improvements, from internet banking to monetization of transactions. Currently there is no doubt that the banking sector is at a major crossroads. The negative impact of the economic environment on banking, expectation of the prolonged period of low interest rate and the stagnation in lending leads inevitably to the quest for a transformation process, enabling cost to be reduced and revenue boosted. The disruption charactering the financial sector can also be seen from the demand and supply of financial services.

Digitalization is about taking control of the customer ecosystem by managing the entire business from a customers’ perspective and rethinking the entire banking business model. These radical changes in banking sector requires the customers to be aware of the rapidly changing banking environment and the overall state of change in the financial sector.

Information technology (IT) is the digital enablement tool to achieve competitive advantage and, because of this, the usage of information technology, which broadly refers to computers, peripheral equipment and software, has seen a tremendous growth in recent years (Ho and Ling, 2010). Fung (2008:76) points out that the financial services industry has historically been among the largest investors in information technology because of the digital nature of its products and services. To date, the banking industry is investing heavily in information technologies, and these technologies are extensively utilized in their daily operations (Nor and Peason, 2008). The delivery channel for retail banking services is one aspect of the banking sector that has since gone through several innovative phases hinging on effective IT solutions (Yu and Guo, 2008: 7). The proliferation of Automated Teller Machines (ATMs), Telephone
Banking, Internet Banking, Electronic Payments, Security Investments, Information Exchanges and more recently Mobile Banking are testaments to the changes in retail banking brought about by IT.

Contemporary literature highlights the networked aspect of digital innovation where it is important, even necessary, to involve a wide set of heterogeneous actors (Tilson et al., 2010; Yoo et al., 2012; Eaton et al., 2015). However, this requires network activities that can handle the complexity related with digital innovation (Yoo et al., 2012), i.e. activities such as production and translation of knowledge and enrollment of actors (Pavitt, 2006; Dhanaraj and Parkhe, 2006). As different architectural layers of digital technology require different sets of knowledge, organizations typically need to collaborate to succeed with digital innovation (Andersson et al., 2008; Yoo et al., 2012; Kallinikos et al., 2013).

These collaborations include finding new ways of combining different technologies as well as doing business in the digital landscape where business roles might rapidly change (Van de Ven, 2005; Yoo et al., 2005; Vanhaverbeke and Cloodt; 2006). In digital innovation there is a need to find new ways of organizing activities that embrace and build on the networked aspects inherent in digital innovation (Yoo, 2010; Tilson et al., 2010; Yoo et al., 2012; Svahn and Henfridsson, 2012). Two main topics can be discerned within the community. The first topic concerns heterogeneous actors in digital innovation as a result of the characteristics of digital technology. This topic includes issues and challenges such as how to mobilize and involve actors in innovation networks who have different, and sometimes conflicting, interests and diverse knowledge bases (Yoo et al., 2009; Tilson et al., 2010; Eaton et al., 2015). The second topic concerns networked, complex and ambiguous digital innovation processes where generative, and malleable digital innovations are developed (Boland et al., 2007; Yoo 2010; Yoo et al., 2010a; Yoo et al., 2012; Thomsen and Åkesson, 2013).

The effects of digitalization on the financial sector can easily be correlated to the amount of people using internet banking and mobile phones to pay their bills as it is the dominating factor on average person’s banking errands. When observing the figure below, which shows the amount of non-cash payment transactions per inhabitant through the years of 2008 to 2012, it can be seen that the Finnish consumers have moved to digital ways of paying faster than other countries (Pohjola 2015, Cited 28.11.2016.)

Every major commercial bank in Sub Saharan Africa and particularly in West and Central Africa has or is in the process of crafting its own digital strategy with the principal objective of offering more inclusive banking services to the population who in their majority has limited or no access to banking facilities. Recent studies show that less than 10% of Sub Saharan Africa population is banked. Banks see the penetration and densification of Mobile telephone access in this region as an opportunity for partnership to bring financial inclusion to the masses. There is also a huge knowledge gap about the role played by digitalisation in the financial sector of sub Saharan Economies as no proper research has been previously carried about the issue.

Thus, the investigation of the impact of digitalisation of Banks external (Digital Outside) processes on the financial sector, of Sub-Saharan Africa. This study is guided by the following research questions:

How has digital outside impacted the financial sector of Sub Saharan Africa?

Methodology

This study followed a cross-sectional descriptive research design. This design employed mechanisms that utilised systematic techniques and actions to gather raw data and generate data construction that depicts the existing features of a defined target population (Hair et al. 2010). Descriptive studies usually accommodate large sample sizes and make use of survey and questionnaire techniques to gather the necessary data required by a specific study (Solomon et al. 2006:113). Neuman (2007) argues that surveys are beneficial in providing information that is inherently statistical in nature. Cross-sectional study is the most frequently used descriptive research design. It involves the collection of information from any given sample of population elements (Malhotra, 2007).
Quantitative and Qualitative research methods are two broad approaches to research design that are often used in social science research. Qualitative research involves non-numerical examination and interpretation of observations for the purpose of discovering underlying meaning and patterns of relationships. It emphasises processes and meanings that are not generally examined or measured, in terms of quality, intensity or frequency (Zikmund, 2010). According to Aaker (2010), qualitative data collection uncovers information from the perspective of the interviewee about a phenomenon, such as behaviours and attitudes that are not directly observable, that is, ‘in someone else’s mind’. The findings of qualitative research are not used to test a theory and make generalisation about a population, but rather, to build a theory for further testing through quantitative methods.

This study made use of both qualitative and quantitative methods. During the qualitative stage, in-depth interviews were conducted with 100 users and 100 non-users of digital services in Ecobank, Bank of Africa and Diamond Bank by means of convenience sampling. This is in order to understand their underlying motivations for using or not using digitalized banking services. The findings from this interaction were used to refine the constructs during the quantitative phase. In the quantitative phase, a structured questionnaire using mostly closed-ended questions were distributed to a large number of respondents for them to fill in and return.

This study was based on a cross-sectional survey of individual customers of Ecobank, Bank of Africa and Diamond Bank within sub Saharan Africa. These banks were chosen for this study because of their geographical outreach in the region and the fact that they are in the process of offering digital banking services to their customers. The study was undertaken at the headquarters of these banks and a few affiliates within their African footprint.

Traditional sampling methods can be divided into probability and non-probability sampling methods. In probability sampling, units are selected randomly.

A questionnaire was used to collect data, mainly using a five-point Likert scale. Data collected in this study were analysed using the latest version of the Statistical Package for Social Sciences (SPSS). All scales were tested for reliability using Pearson Correlation.

**Results**

**Customers correlations**

<table>
<thead>
<tr>
<th></th>
<th>Financial sector</th>
<th>Digitization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.236*</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.019</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>278</td>
<td>278</td>
</tr>
</tbody>
</table>

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

The relationship between digitalization and customers of banks was investigated using Pearson correlation coefficient. Pre-tests were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a positive correlation between the two variables \( r = .236, n=278, p=.05 \), with increasing levels of digitalization associated with higher levels of customers satisfaction.

**Discussion**

The response rate for the study was 97% which according to Richardson (2005) any response rate of 50% and above is considered adequate and capable of generalization to other studies. For instance, Muñoz-Gallego, and Laukkanen (2010) posited that, with regard to electronic banking services adoption, men appear to be more task-oriented as compared to women and Internet banking is typically motivated
by goal achievement, therefore, the likelihood of males accepting digital banking is higher than that of females. On the other hand, Garbarino and Strahilevitz (2004) have also stated that the influences of social norm on intention to adopt a technology are stronger among men than women. Based on these men are more likely to adopt digital banking services than women. This presents a big potential of Bank in Sub Saharan Africa and specifically in West and Central Africa where the bank penetration rate is still very minimal and with men having more bank accounts than women.

While looking at the attributes of digital banking it was discovered that customers of Ecobank Cameroon and Nigeria pay much attention to the quality of service the bank offered to them with 81.1% of the respondents accepting this opinion. On the aspect of trust the customers in the various banks of Benin believe in trust while Senegal due to the low level of penetration of digital banking technology was low on both aspects. Cumulative respondents from the customers of the various banks have different attributes with the quality of service offered by the various banks occupying the greater percentage, out of the total respondent, 49.8% were for the quality of service, trust 22.4%, technology used 15.3%, and the least was location of bank with 12.5%.

On the aspect of customers satisfaction on digital banking customers of the various banks showed their strength with different opinions on the various channel. In Ecobank Cameroon, customers are dissatisfied with Promptness of card delivery, those of Nigeria and Senegal were neutral. These findings are in line with those of Kumbhar’s (2011) who concluded that ATM users of private banks were more satisfied as compared to their counterparts in public banks. Attention was drawn to the increase in satisfaction derived by ATM users in both private and public banks if ATM service charges were reduced. Also, Aminu and Arhin (2011) showed that irrespective of all these attributes of the ATM service delivery, bank customers still underutilized the ATM service capacity by queuing in the banking halls to make cash withdrawals even when the amount may be withdrawn from the ATM.

Findings based on Customer satisfaction on Internet banking services shows that many of the customer of Ecobank are either neutral on the issues raise or dissatisfied but Diamond Bank and Bank of African Senegal customers are extremely satisfied with the internet banking services offer. According to Nupur (2010) there are several dimensions of service quality which include tangible, reliability, responsiveness, assurance, and empathy. However, not all the dimensions of service quality have a positive relationship with customer satisfaction. In spite of this, the prior research that was done by Rod et al., (2009) and Radhakrishna (2009) showed that the service quality of overall Internet banking is positively related to customer satisfaction.

Findings on ATM digital technology problems indicate that customers of the banks in Benin, 80.9% have problem with the ATMs either with card blockage, cash shortage, and non-printing of statement for them to have their balances. The item on card easily get blocked indicates that the clients are dissatisfied with this situation as a good number of the customer indicated.

Findings reveal that employees have difficulties in increasing customer expectation through the internal facilities of the digital bank as 78.3% respondents were divided over this issue in the various banks. Again, most of the respondents agreed with the fact that most employees, customers and management are very resistance to change which means that they prefer living in the traditional way of banking.

Conclusion

Basing on the findings of the study. The study concluded that internet and mobile transaction was mostly used as a digital channel. Further digital banking was considered fast and reliable and the speed was considered satisfactory. Not using internet to carry out transaction might be a limiting factor for the bank customer to experience speedy transactions. Customers were moreover confident that digital banking offers immeasurable speed of processing transactions which could not be compared to traditional banking. The study concludes that speed of transactions has an influence on customer’s satisfaction as the speed of transacting increases
customers become more and more satisfied and thus the digitalisation of external processes has a significant impact on the financial sector of Sub Saharan Africa.

Tables relating to the results

Table 1. Customers attributes towards digital banking

<table>
<thead>
<tr>
<th></th>
<th>Quality of service</th>
<th>Technology used</th>
<th>Trust</th>
<th>Location</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>f %</td>
<td>f %</td>
<td>F %</td>
<td>f %</td>
<td>f %</td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>5 23.8</td>
<td>5 23.8</td>
<td>9 42.9</td>
<td>2 9.5</td>
<td>21 100</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>15 38.5</td>
<td>5 12.8</td>
<td>12 30.8</td>
<td>7 17.9</td>
<td>39 100</td>
</tr>
<tr>
<td>Ecobank Cameroon</td>
<td>44 81.5</td>
<td>2 3.7</td>
<td>6 11.1</td>
<td>2 3.7</td>
<td>54 100</td>
</tr>
<tr>
<td>Ecobank Nigeria</td>
<td>12 66.7</td>
<td>3 16.7</td>
<td>2 11.1</td>
<td>1 5.6</td>
<td>18 100</td>
</tr>
<tr>
<td>Bank of Africa Senegal</td>
<td>41 42.3</td>
<td>18 18.6</td>
<td>6 6.2</td>
<td>32 32.9</td>
<td>97 100</td>
</tr>
<tr>
<td>Ecobank Benin</td>
<td>17 45.9</td>
<td>6 16.2</td>
<td>12 32.5</td>
<td>2 5.4</td>
<td>37 100</td>
</tr>
<tr>
<td></td>
<td>49.8 15.3</td>
<td>12.4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

Table 2. Factors that influence the use of digital banks

<table>
<thead>
<tr>
<th></th>
<th>Time of transaction</th>
<th>Cost effectiveness</th>
<th>Ease of use</th>
<th>Technology savvy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>f %</td>
<td>f %</td>
<td>f %</td>
<td>f %</td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>9 42.9</td>
<td>1 4.8</td>
<td>8 30.1</td>
<td>3 14.3</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>14 35.9</td>
<td>11 28.2</td>
<td>12 30.8</td>
<td>2 5.1</td>
</tr>
<tr>
<td>Ecobank Cameroon</td>
<td>15 27.8</td>
<td>17 31.5</td>
<td>21 38.9</td>
<td>1 1.6</td>
</tr>
<tr>
<td>Ecobank Nigeria</td>
<td>5 27.8</td>
<td>3 16.7</td>
<td>9 50</td>
<td>1 5.6</td>
</tr>
<tr>
<td>Bank of Africa Senegal</td>
<td>50 51.4</td>
<td>31 31.1</td>
<td>7 7.2</td>
<td>9 9.3</td>
</tr>
<tr>
<td></td>
<td>13 35.1</td>
<td>11 28.9</td>
<td>11 28.9</td>
<td>3 8.1</td>
</tr>
<tr>
<td></td>
<td>36.8 23.5</td>
<td>30.9</td>
<td>7.3</td>
<td>267 100</td>
</tr>
</tbody>
</table>

Table 3. Digital banking services frequently used

<table>
<thead>
<tr>
<th></th>
<th>ABOB</th>
<th>ABOS</th>
<th>EBC</th>
<th>EDN</th>
<th>ABS</th>
<th>EBB</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connected to the Internet at home or work to do their financial transactions</td>
<td>f 4</td>
<td>14</td>
<td>1</td>
<td>11</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>% 19</td>
<td>35.9</td>
<td>1.9</td>
<td>5.6</td>
<td>11.3</td>
<td>42.1</td>
</tr>
<tr>
<td>C.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uses E – mail</td>
<td>f 3</td>
<td>15</td>
<td>12</td>
<td>1</td>
<td>31</td>
<td>8</td>
</tr>
<tr>
<td>%</td>
<td>% 14.3</td>
<td>35.5</td>
<td>30.8</td>
<td>5.6</td>
<td>31.9</td>
<td>21</td>
</tr>
<tr>
<td>D.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ATM / Debit card service</td>
<td>f 3</td>
<td>5</td>
<td>8</td>
<td>2</td>
<td>31</td>
<td>1</td>
</tr>
<tr>
<td>%</td>
<td>% 14.3</td>
<td>12.8</td>
<td>3.9</td>
<td>11.1</td>
<td>31.8</td>
<td>26</td>
</tr>
<tr>
<td>E.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit card service</td>
<td>f 4</td>
<td>3</td>
<td>9</td>
<td>2</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>%</td>
<td>% 19</td>
<td>7.7</td>
<td>33.1</td>
<td>11.1</td>
<td>11.3</td>
<td>11.9</td>
</tr>
<tr>
<td>F.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online banking services</td>
<td>f 2</td>
<td>1</td>
<td>15</td>
<td>6</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>%</td>
<td>% 9.5</td>
<td>2.6</td>
<td>38.5</td>
<td>33.3</td>
<td>1.03</td>
<td>5.3</td>
</tr>
<tr>
<td>G.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E – payments, (paypal, etc)</td>
<td>f 1</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>%</td>
<td>% 4.8</td>
<td>2.6</td>
<td>15.4</td>
<td>11.1</td>
<td>4.1</td>
<td>2.6</td>
</tr>
<tr>
<td>H.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic Fund Transfer (EFTs)/NEFT/RTGS</td>
<td>f 1</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>%</td>
<td>% 4.8</td>
<td>0</td>
<td>3.8</td>
<td>11.1</td>
<td>1.03</td>
<td>5.3</td>
</tr>
</tbody>
</table>
Table 4. Satisfaction on digital technology usages

<table>
<thead>
<tr>
<th>Promptness of card delivery</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>f</td>
<td>%</td>
<td>f</td>
<td>%</td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>2</td>
<td>9.5</td>
<td>8</td>
<td>38.1</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>11</td>
<td>28.2</td>
<td>14</td>
<td>35.9</td>
</tr>
<tr>
<td>Ecobank Cameroon</td>
<td>2</td>
<td>3.7</td>
<td>22</td>
<td>40.7</td>
</tr>
<tr>
<td>Ecobank Nigeria</td>
<td>2</td>
<td>11.1</td>
<td>15</td>
<td>83.3</td>
</tr>
<tr>
<td>Bank of Africa Senegal</td>
<td>5/5.2</td>
<td>5.2</td>
<td>59</td>
<td>60.8</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2.6</td>
<td>15</td>
<td>39.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of transactions</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>f</td>
<td>%</td>
<td>f</td>
<td>%</td>
<td>f</td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>6</td>
<td>28.6</td>
<td>3</td>
<td>14.3</td>
<td>6</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>15</td>
<td>34.5</td>
<td>16</td>
<td>41</td>
<td>6</td>
</tr>
<tr>
<td>Ecobank Cameroon</td>
<td>3</td>
<td>5.6</td>
<td>17</td>
<td>31.5</td>
<td>33</td>
</tr>
<tr>
<td>Ecobank Nigeria</td>
<td>0</td>
<td>0</td>
<td>8</td>
<td>44.4</td>
<td>10</td>
</tr>
<tr>
<td>Bank of Africa Senegal</td>
<td>16</td>
<td>16.5</td>
<td>59</td>
<td>60.8</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>23</td>
<td>60.5</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>14.2</td>
<td>42.1</td>
<td>33.3</td>
<td>10.3</td>
<td></td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)

Table 5. Customer satisfaction on internet banking services

<table>
<thead>
<tr>
<th>Account information and balance enquiry</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of African Benin</td>
<td>2</td>
<td>9.5</td>
<td>12</td>
<td>57.1</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>14</td>
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<td>1.8</td>
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<td>57.4</td>
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<tr>
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<td>11</td>
<td>61.1</td>
<td>5</td>
<td>27.8</td>
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<td>12</td>
<td>12.4</td>
<td>65</td>
<td>67</td>
</tr>
<tr>
<td></td>
<td>7</td>
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<td></td>
<td>23</td>
<td>45.3</td>
<td>22.4</td>
<td>9.5</td>
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Source: Tita-sama (2018)
### Table 5. Customer satisfaction on Internet banking services continue

<table>
<thead>
<tr>
<th>Account to account transfer</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>%</td>
<td>F</td>
<td>%</td>
<td>F</td>
</tr>
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<td>Bank of African Benin</td>
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<td>14</td>
<td>66.7</td>
<td>6</td>
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<td>30.8</td>
<td>15</td>
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<td>9</td>
</tr>
<tr>
<td>Ecobank Cameroon</td>
<td>2</td>
<td>3.58</td>
<td>22</td>
<td>38.6</td>
<td>29</td>
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<tr>
<td>Ecobank Nigeria</td>
<td>5</td>
<td>27.8</td>
<td>6</td>
<td>33.3</td>
<td>7</td>
</tr>
<tr>
<td>Bank of Africa Senegal</td>
<td>17</td>
<td>17.58</td>
<td>65</td>
<td>67</td>
<td>8</td>
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</table>

Source: Tita-sama (2018)

### Table 6. Customer satisfaction on telephone banking services

<table>
<thead>
<tr>
<th>Reasonable number of voice prompts</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>%</td>
<td>F</td>
<td>%</td>
<td>F</td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>6</td>
<td>28.5</td>
<td>5</td>
<td>23.8</td>
<td>8</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>17</td>
<td>43.6</td>
<td>10</td>
<td>25.6</td>
<td>7</td>
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<tr>
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<td>1.7</td>
<td>24</td>
<td>42.1</td>
<td>29</td>
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Source: Tita-sama (2018)

### Table 7. Customer satisfaction on telephone banking services continue

<table>
<thead>
<tr>
<th>voice directions / on line directions for new users</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
<th>Total</th>
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<td>%</td>
<td>F</td>
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<td>46.29</td>
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<td>Ecobank Nigeria</td>
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<td>50</td>
<td>8</td>
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<td>31.6</td>
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<tr>
<td></td>
<td>9.6</td>
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<td>25.1</td>
<td>9.5</td>
<td></td>
</tr>
</tbody>
</table>

Source: Tita-sama (2018)
Table 8. Customer satisfaction on mobile banking services

<table>
<thead>
<tr>
<th>Pre-paid mobile recharge</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F %</td>
<td>F %</td>
<td>F %</td>
<td>F %</td>
<td></td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>1 4.7</td>
<td>2 9.5</td>
<td>16 76.2</td>
<td>2 9.5</td>
<td>21 100</td>
</tr>
<tr>
<td>Diamond bank</td>
<td>6 15.4</td>
<td>7 17.9</td>
<td>13 33.3</td>
<td>13 33.3</td>
<td>39 100</td>
</tr>
<tr>
<td>Ecobank Cameroon</td>
<td>1 1.8</td>
<td>20 37.0</td>
<td>33 61.1</td>
<td>0 0.0</td>
<td>54 100</td>
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<tr>
<td>Ecobank Nigeria</td>
<td>9 50</td>
<td>6 33.3</td>
<td>3 16.6</td>
<td>0 0.0</td>
<td>18 100</td>
</tr>
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<td>Bank of Africa Senegal</td>
<td>24 24.7</td>
<td>46 47.4</td>
<td>21 21.6</td>
<td>6 6.2</td>
<td>97 100</td>
</tr>
<tr>
<td></td>
<td>0 0.0</td>
<td>15 39.5</td>
<td>16 42.1</td>
<td>7 18.4</td>
<td>38 100</td>
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</table>

Source: Tita-sama (2018)

Table 9. Customer satisfaction on SMS banking services

<table>
<thead>
<tr>
<th>Sms alerts about specific information to the bank services / new products</th>
<th>Extremely satisfied</th>
<th>Neutral</th>
<th>Dissatisfied</th>
<th>Extremely dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F %</td>
<td>f %</td>
<td>f %</td>
<td>f %</td>
</tr>
<tr>
<td>Bank of African Benin</td>
<td>10 47.6</td>
<td>9 42.9</td>
<td>1 4.8</td>
<td>1 4.8</td>
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<td>Diamond bank</td>
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<td>6 15.4</td>
<td>5 12.8</td>
<td>4 10.3</td>
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<tr>
<td>Ecobank Cameroon</td>
<td>25 46.3</td>
<td>7 12.9</td>
<td>20 37</td>
<td>2 3.7</td>
</tr>
<tr>
<td>Ecobank Nigeria</td>
<td>8 44.4</td>
<td>3 16.7</td>
<td>7 38.9</td>
<td>0 0</td>
</tr>
<tr>
<td>Bank of Africa Senegal</td>
<td>56 57.7</td>
<td>11 11.3</td>
<td>26 26.8</td>
<td>4 4.1</td>
</tr>
<tr>
<td></td>
<td>4 10.5</td>
<td>4 10.4</td>
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<td>45.3</td>
<td>18.3</td>
<td>23.8</td>
<td>9.1</td>
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Source: Tita-sama (2018)

Reference

[4]. Khalil Md Nor and Michael Pearson, 2008. Khalil Md Nor, Michael Pearson An Exploratory Study into the Adoption of Internet Banking in a Developing Country: Malaysia.
Tilson, D., K. Lyytinen, C. Sørenson. 2010. Desperately seeking the infrastructure in IS research: Conceptualization of "digital convergence" 43rd HICSS.


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Conflict Resolution in the United Nations: Case Study of the Ombudsman

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Abstract

Managing conflicts in the United Nations is time-consuming but a necessary task. It usually ranges from minute disagreements to major cases that may even lead to litigation or violence. Conflicts have an adverse effect on health of the staff, productivity, morale and staff performance. This study is a cross sectional study designed to examine and portray conflict management systems, its awareness and its effectiveness in the United Nations. Data collection was done using a structured questionnaire distributed to UN workers in the Hq (New York), selected Offices away from Hq and selected department of peace keeping operations (DPKO). Data analysis was done using SPSS20.0 The result showed that by location the Ombudsman had 35% of the cases from the UN Headquarters in New York,38% of cases from offices away from the UN headquarters in New York and 27% of cases from field missions (DPKO). It further showed that cases by staff category were: P and above: 38%, UNV& Consultants: 23%, Former Staff:2%, National Staff: 2%. Furthermore, breakdown of cases was as follows: promotion/entitlements/conversion (29%), Separation/termination (19%), Entitlements (15%), Standard of Conducts (12%). Multi-issues (10%), Inter-personal issues (8%), Conditions of service (5%), Referrals (2%). Recommendation requires that training and awareness programmes should be conducted periodically to create awareness on the existence of the structure of conflict resolution structure via the office of the Ombudsman.

Keywords: Peace-keeping, UN General Assembly, ombudsman, conflict resolution, staff members, United Nations, Staff members.

Introduction

Conflict is “any opposition or difference of wishes, needs, statements, arguments, actions or principles between two or more staff members, or between staff members and the Organization.” (ST/IC/2004/4 – Conflict resolution in the United Nations Secretariat). The concept of conflict resolution and peace ranks among the most controversial issues of 21st century. Even though it has a positive connotation, various groups differ sharply about what conflict resolution and peace really means; how best to achieve this and even whether a totally serene work place is truly possible.

Steps to be taken

Making Appointment (by e-mail, tel. or visits)

Meeting with the Ombudsman (in person or by tel.)

Follow-up by staff

Follow-up by the Ombudsman (*)

(*) With the agreement of the staff member.

Case closed

Figure 1. Process flow diagram of meeting a UN ombudsman (Source: UNOMS)
The UN Ombudsman facilitates conflict resolution by providing advisory services on resources available, informal mediation, informal fact finding, referral, etc. He further acts as the agent for change (systemic issues) by making recommendations for change on policies and procedures in the UN. The Ombudsman should be accessible to all the staff members who work for the United Nations irrespective of their grades, locations, category (international and national). As a working principle, he provides safe environment without fear of retaliation. The Ombudsman have regional offices in Beirut, Bangkok, Entebbe, Geneva, Goma, Nairobi and Vienna (http://www.un.org/en/ombudsman/issues.shtml, 2018). Their key role is to assist UN staff to address their workplace issues and grievances in a completely confidential and informal means as in conflict coaching, shuttle diplomacy, review of options and mediation. The ombudsman operates independently from all UN organs, her officials and her office has direct access to the Secretary-General as well as the Executive Heads of UNDP, UNEFPA, UNICEF, UNOPS, UN Women and UNHCR. This positioning enables her to safely and confidentially address staff concerns; to identify systemic issues within organization and to work with other UN entities in addressing them.(http://www.un.org/en/ombudsman/index.shtml,2018). They conduct objective review of relevant issues, ensuring equal & confidential treatment for all parties, engages in fact findings and inquiries on the subject matter while bringing the concerns to appropriate office and this occurs if the complainant (staff member) agrees to this arrangement. He does not disclose a complainant’s identity nor keep records or make decisions and policies nor mandate actions as well as serve as an advocate or testify on an issue. Litigation is usually not readily available for UN workers who feel that they are working in a hostile work environment through the office of the staff legal assistant (OSLA). These hostile environments maybe because of abusive behavior by other UN employees, supervisors, or the host communities. These abuses can be a demeaning attitude, ridicule, off-color jokes, sexual harassment or physical violence. Advanced climes have significantly decreased their level of tolerance for disruptive behavior as the sole aim of conflict resolution is to increase productivity within an organization. What needs to be done in ensuring that this probable occurrence is mitigated is to seek knowledge on conflict resolution generally (http://www.conflictrecovery.org/methodscr.htm,2018).

Literature review

The office of the Ombudsman conducts neutral or impartial dispute resolution practitioner whose major function is to provide independent, impartial, confidential and informal assistance to managers and employees, clients and/or other stakeholders of a corporation, university, non-governmental organization, governmental agency or other entity. As an independent and neutral employee, the organizational ombudsman ideally should have no other role or duties. This is to maintain independence and neutrality, and to prevent real or perceived conflicts of interest. (Wikipedia,2018). He uses an alternative dispute resolution (ADR) sensibility and provides options for staff with concerns, including whistleblowers, who seek to bring their concerns forward safely and effectively. Furthermore, the ombudsman organizes coaching on organizational ethics and relevant management and managerial issues, provides mediation to facilitate conflict resolution, helps enable safe upward feedback, assists those who feel harassed and discriminated against. (http://ombudsman.cornell.edu/,2009). He assists employees and managers navigate bureaucracy and deal with concerns and complaints. Their cardinal roles have evolved from at least two sources viz:

a) The Classical ombudsman was copied from early Swedish 19th century independent high-level public official model, responsible to the parliament or legislature and appointed by constitutional or legislative provisions to monitor the administrative activities of government. This model has been copied and also adapted in many ways in many countries and milieus. (http://www.jo.se/Page.aspx?Language=en., 2018).

b) The Spontaneous Creation Model: the organizational ombudsman role has also been regularly "re-invented" by employers who did not know of the classical ombudsman but valued the importance of a senior manager who is a neutral, independent, confidential and informal problem-solver and systems change agent. It first appeared in the US in the 1920s and probably appeared here and there in many cultures(http://www.conflictrecovery.org/methodscr.htm,2018) The organizational ombudsman is seen as part of a complaint system or link to a complaint system whose office is intended to function or appear
to function, independently from all regular line and staff management and so reports to the CEO or Board of Directors.

**Figure 2. Operational principles of the ombudsman (Source: UNOMS)**

This concept is now widely adopted and spread around the globe, with many corporations, universities, government and non-government entities establishing organizational ombudsman programs.

**Ombudsman are mediation experts**

The Mediation Service was established by the UN General Assembly as part of the United Nations Ombudsman and Mediation Services (UNOMS) to uphold the United Nations internal justice system and to assist the staff of the United Nations Secretariat, Funds and Programmers, UNHCR and related personnel in the informal resolution of work related disputes (http://www.un.org/en/ombudsman/meddivision.shtml, 2018). The mediation service, which is forms part of the integrated Office of the Ombudsman tackles mediation cases which have been requested by the parties to the dispute or which have been referred by management evaluation units, the United Nations Dispute Tribunal (UNDT), the United Nations Appeals Tribunal (UNAT), or other offices such as the Office of Staff Legal Assistance (OSLA). (http://www.un.org/en/ombudsman/meddivision.shtml, 2018). Mediation is a usually voluntary process which only takes place with the consent of all of the parties involved. It is also an informal process in which a trained neutral person, known as a mediator, assists the parties to work toward a resolution of a dispute with the parties themselves remaining in control of the final decision. Furthermore, it is a process in which any statement made, or document prepared during the mediation proceedings or in a private discussion with the mediator(s) remains privileged and confidential.

While on their duty the UN mediator(s), UNOMS staff and the participants cannot be required to testify in the UN formal justice system about what occurred during the mediation process. It is usually without prejudice which means that if the matter is not resolved during the mediation process, the parties can still go forward with formal proceedings so long as they meet the applicable timelines. All discourse, positions put forward and documents produced for mediation cannot be used against a party in Tribunal proceedings (ST/SGB/2016/7, June 22, 2016)

**Resourcefulness of mediation**

In mediation, it is an opportunity for the aggrieved parties to work together with the assistance of a neutral third-party to develop their own resolution of the disputes. The parties aggrieved remain responsible for designing their own workable solutions. The UN mediator(s) does not make a decision for the aggrieved parties but seeks to assist the parties in reaching a mutually agreeable resolution of the dispute when possible. It is very saving resourceful thereby minimizing the amount of venom in a workplace. Mediation has the advantage of resolving disputes more effectively and conveniently than through litigation (UNDP Report, 2006) As it is not a legal procedure it, therefore does not generally
require the presence of legal counsel to officiate. However, any party may bring a representative, a colleague or an attorney if, after a discussion with the Mediation Service, any of the party believes it would be helpful to do so. (http://www.un.org/en/ombudsman/meddivision.shtml, 2018).

**Figure 3.** Photo depicting cost of conflict (Source: Expatica.com)

**Methodology**

**Aim of Study.**

1. To investigate the awareness and effectiveness of the UN Ombudsman
2. Research Questions
3. What issues take staff members to the ombudsman in the UN?
4. Which job category visits the Ombudsman most often?
5. Which location uses the service of the Ombudsman most?

**Methodology**

This is a primary analytic research that seeks to unravel the effective conflict resolution mechanism that should be adopted or promoted in the United Nations systems.

**Study design**

This is an analytic cross-sectional study conflict management in the UN using the office of the ombudsman as a focal study.

**Study population**

The study population consist of former and present personnel of the United Nations globally.

**Inclusion criteria**

United Nations personnel of all category including retirees within selected location viz UN Hq.

**Exclusion criteria**

Anyone who is not a present of former personnel of the UN from the selected location was excluded in this study.

**Sample size determination**

The sample size for the study was calculated using Lwanga and Lemeshow (1991) formula for sample size determinant in health study.

\[ n = \frac{Z^2 \mu q}{d^2} \]

When: \( n \) = sample size
\( Z \) = the standard normal deviation which corresponds to the 95% confidence level (1.96)
\( P \) = Estimate of key proportion (50.0% or 0.50) for true proportion (Sullivan, n.d)
Q = 1 - p (1-0.50 = 0.50)  
D = degree of accuracy desired 5% = 0.05

Consider, \( n = \frac{1.96^2 \times 0.50 \times 0.50}{0.05^2} \) = 384

To adjust for non-response and possibly losses of questionnaires, sample size was adjusted by 5% using the formula:

\[
N_f = n + 100 \times r
\]

Where \( n \) = final minimum sample size  
\( r \) = non-response  
\( n \) = the desired size when population is greater than 10,000

If non-response is 5%  
100% - 5% = 95% = 0.95

\[
\therefore 384 \times 0.95 = 404
\]

= 404

Sampling techniques:

A multistage sampling technique was used to obtain participants.

**Stage one**: Out of the different UN system globally only present or former personnel of the United Nations was used by simple random sampling method through balloting system.

Fifty-one respondents were used in each selected field office of because each field office, with different locations, have the same population density.

**Stage two**: From New York Headquarters, Offices away from Hq. (UN office Nairobi and Entebbe) and Field offices, 3 units (MONUSCO, UNMISS and UNSOS/UNSOM) was used.

**Stage three**: From the UN Hq. Offices Away from Hq. and each of the field offices 68 staff was selected, making it staff 408. For a starting point, a field office was selected by balloting with eligible participants and more UN personnel was selected by balloting with an eligible respondent to participate in the study.

Data collection instruments

Instrument for data collection was questionnaire and phone calls. The questionnaire was developed in English and inculcated the objectives of research.

The content of the questionnaire was designed to include the following headings; section A Job Category of respondents while section B, C comprises of the Location and issues that took the staff/former to the ombudsman. The questionnaire was developed based on the literature review and previous studies on the UN Ombudsman. The part of the questionnaire that was adapted include cases based on location/duty station, location of respondents, and modified according to hypothesis and objectives of the study.

Five (5) research assistants who had previous research experience was recruited and trained for two days on the objectives of the study and data collection skills were the research for the data collection and phone calls. The interview was conducted individually on selected days. The data collection was carried out over a month.

Pretest

To assure data quality, the interviewer administered semi-structured questionnaire was developed and pre-tested (5% of the total sample) among UNMISS staff. This UNMISS shares similar characteristics with the other study area. Before the pre-test, two days training was given to data
collectors and supervisors to make sure that all involved in data collection understand and are acquainted with the instrument.

**Data collection**

Interviewer administered semi-structured questionnaire and phone interviews was used to collect data. The interview schedule consisted of open-ended questions that allowed respondents to answer from a variety of dimensions.

**Data analysis**

The data was handled confidentially and entered in Epi-Info 7.0.9 windows 2007 version for analysis frequency tables, graphs and transferred to SPSS 20.1 version statistical software package for proportion will be used to present the data.

Data was collected based against selected questions adapted and modified according to hypothesis and objectives of the study.

**Ethical consideration**

Ethical approval was from the UNMISS before commencing the study.

The purposes of the objectives and potential risks or benefits inherent of the study was explained and informed consent was obtained from all participants confidentially and privacy was maintained throughout the study process by excluding identification in the questionnaires.

**Limitations**

Respondents were personnels of United Nations Missions from selected UN Missions and UN HQ New York, and the results of the study will not be generalized to other UN systems entities. Hence, future studies may want to explore and identify factors that affect quality of Ombudsman services in other UN entities.

Owing to the constraints of time and cost, it was impossible to use a larger sample size, though it would have been more appropriate because it provides reliable results.

**Results**

Distribution of cases by Location in 2018 (Figure 4).

![Chart Title](image)

Breakdown of Cases By Staff Category (Figure 5)
Breakdown of Cases (2018) Figure 6.

Discussion and conclusion

The result showed that by location the Ombudsman had 35% of the cases from the UN Headquarters in New York, 38% of cases from offices away from the UN headquarters in New York and 27% of cases from field missions (DPKO). The reason for the UN Hq recording more patronage to the ombudsman is because they probably had more awareness on the services of the Ombudsman. It could also be because they had easier access to the Ombudsman, who would need to arrange a visit before their services are accessed in the field offices and so had to press at all times to be given their entitlements. This view is supported by Law Reform Commission Act 1975, pp2. which says that “Access to justice, in its widest sense of the effective resolution of disputes whether through court-based litigation or alternative dispute resolution processes, is an essential aspect of ensuring the realization of the fundamental rights”. On the other hand, the field offices recorded significantly lower patronage to the ombudsman because, they have more tedious access to the operations of the ombudsman. This agrees with The Law Reform Commission Act 1975, pp1. which says “justice delayed is justice denied”. It further showed that cases
by staff category were: P and above: 38%, UNV& Consultants: 23%, Former Staff: 2%, National Staff: 2%. Furthermore, breakdown of cases was as follows: promotion/entitlements/conversion (29%), Separation/termination (19%), Entitlements (15%), Standard of Conducts (12%). Multi-issues (10%), Inter-personal issues (8%), Conditions of service (5%), and Referrals (2%).

The P and above category staff also recorded more patronage due to more systemic awareness their rights and privileges and so the need for the services of the ombudsman. The UNV and Consultants interestingly recorded second highest patronage which could not be explained to be as a result of the awareness of the systemic rights and privileges due to the brevity of their services which would not be enough to allow them get acquainted with all the UN system rules and regulations. Former staff and national staff ranked least due largely to apathy to the services of the ombudsman caused by delays in the mediation process.

It is recommended that more awareness should be created on the office of the UN ombudsman it has shown to be an effective and resourceful way of managing conflicts among staff members.

References

[7]. Expatica.com. Figure 3
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Investigating the Practice of Total Quality Management as Competitive Advantage in the Pharmaceutical Industry. A Case Study of Tobinco Pharmaceuticals

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Abstract

The objective of this study is to investigate the Practice of Total Quality Management in the Pharmaceutical Industry. The data collected from the field was analysed using Statistical Package for Social Sciences (SPSS) and Microsoft Excel. The demographic profile of respondents was analysed, followed by an analysis of responses provided to investigate the Practice of Total Quality Management in the Pharmaceutical Industry using Tobinco Pharmaceuticals as a case study. Tables, graphs, charts and percentages were used in data presentation and analysis. It was therefore concluded that a company that can produce goods at reduced costs than their competitors, while delivering quality products that satisfy customers will have an advantage over those companies that do not duplicate those feats. The Total Quality Management (TQM) business philosophy of satisfying the customer with quality goods and services reducing waste and empowering workers and suppliers is a method to achieve those goals as well as usage of the six (6) sigma approach which seek to eliminate errors to a significant magnitude.

Keywords: Total Quality Management, Competitive Advantage, Pharmaceutical Industry.

Introduction

Total Quality Management (TQM) refers to managing methods used to enhance quality and productivity in organizations, particularly businesses. TQM is a comprehensive system approach that works horizontally across an organization, involving all departments and employees and extending backward and forward to include both suppliers and clients (customers).

TQM is only one of several terminologies used to label management system that focus on quality. Other jargons that have been used extensively to qualify similar quality management paradigms and programs include CQI (Continuous Quality Improvement), SQC (Statistical Quality Control), QFD (Quality Function Deployment), QIDW (Quality in Daily Work) and TQC (Total Quality Control).

Irrespective of the discrepancy, surrounding the popularized term “TQM”, that acronym is less significant than the substance of the management ideology that underlies it. TQM provides a framework for implementing effective quality and productivity initiatives that increase the profitability and competitiveness.

Although TQM techniques were adopted prior to the Second World War by a sizeable numbers of organizations, the creation of the TQM philosophy is generally attributed to Dr. Edwards (1990-1993) when he was discovered that workers motivation system was degrading and economically unproductive and the fact that incentives were tied directly to output quantity and inefficient post production inspection were used to detect contraband goods.

TQM icons and experts market it as the best change regimes that provide organizations with a competitive advantage. They also assert that it is a panacea for all situations confronting any organizational framework.

This research will provide intellectual and factual data depicting that this is not always the case. There are areas where TQM provides a requisite change directive in connection with others. More so, since in corporate entities treat improving this process as a priority; TQM ceases to give a competitive advantage since it becomes a basic entry point into the competition. The first critical factor of TQM is customer centeredness. Elite companies have developed activities that identify today’s customer needs and try to predict the future perspective.

The second aspect of TQM is the planning process. At a strategic pedestal, the inability of management to plan for the future and to envisage sticky situation has given rise to manpower wastage, materials and machine-time all of which are geared towards raising the manufacturer’s cost and price that the purchaser
must pay thereby militating against its ability to compete favorably with other radical players in the same industry.

The third and fourth critical attributes of TQM are process management and improvement. Renowned companies do managed their vital processes to consistently deliver high quality products and services at a price the customer is willing to pay, delivered when the customer wants it and at a cost that allows the company to remain lucrative. A key factor in improvement is to reduce functional divisions and emotional pitfalls that set hindrance to synergies. The aim of this research paper is to investigate the practice of Total Quality Management (TQM) as a competitive advantage at Tobinco Pharmaceuticals. As a leading brand in Quality health care, Tobinco Pharmaceuticals ensures that every product leaving the factory for customer distribution will conform to Quality assurance policies, Good Manufacturing Practices, Quality Control and standard recommended by the Food and Drugs Board of Ghana so as to maintain product identity, purity, potency and not placing the customer at risk.

On the basis of this policy on quality management and in recognition to current trends in quality and awareness, Tobinco Pharmaceuticals is committed to Total Quality Management through:

a. Commitment to produce and market products that consistently satisfy customer’s expectations.
b. The usage of manufacturing facilities which are designed to provide products to a consistent standard of quality.
c. The utilization of internal processes and systems that measure and monitor product quality to ensure conformance to requirements.
d. Sourcing of products components from audited suppliers who can meet predetermined specifications.
e. The commitment to continuous improvement so as to train and educate themselves to deliver quality using the best available techniques.
f. Change implementation that prevents defects rather than only detect them and lastly
g. Employing an organizational structure within the business that supports the delivery of quality products.

Literature review

The main ideology of TQM is prevention rather than getting rid of the situation as and when they occur. Total Quality Management (TQM) is a way of doing business that fosters a congenial atmosphere thereby responding quickly to customer’s changing requirements.

TQM highlights on continuous improvement of processes in order to improve every facets of an organizational framework. Each process whether it is operational, administrative, interdepartmental, or interpersonal or is continually refined and improved (Bates, 1993).

In my estimation and analysis, since TQM focuses on improving the process, output from these processes usually meet or exceed a customer’s specification. This is diametrically opposed to quality control as the latter seeks to inspect for mistakes and defects at the end of the process rather than building quality into the process during design and quality implementation. That is to say that TQM is process-focused rather than customer-focused.

Dean and Evans (1994) also asserted that Total Quality is a comprehensive organization – wide effort to improve the quality of products and services. That is to say that both small or large manufacturing and service, profit and not-for-profit organization can be also gain an advantage by the application of the principles of Total Quality.

Peter Senge quoted in Gibson (Eds. 1997) proposed three (3) key driving forces in organization i.e. technology, globalization and the increasing complexity and interdependence.

TQM has moved from being what some are of the notion to be the only answer to competitive advantage in the early 1980’s to what other call fashion and fad at the end of the 1990’s.

Countless number professors including Flood (1993), Reshef (1997) and Anderson et al (1994) is optimistic that part of the myth and perplexity has been its lack of enough academic theory.

Watson et al (1995) asserted that it is “proceeding purely on the basis of success stories and a hodge podge of the methods, exhortations and rhetoric”.

A lot of managers attribute skepticism with respect to TQM duration of implementation. There is no clear-cut definition for TQM due to lack of enough theory to support it.

Below are some definitions propounded by some experts?

i. Correcting and preventing loss, not living with loss – Hoshin
ii. In its essence a way of managing the organization - Feigenbaum

iii. Quality means meeting customer’s (agreed) requirement, formal and informal, at lower costs, first time, every time - Flood and lastly

iv. Conformance to requirements. – Crosby.

According to American Society for Quality, Total Quality Management (TQM) is a term initially coined by the Naval Air Systems Command to describe its Japanese-Style management approach to quality improvement. Afterwards TQM has taken on diverse interpretations. In the nitty-gritty perspective, TQM is a management approach to long term success through customer satisfaction.

TQM is centered on the involvement of all members in an organization in improving processes, products, services and the culture they work in. TQM benefits all organization members and society. The methods for implementing this approach are found in the doctrine of such quality leaders as Philip B. Crosby, W. Edwards Deming, Armand V. Feigenbaum, Kaoru Ishikawa and J.M Juran.

Total Quality Management (TQM) is a participative management style that accentuates on optimum staff commitment to client’s satisfaction. It is a holistic approach to handling difficult organization framework and replaces top-down management with decentralized customer driven decision making. Total Quality Management (TQM) is an integrated management system for creating and implementing a continuous improvement process which produces results that exceed customer satisfactions. It is based on the assumption that ninety percent (90%) of the problems are as a result of process, not employees.

A famous tool of TQM is W. Edwards Deming’s Plan-Do-Act (PDSA) problem solving cycle, which according to Marta Mooney, has become the hallmark of the TQM. Mooney also reiterated categorically that Deming’s formula is deeply entrenched in tested management a principle that traces their roots Frederick Taylor’s ideology and assertion.

Discussion and conclusion

As a leading branding in Quality Healthcare, Tobinco Pharmaceuticals ensures that each product leaving the factory premises for customer distribution conforms to Quality Control and Standard recommended by the Food and Drugs Board of Ghana to maintain product identity, purity, potency and not place the consumers at risk.

On the basis of this policy on quality management and in consonance with the current trends in quality awareness, Tobinco Pharmaceuticals is committed to maintaining a high-quality management system (key attributes of quality goods and services) by first and foremost.

a. Monitoring and verifying that products are manufactured, sampled, tested and released according to established procedures

b. Ensures compliance to Good Manufacturing Practice (GMP) handling difficulties framework and replaces top-down management with decentralized customer driven decision making.

c. Where there are lapses /deficiencies initiating action to correct them.

d. Ensures that all incoming raw, packaging materials and finished products released meet the appropriate requirements. Any batch failing to meet a given test specification will be subjected to review and retest. i.e. only batches that pass will be released.

e. The writing and approving Standard Operating Procedures (SOP’s) that indicate steps by step procedures to guarantee that all activities in the extended supply chain are in accordance with the policy stated earlier.

f. Maintaining knowledge of current regulatory requirements in Ghana and in the West Africa Sub-region.

The management tools and or techniques use for total quality management at Tobinco Pharmaceuticals are quite vast some of which are listed as below.


b. Quality Control can be defined as the operational techniques and activities used to assess, test or measure whether the product or service has fulfilled the defined requirements for quality. Quality Control (QC) is a part of GMP which in turn is a part of Quality Assurance (QA). A good quality management system will combine QC and QA in the most economical way capable of providing the necessary level of confidence that all production will meet the required standards.

c. Organizational and reporting structure of the quality management function is clearly defined.

d. The company possesses suitable and adequate resources with regards to staff, premises, equipment, materials and management.
e. Organization culture is healthy and conducive.
f. Adequate number of personnel with the necessary qualification and practical experience.
g. High standards of personal cleanliness are observed by all those concerned with production processes especially where the products concerned are pharmaceuticals foods or cosmetics.
h. Availability of handwashing facilities to manufacturing personnel (Good sanitary practices).
i. Wearing of perfumes, jewelry and other potential physical contaminants such as nails- polish, pens, identity badges etc are strictly controlled and prohibited at the production sites.
j. Direct contact are avoided between an operator’s hand and starting material,
k. intermediaries and product, other than when they are in closed containers.
l. Eating, drinking, chewing, smoking or the storage of food, drinks, smoking, materials or personal medication in manufacturing areas or any other locality which might adversely affect product quality are strictly prohibited.
m. Adherence to Customer Satisfaction Management (CSM) practices.
n. Accentuation on open and corporate culture as well as constant communication feedback.
o. Continuously monitoring of IT performance and also be abreast with state-of-the-art advancement in the IT industry as well as the effective utilization of blind e-mail bulletin boards to capture employee suggestion.
p. Elimination of Non-Value Added expenses.
q. Usage of Ishikawa’s basic tools of quality such as Pareto charts/analysis, Run charts, Force-field analysis, Fish bone diagrams etc as a means of evaluating the efficacy of the company’s products.
r. Effective utilization of the Balance Scorecard to achieve strategic objectives, quality proven and align customers’ priorities and their expectations as well as performance management process improvement of a product or services and lastly
s. Strict adherence to quality auditing.

A quality audit simply refers to the systematic and independent examination to determine whether quality activities and related results comply with planned arrangements, implemented effectively and are suitable to achieve the organization’s goals and tenets.

However, in dealing with the infinitesimal ineffectiveness, lags and pitfalls confronting the company in contention as far as abridging its total quality gap is concerned, it will be probable and congruous that these listed parameters or attributes are given the requisite priority.
i. It is very significant that at the Senior Management of the company gives their full support to the implementation of Good Manufacturing Practice throughout the operation and should be clearly understood to be doing so, by all employees.

ii. Key personnel include head of production and quality control. These should independent, neither one reporting to the other. According to the industry and country concerned, the minimum qualification required for holder of this position may be specified by law.

iii. Steps should be taken to ensure, as far as practicable, that no person affected by an infectious disease, or having open lesions on the exposed body surface, is involved in a manufacturing process.

iv. Staff must have access to the working documentation relevant to their particular part of the production operation. During initial training, a check should be made to ensure that a recruit’s linguistic and numeracy abilities are appropriate to future tasks intended.
v. Training should be in accordance with written plans and records must be kept.

vi. In addition to GMP, employees should be given initial indication training in general company procedures and specific training appropriate to the duties allocated to them.

vii. Periodic assessments of the effectiveness of training Programs should be made, and checks should be carried out to confirm that designated procedures are being followed by staff at all levels.

viii. The lay-out and design of premises must aim at minimizing the risk of errors and permit effective cleaning and maintenance to avoid cross-contamination, build up of dust or dirt and in general, any adverse effect on product quality. Premises should be designed and maintained so as to protect against the entrance and harboring of insects, birds, rodents or other pests.

ix. Materials to be used for production should be purchased only from approved suppliers.

x. Total Customer Satisfaction Management practices should be considered an ultimate priority.

xi. Reward systems and performance appraisals, equity distribution should be accorded the needed precedence and lastly

xii. Total adherence to Human relation, System, Contingency Theory, Murphy’s Law, Elton Mayer’s
principle and Maslow need hierarchy.

The findings through my unrelenting and indefatigable research suggest beyond reasonable doubt that most TQM such as quality training, process improvement, benchmarking, usage of Ishikawa’s tools of quality just to mention a few do not generally produce an advantage, but that certain tacit, behavioral, imperfect imitable features such as open culture, employee relation management and executive commitment can produce the much-sought-after competitive advantage.

In conclusion, I will emphatically reverberate that the aforementioned tacit resources drive and not TQM tools and techniques drive TQM success but rather organizations that acquire them can outperform competitors with or without the accompanying TQM ideology. Customer satisfaction is their ultimate advantage a company has over competitors.

A company that can produce goods at reduced costs than their competitors, while delivering quality products that satisfy customers will have an advantage over those companies that do not duplicate those feats. The Total Quality Management (TQM) business philosophy of satisfying the customer with quality goods and services reducing waste and empowering workers and suppliers is a method to achieve those goals as well as usage of the six (6) sigma approach which seek to eliminate errors to a significant magnitude (Kurtus, 2007).

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An Examination of Project Risk Identification and Prevention Techniques in Ensuring Project Success; A Case Study of Electricity Company of Ghana (ECG)

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Abstract

Project risk management is the systematic process of identifying, analyzing, and responding to risk by applying risk management principles and processes at the project level. This is seen to be a very big challenge to most project managers. Research has proven that most projects that are executed face serious challenges as far as risk is concerned due to lack of appropriate techniques in identifying and preventing risk. Therefore the study intends to evaluate risk identification and prevention techniques in ensuring project success in Electricity Company of Ghana ECG with the objective of examining how efficient and effective the Project Management Team manages risk and whether the success of project depends on effective risk management identification and prevention techniques in project management of Electricity Company of Ghana (ECG).

The study intends to adopt the cross section survey technique in that it will be necessary to interview key personnel within the entire stratum of Electricity Company of Ghana (ECG) especially those activities impinge upon risk and project success. Qualitative information will be obtained and analyzed in order to address the objectives of the study. Where necessary such information will be quantified using relevant Statistical Packages for Social Science (SPSS) to enhance the direction of the study. The study seeks to find out whether project success depends on the following for effective risk management and strategies for effective project risk identification:

- Risk Analysis and Evaluation
- Risk Monitoring and Reviewing
- Risk Communication

It also seeks to find out if Electricity Company of Ghana (ECG) has a Project Risk Management Plan and Risks that are identified before projects are initiated and that if Electricity Company of Ghana (ECG) has competent project management professionals.

Introduction

A project is a temporary endeavor undertaken to create a unique product, service or result. The temporary nature of projects indicates a definite beginning and end. The end is reached when the project’s objectives have been achieved or when the project is terminated because its objectives will not or cannot be met, or when the need for the project no longer exists. Temporary does not necessarily mean short in duration. Temporary does not generally apply to the product, service or result created by the project; most projects are undertaken to create a lasting outcome. For example, a project to build a national monument will create a result expected to last centuries. Projects can also have social, economic and environmental impacts that far outlast the project themselves. (PMI 2008)

Every project creates a unique product, service or result and this comes with risk. Although repetitive elements may be present in some deliveries, this repetition does not change the fundamental uniqueness of the project. For example office buildings are constructed with the same or similar materials or by the same team, but each location is unique – with a different design, different circumstances, and different contractors and so on. Risk will however occur if there is failure to appoint a fully qualified and supported project manager, failure to estimate costs accurately or failure to understand who the project is for. (PMI 2008).

Project Management is the application of knowledge, skills, tools and techniques to project activities to meet the project requirements. Project Management is accomplished through the appropriate application and integration of project scope activities with project management processes comprising the 5 Process Groups. These 5 Process Groups are:

- Initiating
- Planning
- Executing
Monitoring and Controlling and

Risk is a major factor considered during the management of any project. Project management must control and contain risk if any project is to stand a chance of being successful. Risk can be the uncertainty of outcome (whether positive opportunity or negative threat). Some amount of risk taking is inevitable if any project is to achieve its objectives. Risk control refers to assuming a risk but taking steps to reduce, mitigate, or otherwise manage its impact or likelihood. Risk control can take the form of installing data-gathering or early warning systems that provide information to assess more accurately the impact, likelihood, or timing of a risk. If warning of a risk can be obtained early enough to take action against it, then information gathering may be preferable to more tangible and possibly more expensive actions. (imperial.ac.uk/ictprojectprocess/pmtools/riskmanagement).

A project is usually deemed as successful if it meets requirements (of measures such as functionality, reliability, maintainability, portability, efficiency, integration and operability) is delivered on time and delivered within budget (Powell and Klein, 1996). May (1998), citing a 1995 Standish survey, advises that only one-sixth of all projects were completed on time and within budget, one-third of all projects were cancelled and over half were considered challenged. Keil, Cule and Lytinen (1998) assert that the high failure rate is due to managers not taking cautious measures to assess and manage the risks involved in projects.

A study conducted by Ewusi-Mensah and Przasnyiski (1991) showed that 35% of abandoned projects are not abandoned until the implementation stage of the project’s life cycle. This suggests that project managers are doing a poor job of identifying or terminating projects that are likely to fail. While there are many different modes of failure, one that has occurred very often is the project that takes on a life of its own. It continues to absorb valuable resources without ever reaching its goal (Keil, 1995). Eventually these projects are abandoned but the cost of having funded them can result in a loss of organizational resources.

Project risk management is an approach that attempts to formalize risk oriented correlates of development success into a readily applicable set of principles and practices (Ropponen and Lytinen, 2000). It incorporates techniques and guidelines to identify, analyze and control risk. Risk management is aimed at taking counter measures to either prevent risks from affecting the project or to reduce their impact (Heemstra and Kusters, 1996), and should be viewed as a fundamental component of the project management process (Powell and Klein, 1996). Ropponen and Lytinen (2000) believe that by including risk management in a project the exposure to risk can be reduced and can thereby increase project quality and improve development.

Electricity Company of Ghana (ECG), the company under the study takes numerous projects of different variety of which risk is inevitably.

It is on this basis that the topic –an examination of risk identification and preventive techniques in ensuring project success becomes necessary. The researcher, Project Management expert, has seen the need to examine various risk that are likely to affect smooth project completion and possibly come out with salient techniques that may enhance avoiding risk in project process.

Literature review

Project Risk

Project Risk is defined as a probability or threat of a damage, injury, liability, loss, or other negative occurrence, caused by external or internal vulnerabilities, and which may be neutralized through pre-mediated action, Graham (2005). From the definition, a risk is something that may happen and if it does, will have a positive or negative impact on a project. Project successes depend a lot on risk. There are a few points worth noting. "That may happen" implies a probability of less than 100%. If it has a probability of 100% - in other words it will happen - it is an issue. An issue is quite different and it is managed differently to a risk. An issue is a phenomenon that follows and is caused by some previous phenomenon. A risk must also have a probability, for instance, something above 0%. It must be a chance to happen or it is not a risk. The second thing to consider from the definition is "will have a positive or negative impact". Most people dive into the negative risks but what if something goes right? The concept of risk can thus be said to have three elements: These are;

- The perception that something could happen.
- The likelihood of something happening.
- The consequences if it does happen.
In business, risk is defined as the uncertainty of an outcome (Graham, 2005). When applied to investments, risk is the uncertainty of the return that will be earned. For example, a company incurs a risk when entering a new market because of the uncertainty as to how their product will be received by consumers. Risk for businesses results from a variety of factors that range from not being able to accurately forecast interest rates to unexpected inflation (or deflation).

Therefore, project risk is a possible event that could endanger the planned course or goals of the project. The earlier potential risks are identified, the quicker effective corrective actions can be implemented or the degree of likelihood that a project will not be completed on schedule and within budget.

**Project risk management**

Effective risk management entails clearly identifying each risk, and estimating it in terms of its probability and impact and controlling it by taking appropriate action and ensuring such actions have, and continue to have, the desired effect (Crockford & Neil, 1986).

Before getting into the details of risks, a project must determine the Risk Management Strategy (RMS) which describes how risk management will be both used and implemented within the project. The risk management strategy should include, amongst other aspects (Crockford & Neil, 1986):

(a) particular tools and techniques to be used
(b) the responsibilities for risk management actions
(c) The procedure for risk management, such as Identify, Assess, Countermeasures/actions, implementation and communication.
(d) The scales to be used for calibrating and estimating probability and impact
(e) The reporting and timing of risk management activities, such as at the end of each project stage
(f) The risk categories as to be defined, the action categories, definition of risk proximity, and risk trigger indicators.

(g) For contingency or fallback actions, a risk budget should also be agreed. This budget is used to pay for any such risk actions should they be needed.
(h) When using management by exception, the risk tolerance or risk appetite should be agreed between the project manager and the project board.

Tolerance is an allowable variation of typically time and cost that the project manager can—use to allow for small deviations and estimating errors. Should at any point, the project stage be forecast to exceed this tolerance, the Project Manager must escalate the situation up to the next level of management, who need to make a decision on what to do next (Crockford & Neil, 1986).

However, the tolerance used may be risk tolerance. In such case, discussions should be had between the project board and project manager, about how much risk can be tolerated (risk appetite). Factors such as particular risk impacts increasing beyond a particular value, or their probability increasing in the same way. It might be risks under a particular category—such as those affecting corporate image, that may be the escalation triggers.

A Risk Register should be created early in the project, and used to capture all details and the status of each risk identified. The project manager is responsible for ensuring that risks are managed properly but there will be the need for risk owners for all risks, and these owners may be other people involved in the project. They should be chosen as the best person to keep an eye on the risk. The owners may be the person required to implement risk action, or to act as a forward scout to report risk status back to the project manager.

The first step in the risk management procedure is to identify the risks, and this is normally done within a risk workshop. Other useful sources of possible risk identification, is to review lessons from previous projects. Yet more sources include organizational risk checklists, or the use of industry-wide checklists or tables.

Many people make the mistake of naming risks such as —there is a risk in that, the project may come in late! — but this is a mistake, because the statement is not naming the risk itself, but its impact. This is where -Fish-bone or Ishikawa Diagrams can be useful in separating the risk event, its cause, and the effect (the risk impact)

It is helpful to consider that the source of the risk is called the risk cause (the potential trigger points for each risk), the risk event describes the area of uncertainty, and the risk effect which describes the risk impact on the project objectives. The next step is to estimate and evaluate each risk, and there are various estimation techniques that may be used (Crockford & Neil, 1986):

- Probability trees: These are diagrammatic representations of possible risk events shown as linked
rectangles each with a probability and impact. When linked together, the aggregated value of project risk can be determined. This helps the decision-makers to determine possible outcomes, and ensures suitable actions can be implemented.

- **Expected value:** This technique multiplies the cost of the risk impact with the probability of the risk occurring.
- **Pareto Analysis:** This is often called the 80/20 rule, from the observation that 20% of the risks will have the most impact on a project, and allows management to focus their attention on managing and controlling those risks.
- **The probability impact grid:** This is a table with the vertical axis scaled in probability and the horizontal axis scaled in impact. Suitable scales are determined, typically 10% probability, as very low through to very high between 70 to 90% of ability. The impact scale usually covers from very low to very high. The grid is used to provide an assessment of the severity of a risk and so enable risks to be ranked such that management effort can be prioritized.
- **The summary risk profile:** This again is a grid of probability against impact, but instead of measuring the severity of each risk (probability times impact), it plots each risk as a number much like a scatter diagram so that the spread and severity of risks can be directly seen. For example any risks which have a very high impact and probability would be seen as severe threats and this will enable appropriate actions or counter measures to be determined.

The next step is to plan the appropriate responses, both for threats and opportunities. There are many ways to describe such actions, but the following are most often used:

**For Threats:**
- **Avoid.** An action is planned for the project to do something different, such that the threat can either no longer have an impact on the project and/or its probability is zero.
- **Reduce.** An action is planned to either reduce the probability of the risk occurring, and/or to reduce the impact of the event should it occur.
- **Fallback (often called Contingency).** An action is planned but only implemented should the linked risk occur.
- **Transfer.** An action is planned that reduces the financial impact of the threat. Usually, the action is via some form of insurance, or an appropriate clause in a contract so that the other party bears the financial pain.
- **Accept.** This is the –take no action – option. The threat should still be continuously monitored to ensure that it remains tolerable. This action is often chosen because the risk has a low probability and/or a low impact, or that the costs and effort of any actions outweigh the severity of the threat.

**Threat or Opportunity:**
- **Share.** Often carried out within contracts using third parties, where a pain/gain formula is agreed should the threat or opportunity occur.
- **Opportunities:**
- **Exploit.** Taking action to ensure that the opportunity will happen and that the positive impact will be realized.
- **Enhance.** Taking proactive actions which either enhances the probability and/or the impact of the event.
- **Reject.** A decision taken not to exploit or enhance the opportunity.
- **All of the above actions are captured and entered within the risk register, and project or stage level plans have the above activities and resources added.**

It is helpful to include the proximity for each risk. This is the time frame of the risk event occurring from the present day. This is helpful in focusing resources on actions for risks in the near future. But it is also helpful in determining when each risk event will occur, as this will have an effect on the severity of the impact.

Throughout a project, new risks can be identified, and existing risks can change their status, for this reason risk management should be seen as an ongoing activity throughout the entire project. It should also be remembered that as issues arise, these can in themselves impact existing risks or cause new risks.

At the end of each stage of a project, the total risk situation needs to be calculated, and used as part of the data for management to make an informed decision as to whether to proceed with the project or not. At the end of a project, as part of closure, any outstanding risks which would therefore have an impact on the end product’s operational life should be found a new owner, so that such risks can continue to be successfully
managed and controlled. Risk Management is an essential part of any programme or project and can vastly contribute to successful delivery.

Project risk management focuses on the management of these various types of risks related to a project. The process of project risk management is carried out in a number of steps. Nevertheless, there are two principal phases of project risk management and they are assessment of risk and risk control. Project risks can be minimized with the help of eliminating or decreasing them. Assessment of risk may be carried out at any point of time within the duration of the project. However, the earlier it is performed, the better it is for the organization. Risk can also be controlled. Risk control refers to assuming a risk but taking steps to reduce, mitigate, or otherwise manage its impact or likelihood. Risk control can take the form of installing data-gathering or early warning systems that provide information to assess more accurately the impact, likelihood, or timing of a risk. If warning of a risk can be obtained early enough to take action against it, then information gathering may be preferable to more tangible and possibly more expensive actions.

According to Crockford & Neil (1986), risk control is always dependent on a proper risk assessment. On the other hand, if risk control measures are not undertaken, there is no use of performing a risk assessment. The process of project risk management can be elaborated as follows:

- **Project Risk Assessment:** The process of project risk assessment can be further categorized into the following:
  - Identification of risk: The project risks are identified by examining the whole project plan.
  - Analysis of risk: Risk analysis can be quantitative or qualitative in nature. In this process, the manner in which the project risks may influence the project performance in terms of expenses, time period or satisfaction of the necessity of the customer is ascertained.
  - Prioritization of risk: According to this process, it is determined that which risks require total elimination, which risks require continuous supervision and monitoring and which risks are not so important to supervise.

- **Project Risk Control:** Project risk control involves the following steps:
  - Avoidance of risk: A plan is chalked out as to how project risks can be eliminated or avoided.
  - Risk transfer: In this way, risk is transferred by buying insurance policies.
  - Risk mitigation: A number of measures are taken beforehand for minimizing the impact of risk.
  - Contingency plan: For risks that are regarded as important, a contingency plan is prepared in advance before those risks occur.
  - Risk acceptance: Certain risks are accepted because they are regarded as small and do not influence the performance of the company to a significant degree.
  - Measure and control: Observing the outcomes of the risks that have been detected and handling them to a favorable or productive end.

Project risk management is undertaken primarily to improve the chances that a project will achieve its objectives. While there are never any guarantees, broader awareness of common failure modes and ideas that make projects more robust can significantly improve the odds of success. The primary goal of project risk is either to develop a credible foundation of each project showing that it is possible to or to develop a credible foundation for each project showing that it is possible or to demonstrate that the project is not feasible so that it can be avoided, aborted or transformed (Crockford & Neil 1986).

Risk management offers genuine and significant benefits to organizations, their projects and their stakeholders, but these will never be achieved without recognition of the importance of managing risk at all levels in the business, matched with operational effectiveness in executing risk management in practice.

Risk management has become one of the most important aspects of project management. As companies become better at managing projects, the significance of risk management becomes more important. Many companies are not yet adept at determining project cost, schedule and scope baselines and have not yet learned to manage the work that is actually going to have to get done in the project. Until this is done it does not seem worthwhile to consider risk management. The components of risk identification, probability and impact must all be considered in order to determine how to deal with a risk. The combination of impact and probability determine the severity of the risk. The severity of the risk determines its importance in ranking among other risks (Crockford & Neil 1986).

Developing a project plan with thorough risk analysis can involve significant effort, which may not seem necessary to many project stakeholders and even some project leaders. In fact the benefits and uses of
appropriate project risk analysis more than justify this effort. Among other benefits of project risk management are:

- It lowers cost and lessens chaos. Adequate risk analysis reduces both the overall cost and the frustration caused by avoidable problems. The amount of re-work and of unforeseen late project effort is minimized. Knowledge of the root causes of the potentially severe project problems enables project leaders and teams to work in ways that avoid these problems. Dealing with the causes of risk also minimizes “fire fighting” and chaos during projects, much of which is focused short-term and deals primarily with symptoms rather than the intrinsic sources of the problems.

- There is project priority and management support. Support from managers and other project stakeholders and commitment from the project team are easily won when the project are based on thorough, understandable information. High risk projects may begin with lower priority, but a thorough risk plan displaying competence and good preparation for possible problems can improve the project priority of a project and significantly reduce project risk – by opening doors, reducing obstacles, making resources available and shortening queues for services.

- Management of project portfolio. Achieving and maintaining an appropriate mix of ongoing project for an organization uses risk data as a key factor. The ideal project portfolio includes both lower-risk and higher risk projects in proportions that are consistent with business objectives.

- Fine-tuning plans are employed to reduce risk: Risk analysis uncovers weaknesses in a project plan and triggers changes, new activities and resources shifts that improve the project. Risk analysis at the project level may also reveal needed shifts in overall projects structure or basic assumptions.

- An establishment of management reserve: Risk analysis demonstrates the uncertainty of project outcomes and is useful in setting reserves for schedule and or resources. Risky projects really require a window of time (or budget), instead of a single point objective. While the project targets can be based on expectation (the “most likely versions of the analysis), project commitments should be established with less aggressive goals, reflecting overall project risk. The target and committed objectives set a range for acceptable project, results and provide visible recognition of project risk. For example, the target schedule for a risky project might be twelve months, but the committed schedule, reflecting the uncertainty, may be set at fourteen months. Completion within (or before) this range defines a successful project, only if the project takes more than fourteen months will it be considered a failure. Project risk assessment data provides both the rationale and magnitude for the required reserve.

Proper risk identification and management also yields benefits both to the project and to other stakeholders. The project increases its probability of satisfying its stakeholders. This yields job satisfaction and career benefits to the individual project team members, especially the project manager. It also improves the team's collective identity, morale and spirit, which will be of benefit if the same team goes on to tackle other, perhaps even more challenging tasks.

Furthermore, since the risk management system allows risks to be openly spoken of, it allows project team members to share their worries openly, rather than feel obliged to suppress any mention of the negative. This makes it easier for the project to manage stress levels.

And for the stakeholders, the existence of a proper risk management system reduces the chance of unpleasant surprises.

Project Management can be said to be of fast growing importance to organizations whether large or small because it deals effectively with the management of change. As a small business owner one knows that his or her business environment is changing all the time. As a business owner also, that successful project management is all about setting and achieving reasonable and attainable goals. In business, project management is an art, a skill, and a demanding full-time job. The fact of the matter is that project management is a human issue of people needing to work together. And for an individual as the business owner he or she remains the leader when it comes to project management (Belfatti, 2006).

Project management is about being able to create transparency and build trust. It’s about finding solutions that help each team member be better in what they are doing while building teamwork. Project management tracks actual progress against the goals and timelines set forth before the project even began. This permits a better understanding of whether one should adjust his or her strategy, staffing, or timelines in light of the way in which the project is developing (Belfatti, 2006).

A project manager can do some very useful things. Balancing limited labor, materials, and other resources is a difficult task. And eventually one is going to need people that can do that on a consistent basis. For as a
business grows so too will its projects. And as one's own tasks become even more varied, the one is going to need good project managers because he or she will not always be able to look over their shoulders. One has to be able to trust that they can deliver what they promised someone. And for whoever is tasked with delivering a project - on time and under budget they can expect a great deal of job satisfaction assuming that will also be recognized by their good work. The job offers the opportunity to lead, and new projects keep the work fresh and challenging.

Typically, projects are managed by focusing on the delivery of the tasks that make up the project, in the seemingly reasonable belief that if these tasks are done on time, the project will be done on time as well. No wonder project management is such a challenging endeavor. Protecting the value of a project involves dealing with the uncertainty that will be associated with its delivery. The role of project management is to assist in turning uncertain events and efforts into certain outcomes and promises. The project manager has a lot of responsibility thrust upon him or her. But hopefully with experience will come consistent success. For many businesses the types of projects encountered are similar. If houses are built for a living then each house that is built will be unique in its own ways but it will share many similarities with other houses already built. If that experience is capitalized on then there would be many more successes.

Project management is thus a skill valued in every major industry. Project management is rapidly becoming a key skill that underpins progress and prosperity. As many projects grow larger and more diverse, hiring people who have that experience will be of great value to businesses.

**Types of risk management**

There are different types of risk management and the characteristics and procedures of each type of risk management are different from the other. All these risk management processes play a significant role behind the growth of an organization in the long term. Commercial enterprises apply various forms of risk management procedures to handle different risks because they face a variety of risks while carrying out their business operations. Effective handling of risk ensures the successful growth of an organization. According to CAS ERM Committee (2003), various types of risk management can be categorized into the following:

- Operational risk management: Operational risk management deals with technical failures and human errors.
- Financial risk management: Financial risk management handles non-payment of clients and increased rate of interest.
- Market risk management: Deals with different types of market risk, such as interest rate risk, equity risk, commodity risk, and currency risk. This is the most familiar of all risks. Also referred to as volatility, market risk is the day-to-day fluctuations in a stock's price. Market risk applies mainly to stocks and options. As a whole, stocks tend to perform well during a bull market and poorly during a bear market - volatility is not so much a cause but an effect of certain market forces. Volatility is a measure of risk because it refers to the behavior, or "temperament", of one's investment rather than the reason for this behavior. Because market movement is the reason why people can make money from stocks, volatility is essential for returns, and the more unstable the investment the more chance there is that it will experience a dramatic change in either direction.
- Quantitative risk management: In quantitative risk management, an effort is carried out to numerically ascertain the possibilities of the different adverse financial circumstances to handle the degree of loss that might occur from those circumstances.
- Country Risk - Country risk refers to the risk that a country would not be able to honor its financial commitments. When a country defaults on its obligations, this can harm the performance of all other financial instruments in that country as well as other countries it has relations with. Country risk applies to stocks, bonds, mutual funds, options and futures that are issued within a particular country. This type of risk is most often seen in emerging markets or countries that have a severe deficit.
- Commodity risk management: Handles different types of commodity risk, such as price risk, political risk, quantity risk and cost risk.
- Bank risk management: Deals with the handling of different types of risk faced by the banks, for example, market risk, credit risk, liquidity risk, legal risk, operational risk and reputational risk.
- Nonprofit risk management: This is a process where risk management companies offer risk management services on a non-profit seeking basis.
- Currency risk management: Deals with the changes in currency prices.
Enterprise risk management: Handles the risk faced by enterprises in accomplishing their goals.
Project risk management: Deals with particular risk associated with the undertaking of a project.
Integrated risk management: Integrated risk management refers to integrating risk data into the strategic decision making, of a company and taking decisions, which take into account the set risk tolerance degrees of a department. In other words, it is the supervision of the market, credit, and liquidity at the same time or on a simultaneous basis.
Technology risk management: It is the process of managing the risk associated with the implementation of the new technology.
Software risk management: Deals with different types associated with implementation of new software.
Strategic Risks: for example a competitor coming on to the market.
Compliance Risks: for example the introduction of new health and safety legislation.
Financial Risks: for example non-payment by a customer or increased interest charges on a business loan.
Operational Risks: for example the breakdown of key equipment.
Environmental Risks: like disasters.
Employee Risks: supplying necessary number of employees, safety and health issues.
Political and Economic: instable political status in foreign markets you export goods to. Political risk represents the financial risk that a country's government will suddenly change its policies. This is a major reason why developing countries lack foreign investment.
Liquidity risk: arises from situations in which a party interested in trading an asset cannot do it because no one in the market wants to trade in the asset. Liquidity risk becomes particularly important to parties who are about to hold or currently hold an asset, since it affects their ability to trade.
Volatility risks in the financial market are the likelihood of fluctuations in the exchange rate of currencies. Therefore it is a probability measure of the threat that an exchange rate movement poses to an investor's portfolio in a foreign currency. The volatility of the exchange rate is measured as standard deviation over a dataset of exchange rate movement.
Foreign-Exchange Risk - When investing in foreign countries you must consider the fact that currency exchange rates can change the price of the asset as well. Foreign-exchange risk applies to all financial instruments that are in a currency other than your domestic currency. As an example, if you are a resident of America and invest in some Canadian stock in Canadian dollars, even if the share value appreciates, you may lose money if the Canadian dollar depreciates in relation to the American dollar.
Interest Rate Risk - Interest rate risk is the risk that an investment's value will change as a result of a change in interest rates. This risk affects the value of bonds more directly than stocks.

Risk management processes phases

As risks are, due to their nature, strongly connected, they cannot be managed in a fragmented manner by independent functions and/or departments, but a dedicated process is necessary that, as such, requires a structure, an organization and communication mechanisms.

Traditionally, the phases of a Risk Management process are as follows:

1. Context definition;
2. Risk identification;
3. Risk assessment;
4. Risk treatment;
5. Risk Communication;
6. Risk Planning;
7. Checking and supervision;

To be effective, each of these phases (and, obviously, the entire Risk Management process that unites them), as previously mentioned, must be fully integrated within the wider scope of the company organisation.

Context definition

Context definition implies:

- Identifying the areas of risk that must be considered, due to the specific combination of market, product/service, manufacturing/supply process as well as external references (institutions, suppliers, banks, unions, etc.);
• Congruently defining an identification and assessment activity schedule;
• Organizing the necessary resources, starting by defining duties and responsibilities.
• In this phase, therefore, the limits of the approach are recorded and the base for the development of the operative system is created, having a fundamental concept as reference criteria, which is the knowledge that:
• Potential risks can involve the organisation on all levels;
• The most negative consequences do not necessary refer to risks attributable to the short-sighted behavior of those who occupy upper management positions.

**Risk identification**

The next phase, which is related to identifying potential risks and their description, must be confronted by analyzing all possible sources of risk (such as, for example: the positions of the stakeholders, market changes, manufacturing errors or work accidents, etc.), within the areas of risk that were taken into consideration when defining the context.

The process of identifying potential risks must, in any case, work for the type of organization and, therefore, for the type of product/service offered and the type of market in which the organization itself operates; it normally refers to:
• the objectives, which the organization has set for itself;
• the scenarios, which the organization may find it must face in carrying out its business;
• The procedures or practice, which the organization adopts for management and operational purposes.

Potential risks do not generally represent an effective risk if the organization does not have, in reference and at the same time, a specific weakness. This concept, which is based on the modern approach of Risk Management, therefore foresees the creation of a list of vulnerabilities (structural, managerial or operative) concerning the areas of risk being considered, over which the corresponding list of the sources of risk must be critically superimposed.

Effective risk identification finally requires the support of reasonable confirmations, objective if possible, regarding the correctness of the analysis. These confirmations may be:
• of a direct experimental nature (the event has already occurred)
• of an indirect experimental nature (the event has already occurred in a similar situation)
• Of a deductive nature (the cause – effect relationships make the event appear probable).

In this way, a “risk profile” is outlined that is specific to each organisation (by context and vulnerability), to which the subsequent actions refer.

**Risk assessment**

When the risks have been identified, they must be assessed (Risk Assessment) based on:
• The probability that the negative event will occur;
• The seriousness of the direct or indirect consequences of the event itself.

This assessment can be more or less simple, based upon the specific situation, as what is relevant for the purpose is the availability of usable statistical data as well as validated analysis procedures. The statistical data (usable) and the analysis procedures (validated) can only be acquired from similar (or apparently similar) situations if done in an extremely prudent manner and only after having verified the transferability of the conditions concerning both the sources of risk and vulnerability.

From the above, in conclusion, it results that the risk assessment process generally follows paths of analysis within an organisation that, in reference to:
• The likelihood of an event, refer to the potentiality of the relative risk source, the extent of the specific possible vulnerability and the level of effectiveness of the pre-existing control and reaction instruments;
• The seriousness of the consequences also refers, in addition to the type and extent of the damage, to the involved objectives (in a decreasing order of importance: the mission, the structure, the organization and operations).

Each potential risk must, however, be perceived with greater or less intensity, with regard to the real risk content, based upon the -force with which the relevant information is made available, especially when there are specific sensibilities. Therefore, the assessment process requires a constant engagement directed toward the objectivity of the judgments, in fact, if the risks are assessed in an irrational manner and their corresponding priority is assigned in an improper manner, there could be a lack of coverage and/or defense
and useful resources could be wasted that, if better applied, could lead to more effective management.

Once probability and consequences have been established, a risk matrix is usually prepared that relates to the risk profile created in the previous phase.

**Risk Treatment**

The treatment of the potential risks (Risk Treatment) is the phase in which the decision making processes become particularly important. It includes, either alternatively or in combination, one or more of the following conditions:

- The transfer of the risk;
- The exclusion of the risk;
- The reduction of the risk;
- The acceptance of the risk or an amount of the risk.

The selection of one or more of the previous conditions largely depends on the specific company situation (that is, the company's internal and external context as well as the company's real possibility to confront both of these contexts) and must be based on a cost-benefit analysis that is as quantitative as possible in reference to the short, medium and long-term period. Risk transfer: This condition foresees the persuasion of another party to accept the risk, through a contract. This is a typical case that concerns insurance companies, which is applied often when possible (for example, liabilities of a criminal nature cannot be transferred) even if at times it is done in a general manner and not, rather, in function of the specific organisation (tailored covering).

Risk exclusion: This condition foresees the non-execution of the activity that involves a risk that cannot be transferred and/or is considered to be unacceptable. Naturally, the result is a loss of opportunity that the activity at risk would have represented in any case.

Risk reduction: This condition involves the adoption of managerial, technological and behavioral actions that lower the probability of risk and/or the seriousness of the possible consequences. The persistence of residual risk is often, in any case, unavoidable both for reasons inherent to the context (institutional, managerial, technological, etc.) in which the organisation operates, as well as for the possible simplifications and/or omissions of the analysis.

Acceptance of an amount of the risk: All risks (or amounts of risk) that are not transferred and not excluded are, as a result, accepted. The conscious acceptance of residual risk occurs, in general, when at least one of the following conditions applies:

- Sufficiently low probability of the event;
- Consequences of the event are proportionally of little relevance;
- Great benefits if successful.

The risk (or the amount of risk) that is accepted must subsequently be controlled in agreement with what is foreseen by the following paragraph.

**Planning**

Planning defines the risk control methods, that is:

- the acquisition, interpretation, sending and/or storing of incoming data for the control process;
- the appropriate level and localization for the decisions and actions connected to each type and condition of risk;
- the operative procedures and/or practice;
- the control instruments;
- The acquisition, interpretation, sending and/or storing of output data from the control process.

If the control plan is sufficiently broad and complex, it is recommended that the position of a Risk Manager is created, as it is an important position that is mainly directed toward coordinating all activities and their communication, although it does not have any direct responsibility for the risk itself.

The planning activity is documented and collected in a Risk Management Plan.

**Risk communication**

Risk communication is defined as any two-way communication between stakeholders about the existence, nature, form, severity, or acceptability of risks. It is vitally important to understand the basic concepts of risk communication and to ensure that communication among stakeholders is integral to the risk management process. The focus of risk communication has evolved since the mid 1980s, from concern about how best to
inform the public about the technical aspects of risk assessments to a process of early and ongoing dialogue among stakeholders. While guidelines for risk communication have been prepared by various agencies, putting principles into practice is a long term process requiring considerable resources, time, and effort.

The profile, the matrix, the risk treatment (including the cost-benefit analysis) and the control planning must be documented in detail in a Risk Management Report, which must be presented to all personnel that is involved in any manner and who must not only acknowledge it, but must also share in the approach and evolution, each for his or her own area of interest and according to each person’s level of responsibility.

If information only should not be enough, targeted training courses should be developed with the purpose of making the Risk Management Report an effective management instrument.


1. **Checking and supervision**

   Checking and supervision over time concerns (whenever applicable and possible) all control instruments (technical and managerial, preventive and supervisory, evasive and reactive, etc.) that were implemented, or planned to be implemented, in compliance with the Risk Management Plan, in order to verify its efficiency and effectiveness.

   The checking and supervision results must be documented, evaluated and recorded.

2. **Process review**

   Risk Management is a dynamic process and therefore it must be reviewed in a sufficiently frequent manner (Risk Management Review), based upon the experience gathered in a direct manner (within the organisation) or indirectly (outside of the organisation, in similar and comparable situations), with the purpose of:
   
   - Evaluating possible evolutions that concern any phase of the process, which could cause changes to the risk profile, matrix and/or treatment (for example, but not only: a different risk context, a different criterion regarding the acceptable risk, a different cost-benefit analysis, etc.);
   - Evaluating the efficiency and effectiveness of the adopted Risk Management Plan; evaluating the checking and supervising results.
   - If revisions are made, another Risk Management Report must be created that is updated with regard to the changes that were made.

**The need for project risk identification and control**

Risk can be found everywhere (Culp 2001, p. 3). Furthermore, many of the critics say that the world is becoming more and more risky as time goes by (Culp 2001, p. 4). This is due to the fact that there are many important factors and aspect that help to create change that will eventually lead to risk. Globalization and innovation are consider as the two most important factors that help to move and push change in the global as well as in the local market and field. Innovation without the risk can be considered as paradoxical, this is due to the fact that risk is considered as the most naturally addressed more often in innovation (Culp 2001, p. 4). Due to innovation and globalization, many companies are planning and implementing different strategies with accordance to the development and improvement of their products that will later on can affect or create risk for them.

Although not all of risks are bad, it is important for any company to have a programme or implement an activity that will evaluate as well as analyze the different possible risk that might be encountered by the company in order to ensure that everything is at the right place. Risk analysis is considered as the technique that is used in order to identify as well as assess the different factors that may endanger the success of a given project and eventually achieving the goals of the company. It also helps in defining different preventive measures that can help to lessen the probability of different risk that will occur by identifying the different countermeasures that will successfully deal with the said constraints (Mutinelli 2007). It is part of the bigger study which is the risk management that is use in order to identify, furthermore analyze as many of the possible risks as possible, as early as possible, and eventually developing different strategies that will help to deal with them (Harrison & Lock 2004, p. 178).

The process of identifying the possible risk areas is the primary and considered as the most important as well as most painstaking step in the overall management of the risk. This is due to the fact that all of the entities as well as other aspects that are connected to the industry as well as to the business must be considered
in order to know the different risk or threat that can be faced by the company in implementing any projects. The process of identifying the possible risk areas for every project of the company is important due to the fact that the business proper of the company focuses on gas distribution and the likes. Furthermore, any wrong move or failure of one specific project can greatly affect the physical and environmental condition of each and every individual as well as the economical condition of its overall market.

**Identifying risks early in a project**

The first step in project risk management is to identify the risks that are present in projects. According to Lewis (2006), techniques involve in identifying project risks require an open mind set that focuses on future scenarios that may occur and that there are two main sources exist to identify risks, people and document. People are the team members that each bring along their personal experiences and expertise. Other people to talk to are experts outside the project that have a track record with the type of project or work organisations are facing. Interviews and team sessions (risk brainstorming) are the common methods to discover the risks people know. Projects tend to generate a significant number of documents that contain project risks. The project plan, business case and resource planning are also good starter-techniques. Other categories are old project plans (Lewis, 2006).

Are the project team able to identify all project risks before they occur? Probably not. However if the team combine a number of different identification methods, they are likely to find the large majority. If they deal with them properly, they have enough time left for the unexpected risks that take place (Wysocki, 2004).

The effective management of project risks is an integral part of best practice project management. A formal risk management process is intended to introduce rigor, objectivity and consistency into what is typically a subjective process (Lewis 2006).

Initially, a brief risk assessment is done when proposing a new project for approval. Any identified high risk factors should be analyzed to determine whether actions can be undertaken to eliminate, reduce or constrain the risk before the project commences. This may require adjustments to the proposed project’s scope, objectives, timelines or resources.

Once a project is approved, a Risk Management Plan should be developed for all risk factors that were not eliminated during the project proposal process. This should include a description of the risk, the impact of the risk on the project, what actions can be taken to assist in reducing the risk and, if necessary, a contingency plan. The Project Manager (PM) and team must seek the assistance of the Project Sponsor and stakeholders in the proactive reduction of risk (Lewis 2006).

Reduction of risk in a project is a ‘win-win’ situation with all project people gaining from the increased possibility of project success. However it often transpires that a project is exposed to risks that are beyond the PM and his or her organization to resolve. Dependence on outside organizations is one such risk factor.

There is an important relationship between project risk and the appropriate project development strategy. Risk can change as the project progresses. It is possible for a project initially assessed as low risk to quickly escalate into a high risk project. Any alteration of project risk factors must be subject to the standard change control mechanism (Lewis 2006).

It is also essential to understand that as risk assessment is subjective, different people will perceive risks differently. Risk assessment should record all views democratically with the majority view being accepted as the guide. Should a split decision result from the democratic process then the higher risk factor should be used.

The purpose of project risk identification and management is to obtain better project outcomes, in terms of schedule, cost and operations performance. According to Lewis (2006), project risk identification and management process is needed to ensure that:

- All significant risks to the success of the project are identified;
- Identified risks are understood, with both the range of potential consequences.
- They represent the likelihood of values in that range being determined as far as is necessary for decision-making;
- Assessment is undertaken of individual risks relative to the other risks to support priority setting and resource allocation;
- Strategies for treating the risks take account of opportunities to address more than one risk;
- The process itself and the risk treatment strategies are implemented cost-effectively.

The application of those processes to projects requires integration of risk management with project
management processes and activities.

The broad objectives of the project risk management process are to:

- enhance the capability of the organization;
- extend the organization’s overall risk management processes to projects, and apply them in a consistent way; and
- Enhance the management of projects across the organization and obtain better project outcomes, in terms of schedule, cost and operations performance, by reducing risks and capturing opportunities.
- Good project risk management within an organization has the following characteristics:
  - project risk management activities commence at the initiation of the project, risk management plans are developed and risk management continues throughout the project life cycle;
  - project risk management is not a discrete stand-alone process, but is integrated with other project management functions; and
  - The implementation of project risk management is the responsibility of all project stakeholders and they participate actively in the process.

Project risk identification and monitoring strategies

The objective of risk management is to identify and manage significant risks. It involves several key phases, with feedback through a monitoring and review process. In most projects, risk management overlaps with other management processes and procedures, in that many of the steps are undertaken as part of normal project management. This provides the basis for integrating risk management and project management activities (Lewis, 2006).

According to Lewis (2006) risk identification and monitoring strategies involve the following processes/step:

1. Establish the context - What are we trying to achieve?
2. Identify the risks - What might happen?
3. Analyze the risks - What might that mean for the project’s key criteria?
4. Evaluate the risks - What are the most important things?
5. Treat the risks - What are we going to do about them?
6. Monitor and review - How do we keep them under control?
7. Communicate and consult - Who should be involved in the process?

Establish the context

Establishing the context is concerned with developing a structure for the risk identification and assessment tasks to follow. This step:

- establishes the organizational and project environment in which the risk assessment is taking place;
- specifies the main objectives and outcomes required;
- identifies a set of success criteria against which the consequences of identified risks can be measured; and
- defines a set of key elements for structuring the risk identification and assessment process.

Context inputs include key project documents, such as the project execution strategy, project charter, cost and schedule assumptions, scope definitions, engineering designs and studies, economic analyses, and any other relevant documentation about the project and its purpose.

The output from this stage is a concise statement of the project objectives and specific criteria for success, the objectives and scope for the risk assessment itself, and a set of key elements for structuring the risk identification process in the next stage.

Identify the risks

Risk identification determines what might happen that could affect the objectives of the project, and how those things might happen. The risk identification process must be comprehensive, as risks that have not been identified cannot be assessed, and their emergence at a later time may threaten the success of the project and cause unpleasant surprises. The process should be structured using the key elements to examine risks systematically, in each area of the project to be addressed.

A number of techniques can be used for risk identification, but brainstorming is a preferred method because of its flexibility and capability, when appropriately structured, of generating a wide and diverse range of risks.
Information used in the risk identification process may include historical data, theoretical analysis, empirical data and analysis, informed opinions of the project team and other experts, and the concerns of stakeholders.

The output is a comprehensive list of possible risks to the successful outcome of the project, usually in the form of a risk register, with management responsibilities (risk owners) allocated to them.

**Analyze and evaluate the risks**

Risk assessment is the overall process of risk analysis and risk evaluation. Its purpose is to develop agreed priorities for the identified risks.

- Risk analysis is the systematic use of available information to determine how often specified events may occur and the magnitude of their consequences.
- Risk evaluation is the process of comparing the estimated risk against given risk criteria to determine the significance of the risk.

The assessment process:

- determines the consequences of each risk, should it arise;
- assesses the likelihood of those consequences occurring;
- converts the consequence and likelihood ratings to an initial priority for the risk; and
- develop agreed risk priorities and inherent risk levels.

The agreed priorities are used to determine where the greatest effort should be focused in treating identified risks. They facilitate structured action planning and resource allocation. This stage of the risk management process generates a prioritized list of risks and a detailed understanding of their impacts upon the success of the project should they occur. The consequence and likelihood ratings and the agreed risk priorities are all recorded in the risk register.

**Treat the risks**

The purpose of risk treatment is to determine what will be done in response to the risks that have been identified, in order to reduce the overall risk exposure. Unless action is taken, the risk identification and assessment process has been wasted. Risk treatment converts the earlier analyses into substantive actions to reduce risks.

The primary inputs to this step are the lists of risks and their agreed priorities from the previous step and the current project plans and budgets.

Risk treatment involves:

- identifying the options for reducing the likelihood or consequences of each Extreme, High or Medium risk;
- determining the potential benefits and costs of the options;
- selecting the best options for the project; and
- developing and implementing detailed Risk Action Plans.

Risk Action Plan Summaries are usually required for each risk classified as Extreme or High on the agreed risk priority scale.

**Monitor and review**

Review processes are often implemented as part of the regular management meeting cycle, supplemented by major reviews at significant project phases and milestones. Monitoring and review activities link risk management to other management processes. They also facilitate better risk management and continuous improvement. The main input to this step is the risk watch list of the major risks that have been identified for risk treatment action. The outcomes are in the form of revisions to the risk register, and a list of new action items for risk treatment.

**Communicate and consult**

Communication and consultation with project stakeholders may be a critical factor in undertaking good risk management and achieving project outcomes that are broadly accepted. They help owners, clients and end users understand the risks and trade-offs that must be made in a large project. This ensures all parties are fully informed, and thus avoids unpleasant surprises. Within the project management team, they help maintain the consistency and reasonableness of risk assessments and their underlying assumptions.
In practice, regular reporting is an important component of communication. Managers’ report on the current status of risks and risk management as required by sponsors and company policy. Senior managers need to understand the risks they face, and risk reports provide a complement to other management reports in developing this understanding.

The risk register and the supporting action plans provide the basis for most risk reporting. Reports provide a summary of project risks, the status of treatment actions and an indication of trends in the incidence of risks. They are usually submitted on a regular basis or as required, as part of standard management reporting. Major projects may require more extensive reporting on a periodic basis or at key milestones.

Results and Discussion

Risk management involves assessing and quantifying business risks, then taking measures to control or reduce them. Risk Management also aims to facilitate the exchange of information and expertise across projects and across team members. In the findings the research revealed that managing risk at ECG was not very effective therefore its effectiveness can be concluded as average.

The purpose of risk management is to generate ideas and promote good practice for those involved in the business of managing risk. But then the study found that training which is key in every organization and refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies was lacking in ECG. This is because the study found that training was mostly done as and when it became necessary for project team members. All too often assessments of risk are cruelly made if training is ignored and the consequences of getting things wrong can be serious, including lost opportunities, loss of business, loss of reputation and even life.

Effective communication was found to be lacking at ECG during the survey. According to Duncan (2004) Communication between top management, middle management and project teams have to be two-way. There needs to be a feedback from both sides on their opinions about a particular project to ensure success and to ensure that everything that is done on that particular project is within scope. According to Duncan (2004) requirements and directions come from the management where as required resources or incidents come from the staff. From the study, it was realized that the Project Department of ECG lacked this two-way information as most decisions came only from the Project Department and not from the entire Management of ECG.

Again, Duncan suggested that by using the AS/NZS 4360 standard, there needs to be inputs from the staff and project managers. There is also a need to understand that though there is an internal risk management team doing risk management for projects; there is a need for third-party auditors to assess whether the risk has been managed without any favoritism. Third-party auditors will incur costs, but most importantly is that management must understand the importance and objectives of the third party audits. This was not found during the study at ECG as most staff’s assessment of effectiveness on the part of ECG Project Department was average.

It is true that the lack of funding hinders every project’s long-term success. But the fact of the matter is that modern day projects are such that colossal sums of money are required for their implementation. The major risk that may be mentioned is that of Completion Risk. This is a risk that the project may not be completed on time or at all due to technology failures, cost overruns, and certain necessary variations. If the project is not on schedule, interest builds up and there may not be sufficient funds to cover the interest. Project lenders are often not prepared to take non-recourse completion risk and therefore require either a completion guarantee or a guarantee of loans provided.

Again, project finance almost invariably involves a syndicate of lending banks who independently appraise the project from their capital base before making any commitments. The whole principle of each bank bearing a portion of the total commitment gives the individual bank the comfort that it otherwise would not have enjoyed had the lending been carried out solely by one bank. The risk of lending is shared and no one lender over stretches its resources in financing a project only to find that it may not be able to discharge its loan obligations within the time frame of a sole bank. It is from this background that it was realized projects found it difficult to get finance thus lack of funding is a mere challenge in ECG during its execution of Projects.

The study revealed that majority of staff members in the project department are qualified. This particular objective become necessary in that project risk preventive techniques is a sensitive area in project management and needed so much in an ongoing project which needs technocrats to manage that. In project and any other business activities, risk is an element difficult to deal with and cannot also be eliminated. What is important is to have preventive techniques to either moderate or stop the risk entirely from happening.
The study was found that most members on the project are quite efficient; the study also found that staff from project department appears very efficient. Efficiency is necessary and paramount in any project especially in areas of risk management and preventive techniques for project success. It is clear from the findings that members on project are quiet efficient but the question is; are they efficient in general or efficiency on issues concerning risk in project.

Risk identification and preventive techniques according to the study can easily be ascertained. Risk identification determines what might happen that could affect the objectives of the project, and how those things might happen. The risk identification process can be comprehensive, as risks that have not been identified cannot be assessed, and their emergence at a later time may threaten the success of the project and cause unpleasant surprises.

Conclusion

Some projects appear to have a passive and ad hoc approach to the management of risk, without the benefits of either tracking the root causes of identified risks or making proactive decisions and actions to mitigate the risks. In a passive and ad hoc approach, risks may be identified but they are largely ignored in the planning and execution process until undesired events occur, at which time solutions are sought. Thus the study investigated into the management of risk at ECG, to ascertain whether projects undertaken by ECG involved risk. The study also investigated the question as to whether risk can be ignored entirely.

Objectives set in the study were all addressed; numerous findings were arrived at, indicating that even though ECG had a qualified and competent Project Team, they were not given continuous training to equip them to be effective and efficient. Furthermore lack of funding was a major challenge that the Project Team faced in executing projects.

The process of identifying the possible risk areas is the primary and considered as the most important as well as most painstaking step in the overall management of the risk. This is due to the fact that all of the entities as well as other aspects that are connected to the industry as well as to the business must be considered in order to know the different risk or threat that can be faced by the company in implementing any projects. The process of identifying the possible risk areas for every project of the company is important due to the fact that the business proper of the company focuses on gas distribution and the likes. Furthermore, any wrong move or failure of one specific project can greatly affect the physical and environmental condition of each and every individual as well as the economic condition of its overall market.

In conclusion, ensuring that adequate and timely risk identification is performed is the responsibility of the Project Manager, as the PM is the first participant in the project. The sooner risks are identified, the sooner plans can be made to mitigate or manage them. Assigning the risk identification process to a contractor or an individual member of the project staff is rarely successful and may be considered a way to achieve the appearance of risk identification without actually doing it. It therefore important, however, that all project management personnel receive specific training in risk management methodology. This training should cover not only risk analysis techniques but also the managerial skills needed to interpret risk assessments.

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How Working Conditions Affect Quality Healthcare Delivery

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Abstract

In Nigeria, incessant strike is prevalent among healthcare workers in public and civil service with workers asking for more remunerations and facilities so as function optimally. Each episode of disruption of service has an enormous effective on the citizen, economic implication, health parameters of the population. Healthcare workers suffer enormous injury ranging from biological, physical, psychological and economic as a consequence of our working conditions; sometimes healthcare workers even suffer death. Administrators of public and civil service need to be abreast with different classification of working conditions as explained by the International Labour organization (ILO) so as to affect the necessary standards in our healthcare facilities, hence, mitigating industrial strike actions, improving working condition in our facilities, translating to improved patient experience and health indices.

A literature review into the different effect of poor working condition on healthcare delivery; resulting in dissatisfaction among healthcare workers and support staff, most predictor of burn out syndrome, an increased risk of non-communicable disease in workers with overtime and extended schedules. It was also revealed that improvement in work environment can lead to higher productivity of employees and bad working conditions contribute to low productivity of employees (Taiwo, 2010).

The information in this report will assist clinicians, health system managers, policy makers and health services researchers to improve their understanding about how features of the work environment affect the quality of services rendered to the public.


Introduction

The health sector in any country is recognized as an engine of growth and development and a major contributor to human capital development but it is disappointing that most states in Nigeria takes health sector as trivial. Nigeria operates a Federal System of Government with three levels; the federal, state, and Local Government Areas/Councils. There are 774 Local Government Areas (LGAs) within the 36 states and Federal Capital Territory (FCT) Abuja. The 774 LGAs are further sub-divided into 9,565 wards. The states and FCT are grouped into six geo-political zones: The South-South, South-East, South-West, North-East, North-West, and the North Central. The 774 LGAs are the constitutionally-designated provider of Primary Health Centres (PHC). However, they are the weakest arm of the health system. There are about 25,000 PHC facilities nationwide with a population to health facility ratio of about 5,600 residents to one. The Nigeria Ministry of Defense runs medical centers around the nation which provide mostly secondary and tertiary care to both military personnel and civilians.

In addition to the Federal Ministry of Health, the National Primary Health Care Development Agency (NPHCDA) - another centrally-funded agency - has the mandate to support the promotion and implementation of high quality and sustainable PHC at state and lower levels. The NPHCDA, in collaboration with state governments and LGAs, is active in development of community-based systems and functional infrastructure, as well as ensuring that women deliver in safe conditions and infants are fully immunized against vaccine-preventable diseases. The NPHCDA also implements the national campaign against polio and measles in collaboration with states. The National AIDS Control Agency (NACA), the National Malaria Control Program.
(NMCP) and numerous other health units at federal and state level have the lead in the development and implementation of policies, strategies, and high-impact programs that directly affect the survival and health of women and children.

The private health care system provides care for a substantial proportion of the population. The private sector consists of tertiary, secondary, PHC facilities, patent medicine vendors (PMVs), drug sellers, and traditional practitioners. More than 70 percent of all secondary facilities and about 35 percent of PHC facilities are private. About two-thirds of the population in rural areas lives within five kilometers of a public or private sector PHC clinic.

There are about 36,000 PMVs nationwide, fairly evenly distributed between urban and rural areas. However, despite all aforementioned sources of healthcare delivery, quality of care in Nigeria is still rated poor. Though many factors (poor infrastructural and mental development, poor remuneration, lack of equity in the distribution of resources) could be responsible but amongst is the poor working condition of health workers as evidenced by incessant strike been embarked upon by health workers so as to express their dissatisfaction to government and health policy makers. Quality of care in both the public and some private health sectors needs substantial improvement (in working condition, facility etc). Findings showed that health workers especially Doctors and Nurses are travelling out of the country for green pasture due to poor working condition within the country healthcare facilities. Hence, resulting in shortage of effective manpower, increase burnout syndrome, medical errors and ultimately worsening of healthcare indices.

The purpose of this article is to explore the relationship between working condition and quality healthcare provided which if addressed will contribute immensely to improvement in health indices of the populace.

Objectives

To provide an overview of the evidence from up-to-date systematic reviews about the effects of working condition on quality of care delivered in health systems. Secondary objectives include identifying needs and priorities for healthcare managers to identify improving working condition as a key in the improvement of quality of care provided.

Methodology

An internet-based search review of literature was done on the effect of different categories of working condition (workforce staffing, workflow design, personal and social factors, physical environment and social factors) on the quality of care provided in healthcare system.

Inclusion criteria for considering review

- Systematic reviews that had a Methods section with explicit selection criteria;
- Assessed the effects of working condition on quality of care in healthcare (as defined in Background);

Search methods for identification of review

A search was conducted using the Agency for Healthcare Research and Quality (AHRQ), Health system evidence, CINAHL, Medline and Embase databases. Key words used were quality of health care; workforce Staffing; personal/social – stress and burnout; workflow design; physical environment; organizational factors.

Classification of working conditions

International Labour Organization (ILO) defined working condition Working conditions are at the core of paid work and employment relationships. Generally speaking, working conditions cover a broad range of topics and issues, from working time (hours of work, rest periods, and work schedules) to remuneration, as well as the physical conditions and mental demands that exist in the workplace. A business dictionary defined it as the conditions in which an individual or staff works, including but not limited to such things as amenities, physical environment, stress and noise levels, degree of safety or danger, and the like. The
Agency for Healthcare Research and Quality (AHRQ), through its Evidence-based Practice Centers (EPCs) identified five distinct categories of working conditions, as follows:

A. Workforce staffing

B. Workflow design

C. Personal/social

D. Physical environment

E. Organizational factors

A. Workforce staffing

Workforce staffing refers to the job assignments of healthcare workers. It includes four principal aspects of job duties:

1. The volume of work assigned to individuals. This has been defined in different ways depending on the nature of the job assignment. For pharmacists it has been defined as the number of prescription orders filled per day. For nursing staff, it has been defined as the number of patients cared for during a work shift. For physicians, it has been defined as the number of a certain procedure (such as coronary arteriography or resection of a gastric carcinoma) performed per year. The most common hypothesis is that higher workload is associated with a larger rate of errors and/or adverse outcomes. However, most research on physician performance has been based on the hypothesis that higher workload is associated with a lower error rate, due to differences in the unit of measurement and nature of clinical tasks.

2. The professional skills required for particular job assignments. This has usually been defined as attainment of advanced academic degrees or specialty certifications. However, some research has examined the effects of focused training programs for existing staff members. The usual hypothesis has been that higher levels of prior training are associated with lower error rates. Current concerns over the demographic trends toward a shrinking workforce for some professional areas (particularly nursing) has also led to research on the effects of shifting some job duties to less highly trained personnel (such as using unlicensed personnel for performance of nursing tasks and using pharmacy technicians to provide pharmacy services as allowed by state/federal law).

3. The duration of experience in a particular job category. Duration is usually measured as the number of years an individual has worked in a particular job category. Some studies of physicians in academic settings have used faculty rank as a measure of experience. The most common hypothesis is that longer experience is associated with lower error rates.

4. Effects of work schedules, including length of shift, days of the week worked, and temporal cycle effects (such as influence of time of week or season of year). A common hypothesis is that longer work shifts are associated with a greater incidence of errors.

B. Workflow design

Workflow design focuses on the process of delivering health care. Healthcare facilities are complex collections of simpler units organized to support the workflow to deliver patient care. Workflow design encompasses the interactions among workers and also between workers and the workplace. It also includes the nature and scope of the work as tasks are completed. In health care, as in other industries, hazards to workers and patients can be evaluated by examining specific work processes. This allows for the analysis of risks in the system and the impact of those risks on the worker and patient. A useful framework for analyzing workflow design integrates approaches from several disciplines, including organizational psychology, industrial engineering, biomechanics and ergonomics.

For evaluating patient safety, workflow design includes task design and workplace design relevant to accomplishing the tasks. Task design includes such job characteristics as redundancy, complexity, distractions, and transfer of information and responsibility to others (“hand - offs”). Workplace design considers workerergonomics for technology and equipment.
C. Personal/social

This category of working conditions is concerned with the personal, professional, and social aspects of the healthcare work environment. The personal factors include stress, burnout, dissatisfaction, motivation, and control over work. Social factors include interrelationships among workers, such as collectivism, role ambiguity, discord, and support. Professionalism includes the values that are cultivated within professional disciplines such as nursing or clinical pharmacy.

D. Physical environment

Physical environment working conditions include direct physical characteristics such as light, aesthetics, noise, air quality, toxic exposures, temperature, and humidity. This category also includes basic workplace design features, such as obstacles, physical layout, and distance from nursing stations.

E. Organizational factors

Organizational factors are structural and process aspects of the organization as a whole. For example, work structures such as the use of teams and the division of labor are organizational factors with potential influences on patient safety. Other organization-level factors include size, funding mechanisms (e.g., profit, not-for-profit), hospital type (e.g., teaching, private), and culture. Some aspects of the organization, such as size and funding base, are difficult to change. Other aspects, such as the use of team structures and culture, are more amenable to change.

Organizational culture is what employees throughout an organization perceive and how this perception creates a pattern of beliefs, values, and expectations. Specific characteristics of organizational culture include managerial style, evaluation and reward systems, economic effects, hierarchy, accountability, decision latitude, and employee feedback.

Result

Workforce staffing: the 2000 World Health Organization (WHO) report stated that Health care is a labour intensive making human resources one of the most important inputs in health care delivery. Hence, the need to manage human resources is imperative to the delivery of quality of healthcare to the population they serve. In health care, the problem of increasing performance and making the work environment more pleasant has been approached through the introduction of changes in working environment. Working conditions of staff in public hospitals in Nigeria had been appalling over the years. Tomic and Tomic reported that employees are said to experience a heavy workload when they experience difficulties in meeting the task requirements as delegated by the employer. Workload has been found to be the most important predictor of burnout, lack of involvement and dehumanization of patients by health care personnel. It is also a major cause of dissatisfaction among health care givers and support staff and has been found to have an influence on staff decisions as whether to leave or remain in their jobs (Shiron et al).

Hospitals with low nurse staffing levels tend to have higher rates of poor patient outcomes such as pneumonia, shock, cardiac arrest, and urinary tract infections, according to research funded by the Agency for Healthcare Research and Quality (AHRQ) and others (Mark W. Stanton, M.A.).

In relation to personal/social characteristics of working condition, Al-Momani found an increased risk of hypertension, cardiovascular diseases, fatigue, stress, depression, musculoskeletal disorders, chronic infections, diabetes and general health complaints in workers with overtime and extended schedules. Studies among nurses in Japan and in the United States indicated that irregular shifts impact negatively on the circadian rhythm and leads to failure of various physiological functions and metabolic syndromes. In addition to that, health problems such as obesity, gastrointestinal disorders, cardiovascular diseases, duodenal ulcers, infectious diseases and musculoskeletal complaints have been linked to shift work. Barger et al reported mental health problems such as depression and suicide have also been found to be associated with shift work. There is considerable evidence that irregular shifts and long working hours are the major risk factors for mental ill-health, particularly among young women. Hence, poor working conditions could
result in increased disability, non-communicable disease, psychological problems and even suicidal attempt.

Physical environment as a characteristic of working condition had been showed by several researches to have positive impact of workers satisfaction with work environment and increase productivity. Taiwo (2010) reported that conducive work environment stimulates creativity of employees and enhance productivity. It was also concluded based on the T-test results that improvement in work environment can lead to higher productivity of employees and bad working conditions contribute to low productivity of employees. A survey conducted by Brill (1990) has suggested that improvements in the physical design of office buildings may result in a 5-10 percent increase in productivity and eventually increase performance. Scott, (2000) reported that working conditions associates with employees’ job involvement and job satisfaction. Stall (1996) has also shown that when human needs are considered in office design, employees work more efficiently.

Discussion

The different research relating the working condition with quality of service delivery has positive impacts, meaning that health managers and policy makers improving working conditions in the various categories aforementioned viz a viz staffing, work design, physical environment, social/personal and organizational factors will improve the quality of services delivered in our healthcare system. The secondary effect is increase motivation, job satisfaction; reduce job turnover and brain drain within the health system.

Looking at the widespread localization of health facilities around local government within Nigeria, improvement of at least two (2) healthcare facilities within each local government to start because of enormous resources needed to effect this change; will result in an improvement in quality of healthcare provided within the state.

Conclusion

No doubt that the information in this report will assist clinicians, health system managers, policy makers and health services researchers to improve their understanding about how characteristics of the work environment affect the quality of services rendered to the public.

Policy makers can use the information to guide decisions about resource commitments for system changes and research priorities. Health services researchers can use the information to identify gaps in knowledge that can guide new research initiatives.

The findings thus far can have a positive impact if used to educate and inform interested parties on how quality of care is changing.

Finally, policymakers may want to monitor developments in staffing issues closely in order to determine if additional legislative changes are needed to increase employment rate and reduce adverse patient outcomes.

References


Community Support During Disasters- A Review of Disaster Pattern in the Bigu Rural Municipality of Dolakha District and their Management

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Abstract

In this research, I am focusing to identify the causes of disaster occurrences and the coping mechanism of the vulnerable community. This research will cover the action plan of preparedness and community capacity for disaster management. Nepal is one of the most disaster-prone countries of the world due to complex geophysical condition and poor socio-economic situation. The country is facing various types of natural disasters like: flood, landslide, fire, earthquake, windstorm, hailstorm, lightning, glacier lake outburst flood, drought, epidemic, avalanche and so on. Further it is also exposed to various types of natural disasters due to rugged and steep topography, extreme weather events, and fragile geological conditions.

The key research question is the analysis of the community’s resilience to the frequent natural and man-made disasters. This will include understanding of: the in-situ’ coping ways of the community within their families as a unit and the preparedness measures that they have and how they act when disaster occurs. The research will further investigate and analyse the patterns of the disasters in the study area, the impact of the past disasters on the community and the landscape.

These actions will help in framing the project narrative describing the disaster patterns, impacts, community coping mechanisms incl. preparedness and mitigation measures. Key Words: Hazard, Vulnerability, Capacity, Disaster, Risk, Mitigation

Nepal - scenario of disaster management

Nepal is one of the most disaster-prone countries of the world due to its complex geophysical condition and poor socio-economic situation. The country is facing various types of natural disasters like: flood, landslide, fire, earthquake, windstorm, hailstorm, lightning, glacier lake outburst flood, drought, epidemic, avalanche and so on. Further it is also exposed to various types of natural disasters due to rugged and steep topography, extreme weather events, and fragile geological conditions. Nepal’s vulnerability to disasters is compounded by rapid population growth, and development of haphazard and unplanned settlements. The rural houses are built mostly with the wood and thatched roofs and are hence very weak and majority of them remain highly vulnerable to disasters such as fire hazards, earthquakes, landslides, and floods. The disaster occurs almost every year in one or the other part of the country.¹

Thousands of families every year become homeless due to natural disasters and most of these are poor families as they usually live in the disaster-prone areas due to socio economic conditions and the repressive caste system. It is obvious that they are more victimized as they are in un planned settlements in the hazard/risk affected area with minimal preventive measures (using poor construction materials), haphazard use of land for agriculture and other activities.

Large tracts of the rural areas are often inhabited by low income earning communities dependent upon agriculture, livestock, daily wage, forest products, small business, and service for their livelihoods. Once the disaster occurs, these extremely vulnerable people are mere dependents (for a long time) on external aid in absence of community safety nets and weak government infrastructure and support systems.

The types of natural and human induced hazards in Nepal, drawn from the active dataset (table 1) maintained by MoHA³, covering a period of 45 years (1971 to 2015) tells us that a total of 22,373 disaster events have been recorded during this period. This works out to an average annual exposure to 500 events of disaster⁴.
Rationale of the study

Nepal has been classified by the World Bank 2015 as one of the 'hot-spot' countries in the world with high risk for multi-hazard and disasters. Accordingly, "Nepal is ranked as 11th at most risk country in the world in terms of its vulnerability to earthquake, 30th with respect to floods and ranked 4th at risk of climate change induced disasters, making it the 20th most disaster-prone country among 198 countries in the world" (UNDP/BCPR, 2004). According to "National Strategy for Disaster Risk Management in Nepal 2009" of the Ministry of Home Affairs (MoHA), Nepal suffers a loss of about 1000 people's life every year due to natural hazards, and a direct loss of an average of nearly 1208 million Nepali rupees per year. Every year millions of national and international expenditures are spent on disaster response activities, which absorbed a great deal of resources which would normally be allocated for well-grounded national development efforts.

Nepal is one of the most disaster-prone countries of the world due to complex geophysical condition and poor socio-economic situation. The country is facing various types of natural disasters like: flood, landslide, fire, earthquake, windstorm, hailstorm, lightning, glacier lake outburst flood, drought, epidemic, avalanche and so on. Further it is also exposed to various types of natural disasters due to rugged and steep topography, extreme weather events, and fragile geological conditions.

The key research question is the analysis of the community’s resilience to the frequent natural and man-made disasters. This will include understanding of:

a) The in-situ’ coping ways of the community within their families as a unit and
b) The preparedness measures that they have and how do they act when disaster occurs

The research will further investigate and analyse the patterns of the disasters in the study area, the impact of the past disasters on the community and the landscape.

These actions will help in framing the project narrative describing the disaster patterns, impacts, community coping mechanisms incl. preparedness and mitigation measures.

Review of literature

Until the 1970s, disasters were understood as synonymous with natural hazards/events such as earthquakes, windstorms, floods and landslides. The magnitude of a disaster was considered to be a function of the magnitude of the hazard. For instance, earthquakes and windstorms are not avoidable;
the emphasis of national governments and the international community, therefore, was mainly on a reactive approach of responding to the events (disasters) and in the best of cases, preparing for them, with an assumption that disasters are inevitable to be dealt only with response actions. However, from the 1970s onwards, and with the start of million decades from 2000s, especially following the Hyogo Framework of Action (HFA), it has been established that disasters are intimately connected to the processes of human development. Natural hazards like windstorm, floods and earthquakes, however intense, inevitable or unpredictable, translate to disasters only to the extent that the society is unprepared to respond and unable to cope (which reflects the state of their vulnerability) and consequently, severely affected. In other words, there is nothing natural about disaster; it is the outcome of human inaction or lack of appropriate action in development (World Bank). So, there is now a new paradigm shift that natural hazards themselves do not necessarily lead to disasters. Natural hazards are triggering disaster events, but that for a hazard to become a disaster, it has to affect vulnerable people. If people can be made less vulnerable, or non-vulnerable, then a hazard may still occur, but need not produce a disaster. It is now recognized that disaster risks (physical, social, and economic) unmanaged (or mismanaged) for a long-time lead to occurrence of disasters. The possibility that a disaster might or might not occur will depend on whether those risks are adequately managed or not. Disasters are the results of ill-planned and un-planned development. Even the occurrence of recent climatic abnormality attributed to global climate change is traced to human activities as the emission of unmanaged and extremely high greenhouse gases (CO2, methane…). Looking at disaster from this perspective, the management of the emergency (response) itself ceases to be a priority.

As such disasters result from the combination of hazards, conditions of vulnerabilities that are usually accumulate over time, and insufficient capacity or measures to reduce the potential damages. This is reflected in a simple empirical formula:

\[ \text{Disaster risk: Hazard} \times \text{Vulnerability} \times \text{Capacity} \]

Since little can be done to reduce the occurrence and intensity of most natural hazards, actions and activities should focus on reducing existing and future vulnerabilities to damage and loss. This clearly establishes that reducing vulnerabilities is the key to disaster risk reduction which should be acted upon as the integral component during the development phase of the program. It is not to be left upon for action by humanitarian actors in the aftermath of a disaster.

**Table 2. Paradigm shift from disaster management to disaster risk management**

<table>
<thead>
<tr>
<th>Disaster Management</th>
<th>Disaster Risk Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reactive Approach</td>
<td>Proactive Approach</td>
</tr>
<tr>
<td>Disaster is natural, same as Hazard</td>
<td>Disaster is not hazard, but correlated with vulnerability</td>
</tr>
<tr>
<td>Relief/Response Focus as 1st priority</td>
<td>Disaster Risk Reduction (DRR) as the primary focus, disaster response secondary</td>
</tr>
<tr>
<td>Disaster normally seen as separate issue from development</td>
<td>DRR integral component of development</td>
</tr>
<tr>
<td>Disaster management seen as the responsibility of humanitarian actors</td>
<td>Disaster/DRR- responsibility of development actors- right development approach</td>
</tr>
<tr>
<td>Disasters impede development gains/Disaster response does not address the root causes of disasters</td>
<td>DRR sustains development gains, minimize or prevents impact of disaster addressing the root cause of vulnerability</td>
</tr>
<tr>
<td>Large scale funding requirement—with separate fund allocation out of development budget to address disasters response</td>
<td>Cost effective and Small-scale funding required as integral component of development budget to guide proper development practice to reduce vulnerability</td>
</tr>
</tbody>
</table>
Disaster response focus entails continues focus on humanitarian action, less focus on vulnerability reduction and hence does not alter much the status quo of vulnerability population (continues loss of life and property) |
Disaster Risk Reduction/Disaster Risk Management contributes to protection of life and livelihood of population by ensuring the continuity of services even in the situation of hazards.

More focus on bringing status to normal conditions (MDG) |
Focus more on sustainable development outcomes (SDG) with resilience community development approach

Source: IFRC

It is a concept applied in an integrated approach towards a disaster event in which the management cycle can be carried out through a sequence of activities/ phases, each being responsible or designed to address a specific type of intervention. Disaster risk management as an action to cope with disasters could refer to any purposive undertakings before, during and after disaster occurrence as a cycle with different phases, from preparedness through response, from prevention, mitigation and readiness through relief, recovery and rehabilitation. The disaster risk management is pivotal because of its ability to promote the holistic approach to disaster risk management and to demonstrate the relationship of disasters and development.

The relationship between disaster and development as a cycle reinforces the fact that disasters, however inevitable, could be managed through adequate planning and preparedness for response. Disaster risk management cycle on prevention, mitigation and preparedness comprises the development portion, while relief and recovery comprise the humanitarian assistance portion with preparedness linking both types of efforts. Thus, the disaster risk management cycle consists of four phases: Prevention/Mitigation and Preparedness in the pre-disaster stage, and Response as well as Rehabilitation/Reconstruction in post-disaster stage. The two stages to disaster risk management: pre-disaster and post-disaster phases are illustrated in DRM Cycle in detail below.

**Figure 1. Disaster risk management cycle**

**Pre-disaster phase:** It covers Risk Identification, Prevention, Mitigation, Adaptation and Preparedness measures undertaken to reduce the disaster risks associated with potential hazards to prevent or minimize the adverse impact on human and property losses caused by a disaster. The intention of preparedness is to prevent or minimize the losses and damage in case of a disaster. Preparedness denotes the post disaster phase of disaster risk management cycle.

**Post disaster phase:** It covers Response, Recovery and Reconstruction actions taken in response to a disaster with a purpose to achieve early recovery and rehabilitation of affected people and communities. The Response includes the search and rescue; fulfilling basic humanitarian needs of the
affected communities and other humanitarian actions. Recovery starts after the immediate threat to human life has subsided. The immediate goal of the recovery is to bring the affected area back to some degree of normalcy and to a situation which should be better than before the disaster, following "Build Back Better" principle of humanitarian assistance.

As per the government structure on Disaster Management Act, the national disaster relief structure is like this:

**Disaster risk reduction & management organogram**

![Disaster Risk Reduction & Management Organogram](image)

**Figure 2. New structure of disaster risk management committee**

**Methodology of study**

**Study area**

Dolakha, often known as Dolkha or Dholkha, a part of Province No. 3, is one of the seventy-seven districts of Nepal. The district, with Charikot as its district headquarters, covers an area of 2,191 km² and has a population of 204,229 in 2001 and 186,557 in 2011. It is a district with a strong religious affiliation and popular amongst most Nepalese for the temple of Bhimeshawor. Dolakha has the districts of Solukhumbu and Ramechhap to the east, Ramechhap and Sindhupalchok to the south, Sindhupalchok to the west and Tibet to the north.

Dolakha's lowest elevation point is Sital at 723 m, whereas Mt. Gauri Shankar is the area's highest peak at 7134 m above sea level. The easy accessibility from Kathmandu by road makes it a natural choice for trekkers who would rather avoid the unpredictable nature of flights to Lukla or Jomsom. The variety of length of these treks also allows a traveller with only limited time to experience true and untouched Nepal. The 2nd earthquake of 6.8 rector on 12th May, 2015 it’s epicentre in Sunkhani Village Development Committee of Dolakha district.

Bigu Rural Municipality is located in the northern belt of Dolakha district with covering area of Alampu, Bigu, Bulung, Chilankha, Khopachangu, Laduk and Oranga (Previous Village Development)⁶. The total Population of 18595 out of them 9,632 females and 8960 male population.

The research is conducted in Alampu. Alampu is located within Bigu Rural Municipality adjoining with Tibet in northern, Chilankha and Lamabagar in east and Bigu in south part. As per census 2011, total population is 1,803 and 685 HHs. Alampu is highly prone area for natural and made-made disasters i.e. landslides, fire, cold wave, heavy rainfall, earthquake etc. Every year 5-10 people were killed with natural disasters. The houses were constructed through stone mud mortar with stone plate roofing.
Table 3. Demographics of dolakha and alampu

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Dolakha</th>
<th>Alampu</th>
<th>Additional Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>43,198</td>
<td>685</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Total Population</td>
<td>2,04,229</td>
<td>1,803</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Female</td>
<td>1,04,266</td>
<td>939</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Male</td>
<td>99,963</td>
<td>864</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Expected Family Member</td>
<td>4.73</td>
<td>2.63</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Population Increasing Rate</td>
<td>1.65</td>
<td>1.65</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Hill Janajati &amp; Dalit</td>
<td>88%</td>
<td>93%</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Per Capita Income</td>
<td>$922</td>
<td>$1894</td>
<td>National Per Capita Income: $1160</td>
</tr>
<tr>
<td>Adult Literacy Rate</td>
<td>63%</td>
<td>79.68</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Popn Under Poverty Line</td>
<td>26%</td>
<td>7.60%</td>
<td>Nat. - 23.48%</td>
</tr>
<tr>
<td>Persons with Disability</td>
<td>3%</td>
<td>1.10%</td>
<td>Nat.-1.94%</td>
</tr>
</tbody>
</table>

Source: Census 2011.

Figure 3. Map of the study area – bigu municipality

Source: MoHA 2018

Disasters occurrences damage the individual house, cattle, grains, family member etc. The community faces this problem almost every year and has to cope with the impact of the disaster within their immediate family groups. This means rebuilding their livelihood and house on their own. The mega earthquake of 2015 damaged all the houses within community, in 2016, Landslides damaged more than 20 houses and in 2017, fire damaged 5 houses. The disaster pattern is incessant and continual with the community managing the disaster impacts on its own.
Study population

The study is conducted on targeted population in Alampu and covered the population as mention below:

<table>
<thead>
<tr>
<th>Sex</th>
<th>HHs Visit</th>
<th>FGD</th>
<th>Stakeholder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>10</td>
<td>15</td>
<td>1</td>
</tr>
<tr>
<td>Male</td>
<td>25</td>
<td>20</td>
<td>3</td>
</tr>
</tbody>
</table>
Table 4. Time frame of research

<table>
<thead>
<tr>
<th>Activities</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I II III IV I II III IV I II III IV I II III IV I II III IV I II III IV I II III IV</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sampling method

Based on the nature of the study and the time frame, 95% confidence level has been considered with 5% confidence interval and P values as 10%. The formula below was used for calculation of the sample size.

\[ \text{Sample Size (SS)} = \frac{Z^2 p(1-p)}{c^2} \]

Here,
- \( Z = 95\% \) confidence level
- \( p = 95\% \) confidence interval
- \( c = 5\% \) confidence interval
- \( \text{Correction for Finite Population} \)

\[ \text{new SS} = \frac{SS}{1 + \frac{SS - 1}{\text{Pop}}} \]

Sample size

The methodology for identifying the sample and determining the sample size for the household survey was agreed with the Guide to undertake the research assessment in Alampu. The sample size was calculated (confidence level 95%, confidence interval 5% with P value assumed at 10%) from the total households. The total sample size has been calculated to be 35 households.

Study tools

The research is consisted of the activities given below and supplemented by analysis of literature review, household survey and other secondary sources. The key activities undertaken is the household survey, Key Informant Interview with the stakeholders of Alampu.

- Field level consultations
- Community visits
- Interviews Stakeholders
- Household Survey
- Sharing workshop
- Collection of Data
- Community Visits

Communities were visited in the Alampu during the field assessment. Focus Group Discussions, Key Informant Interviews and observation of the DRR physical infrastructures were carried out. The consultations through the group discussions and interviews were focused on community support during disasters to manage disaster response and to review the patterns of disaster occurrences and utilised checklists prepared before the visit during the community consultations. Informal conversations were held with community members during the household visits. In addition to this, during the quantitative survey additional key informant interviews and household visits were also conducted.

Household survey

A quantitative household survey was conducted through android applications. This survey will quantify HHs responses in terms of their perception on DRR occurrence and management. This will be useful to comprehend the effectiveness and appropriateness of the disaster management.

Data analysis

The data analysis of research is collected through digital data collection tool package and analysis is carried out in statistical package - SPSS using the regression and correlation methods.

Mobile application: I used digital data gathering (DDG) system to collect the required data from the field. This resulted in minimizing the errors, save substantial time and improve reliability of data. Questionnaires were developed on the KOBO application which is a free online portal. Surveys was designed and made available to download as an android application.
Results

Hazard mapping

As per field assessment and PRA, the hazard identified and rank the top 10 hazards of Alampu VDC. The first ranked hazard is earthquake which may occurred once and have highest impact in community rather than other.

Hazard cause and impact

As per field assessment, the understanding of community for different disaster and their impact shared by community. Mostly the hazard cause is Natural and some of hazard were occurred by man-made. The impact of hazard somehow interrelated with each other.

<table>
<thead>
<tr>
<th>Hazard</th>
<th>Earthquake</th>
<th>Fire</th>
<th>Landslide</th>
<th>Lightning</th>
<th>Wind</th>
<th>Dryness</th>
<th>Hailstorm</th>
<th>Wild Animal</th>
<th>Flood</th>
<th>Snowfall</th>
<th>Epidemic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earthquake</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landslide</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lightning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wind</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dryness</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wild Animal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flood</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Snowfall</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Epidemic</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number</th>
<th>First</th>
<th>Second</th>
<th>Third</th>
<th>Fourth</th>
<th>Fifth</th>
<th>Sixth</th>
<th>Seventh</th>
<th>Eighth</th>
<th>Ninth</th>
<th>Tenth</th>
<th>Eleventh</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 5. Hazard mapping

Table 6. Hazard cause and impact

Possible preventive measures

As per assessment, the community identified the possible measures for hazards and that were self-manage by community rather than looking resources from other stakeholders.
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Hazard</th>
<th>Possible Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Earthquake</td>
<td>Construction of damage houses of Earthquake 2015&lt;br&gt;Safe house construction guideline&lt;br&gt;Earthquake awareness&lt;br&gt;Trained on Search and rescue&lt;br&gt;Trained person on First Aid&lt;br&gt;Go bag in each house</td>
</tr>
<tr>
<td>2</td>
<td>Fire</td>
<td>Place the match box and other petroleum product far from children&lt;br&gt;Safety measures to be taken during kitchen&lt;br&gt;Fire boundary in forest&lt;br&gt;Public awareness</td>
</tr>
<tr>
<td>3</td>
<td>Landslide</td>
<td>Geological study on crack hills&lt;br&gt;Forestation&lt;br&gt;Protect landslide prone area with gabion wire&lt;br&gt;Provide the way of rain water</td>
</tr>
<tr>
<td>4</td>
<td>Lighting</td>
<td>Public awareness&lt;br&gt;Management of electrical circuits and wiring in house&lt;br&gt;Earthing in house</td>
</tr>
<tr>
<td>5</td>
<td>Wind</td>
<td>Construction of damage houses of Earthquake 2015&lt;br&gt;Temporary shelter needs to be change in permanent shelter&lt;br&gt;Near School and house prevent tree&lt;br&gt;During wind stay in safe place&lt;br&gt;During wind switch off electric line</td>
</tr>
<tr>
<td>6</td>
<td>Dryness</td>
<td>Tree plantation&lt;br&gt;Protection of Natural resources</td>
</tr>
<tr>
<td>7</td>
<td>Hail</td>
<td>Safe location identified&lt;br&gt;Identification of seeds which is appropriate to climate and weather</td>
</tr>
<tr>
<td>8</td>
<td>Wild Animal</td>
<td>Boundary in forest&lt;br&gt;Control of wild animal</td>
</tr>
<tr>
<td>9</td>
<td>Flood</td>
<td>Flood prone area protect with gabion wire&lt;br&gt;Public awareness&lt;br&gt;Tree plantation</td>
</tr>
<tr>
<td>10</td>
<td>Snowfall</td>
<td>Identification of safe location&lt;br&gt;Identification of seeds which is appropriate to climate and weather</td>
</tr>
<tr>
<td>11</td>
<td>Epidemic</td>
<td>Environmental sanitation&lt;br&gt;Waste management&lt;br&gt;Management of communicable disease outbreak</td>
</tr>
</tbody>
</table>

**Hazard timeline**

As per assessment, most of the disaster were occurred frequently in community and impact the human and physical infrastructure both as well as stakeholders identified that response immediately to the hazard.
Table 8. Hazard Timeline

<table>
<thead>
<tr>
<th>Hazard</th>
<th>Date</th>
<th>Damage and Impact</th>
<th>Helping Stakeholder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earthquake</td>
<td>1995</td>
<td>Yes Yes</td>
<td>Human</td>
</tr>
<tr>
<td>Earthquake</td>
<td>1971</td>
<td>Yes Yes</td>
<td>Physical</td>
</tr>
<tr>
<td>Landslide</td>
<td>1985</td>
<td>No No</td>
<td></td>
</tr>
<tr>
<td>Flood</td>
<td>1985</td>
<td>1 No</td>
<td>Damaged houses, loss of livestock and water resources</td>
</tr>
<tr>
<td>Fire</td>
<td>1986</td>
<td>No No</td>
<td>Damage houses, livestock shed and forest</td>
</tr>
<tr>
<td>Fire</td>
<td>1989</td>
<td>No No</td>
<td>Damaged houses, livestock shed and forest</td>
</tr>
<tr>
<td>Drought</td>
<td>1992</td>
<td>No Yes</td>
<td>Loss of harvest</td>
</tr>
<tr>
<td>Landslide</td>
<td>1998</td>
<td>No No</td>
<td></td>
</tr>
<tr>
<td>Fire</td>
<td>1998</td>
<td>No No</td>
<td>Damage houses, livestock shed and forest</td>
</tr>
<tr>
<td>Epidemic</td>
<td>1996</td>
<td>Yes No</td>
<td>Disaster before 1996 in every year</td>
</tr>
<tr>
<td>Fire</td>
<td>2008</td>
<td>No No</td>
<td>Damage houses, livestock shed and forest</td>
</tr>
<tr>
<td>Lightning</td>
<td>2014</td>
<td>2 No</td>
<td></td>
</tr>
<tr>
<td>Earthquake</td>
<td>2015</td>
<td>4 Yes</td>
<td>Damaged all houses and community building</td>
</tr>
<tr>
<td>Fire</td>
<td>2015</td>
<td>No No</td>
<td>Damage houses, livestock shed and forest</td>
</tr>
<tr>
<td>Wind</td>
<td>Regular</td>
<td>No No</td>
<td>Damaged roofing of houses and community building</td>
</tr>
<tr>
<td>Landslide</td>
<td>Regular</td>
<td>No No</td>
<td></td>
</tr>
<tr>
<td>Halstorm</td>
<td>Regular</td>
<td>No No</td>
<td>Loss of harvest</td>
</tr>
<tr>
<td>Lightning</td>
<td>Regular</td>
<td>Yes No</td>
<td></td>
</tr>
<tr>
<td>Wild Animal</td>
<td>Regular</td>
<td>No No</td>
<td>Loss of harvest and human injury</td>
</tr>
<tr>
<td>Earthquake</td>
<td>Regular</td>
<td>No No</td>
<td></td>
</tr>
</tbody>
</table>

Discussion

Based on the research, the new federal structure for GoN for managing disaster establish in 2017 in Nepal.

Disaster risk reduction & management organogram

As per new structure introduce by GoN, the member for each committee are follows:

- **Disaster risk reduction and management council member**
  1. Prime Minister - Chairperson
  2. GoN Concern Ministers - Member
  3. Central Constitution Assembly Political parties - Member
  4. Province Chief Minister - Member
  5. National Planning Commission Vice-Chairperson - Member
  6. GoN Secretary - Member
  7. Nepal Army - Member
  8. Ministry Secretary - Member
  9. DRR Expert (3 person out of them 1 female) - Member
  10. Executive Officer - Member Secretary

  **Note:** The council duration is 5 years after formation and Overall responsible for DRR & Management

- **Executive committee member**
  1. MOHA - Chairperson
  2. Minister of MoFALD, MOUD, MoH - Member
  3. Secretary of Concern Ministry - Member
  4. Secretary of Prime Minister Office - Member
  5. Nepal Army - Member
  6. Nepal Police, Arm Police Force, CBI - Member
  7. Executive Director of Nepal Rastiya Bank - Member
  8. Chairperson of Nepal Telecom Cooperation - Member
  9. Member Secretary of SWC - Member
  10. Chairperson of Chamber of Commerce Nepal - Member
11. Chairperson of NRCS - Member
12. Chairperson of Nepal Industry & Cottage - Member
13. Executive Officer - Secretary member

- **National DRR and Management Authority: Under MOHA**
- **Province DRR and Management Committee: Chaired by Province Chief Minister and Member will be concern ministry**

- **District & Local Disaster Management Committee**
  1. District Administration Office - Chairperson
  2. District Coordination Committee - Member
  3. Urban & Rural Municipality Chairperson and Vice-Chairperson - Member
  4. District level Health Office - Member
  5. GoN, Security Force (Army, APF, Police) - Member
  6. District level Infrastructure & Social Development Office Chief - Member
  7. National level Political Parties Member - Member
  8. NRCS - Member
  9. Nepal Journalist Association - Member
  10. Chamber of Industry and Cottage, District Chapter - Member
  11. CDO Appointed Officer - Member secretary

- **Local Disaster Management Committee:** Chaired by Rural/Urban Municipality Chairperson or Executive Officer

- **Central Level Disaster Management Fund**
  1. GoN, Emergency Fund
  2. Donated, GIK from Individual, Donor, Organization
  3. Foreign Aid, Loan etc
  4. Other Resource

These are the selected members for committees to manage disaster from grassroot level to national level. The GoN introduce the level of emergency through occurrence of disasters.

**Figure 7. Level of emergency**

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>1 Insignificant</th>
<th>2 Minor</th>
<th>3 Moderate</th>
<th>4 Major</th>
<th>5 Catastrophic</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Almost certain</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Likely</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Possible</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Unlikely</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Rare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

High-risk condition with highest priority for prevention, mitigation and contingency planning (immediate action)

Moderate to high-risk condition with risk addressed by prevention, mitigation and contingency planning (prompt action)

Risk condition sufficiently high to give consideration for further prevention, mitigation and contingency planning (planned action)

Low-risk condition with additional prevention, mitigation contingency planning (advisory in nature)

**Conclusions**

Based on the findings, the research concluded that community need to more focus on preparedness because after earthquake 2015 they got opportunity for making hazard prevented private, community and school buildings. The community have right time for preparedness of hazard for future. The norms,
values and policies of the government were followed during formulating and implementing the preparedness action plan. The research supported DMC to develop the LDRMP action plan and shared with ward for endorse in rural municipality. The LDRMP cover overall preparedness actions and hazard wise actions plan which need to implement by Alampu DMC (which is attached as Annexure).

The research findings show hazards frequency, time frame of occurrence, impact, calendar of disaster and season, local resources available in community and preparedness actions. The research is supported Alampu DMC to develop their capacity on DRR.

**Salient recommendations on the problems studied**

The recommendation of research focuses on preparedness of disaster to decrease the impact. The recommendations for preparedness are as follows,

- It is seeming that most of the hazards were occurred frequently in community and DMC committee need to safe locations.
- The DMC should focus on action plan of preparedness which is agreed in LDRMP for preparedness.
- Disaster related materials have to be produced and disseminated with visual-digital images.
- Potential pocket areas have to be promoted with intensive support, organic production, branding and market linkage.
- The coordination with the government and stakeholders to provide support on preparedness actions.
- HHs level preparedness plan need to be introduce for HHs level preparedness.
- In providing trainings, visual documents using could be more effective to make them visualize and then realize for change.
- Under constructed private, community and schools should be constructed through guideline of hazard preparedness introduce by GoN.
- Public awareness i.e. holding board, poster, radio message and Notice board need to install for awareness of different hazards.
- Deployment of 1 focal person for DRR from ward office to make day to day communication with NEOC.
- Community level management committee need to be formed and build capacity of them for preparedness.
- DMC need to update the safety and first aid kits for better preparedness and maintenance of safety equipment.

**Summary of the project report**

The research is conducted in Bigu Rural Municipality Ward Number 6 of Alampu and mainly focus on the DRR preparedness, response and recovery actions. After the research outcome were:

- Ranking of Hazards of community and identified the top 10 hazards which impacted the community.
- Hazards causes and their impact within community and their possible management by community themselves.
- The calendar of different hazards occurrence and timeframe as well as the seasonal calendar of 30 years ago and now.
- The resource mapping shows the local resources available within community and the status of resources were identified.
- Mapping of local and district headquarter stakeholders in diagram for coordination during responses.
- The vulnerability mapping shows that communities who are vulnerable with hazards and how they need to preparedness.
- The LDRMP introduce in DMC with detail action plan of each hazards for future and endorse through RM meeting for budget allocation.

The research conducted with discussion with different stakeholders in local level, Ward Leader, HP, Police Office and district level with NRA, DCC, DEO as well as community individuals through HHs visit.
Reference


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ii Ministry of Home Affairs (Government of Nepal)
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iv https://www.preventionweb.net/countries/npl/data/
 vii http://www.nursingworld.org/MainMenuCategories/ANAMarketplace/ANAPeriodicals/OJIN/TableofContents /Volume112006/No3Sept06/tpc31_516086.html
The Role of Transportation in Logistics Chain

Article by Awo Esaah Bempong
Management, Texila American University
E-mail: nanakose@yahoo.com

Abstract

Transportation is needed to ascertain the state of moving products. The growth in the skill and management principles enhance the movement of load, delivery Speed, service quality, operation costs, the usage of facilities and energy saving. Transportation serves an important part in the control of logistic. Assessing the current state, a strong system needs a clear frame of logistics and a proper transport to execute and techniques to connect the producing procedures. The aim of the paper is to define the role of transportation in logistics for the action of further improvement. The research was undertaken to define and understand the basic views of logistics and its various applications and the relationships on either side of logistics and transportation.

Introduction

The article under review is on the topic, “the role of transportation in logistics chain”. In this review, a summary of the article will be given, so readers of the review can have an idea of what the article is about. The second stage in the review, will look at the structure of the article. It will be based on the article structures’ effectiveness, whether it’s been laid out orderly manner for readers to easily understand. Also, whether all the necessary sub-sections such as, abstract, introduction, and conclusion have been included in the article. A critique of the article will then follow. The critique will be based on the following, the articles’ accuracy, authority, objectivity, currency, and coverage, this will be followed by an examination of the only table included in the article. Figures are included in an article to help the reader understand the article better, as such, it should be relevant in the article, well cited and also well labelled, in order to serve its purpose in the article.

The last aspect to be looked at will be the article’s availability and reliability. All articles should be readily available for easy access and also the information it contains should be reliable.

Keywords: Transportation system, Logistics, Components, Inter relationships.

Article summary

Transportation is very important in logistics, as it affects the efficiency of the whole logistics process. Therefore, revising the present state of transportation for its improvement is in the right direction, which is the aim of the paper. The paper starts by giving an overview of logistics. It involves the planning, control and well-planned implementation of the flow of goods and services. The authors also give a brief development of logistics, as starting in the 18th and 19th centuries, a necessity resulting from the need for the flow of military logistics of World War II. Transportation according to the article cost more in the supply chain process and it’s also the most important. It plays the role of connecting processes in the supply chain and also determines the service quality of the supply chain.

The objective of the authors was to find ways to improve the current structure of transportation system in the supply chain. They proposed the inclusion of e-business in the logistics process. This could lead to lower cost to the system. The authors concluded that, there is a strong relationship between the transportation and logistics systems, the success of logistics depends on improvement in transportation systems.

Article structure

The authors of the article, “the role of transportation in logistics chain”, began the article with a brief abstract, the abstract failed to give the whole executive summary of the article, it left out the
findings of the article as well as the conclusion, which are important parts of an abstract. It only gave the objective of the article which is not enough for an abstract.

There was a substantive introduction section, which included the objective of the study. After the introduction, the article was divided into four main sections including the references. They are,

- Overview of Logistics
- Interrelationship between Transportation and Logistics
- Discussions and Conclusions,
- References

These sections are important in any research as they give the focus of the research, and tell readers what to expect in the article. The literature on the subject is contained in the second and third sections of the article. They give a general background of the topic under study, which is critical in any research. The fourth section is on discussions and conclusion of the study. The conclusion summarises the discussion section of the study. A well-structured referencing was developed at the end of the work. Two clear and well labelled diagrams, and a graph are found in the second and third section of the article.

**Article critique**

**Authority**

The article under review was published in the “Proceedings of the Eastern Asia Society for Transportation Studies”, aimed at publishing high quality conference proceedings. It publishes only high-quality articles which support excellence in transportation research. The authors are two professionals in academia. Srinivas, M. M was at the Alluri Institute of Management Sciences Warangal, A.P., INDIA, at the time of publication, and Dr. T. Srinivas was also at the Department of Mathematics, Kakatiya University Warangal at the time of publication. The both have written and published several research works, showing they are experienced researchers.

**Accuracy**

The accuracy of the article is established in the fact that, references have been provided for works the authors cited in the article so that readers can verify the information provided. Thus, the article contains correct information and is based on proven facts. The authors in this article consulted works of other scholars in the research area, this is evident in the works which were cited at the end of the article. The evidence, provided in the form of references at the end of the article shows the authors provided accurate information, which make the information in the article credible.

**Currency**

There are different types of information, some of which are time sensitive, which is why it is important to determine the currency of an article. The article under review was published in 2005, which is twelve years old. The information contained in this article is an old research work. Thus, the article contains older information on “the role of transportation in logistics chain”. Research involves gathering the most recent studies in the research domain, the sources of scholarly work cited by the authors in this article are all current, from the year 2000 to 2015.

**Relevance**

The Eastern Asia Society for Transportation Studies was founded in the year 1994. The aim of the society is to support high standard research in transportation. The Society as part of its activities organizes biennial International Conferences. Papers accepted to be presented at these conferences are peer-reviewed and are of high academic standards. Thus, for the article to be accepted and presented means it is of high quality and relevant in the field of transportation studies. The article's is written in a language the ordinary person can understand; the reader does not need any technical background to understand the article. It will also be useful for players in transportation or supply chain business.

**Objectivity**

The article under review does not have evidence to suggest the authors have been biased in the research undertaken, this is so because the information provided by the authors are duly referenced.
Thus, the information provided is substantiate with other published sources. Also, the source and the objective of the article is made clear from the beginning of the article. The evidence of the objectivity of this article is in the fact that it was published in Proceedings of the Eastern Asia Society for Transportation Studies, which publishes high quality conference proceedings. It publishes only high-quality articles which are of relevance to international society.

**Stability**

The authors of this article are from academia and are experienced authors. They are at the top in their field, and are experienced authors who have many research items, articles and conference Paper to their names. As such they are very much aware of the requirements in producing high quality scholarly articles. As such the article is stable.

**Analysis of graph/image/table**

Figures and graphs can differ in representation, structure and flexibility. They are used in articles to give a better understanding of issues. There are two figures in the article, and one graph. The figure one “Overview of Logistics System” is well labelled, but the figure itself is not readable, and its explanation in the article is not quite clear enough. The second figure “Logistics historical development” is labelled well and also readable compared to the first one. The third one “Cost ratio of logistics items”, has been labeled as a figure, but it is a graph presentation.

**Recent advances related to the topic**

The article under review was on “the role of transportation in logistics chain.”, and there have been recent advancement in this area to help improve the performance of supply chain management (Jacobson, 2011). These major developments in transportation have made transportation in the supply chain much safer, less disruptive, smarter and less expensive (Al-Matawah, 2015). One of such development is the introduction of social media for logistics. The use of Face book and Twitter by companies such as UPS and FedEx in on the rise.

Companies use social media to interact with their customers on the update and location of their loads or order (Viswanadham 2014, Gartner IT Glossary, 2012b, Gartner IT Glossary, 2012c, Brin, 2011). The flow of information is vital in the delivery of goods from one point to the other. This is why the development of information systems for analysis, planning and decision of transportation in the supply chain has been a great asset (Torin 2007). Transport information systems have been applied in-vehicle eCall in an accident situation. In the case of an accident, the ecall automatically through in-vehicle sensors place an emergency call to the nearest emergency point.

The can give information such as time of accident, location, and the direction the vehicle was traveling, with vehicle identification if any (Tyagi, Kalyanaraman, Krishnapuram, 2012). Bluetooth technology has been developed to calculate and make travel time analysis. It has the advantage of being inexpensive, gives accurate point to point analysis (Joshi, Rajamani, Takayuki, Prathapaneni, Subramaniam, 2013). There have also been developments that have limited the incidence of disruption due to human error in the supply chain (U.S. Department of Transportation 2016).

Most of transportation accidents occur as a result of human mistakes and mechanical failures (Annabelle and Dee-Ann 2016). There have been developments of autonomous vehicles which have the potential of reducing most of the human error (Randall 2016).

**Conclusion**

In every supply chain, transportation is very important as it can affect the efficiency of the process. It is therefore very vital for researchers to always find ways of improving the transportation system. What the authors in this article did was to determine the important role transportation plays in the supply chain and the need for its improvement. Modern transportation systems cannot do without the introduction of transport information systems technology. In the delivery of goods there need to be the exchange of information between those involve in the transport process including customers as well.

According to the article there is a positive relation between an efficient supply chain and an improved transportation system.
The article adds to the body of knowledge on the effect of transportation in supply chain management. It provides a comprehensive survey of the advantages of an improved transportation system. Also, it is relevant to current supply chain management problem. Based on the conclusion of the article it will be very much important to review the transportation system to be able to provide a stronger concept on transportation applications in the logistics activities.

Source

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Reference

Improving Performances of Polymerase Chain Reaction Laboratories in Nigeria: Using Supply Chain Indicators Through Monitoring and Supportive Visit

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Abstract

Access to polymerase chain reaction services for ribose nucleic acid (RNA) for adult and deoxyribonucleic acid (DNA) for infants was in paucity due to numerous challenges that were not clearly identified for rectification. Poor supply chain management of PCR commodities was prime amongst others that hindered optimization of equipment and scaling up of viral load and early infants’ diagnosis (EID) tests in line with the Joint United Nations AIDS (UNAIDS) strategy of 90-90-90 concept. To overcome these challenges, decision support system approach: where the Government of Nigeria (GON) and supporting partners organized monitoring and supportive visits (MSV) to 29 out of 30 PCR facilities was adopted to provide support using logistics management information system (LMIS) tool to mentor facility personnel. Findings included poor logistics management of commodities, lack of LMIS data collection tool, poor reporting of utilization, stock outs of commodities at some facilities and expiries of same in others, wide knowledge gap on logistics management, poor storage condition. After two cycles of conducting MSV, there was an improvement in the scaling of viral load and EID testing, reduced stock out, reduced expiries, proper storage of commodities, improved on-time LMIS data reporting rate. We concluded that supply chain management through MSV can be used to improve the services of PCR laboratories to meet the UNAID 90-90-90 concept with a recommendation to continue a quarterly MSV to PCR facilities and extend this to other areas of laboratory services.

Keywords: Supply chain management, polymerase chain reaction, monitoring and supportive visit, viral load assay, early infants’ diagnosis, laboratory performance, 90-90-90 UNAIDS concept.

Introduction

Scaling up early infant diagnosis for babies exposed to Human Immune Virus (HIV) and carrying out viral load for those on antiretroviral therapy (ART) assay have been difficult for the Nigerian Government since 2007. In 2007, the Nigerian Government, with support from United States President’s Emergency Plan for AIDS Relief (PEPFAR), began early infant diagnosis of HIV-1 and viral load monitoring of clients on ART using the Polymerase Chain Reaction (PCR) technique. However, access to PCR testing was impeded by inefficiencies of a fragmented HIV/AIDS supply chain, including weak logistics coordination, duplication of effort, and poor resource utilization. This is not peculiar to Nigeria alone as reported by Roberts, Bygrave, Fajardo, and Ford (2012) that there are numbers of operational challenges that should be overcome before the implementation of viral load testing scaling up. Supply Chain Management System (SCMS) with funding from United States Agency for International Development (USAID), collaborating with the Nigerian Government and partners, implemented interventions to promote PCR commodity security.

The Council of SCM Professionals (CSCMP), which is the premier organization of supply chain practitioners, researchers, and academicians, has defined SCM as: “SCM encompasses the planning and
management of all activities involved in sourcing and procurement, conversion, and all Logistics Management activities. Importantly, it also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third-party service providers, and customers. In a nutshell, SCM integrates supply and demand management within and across companies” (Ballou, 2007).

The overarching aim of supply chain management of health care commodities goes beyond making product available at destination; the hallmark of every public healthcare logistic management of commodities is to help ensure that every client has commodity security. According to Kumurya (2015), this is possible when they clients can obtain and use quality essential health commodities whenever they need them. In addition to this, a properly functioning supply chain is a critical part of ensuring commodity security just as financing, policies, and commitment are also necessary. Supply chain management of health commodities can determine the success or failure of any public health program, depending on the effective management of commodities. Both in business and in the public sector, decision makers increasingly direct their attention to improving supply chains, because logistics improvements bring important, quantifiable benefits. Well-functioning supply chains benefit public health programs in the following important ways: increasing program impact; enhancing quality of care; improving cost effectiveness and efficiency.

In 2014, the Joint United Nations Programme on Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (UNAIDS) formulated the strategy of ending HIV/AIDS pandemic by the year 2030 through the three-pronged approaches tagged 90-90-90. This means that by 2020, 90% of people living with HIV should know their HIV status, 90% of those that know their HIV status should be placed on antiretroviral treatment, and 90% of those on treatment should have viral suppression (UNAIDS, 2014). Many countries including Nigeria that receives support from the US President’s Emergency Programme for AIDS Relief (PEPFAR) endorsed the concept. To end the HIV/AIDS epidemic that has devastated the health of many people especially the productive age bracket of many nations, almost 39 million people as at 2014, no strategy should be spared. Figure 1 is the strategy that has been adopted by the Joint United Nations Against AIDS (UNAIDS) to end the HIV scourge in countries like Nigeria that are badly affected.

![Figure 1. UNAIDS 90-90-90 strategy](image)

The 90-90-90 is an opportunity to lay a solid foundation once again for a healthier, AIDS-free generation. It is impossible to end the HIV/AIDS epidemic without making HIV screening test and treatment available and affordable to the people that need them. In Botswana, a country though with a small population of about 2 million people with a very high HIV burden did a study to show if the 90-90-90 strategy is achievable. The outcome of the study provided evidence that 90-90-90 strategy is achievable (Gaolathe, Wirth, Holme, Makhema, Moyo, Chakalisa, ... & Okui, 2016).

The first 90 deals with the provision of HIV rapid test kits (RTKs) that should be made available with testing centres very close to people to do HIV test and know their HIV status without encumbrances. To encourage the achievement of this, HIV testing and counseling provider-initiated is adopted by some countries because which proofs to be an important intervention to increase the number of people that know their HIV status (Kennedy, Fonner, Sweat, Okero, Baggaley, & O’Reilly, 2013). However, provider-initiated service had met brick wall in country like Zimbabwe due to stigmatization where diagnosing a child with HIV infection is equated with disclosure of the parents’ HIV status which in many instances,
they parents are not comfortable with (Kranzer, Meghji, Bandason, Dauya, Mungofa, Busza, ... & Ferrand, 2014). To overcome this barrier, Krazer et al. (2014) suggested enlightening, counseling and government policy to support the initiative. The second 90 entails the provision of HIV antiretroviral drugs to anyone that have been diagnosed as having HIV. This is WHO initiative and strategy to eliminate HIV from endemic countries especially in the sub-Saharan countries. Kretzschmar, Van der Loeff, Birrell, De Angelis, and Coutinho (2013) said that this strategy entails regular HIV testing that will lead to placing on treatment on antiretroviral treatment immediately to avoid a loss to follow-up. The third tranche is a laboratory base testing using polymerase chain reaction equipment like Roche Taqman or Abbott m2000 equipment to run ribose nucleic acid (RNA) to quantify the level of HIV viral particles known as viral load testing. The principle of RNA assay is based on real-time technologies of continuously monitoring the fluorescence emitted by the amplification after denaturation and annealing steps (Rouet, Ménan, Viljoen, Ngo-Giang-Huong, Mandaliya, Valéa, ... and Nerrienet, 2008). The PCR equipment uses PCR commodities to run the assay. The RNA estimation known as viral load assay is used for the monitoring of ART efficacy and HIV drug resistance. A study that was done by Bonner, Mezochow, Roberts, Ford, and Cohn, (2013) showed that viral load testing and adherence support indicated that viral load is a vital utility to identify patients that need enhanced-adherence support. The third 90% also deals with early infants’ diagnosis (EID) testing that is used for the monitoring of the efficacy of the prevention of mother to child transmission (PMTCT) intervention. Pregnant women on effective ART should deliver exposed babies as HIV negative while the EID testing showing positive will alert program to enroll the babies on treatment. This is corroborated by Habiyambere, Ford, Low-Beer, Nkengasong, Sands, González, ..., and Milgotina (2016) that EID is used to determine HIV-infection status in HIV-exposed children and other monitoring capabilities within a tiered laboratory. The management of these commodities is to ensure no stock-out, no wastages due to expiry or poor storage. The efforts to make PCR commodities available whenever the test is required to be conducted is the PCR commodity security which supply chain management can support. It is still on record that after India and South Africa, Nigeria ranks number 3 in the world HIV/AIDS burden (NACA, 2015; Birx, n.d.). The devastating effect of HIV/AIDS economically, socially and psychologically is enormous, thus whatever strategy can mitigate these effects are welcomed development. Currently, the cost of provision of viral load equipment and commodities is provided through the PEPFAR funding. Researchers have shown that SCM can be used to cut down the cost of services and goods. If proper supply chain management strategy is in place for the management of PCR commodities, scaling up viral load testing will be achieved leading to the accomplishment of the third leg of the UNAID 90-90-90 concept. The specific objective of this study is to find out if supply chain management of PCR commodities using monitoring and supportive visit can support the improvement performance of PCR laboratories to meet the concept of UNAIDS 90-90-90 strategy that was adopted by Nigeria.

Review of literature

This section examined research initiatives that have been done in the past in relation to current efforts by Nigeria to scale up the viral load assay. Google Scholar search engine was used to search for related studies with the following words: viral load testing, UNAIDS 90-90-90 strategy, supply chain management of HIV commodities. According to Brandenburg, Govindan, Sarkis, and Seuring (2014) sustainability, the consideration of environmental factors and social aspects, in supply chain management (SCM) has become a highly relevant topic for researchers and practitioners; hence every aspect of supply chain management is of interest. As rightly indicated through statistical data, total logistics costs in supply chain in different countries make up from 10% (Lukinskyi, Valerevich, & Zamaletdinova, 2015). However, using monitoring and supportive visit to evaluate the supply chain management indicators still lag behind for data from researchers.

Brief history of HIV epidemics in Nigeria and current efforts for viral load assay

Several interventions have been enacted in Nigeria since the first case of HIV/AIDS was reported in 1984 in a 13-year-old girl in Lagos (FMHSS, 1992). These efforts include the first National Strategic
Framework for Action tagged NSF 2005-2009 and the National Strategic Plan (NSP) 2015 (NACA, 2012) equally, global efforts to curb the menace of HIV/AIDS have been on the increase in the past few decades.

At the 20th International AIDS Conference, the Joint United Nations Program on HIV/AIDS (UNAIDS) called for an ambitious treatment target 90-90-90 to eliminate the epidemic by 2030 (UNAIDS, 2014). The actualization of this noble vision requires aggressive efforts at reducing new infections amidst more efficient models of care (National Academy of Sciences, 2010). Early identification and treatment remain the gateway to achieving optimal viral suppression and reducing transmission rates of HIV/AIDS. Along with this, Davies, Pinto, and Bras (2015) said that innovation, information, intersectoral and interagency collaboration are required to be able to achieve the 90-90-90 strategy.

Polymerase Chain Reaction (PCR) testing comprising Early Infant Diagnosis of exposed infants and viral load monitoring of adult patients on treatment is a vital component of the HIV/AIDS program of the Nigerian government supported by the United States President’s Emergency Plan for AIDS Relief (PEPFAR). The 2010 and 2014 revised guidelines published by the WHO emphasized the urgent need for biological monitoring in the management of HIV/AIDS patients (WHO, 2010; WHO, 2014). PCR testing in Nigeria in the past was handicapped by the inefficiencies that had hitherto plagued the HIV/AIDS program, key among which was multiple supply chain systems characterized by high cost and poor resource utilization. Similarly, poor logistics knowledge among staff and non-availability of logistics tools and enabling environment as well as poor inventory practices were major constraints facing staff involved in logistics management of HIV commodities. These resulted in non-availability of quality data to support supply chain management decisions, PCR commodities overstocks and sometimes stock-outs at the service delivery points.

Supply Chain Management System (SCMS), in consonance with her mandate to support national strategies and strengthen supply chain capacity, jointly conducts periodic supportive supervisory visits to health care facilities with other stakeholders. During these visits, MSV providers interact with staff involved in logistics management of PCR commodities at the testing sites to gain visibility into commodity management practices. These interactions are guided by the MSV checklist that periodically undergoes joint review by stakeholders to ensure that the tool adequately captures all relevant information during the visits to the sites.

Health4Africa (2013) cited Maquez and Kean (2002) in the description of monitoring supervision as a process that promotes quality service at all health care system that strengthens the relationships that exist within that system with the focus on identifying challenges and proffering solutions for the benefit of the patient who should receive high standards of care. One of the cornerstones of supportive supervision is, therefore, to work with health staff to set goals, monitor performance, identify and correct problems and proactively improve service quality. Together, the supervisor and health workers identify shortcomings in the field and directly work on it, thus avoiding the bad practices become habits. Supervision visits are also an opportunity to encourage good practices and help health workers to maintain high-quality delivery.

World Health Organization (WHO) has a guide on how to conduct MSV to vaccine warehouse with the aim of encouraging an open, double-way communication and to build teamwork approaches that can easily facilitate problem-solving mechanism (WHO, 2008). Google Scholar search engine was used to locate literature that relates to 90-90-90 concept and monitoring and supportive supervision yielded scanty published papers. The study, therefore, relied on works done on monitoring and supportive visits that were conducted during this study. In May 2016, researchers in Baran District of Rajasthan, India carried a study on the Infant, Maternal, Neonatal Children Initiative (IMNCI) on the role of monitoring and supportive visit and concluded that effectiveness of any program can be achieved by close monitoring and supportive supervision of the grass-root level staff (Chishty, Singh, & Agarwal, 2016). This is applicable in the PCR laboratories in Nigeria just as Marshall and Fehringer (2014) pointed out in their study that supportive supervision facilitates and promotes mentorship, joint problem solving and bridges the communication gap between project employees in Ethiopia.

Critical to HIV Programme scale up and expansion of access to treatment for patients is the constant
availability of PCR commodities for uninterrupted testing at the service delivery points (SDPs). The maiden edition of PCR Laboratory monitoring and supportive visit (MSV) was organized to collect baseline data and address the inherent gaps in the supply chain system of PCR commodities in the country. MSV also called monitoring and supportive supervision in countries like India has proven to be an effective tool in ensuring the quality of service as shown by the study carried out by Mogasale, Wi, Das, Kane, Singh, George, and Steen (2010) in six Indian States under Avahan, the Indian AIDS initiative. In Guatemala, monitoring and supervision visit is used as an institutional tool that connects the works of health care personnel to the health care system. It is made up of activities that are intended to support the health care personnel in motivation so that they could perform better. The frequency and impact depend on how such MSV is conducted (Hernández, Hurting, Dahblom, & Sebastian, 2014).

Component of a functional logistics circle for health care commodities is organization and staffing that encompasses training. Logistics management of health care commodities can only work well if staff are trained to monitor stock levels, place orders and provide services to the clients (Kumurya, 2015). Organization and staffing, therefore, are important parts of the cycle. For a logistics system to work correctly, logistics staff must be trained to make the six rights of logistics management of commodities a top priority.

The highlights of the literature review showed that Nigeria had the first 3 cases of HIV infection reported in 1984 that has now grown to over 2 million people. Innovation, information, intersectoral, and inter-agencies collaborations are requirements to achieve the 90-90-90 UNAIDS plan of ending the HIV scourge by the year 2030. The last 90 is hinged on the success of PCR laboratory performances which the supply chain management of the commodities is crucial. Monitoring and supportive visit as a vital component of decision support system approach of SCM promotes quality of services at health care centres in achieving targets and strengthens performances. MSV encourages an open, 2-way communication that build team works, mentorship and joint problem approach. The hypothesis is that supply chain management of PCR commodities enhances the achievement of the third 90% of the UNAID 90-90-90 concept. The World Health Organization (WHO) viral load testing algorithm adopted by Nigeria recommends viral load monitoring six months after initiation of treatment and six months after the first viral load test and subsequently once in a year for all the people living with HIV/AIDS (PLWHA) in the country (WHO, 2013). The patients that are not virally suppressed whose viral load count is >1,000 copies/mL would require further counseling to see if they are adhering to their treatment regimen or a change of treatment regimen would be considered as an option. This study considered the availability of capacity and PCR commodity that is required for test viral load samples that are collected from patients already on treatment. Nigeria currently has about 600,000 people on ART as at 2015 out of the estimated 2million people that are living with HIV/AIDS in Nigeria (NACA, 2105). These numbers of people require about 1.2million viral load testing to cover almost all the people that require the testing. This study looked at the supply chain management of the commodities require for the viral load test and consider the role play by SCM in the scaling up of viral load testing in Nigeria.

**Baseline assessment of PCR laboratories in nigeria**

Out of the 25 PCR facilities visited during the maiden PCR MSV in January 2015, 72% had functional equipment while only 32% were running assays during the week of MSV. Early Infant Diagnosis (EID) and Viral load reagents stock outs were seen at 40% and 32% of the facilities respectively. 92% of the facilities had EID samples backlog while 36% had viral load sample backlogs. The total number of EID and Viral load backlog in the country at the time of the January MSV was 12,281 and 23,956 respectively. Many of the available viral load backlogs were older than 6 months bringing to question the diagnostic value of such samples to the clients. Key factors identified as constraints to optimal PCR service delivery included poor demonstration of ownership and support for the PCR laboratories by Management of some health care facilities, poor logistics knowledge among PCR staff, shortage of trained logistics staff, non-availability of inventory tools and use of non-standardized tools among other. Recommendations from the
MSV included; continuous capacity building in commodity management for PCR staff, the design of a Daily Worksheet for PCR laboratories by the Laboratory Technical Working Group (LTWG), resolution of power supply issues at PCR testing sites and regular supply of PCR commodities by SCMS. A major outcome of the January 2015 MSV was a collaborative approach by all stakeholders to ensure that all EID samples backlog in-country were logged and tested at selected PCR facilities.

**Follow-on monitoring and supportive visit (MSV) to PCR laboratories**

As at August 2015, there were 28 PCR laboratory locations in Nigeria. However, 4 of these facilities (University of Nigeria Teaching Hospital (UNTH), Enugu, Federal Teaching Hospital Gombe, Our Ladies of Apostle Hospital (OLA), Jos and University of Maiduguri Teaching Hospital (UMTH) Maiduguri, were yet to be automated and consequently were not running assays due to the phasing out of the Gene-Amp 9700 platform by the manufacturer Roche. Distribution of PCR commodities to the automated PCR laboratories via last mile delivery mechanism to these facilities commenced in March 2015.

Similarly, in line with the mandate for pooled procurement and distribution of PCR commodities to testing sites, SCMS collects and collates bimonthly LMIS reports from the PCR facilities for evidence-based decisions. The quality of data plowed back into strategic decisions is critical to the success of any program. PCR LMIS reporting from facilities has recently witnessed a marked improvement due in part to the mentoring provided to PCR staff during the maiden PCR laboratories MSV as well as ongoing support provided by SCMS to the personnel through phone calls, emails, and other media.

However, review of reports from these facilities indicates the persistence of infrastructural and capacity gaps that negatively impact the quality of service delivery at the testing sites. Equally, adherence to reporting deadlines has remained a challenge with some PCR laboratories reporting much later than the stipulated dates. This underscores the importance of continuous efforts to update the inventory management skills of health facility staff and their capacity to generate and transmit timely and quality reports which will not only guide resupplies but also provide the much-needed data for logistics and other decisions by stakeholders.

After three cycles of PCR commodities distribution and LMIS data collection, SCMS initiated efforts for follow-up visits to the PCR facilities as part of the National MSV to ART facilities. This second edition of the PCR laboratories MSV was intended to help assess progress made since the January 2015 MSV as well as identify further areas for improvement. Teams of MSV providers administered the MSV checklist at the PCR facilities and made general observations on issues like product storage conditions, inventory management and Logistics Management Information System (LMIS) among others, capable of impacting commodity availability. Key stakeholders in the EID/ VL program, GON, NACA, CHAI, and IPs participated in the MSV that was conducted from 24th to 28th August 2015.

**Adopting SCM approaches to improve the performances of PCR laboratories in Nigeria.**

Using monitoring and supportive visit to improve the supply chain management of commodities that are essential for the running of PCR laboratories where viral load particles of HIV are measured to determine the efficacy of the antiretroviral therapy (ART) in Nigeria is the focus of this study. The aspects of supply chain management of PCR commodities of concern entail the procurement of the commodities, warehousing and distribution to the last mile. The connecting links for all these stages involves the generation of logistics management information system (LMIS) data which the personnel at the service delivery points must collect and report accurately in a timely manner to ensure smooth bimonthly resupply circle adopted for the country’s use. This in turn, enables efficient services to the clients on the ART. Monitoring and supportive visit is adopted as the approach to improve management of the PCR commodities and the collection of LMIS data for timely and accurately reporting for decision on resupply of commodities.
Figure 2 Diagram of the examined supply chain

The intervention provided by the MSV approach as shown in figure 2 above is to ensure that the service delivery points (PCR laboratories) know how to properly keep the commodities in their custodies, keep proper logistics data in an accurate reporting unit to submit a timely and correct Combined Report, Requisition, Issue and Receipt Form (CRRIRF). The reports submitted by all the PCR labs are then processed, analyzed for the quantity to be resupplied by the warehousing unit. Overstock and stock-out of PCR commodities are heavily dependent on the accuracy of the CRRIRFs. Correct and timely submission of CRRIRF is dependent on the knowledge of the personnel handling commodities at the facilities. To enhance the knowledge of the personnel, the MSV approach provided the enabling environment to do so because currently in Nigeria, health personnel are yet to graduate from institutions with the knowledge of how to keep logistics data of health care commodities. The logistics management unit then transmit to the warehouse the quantity of commodities to be resupplied to the PCR labs based on the logistics data reports that were collected from there.

Methodology

In this section, the study area and materials were presented. These include pre-MSV and MSV activities that were used in gathering all the data that were needed to carry out this study. Case study approach in qualitative research was used to gather the data for analysis. MSV data collection tool was developed, reviewed and piloted in two facilities before it was finally deployed for use in the 23 PCR laboratories that were visited. The research method that was used for this study is phenomenological research methodology. It is a method an inquisitive inquiry into situation with a view to learn how the perspective can be applied. According to Van-Wijngaarden, Leget & Goossensen, (2015) phenomenology describes the essence of a lived experience that is traditionally studied using multiple individuals/facilities between 5 and 25 that constitute the study parameter. Phenomenology uses interview, observation, and sometimes arts according to Englander (2012). In the same vein, Van-Manen, Higgins & Van-der Riet (2016) said that phenomenology is studying the concepts that hold common ground for a small group of individuals.

The coding system was used for labeling, the definition of issues, description of how to flag any aberration, description of exclusion criteria and elimination of possible confusion as discussed by Dhavala and Wheeler (2006). There are various computer-aided systems that can be used for the coding, however, manual coding was used for data analyses and where applicable, Microsoft office suite came handy for data analysis.

Study area and study materials
The study areas are the PCR laboratories located in 25 cities in Nigeria. Seven teams of 2 people went out for one week to visit all the facilities except the University of Maiduguri Teaching Hospital that could not be visited due to the insurgency of that was on-going in Borno State during the month of August 2014 when the MSV occurred.

**Pre-MSV activities**

A preparatory meeting of EID/VL stakeholders was held to review the MSV checklist and Job aid as well as develop an activity schedule for the PCR MSV that was integrated into the quarterly National MSV to ART facilities.

**MSV activities**

Seven teams working in pair of MSV providers drawn from SCMS, NACA, National Agency for the Control of Sexual Transmission Infection and AIDS Programme (NASCOP) and Clinton Health Access Initiative (CHAI) worked with State Logistics Management Coordinating Unit (LMCU) Staff and Implementing Partners (IP) representatives to conduct MSV to 26 PCR facilities.

On arrival at the facilities, the MSV providers met with available management staff to intimate them of the purpose and scope of the visit as well as solicit their support for the activity. Key staffs involved in the logistics management of PCR commodities were identified and interviewed using the semi-structured MSV checklist. Areas covered include; Availability personnel and SOP manual, LMIS tools availability, assessment of storage conditions, electronics logistics management information system (e-LMIS) readiness, program data and physical inventory of available commodities. Review of logistics records was performed to assess the quality of record keeping and reporting while other observed issues capable of impacting the supply chain management of PCR commodities was noted. The teams visited and inspected the storage areas and stored products to assess the level of compliance with storage guidelines. Stock levels of available products were reviewed to identify overstock or under-stock of commodities and redistribution was done as needed to avert stock outs and expiry.

On the job training and mentoring was provided to staff on key elements of health care commodities management to help address observed anomalies. Constructive feedback was provided to management on the strengths and gaps that exist in the supply chain management of commodities and recommendations were made for the improvement of identified weaknesses. Data collected from the PCR facilities was analyzed using Microsoft Excel. The comparison was done with baseline data from the January PCR laboratories MSV to identify instances of progress or otherwise in logistics management of PCR commodities at the service delivery points.

**Observations / Finding**

This section records all the observations and findings that were gotten during the 5 days MSV to 27 facilities by 7 teams that went to all the locations were the PCR machines are in operation. Of the 27 PCR facilities targeted for MSV, 26 were visited during the 5-days MSV period and the 1-day supplemental MSV to PCR sites in the FCT. Key findings from MSV checklist administration are outlined below.

**PCR lab locations**

Figure 3 below shows the PCR laboratories concentration based on states at the time of MSV. Presently, the PCR laboratories are spread out across 17 states with Lagos and FCT having the largest concentration of 4 PCR facilities each, followed by Plateau state with 3 PCR laboratory locations.
Figure 3. Percentage of PCR machine locations in states

Trained personnel and standard operating procedure (SOP) manual for the logistics management of HIV/AIDS commodities (LMHC)

Findings from the August 2015 MSV indicated a 21% increase in the number of PCR laboratories with personnel who had received the 5 days comprehensive training on logistics management of health care commodities (LMHC) compared to the January 2015 MSV figures. However, 10 out of the 26 PCR facilities visited in August 2015 still lacked personnel trained on LMHC. Equally, compared to baseline findings in January 2015, there was no significant increase in availability of the LMHC SOP at the PCR facilities during the August 2015 MSV. Only 35% of the PCR laboratories could produce a copy of the LMHC SOP at the time of visit.

LMIS tools and resupply strategy

A general improvement in LMIS tool availability was noticed during the August MSV as seen in Figure 4 below. Inventory control cards were available in 23 (88%) of the PCR facilities as against 68% in January. Daily consumption records were available in 21 (81%) of the PCR labs while Internal Requisition voucher and Return and Transfer forms were sighted at 15 (58%) and 19 (73%) respectively of the facilities visited. All 23 automated PCR laboratories visited during the MSV had electronic copies of the PCR LMIS bimonthly Combined Report Requisition Issue and Receipt Form (CRRIRF) and 22 (92%) of these had submitted reports for the May-June cycle at the time of visit. This is in sharp contrast to the 39% LMIS report submission rate recorded during the baseline visit in January.
Out of the 23 automated PCR labs visited, 68 Nigeria Army Reference Hospital (NARH) Lagos was stocked out of Viral load reagent although EID kits were available at the time of the MSV. Similarly, Federal Medical Centre (FMC), Jalingo was stocked out SPU, Sample tubes, K-Tubes and K-Tips. No other facility had records of PCR commodity stock out in the 6 months preceding the MSV. A minimal quantity of expired products was observed during the MSV with only 1 pack of expired wash reagent sighted at FMC Makurdi.

PCR commodities storage conditions

Poor storage condition for PCR products was a critical finding at some facilities visited during the August 2015 MSV. Product storage is vital to adequate commodity handling and impacts greatly on the quality of stored commodities. The duo of Dr. Lawrence Henshaw Memorial Hospital (DLHMH) Calabar and University of Uyo Teaching Hospital (UUTH) Uyo were noted to lack designated storage spaces for PCR commodities while the store at LASUTH Ikeja was considered unsecured by the MSV providers. Similarly, 11 (42%) facilities had stores considered inadequate for the stored products while 9 (35%) lacked air conditioners for ambient temperature control. However, all 26 PCR labs visited had cold chain storage facilities for cold chain dependent PCR commodities.

Electronic-LMIS readiness

All 23 fully automated PCR labs visited had access to information technology resources for transmission of LMIS reports. Report submission via electronic means was not considered an added burden at any of the facilities visited.

Program data

1. PCR platforms: Figure 5 below shows the automation status of the PCR laboratories at the time of the August MSV. Twenty-three (88%) of the facilities visited were fully automated and providing EID and Viral load testing services at the time of visit, as against 18 (72%) automated laboratories recorded in January 2015, only 8 (32%) of which were providing services. OLA hospital had only the Taqman 48 component of the automated Roche PCR equipment while manual platforms were available at Federal Tertiary Hospital (FTH) Gombe and University of Nigeria Teaching Hospital (UNTH) Enugu. However, only 18 (78%) of the automated PCR platforms were under service maintenance contracts at
the time of the August 2015 MSV.

![Figure 5. PCR Laboratories automation status at August 2015](image)

2. Five laboratories Nnamdi Azikiwe University Teaching Hospital (NAUTH), Nigeria Institute of Medical Research (NIMR), Jos University Teaching Hospital (JUTH), University of Benin Teaching Hospital (UBTH) and Ahmadu Bello University Teaching Hospital (ABUTH), Zaria reported equipment downtime during the three cycles preceding the visit with the maximum duration of downtime (103 days) recorded at NAUTH. University College Hospital (UCH), Ibadan and ABUTH experienced equipment downtime of 42 days and 38 days respectively while the equipment at JUTH and UBTH were both down for 14 days.

3. EID and VL backlogs: Table 1 below shows the quantity of testable EID and Viral load sample backlog at the facilities at the time of visit. A total of 3,454 EID samples was awaiting testing at 5 facilities with FMC Makurdi accounting for 73% (2000) of the back log while 6,525 viral load samples were awaiting testing at 6 facilities with the bulk of the back log, 74% (4800) at NIMR.

<table>
<thead>
<tr>
<th>NAME OF FACILITY</th>
<th>LOCATION</th>
<th>IP</th>
<th>EID BACK LOG</th>
<th>VL BACK LOG</th>
</tr>
</thead>
<tbody>
<tr>
<td>68 Nigeria Army Reference Hospital</td>
<td>Lagos</td>
<td>APIN</td>
<td>0</td>
<td>1161</td>
</tr>
<tr>
<td>Lagos State University Teaching Hospital</td>
<td>Lagos</td>
<td>APIN</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Aminu Kano Teaching Hospital</td>
<td>Kano</td>
<td>IHVN</td>
<td>142</td>
<td>58</td>
</tr>
<tr>
<td>Plateau State Research Laboratory</td>
<td>Jos</td>
<td>IHVN</td>
<td>900</td>
<td>0</td>
</tr>
<tr>
<td>Federal Medical Centre Jalingo</td>
<td>Jalingo</td>
<td>NACA</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Federal Medical Centre Makurdi</td>
<td>Makurdi</td>
<td>IHVN</td>
<td>2000</td>
<td>96</td>
</tr>
<tr>
<td>Nigeria Medical Research Institute</td>
<td>Lagos</td>
<td>APIN</td>
<td>0</td>
<td>4800</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>3454</strong></td>
<td><strong>6525</strong></td>
</tr>
</tbody>
</table>

4. Power supply: 16 (62%) of the PCR facilities visited during the August 2015 MSV have regular access to 6 hours or more of power supply per assay day from a combination of PHCN, a backup generator or inverter supply.

5. Actions taken: The immediate actions taken by the MSV providers to address issue and observations at the PCR facilities are outlined below.
- PCR staffs were given on the job training on key components of LMHC to further update their logistics management capacity and help resolve observed deficiencies in the supply chain management of PCR commodities. Mentoring was provided to address gaps capable of negatively impacting commodity management at the PCR facilities.

Copies of lacking LMIS tools were made available to the facilities while assistance was provided in opening ICC for commodities lacking such records.

MSV providers paid advocacy visits to hospital managements for optimal support of PCR labs. Critical issues covered during the visits include manpower and power supply challenges. For sites with backlog samples occasioned by human resource deficits, management was urged to allow staff to run calls in the PCR labs to help increase number of man-hours available for operations.

MSV providers assisted in organizing commodities where necessary to enhance ease of access to commodity and product information.

Hands-on practice in LMIS report generation was provided for PCR staff to help update their skills.

A physical inventory of available products was taken, and stock status assessment performed to identify cases of overstock or stock out of PCR commodities.

The MSV providers also facilitated commodity transfers where necessary to help avert expiry at the originating facilities and avert disruption of services at the beneficiary facility.

Debriefs were held with Facility managements, LMCU and IP representatives to provide constructive feedback as well as make recommendations for improving supply chain performance of PCR commodities.

Contact details of PCR facility staff were updated during the visits.

**Discussion and recommendations**

This section provides discussion points after the analysis of the data collected from the MSV activities. Twenty-six (26) which is (93%) of the PCR facilities providing EID and Viral load testing in Nigeria were visited during the second round of PCR MSV conducted by SCMS in August 2015 in collaboration with GON, IPs, and other stakeholders. The findings in table 2 below from the MSV provided a snapshot of supply chain management environment of PCR commodities at service delivery points in a bid to assess progress or otherwise since the baseline visit in January 2015.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Issues</th>
<th>Findings first MSV</th>
<th>Finding second MSV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trained Personnel and Standard Operating Procedure (SOP) Manual for the Logistics Management of HIV/AIDS Commodities (LMHC)</td>
<td>Majority of PCR labs lack trained personnel on logistics management of health care commodities</td>
<td>The high-level of logistics knowledge was exhibited by the staff compare to the first MSV</td>
</tr>
<tr>
<td>2</td>
<td>LMIS Tools and Reporting Resupplies</td>
<td>Inventory control card (ICC) availability 68% Daily utilization record (DCR) 71%</td>
<td>ICC availability 88%. DCR 81%. A general improvement in availability of LMIS tools was recorded</td>
</tr>
<tr>
<td>3</td>
<td>Electronic LMIS Readiness</td>
<td>Resources for electronic transmission of LMIS reports and timely report submission rate was 39%</td>
<td>Resources for electronic transmission of LMIS reports and timely report submission rate moved to 92%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>PCR Platforms</td>
<td>Facilities with Installed Roche CAP/CTM-48/96 model and Abbott M2000 were 18</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Facilities with Installed CAP/CTM-48/96 model &amp; Abbott M2000 were 24</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Equipment Functionality and Testing Status</td>
<td>16 out of 18 were functional equipment</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>All the Roche CAP/CTM equipment, except 1 were functional. One Abbott machine was non-functional; 22 out of 24 functional in totality</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Power supply</td>
<td>The power supply situation at the PCR facilities has improved 38%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>The power supply situation at the PCR facilities has improved to 62% due to advocacy during MSV</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>PCR commodities availability</td>
<td>Rampant reported cases of stock-out and expiries recorded.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PCR commodity stock-outs was at minimal levels during the August 2015 MSV with only 2 facilities stocked out of viral load kits and consumables</td>
<td></td>
</tr>
</tbody>
</table>

**Recommendations**

1. **Continuous capacity building**
   
   It is important to ensure that all PCR facilities are covered for continuous capacity building. IPs supporting sites with untrained personnel should expedite actions for the training of the staff while already trained staff should be assisted in providing step down training to their colleagues.

2. **LMIS tools Availability**
   
   LMIS tool availability may have improved across the PCR labs, it is important to strive for 100% availability and utilization of these tools to further enhance commodity management practices at the facilities. The stakeholders and the National Laboratory Technical Working Group (NLTWG) should finalize the design of a standardized DCR for EID and VL commodities to ensure uniformity across all the labs.

3. **Power Supply Challenges**
   
   Continued advocacy for management support around power supply is essential to ensure uninterrupted testing at the PCR laboratories. Efforts should be geared towards the attainment of at least 6 hours of power supply at the remaining 38% of PCR laboratories yet to enjoy such access.

4. **PCR Equipment downtime and service maintenance agreements**
   
   Implementing Partners should ensure punctual renewal of PCR equipment service maintenance agreements at their supported sites while conducting a routine review of vendor performance to ensure adherence to the terms of the contract.
Supervision provides an effective supply chain management strategy to enhance the performance of health care operations, including the logistics management of commodities. This is line with the position of Bailey, Blake, Schriver, Cubaka, Thomas, and Martin (2016) that supportive supervision effectively builds the capacity of healthcare workers, improves the quality of care provided by workers and ultimately impacts clinical outcomes for patients. A remarkable level of improvement in supply chain management practices was observed at the PCR laboratories in this second round of PCR labs MSV. Similarly, a high level of progress has been made in PCR products availability for EID and viral load testing while data availability for evidence-based decision-making has greatly improved. This assertion affirms the findings of Annan (2013) that supply chain system of health care services must receive constant monitoring and evaluation to achieve health care commodity security. This was an obvious outcome of energy and resources expended during the baseline visit as well as continuous support provided to the PCR facilities over the subsequent months. Supply chain indicators like stock-out, expiries, emergency request for resupply, complete and timely bimonthly report improved due to the intervention provided by the MSV. This is diagrammatically summarized in figure 6 below.

**Figure 6. Role of MSV in actualization of UNAIDS 90-90-90 strategy**

However, human and material resource gaps persist in some instances which continue to pose a threat to the continuous availability PCR testing to the large population of HIV/AIDS patients. Key among the findings in the current MSV is the lack of logistics trained personnel at some sites, non-availability of some logistics tools, the absence of equipment service contracts for PCR equipment and lengthy equipment downtime at some sites as well as poor access to power supply and persistence of EID and viral load backlogs at others.

To ensure maximization of installed in-country capacity for PCR testing, a collaboration of all stakeholders is essential to further bridge the observed human and resources gaps at the PCR facilities. Implementation of the recommendations from the current MSV is key to addressing the identified supply chain and programmatic challenges at the PCR laboratories. Furthermore, there is an urgent need for increased government ownership and support for the PCR laboratories in the country to ensure sustainability beyond the PEPFAR funding era. Commodity security is key to achieving effective biological
monitoring for paediatrics and adult patients on ART. For the nation to achieve any meaningful success in actualization of set targets of 90-90-90 strategy for HIV/AIDS, all hands must be on deck to continuously identify and eliminate risks in the supply chain management of PCR commodities which proved to be a dependable tool in making the right quality PCR commodities in the right quantity available to the right facility at the right time at the right cost.

The limitation of this study hinges on the high cost of frequent monitoring and supportive visits to these 25 facilities to monitor the sustenance of the gains achieved with the two monitoring and supportive visits that were conducted. Further studies can be done in other areas of health services provided to the patient like the provision of pharmaceutical commodities, ante-natal and post-natal care services to determine the effect of monitoring and supportive visits tailored towards enhancement of these health care delivery services.

Acknowledgment

Acknowledgment is due to the management of John Snow Incorporated (JSI) for using SCMS project funding provided by USAID to support the MSV providers with logistics that enabled them to carry out the two rounds of MSVs to PCR facilities. On record for acknowledgment are my colleagues: Victor Obianeri, Abubakar Mohammed, Joseph Raji, Chinedu Obi and Jibrin Kama that participated in the data gathering for this study.

References


The effect of Brand Association on Consumer Patronage of GSM Service Providers in Kano Metropolis

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Abstract

The research is aimed at investigating the effects of brand association on consumer patronage of GSM service providers in metropolitan Kano. The study utilized descriptive survey research design with both descriptive and inferential statistics used as techniques of data analysis. The five Likert type rating scale was used in measuring responses to the questions. Specifically, linear regression model was used to determine the impact of the independent variables on the dependent variable. The analysis of the study revealed that perceived quality of service was found to significantly influence consumer patronage of service providers. The finding of the study also revealed that the use of the celebrity for promotional activities by GSM operators has no effect on consumer patronage of service providers. It was also found that consumer patronage of GSM service providers was not influenced by the fact that GSM companies engaged in sponsorship of notable events. The study recommends more investments in facilities, quality control technologies and strategic development and implementation of plan for delivery of high-quality service. There is also the need for service providers to ensure greater coordination of efforts in the use of celebrities for promotional activities. There is the need for more investments in social amenities by the GSM service providers.

Keywords: Consumer, Patronage, Brand, Association, Metropolis, Service.

Introduction

Background to the study

In an increasingly competitive and growing telecommunication sector of Nigerian economy, many observers agree with the view that the company that wins and continues to be relevant into the future will be the one that understands the consumers better, delivers superior service based on that understanding and stays connected with happenings in the market (Michael and Osagie, 2007). This in effect calls for a systematic study of consumer behavior, an exercise which according to Johnson (2006) is geared towards understanding how individuals, groups and organization go about selecting, buying, using and disposing of goods, services, ideas and experience to satisfy their needs and wants. One of the relevance of this exercise, Aarker (2000) observes, is the generation of clues and insights for improving marketing programs such as product or service introduction, setting prices, crafting messages as well as other important marketing activities like branding and brand positioning.

The importance of brand and branding in a successful marketing programs has been well documented (James, 2004). Studies have shown that successful brand is the most valuable resource that a company can have (Aarker, 2000; Keller, 2005; Chakravarti, 2002; Brown, 2005; Campbell, 2002; and Kotler and Keller 2006). In fact, Keller (2005:59) speculates that brand is so valuable that companies will soon be appending a “statement of value addendum” to their balance sheet to include such intangibles as the value of their brands. Although there has not been any generally accepted standard to measure the value of a brand (Aarker, 2000), the value is almost always apparent in the minds of the general public (Nzuki, 2008). For example, the value of such global brands as Coca-Cola, Sony, Toyota and Kodak is indisputable (Michael, 2007). Further, Rob (2007) argues that a brand’s value is sometimes brought to the public knowledge in buy-outs and acquisition transactions. For example, Nzuki (2008) reports that when Philip Morris
Companies Inc. purchased Kraft Foods Inc. in 1988 for nearly $13 billion, it paid 600 percent more than Kraft’s factories and inventories were worth. Over 80 percent of the purchase price represents the value of the brand, Kraft Foods. Clearly, this demonstrates the value of a brand from the company perspective. On the customers’ perspective thus, Craig (2007) concludes in his study of factors affecting consumer choice of mobile phones that 8 out of every 10 customers go for brands that stand out, have good reputation and are familiar. Other studies like Aarker (2000), Michael (2007), Vincent and Zhu (2006), Saeed and Reinert (2005) and Keller (2005) submit that familiar brands help customers simplify their purchase decisions especially with regards to expensive and high-risk items, complex situation and decisions requiring long term commitment.

Statement of the problem

Experts observe that consumers of telecommunication product and services in Nigeria today are quite varied in their attitudes, tastes, needs and expectations (Ndukwe, 2008). Arguably these differences explain, in part, the reasons why all of us (that is, consumers) do not subscribe to the same networks.

A number of studies have been conducted to examine several factors that could inform consumers’ patronage of one service providers, especially GSM operators, over another. For instance, Michael and Osagie (2007) investigated the influence of intensity of advertisement on consumer choice of GSM service providers while Ajayi (2006) studied the influence of the intended primary usage of GSM service on consumer patronage of operator. Similarly, Saeed and Arshard (2008) studied corporate branding and consumer purchase of telecommunication service and concluded that corporate branding serves as the main source of communication to customers and has little to do with customer purchase decision; Vincent and Zhu (2008) also identified interactive ability, service quality, guest satisfaction and travel agency image, as some of the factors affecting customer choice of travel agency for tourism.

However, a search and review of relevant literature especially the most current ones on the subject matter has revealed that little or no particular attention has been given to the potential influence of brand association on consumer patronage of GSM service provider(s). In fact, some of the earlier studies in this area such as Korchia (2005) and Nzuki (2006) have acknowledged this gap in their respective submissions. In addition, an upsurge in the amount of money being spent by GSM operators on advertisements and their readiness not to spare anything on image boosting activities have been observed, and analysts are beginning to question the effect of all this on the bottom-line (market share). Thus, this study intends to bridge the observed gap in knowledge and provide answers to the question of whether or not brand association has any influence on customer’s patronage of GSM service providers.

In view of the above, the following questions were posed to guide the conduct of the study.

1. What is the effect of perceived service quality on consumer patronage of GSM service provider?
2. What is the effect of celebrity endorsements of service providers on consumer patronage of their services?
3. To what extent has sponsorship of and identification with notable events by GSM operators affected consumer patronage of their services?
4. To what extent has the perceived social responsiveness of GSM service providers affected consumer patronage of their services?

Objectives of the study

The general objective of this investigation is to determine whether consumers’ patronage of GSM service providers (s) is in any way influenced by some key associations linked to the providers. It was intended that the following specific objectives would also be achieved at the end of the investigation:

1. To assess the effect of perceived service quality on consumer patronage of GSM service providers.
2. To ascertain the influence of celebrity identification with and endorsements of GSM service providers, on consumer patronage of their services.
3. To assess the influence of sponsorship of notable events by GSM service providers on consumer patronage of their services.
4. To determine the extent to which perceived social responsiveness of GSM service providers affect consumer patronage of their services.

**Research hypotheses**

The following null hypotheses are formulated based on the research problem statement and in line with the objectives of the study.

**Hypothesis one**

Perceived service quality has no effect on consumer patronage of GSM service providers.

**Hypothesis two**

Celebrity identification with and endorsements of GSM service providers have no effect on consumer patronage of service provider.

**Hypothesis three**

Sponsorship of notable events has no effect on consumer patronage of GSM service providers.

**Hypothesis four**

Perceived social responsiveness has no effect on consumer patronage of GSM service providers.

**Significance of the study**

The major significance of this investigation lies in the fact that it will most likely provide the necessary comprehensive and empirical bridge to fill the gap in knowledge with regards to the relative effects of the various elements of brand association on consumer patronage of GSM service providers especially in Kano Metropolis.

The findings of this study will potentially assist the GSM service providers to know and strengthen the important brand associations that influence consumers’ patronage of their services. And lastly, the study will serve as a useful reference material for future research by academics and practitioners alike.

**Scope of the study**

This study is basically an attempt to answer the question: does the core associations linked to the different GSM operators have any influence on consumer patronage of their services? The study is mainly on telephone companies using GSM (Global System of Mobile telecommunication) technology. Consequently, views were not sort from subscribers to telephone companies using such other technology as CDMA (Code Divisional Mobile Access). Specifically, the study was exclusively carried out within the metropolitan Kano. All the primary data for the research were gathered in the year 2017 - the year during which the study was conducted.

**Literature review**

**Introduction**

This section presents the body of knowledge, concepts and theories that relate to the subject matter of the investigations, that is, effects of brand association on consumers’ patronage of GSM service providers. The key issues reviewed and synthesized include: branding and its significance in the marketing of goods and services, branding and consumer patronage, and the theoretical framework on brand association.

**Branding and its significance in the marketing of goods and services**

There appears to be a consensus, among scholars and marketing practitioners alike, as to how valuable a successful brand is to a firm. In fact, Kotler and Keller (2006) believe that such successful brand as Sony,
Nike, Starbucks and a host of others are able to command a price premium mainly because of the value attached to them. Several definitions of branding have been offered. Williams and McCarthy (2005) define it as the use of name, symbol, term or design or a systematic combination of these to identify a product. American Marketing Association (2008) extends this definition by adding that the names, terms, symbol, design or a combination, are not only intended to identify a particular product/seller, but also to differentiate the seller or a group of sellers from the others. In essence, a brand is simply a product or service with dimensions that make it different from other products designed to meet the same need (Keller, 2005). These dimensions, Aarker (2000) observes, could be rational or emotional. Apart from these rational and emotional aspects, a brand has also been observed to be a complex symbol conveying such meanings as attributes of the product/service, benefits to be derived, values, culture (for example, Mercedes represents German culture of high quality, efficiency and performance); personality and users (Keller, 2005).

Evidence of the origin of branding is well documented (Brown, 2005). Farquhar (2004) cited in Chakravarti (2002) asserts that in those days, names and signs were often inscribed on such goods as bricks and major artworks to identify their maker. The Medieval Guilds’ requirement that craft people put trademarks on their products to protect themselves and consumers against inferior quality were the earliest signs of branding in Europe (Keller 2005).

**Branding and consumer choice**

For successful marketing in an era of highly complex and well-informed consumers, experts are of the opinion that extensive amount of information on consumer behavior is required (Hawkins, Best and Coney, 2001). Consequently, one area that marketers have constantly tried to explore and understand very well is the choice making behavior of consumer (Keller, 2004). To put this in a perspective, many positions have been advanced. While some authority conclude that consumers’ choice process is a highly rational one (Richard, 1997), others believe that it is an emotionally marred process and therefore highly psychological (Aarker, 2000). Yet other studies have shown that consumer choice process is both rational and emotional with either rationality or emotion dominating at times depending on the purchase situations (Davies, 2004). However, a review of several studies appears to show that consumer choice is fueled by a web of factors; some direct others indirect, some conscious others unconscious. Among all these factors, Davies (2004) has identified branding activities (for example, creation of product/service awareness, advertising, delivery of consistent performance, positioning and a host of others) as a major customer choice-influencer. Indeed, this view supports the conclusion of Stephen (2004) who stated that the search-for-information phase of consumer purchase decision process (explained in Section 2.4) that a consumer goes through presents a brand with an excellent chance for influence. Specifically, by providing relevant information and reassuring communications, branding affects consumers’ ultimate choice. ‘Significantly, the probability of a brand being included during the information search phase is contingent on the consumers’ brand awareness during the search phase’ (Stephen, 2004:3). Evidently therefore, creating a high level of brand awareness over time guarantees that some consumers will include the particular brand among the alternatives to be considered during their specific buying cycle (Rapier, 2005).

**Effect of brand association on value creation and customer patronage**

Brand associations are useful competitive tools for marketers (Aarker, 2002). They are used to design, position, differentiate and extend brands, to create positive attitudes and feelings towards brand, and to suggest rational and emotional attributes or benefits of purchasing or using a specific brand (Campbell, 2002:23). Aderel (2004) believes that brand associations are more useful to consumers than to the marketers. The way a brand association creates value to the customer depends on the customer’s perception of value. For each individual customer, reality is a total personal phenomenon clearly based on the person’s needs, wants and personal experience. Nzuuki (2006) submits that the underlying value of a brand is often contained in its associations and their meaning to people. Thus, associations, according to Ariely (2005), represent the bases for purchase decisions and for brand loyalty.
Specifically, associations help to retrieve and process information about a brand, create positive (or negative) attitudes or feelings towards the brand and generate reasons for making a purchase decision.

Measuring the effects of brand associations on customer patronage

The key responsibilities of a brand manager are to design, maintain and strategically position the brand ahead of competitors by imprinting the brand firmly on the consumer’s psyche (Aarker, 2002). Therefore, the manager of a firm needs to understand consumer perception of its brand(s) vis-à-vis those of competitors. This calls for the measurement of brand associations as it affects consumer patronage. The techniques used to achieve this objective can be grouped into two categories: unstructured and structured techniques (Rossiter, 2005).

Theoretical framework

Several theories have attempted to explain the mysteries of consumer patronage of one company or the other. Schiffman and Kanuk (2004) in their famous Consumer Decision Making Model, identify among others, Cultural, Sociological, Psychological, Personal and Environmental explanations to consumer patronage/choices. They believe that consumer choice of a product or service is influenced by a combination of these factors.

Stavkova, Stejskal and Toufarova (2006) on their part, believe that consumer decision making is a highly cognitive process involving rationality and consciousness.

However, while the explanatory and predictive powers of the above theories in understanding consumer behavior are acknowledged, this researcher reasons that most relevant to this study is the Associative Network Memory Model. This is a conceptual representation that views memory as consisting of a set of nodes and interconnecting links where nodes represent stored information or concept and links represent the strength of association between this information and concept (Aarker, 2000). Aarker (2000) notes that just like the associative network model, consumers brand knowledge could be seen as consisting of brand node in memory with a variety of interconnecting links, so that when any of these links (for example, corporate social responsibility, service quality, event sponsorship, celebrity endorsement etc) is activated, the associated node (for example, a brand known to be socially responsible) is also activated (Keller, 2005). Therefore, since brand association ‘consists of all brand related thoughts, images, perceptions, feelings, experiences, beliefs, attitudes and so on that become linked to the brand node’ (Kotler and Keller, 2006: 178), the associative network memory model in the opinion of this researcher, provides a useful framework for understanding the effect of brand association on consumer patronage of GSM service providers in Kano Metropolis.

Research methodology

Introduction

This section presents the procedures, the step-by-step approach that was employed for the conduct of the study. It addresses such issues as the location of the study, research design, population of the study, sample size and design, research instrument, data collection strategy and methods of data analysis.

Location of the study

This study was conducted exclusively within Kano Metropolis in Kano state. Kano is generally known to be a commercial center with a location advantage over other cities in Northern Nigeria. The cosmopolitan nature of its metropolis in terms of education, diverse group of people and the visible presence of virtually all the GSM service providers coupled with a large number of subscribers, both actual and potential, make it quite suitable for this study.
DOI: 10.21522/TIJMG.2015.05.01.Art017
ISSN: 2520-310X

Research design

Given that there was no need to control the variables of the study, descriptive survey research design appeared to be most appropriate (Asika, 1991) and was thus adopted for the investigation.

The main variables of brand association that were measured in relation to customer patronage of GSM operators include: perceived service quality, celebrity endorsement of GSM service providers, sponsorship of notable events and the perceived social responsiveness of the GSM service providers. Hence, the relationship between the dependent variable and the independent variables was expressed by the following models:

\[ Y = f(X_1) \]
\[ Y = f(X_2) \]
\[ Y = f(X_3) \]
\[ Y = f(X_4) \]

Where:
- \( Y \) = Consumer Patronage (Dependent Variable)
- \( f \) = function
- \( X_1 + X_2 + X_3 + X_4 \) = Independent Variables
- \( X_1 \) = Service Quality
- \( X_2 \) = Celebrity Endorsement
- \( X_3 \) = Sponsorship of Notable Events
- \( X_4 \) = Social Responsiveness

Population of the study

The population of this study consists of all the existing individual subscribers of GSM services in Kano Metropolis. Specifically, the population consists of individual subscribers such as students of tertiary institutions, employees of private and public organizations as well business men and women.

Sample size and design

Multi-stage sampling design was used for this study and specifically, stratified and then purposive random sampling procedures were adopted. The stratified method of probability sampling involves the classification of an otherwise homogenousoup into its heterogeneous sub-groups (strata) and then items are selected from each sub-group for inclusion in the sample (Asika 1991, Yekeen, 2006). This method was adopted because according to Asika (1991:44) and Osula (2005), it is superior to any other design as it uses extra methods to ensure good representation of the characteristics that are being researched. In the first stage, the population of the study was divided into four strata namely: Students, private businessmen and women, employees of public and private organizations. Secondly, elements were selected from each of these strata to be in the study sample using purposive sampling technique.

For example, from a total of 500 respondents drawn from the study population, 100 were students of tertiary educational institutions like Bayero University, Kano State Polytechnic and Federal College of Education, Kano; 180 were employees of public organizations and similar numbers of respondents were employees of private companies; and the remaining 40 respondents were private businessmen and women. The respondents cut across the four major GSM service providers that have been operating in the metropolis. These include; MTN, Globacom, Zain (Celtel) and Etisalat

Research instrument

A structured questionnaire consisting of close-ended multiple-choice questions was used as data collection instrument. The questionnaire was designed to measure the key variables of the study namely; service quality, celebrity endorsement, sponsorship of notable events and the perceived social responsiveness of the service provider.
Data collection strategy

It was observed that the main challenge in a study of this nature is the ability of the researcher to retrieve distributed questionnaires at a high return rate. Therefore, to overcome this challenge, delivery and collection method was adopted for this study. Asika (1991) believes that delivery and collection method is an effective data collection strategy in an environment ‘such as Nigeria’ (emphasis mine) where research culture is yet to be sufficiently developed. Alongside the researcher, the services of several people (friends and acquaintances) were engaged to distribute and retrieve the questionnaires from the respondents. However, the volunteer field assistants were properly briefed and trained in order to ensure their effectiveness.

Methods of data analysis

A combination of both descriptive and inferential statistics was used as techniques of data analysis for this study. The five-point Likert type rating scale was used in measuring responses to questions stated in form of attitudinal statement. Hence, the data was categorized and scaled nominally. Specifically, linear Regression was used to determine the impact of the independent variables on the dependent variable. As part of the instrument of data analysis, weighted average was calculated where necessary. Most of the analyses were done using the Statistical Package for Social Sciences (SPSS) version 16.0 and Microsoft Excel 2007 version.

Data presentation, analysis and interpretation

Introduction

This chapter presents the summary of data generated by the investigation. Specifically, it presents the features of the sampled respondents that participated in the study, the results of the analysis of data as well as the interpretation therefrom.

Features of the sample

Five hundred (500) copies of the questionnaire were distributed to respondents that participated in the study. Four hundred and fifty-nine (459) copies of this total, representing 92% (response rate) were returned; although seventeen (17) were rejected because they were not properly completed. Consequently, 442 (88%) responses were found useful for the analysis.

Data analysis revealed that virtually all the respondents, 442 (100%) had subscribed to and patronized the services of at least one GSM Network. It was also revealed that 70 (15%) of the respondents had about 8years experience as subscribers, 238 (54%) of the respondents had subscribed to GSM service for about 5years while 134 (31%) of the respondents had about 2years subscription experience (see appendix ii). Determination of respondents’ years of experience with use of GSM services was necessary as the researcher’s personal observations show that there is a correlation between customer experience and their perception/understanding of the real factors that influence their patronage/choice of one brand over the others.

A descriptive statistic of the sample revealed that 259 (59%) members of the respondents were male while female respondents were 183 (41%). Analysis of the respondents on the basis of age similarly revealed that 131 (30%) were aged between 18 and 25years; 251 (57%) were between the age of 26 and 35years; 41 (9%) respondents were between 36 and 45years of age although 19 (4%) respondents were above 46 years of age. Also, the number of respondents that were single stood at 158 (36%), those married respondents were 270 (61%), 13 (3%) of the respondents were divorced while only 1 (0.002%) respondent was a widow.

Based on the educational qualification of the respondents, data analysis revealed that 21 (5%) of the respondents had such educational qualification as GCE/SSCE or its equivalent; 140 (31%) had OND/NCE; 218 (49%) had HND/B. Sc.; although respondents with M. Sc/MA/MBA were 40 (9%), those with Ph. D/DBA/D. Ed were 16(4%) and 7 (2%) of the respondents had such professional qualifications as ACCA,
CIBN, NIM and CIMN. Data analysis also revealed that 100 (23%) of the respondents were students; 19 (4%) were unemployed while 323 (73%) of the respondents were gainfully employed. Analysis of those gainfully employed revealed that 169 (52%) were in the public sector while the remaining 154 (48%) respondents were employed in such private outfits as banks, restaurants, internet cafes, hotels and self-established businesses.

Perhaps the level of peoples’ income affects their patronage of GSM services, hence the respondents’ monthly income was assessed and the results revealed that 96 (22%) of the respondents earned between N61,000 and N100,000; 156 (35%) of earned between N101,000 and N140,000 and 20 (5%) of the earned a monthly income of at least N160,000 and above. Further analysis revealed that although 25 (6%) and 41 (9%) of the respondents sometimes used their GSM phones for business and official purposes respectively, all respondents {442 (100%)} used their GSM phones primarily for personal purposes.

**Effects of service quality on customer patronage of GSM service providers**

A fundamental objective of this study is to ascertain whether the perceived quality of service offered by the GSM Operators affect customer patronage of their services. Hence, hypothesis one, which states that ‘Quality of service has no effect on consumer patronage of GSM service provider’ was tested using Linear Regression. Analysis of the test shows that $R^2 = 0.168$ (17%)” and $P-value = 0.004$ (please see appendix iv for detail) which is highly significant at 0.05. Table 4.2 below gives the regression coefficient. The regression equation can thus be constructed using the information in the table as follow:

$$Y = 4.035 + 0.217x_1,$$

Where, 

$Y =$ Dependent Variable (Consumer Patronage)  

$x_1 =$ Independent Variable (Quality of Service)

Thus, the values of both $R^2$ and $P-value$ imply that the null hypothesis is not supported. In other words, quality of service has significant effect on consumer patronage of GSM Operators.

* Service quality predicts consumer patronage by 17%. In other words, service quality accounts for 17% of the factors that influence consumer patronage. Please note that this explanation is the same for the respective $R^2$ value of all the subsequent analysis.

**Table 4.2. Results of linear regression on the effect of quality of service on consumer patronage of GSM service providers**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>4.035</td>
<td>.152</td>
<td>26.519</td>
</tr>
<tr>
<td>Service Quality</td>
<td>.112</td>
<td>.035</td>
<td>.217</td>
<td>.354</td>
</tr>
</tbody>
</table>

*Survey Data, October 2009*

This finding could be explained by the fact that unlike at the inception of GSM services in Nigeria when customers virtually did not have options but to accept telecommunication services at whatever level of quality, today’s consumers of GSM services now see quality of service as a major standard upon which to evaluate and then make choice of one or more from among available GSM Operators. The results also affirm the position of the well-known SERQUAL Model which submits that the most important consideration of customers in their decision to patronize service organization is their perception of service quality (Allen, 2001).
Effects of the Use of Celebrity for Promotional Activities on Consumer Patronage of GSM Service Providers

Another key objective of this study is to determine the extent to which the use of such celebrity as popular football, music, movie and comedy stars for promotional activities could affect consumer choice/patronage of one service provider instead of another. To this end, hypothesis two, which states that ‘Celebrity identification with and endorsement of GSM service providers have no effect on consumer patronage of GSM service providers’ was tested using Linear Regression. The test shows that $R^2 = 0.001$ and $p-value = 0.487$, which is not significance at 0.05 (please see appendix vi for details). Thus, the regression equation can be constructed using the information given in table 4.3 below.

$$Y = 3.897 + 0.033x_2$$

Therefore, the values of both $R^2$ and $p-value$ imply that the null hypothesis is supported. This result suggests that ‘celebrity identification with and endorsement of GSM service providers has no significant effect on consumer patronage of providers’.

<table>
<thead>
<tr>
<th>Table 4.3. Results of linear regression on the effect of celebrity identification with and endorsement of GSM service providers on consumer patronage of providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Use of Celebrity</td>
</tr>
<tr>
<td>Survey Data, October 2009</td>
</tr>
</tbody>
</table>

Effect of corporate sponsorship of notable events on consumer patronage of GSM services

Ascertaining the extent to which sponsorship of notable events such as traditional festivals (e.g. Argungu Fishing Festival, Olojo Festival in Ife, New Yam Festival or Igbo Day Celebration), major sporting tournaments, workshop and seminars by GSM service providers affect consumer patronage of their services, is another key objective of this study. Hence, hypothesis three, which states that ‘Sponsorship of notable events has no effect on consumer patronage of GSM service providers was tested using Linear Regression. The results shows $R^2=0.001$ and $P value =0.490$, which is not significant at 0.05 (please see appendix vi for details of the test). The regression equation is thus constructed using the information in table 4.4 below. $Y = 4.090 - 0.033x_3$

Therefore, the null hypothesis is supported. This implies that Sponsorship of notable events has no significant effect on consumer patronage of GSM service providers.

<table>
<thead>
<tr>
<th>Table 4.4. Results of Linear Regression on the Effect of Sponsorship of Notable Events on Consumer Patronage of GSM Service Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Sponsorship of Event</td>
</tr>
<tr>
<td>Survey Data, October 2009</td>
</tr>
</tbody>
</table>
Effects of perceived social responsiveness on consumer patronage of gsm service providers

Another key objective of this study is to ascertain if any the relationship exists between customer perception of GSM service providers’ social responsiveness and patronage of the providers’ services. Hence, hypothesis four, which states that ‘Perceived social responsiveness of GSM service providers has no effect on consumer patronage of the providers’ was tested using Linear Regression. The result shows that $R^2=0.155$ (16%) and $P$-value=0.003, which is significant at 0.05 (please see appendix vii for detail). The regression equation is as constructed thus: $Y = 3.639 + 0.121x_t$.

Therefore, the null hypothesis is not supported. In other words, perceived social responsiveness of GSM service providers has a significant effect on consumer patronage of GSM service providers.

Table 4.5: Results of linear regression on effect of social responsibility on consumer patronage

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>3.639</td>
<td>0.136</td>
<td>26.676</td>
<td>0.000</td>
</tr>
<tr>
<td>Social</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Survey Data, October 2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This result could perhaps be explained by the fact that there is a growing awareness among consumers generally of the fundamental roles that business organizations need to play in having a society devoid of diseases, insecurity, poverty etc. and of course, the role of corporate bodies in providing essential social amenities as well as creating a culture of responsible and ethical business dealings (Anonymous, 2008).

Other findings

Subscribers relative preference for GSM service providers

It was also considered appropriate for this research to ascertain the extent of consumer preference for the respective GSM service providers. to this end, an attempt was made to provide an answer to the research question “To what extent do consumers prefer some GSM service providers over others” (i.e. item 5 of section 1.2). consequently, sampled respondents were asked to indicate the level of their preference for the four GSM operator used for this study on such factors as quality of service, extent of network coverage, charges for services, customer relationship, range of services provided, support for community development projects and overall public image of the service providers (please see appendix I, items 21-26). The responses were summarized using frequency distribution and weighted scores, resulting in the ranking of the GSM Network service providers (see Table 4.6.1 below).

Table 4.6.1: Summary of responses on customer preference of GSM Service providers on some key indices of performance

<table>
<thead>
<tr>
<th>S/N.</th>
<th>Networks</th>
<th>Highly preferred</th>
<th>Just preferred</th>
<th>Not sure</th>
<th>Not preferred</th>
<th>Not preferred at all</th>
<th>Weighted Scores</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Quality of Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Etisalat</td>
<td>53</td>
<td>95</td>
<td>124</td>
<td>170</td>
<td>0</td>
<td>1357</td>
<td>4th</td>
</tr>
<tr>
<td>2.</td>
<td>Globacom</td>
<td>226</td>
<td>203</td>
<td>12</td>
<td>1</td>
<td>0</td>
<td>1980</td>
<td>2nd</td>
</tr>
<tr>
<td>3.</td>
<td>MTN</td>
<td>226</td>
<td>214</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1992</td>
<td>1st</td>
</tr>
</tbody>
</table>
As the above table reveals, MTN was the most preferred by respondents in terms of service quality, Etisalat came first in terms of charges for services and Zain was ranked first as far as customer relationship is concerned. MTN again was highly preferred in terms of extent of network coverage just as Zain (again) emerged first in terms of both range of service and support for community development programs. In a nutshell, Zain is most preferred to any other network on three of the six indices investigated while MTN came first in two of the indices and Etisalat carries the day on the remaining one index (i.e. charges for service). Interestingly however, Globacom, which did not make it to first position on any of the six indices, was first runner-up on five of the six indices and is not voted last on any of the indices. MTN is the least preferred in terms of charges for services while Etisalat, which is highly preferred on charges for services, is the least preferred in five of the six indices investigated. On the whole, especially in terms of the overall public image of GSM Service Providers, analysis of data revealed that respondents have strong preference for MTN. Globacom came second and Etisalat came last in overall public image (see table 4.6.2). This result is validated by the responses to the question regarding which of the providers respondents preferred most (see item 12 appendix i). MTN again came first with 184 (41%), followed by Globacom and again Etisalat came last (see appendix ii, choice of network).
Table 4.6.2. Subscribers responses on the overall public image of GSM service providers

<table>
<thead>
<tr>
<th>S/N.</th>
<th>Overall Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Etisalat</td>
</tr>
<tr>
<td>2.</td>
<td>Globacom</td>
</tr>
<tr>
<td>3.</td>
<td>MTN</td>
</tr>
<tr>
<td>4.</td>
<td>Zain (Airtel)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey Data, October 2009

Relative influence of key elements of brand association on patronage of GSM service providers

Although not among the key objectives of the study, an attempt was made to determine the relative influence of some fundamental elements of brand association on consumer patronage of GSM Service providers (see item 14 of appendix I). Hence, the respondents were asked to indicate the extent to which some identified elements of brand association influence their patronage of GSM service providers. The result is summarized in table 4.7 below.

Table 4.7: Summary of responses on the extent to which certain elements of brand association influence consumer patronage of GSM service providers.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Statements</th>
<th>To a very large extent</th>
<th>To a large extent</th>
<th>Not sure</th>
<th>To a little extent</th>
<th>Not at all</th>
<th>Weighted score</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Overall public image of the network</td>
<td>301</td>
<td>140</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2067</td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>b.</td>
<td>Extent of the network coverage in terms of cities, towns, villages and highways where services are made available.</td>
<td>295</td>
<td>147</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2063</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
</tr>
<tr>
<td>c.</td>
<td>Overall service quality of the network</td>
<td>290</td>
<td>151</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2057</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td>d.</td>
<td>Colourful and exciting advertising messages by the service providers</td>
<td>275</td>
<td>167</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2043</td>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>e.</td>
<td>General social responsiveness of the network</td>
<td>107</td>
<td>89</td>
<td>11</td>
<td>1</td>
<td>127</td>
<td>8</td>
<td>1486</td>
</tr>
<tr>
<td>f.</td>
<td>Network service providers responsiveness to the needs of the community</td>
<td>0</td>
<td>61</td>
<td>16</td>
<td>0</td>
<td>210</td>
<td>11</td>
<td>1155</td>
</tr>
<tr>
<td>g.</td>
<td>Involvement of service providers in charitable programs</td>
<td>0</td>
<td>58</td>
<td>15</td>
<td>8</td>
<td>215</td>
<td>11</td>
<td>1147</td>
</tr>
<tr>
<td>h.</td>
<td>Charges for services to customers</td>
<td>0</td>
<td>41</td>
<td>17</td>
<td>1</td>
<td>207</td>
<td>23</td>
<td>1114</td>
</tr>
<tr>
<td>i.</td>
<td>Service providers use of football, music stars and comedian (e.g. Kanu, Mikel Obi, Basket Mouth etc) for promotion</td>
<td>0</td>
<td>28</td>
<td>17</td>
<td>6</td>
<td>191</td>
<td>47</td>
<td>1069</td>
</tr>
<tr>
<td>j.</td>
<td>Sponsorship of notable events (e.g Argungu Fishing Festival, Olojo Festival in Ile-Ife, Igbo Day etc.) by the networks.</td>
<td>0</td>
<td>25</td>
<td>17</td>
<td>5</td>
<td>194</td>
<td>48</td>
<td>1061</td>
</tr>
<tr>
<td>k.</td>
<td>Colour (e.g. Yellow, Red, Green etc) associated with GSM network</td>
<td>0</td>
<td>0</td>
<td>22</td>
<td>173</td>
<td>24</td>
<td>7</td>
<td>659</td>
</tr>
</tbody>
</table>

Source: Survey Data, October 2009.
Table 4.7 above reveals that respondents’ patronage of GSM service providers was influenced to a very large extent by the overall public image of the provider (ranking 1st with a weighted score of 2067). Extent of network coverage ranked second and closely trailed by overall quality of service as factors that influence subscribers in patronizing GSM service providers. At the bottom of the table are elements of brand association such as brand colour, sponsorship of notable events and use of celebrities for promotional activities. This goes to confirm the results of the tests of hypotheses which show that sponsorship of events and celebrity endorsement have little influence on consumer patronage of GSM service providers. Similarly, placing service quality and social responsiveness in 3rd and 5th positions respectively out of eleven items, lends credence to the importance of these two attributes in influencing consumer patronage of GSM service providers.

**Discussion of findings**

Service quality can simply be defined as the feeling by customers that they're getting better service than expected. Research evidence supporting the relevance of perceived quality of service in customer patronage of service providers is quite robust. Davies (2006) submits that provision of a superior quality of service is a key differentiator of service providers. Although a lot is desired by customers in terms of improvement in the quality of service in the telecommunication sector of the Nigerian economy, it could be argued that quality of GSM service in Nigeria appears to be improving. The finding of this study that quality of service has significant effect on consumer patronage of GSM service providers is therefore not surprising.

Corporate Social Responsibility (CSR) is a set of standards to which a company is expected to subscribe in order to impact positively on society. It has been recognized that CSR has the potential to making positive contributions to the development of society and businesses. More and more organizations are beginning to see the benefits accruing from setting up strategic CSR agendas (Asa, 2007). This study has found that consumers of GSM services in Kano Metropolis see corporate social responsibility as a key factor in their decision to patronize a GSM Network.

Further, this study has found that sponsorship of notable events and use of celebrities for promotional purposes by GSM service providers has no effect on consumer patronage of GSM Network.

Another pertinent issue is the use of celebrity for promotional activities. This study has found that the use of celebrities for promotional activities by GSM Network does not influence consumer patronage of GSM service providers. The reason for this could be quite inexplicable. This is because given the amount of money collected by these celebrities to offer this service as well as the rate at which some service providers engage services of these celebrity, one would expect that it should be highly correlated to consumer patronage. Alas, this is not so. In fact, money spent on securing celebrity endorsements is for the most part a waste (Jack, 2007).

**Summary, Conclusion and Recommendations**

**Introduction**

This chapter presents the summary of the major findings of the study, the conclusions drawn therefrom and consequently, some recommendations. It also highlighted suggestions for further studies.

**Summary of the findings**

This research investigated the effect of brand associations on consumer patronage of GSM Service providers in Kano Metropolis. The investigation used a structured questionnaire as data collection instrument and Linear Regression as the method of data analysis. The key findings of the study are consequently summarized below:

First, perceived quality of service was found to significantly influence consumer patronage of service providers. This goes to confirm the growing consumer concerns regarding the below-average-performance of the service providers in terms of quality of service. This is in consonance with the key proposition of
SERVIQUAL Model that quality of service is a major consideration by customers in their decision to purchase services.

Secondly, use of celebrity for promotional activities by GSM Operators was found to have no effect on consumer patronage of service provider. It was also found that consumer patronage of GSM service providers was not influenced by the fact that GSM companies engage in sponsorship of notable events. The global call for corporate organizations to show greater responsibilities towards the society within which they operate has been reemphasized by the findings of this investigation. The respondents were emphatic (as their responses show) in affirming the importance of social responsibility in their decision to patronize a GSM Network. In other words, it was found that consumers’ patronage of a particular GSM service provider is influenced by the perceived social responsiveness of the provider. This goes a long way in refuting the notion that customers are indifference to corporate organizations’ investment in providing social services to the society.

Furthermore, in achieving one of the key objectives of this study (determination of consumer preference for service providers), it was found that consumers have high preference for MTN in the area of quality of service and extent of network coverage. Zain is highly preferred in community development supports, provision of wide range of services and excellent customer relationship. Etisalat is most preferred on reasonability of charges for services. It was also found that MTN resonates much more favourably with the subscribers as it has a better public image than any other provider. Incidentally, colours associated with provider (for example, yellow for MTN, Green for Globacom and Etisalat) were found to have highly insignificant influence on consumer choice of service providers.

Conclusion

In line with the findings summarized above, it was concluded that quality of service and perceived social responsiveness of GSM service providers have significant effect on consumer patronage of providers. Moreover, findings impel the conclusion that use of celebrities for promotional activities and sponsorship of notable events by GSM service providers have no effects on consumer patronage of providers.

It was also concluded that Etisalat which is the latest entrant into the Nigerian GSM market, offers consumers the most reasonable charges for services. Another conclusion is that MTN is most preferred by respondents in terms of quality of service as well as network coverage. The summary of findings also informed the conclusion that Zain does a better job in terms of range of services, customer relationship and supports for community development programmers. In general terms however, MTN is adjudged the best of the service providers. Lastly, findings impelled the conclusion that brand color has highly insignificant influence on consumer patronage of GSM service providers.

Recommendations

Consequent to the summary of findings and conclusions drawn therefrom, the following recommendations are hereby offered.

Since quality of service is a key consideration of consumers in their patronage of GSM service providers, there is a need for the providers to invest in upgrade of facilities, quality control technologies and strategic development and implementation of plan for delivery of high-quality services.

Though there is a lot of controversy regarding the influence of celebrity on the customer patronage of a brand, it is however recognized that popular and liked celebrity could influence customer attitudes towards a brand. For as long as GSM companies cannot stop spending their hard-earned money on securing celebrity endorsements, the researcher advises that there is a need for the service providers to ensure greater coordination of efforts in their use of celebrities.

The researcher also recommends that the GSM service providers’ investment in the sponsorship of notable event (which has been found to have no significant effect on consumer patronage) be carefully reviewed. Specifically, there is a need for the providers to be selective in events they do sponsor and that they should ensure they are highly visible during the sponsored events.
There is a need for the GSM service providers to increase their investments in the provision of some basic social amenities for the community as this will help imprint their names in the minds of the market, a condition necessary for their long-term performance and relevance.

Furthermore, as subscribers have preference for some service providers over the others, GSM companies should make the consistent study of consumer behavior an important part of their corporate culture, as it has the potential to enable them to know and pay attention to the important factors that influence consumer choice of service providers.

**Suggestions for further research**

Although, the findings of this study could be generalized given the procedure adopted, the researcher is of the view that a study of this nature covering the whole country could be undertaken. There could also be a similar study in other industries like Banking, Food and Beverages, Retail Industry, Aviation and so on. Further, there could also be another study that investigates the significant influence of other elements of brand association as advert messages, charges for services, sales promotional activities, network coverage and a host of others.

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Impact of Relationship Marketing Practices on Doctors’ Prescribing behaviour towards J. L. Morison Son & Jones Brands in Sri Lankan Context

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Abstract

In modern marketing practices, relationship marketing becomes impertinent strategic tools. It can be applied in different industry in different scales. When it comes to the pharmaceutical industry, end users of most of medicines cannot decide the brand of the drugs prescribed by doctors. On the other words most of medical practitioners often continue to prescribe brand-name drugs to their patients even when less expensive generic equivalents are available. Apart from the prevailing conditions, some multinational companies like J L Morrison’s Ltd may not provide un ethical marketing practices to promote their brand through doctors.

In this context, it is important to investigate role of relationship marketing practices in prescribing behaviour of doctors in local context. Accordingly, main purpose of this study is to assessing the impact of relationship marketing practices effect on the prescribing behaviour of doctors towards JLM brands. As the empirical nature of the study, data were collected through structured questionnaire designed based on the measurement indicators identified in literature and field experience of the researcher. Accordingly, sample was selected from main cities of the country with the purpose of getting the doctors’ responses about the main research issues. Accordingly, 125 respondents were included in each sample. The respondents were selected based on convenience sampling method to represent all medical consultants who are relevant to the JLM brands in Sri Lankan market. Frequencies, percentages, descriptive statistics, and correlation analysis etc. were employed as data analysis tools.

Reliability test was carried out and Cronbach’s Alpha values of each construct was found that a good interring reliability exist with the data. The results indicated that there are positive relationships between all three aspects of relationship marketing practices adopted by JLM brands and doctors’ prescribing behaviour. Further it is noted that perceptions of doctors towards relationship marketing practices are favourable and positive tendency for prescribing JLM brands. The results provide evidence to accept all hypotheses. Finally, researchers have emphasized some implications to marketers of pharmaceutical industry to develop their marketing strategies for encouraging doctors for prescribing JLM brands in competitive markets.

Keywords: Relationship marketing, Prescribing behaviour, Pharmaceutical industry.

Introduction

Background of the study

Customers are most important aspect of the any company. Therefore, company should consider needs and want of their customer. In pharmaceutical consumers directly not involve with the manufacturer or distributor of the product. Physicians and chemist are directly involved with the drug distributors in the industry. Prescription of the doctors will be most important to improve sales of the company in pharmaceutical. But it is little hard to generate with the competition of the industry.

JLM consider satisfying their direct customers to improve amount of prescription which is related to the company products. “The science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential (Kotler, 2000).
It’s simply can define as Satisfying need and wants of customers by using limited resource of the company. JLM try to face this scarcity by implementing various types of strategies for their marketing activities. However, these strategies are help to develop competitive advantage by using limited resources. Relationship marketing is vital strategy to develop customer perception toward the company. However, JLM is trying to do this aspect for their business to improve loyalty of customers. In this research purpose to understand Impact of relationship marketing activity to Growth of Sales of J.L. Morison Son & Jones (Ceylon) PLC

Relationship marketing is more important to success in pharmaceutical industry in Sri Lanka the research is evaluating all marketing aspect to improve sales and this consider impact of relationship marketing to growth of sales as well as this evaluate impact of activities to improve relationship with the direct customers.

Marketing strategies is more important to growth of sales. Sales and marketing go as to but both of these two as interconnectivity. However proper marketing always makes easy to increase sales of the company.

**Research problem**

**Literature gap**

Customer relationship management (CRM) is a leading new approach to business, which has already become popular among previous researchers (Szeinbach, Barnes, & Garner, 1997). When it comes to the pharmaceutical industry relationship marketing become most common tool which is adopted by pharmaceutical companies for encouraging doctors to prescribe their brands (Prosser and Walley, 2003). Further Corckburn (1997) argued that most of pharmaceutical companies in the countries with poor trade policies, penetrate the market with cheap products by influencing to doctors for prescribing their brands. Therefore, most of scholars (e.g. Couturier, Zaleski, Jolly, Durieux, 2000) explore that relationship marketing tools of pharmaceutical industry has huge impact on prescribing behaviors of doctors. However, some researchers argue that doctors may consider quality of drug before recommending to the patient. In those circumstances relationship marketing practices are inappropriate even in pharmaceutical industry (Vancelik, Beyhin, Acemoglu, Calikoglu,2009). Therefore, this area should be further investigated in different socio-cultural contexts in the world.

that relationship marketing has an effect on relationship quality which leads to customer retention (Amer M. Shoter, 2015) that relationship marketing as a string tool in developing professional rapport for building brand perception for the high ended and sophisticated medical product brands (P. L. P. Geethanga1 and D. M. R. Dissanayake,2014)

According to the findings of Amer and Gethangel there is relationship of relationship marketing and sales of medical products. According to those researches there are improvements of sales by using relationship marketing activities in pharmaceutical industry. But according to some other studies relationship marketing activities concern as a unethical practice of pharmaceutical marketing. Further it was proved that pharmaceutical companies initiate unethical marketing activities and health specialists/doctors accept these gifts and help companies to continue unethical marketing activities (Saeed Abbas Shah, 2014)

With these three arguments researcher can understand there are no universal conclusion for impact of relationship marketing to the sales growth of pharmaceutical products. As researcher feel this study try to do research to clarify these concepts with deep analysis of the literature with new findings.

**Empirical gap**

There are many companies are involving in the pharmaceutical business in the Sri Lanka. Its more than 350 companies including pharmaceutical and surgical devices. Cipla, Glaxo, Hemas and baus is leading the market however there are limited number of doctors and pharmacies are available in the country to involve in the business. All companies are fighting for take their market share from this limited customer base.
Marketing strategies are more important to attract these limited customers with this huge competition of the market. However, customer turnover is very high according to the current behaviour of the pharmaceutical market. Finally, relationship is more important in the industry to sustain.

Pharmaceutical industry is mass market. It’s not like other country this industry is going as different business. When it’s come to import regulation is not much strong in this industry. Pharmaceutical industry is becoming more competitive than earlier due to that poor entry barrier.

Physicians and chemist come as direct customers in this industry. But customer base is not increase like increase of Company and products. People who are involving this business can’t close their eyes due to huge competition. Relationship marketing is becoming more important in this business not only that it will be the key tool to promote pharmaceutical products.

Pharmaceutical industry is now becoming highly competitive Zydus, Cipla, Sun pharma, GSK, Getz, CCL and Torrent are playing big role in pharmaceutical market. all this giant is aggressively involving their promotion’s with relationship marketing. All competitors are targeting this customer with different marketing activities therefore it’s very difficult to protect customer sustainability of the business.

Evaluation of current attitudes towards Relationship marketing is taken as the rational significant to this study. Out of Relationship marketing strategy what is directly affect to positive attitude or negative attitude. Doctors’ attitudes cannot be directly observable & this can only be evaluated from their behavior and response. Thus, what they do & what they say.

J.L. Morison Son & Jones (Ceylon) PLC has shown continues decline during last five years of their revenue. It has happened due to high customer turnover of the company. This research is going to find solution for this customer turnover of the company. Existing consumer base is one of main channel that generate new business to the J.L. Morison Son & Jones (Ceylon) PLC. The main advantage this study is to understand of their need and wants. Because if we not build our relationship with them competitor immediately can get benefit from it and it will be blocking the inflow of business to the J.L. Morison Son & Jones (Ceylon) PLC. Hence result of this study would help management to develop future marketing plan & decision making by highly focusing on relationship marketing

This study is mainly focused on how relationship marketing would affect to change doctors’ attitude. Based on this study it is possible to influence to consumers’ mind with the correct strategy. Many organizations do not have the relationship marketing strategy required for successfully manage their customer. When effective relationship marketing activity is recognizing as a core or one of organizational competence recruit in high financial performance the most successful organization has superior relationship marketing strategy for keep their customer. However, there is sufficient studies were not conducted relevant to present research issue in current research contexts. With aforesaid background, further studies are needed for exploring the relationship marketing and doctors’ prescribing behavior. Therefore, the present research is focused on “To what extent relationship marketing practices influence on Doctors’ prescribing behavior towards J. L. Morison Son & Jones brands in Sri Lanka

Research objectives

As relationship marketing is most valuable part of effecting to customer retention, in this research, the researcher developed following objectives.
1. To examine relationship marketing practices employed by J. L. Morison Son & Jones brands in Sri Lanka
2. To identify the willingness of medical practitioners to prescribe J. L. Morison Son & Jones brands
3. To determine relative impact of each relationship marketing practices on doctors’ prescribing behaviour towards J. L. Morison Son & Jones brands
4. To recommend strategies for encouraging doctors’ prescribing behaviour towards J. L. Morison Son & Jones brands by successfully adopting to relationship marketing practices

Research questions

In order to achieve aforesaid objectives, the researcher developed following research questions.
1. What are the relationship marketing practices employed by J.L. Morison Son & Jones brands in Sri Lanka?
2. Whether doctor’s preferred to prescribe J.L. Morison Son & Jones brands?
3. Which relationship marketing practices are influenced on doctors’ prescribing behaviour towards J.L. Morison Son & Jones brands?
4. What are the relationship marketing strategies recommend to J.L. Morison Son & Jones brands for encouraging doctors’ prescribing behaviour towards their brands?

**Significant of the study**

Physicians are the most important customer in the pharmaceutical industry. As a customer medical practitioner are having busy schedule in their life, its little difficult to find time for promote drugs for the valuable doctors. However due to high competition many representatives are trying to approach doctors every day. Due to that situation many doctors try to avoid pharmaceutical representative to survive their time. At the same time due to lack knowledge of representatives’ doctors interest getting decrease to learn about the products through the representatives.

As a solution for this situation many companies easy to improve their relationship with doctors to face competition. 

Well trained and strategic marketing representative always overcome this situation by using their skills. But as a company they have to facilitate their employees to overcome these situations by improving some relationship marketing activities. Attract new customer is not easy due to this competition of the industry therefore customer retention is more useful than finding of new one. Not only that retention is cost effective than the new attraction.

It’s little difficult to understand level of customer satisfaction with the promotions of pharmaceutical. But representatives should closely monitor their customer’s prescription behaviours to get an idea about satisfaction. In this industry many doctors expecting personalises and customer wise service. Medical representatives should verify their service after sales not only that before do they personalise service representatives must develop trust with the doctors

Reminders about the products are essential in this business. Relationship may not enough to take prescription other than doing reminders for the brands. There are some other factors also can affect to the promotions and sales but this research highly focuses about the relationship building strategies and their involvement to the business.

Customer retention is more important and profitable than acquiring new customers, but retention is not easy in this volatile market situation. It’s more difficult in pharmaceutical due to huge competition of the industry.

**Methodology**

The methodology has used to understand the relationship marketing activity and its impact to develop sales in the JLM. Initially researcher has developed conceptual frame work with hypothesis. Hypothesis was developing by using literature review.

**Conceptual framework**

As per the details given in the chapter 2 relationship marketing practices in pharmaceutical industry has been investigated many researches(Schemerhorn,2001) According to them sponsorship, continuous medical education and CSR programme become more inflation on doctors prescribing behaviour as JL Morrison plc company is currently employing all those relationship marketing practices researcher reasonably assumed that those three variables represent the relationship marketing practices in present research context Accordingly researcher developed conceptual
In order to demonstrate the relationship between independent and dependant variable researcher developed three hypotheses. Each Hypothesis can be justified based on detail literature given on chapter 2. For Eg: = The researches such as Gilbert, & G. Lindzey etc. empirically proved that sponsorships, CME and CSR of medical sector has significant and direct influence on doctors prescribing behaviour. Therefore, researcher reasonably assumed those relationships will be applicable to the present research context as well. Accordingly, three hypotheses were developed as follows.

H1 - There is a significant positive relationship between sponsorships and doctors prescribing behaviours towards JL Morison brands.

H2 - There is a significant positive relationship between CME and doctors prescribing behaviours towards JL Morison brands.

H3 - There is a significant positive relationship between CSR and doctors prescribing behaviours towards JL Morison brands.

Definitions

In the conceptual framework 4 variables are given. Meaning of those definition in present research context has been discussed in follows,

1. **Relationship marketing practices** – It refers to all the sponsorships, CME and CSR programmes employed by JL Morrison companies during last year with the purpose of developing the relationship with medical practitioners.

2. **Sponsorships** - This refers to providing free samples sponsoring to College events and Social events etc…. adopted by JL Morrison and PLC for developing the relationship with doctors.

3. **CME** - That means different educational programmes, conferences, Seminar and research Symposiums etc... Sponsored by JL Morrison Company to participate doctors for their event with the purpose of updating their knowledge on the new development of medical sector.

4. **CSR** - That means different social programmes conducted by JL Morrison Company for enhancing social welfare and provide financial support to organize those programmes to doctors.

5. **Prescribing behaviours** - That means tendency of doctors to prescribe JL Morrison brand their patients, recommend product in public forum and providing positive product comments with the others.
Table 1. Different variables of the conceptual frame work have been operationalized in the following table

<table>
<thead>
<tr>
<th>Concept</th>
<th>Variable</th>
<th>Indicator</th>
<th>measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Relationship marketing</td>
<td>Sponsorships</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Education programme</td>
<td>5S1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clinical meeting</td>
<td>5S2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hospital developments</td>
<td>5S3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clinical trials</td>
<td>5S4</td>
</tr>
<tr>
<td>CME</td>
<td></td>
<td>Overseas education</td>
<td>6S1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Overseas workshop</td>
<td>6S2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local workshops</td>
<td>6S3</td>
</tr>
<tr>
<td>CSR</td>
<td></td>
<td>Ward developments</td>
<td>7S1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clinical funds</td>
<td>7S2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPD funds</td>
<td>7S3</td>
</tr>
<tr>
<td>02</td>
<td>Prescribing behaviour</td>
<td>How customers feel pc</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>pharma</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relationship</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>marketing strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Brand Name</td>
<td>QPS81</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Recommendation for</td>
<td>QPS82</td>
</tr>
<tr>
<td></td>
<td></td>
<td>others</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Positives comments to</td>
<td>QPS 83</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the Brand</td>
<td></td>
</tr>
</tbody>
</table>

Research method

Research method is systematic process which is use to collect primary data for the research. Method can be varying according to the research type and framework of the study. Research method use to achieve research objective by using systematic way. This can be both qualitative and quantitative, research method suggested the way of data collections. It can be interview or questionnaire survey.

There are many ways to obtain information as a data for research .in this research survey method has use to collect data from the respondent. Questionnaire has used as an instrument of gathering data to the research. Through the survey researcher has gathered information’s to by asking many questions to understand customer CME, CSR and their prescribing pattern. Demographic characteristics also evaluated to understand behavior of respondents. The questionnaire has distributed among selected samples to get more accurate information to the research. As a widely using survey method questionnaire has used for the research. Accordingly, 100 doctors selected and collect the data using self-administration questionnaire as data collection instrument.

Research measuring instrument – survey questionnaire

Likert scale questionnaire has used to gather information’s for the research. Mostly used four answers questions for the questionnaire. Questions have been started from strongly agreed to strongly disagree. Maximum 5 has given as a mark for the strongly agreed and minimum 1 has given for the strongly disagree.

5 Strongly agree, 4 Agree 3 don’t know 2 Disagree 1 strongly disagree.

This type of questionnaire easy to analyze not only that it’s easy to prepare for the research. As an instrument of data collection likert type questionnaire is more popular than the others. Especially this will evaluate attitude type of behaviors.

Contact method – personal interview

The entire sample has selected randomly. 100 sample has interviewed personally. researcher has met all respondent personally and distributed questionnaire for them. Some respondents are only given oral answers researcher has completed questionnaire accordingly.
Sample design process

There are five steps in Sample designing process. The steps are target population define, sample frame determine, sampling techniques, sample size and execute sample process.
Target population

Targeted sample is concern as a target population. This is initial stage of the process. The sample has designs according to the target population. Their target group of this research can be illustrating as below Elements: All physicians and specialists in Colombo and suburb are.


Determine the sampling frame

This is the part of the sample population. This can select randomly to distribute questionnaire for obtain information. This has selected from total sample population in selected are. In this research researcher has randomly select physicians for the response

Select a sampling technique

Due to simple random sampling method there is an equal chance to response in each category of physicians for the research.

Determine the sample size

Collect response from 100 number of random samples in the target population in selected area.

Execute the sampling process

- Target population – physicians, and specialists in Colombo and suburb
- Sampling frame – 10% of doctors who are doing privet practice
- Sampling technique – simple random sampling for target population
- Sample size – 100 physicians in Colombo area
- Sampling process – likert scale questionnaire for respondents.

Data presentation and data analysis

JLM management is using different type of relationship marketing activities to improve relationship with the doctors. Ultimate objective of the relationship is improving number of prescriptions by developing awareness of brand. The chapter elaborate the method of data collected to achieve research objective through the conceptual frame work. This will describe the findings deeply and it will test the hypothesis which was given.

First section of the chapter will discuss about the sample and method of the data collection.in that part Weill elaborate behaviours of sample and their experiences in the industry. The second section will discuss about their willingness to prescribe products of the Company. Third section research discuss about the current relationship marketing activities of JLM.

Subsequently empirical results of other statistical tools were discussed in the last section with the purpose of testing hypotheses and demonstrate the relationship among key variable of the conceptual model.

Overview of data collection and preparing data base

As per the details of methodology data was collected by interviewing of direct customers (physicians) in Colombo area. The researcher personally done questionnaire survey and collected some data’s through the personal interview with physicians of the area. Mainly these data were collected from the Colombo national hospital and Sri Jayewardenepura Hospital. The respondent rate was 100% from the selected samples. Research has done one interview on two times due to busy schedules of some important respondents. However, 100 samples were success to analyses in final assessment due to rejections of some questionnaires with missing values and extreme cases.
The questionnaire has given more information’s to make understandable of the data of the research. 25 likert scale questions are covered all relevant area of the study. Result which was gathered through the response can be categorized in different ways to analyse.

This report has analysed data by using new technology, the instrument SPSS has used to analyse data of the research. Standard deviations and correlation have been calculated through the SPSS. The software has analysed all the aspects of relationship marketing including CME, CSR and many more. Data has presented by using charts, graph and some table for better understanding of the research.

**Reliability test**

The researcher analysed the reliability of the conceptual model by using some theories which is related to test. Examine the internal consistency of dependent and independent variable is necessary to get an idea about the result of the research. Therefore, Cronbach’s alpha reliability coefficient was utilized to examine the above mention constancy. Moreover, Haired et al. (1998) noted that general acceptable lower limit for Cronbach’s alpha is 0.70 but it can go down to 0.60 in exploratory research. The table 4.1 shows the Cronbach’s alpha for the independent and dependent variables calculated using reliability measures in SPSS 16.

**Table 2. Reliability test**

<table>
<thead>
<tr>
<th>Constructs</th>
<th>N of Items</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship</td>
<td>5</td>
<td>.879</td>
</tr>
<tr>
<td>CME</td>
<td>4</td>
<td>.712</td>
</tr>
<tr>
<td>CSR</td>
<td>3</td>
<td>.846</td>
</tr>
<tr>
<td>Prescribing</td>
<td>3</td>
<td>.703</td>
</tr>
<tr>
<td>Behaviour</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey Data 2016.

Cronbach’s alpha of the given independent and dependent variables showing from 0.703 (acceptable) to 0.879 (very reliable). The range of Cronbach’s alpha is showing acceptable situation of the findings. Especially; Sincerity shows higher reliability values among other relationship marketing dimensions. Therefore, data base can be used for the analysis of the present study.

**The sample profiles**

The demographic category is more important in research sample. The research has covered all relevant demographic groups to get more accurate respond. Age, Gender and their education background is more important in this research, relationship marketing activity can be varying according to the level of income of physicians After collecting data, the researcher developed the sample profiles (table 4.2) based on several demographic characteristics included in the questionnaire.

**Table 3. Sample profile**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Categories</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>18-25</td>
<td>21</td>
<td>20.8</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>26-35</td>
<td>26</td>
<td>25.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>36-40</td>
<td>32</td>
<td>31.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 40</td>
<td>21</td>
<td>20.8</td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>60</td>
<td>60</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>40</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Marital Status</td>
<td>Married</td>
<td>79</td>
<td>78.2</td>
<td>100</td>
</tr>
<tr>
<td>----------------</td>
<td>---------</td>
<td>----</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td></td>
<td>Unmarried</td>
<td>21</td>
<td>20.8</td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>Below 100000</td>
<td>7</td>
<td>6.9</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>100000-200000</td>
<td>34</td>
<td>33.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>200000-400000</td>
<td>46</td>
<td>45.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 4000000</td>
<td>13</td>
<td>12.9</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>MBBS</td>
<td>21</td>
<td>20.8</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>MD</td>
<td>47</td>
<td>46.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PHD</td>
<td>32</td>
<td>31.7</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey Data 2016

According to the sample profile, majority of respondents represent age of above 35. And male respondents are little higher than female respondents (60% and 40%) As the researcher expected all respondents were well off people who are earning more than Rs. 100,000 per month. The most important matter is nearly 80% respondents are in level of consultant. Because of the sample represent all demographic categories and sample characteristics are almost similar to the characteristics of the population, findings are reliable to assess the impact of relationship marketing activity on their prescribing behaviour.

General information about the doctors and their prescribing behaviour

The doctors are the decision makers of the pharmaceutical product use of end users. Therefore, physicians are more important in pharmaceutical industry for their business. However, doctors not consume the products mostly consume by patents according to the prescription of doctors. This industry is involving with the life of people, drugs help to cure the product as well as it will damage the people. All the drugs are poison is common phrase in the pharmaceutical industry. Therefore, recommendation of doctors is vital to use of medicines in life. Because of this conditions prescription behaviour of physicians is more important in the pharmaceutical context. Representative’s skill of identified doctors prescribing behaviours are more important to increase the sales of the company.

Area of specialty

Develop countries always go for original brand for their patents but third world countries mostly depend on the generic product with low prices. But generic products can’t be equal to the original product. However generic companies are not much bother to justify quality of their products to the market. As we discussed in literature review some researcher has analyzed generic products are moving due to some unethical practices in the companies as well as physicians of the industry. Finally, general physicians and consultants are playing big role in this industry.
According to the figures which was analyses General physicians are more important to the business of JLM however according to the classification number of GPs volume is higher than consultants. When we take consultants it also can be divided according to the specialty of the area. According to the chart given VP, Cardiologist and neurological specialties are more important to understand relationship activities in the JLM. The research has distributed the questionnaire according to the above chart to take more accurate feedback to the research.

**Experience in medical practice**

Experience is most important part of medical practice because experiences add more value to attract patients to the practice. Demands for the activities are very much according to the seniority of the profession. Requirement of more experience physicians are higher than the new physicians. The researcher has distributed the questionnaire among the different level of experience doctors. That distribution will help to get accurate requirement of relationship marketing activity in JLM.

**Figure 2. Area of specialty**

Source: Survey Data 2016

**Figure 3. Experience of medical practice**

Source: Survey Data 2016

Write Up the researcher has distributed questionnaire from beginners to most senior doctors, very simply this has distributed to just after internship to professors of medicines. Response of more experience doctors is highly affected to analyse reality in the industry. Therefore, this research highly focused doctors who have more than 10 years’ experience as physicians. Minimum number of new doctor’s sample represents
new generation and their response also important to understand future requirement of relationship marketing.

**Number of patients sees for a day**

Number of patients of doctors is more important to improve sale of the company, its little harder to build-up relationship with the doctors who have high number of patents per day. But it’s no point of having patients if doctor not prefer to prescribe brands for the patents therefore prescription pattern of doctors is more important than number of patents per day.

![Figure 4. Number of patients sees for a day](chart1.png)

Source: Survey Data 2016

According to the findings there are 34.7% doctors have below 25 average patents for the day. But graph is showing there 20% of doctors have capacity of more than 100. Responses of these doctors are more important to understand the objective of the research.

**Willingness to recommend branded products**

These parts of doctors are more important than the patent numbers per day. The doctors who has more than 100 patents and if they willing to recommend branded product will be the assets to the company. But if they not recommend branded it will be useless affect to make relationship with them.

![Figure 4. Number of patients sees for a day](chart2.png)
Figure 5. Willingness to recommend branded products

Source: Survey Data 2016

The finding shows there are 45.5% of physicians are mostly willing to prescribe branded product to their patients. 26.7% are moderately willing to recommend brand to their patents. However, figures showing more than 70% of physicians are willing to prescribe branded products to their patents.

Relationship marketing practices of JLM

JLM is one of the oldest pharmaceutical companies in Sri Lanka therefore they still try to practice old strategies to develop market share. JLM is highly concern about the pharmaceutical ethics therefore Relationship marketing practice of the company is far behind than the other leading companies in the industry.

Sponsorships

Doctor sponsorship is most common activity which is doing by pharmaceutical marketers to attract doctors for their brands. This can come as a general and personal. Many physicians are requesting sponsorships for personal activities but some are for public activities. These can be categorized as sponsorship for academic purpose or it can be for clinical meeting of the ward. Some physicians are developing hospital wards by using sponsorship of the companies. The large companies may sponsor for clinical research for the doctors in the government sector.

Figure 6. Perception about academic activity provided by JLM

Source: Survey Data 2016

Finding showing more than 70% of physicians are agreed with the academic activity which is providing by JLM. JLM mostly helping to improve knowledge thru the education programs, that part is in favourable manner in JLM
Figure 7. JLM organized clinical meetings regularly

Source: Survey Data 2016

JLM is not much concern about clinical meeting but result showing more than 50% of doctors are happy with the clinical meetings arrangement of the JLM. However clinical meetings help to improve relationship with doctors as well as it will increase brand awareness of the company among many physicians.

Figure 8. JLM provide funds to develop hospital wards

Source: Survey Data 2016

According to the findings large numbers of doctors are happy with concern of the ward development doing by JLM. It again shows their pharmaceutical ethics because all the activity should benefit to the patent according to the JLM policies.
Pharmacology is vast area to learn, some of them doing PHD degrees by base on this subject. But physicians are learning essential part of pharmacology to manage their patients. this industry is aleways updating due to rapid changes.

Therefore, physicians are acquiring knowledge about new updates from journals and clinical trials. Basically, research base companies are not going to do more relationship marketing but they always try to update doctors with proper knowledge there are 70 % of doctors are happy with JLM because of their clinical trials and evidence journal.

![Figure 9. JLM provide clinical trial and evidence journals](image)

Source: Survey Data 2016

The findings show there are 79% of doctors are agreed with health camp arrangement of JLM. These events will help to increase brand awareness among people than the doctors. However, with awareness people will make confident to purchase brand of JLM.

![Figure 10. JLM organized free health camps for public populations](image)
Table 4. Descriptive statistics for Sponsorship

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational program for medical practitioners</td>
<td>3.8600</td>
<td>.81674</td>
</tr>
<tr>
<td>organized clinical meetings regularly</td>
<td>3.2300</td>
<td>1.07172</td>
</tr>
<tr>
<td>Provide funds to develop hospital wards</td>
<td>4.0400</td>
<td>.77746</td>
</tr>
<tr>
<td>Provide clinical trial and evidence journals</td>
<td>3.8300</td>
<td>.96457</td>
</tr>
<tr>
<td>Organized free health camps for public populations</td>
<td>3.2500</td>
<td>.78335</td>
</tr>
<tr>
<td><strong>Sponsorships</strong></td>
<td><strong>3.6420</strong></td>
<td><strong>.46562</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2016.

According to the descriptive statistics given in the above table doctors highly perceived sponsorships given by JLM for hospital wards. Respective mean value is 4.04 the second important sponsorship goes to educational programme organised by JLM for medical practitioners. Accordingly provide critical trial and evidence journal also valued by medical practitioners. All those three aspects of sponsorships are at high score range {3.67 – 5.00} However organizing the clinical meeting and helping the health camps are at moderate level. However overall sponsorships done by JLM was at moderate level but very close to upper margin (Mean = 3.64, SD = 0.46562) Therefore researcher concluded that sponsorships done by JLM is at satisfactory level.

**CME**

CME employed by JLM was tested based on three indicators. Q. No 7 –10 was designed to get the perception of doctors regarding this area. Initially responses given by doctors have been summarized into following figures.

![Figure 11. JLM provide overseas educational training programs](image-url)

Source: Survey Data 2016
According to the question majority of the physicians are satisfied with their overseas educational training program. According to the annual report of this company their spending more financial budget for this activity. Not only has that principle companied also investing more for this promotion activity.

**Figure 12.** JLM provide funds participate overseas work shops

Source: Survey Data 2016

International training and workshops are vital to improve knowledge of doctors in the country. Many companies are helping them to participate these events. however, it will increase the goodwill of the company among doctors in the country. 87% of doctors are agree with that activity of JLM, it will good sign of relationship of JLM with doctors.

**Figure 13.** JLM provide educational programs to develop local Doctors work shops

Source: Survey Data 2016
According to the findings 86% of doctors are agreed with the CME conducting for workshop in the country to improve knowledge of doctors. However only 14% is responds averagely most important thing is there are no any disagreements with this question from respondents.

Table 5. Descriptive statistics for CME

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>JLM provide overseas educational training programs</td>
<td>3.4500</td>
<td>.82112</td>
</tr>
<tr>
<td>provide funds participate overseas workshops</td>
<td>4.0000</td>
<td>.51247</td>
</tr>
<tr>
<td>provide educational programs to develop local Doctors workshops</td>
<td>4.1700</td>
<td>.65219</td>
</tr>
<tr>
<td>CME</td>
<td>3.8733</td>
<td>.42052</td>
</tr>
</tbody>
</table>

Source: Survey Data 2016.

According to the descriptive statistics relating to CME provided by JLM highest perceived value of doctors belongs to funds provided by the company to participate for overseas workshops. Further doctors have rated JLM is provided educational programme to develop the local docs. The mean value of both expects are 4.0 and 4.17 respectively. However, docs did not perceive overseas training programme at JLM as at high level. Even though some aspects of CME rated at moderate level overall CME provided by JLM was rated as high level. Respective mean vale is 3.8733 and SD is 0.42052.

4.9.3. CSR

The third dimension of relationship marketing programme was CSR programme organized by JLM. Accordingly question No…….. () was designed to get the docs response of those programmes organized by JLM. Percentage and the frequencies of the doctor’s responses have been summarized to the following figures.

Figure 14. JLM provide funds to develop hospital wards

Source: Survey Data 2016

According to the above finding there are no may doctors are expecting personal sponsorships other than the public sponcers. Many are expecting donation for wards and their academic purpose but it seems to be CSR project of the company. according to the finding many respondents are agreed with the relationship marketing of JLM
Figure 15. JLM provide funds to clinics

Source: Survey Data 2016

This figure showing there are no disagreement with relationship marketing activity of JLM for clinic developments of the hospital. JLM provide enough funds to develop clinics in the hospitals many physicians are happy with these factors of the company.

Figure 16. JLM provide funds to develop OPD Clinics

Source: Survey Data 2016

According to the above findings there are many doctors agreed with OPD renovation of their hospitals. This is happening due to process of government funding. Many OPD are not in the standard of the country therefore doctors are requesting fund from privet companies to develop their working OPDs however nearly 50% of doctors are agreed with JLM projects of OPD renovation
The JLM highly concern about the rural hospital development projects, this result is showing there are 80% of doctors are agreed with contribution of JLM for rural hospital developments. In addition to above analysis researcher calculated descripted statistics to identify perceived value of CSR programmes of given by JLM. Respective mean values and SD values are given in table 4.8.

**Table 6. Descriptive Statistics for CSR**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>provide funds to develop hospital wards</td>
<td>3.7400</td>
<td>.57945</td>
</tr>
<tr>
<td>provide funds to clinics</td>
<td>3.8500</td>
<td>.50000</td>
</tr>
<tr>
<td>provide funds to develop OPD Clinics</td>
<td>3.2700</td>
<td>.77662</td>
</tr>
<tr>
<td>provide funds to develop rural hospitals</td>
<td>3.8700</td>
<td>.73382</td>
</tr>
<tr>
<td>CSR</td>
<td>3.6825</td>
<td>.43061</td>
</tr>
</tbody>
</table>

The finding revealed that JLM provide more funds to develop rural hospitals. In addition to that they are providing funds to develop some clinics and developing hospital wards. However, doctors rated JLM is not in strong position in providing funds for developing OPD clinics. As a result of that overall perception about the CSR programme developed by JLM is at high level. Respective mean value is 3.6825.

**Doctor’s prescribing behaviour**

Prescribing behaviour of doctors can be varying according to their experience and profession. However, it is more important to understand prescribing behaviour to take better outcome from the doctor to company. Prescription behaviour of doctors was tested from question No’s 15 – 18 under the section C in questioner. Responses have been summarised in the following figures.
The question has been evaluated brand awareness of doctors and its impact to JLM. It’s not evaluated directly but it has showing favor of doctors towards the company brands.

Findings of research showing 80% of physicians are willing to prescribe JLM brands. As an old pharmaceutical company it’s a considerable good percentage acquired by company. that means JLM conducting their promotions in proper way.

According to the figures there are 79% of doctors are agree to prescribe JLM brands to outside. however, it’s not happening accidently that only can happened due to heavy promotions of field staff.
These figures showing 79% of doctors have good image about JLM and it showing their willingness to recommend JLM brand for the outsiders.

In addition to above analysis researcher calculated described statistics to identify prescribing behaviour of doctors. Respective mean values and SD values are given in Table 4.8.

**Table 9.** Descriptive statistics for prescription behaviour

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>prescribe brand name of JLM</td>
<td>3.8700</td>
<td>.50562</td>
</tr>
<tr>
<td>recommend JLM brands in public forum</td>
<td>3.8600</td>
<td>.51286</td>
</tr>
<tr>
<td>share positive comments about JLM Brands</td>
<td>3.7700</td>
<td>.50062</td>
</tr>
<tr>
<td>Prescription behaviour</td>
<td>3.8667</td>
<td>.37003</td>
</tr>
</tbody>
</table>

According to descriptive statistic all the aspects of prescribing behaviour is at high level. That means the selected doctors in the sample highly recommend JLM brands to their patients and colleagues. Further they would like to recommend those brands at the public forum. Therefore, it is noted that prescription behaviour of docs towards JLM brand is at highly recommended level.

**Correlations analysis and testing hypotheses**

This section focused on analysis of the relationship between Relationship marketing activities and customer prescribing behaviour. Similar to the above analysis, impact of relationship marketing activities was calculated based on three dimensions such as Sponsorship, CSR, CME. Correlation between sponsorship and prescribing behaviour has been analysed in table.

According to the creation output given in above table correlation between sponsorship and prescribing behaviour is 0.632 it is significant under 0.01 levels that mean when sponsorship change by 1 it is influenced on prescribing behaviour from 0.632. Therefore Hypothesis 1 that is there is a significant positive
relationship between sponsorships and prescribing behaviour can be accepted based on empirical evidence of present research.

**Table 10.** Correlation between CME and prescribing behaviour

<table>
<thead>
<tr>
<th></th>
<th>TCME</th>
<th>TP</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCME</td>
<td>Pearson Correlation</td>
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</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>TP</td>
<td>Pearson Correlation</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.503**</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

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

Source: Survey Data 2014

The finding revealed that correlation coefficient between CME and prescribing behaviour is 0.503. It is significant at 0.01 level. That means CME done by JML has positive significant relationship with prescribing behaviour with docs. Therefore H2 i.e. there is a positive significant relationship between CME and prescribing behaviour can be accepted based on empirical evidences in present study.

**Table 11.** Correlation between CSR and prescribing behaviour

<table>
<thead>
<tr>
<th></th>
<th>TCSR</th>
<th>TP</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCSR</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td>TP</td>
<td>Pearson Correlation</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.326**</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

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

Source: Survey Data 2014

According to the correlation output given in table 4.20, Correlation coefficient between CSR programme done by JLM and prescribing behaviour is 0.326. It is significant under 0.01 level. Therefore, researcher concluded that H3 i.e. there is a positive relationship between CSR and prescribing behaviour can be accepted based on empirical evidence in this study.

**Conclusion and recommendation**

**Conclusion**

The research has evaluated and analysed impact of RM activities (CME, CSR, Sponsorships) for improve the relationship with physicians. Not only had that research evaluated their impact of growth or decline of sales in JLM. The findings are showing .632 co relation in between sponsorships and prescribing behaviour of doctors. The positive correlation indicates that there is impact of doing sponsorships for changes of sales.
CME also showing correlation .503 with the prescribing behaviours of the physicians. CSR and prescribing behaviours also indicate .326 correlation with prescribing behaviour of the customers.

The three hypothesis has evaluated through the questionnaire of research, it mainly concern about the above mention three dimension of the relationship marketing activities in JLM. The results are showing significant effect of the sponsorships, CME and CSR towards the prescribing behaviour of the physicians.

According to the secondary data of the JLM their sales flow is showing variations during the past few years. But according to the research findings level of satisfaction of doctors are in considerable situation towards the brand of JLM. Researcher can argue with these two segment because relationship marketing activities are in maximum but sales showing some variation. The researcher can conclude relationship marketing is not only element which is effect to the sales of the company. Or researcher can conclude that is not only element which can change prescribing behaviours of the doctors.

However, findings can conclude there are effect of RM activities to build up good rapport with the physicians. Not only has the relationship helped to increase the sales of the company.

**Recommendations**

According to the finding of the research researcher can highlight marketing implementation to the managers of JLM. This clearly advice to development of knowledge of the representatives are more important than the Sponsorship and other activities.

As mention in some existing research first impression is more important to build up good relationship with these high professional customers in the industry.

The other major aspect is communication skills of the representatives which can help to make relationship with doctors other than the relationship marketing activities. The relationship marketing is important increase customer retention but the above mention aspects are more important to start relationship with doctors. CME, CSR and sponsorships are requesting by doctors but to request representative should have to have good relationship with them. Therefore, above mention factors are more important to start relationship with physicians. Therefore, researcher is recommended to develop those mention skills of representative to improve their relationship with doctors.

**Future researches**

Finally, this research finding open a door for new research are of the pharmaceutical industry. However, this research also has an argument with relationships marketing and the other factors such as quality of the products, prices and the availability. Therefore, future researchers can do the research about the factors effect to increase sales in pharmaceutical industry.

**References**


When Empowerment Leads to Impoverishment: A Case of Sanimart Project in Bhola District, Bangladesh

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Abstract

This study was conducted in Bhola district of Barisal Division in Bangladesh. The purpose of the study was to conduct a careful analysis of the plights of working adolescents who are also attending schools, to find out whether UNICEF project being implemented by COAST Trust is actually leading to the intended objective of adolescent empowerment. I organized focus group discussions reaching a total of 60 adolescents. Educational pass records of a total of 120 students were reviewed and compared to ascertain whether the work of the children has potential correlations with their pass grades.

I conclude that the empowerment project has instead caused disempowerment of the adolescent girls because of a number of reasons: long working hours are so detrimental for the girls given that the girls have to attend school and after schools proceed to work for additional 4 hours, and perhaps perform other domestic works in their households, the remuneration of girls is very low but being so helpless, they cannot complain about the unfair wages for which they work daily, the speak up culture which is so much required in empowerment situation is not available in the work places of the girls, the girls leave their work places at night which could expose them to other sexual harassment scenarios in a very conservative environment, the working environment could endanger the health of the young girls since they are dealing with cotton materials which may lead to respiratory related diseases, and finally, the extra work time has to a larger extent led to the low pass grades of the girls in schools.

Certain measures could be taken to avert or reduce the impact of working adolescents such as: girls who are below the minimum required age for work can appoint their parents or representatives to work on their behalf while close scrutiny is maintained to ensure the girls benefit from the proceeds of their work. The entrepreneurs can be compelled by Ministry of Women and Children Affairs (MOWCA) to ensure they pay necessary minimum wage that is commensurate with the work of the adolescent girls. Finally, the employers must be compelled to reduce the number of working hours to ensure the girls can reach their houses before dark as well as by allowing them a day off in a week.

Keywords: Empowerment, impoverishment, agent, empoweree, disempowerment, child labor, Power differentials, economic influence.

Introduction

Empowerment has taken different connotations, has widely been used and misused. For the purpose of this research, empowerment is the expansion of assets and capabilities of women to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives. On the other hand, impoverishment means disempowerment which is the contrast of empowerment. Campaigns aiming at promoting empowerment in social contexts usually focus on the redistribution of power, empowerment as “a quantifiable increase in the amount of power possessed by an individual or a group” (Weidenstedt, 2016). Such “power” can be gained by an increase of, for instance, rights, knowledge, money, or goods. As much as many programs have been implemented in developing Countries with many of them making great breakthroughs, it has never been thought of that other underlying consequences could make the objectives of empowerment go wrong. No much researches have investigated this area and thus my interest on carrying out this investigation to bring to light instances where development programs could unintentionally cause
more harm than the intended benefits. I used data from a project implemented by COAST Trust in Bhola district to articulate this fact.

United Nations Children’s Fund, Barisal Field Office implemented sanitation marketing project in the Island District of Bhola. The district was targeted because of its worse indicators pertaining to conservatism against women. Sanitation marketing activities included one of the components where entrepreneurs were involved in the production of hygiene kits which they locally produced. The entrepreneurs employed young girls with ages ranging between 5-17 years. Their main tasks were to assort cotton, sewing, and many other tasks related to the making of hygiene kits. Each of the girls had at least a task to perform in the local manufacturing process.

On 2nd October 2018, I visited the project site along with other UNICEF staffs to review the progress of the project. The overall objective of the project was to empower the young adolescent girls through provision of employment which helps them to get little income they could use to pay for their school fees and other personal necessities. My interaction with the young girls depicted issues which could drastically impede the achievement of the intended goals. One of the key issues is the working conditions; the girls would go to the work place after leaving school and would work until 7pm every day, leaving little time for their studies as well as other household chores. Particles from cotton could result in adverse health concern as they may breathe-in the particles. Finally, the organizational policy of UNICEF and other legal frameworks which have been ratified by the Government of Bangladesh are against the utilization of children (child labor).

This article therefore reviews the working conditions of young adolescents engaged in sanitation marketing project as a mechanism to bolster the empowerment of these girls. This topic is carefully chosen because the intended objectives of the project may result into adverse consequences of the project on the beneficiaries, more so, working conditions for the children is another important concern and falls within the purview of effective management.

In this article, the methodology used was focus group discussion with 60 adolescents working under COAST Trust sanitation marketing project supported by UNICEF in Bhola district. Project documents, examination records of 120 students, and other reports were also reviewed to corroborate the findings of my interactions with the adolescents.

Study questions

The questions to be answered by this article are:
1. To what extent can the working conditions of adolescent girls impede their efforts in school?
2. Is the remuneration level commensurate with the time the girls spend at work?
3. Can the intended objective of empowerment result into impoverishment because of the poor working conditions and remuneration policy of the entrepreneurs?
4. What could have been the best approach to the sanitation marketing project, specifically the production sanitary pads?

Literature review

The aim of empowerment is to improve peoples’ life through power transfer resources, this transfer of power resources may be through education, health services or housing but may also be through the sense of social-psychological changes in terms of identity and support; inspiring work environments, or recognition of identities, character traits, performances, and achievements. Generally, transferring power resources will provide the receiver with more agential options, leading to a greater sense of control and self-efficacy (Weidenstedt, 2016; Hamed, 2010; Marcus and Page 2016; Ukil, 2016; Ke and Zhang, 2010). However, the concept of emancipation stretches into development aid fields, health care, nursing, mentoring, employees’ performance and management. Weidenstedt (2016), sees empowerment taking on two dimensions; empowerment as a life/performance enhancement often found in work places where one party attempts to empower someone else, and contrary to this is empowerment as a grassroot/social movement often done through self-empowerment which takes the bottom-up approach. The empowerment
methodology aimed by COAST Trust’s project is the top-down design where the agency attempted to empower the adolescent girls by collaborating with grassroot entrepreneurs.

According to Weidenstedt (2016), Power differentials between the empowerees and the agency is visible as empowerees have nothing and the agent who wants to empower has some resources. This power differentials can affect the very essence of empowerment program because empowerees may not be able to say their views. More so, the resources transfer to the empowerees being limited furthers the divide which is perceived as inferiority by the empowerees. Additionally, it should be noted that there is some sort of reciprocity expectations from the agent whether explicit or implicit, since the empowerees has nothing to reciprocate, the only way to pay back is by being grateful even though they do not like the services provided to them by the agent; and most often the agent claims to know what is needed for the empowerees and not allowing them to decide what is best for them causing paternalistic sentiment which obviously results in disempowering. Weidenstedt maintained that the expressed objective of empowerment could go wrong if it is approached as simple structural matter rather than looking at it from the communicative point of view.

Many other researchers echo similar sentiment on the negativity of empowerment on the basis of how agencies approach the concept. For instance, Riger (1993) asserts that empowerment could result into individualism and competition within the groups being empowered. This element of control leads to disempowering among the empowerees. On the other hand, there is danger as empowerment can be substituted as a goal when what people need is actually good jobs and more incomes. Marcus and Page (2016), Ross et al. (2015) discuss the significance of secondary education on women empowerment, coming with a number constructive points such as; women who have attained secondary education would have some right to decide on the number of children they wish to have, they would also participate in major family decision involving substantial purchases of equipment, they would also have right to decide on issues pertaining to their health, and also right to resent early marriage. In the same way secondary education attendance empowers female counterparts, so does it for their fellow male who stands up against any abuse of women’s rights. So long as I agree with this assertion, there are potential dangers whereby the notion of empowerment could go wrong especially when it brings on board children to work under ruthless entrepreneurs whose objectives are to ripe profit irrespective of the conditions of the helpless adolescents.

Eerdewijk et al. (2017) observe disempowerment and gender inequality manifest themselves in unequal distribution of resources and women and girls’ lack of control over their bodies and low self-esteem, combined with biased laws and policies and discriminatory gender norms and practices. They went on to make a model where empowerment is contingent on the interaction between three elements; agency, institutional structures, and resources. According to them agency is the purposive capacity to take action and ability to pursue goals, specific expressions of agency are decision making, leadership and collective action. Much as their analysis of the roles of agency are literally correct, a lot of complexities arise in implementation of empowerment programs and particularly when the agency role is taken over by a business entity with an expressed objective of making profit. This, as also noted by Weidenstedt (2016), results into power differential and lack of an avenue for the empoweree to make their voices heard on matters critical to them. On the other hand, institutional structures are the social arrangements of formal and informal rules and practices. They shape and influence the expressions of agency as well as women and girls’ control over resources. Institutional structures can be found in the arenas of the family, community, market and state. However, there are certain times when the institutional structures fail to strictly regulate the activities of entrepreneurs as their bad deeds are blared by the notion of empowerment. The third concept is about resources which encompass tangible and intangible capital and sources of power that women and girls have, own or use individually or collectively in the exercise of agency (Eerdewijk et al, 2017; Vildö, 2017). Resources differential also has dangers of creation of inferiority among the beneficiaries of empowerment as well as making the empowerees grateful for whatever assistance they receive even though it was not their choice.

Murari (2013) in a study of barriers of abusive leadership on employees’ empowerment in Bangalore, India depicts that arrogance and interpersonal insensitivity have a negative role in employees’
empowerment resulting in poor work culture satisfaction, low commitment and less job involvement of the employee in an organization. However, perfectionism variable of abusive leadership has a low but positive effect on employee empowerment. Organizational cynicism can result in a decrease in positive attitudes and behaviors such as job satisfaction, organizational commitment, and organizational citizenship behavior. It can also result in an increase of negative tendencies such as intentions to quit the job, and other counterproductive behaviors. Therefore, organizational cynicism can create an obstacle for employee empowerment (Yıldırım and Yıldırım, 2016). These observations are in contrast with Harriger, Lutes, and Ricci (2001) who in their study of effects of empowering students to do their homework at their will, showed that students who were in the category of empowerment failed to comply with the requirement of writing their homework as they treated it as a none priority to them leading to low pass results. This is another typical scenario where empowerment can adversely lead to negative consequences.

Children in Bangladesh are engaged in the worst forms of child labor, including in the production of bricks and forced child labor in the production of dried fish. The Government published its 2013 National Child Labor Survey which shows that 1,698,894 children ages 5 to 17 are engaged in legally prohibited child labor, while 1,751,475 children are engaged in permitted forms of work (Bureau of International Labor Affairs, 2015). Bangladesh has ratified ILO C. 138, Minimum Age, ILO C. 182, Worst Forms of Child Labor, UN CRC Optional Protocol on Armed Conflict, and UN CRC Optional Protocol on the Sale of Children, Child Prostitution and Child Pornography which prohibit child labor and other forms of abuse to children. Section 33 of the Child Care and Protection Act, 2013 clearly states that, no person shall employ a child under the age of thirteen in the performance of any work. Despite these prohibitions, children continue to work under conditions which may be hazardous to them.

**Theoretical framework**

The article project follows the below theoretical framework.

![Variables](image)

**Figure 1. Conceptual framework**

In the above model, variables like reasonable number of hours worked daily, healthy working environment, access to quality education, ability to speak up, economic influence, and adherence to minimum age of work would arguably results into the intended empowerment of the adolescent girls. On the other hand, long working hours, low wage rates, unhealthy working environment, illiteracy/low grades
in schools, lack of influence or lack of speak up culture in work places, and child labor would result into impoverishment of the adolescent girls. Using the first variables as bench marks, this study will ascertain whether the adolescents’ empowerment program has achieved the intended purpose.

**Methodology**

This project adopted focus group discussions with 60 adolescent girls working under sanitation marketing project implemented by COAST Trust in Bhola district of Barisal Division, Bangladesh. Questions were posed to the adolescents in a session lasting for 30 minutes each. Examination results of the 60 girls were reviewed in comparison with the results of other 60 students who were not working during the period between 2017 and 2018. Direct observation of their working conditions and environment was also made at their manufacturing area. Interview with the entrepreneur who employed them was also carried out.

The responses from the girls and various personal documents relating to their schools were strictly kept confidential and will never be revealed in this article in order to avoid potential risk of retribution by their employers. The consent of the empowerers were sought and the purpose of the FGD elaborately made to them before they could participate in the discussions.

**Results**

**Impacts of poor working conditions on school performance of the adolescent girls**

A review of the 2017 and 2018 examination pass rates of the girls working under the adolescent empowerment program was done, additionally, a comparative review of the pass rates of students who are not on any empowerment project involving extra hours of work was also carried out taking similar samples for 2017 and 2018. The results of both analyses are tabulated in the tables hereunder.

<table>
<thead>
<tr>
<th>Year of Examination</th>
<th>Average Pass for 2017 (%)</th>
<th>Average Pass for 2018 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 9</td>
<td>50.4</td>
<td>49.2</td>
</tr>
<tr>
<td>Class 10</td>
<td>48.9</td>
<td>49.7</td>
</tr>
<tr>
<td>Class 11</td>
<td>56.0</td>
<td>51</td>
</tr>
<tr>
<td>Class 12</td>
<td>57</td>
<td>52</td>
</tr>
<tr>
<td><strong>Total Average Pass</strong></td>
<td><strong>53.075</strong></td>
<td><strong>50.475</strong></td>
</tr>
</tbody>
</table>

Source: Primary Data

<table>
<thead>
<tr>
<th>Year of Examination</th>
<th>Average Pass for 2017 (%)</th>
<th>Average Pass for 2018 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 9</td>
<td>80</td>
<td>82.4</td>
</tr>
<tr>
<td>Class 10</td>
<td>84</td>
<td>79.3</td>
</tr>
<tr>
<td>Class 11</td>
<td>78.5</td>
<td>80.5</td>
</tr>
<tr>
<td>Class 12</td>
<td>67.1</td>
<td>78</td>
</tr>
<tr>
<td><strong>Total Average Pass</strong></td>
<td><strong>77.4</strong></td>
<td><strong>80.05</strong></td>
</tr>
</tbody>
</table>

Source: Primary Data

**Wage rates and potential impacts**

On discussions with the entrepreneur who has employed the adolescent girls and with the girls themselves. A very minimal wage was paid to the girls depending on the number of hours worked after school on daily basis. These wages are not commensurate with the time the girls spend working at the
manufacturing facilities. The results of the cumulative monthly wage on the basis of cumulative hours worked are presented in the following table.

Table 2. Showing monthly cumulative wage per hours worked

<table>
<thead>
<tr>
<th>Hours Worked</th>
<th>Hourly Rate (BDT)</th>
<th>Total Monthly Income (BDT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>80</td>
<td>4.17</td>
<td>333.6</td>
</tr>
<tr>
<td>90</td>
<td>4.17</td>
<td>37.3</td>
</tr>
<tr>
<td>100</td>
<td>4.17</td>
<td>417</td>
</tr>
<tr>
<td>110</td>
<td>4.17</td>
<td>458.7</td>
</tr>
<tr>
<td>120</td>
<td>4.17</td>
<td>500.4</td>
</tr>
</tbody>
</table>

Source: Primary data

**Best alternatives for the adolescent girls**

Possibility of removing the bottlenecks which adversely affect the achievement of the intended objective of the project can be attained by application of certain measures. For instance, girls who are below the minimum required age for work can appoint their parents or representatives to work on their behalf while close scrutiny is maintained to ensure the girls benefit from the proceeds of their work. The entrepreneurs can be compelled by Ministry of Women and Children Affairs (MOWCA) to ensure they pay necessary minimum wage that is commensurate with the work of the adolescent girls. Finally, the employers must be compelled to reduce the number of working hours to ensure the girls can reach their houses before dark as well as by allowing them a day off in a week.

**Child labor**

Some young girls started working in the production of sanitary pads facility from the age of 5 years and have since been working until their 17th birthdays. Most of them revealed that their families are weak financially to support payment of their basic necessities. Because of the subservient nature of the young children, they are easily utilized by the rogue employers, poorly treated but would continue to work for very little remuneration as the work they do is the only source of income for themselves and their families. This situation continues to unfold on the children despite the Government of Bangladesh’s ratification of various treaties and international norms which protect children from child labor and other worst forms of abuse. Child Care and Protection Act was also enacted in 2013 with provisions in section 33 and 34 and subsequent subsections. Strictest application of these laws and treaties is required in order to avert or reduce the circumstances of working domestic children and those receiving wages.

**Unhealthy working environment**

The environment in which the young girls were working as observed was not so good given that they were handling cotton materials which may adversely cause respiratory tract infections in the medium to longer term. Long working hours considering the time spent at school and also at work is detrimental to the healthy wellbeing of the adolescent girls. Corroboration of other studies reveals that unhealthy conditions correlate with the level of performance of individuals, for instance, Ross et al (2015) argue that women with body mass index (BMI) values in the underweight category face a serious problem in developing countries, given their role in the economic wellbeing and health of their families and women whose daily economic activities involve agricultural and other physically-demanding work, being underweight impedes their ability to perform their activities efficiently.

**Long working hours after school**

Discussions with the girls revealed that they work approximately 4 hours daily after school from 4pm to 7pm and thereafter disperse to their homes when it is already dark. This is a potential threat for the girls especially in a conservative environment where females are cruelly treated. Potentially the girls could be
exposed to further harm like sexual harassment when leaving work at late hours. Furthermore, the entrepreneurs revealed that they work throughout the days of the week and leaving no any single day for their rest and other household shores. When any of the girls fell sick, she is allowed a day off without pay.

![Image](image-url)

**Figure 2. Working Adolescent girls/Emmanuel Mabor**

**Lack of influence**

The adolescent girls do not have any influence in matters pertaining to the work, for instance, their work hours are set by the employers, no any avenue for the negotiation of how much they should be paid, and they had no idea of how much the sanitary pad which they produce is sold. During our focus group discussions, they were not comfortable discussing when the employers were available, an indication that potential issues exist between the employers and them as workers. These reaffirm various studies which uncovered the power differentials emanating from the power differences between the empowerees and the agencies (Weidenstedt, 2016; Eerdewijk et al, 2017; Riger, 1993), this even got worst because the agents are business entities who are working to earn profits.

**Discussions**

**Adverse consequences of the adolescent empowerment project on the girls**

The immediate impact of the adolescent empowerment project is that it breaches national and international norms pertaining to child labor. Girls between the ages of 5-17 are working under different entrepreneurs to manufacture local sanitary pads. They cited inability to bear educational and other personal expenses as the main reason for venturing to work, because there are many indirect costs such as transport and uniforms levied by schools. This confirms other studies on the situation of working children done in Bangladesh. For instance, UNICEF observes that social norms and economic realities mean that child labor is widely accepted and very common in Bangladesh. Many families rely on the income generated by their children for survival, so child labor is often highly valued. Additionally, employers often prefer to employ children because they are cheaper and considered to be more compliant and obedient than adults. This resonates with my findings during the interactions with the adolescents as they felt uncomfortable to speak about their working conditions in the presence of their employer until I had to organize a different meeting with them. This situation of working children continues unabated despite the sanctions in sections 33, 34 subsection 3a and 3b of the Child Care and Protection Act, 2013.

Using variables (reasonable number of hours worked daily, healthy working environment, access to quality education, ability to speak up, economic influence, and adherence to minimum age of work) as bench marks for achieving empowerment under the context within which the children were working, I have
proven beyond reasonable doubt that the indicators from my focus group discussions with the young girls, the entrepreneurs, and review of educational records that the project has never achieved its purpose but created a subservient situation for the adolescent girls which is akin to disempowerment or at worst impoverishment.

In comparative review of the pass rates of the working girls vis-à-vis that of fellow students who are not working extra hours after school, the data revealed the pass rates of working children to be lower than that of fellow students who are not working. There could be other contributors for the difference in their results but importantly the lack of time for the working girls to revise their notes, do homework and other academic related work is a main factor leading to the low performance in schools. This is obviously an adverse consequence of the empowerment project on the education of the adolescents, therefore the work of the children affects their performance in schools to a larger extent as seen from the data review of their pass grades.

![Comparison of Students' Pass Rates](image)

**Figure 3:** Bar chart showing comparative analysis of pass rates in examination in 2017 and 2018

The rate of passing of the working adolescent girls is significantly lower than those of other students who are not employed.

Reference to the Child Care and Protection Act, 2013 which prohibits engagement of children in hazardous work at section 3a and b which states

*No person shall employ a child – in performance of any work that is likely to be hazardous or to interfere with the child’s education or to be harmful to the child’s health or physical, mental, spiritual or social development; or in night work or an industrial undertaking (Child Care and Protection Act, 2013).*

The engagement of the girls is therefore in contravention of the Child Care and Protection Act 2013. Careful review to ascertain if the conditions of work fall under the purview of the minimum permissible threshold of the law also revealed that the conditions supersede the bare minimums. On average, the children work 4 hours daily after school and by the end of the month, their total hours of work will be 120 hours and hourly pay rate of BDT 4.17 which comes to a maximum earning of BDT 500.4. whereas the price of each sanitary pad sells at BDT 30, this implies that the rate at which the girls are paid is far below their level of effort and the profit which the entrepreneurs enjoy.
Conclusion

In a nutshell, development project which seeks to empower young people must carefully evaluate the conditions of work to ensure that the intended benefits for the empowerers are actually achieved, especially when profit making entities are involved in the process of empowerment. Empowerment projects should encompass within their design the aspect of influence, the ability by the young people or other disadvantaged people whom the project intend to empower to communicate freely on matters affecting them at work. Project designs should be in conformity with international norms as well as the national laws of the context in which the projects are to be implemented so that at the end there is no breach of the laws.

I conclude that the empowerment project has instead caused disempowerment of the adolescent girls because of a number of reasons; long working hours are so detrimental for the girls given that the girls have to attend school and after schools proceed to work for additional 4 hours, and perhaps perform other domestic works in their households, the remuneration of girls is very low but being so helpless, they cannot complaint about the unfair wages for which they work daily, the speak up culture which is so much required in empowerment situation is not available in the work places of the girls, the girls leave their work places at night which could expose them to other sexual harassment scenarios in a very conservative environment, the working environment could endanger the health of the young girls since they are dealing with cotton materials which may lead to respiratory related diseases, and finally, the extra work time has to a larger extent led to the low pass grades of the girls in schools.

Recommendations

To resolve the problems of these working children, I propose the following steps:

1. Parents or appointed representatives of the girls below the minimum permissible age for work should be the ones working, strict supervision by Department of Social Affairs should be done to ensure that the proceed from the work benefits the children.
2. Intervention by the Department of Social Affairs is needed to renegotiate the working hours for the children to make sure that the children do not work until night fall since that can expose them to other dangers while walking to their houses after work.
3. Finally, minimum wage scale should be negotiated with the employers to ensure that the amount of work done is commensurate with the wages.

References

The Roles and Impact of Mission Statement on Performance: An Empirical Study of Commercial Banks in Zambia

(Using a Nine Point Scale model given by Fred R. David)

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Abstract

This study assessed the roles and impact of mission statements in the Zambian banking industry and envisaged the quality of the mission statements using a Nine Point Scale model given by Fred R. David. A total of 19 commercial banks formed the sample. A combination of quantitative and qualitative research design approaches was used. The data was obtained from annual reports for the period 2010 to 2017, these were provided by either the central bank or obtained from websites of commercial banks. The SPSS 20 and MS-Excel were used for data analysis. The Pearson correlation model was used to analyses the variable associations. The return on equity (ROE) and the return on investment (ROI) were used for Bank performance measurement. The study disclosed that the length of mission statements in terms of sentences ranged from 1 to 2 sentences and the number of words ranged from 3 to 32 words. Twelve (12) banks scored above average and 7 banks scored below average. It may be summarized that broadly banking system’s mission statement score in Zambia was well above the average score card of mission statement and majority of the banking setups were keen to incorporate their philosophy, products and services and customers concern but less focus on concern for employees and self-concept. Overall, there was a weak, negative correlation between mission statement and return on equity. Also, an overall weak, negative correlation between mission statement and return on investment.

Keywords: Mission Statement, Commercial bank, Performance, Roles, Components, Content Analysis.

Introduction

This study was aimed at investigating the roles and impact of mission statements on performance using an empirical study of commercial banks in Zambia for the period 2010 to 2017. Several studies have been carried out to explore the assumed relationship between an organization's mission statement and performance (Stone 1996). Many of these studies have been conducted on what components a mission statement should include especially in businesses; several authors have identified several different numbers of components that should be present in a good mission statement.

The objective of this study was to make a comparative analysis of the mission statement of all the scheduled banks operating in Zambia, in order to visualize the quality of its mission statement using a Nine Point Scale model given by Fred R. David. The study was to enrich the existing literature by providing up to date empirical evidence from Zambia in terms of mission statement roles, components and impact on performance on commercial banks. Mission statement is considered as an essential part of strategic management process (Cochran, et al., 2008; Morphew & Hartley, 2006). It is expected that the findings would be of great use of interested parties (Such as managers, researchers etc.) to assess the quality of mission statements of Zambian commercial banks licensed to operate under the bank of Zambia.

The research topic has sealed the literature gaps that existed in the sense that most of these kinds of researches existed in Europe and Asia only but had not been done in Africa and Zambia to be specific. The approach to this study helped to have a more comprehensive picture of a topic at hand as it covered the components of the mission statements analysis and its linkages to the company performance. Therefore, this study justified the reviews of previous studies on this topic in that, it is evident that the methodologies employed did not adequately explain the phenomenon in totality.

In the relevant literature there are several definitions of a mission statement; A mission statement aims to provide employees and stakeholders with clarity about the overall purpose and raison d’être of the organization (Johnson, 2011). A mission statement is a unique, clear and well written statement that
articulate the mission to different parties related to an organization (Hossain, 2004). Another author defines a mission statement as an instrument that articulates business; target the market of the firm, and acts as force or mixture that joins different standards (Biswas et al., 2007). A mission statement defines the fundamental, unique purpose that sets a company apart from other firms of its type and identifies the scope of the company’s operations in terms of products (including services) offered and markets served. It puts into words not only what the company is now, but also a vision of what it wants to become. It promotes a sense of shared expectations in employees and communicates a public image to important stakeholder groups in the company’s task environment (Bhandari, 2013). A mission statement reveals who the company is and what it does. (Hunger, 2010). Another author defines a mission statement as a broad assertion of the basic, exclusive purpose and scope of operations that sets the organization apart from others (Alkhafali, 2003).

In this paper we define mission statement as a statement of the company’s purpose or its fundamental reason for existing. The statement spotlights what business a company is presently in and the customer needs it’s presently striving to meet. A mission statement communicates the organization’s reason for being and how it aspires to serve its key stakeholders. While a commercial bank is defined as an institution that provides services such as accepting deposits, providing business loans, and offering basic investment products (commercial bank, 2018). Commercial bank can also refer to a bank, or a division of a large bank, which more specifically deals with deposit and loan services provided to corporations or large/middle sized business (commercial bank, 2018). There are some important objective indicators one can use to measure financial performance of a company, these are return on equity (ROE) and return on investment (ROI). Return on equity (ROE) is the amount of net income returned as a percentage of shareholders’ equity (Komashie, 2014). Return on equity measures a corporation’s profitability by revealing how much profit a company generates with the money shareholders have invested (Libby, 2011). Also Return on Investment (ROI) is a performance measure, used to evaluate the efficiency of an investment or compare the efficiency of several different investments (Botchkarev, 2011). ROI measures the amount of return on an investment, relative to the investment’s cost. To calculate ROI, the benefit (or return) of an investment is divided by the cost of the investment. The result is expressed as a percentage or a ratio. The measure of company performance nowadays, is the difference between successful and unsuccessful companies and is not only a matter of their products, services or technology, but also of some other factors lying behind them. We base our study only on financial performance. Variables we use as measures of company performance are average values of ROE, ROI for the years from 2010 to 2017.

**Review of literature**

A number of studies have been conducted on mission statements, their roles and relations with regards to performance of companies and institutions. The following are some of the relevant literature consulted pertaining to this study:


A relationship between mission statement and company performance was another study consulted by this research (Dermol, 2012). The study ‘Content Analysis of the Banks’ Mission Statements: A Study of Bangladeshi Listed Banks’. (Moin, 2012). The Content Analysis of Mission Statements: A Case of Pharmaceutical Sector Companies of Pakistan was another study consulted by this research (Pill, Rana, Shabbir & Ali, 2017). These studies provided adequate insight in the methodology and analysis. Besides these, there were quite a number of studies by different authors that were referred to for this study such as (Gharleghi, Nikbakht & Bahar, 2011), (Yazhou & Jian, 2011), (Bart, Bonitis & Taggar, 2001) etc.
Research objectives and hypothesis

Main objective

To identify and critically analyze the roles and impact of Mission statement on performance of Commercial Banks in Zambia

Specific objectives

1. To explore and understand the concepts of Mission statement
2. To explore the meaning and various aspects of the concept of Commercial Banks in Zambia
3. To describe mission statements in terms of their length, number of words, and sentences.
4. To identify the main components of mission statements and their existence levels in the Zambian banking industry.
5. To identify the challenges involved in having a Mission Statement

Thesis statement/hypothesis

Main hypothesis: There is a positive correlation between the characteristics of Mission Statement and organizational performance.

Subsidiary hypothesis

1. There is a positive relationship between mission statement and organizational performance (ROE). (Using David R. Fred model Rating)
2. There is a positive relationship between mission statement and organizational performance (ROI). (Using David R. Fred model Rating)

Methodology

This study employed both qualitative and quantitative approach to do a content analysis of mission statements using a nine Point Scale model given by Fred R. David. The structured approach to inquiry which is usually classified as quantitative research is predetermined and was used to gain an understanding of underlying challenges as this was more appropriate to determine the extent of the problem.

Also, the unstructured approach to inquiry which is usually classified as qualitative research was used. The specific method of data collection was the census of all central bank registered commercial banks. The personal interview was used and was supplemented by online questionnaire interviews. The Online questionnaires were used to obtain the data through E-mails sent to the commercial banks using a questionnaire. This made it easy in that we had to do away with physically visiting these banks, considering that the census covered the whole country. This meant getting a faster response, real time feedback and the data was validated in real time online. The interviews and data processing were strictly confidential.

Research design

In order to identify and critically analyze the roles and impact of Mission statement on Commercial Banks in Zambia, a combination of research instruments was used for collecting information, namely Questionnaire (both hard copy and online questionnaire) from the commercial banks that are registered with the central bank.

The overall approach involved an empirical research consisting of a population of 18 commercial banks registered with the bank of Zambia that were interviewed.

Sampling technique

The sample selection took a Non-probability sampling procedure (purposive) in which elements did not have the equal opportunities of being included in a sample.

Data collection

To ensure an efficient and effective data collection, the primary data was collected using structured questionnaires administered by the researcher to the CEO’s or senior managers of the Commercial banks and content analysis of the mission statements and other related statements found on commercial
banks’ websites. Most of the data on this research was collected from annual reports of commercial banks from 2010 to 2017, these were provided by either the central bank or obtained from websites of various commercial banks.

Data analysis

Data collected was coded and quantitative data analyzed using SPSS 20, MS-Excel and MS-Word. Descriptive statistics were generated, and SPSS was used to generate descriptive tables of the data collected. Also, some secondary data was used in analysis.

SPSS was chosen as a best option being a specialized statistical package which was able to do effective data management; it also provided wide range of options and provided better output organization.

Results and discussion

The study set out to investigate the roles and impact of mission statements on performance of commercial banks in Zambia operating under the central bank. Specifically, the study looked at the roles and impact of Mission statements on performance of Commercial Banks, explored the concepts of mission statement and Commercial Banks. Further the study examined various mission statements of commercial banks in terms of their length, number of words, and sentences and identified the main components of mission statements and their existence levels in the Zambian banking industry. Finally, the study considered the challenges involved in having mission statements. In this section, the synopsis of the findings of the study are presented and discussed.

The role of a mission statement in a commercial bank

The study reveals in the table 1 below, the perception of commercial banks about the role of mission statements that 5.6 % of commercial banks revealed that a mission statement defines what an organization is, why it exists and its reason for being, while 11.1% of the commercial banks revealed that mission statements defined the banks primary customers, products and services and described the geographical location in which bank operates, majority of commercial banks of about 16.7 % revealed that mission statements communicated the purpose of the organization to stakeholders, developed measurable goals and objectives by which to gauge the success of the organization's strategy, described a concise and inspiring declaration of the organization's objectives, the statement inspires employees and that a mission statement describes what an organization actually does, what its business is and why the organization exists. The findings in the table also revealed that 5.6% of the banks revealed that a mission statement aligns the aspirations of the bank to its core values and primarily gave the customers, employees and other stakeholders a shared understanding of the banks intended direction (5.6 %) and lastly the table revealed that a mission statement gave a general direction of where the company wanted to go and how it wanted to get there, which had to be understood by employees and stakeholders representing 5.6 % of commercial banks responses.

Table 1. Role of a mission statement in a commercial bank (commercial banks perception)

<table>
<thead>
<tr>
<th>Table 1. Role of a mission statement in a Commercial Bank</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A mission statement defines what an organization is, why it exists, and its reason for being</td>
<td>5.6</td>
</tr>
<tr>
<td>Defines banks primary customers, products and services and describes the geographical location in which bank operates</td>
<td>11.1</td>
</tr>
<tr>
<td>Communicates the purpose of the organization to stakeholders</td>
<td>16.7</td>
</tr>
<tr>
<td>Develop the measurable goals and objectives by which to gauge the success of the organization's strategy</td>
<td>16.7</td>
</tr>
<tr>
<td>Describes a concise and inspiring declaration of the organization's objectives</td>
<td>16.7</td>
</tr>
<tr>
<td>The statement inspires employees</td>
<td>16.7</td>
</tr>
<tr>
<td>A mission statement is a description of what an organization actually does, what its business is and why the organization exists</td>
<td>5.6</td>
</tr>
</tbody>
</table>
It aligns the aspirations of the bank to its core values and primarily give the customers, employees and other stakeholders a shared understanding of the banks intended direction | 5.6  
To give a general direction of where the company wants to go and how it wants to get there, which has to be understood by employees and stakeholders | 5.6  
Total | 100.00  

The concept of mission statement

Mission statements are “enduring statements of purpose that distinguish one business from other similar firms. It identifies the scope of a firm’s operations in product and market terms.” A mission statement is a constant reminder to its employees of why the organization exists and what the founders envisioned when they put their fame and fortune at risk to breathe life into their dreams (David, 2010).

A mission statement is a short statement of a company’s objective, identifying the goal of its undertakings: what kind of product or service it offers, its principal clients or market, and its geographical area of operation. A mission statement as defined Kotler on P.49 is a statement of the organization’s reason for being, its purpose, what it wants to accomplish in the larger environment (Olsen, nd).

Despite the importance of the mission statement to the banks, in this research, many of them did not have written mission statement accessible to all employees and clients. Mission statements were not found in front of most of annual reports for commercial banks and they often are not displayed throughout a firm’s premises and are not distributed with company information sent to constituencies. It was found that all commercial banks had mission statements, but which were rarely revised for a long period of time.

The concept of commercial banks

Commercial Banks are financial intermediaries that raise funds primarily by issuing checkable deposits, savings deposits and time deposits. They then use these funds to make commercial, consumer, and mortgage loans and to buy government securities and municipal bonds (Mishikin, 2004). A commercial bank is an institution which accepts deposits, makes business loans, and offers associated services.

In Zambia, there are three types of commercial banks namely public sector, private sector, and foreign. The broad responsibility of commercial banks is to provide financial services to general public, business and companies, ensuring economic and social steadiness and sustainable escalation of the economy.

Zambia’s Banking sector consists of 16 operational commercial banks as at June 2018 including several international banks. Others include non-Bank financial institutions such as leasing companies, building societies, micro finance institutions, development banks, bureau de change and savings and credit institutions.

Mission statements in terms of their length, number of words, and sentences

Table 3 reveals that the Zambia National Commercial Bank Limited had the longest mission statement containing 32 words, while the shortest mission statement was from the Standard Chartered bank Zambia Limited and it contained only 3 words. The average length of a mission statement was 18.9 (SD= 7.7) words. An analysis of the number of sentences revealed that the longest mission statement (Access Bank Zambia Limited and Zambia national Commercial bank) contained 2 sentences, while the shortest contained only one (All the other Commercial Banks). The average length of a mission statement was 1.1 (SD= 0.3) sentences. The length of mission statements analysis of the studied banks in this study as shown in Table 2 demonstrates that the length of sentences range from 1to 2 sentences and the number of words ranges from 3 to 32 words. The results signify that all commercial banks have one sentence statement except for two which had two sentences. Based on the results it can be noticed that the mission statements of banks are very short, all of them are less than 40 words, and the average of words = 18.9, average of sentences = 1.1.
Mission statements can and do vary in length, content, format, and specificity. Most practitioners and academicians of strategic management feel that an effective statement should include nine components (David, 2010, pp51-52). Because a mission statement is often the most visible and public

<table>
<thead>
<tr>
<th>Serial No.</th>
<th>Name of the bank</th>
<th>Number of Sentences</th>
<th>Number of Words</th>
<th>Bank Score out of scale of nine points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Access Bank Zambia Limited</td>
<td>2</td>
<td>30</td>
<td>7</td>
</tr>
<tr>
<td>2.</td>
<td>AB Bank (Zambia) Limited</td>
<td>1</td>
<td>26</td>
<td>5</td>
</tr>
<tr>
<td>3.</td>
<td>African Banking Corporation Zambia Limited</td>
<td>1</td>
<td>26</td>
<td>6</td>
</tr>
<tr>
<td>4.</td>
<td>Atlasmar Z Zambia Limited</td>
<td>1</td>
<td>24</td>
<td>6</td>
</tr>
<tr>
<td>5.</td>
<td>Bank of China Z Zambia Limited</td>
<td>1</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td>6.</td>
<td>Barclays Bank Zambia Limited</td>
<td>1</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>7.</td>
<td>Cavmont Bank Zambia Limited</td>
<td>1</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>8.</td>
<td>Citi Bank Zambia Limited</td>
<td>1</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>9.</td>
<td>Eco Bank Zambia Limited</td>
<td>1</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>10.</td>
<td>Finance Bank Zambia Limited</td>
<td>1</td>
<td>17</td>
<td>5</td>
</tr>
<tr>
<td>11.</td>
<td>First Alliance Bank Zambia Limited</td>
<td>1</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>12.</td>
<td>First Capital Bank Zambia Limited</td>
<td>1</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>13.</td>
<td>First National Bank Zambia Limited</td>
<td>1</td>
<td>19</td>
<td>6</td>
</tr>
<tr>
<td>14.</td>
<td>Indo Z Zambia Bank Limited</td>
<td>1</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>15.</td>
<td>Investtrust Bank Zambia Limited</td>
<td>1</td>
<td>21</td>
<td>5</td>
</tr>
<tr>
<td>16.</td>
<td>Stanbic Bank Zambia Limited</td>
<td>1</td>
<td>17</td>
<td>5</td>
</tr>
<tr>
<td>17.</td>
<td>Standard Chartered bank Zambia Limited</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>18.</td>
<td>United Bank for Africa Zambia Limited</td>
<td>1</td>
<td>29</td>
<td>6</td>
</tr>
</tbody>
</table>

Note: banks denoted with *** merged in 2016 to form Atlasmar Z Zambia Limited

Table 2. Mission statements in terms of their length, number of words, and sentences and score

<table>
<thead>
<tr>
<th>Measures</th>
<th>Results</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Longest Mission Statement (words)</td>
<td>32</td>
<td>Zambia National Commercial Bank Limited</td>
</tr>
<tr>
<td>Shortest Mission Statement (words)</td>
<td>3</td>
<td>Standard Chartered bank Zambia Limited</td>
</tr>
<tr>
<td>Mean Length of mission Statement (words)</td>
<td>18.9</td>
<td></td>
</tr>
<tr>
<td>Standard Deviation (words)</td>
<td>7.7</td>
<td></td>
</tr>
<tr>
<td>Most Sentences</td>
<td>2</td>
<td>Access Bank Zambia Limited &amp; Zambia National Commercial bank</td>
</tr>
<tr>
<td>Fewest Sentences</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Mean Number Sentences</td>
<td>1.1</td>
<td></td>
</tr>
<tr>
<td>Standard Deviation Sentences</td>
<td>0.3</td>
<td></td>
</tr>
</tbody>
</table>

Components of mission statements and their existence levels in the Zambian banking industry

Mission statements can and do vary in length, content, format, and specificity. Most practitioners and academicians of strategic management feel that an effective statement should include nine components (David, 2010, pp51-52). Because a mission statement is often the most visible and public
part of the strategic-management process, it is important that it includes the nine characteristics as summarized below:

1. Customers—who are the firm’s customers?
2. Products or services—what are the firm’s major products or services?
3. Markets—geographically, where does the firm compete?
4. Technology—is the firm technologically current?
5. Concern for survival, growth, and profitability—is the firm committed to growth and financial soundness?
6. Philosophy—what are the basic beliefs, values, aspirations, and ethical priorities of the firm?
7. Self-concept—what is the firm’s distinctive competence or major competitive advantage?
8. Concern for public image—is the firm responsive to social, community, and environmental concerns?
8. Concern for employees—Are employees a valuable asset of the firm?
<table>
<thead>
<tr>
<th>S/N</th>
<th>Name of Bank</th>
<th>Customers</th>
<th>Products or Services</th>
<th>Markets</th>
<th>Technology</th>
<th>Survival, Growth and Profitability</th>
<th>Philosophy</th>
<th>Self–Concept</th>
<th>Public Image</th>
<th>Concern for employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Access Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2.</td>
<td>AB Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3.</td>
<td>African Banking Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4.</td>
<td>Atlasmara Zambia Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>5.</td>
<td>Bank of China Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>6.</td>
<td>Barclays Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>7.</td>
<td>Cavmont Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>8.</td>
<td>Citi Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>9.</td>
<td>Eco Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>10.</td>
<td>Finance Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>11.</td>
<td>First Alliance Bank Ltd.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>12.</td>
<td>First Capital Bank Ltd.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>13.</td>
<td>First National Bank Ltd.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>15.</td>
<td>Investrust Bank Ltd.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Bank Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
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<td>--------------------------------</td>
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<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Stanbic Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Standard Chartered Bank Limited</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>United Bank for Africa Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>ZANACO Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
As the average of 9 points scale is 4.5, it can be concluded that out of total 19 banks, 12 banks scored above average and 7 banks scored below average. It is evident from Table-5 that majority of the listed banks are keen to incorporate their philosophy with 100 percent, products and services 84.2 percent of banks and customers concern 78.9 percent, followed by concern for survival, growth, and profitability with 57.9 percent, markets 47.4 percent, concern for public image 42.1 percent and technology with 31.6 percent in their mission statements. They give less focus on concern for employee’s 21 percent of the banks and self-concept was the lowest indicating 15.8 percent of the banks reporting.

After a critical analysis of mission statements of 19 banks using Fred R. David model as a benchmark, it was found that out of nine points scale, maximum points gained by any bank were 7, that were achieved by two banks i.e. [Zambia National Commercial Bank and Access bank Zambia Limited], minimum points achieved by any bank was 1 i.e. (Standard Chartered Bank Zambia Limited).

Five banks gained 6 points (66.66% =6/9*100) out of nine i.e. (African Banking Corporation, Atlasmara Zambia Limited, First National Bank and United Bank for Africa). Five banks gained 5 points (55.55%=5/9*100) out of nine i.e. (Investtrust bank Zambia Limited, First Alliance Bank Zambia Limited, AB Bank Zambia Limited, Finance Bank Zambia Limited and Stanbic Bank Zambia Limited). Four banks gained 4 points (44.44%=4/9*100) out of nine i.e. [Citi Bank Zambia Limited, First Capital Bank Zambia Limited, Indo Zambia Limited and Stanbic Bank Zambia Limited]. Three banks gained 3 points (33.33%=3/9*100) out of nine points i.e. [Barclays Bank Zambia Limited, Cavmont Bank Zambia Limited and Ecobank Zambia Limited]. It may be summarized that broadly banking system’s mission statement score in Zambia is well above the average score card of mission statement and majority of the banking setups are keen to incorporate their philosophy, products and services and customers concern but less focus on concern for employees and self-concept.

Performance from commercial banks and their mission statements

In this research, performance of a commercial bank has been assessed by the use of return on equity and return on investment. The performances of commercial banks were based on how good the mission
statements presented are and these are evaluated based on the nine desired components, which each mission statement should possess as the components of the mission statements have been analyzed using a Nine Point Scale model given by Fred R. David. Therefore, the higher the number of components in the mission statement the generally it is considered to be good.

**Table 7. Pearson correlations between rating of mission statements and Return on Equity**

<table>
<thead>
<tr>
<th>Rating of mission statement by component</th>
<th>Rating of mission statements by number of components</th>
<th>Average Return on Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>-280</td>
</tr>
<tr>
<td>Sig.(2-tailed)</td>
<td>.261</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>-280</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.261</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>18</td>
<td>18</td>
</tr>
</tbody>
</table>

A Pearson product-moment correlation coefficient was computed to assess the relationship between the mission statement (As rated using a Nine Point Scale model given by Fred R. David for Zambian commercial banks) and Return on Equity (as Average of ROE for period 2010-2017). There was a negative weak correlation between the two variables, \( r = -0.280, n=18, p = 0.261 \).

**Figure 1. Scatter Plot between rating of mission statements and Return on Equity**

The Scatter plot summarizes the results (Figure 1). Overall, there was a weak, negative correlation between mission statement and return on equity. Increases in mission statement components rating were correlated with decrease in return on equity.

**Table 8. Pearson correlations between rating of mission statements and return on investment**

<table>
<thead>
<tr>
<th>Rating of mission statement by component</th>
<th>Rating of mission statements by number of components</th>
<th>Average Return on Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>-234</td>
</tr>
<tr>
<td>Sig.(2-tailed)</td>
<td>.350</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>18</td>
<td>18</td>
</tr>
</tbody>
</table>
A Pearson product-moment correlation coefficient was computed to assess the relationship between the mission statement (As rated using a Nine Point Scale model given by Fred R. David for Zambian commercial banks) and Return on investment (as Average of ROI for period 2010-2017). There was a negative weak correlation between the two variables, $r = -0.234$, $n=18$, $p = 0.350$.

**Note:** Atlastmara bank Zambia Limited is not included in the computation of the Pearson correlation coefficient.

![Pearson Correlation Table]

Table 9. The challenges of having a mission statement (Commercial Bank perception)

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not having a statement that covers all the critical values of the company in this ever-changing environment</td>
<td>11.1</td>
</tr>
<tr>
<td>Formulating one and that the organization lives up to its mission</td>
<td>11.1</td>
</tr>
<tr>
<td>formulating one and that the organization lives up to its mission</td>
<td>11.1</td>
</tr>
<tr>
<td>Members of the organization will be resistant to change or be unable to reach a consensus</td>
<td>11.1</td>
</tr>
<tr>
<td>The perceived absence of leadership and the inability to reason around business value</td>
<td>16.7</td>
</tr>
<tr>
<td>A severe lack of understanding of your own purpose and complex and ambiguous decision conditions</td>
<td>11.1</td>
</tr>
</tbody>
</table>
Increasing levels of environmental turbulence and the difficulty of managing it and global market battles & 5.6  
Increasing numbers of hostile takeovers and the sophistication of banking technologies & 16.7  
The need to constantly introduce high-quality, innovative products and services & 5.6  
Total & 100  

Conclusion

The study aimed to establish the roles and impact of mission statement on performance of commercial banks in Zambia. The study main focus looked at the hypotheses, ‘There is a positive relationship between mission statement and organizational performance (ROE)’ and ‘There is a positive relationship between mission statement and organizational performance (ROI)’. (Using David R. Fred model rating (2010). The study revealed that majority of commercial banks in Zambia disclosed that mission statements communicated the purpose of the organization to stakeholders. The study unveiled that many of the commercial banks had written mission statement but were not accessible to all employees and clients and were rarely revised for a long period of time. The study revealed that the banking system’s mission statement score in Zambia was well above the average score card of mission statement. The results of the hypothesis in the study using the Pearson product-moment correlation coefficient indicated that there was a weak, negative correlation between mission statement and return on equity.

References

DOI: 10.21522/TIJMG.2015.05.01.Art020
ISSN: 2520-310X


The Relationship between Mission Statements and Corporate Social Responsibility in Zambia: A case of Commercial Banks

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Abstract
The purpose of this Study was to show the linkage between mission statement and corporate social responsibility of commercial banks in Zambia using the Fred R. David Model for mission statements and the Archie B. Carroll Model for CSR. Reflecting on literature on how banks in Zambia have embraced and practiced corporate social responsibility (CSR). This study contributes to the CSR literature by examining annual reports and websites about current CSR activities of Commercial banks in Zambia.

The study used quantitative approach and Qualitative approaches a mixture of two to collect primary data through a structured questionnaire, annual reports and websites from Central and Commercial Banks. 17 banks formed the sample for the exercise and data was collected and analyzed descriptively and the results presented.

The overall results indicate a very weak, negative correlation between mission statement and corporate social responsibility programs in commercial banks of Zambia. Evidence from the study also suggests that all commercial banks in Zambia had a formal mission statement and about 94.7 percent had CSR program.

The study only covered Commercial Banks that operate under the central bank of Zambia and mainly obtained data from the websites and annual reports.

The study provides an insight into concepts about Mission statement and corporate social responsibility in the banking industry in Zambia and in Africa at large, which to the best knowledge of the author, have not been done extensively before.

Keywords: Mission Statement, Corporate Social responsibility, Commercial bank, Model, Annual report.

Introduction
Corporate Social Responsibility (CSR) is a concept which has become dominant in business and strategic reporting. As early as in the 18th century, companies had acted in socially responsible manners by building houses and schools for their employees and their children. Every corporation should have a policy concerning CSR and produces a report annually detailing its activities (Crowther, 2008). The CSR movement has been described as one of the most important social movements of our time that aims to ensure that companies conduct their business in a way that is ethical. This means taking account of their social, economic and environmental impact, and consideration of human rights. On the other hand a mission statement aims to provide employees and stakeholders with clarity about the overall purpose and raison d’être of the organisation (Johnson, Scholes, & Whittington, 2009).

The research study explored the concepts of Mission statements and corporate social responsibilities and their linkages by looking at the commercial banks operating in Zambia. CSR is a commitment to improve community well-being through discretionary business practices and contributions of corporate resources (Kotler & Lee, 2005).

Definition of mission statement
Various authors have offered several distinct definitions of mission statements below are some of them:
An organization’s Mission Statement is the purpose or reason for the organization’s existence. It tells what the company is providing to society, it defines the fundamental, unique purpose that sets a company apart from other firms of its type and identifies the scope or domain of the company’s operations in terms of products and services offered and markets served (Wheelen & Hunger, 2012). A Mission statement should include the basic functions or tasks of an organization, particularly why it exists, the nature of business it is in, and the customers or clients it seeks to satisfy (Ritson, 2013).

Mission statements are “enduring statements of purpose that distinguish one business from other similar firms. It identifies the scope of a firm’s operations in product and market terms and describes the values
and priorities of an organization (David, 2011). A mission statement asserts the firm's commitment to responsible action in symbiosis with the preservation and protection of the essential claims of insider stakeholders 'survival, growth, and profitability (Hitt, Freeman, & Harrison, 2006).

A mission statement is an explicit statement of the values of an organization (Talbot, 2003). An organization’s mission statement reveals the purpose, or the reason for its existence. It tells what the company is providing to society and defines the fundamental, unique purpose that sets a company apart from other firms of its type and identifies the scope of the company’s operations in terms of products and services offered and markets served (Hunger & Wheelen, 2010).

A mission statement is a clear definition of the organization’s business. It involves stating the business’s overall strategy, and may include what strengths the company has, what areas it wants to be in, who it is, and what it is trying to do. (Alkafaji, 2003).

Mission statement can serve as an invaluable tool in directing the formulation and implementation of strategy. It attempts to clearly articulate its long-term intentions so that its goals can serve as a basis for shared expectations, planning, and performance evaluation (Graham & Havlick, 1994). A mission statement aims to provide employees and stakeholders with clarity about the overriding purpose of the organisation (Johnson, Whittington, & Scholes, 2011).

**Definition of corporate social responsibility (CSR)**

Also, various scholars have offered several distinct definitions of the concept corporate social responsibility, the following are some of them: Corporate social responsibility (CSR) is the commitment by organizations to ‘behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large’ (Johnson et al., 2011).

CSR of business entails the simultaneous fulfillment of the firm's economic, legal, ethical, and philanthropic responsibilities (Carroll, 1991). CSR is a philosophy of ethical business whereby all corporate decisions are made with the utmost respect and concern for human rights (Hond, Bakker, & Neergaard, 2007).

CSR is defined as the ongoing commitment by businesses to behave ethically and contribute to economic development, while improving the quality of life of its employees and that of the community within which it operates as well as society at large (Hennigfeld, Pohl, & Tolhurst, 2006).

The CSR refers to the general belief held by growing numbers of citizens that modern businesses have responsibilities to society that extend beyond their obligations to the stockholders or investors in the firm (Visser, Matten, Pohl, & Tolhurst, 2010). CSR is a commitment to improve community well-being through discretionary business practices and contributions of corporate resources (Kotler & Lee, 2005). CSR is the practice that improve the workplace and benefit society in ways that go above and beyond what companies are legally required to do (Vogel & David, 2005).

This study aims to investigate the interaction between Mission Statements and CSR activities undertaken by Zambian Commercial Banks. It was found by reviewing the available literature that there was no single theoretical background which linked the Mission Statements and CSR at the firm level together and therefore to build a research framework, various theories from strategic management and organization CSR behavior were explored.

Mission Statements are argued to be important building blocks of a company's strategy that includes the CSR. The study set out to investigate the relationship between Mission Statements and CSR of commercial banks in Zambia operating under the central bank. Specifically, the study looked at the concept of CSR and the concept of mission statement and their existence levels in the banking industry. Furthermore, the study examined the relationship between the Quality of a Mission Statement (Fred R. David Model) and the Quality of Corporate Social Responsibility (Carroll, 1991 model) and lastly a correlation analysis for the two variables was performed.

The study used numerous research methods in collecting data, these included the use of documentary analysis which involved obtaining data from annual reports of commercial banks by way of data from websites and Online questionnaires to the senior management of the 17 commercial banks in Zambia.

**Review of literature**

This review was designed to provide an overview of sources explored while researching on the topic of relationship between Mission Statements and Corporate Social Responsibility (CSR) in Zambia: A case of commercial banks. This topic was important in the sense that a mission statement defines the basic reason for the existence of the organization and CSR has assumed a strategic dimension in today's context.
Therefore, CSR could be a part of corporate mission statement. Hence CSR is increasingly becoming the tool to build the image of the corporation. Mission statement can link the enterprise CSR programs therefore in the long run this relationship contributes to the society. This study proposes that strategic CSR is good for business and the nation and the study advocates that strategy may take a leading role in imperative CSR application. In fact, the socially responsible focus should be included in the company’s corporate statement, both in its vision and in its mission and values, which give and discuss meaning and purpose as an organization. To exist the CSR must be in link with the mission of the company, the values and the strategy. It was found by reviewing the available literature that there was not enough theoretical background which linked the Mission Statements and CSR at the firm level together and therefore to build a research framework, various theories from strategic management and organization CSR behavior were explored as follows.

**Corporate social responsibility (CSR) and mission statement**

Corporate mission as a driver of CSR an article by Brønn (2001) revealed that today many companies’ involvement in activities that demonstrate CSR can be found through visible support to community activities and that in some instances decisions on these initiatives are often made far removed from the corporate level. He went on to reveal that if a company was to be believed that, it truly is committed to developing principles that guide its behavior in society, then these principles must be incorporated in the organization’s mission, vision and values. This commitment to corporate social responsibility, made visible through the mission statement, thus becomes the driver of all subsequent decisions surrounding its implementation.

Galbreath (2009) also in his study building corporate social responsibility into strategy, whose paper pursued to explore how CSR can be effectively built into firm strategy. Draw upon a classic work in the field, the study offered conceptual discussion and then systematically developed a means of incorporating CSR into strategy. The findings were that common approaches to CSR, such as PR campaigns, codes of ethics and triple bottom line reports are far too removed from strategy. To counter common and generally non-strategic approaches, a framework was offered which demonstrated that CSR can be linked integrally with strategy and highlighted an approach to consider CSR across six dimensions of firm strategy. He concluded that firms did not have to respond reactively towards CSR nor did have to struggle with understanding the strategic implications of CSR. The paper demonstrated that examining CSR in the context of firm strategy is both possible and increasingly necessary to developing competitive advantage in the current environment.

Another study by Hirotà (2010) ‘corporate mission, corporate policies and business outcomes: evidence from Japan’. Whose purpose set out to explore questions such as: “Does mission statement matter? If so, in what ways?” Using data on mission statements of 128 large Japanese firms, the study showed that corporate mission had a significant impact on corporate policies that determined employment, board, and financial structures. The study findings were that strong-mission firms valued their organizational capital and thus tended to adopt policies to preserve it. It also confirmed that corporate mission and its embedded policies contributed to better corporate performance. The paper suggested that the effect of explicit corporate mission and its implementation had practical effects in corporate policies and business outcomes.

Other literature consulted in this review were:

Corporate governance as a critical element for driving excellence in corporate social responsibility was another article by Shahin & Zairi (2007), whose purpose was to enhance understanding of corporate governance (CG) in delivering excellence in CSR.

The article ‘Relationship between Corporate Governance and CSR: Evidence from Nepalese Commercial Banks’ by Poudel (2015), aspiration was to show the relationship between corporate governance (CG) and CSR.

Jamali, Hallal, and Abdallah (2010), whose article "Corporate governance and CSR: evidence from the healthcare sector", whose objective showed that sound corporate governance was the mainstream issue of concern in the business world. The article by Minefee, Neuman, Isserman, & Leblebici, (2015) "Corporate foundations and their governance: Unexplored territory in the corporate social responsibility agenda which examined the governance structures of corporate foundations in the implementation of corporate social responsibility (CSR) initiatives. Ramiro Cea Mouré, (2011) also contributed an article ‘Is there any relationship between organizational charts and corporate social responsibility? The EU-15 banking case’. Whose main goal was to establish whether there was some relationship between organizational charts (OC) and CSR in banks. Corporate citizenship and social responsibility policies in the United States of America was a study by Camilleri (2017). This study revealed that different institutions of United States of America,
including bureaus, agencies and other stakeholders were pushing forward the social responsibility agenda, as they formulated corporate citizenship-policy to trigger companies to invest in social innovation and environmental responsibility. Other articles were: Achua (2008) whose study entitled corporate social responsibility in Nigerian banking system. Which looked at the reforms in the Nigerian banking system that resulted to mega banks, being driven by advanced competition. This raised concerns about their social and environmental performance. The study was drawn largely from the theory of CSR, and reviewed pertinent policies and practices in the Nigerian banking system.

Banks and Social Responsibility: Incorporating Social Practice in Organizational Structures was another research paper author by Ventura (2007). The purpose was to analyze the dissemination of structural arrangements relating to the CSR movement within the field of Brazil banking industry. The evolution of strategic CSR an article by Caulfield (2013) whose purpose was to consider the evolution of the corporate responsibility and community involvement tracing the development of corporate behaviors in the UK from medieval guilds to the modern form of corporation seen at the end of the last century.

Research objectives and hypothesis

Main objective

To identify and critically analyze the concept of Mission statement and Corporate Social Responsibility and show their linkage for the Commercial Banks in Zambia.

Specific objectives

1. To assess the existence Levels of Mission Statements in commercial banks in Zambia.
2. To assess the existence Levels of CSR activities in commercial banks in Zambia.
3. To explore the types of CSR activities practiced by commercial banks in Zambia by use of Archie B. Carroll Model.

Thesis statement/hypothesis

Main hypothesis: There is a positive correlation between the Quality of a Mission Statement and the Quality of Corporate social Responsibility.

Subsidiary hypothesis

1. There is a positive relationship between Mission statement and corporate social Responsibility. (Using the Fred R. David model to rate the quality of mission statements and the Archie B. Carroll model to rate the quality of the corporate social responsibility).

Methodology

The study used a mixed method which is a combination of both qualitative and quantitative. Quantitative in the sense that the research was based on numeric figures or numbers. Qualitative was used also because the data presented had in part a non-quantitative type of analysis. Which involved collecting, analyzing and interpreting data that had description of things.

Data collection

The data was gathered from a range of sources and a variety of techniques were used to gather primary data. The specific methods of data collection used were a survey by using online questionnaires, this was supplemented largely by use of a number of data collection methodologies to collect the list of all possible data from the source. These were documentary analysis of contents in the commercial bank’s annual reports through social networks, in form of Websites. Which is a new and inevitably growing methodology in the use of Internet based research.

Data analysis

The data analysis for this research involved both descriptive and exploratory approaches. Descriptive in the sense that the quantitative part of the data set was the first kind of data analysis that was performed on a data set such as frequencies and some tables. The exploratory approach was used for the linkages or connections. Lastly, the causal was used for inferring causation in this non-randomized study. The SPSS 20 was used for quantitative data analysis, which is a general-purpose statistical package widely used in academic research for editing, analyzing and presenting numerical data. Furthermore, Microsoft Excel was used to analyze data especially in sorting data, coming up with charts and tables. Excel allowed us to analyze the data quickly and easily.
Sampling procedure

In this study the Non-Probability Sampling procedure was used, which is a non-randomization process. This technique was more reliant on the researcher’s ability to select elements for a sample. This type of sampling is also known as non-random sampling. Basically, the purposive sampling was used, this was based on the intention or the purpose of study. In this case commercial banks operating under the central bank of Zambia were the elements selected from the population which suited the best for the purpose of the study. The purposive sampling was used in the sense that it provided the researcher with the justification to make generalizations from the sample that was studied and that it provided a wide range of non-probability sampling techniques for the researcher to draw on.

The research encountered some limitations such as the implementation of data collection as the sample coverage involved the whole country, hence movements proved to be very difficult. As the study depended on having access to people, organizations, data, or documents and, for whatever reason, access was denied or limited in some way. Some commercial banks websites did not have some data, such as no annual reports, no websites for certain banks and some banks closed down hence there was lack of available and/or reliable data. The other limitation was that there was lack of prior research studies on the research area especially for the Zambian context.

Participants

A research participant, also called a human subject or study participant or subject, were the senior staff drawn from the 18 sampled commercial banks operating under the Bank of Zambia (The Central Bank). These were drawn out from the operations and human Resources branches.

Results and discussion

The study set out to investigate the relationship between Mission Statements and Corporate Social responsibility of commercial banks in Zambia operating under the central bank. Specifically, the study looked at the concepts of mission statement and Corporate Social Responsibility and their existence levels in the banking industry. Further the study examined the relationship between the Quality of Mission Statement and the Quality of Corporate Social Responsibility and lastly a correlation analysis for the two variables. In this section, the synopsis of the findings of the study are presented and discussed.

Concept and Components of mission statements and their existence levels in the Zambian banking industry

In this study a mission statement is regarded as a written declaration of an organization’s core purpose and focus that normally remains unchanged over time. The study revealed that all the commercial banks in the sample had mission statements. Although most commercial banks never showed the mission statements in their annual reports and websites. It was also observed that majority of mission statements of commercial banks were rarely revised for a long period of time. The study also revealed that all commercial banks mission statement had a component of philosophy as classified by Fred R. David Model

Mission statements can and do vary in length, content, format, and specificity. Most practitioners and academicians of strategic management feel that an effective statement should include nine components (David, 2010, pp51-52). Because a mission statement is often the most visible and public part of the strategic-management process, it is important that it includes the nine characteristics as summarized below:

1. Customers—who are the firm’s customers?
2. Products or services—what are the firm’s major products or services?
3. Markets—geographically, where does the firm compete?
4. Technology—is the firm technologically current?
5. Concern for survival, growth, and profitability—is the firm committed to growth and financial soundness?
6. Philosophy—what are the basic beliefs, values, aspirations, and ethical priorities of the firm? 7. Self-concept—what is the firm’s distinctive competence or major competitive advantage?
7. Concern for public image—is the firm responsive to social, community, and environmental concerns?
8. Concern for employees—Are employees a valuable asset of the firm?
<table>
<thead>
<tr>
<th>S/N</th>
<th>Name of Bank</th>
<th>Customers</th>
<th>Products or Services</th>
<th>Markets</th>
<th>Technology</th>
<th>Survival, Growth and Profitability</th>
<th>Philosophy</th>
<th>Self-Concept</th>
<th>Public Image</th>
<th>Concern for employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Access Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2.</td>
<td>AB Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>3.</td>
<td>African Banking Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4.</td>
<td>Bank of China Limited</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>5.</td>
<td>Barclays Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>6.</td>
<td>Cavmont Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>7.</td>
<td>Citi Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>8.</td>
<td>Ecobank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>9.</td>
<td>First Alliance Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>10.</td>
<td>First Capital Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>11.</td>
<td>First National Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>12.</td>
<td>Indo Zambia Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>13.</td>
<td>Investrust Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>14.</td>
<td>Stanbic Bank Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>15.</td>
<td>Standard Chartered Bank Limited</td>
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<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>16.</td>
<td>United Bank for Africa Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>17.</td>
<td>ZANACO Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

(A tick) Indicates that the banks have mentioned this component in their mission statements. [Blank columns/rows] indicates that the banks have not mentioned this component in their mission statements.
Concept of corporate social responsibility and its existence in Zambia’s banking industry

In this study corporate social responsibility is regarded as a company’s sense of responsibility towards the community and environment (both ecological and social) in which it operates. Table 2 below shows that about 94.1 percent of the commercial banks in Zambia have some kind of a CSR program.

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>16</td>
<td>94.1</td>
<td>94.1</td>
<td>94.1</td>
</tr>
<tr>
<td>No</td>
<td>1</td>
<td>5.9</td>
<td>5.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>17</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Types of Corporate Social responsibility and their existence levels in the Zambian banking industry

![Pyramid model of CSR](image)

Carroll’s CSR Pyramid is a simple framework that helps argue how and why organizations should meet their social responsibilities. The key features of Carroll’s CSR Pyramid are that:

- CSR is built on the foundation of profit – **profit must come first**
- Then comes the need for a business to ensure it complies with all laws & regulations
- Before a business considers its philanthropic options, it also needs to meet its ethical duties

**Carroll’s CSR Pyramid**

The four responsibilities displayed on the pyramid are:

**Economic**

- This is the responsibility of business to be profitable
- Only way to survive and benefit society in long-term

**Legal**

- This is the responsibility to obey laws and other regulations
- E.g. Employment, Competition, Health & Safety

**Ethical**

- This is the responsibility to act morally and ethically
- With this responsibility, businesses should go beyond narrow requirements of the law
- E.g. Treatment of suppliers & employees

**Philanthropic**

- This is the responsibility to give back to society
- The responsibility is discretionary, but still important
- E.g. charitable donations, staff time on projects
The Figure 2 below shows the types of corporate social responsibility activities that commercial banks in Zambia undertake. About 10 (58.8%) commercial banks reviewed in their annual reports and websites that they are engaged in economic responsibility out of 17, 11 (64.7%) are in Legal responsibility, 14 (82.3%) are in Ethical responsibility and 15 (88.2%) commercial banks out of 17 are engaged in philanthropic responsibility.

<table>
<thead>
<tr>
<th>Name of the Bank</th>
<th>Economic</th>
<th>Legal</th>
<th>Ethical</th>
<th>Philanthropic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zambia National Commercial Bank</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Access bank Zambia Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Indo-Zambia bank</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>First national bank Zambia limited</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB bank Zambia Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Citi Bank Zambia Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>First Alliance bank Zambia Limited</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>First capital Bank Zambia Limited</td>
<td></td>
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</tr>
<tr>
<td>Investrust bank Zambia Limited</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Ecobank Zambia Limited</td>
<td></td>
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</tr>
<tr>
<td>Barclays bank Zambia Limited</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Bank of China Zambia Limited</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
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<tr>
<td>Standard Chartered Bank Zambia Limited</td>
<td>✓</td>
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<td></td>
<td></td>
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<tr>
<td>African Banking Corporation Zambia Limited</td>
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<td>Cavmont Bank Zambia Limited</td>
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<tr>
<td>Stanbic Bank Zambia Limited</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United bank for Africa Zambia Limited</td>
<td>✓</td>
<td>✓</td>
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<td></td>
</tr>
</tbody>
</table>

Relationship between the Quality of a Mission Statement and the Quality of Corporate social Responsibility

In this study, mission statements have classified using the Fred R. David Model. Most practitioners and academicians of strategic management feel that an effective statement should include nine components. Because a mission statement is often the most visible and public part of the strategic-management process,
it is important that it includes the nine characteristics. Hence a good or quality mission statement reveals an organization’s customers; products or services; markets; technology; concern for survival, growth, and profitability; philosophy; self-concept; concern for public image; and concern for employees (David, 2011). Also, a quality corporate social responsibility is classified using Archie Carroll’s “Pyramid of Corporate Social Responsibility. It is best described by the resources contributed by corporations toward social, educational, recreational and/or cultural purposes. The CSR, to be accepted as legitimate, had to address the entire spectrum of obligations business have to society. It is upon this four-part perspective that the pyramid is based for CSR to be accepted by a conscientious business person, it should be framed in such a way that the entire range of business responsibilities are embraced. It is suggested here that four kinds of social responsibilities constitute total CSR: economic, legal, ethical and philanthropic (Carroll, 1991). Therefore, below is the table 4 of rating of mission statements and corporate social responsibility programs of commercial banks in Zambia.

<table>
<thead>
<tr>
<th>Name of the Bank</th>
<th>Rating of Mission Statement out of 9</th>
<th>Rating of CSR activities out of 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zambia National Commercial Bank</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Access bank Zambia Limited</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Indo-Zambia bank</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>First national bank Zambia limited</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>AB bank Zambia Limited</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
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<td>United bank for Africa Zambia Limited</td>
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The table below shows a Pearson product-moment correlation coefficient computed to assess the relationship between the mission statement (As rated using a Nine Point Scale model given by Fred R. David for Zambian commercial banks) and Corporate social Responsibility programs (As rated using a four Point Scale model given by Archie B. Carroll for Zambian commercial banks). There was a negative very weak correlation between the two variables, \( r = -0.011, \) \( n=17, p = 0.967. \)
Table 5

<table>
<thead>
<tr>
<th>Rating of Mission Statement by number of Components (David. R. Fred Model)</th>
<th>Number of types of CSR activities (Carroll Model)</th>
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<tr>
<td>Pearson Correlation</td>
<td>-.011</td>
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<tr>
<td>Sig. (2-tailed)</td>
<td>.967</td>
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<td>N</td>
<td>17</td>
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The Scatter plot summarizes the results Figure 3. Overall, there was a very weak, negative correlation between mission statement and corporate social responsibility programs in commercial banks of Zambia. Increases in mission statement components rating were correlated with very small decrease in Rating of Corporate social responsibility programs.

Figure 3

Conclusion

The study aimed to establish whether there was a positive relationship between Mission statement and corporate social Responsibility by using the Fred R. David model to rate the quality of mission statements and the Archie B. Carroll model to rate the quality of the corporate social responsibility, through its hypothesis as the main focus. The study revealed that majority of commercial banks in Zambia disclosed that mission statements communicated the purpose of the organization to stakeholders. The study unveiled that many of the commercial banks had written mission statement but were not accessible to all employees and clients and were rarely revised for a long period of time. The study revealed that the banking system’s mission statement score in Zambia was well above the average score card of mission statement. The results of the hypothesis in the study using the Pearson product-moment correlation coefficient indicated that there was a very weak, negative correlation between mission statement and corporate social responsibility. The study found no solid evidence to accept a possible positive relationship between both variables (mission statements/corporate social responsibility programs adopted by each bank and reporting contents revealed). However, this is a promising research line for future analysis, using a bigger sample and more CSR reporting issues. This paper opens a new research path in Mission Statement/CSR, for a possible link between both
variables, a matter that has not been extensively explored. Past research may have not sufficiently linked Mission Statements with the corporate social responsibility (CSR) paradigm.

References


Innovations for reviving small-scale industries in Ghana

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Abstract

This research paper give emphasis to some of the innovations used in reviving small-scale industries in Ghana. It stresses on the point that if SMEs that has been labelled as the engine growth of the Ghanaian economy can adopt innovative ways in doing business, there would be great impact to Ghana. There is a general awareness and acceptance of the role SMEs play in socio-economic development in Ghana. The Small-Scale industries contributes greatly to Gross Domestic Product (GDP) in ensuring economic growth, employment, income stability and poverty reduction in most developing countries. In spite of the above roles, most of these industries are now collapsing because of the lack of innovations in conducting their businesses. The few who has been able to adopt innovated ways of doing business are experiencing business boom while the majority of them are struggling to break-even thereby classifying the small-scale industries as synonymous to a ‘hand to mouth’ industry. This study intends to achieve the following objectives; first is to pinpoint some of the innovations used in reviving SMEs, to identify some challenges faced in the adoption of innovation in small-scale business delivery in Ghana and to determine and make effective recommendations that would help to reduce or mitigate those challenges. To achieve the objectives slated, review of secondary data from documented reports and the internet, publications, journals and articles were used. The primary data was an in-depth guided interview with key stakeholders (revenue collectors, policy makers, small-scale business owners, members of the SMEs etc.)

Keywords: Innovation, Small scale industries, SME, Ghana.

Introduction

There is this growing recognition of the important role small scale enterprises play in the economic development of Ghana. They are often described as efficient and prolific job creators, the seeds of big businesses and the fuel of national economic engines. Even in the developed industrial economies, it is the SME sector rather than the multinationals that is the largest employer of workers (Mulineux, 1997). Interest in the role of small-scale enterprises in the development process continues to be in the forefront of policy debates in most countries of which Ghana is not an exception. Governments all over the world have undertaken initiatives to promote the growth of SMEs for the betterment of their respective economies. (Feeney and Riding, 1997). SME development can encourage the process of both inter and intra-regional decentralization; and they may well become a countervailing force against the economic power of larger enterprises. More generally, the development of SMEs is seen as accelerating the achievement of wider economic and socio-economic objectives, including poverty alleviation (Cook and Nixon, 2000). According to an OECD report, SMEs produce about 25% of OECD exports and 35% of Asia’s exports (OECD, 1997). SMEs represent over 90% of private business and contribute to more than 50% of employment and of GDP in most African countries (UNIDO, 1999). Small scale enterprises in Ghana are said to be a characteristic feature of the production landscape and have been noted to provide about 85% of manufacturing employment of Ghana (Steel and Webster, 1991; Aryeetey, 2001). SMEs are also believed to contribute about 70% to Ghana’s GDP and account for about 92% of businesses in Ghana. SMEs compete in rapidly changing markets and must respond to the challenges of globalization, technological advancement and other factors. To be able to work themselves out of poverty, to survive and to grow, SMEs need access to a range of services. In developing countries like Ghana, SMEs employ a significant portion of the total labour force. Many of these jobs exist in the informal economy, in poor, subsistence, and “survivalist” businesses that do not provide decent work and income. These businesses need to be developed so that the income and wages they generate can support a transition out of poverty
for their owners and workers. One way of strengthening small-scale enterprises is to improve and innovate their way through the difficult market they serve.

**Conceptual interpretations**

Certain concepts like innovations and small-scale business in this paper needs to be interpreted. The definition of innovation has been an issue of interest both for researchers and for different industries as well as key stakeholders. It is pondered that definition of innovation may vary depending on the organizations involved and the industry they operate as the way the concept will define within an organization will vary from another. Innovation, according to the business dictionary is the process of translating an idea or invention into a good or service that creates value or for which customers will pay. To be called an innovation, an idea must be replicable at an economical cost and must satisfy a specific need. Innovation involves deliberate application of information, imagination and initiative in deriving greater or different values from resources, and includes all processes by which new ideas are generated and converted into useful products. In business, innovation often results when the company applies ideas in order to further satisfy the needs and expectations of the customers. In a social context, innovation helps create new methods for alliance creation, joint venturing, flexible work hours, and creation of buyers’ purchasing power. Innovations are divided into two broad categories; *evolutionary innovations* (continuous or dynamic evolutionary innovation) that are brought about by many incremental advances in technology or processes and *revolutionary innovations* (also called discontinuous innovations) which are often disruptive and new. Innovation is synonymous with risk-taking and organizations that create revolutionary products or technologies take on the greatest risk because they create new markets. Imitators take less risk because they will start with an innovator's product and take a more effective approach. Examples are IBM with its PC against Apple Computer, Compaq with its cheaper PC’s against IBM, and Dell with its still-cheaper clones against Compaq. The American association for quality gave a definition that, innovation as the successful conversion of new concepts and knowledge into new products, services, or processes that deliver new customer value in the marketplace. Another definition given was from Baregheh and co (2009) which they stated, “Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or processes, in order to advance, compete and differentiate themselves successfully in their marketplace.” (Baregheh, Rowley, & Sambrook, 2009, p. 1334)

The other concept to explain here is small-scale business. Definitions of Small and Medium Enterprises (SME’s) vary from country to country, depending on one or more of thresholds lay down in respect of investment, employment, turnover etc. The issue of what constitutes a small-scale enterprise is a major concern in the literature. Different writers have usually given different definitions to this category of business. SME’s have indeed not been spared with the definition problem that is usually associated with concepts, which have many components. The definition of firms by size varies among researchers as well as writers. Others define SME’s in terms of their legal status and method of production. Some attempt to use the capital assets while others use labour and turnover level. In Ghana, various definitions have been given for Micro, Small and Medium scale enterprises but the most commonly used criterion is the number of employees of the enterprise (Kayanula and Quartey, 2000). In using this definition, confusion often arises in respect of the unpredictability and cut off points used by the various official sources. According to the National Board for Small Scale Industries (NBSSI, 1990) SME’s is defined in Ghana by applying both the “fixed asset and number of employees” criteria. It defines a small-scale enterprise as a firm with not more than nine (9) workers, and has plant and machinery (excluding land, buildings and vehicles) not exceeding 10 million Ghanaian cedis and micro with employee less than five.

**Innovations for reviving small-scale industries**

1. **Technological innovations**

Technological innovation is a part of the total innovation discipline. It focuses specifically on technology and how to embody it successfully in products, services and processes. Technology as a body of knowledge might be seen as a building block for technological innovation, serving as cornerstone to research, design, development, manufacturing and marketing. The advance of technology constitutes a development mega trend with huge potential. Technological innovation comprises activities that
organisations implemented the distinction of at innovatively or pricing. uniquely target 2. additional market from and change during environments and taking them, and through economic growth, improvements in productivity and strengthening of our international trade position. It enhances our standard of living. In the satisfaction of other societal needs, technological change can enhance the quality of life through new health care delivery systems by improving work environments through control of the environments and in a host of other ways. Technological innovation during the fifties was considered as a development only as isolated results of research development, currently it is considered as the process for dealing and resolving problems mainly focused on the market and its various agents, it involves the exchange of knowledge tacit and explicit that facilitates learning from different approaches (Hidalgo, Vizan and Torres, 2008). Proper management of technology is one of the keys to success in business today. The technology used by a company can be generated internally through research or it can be gotten outside. Therefore, in order to the company achieve and maintain a technological advantage that allows it to be competitive, it must maintain a position of market dominance from our research and development. The above due to the acquisition of the technology offered in the market is accessible to any competitor and therefore it does not use to provide the company with additional benefits (Pavón and Hidalgo, 1997).

2. Marketing innovations

Marketing innovation is a process where a product or service is marketed and communicated to the target group by the support of ideas and process that were not used earlier. It can be done through changes in the product design, launching the product in unique place, promoting through unconventional method, uniquely pricing the product etc. In its simplest term, it is the execution of a new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing. Marketing innovations are aimed at better addressing customer needs, opening up new markets, or newly positioning a firm’s product on the market, with the objective of increasing the firm’s sales. The ability to be able to adapt to consumer behavior and new technologies while maintaining a strong customer attention is essential to great marketing. Creating an incredible customer experience means giving consumers what they may not even yet realize they want. Increasingly there has been the need to innovatively market our products and service if we want to continue to be in business. This is indeed one of the ways to be competitive in a robust economy. The focal drive of innovation marketing is to open up new markets and eventually lead to an increase in the business sales. Innovation marketing also aims at newly positioning the business’ products as well as addressing the customers’ needs. As the dynamics of business keep changing on a daily basis, so are the marketing strategies. One of the main features that distinguishes innovation marketing is the fact that it signifies the company’s or business departure from the old marketing strategies. Thus, innovation marketing should be able to highlight the progress in business by using new marketing methods that have not been used before. These new methods can be adopted from other businesses, basically by learning the market trends and adapting to change, or, it can be a totally new marketing idea brought in by the business. These new marketing methods can also be implemented on both new and existing products and services.

3. Innovative leadership

Innovative leadership is a philosophy and technique that combines different leadership styles to influence employees to produce creative ideas, products, and services. The key role in the practice of innovation leadership is the innovation leader, which in most cases of small-scale industries is the entrepreneur or the sole proprietor. Innovative leadership can support achievement of the mission or the vision of an organization or group as an approach to organizational development. To adjust to new changes, the need for innovation in organizations has brought about a new focus on the role and impact of leaders in shaping the nature and success of innovative efforts. Without innovation leadership, organizations are likely to struggle. Innovative leadership is used in various giant companies including
MTN, GCB, GPHA, SSNIT, many others and the desired results are always achieved, and so small-scale industries are now embracing it for their resurgences. Small scales enterprises in Ghana have realized that surviving in the 21st century means changing, adjusting, and being more inventive than the competition. Some of the benefits of innovative leadership are high job satisfaction, higher job performance, high-quality group interaction and the fact that the greater the diversity, the greater the variety of ideas.

4. Industrial symbiosis

Industrial Symbiosis is a subset of industrial ecology and is an association between two or more industrial facilities or companies in which the wastes or by-products of one become the raw materials for another. In other words, it is the exchange of materials or waste streams between companies, so that one company’s waste becomes another company’s raw materials. A variety of by-products are traded, such as steam, plastic waste, coca husk, coconut shell, sash, gas, heat, sludge, and others that can be physically transported from one company to another. Industrial symbiosis involves a collective approach to competitive advantage through the physical exchange of materials, energy, water and/or byproducts, or the shared use of assets, logistics and expertise. Industrial symbiosis brings about industrial synergy, which brings advantages to both parties, and is usually done for both commercial and environmental reasons. The companies involved may be close together or far apart, producing the same things or completely different ones, and the resources they share may consist of materials, energy or water. The norm behind industrial symbiosis is reasonably modest. That is, instead of waste being thrown away or smashed, it is rather taken and then forwarded for use as a ‘new’ input into another process by one or more other companies, providing a mutual benefit for both entities. A typical example is the sachet that generates a lot of plastic waste after drinking the sachet water. Now the plastic sachet is a raw material for a company that build bricks for road construction and another also uses the plastic sachets as a raw material for other items like bags. This in turn creates business opportunities, reduces demands on the earth’s resources, and provides a stepping-stone towards creating a circular economy. Consequently, all synergies have some common benefits, which is that they reduce costs and generate new sales for the companies involved, as well as creating significant environmental benefits such as reduced landfill and greenhouse gases. The economic activity generated also has further social benefits with the creation of new businesses and jobs.

5. Demand stimulation and generation

Demand stimulation and generation is the focus of targeted marketing programs to drive awareness and interest in a company’s products and or services. Commonly used in business-to-business, business-to-government, or longer business-to-consumer sales cycles, demand generation involves multiple areas of marketing and is really the marriage of marketing programs coupled with a structured sales process. Demand generation is an essential function that has gained prominence within business-to-business (B2B) enterprises significantly over a span of time. The main objective behind every sales and marketing strategies is to increase sales to speed up the revenue growth. Creating demand for service and product offerings comprise exploiting multiple offline and online means. By simplifying the procedure that comprises various areas if marketing teamed up with well-formatted sales procedures, business organizations can increasingly enhance their brands and bottom lines. Demand Generation is a holistic approach to marketing and sales cohesion within the company. Creating awareness is a vital component in the demand generation process and it often takes a continued effort and involves several features of marketing. There are multiple components of a stepped demand generation process that vary based on the size and complexity of a sale. Some of these components among others are building awareness, positioning relevance, support validation and mitigating customer evaluation. Marketing automation enables the demand generation process to automatically score, classify, segment, and nurture leads across multiple campaigns until they are ready to buy. Nowadays service providers of business-to-business (B2B) lead generation services have come up with unconventional tele prospecting demand generation methodology that is helping in uncovering qualified opportunities within organizations to mid-market accounts for direct or channel sales team.

Recommendation
The discussion above shows the strategic innovations used for reviving small-scale industries in Ghana. Some of the reasons why most of our small-scale industries die at their early stages are among others lack of adequate finance, improper bookkeeping and the lack of innovative ways in operating and managing those enterprises. To address the perennial crises that has bedeviled the small-scaled industries in Ghana, innovative ways are needed to be adopted in that regard. Small and medium-scaled enterprises should be a very serious concern and responsibility of the central government at the same time, the private sector should be made to contribute in its conservancy. The article spoke about the innovations for reviving small-scaled industries in Ghana and underlined demand stimulation and generation, industrial symbiosis, innovative leadership, technological innovations, marketing innovations and the likes as some of the innovative ways through which small-scaled industries in Ghana can be revived. Education of all stakeholders of the small-scaled industry is very important in this regard and should be taken seriously, as majority of our entrepreneurship community falls in that bracket. If the small-scaled industry in Ghana would be given a critical attention and would be helped to understand the importance of innovations in their respective trade lines, it surely can be a driver for Ghana’s economic benefit.

**Conclusion**

Innovation is crucial to the continuing success of any organization and the time for small-scale industries in the sub-Saharan Africa to embrace the concept is now. SMEs are the main support of the economy in a country, they contribute to sustainable economic development and they generate wealth thereby bringing about a wealthy nation. Innovation is an important entrepreneurial function for any business and this supports the statement, “it’s either you innovate or perish in businesses”. It is not enough for the business to provide just any economic goods and services; it must provide better and economic ones. It is not necessary for a business to grow bigger, but it is necessary that it constantly grows better. If Ghana can focus and invest into the innovations that will help in the revival of small-scale enterprises, the returns of its contribution to national development would startle all and sundry. The focus of this paper is innovations for reviving small-scale industries in Ghana and the researcher has identified specific ways in which small-scaled industries can be revived innovatively to contribute to the national development of Ghana. How to sustain these innovative ways in reviving the small-scale industries in Ghana and the economic role of small-scale industries in Ghana are suggested areas of further studies.

**References**

DOI: 10.21522/TIJMG.2015.05.01.Art022
ISSN: 2520-310X


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Abstract

The study investigated the prospect and challenges of how Vodafone Ghana is employing innovation as a survival strategy in the highly competitive telecommunication industry of Ghana. Amongst its specific objectives were analyzing the market performance of innovation products and services placed on the market by Vodafone Ghana as well as examining to importance innovation as a survival strategy in the telecom industry of Ghana. The study also identified challenges confronting Vodafone Ghana in using innovation strategy as a survival tool. The researcher adopted the onion research approach, which unfolds the various stages of research from the sampling, questionnaire design observations and interview as well as data management. In selecting the respondents, purposive sampling technique was employed. The questionnaire technique constituted the main research instrument although some face-to-face interviews were also carried out to straighten up some of the responses reflected on the questionnaire. The study findings noted that Vodafone Ghana parades such innovative products and services as broadband facilities and money transfers among others to compete in the local industry. These services were seen to be enhancing socio-economic systems because they facilitate money transfer to business fellows and relations as well as enable customers to talk much longer. On challenges negating innovation efforts at Vodafone, the study discovered that competitors often copy and expand the scope of new products thereby pre-empting benefits that accrue from research and development activities. Frequent internet failure also disrupts the benefit derivable from Vodafone innovative products and services. Recommendations were made to address these challenges.

Keywords: Innovation, Prospects and challenges, Telecommunication, Ghana.

Introduction

In the opinion of Kotler and Keller (2010), survival in a highly competitive service industry depends upon the creation of innovative products which can be marketed at reasonable prices. It is therefore not surprising that players in the Telecom Industry globally are coming up with new innovative products and services to brighten up their chances of survival in their various industries. Innovation therefore holds the key towards surviving in a highly competitive industry. According to Dodgson et al (2008), innovation is considered to be a vision, a concept, a strategy but also a solution. Thornhill (2006) also explains further that innovation refers to the outcome and practice of converting knowledge and ideas into novel entities that are valued by individuals and communities. Innovation involves acting on the creative ideas to make some specific and tangible difference in the domain in which the innovation occurs (Davila et al, 2006). Innovation is defined as the successful implementation of creative ideas within an organization. For a firm to grow in business and compete favorably with others, innovation is important. It can take many forms, but in every form, it tends to reduce unit costs and/or helps to expand market demand. Hauser et al (2006) revealed that, a major impact of innovation is to reduce unit costs of production and distribution. Hence it reduces prices and thereby improves competitive advantage. Thus, innovation increases comparative advantage of small countries in international trade that are rich in technological knowledge. Part of the problem in managing innovation is the way people think about it. Organizational innovations are difficult for numerous reasons. First, many innovations particularly technological innovations are unreliable and
imperfectly designed. The newer the technology, the more likely it is to have bugs, breakdown, and be awkward to use. This “hassle factor” can render even the most enthusiastic technophile frustrated and annoyed. Many innovations require would-be users to acquire new technical knowledge and skills. For many people, this may be tedious or stressful. Technological change is creating huge challenges and opportunities going forward. These changes require a different way of thinking and solving problem (Thornhill, 2006). According to Brucker (2006), innovation can take many forms from simple, incremental development of what is already there to radical development of totally new options. The challenge here is for firms to be aware of the extensive space within which innovation possibilities exist and to try and develop a strategic portfolio which covers this territory effectively, balancing risks and resources. According to Tidd et al. (2009) innovation contributes to achieving a competitive advantage in several aspects. The most important characteristics of innovations include: A strong relationship between market performance and new products. New products help maintain market shares and improve profitability. Growth also by means of non-price factors (design, quality, individualization, etc.). Ability to substitutes outdated products (shortening product lifecycles). In today’s dynamic and global competitive environment, Hesket (2007) argues that, innovation is becoming more pertinent, mainly due to three major trends: concentrated international competition, disjointed and challenging markets, and assorted and swiftly changing technologies. In many countries, Trott, (2003) also says that, the pace of change in telecommunication industry is dramatic. The services providers worldwide are becoming increasingly interrelated. Competitive advantage is essentially a position of superiority on the part of the firm in relation to its competition in any of the multitude of functions/activities performed by the firm (Karanja 2011). It means that a firm can gain a competitive advantage in several ways. Competitive advantage according to Bengtsson & Kock (2000) occurs when an organization acquires or develops an attribute or combination of attributes that allows it to outperform its competitors. In a service-oriented business, competitive edge is well achieved through innovation strategies which are value creating and are not simultaneously being implemented by any current or potential player. In the telecommunication industry globally, voice revenues have been the most significant segment of most telecom operators in the telecommunication industry. Conversely, with increasing saturation of voice and falling revenues, operators have embraced innovations and value-added services to counter this impact and improve their competitive advantage position in the market (Dodgson et al 2008). The telecommunication industry is evolving rapidly characterized by changing customer tastes and preferences, new technologies and new regulations. Many companies; however, have not undertaken to reshape their structures in ways that meet these new demands. As a result, the telecommunication firms fail to achieve their expansion plans leading to a low growth rate of the industry.

The telecommunication industry is among the pillar industries to the economic wellbeing of many countries today. For example, the Chinese and Indian economies are among the main economies that have benefitted from the expansive growth of the telecom industry in the last decade (Berry, 2010). Although a similar trend is emerging in the African continent, the telecommunication industry has not been able to achieve such economic transformation observed in Chinese and Indian economies. This, according to Dwivedi & Sharma (2011) has resulted to poor growth of most of these firms with some collapsing entirely the telecommunication industry is also highly volatile due to its high dependence on technology and the rapid growth rate it has been experiencing over the past few decades.

Telecommunications is broadly defined as the transmission of information by means of electromagnetic signals: over copper wires, coaxial cable, fiber-optic strands, or the airwaves. The major network owners that are the frontline in the broadband revolution historically provided four distinct consumer-facing products: home telephony, mobile telephony, cable television, and internet access (Bengtsson & Knock, 2002). In the residential market, these historical divisions are disappearing. Cable and telephone companies have each refashioned their networks to provide general-purpose high-speed data transmission capacity. Using ever-growing and improving networks, both now compete to provide the dominant "triple play":

DOI: 10.21522/TIJMG.2015.05.01.Art023
ISSN: 2520-310X

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telephony, television, and internet access. Municipalities and other new actors are building their own residential broadband networks, offering the same basic services (Veryzer & Bessent, 2002).

Karanja (2011) further explains that, cell phone companies are also racing to become broadband providers. Cell phones have become much more than just phones, and data is rapidly overtaking voice as the dominant source of revenue in the industry. Mobile services offer lower bandwidth than residential service, and as a result, cellular networks will not be able to support robust wireless video for any substantial fraction of their users, and will not be able to support the same kind of “triple play” as residential broadband. But what mobile networks lack in speed, they make up for in ubiquity. Many analysts see the rise of mobile broadband as the most important and dynamic area in telecommunications in the short and medium term (Klein et al, 2001). Barnes (1993) explains further that, telecommunications provides a technological foundation for societal communications. Communication plays a central role in the fundamental operations of a society from business to government to families (Dodgson et al, 2008). In fact, communication among people is the essence of what distinguishes an organization, community, or society from a collection of individuals. Telecommunications plays an increasingly vital role in enabling the participation and development of people in communities and nations disadvantaged by geography, whether in rural areas in the United States or in developing nations in the global society and economy. Telecommunication, according to Rycrof & Kash (1999) provides vital infrastructure for national security. From natural disaster recovery, to homeland security, to communication of vital intelligence, to continued military superiority, telecommunications play a pivotal role. Studies abound in the academia on how telecommunication companies have employed innovation in revolutionizing their product portfolio as a survival strategy. Unfortunately, most of the existing research materials have been oriented in the Asian and western context thereby rendering them inappropriate for addressing issues in developing economies like Ghana. The study therefore attempts to fill this gap.

Innovation as a survival strategy in the telecom industry

In both developed and developing countries, Johnson & Scholes (2008) innovation strategies have been heralded as one of the juggernauts in propelling organizations, especially the telecom industry, to higher levels of profitability and customer retention. Innovation is regarded as a key business process that companies are using to achieve competitive advantage. Innovations are currently a fundamental prerequisite of competitiveness notably in the service industries like telecom and banking (Oke & Goffin, 2001). Successful companies in the telecom industry are currently the ones that implements innovative strategies, invests in research, development and innovations. The basic precondition for the creation and uses of innovation in the telecom enterprise is a well formulated and implemented innovative strategy.

Letangule & Letting (2012) sees innovation as a strategy for determining long-term fundamental business objectives and determines the activities and resources for achieving these goals. According to him the innovation strategy must be based on variation, long term, systematism, the time factor and the concentration of resources and activities. Dodgson et al, (2008) defines an innovation strategy as a plan that helps firms decide in a cumulative and sustainable manner, about the type of innovation that best match corporate objectives, guides decisions on how resources are to be used to meet a firm’s objectives for innovation and thereby deliver value and build competitive advantage.

In a business environment where innovation provides distinctive and sustainable competitive advantages, innovation strategy is the basis for the firm’s overall strategy. Innovation strategy, according to Porter & Kramer (2006) involves analysis of firms’ business, market, and technological environments and consideration of what resources they have to draw upon. It involves making choices about innovation in uncertain and ambiguous circumstances, with diverse strategies for different levels of uncertainty. Innovation strategy entails building innovative capabilities firms need, to meld skills and resources to analyze, select, and deliver innovation to enhance organizational performance. It requires consideration of how new initiatives fit with firms’ existing portfolio and how innovation strategy complements overall
corporate strategy. It is concerned with integrating all the areas of MTI into a coherent whole (Thornhill, 2006).

Porter (1980) argues that, an innovation strategy guides decision on how resources are used to meet a firm’s objectives for innovation and thereby deliver value and build competitive advantage. Its crafting is supported by a number of innovative capabilities that steer the configuration and reconfiguration of a firm’s resources. According to Solomo et al (2008), it entails judgments about which kinds of innovation processes are most appropriate for the firm’s circumstances and ambitions. An innovation strategy identifies the technologies and markets the firm should best develop and exploit to create and capture value. It does so within the limits of the resources available to the firm to support current and future innovation efforts and its evolving corporate strategy, organization and culture (Kim & Mauborgne, 1999).

Davila et al (2006), further indicates that, innovation strategy is different to mainstream business strategy because it needs to comprehensively accommodate uncertainty. As such, many common approaches to business strategy are inappropriate for innovative businesses. Some uncertainty is always present in strategic management of incremental innovation, but is a major strategic factor in radical innovation.

**Elements of innovation strategy**

Brucker (2006) mentioned that, there are four interrelated elements involved in innovation strategy namely enacted strategy itself, resources available for innovation, innovation capacity and innovation process used to deliver result. The enacted strategy itself including its targets and ‘fits’ with overall company strategy, existing innovation efforts, and the context in which, it operates. The identified targets are the technologies and markets that managers believe will create and deliver best values for their firms (Porter & Krainer, 2006). The resources available for innovation are the assets a firm owns and to which it has preferential and secured access. The innovation capabilities guide and enable those resources to be assessed, configured and reconfigured. The innovation processes used to deliver results are the combinations of management and organization around R&D, new product and service development, operations, and commercialization that deliver innovation (Berry, 2000).

Innovation strategy helps to focus attention on how these resources, capabilities, and processes are best developed and deployed to meet corporate objectives (Dodgson et al., 2008). There are often more opportunities for innovation than resources available, and choices have to be made. Choices should be linked to the anticipated economic benefits and the ability to appropriate returns from innovation. They need to fit with the overall corporate strategy, deciding whether or not innovation targets complement the firm’s available resources and existing innovation portfolio and whether ambitions match its organizational structure and culture (Barnes, 1993). The choices made should include attention to issues of timing; whether, for example, a firm aims to be a proactive innovator or to be a reactive follower. These decisions help to prioritize resource allocation, providing a focus for marshalling and integrating different components of innovation processes and guiding them towards specific markets and customers within the competitive environment (Klein et al, 2001).

Within organizations, Rycroft, & Kash (1999) there is a fundamental tension between the need for creativity and the need for stability. On the one hand, companies require stability and static routines to accomplish daily tasks efficiently and quickly. This, according to Barret et al, (2003) enables the organization to compete in today’s world. For example, the processing of millions of cheque by a bank daily, or the delivery of food by multiples to retail outlets all over the country, demands high level of efficiency and control. On the other hand, companies also need to develop new ideas and new products to be competitive for the future. Hence, they need to nurture a creative environment where ideas can be tested and developed. This poses one of the most fundamental problems for management today (Tidd et al 1997).

In the view of Dittrich & Duysters, (2007), the ways in which firms manage the tension between the need to be creative and efficient is termed strategy, and is concerned with the long-term direction of an organization. Strategic decisions are normally about trying to achieve some advantage for the organization over competition. It is the matching of the resources and activities of an organization to the environment in
which it operates. This is sometimes known as the search for strategic fit. Strategic fit is developing strategy by identifying opportunities in the business environment and adapting resources and competences so as to take advantage of these. Strategy is the need to make a choice. It enables organization to properly respond to change (Howells, 2000).

**Competitive advantage**

Competitive advantage, in the opinion of Karanja (2011) is essentially a position of superiority on the part of the firm in relation to its competition in any of the multitude of functions/activities performed by the firm. It means that a firm can gain a competitive advantage in several ways. For example, some firms may be superior in production, some in Research and Development and some others in marketing. Firm have to figure out how they can perform a particular function or group of functions, either, in a superior way, or in a distinctive way, relative to competition. The superiority or distinction has to be of value to the customer (Brucker, 2006).

The most widespread theory explaining sources of competitive advantage is the “Resource-Based View” (RBV). According to this theory, the two main sources of sustainable competitive advantage are assets and capabilities (Porter & Kramer, 2006). Assets are the resource endowments the business has accumulated, and capabilities are the glue that keeps these assets together and enables them to be deployed advantageously. Capabilities differ from assets in that they cannot be given a monetary value, as can tangible plant and equipment, and are so deeply embedded in the organizational routines and practices that they cannot be traded or imitated. According to Porter (1980), competitive advantage can be viewed as the ability gained through attributes and resources to perform at a higher level than others in the same industry. He postulated that a firm must decide whether to attempt to gain competitive advantage by producing at a lower cost than its rivals or differentiate its products and services and sell them at a premium price.

Competitive advantage according to Bengtsson & Kock (2000) occurs when an organization acquires or develops an attribute or combination of attributes that allows it to outperform its competitors. In a service-oriented business, competitive edge is well achieved through innovation strategies which are value creating and are not simultaneously being implemented by any current or potential player. Solomo et al (2008) reckons that successfully implemented innovation strategies will lift a firm to superior performance by facilitating the firm with competitive advantage to outperform current or potential players. To gain competitive advantage through innovativeness and value addition, the business strategy of a firm has to be formulated in a way that optimally manipulates the various resources over which it has direct control. Over time, companies have invested considerable time and effort in developing innovative products and services that work for their consumers. They often consider adopting innovative strategic tools to address the challenge of improving service quality, increasing productivity and competitive advantage (Houser et al, 2006).

In the telecommunication industry globally, Dodgson et al (2008) explains that, voice revenues have been the most significant segment of most telecom operators in the telecommunication industry. Conversely, with increasing saturation of voice and falling revenues, operators have embraced innovations and value-added services to counter this impact and improve their competitive advantage position in the market. According to Letangule & Letting, (2012), the telecommunication industry on the other hand is entering a new transition period. This has been brought about by the market for voice component in the mobile telecommunications almost reaching maturity, existing price wars and the introduction of mobile number portability. In response, the industry is shifting its strategic focus not only in attracting new customers, but is also gearing towards retaining existing customers through innovative strategies that enhance their competitive advantage (Howells, 2000).

Innovation is not simply developing new technologies into new products or services, but in many cases involves finding new models for doing business in the face of change. It often entails changing the rules of the game (Brucker, 2006). Modern businesses are increasingly engaging in constant competition with rivals with a goal to survive on the market and must therefore formulate well aligned strategies in order to meet
customer demands and a significant form of growth. It is in this aspect that executives of these firms regularly consider how they can improve their competitive edge by means of developing and putting into practice various business strategies (Davila et al, 2006).

The study set out to examine the prospects and challenges of how Vodafone is using innovation as a survival strategy in the highly competitive telecommunication industry of Ghana. Other specific objectives included analyzing market performance of innovative products and services placed by Vodafone Ghana as well as looking at the importance and effects of using innovation as a survival strategy in the telecom industry in addition to identifying challenges facing Vodafone Ghana in its innovative effort. The study concludes that Vodafone is seriously competing in the local market with such innovative products and services which facilitate money transfer, enabling friends and relations on to talk much longer on phone, promoting business to increase profit curve as well as providing avenues for sound social integration. These innovative products have the effect of ensuring easy access to other network services, makes services affordable to all in addition to penetrating wider areas of the country for customers to extend their scope of communication and other social responsibilities. Innovative products also assist subscribers to function more properly internationally. Despite these prospects in Vodafone’s innovative exploits, the company is challenged by price war, frequent copying of its innovative products and services by peers without protection, changing customer taste which makes it pump its fortune in research and development as well as frequent disruption in internet connectivity. Generally, Vodafone is really doing well in coming up with more innovative products and services and its strategy is seriously assisting in its marketing efforts thereby achieving revenue targets. Its recent “one for three” unique sales promotion exercises is effectively catching up with the people with the results that customers are switching over at an alarming rate. This presupposes that, if management stays on course with such innovative products and services, it wouldn’t have difficulty, not only surviving, but also will be a force to reckon with in the highly competitive telecom industry of Ghana.

Challenges confronting innovation practices in the telecom industry

According to Dodgson et al (2008), innovation is considered to be a vision, a concept, a strategy but also a solution. In this context one can assume that, innovation projects in order to become a fact and to achieve their purpose need an idea that helps reaching a certain aim either economic, social or organizational. Perceived in most of the cases as an exclusive concept, innovation can be approached only by some companies. Innovation represents the core renewal process in any organization (Heskett, 2007). And unless businesses, notably members in the telecom industry are prepared to work continuously at renewing what it offers and how it creates and delivers that offering, there is a good chance that it will not survive in today’s turbulent environment. Even if firms recognize and accept the need for continuous innovation, they may find difficulties in framing an appropriate innovation agenda. With limited resources they may risk putting scarce eggs into too few or the wrong baskets (Howells 2000).

According to Brucker (2006), innovation in the telecom industry can take many forms from simple, incremental development of what is already there to radical development of totally new options. It can range from changes in what is offered product or service through to the ways in which that offering is created and delivered (process innovation) (Trott, 2003). It can reflect the positioning of a particular offering for example; putting a well-established product into a new market represents a powerful source of innovation. And it can involve rethinking the underlying mental models associated with a particular product or service. The challenge here is for firms to be aware of the extensive space within which innovation possibilities exist and to try and develop a strategic portfolio which covers this territory effectively, balancing risks and resources (Hauser et al. 2006).

Part of the problem in managing innovation is the way people think about it. Whilst the term is in common usage, the meaning people attach to it and hence the way in which they behave can vary widely. For example, there is often considerable confusion between ‘invention’ and ‘innovation’. The former is essentially about the moment of creative insight which first opens up a new possibility the discovery of a
new compound, the observation of a new phenomenon, the recognition of an unmet market needs, etc (Barret et al. 2003).

But whilst this is essential to start the process off, invention is not enough. Taking that brilliant idea through, on an often-painful journey to become something which is widely used involves many more steps and a lot of resources and problem-solving on the way. History is littered with forgotten names which bear testament to the danger of confusing the two. Spengler invented the vacuum sweeper but Hoover brought it through to commercial reality. Howe developed the first sewing machine but Singer is the name associate with the product because he took it from invention to widespread acceptance (Trott, 2003).

The problem is not just a confusion of invention and innovation. Other limits to our mental models include the view that innovation is all about science and technology creating new opportunities what is sometimes called the ‘technology push’ model. It has elements of truth about it but on its own it is a weak basis for managing innovation plenty of great technological possibilities fail to find markets and never make it as innovations (Brucker, 2006). Similarly, the view that ‘necessity is the Mother of invention’ may sound persuasive but a totally marketing led approach to innovation may miss some important tricks. The emergence of the Walkman family of products within Sony took place despite strong marketing input to suggest there was no demand for this kind of product (Porter & Kramer, 2006).

Organizational innovations are difficult for numerous reasons. First, many innovations particularly technological innovations are unreliable and imperfectly designed. The newer the technology, the more likely it is to have bugs, breakdown, and be awkward to use. This “hassle factor” can render even the most enthusiastic technophile frustrated and annoyed. In their review of the literature on computerized-technology implementation, Dodgson et al (2008) reported that 61% of the qualitative studies they reviewed documented the negative consequences of low technology quality and availability on employee satisfaction and innovation use.

Many innovations require would-be users to acquire new technical knowledge and skills. For many people, this may be tedious or stressful. In an individual-level study of project engineers’ implementation of information-technology innovations, Barnes (1993) found that innovation complexity the extent to which the new technology was more complicated than the technology it replaced was significantly negatively related to user satisfaction and the speed required to become competent in using the innovation. The decision to adopt and implement an innovation is typically made by those higher in the hierarchy than the innovation’s targeted users. Targeted users, however, often have great comfort in the status quo and great skepticism regarding the merits of the innovation (Thornhill, 2006).

According to Houser et al (2006), many team and organizational innovations require individuals to change their roles, routines, and norms. Innovation implementation may require individuals who have previously worked quite independently to coordinate their activities and share information. It may also disrupt the status hierarchy, requiring individuals who have previously worked as boss and subordinates to now work as peers (Klein et al 2001). Effective innovation implementation often requires hefty investments of time and money in technology start-up, training, user support, monitoring, meetings, and evaluation. Thus, even the most beneficial innovation is likely to result in poorer team and/or organizational performance in the short run (Tidd et al, 1997).

Funding continues to be one of the key challenges to coming up to more innovative products and services. The fact that some researches aimed that unearthing innovation product often leads to fiasco, make some management members skeptical in voting funds for research endeavours aimed at coming out with innovative products (Sullivan 2009). Besides funding another challenge to innovation account, to Kwawukume (2016) lies in anti-competitive activities which often reduce the fortunes that should accrue to being innovation.

Anti-competition activities cripple innovative efforts especially where competitions come up with analogous products that sell at much cheaper prices. A case point, according to Kwawukume (2016) resulted in internet Ghana suing Vodafone for losses it incurred due to anti-competitive practices. It all happened when, often a collaborating effort to come out with Digital Subscriber Line (DSL) Vodafone launched an
offshoot product namely DSL Broadband 4u and that not only did they price their product to undercut internet Ghana in the DSL service but also offered it free to the public. Vodafone therefore started poaching client of internet Ghana and resorted to subterfuge in interrupting the services of internet Ghana to its clients and when complaints came, they offered them the option of Broadband 4U.

Numbers that internet Ghana submitted to Vodafone for connection to the DSL service, the statement said were deliberately delayed. In the suit Internet Ghana pointed out that as a result of the conduct of Vodafone, the company suffered seriously and made losses and suffered from anticipated clients that were poached by Vodafone. Sometimes the industry regulator’s directives allow stifle innovative efforts. According to Verloop (2004) in an attempt to protect some industry players, come out with directives that weaken efforts it funding research to come up with innovative products.

According to Deloitte (2012), the telecommunication industry is among the pillar industries to the economic wellbeing of many countries today. The Chinese telecommunication industry in 2011, for example, contributed about 16 percent of the total Chinese Gross Domestic Product (GDP) as compared to 9% contributed by the Ghana telecommunication industry for the same period (Chhibber, 2012). Research has established that the telecommunication industry is not only a major contributor to the economic growth of countries, but also it is a main growth pillar for other industries. In fact, many developing nations have experienced increased growth in their economies due to the impact of this sector. For example, the Chinese and Indian economies are among the main economies that have benefitted from the expansive growth of the telecom industry in the last decade (Berry, 2010).

Although a similar trend is emerging in the African continent, the telecommunication industry has not been able to achieve such economic transformation observed in Chinese and Indian economies. In the east African region, for instance, growth of the telecom industry has not been as rapid as anticipated. In addition, most of the telecom firms in this region are multinational industries which employ growth strategies of the origin countries. This, according to Dwivedi & Sharma (2011) has resulted to poor growth of most of these firms with some collapsing entirely the telecommunication industry is also highly volatile due to its high dependence on technology and the rapid growth rate it has been experiencing over the past few decades.

Klein et al (2011), further laments that, the number of people depending on telecom services has been increasing rapidly since the inception of mobile phones thus depicting the significance of the telecom sector in the economy. Despite this increase in demand, the telecommunication sector has not been able to match the growth rates achieved in the Chinese and Indian economies (Oke & Goffin, 2011). The telecommunication industry is evolving rapidly characterized by changing customer tastes and preferences, new technologies and new regulations. Many companies; however, have not undertaken to reshape their structures in ways that meet these new demands. As a result, the telecommunication firms fail to achieve their expansion plans leading to a low growth rate of the industry (Davila et al, 2006).

Recommendations

In the light of the challenges uncovered associated with Vodafone’s employment of innovative strategies to survive in the local competitive telecom industry of Ghana, the following recommendations are mandatory.

- **National communication authority legislating to protect product and service innovation:** The study noted that innovative efforts by Vodafone in respect of coming up with new products and services are often frustrated by competitors who usually copy and expand the scope of new products thereby pre-empting benefits accruing from such innovative activities. This means the company in most cases does not benefit from innovative activities. It is hereby recommended that the industry regulator i.e. the National Communication Authority influences a legislative instrument to be established aimed at protecting innovative products and services from being pirated by other competitors in the industry. This way, innovative products and services can be patented under such legislation to enable companies’ benefit from the fruits of investing so much in their research and development efforts.
• **Addressing the issue of frequent break in transmission:** The study also uncovered the fact that on a number of occasions subscribers of Vodafone experience internet disruption leading to loss of service and funds in most commercial entities. Other to this is the finding that internet connectivity is sometimes so slow that business and other social activities are hampered. This problem can be resolved if Vodafone continuously upgrades its telecommunication equipment in line with state-of-the-art machinery. Currently, the main leader in the industry i.e. MTN is operating on the fourth generation (4G) equipment while Vodafone continues to rely on third generation apparatus. An improvement in its equipment will definitely help in minimizing the challenges that often emanate from the frequent breakdown in network service.

• **Strengthening Quality Control Department to keep up with change customers’ taste:** It came out from the study that another challenge bedeviling innovative efforts at Vodafone lies with frequent change in customers’ taste as a result of activities of competitors. This often leads to the setting aside of products and services that are in the process of being commissioned thereby incurring serious loses. It is hereby recommended that since customers’ taste cannot be predicted, it is management’s duty to sufficiently strengthen its quality control departments with more skills developing activities as well as acquisition of more modern equipment’s. This way, adequate environmental scanning can be conducted to investigate competitors’ offerings in order to come up with products and services that will stand the test of time. Well-equipped quality control department also helps in establishing strong collaborative bonds with the research and development department so that together the company will benefit from the fruits of its innovative activities.

**References**


“The Impact of a Good Remuneration Package to Public Servants on the Enhancement of the Delivery of Public Services”

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Abstract

The government of any country such as Guyana has a fundamental right in providing public services and goods to its people. Salaries and benefits are paid to public servants all over the world to deliver effectively on the job thus bringing total satisfaction to the citizens of a country as it relates to the services or goods they received.

The title for this study was: “The impact of a good remuneration package to public servants on the enhancement of the delivery of public services.” There were six objectives in this research but the main objective was “To determine if a good remuneration package to public servants will lead to the enhancement in the delivery of services to the public.”

Great attention has been paid to remuneration package and its impact on the delivery of services within the public service of many countries, e.g. Guyana. Problems experiences were many, for example employees’ benefits were not sufficiently competitive to retain well experienced staff members. Therefore, in order to bring clarity to the problems, the researcher developed and answered five research questions. It will be beneficial to the researcher, government, public servants and other stake holders of Guyana.

The study was qualitative and quantitative in nature. The secondary data was collected from many sources and the researched countries public services were Guyana, Trinidad and Tobago and The General Caribbean, etc. The primary data were collected through interviews and questionnaires. Two hypotheses were developed for this research. The data analysis was both statistical and descriptive.

The major findings discovered were that in almost all public service under study, there were massive public sector reforms to tackle remuneration package enhancement, work performance and delivery of services. The determination of a remuneration package/ wage structure for the various categories of public servants is a problem, public service delivery is a problem in most countries as pointed out in Africa, in Latin America and the Caribbean and the employee performance tools used is ineffective and needs to be revised. Therefore, it is imperative for any government to look into this matter. The statistical results indicated that there were significant association between remuneration package and enhancement in the delivery of services. It also indicated that remuneration package to public servants has a positive impact on the enhancement of the delivery of Public Services.

Keywords: Public Service, Remuneration Package, Public Officer, Public Office, Public goods and services.

Introduction

The public service is a service or goods provided by any government to the people of its country. Salaries and benefits are paid to public servants all over the world to deliver effectively on the job thus bringing total satisfaction to the citizens of a country as it relates to the services or goods they received. The way the service and goods being delivered and the satisfaction it brings to the people of a country will portray the image of the public service. It therefore means the salaries and benefits are very important for the employer and employees in the government of any country such as Guyana and public servants. To the employer/government, once an attractive package is being paid, there will be job satisfaction, motivation, low absenteeism and low turnover of public servants in the public service. On the other hand,
it will benefit the public servants by increasing their self-confidence, increase purchasing power and peace of mind. With this in mind, the researcher title for this study is: “A qualitative study on the impact of a good remuneration package to public servants on the enhancement of the delivery of public services.”

Countries public services chosen for this document research were Guyana, Trinidad and Tobago, The General Caribbean, Gulf countries/Gulf Cooperation Council (GCC), Republic of South Africa, Kenya and Nigeria. They were researched to get a comprehensive knowledge on the impact of a good remuneration package to public servants on the enhancement of the delivery of public services. The public service in any country has almost the same structure. For example, in Guyana, the public service is composed of ministries with divisions and departments under their control, regional administrations, public corporations, financial entities, constitutional agencies, and military and police services. Most of the divisions and departments report to their respective ministers through their hierarchies, some ministries contain autonomous departments whose heads report directly to the Minister. The public service of Guyana consists mostly of public corporations, governed under the Public Corporations Act of 1988. They are either employed on the pensionable or non-pensionable establishment and are paid on a salary scale of G.S 1 to 14, with one being the lowers or entry level workers and 14 be the highest such as Permanent Secretaries. The employees were spread over one thousand and thirty-seven (1,037) different job titles and in five (5) categories namely, Administrative, Senior Technical, Other Technical and Craft Skilled, Clerical and Office Support and Semi-skilled Operatives and Unskilled. (Report on the Commission of Inquiry into the Public Service of Guyana, 2016).

Background

There has been great attention within the public service of many countries by the various ruling government as it relates to remuneration package and its impact on the delivery of services. One such country public service was Guyana where it was captured in the Guyana Public Sector Modernization Programme and of most recent the Commission of Inquiry (COI) into the Public Service of Guyana. In 2002, the government of the day undertook an initiative to modernize the entire public sector more specifically the public service in which a massive donor-funded consultancy was contracted to guide the entire process. It proposed a vision that shows that within ten years, the Guyana Public Service will be a customer driven institution, providing quality services for the economic stability and sustained development of Guyana through the twenty-first century. The Public Service will be small, comparatively well paid, efficient and effective, undertaking planning, supervisory and regulatory functions, facilitating and encouraging investment and the private sector, and operating within sustainable cost limits related to national economic performance.

The Government of Guyana has undertaken some major exercises to improve the remuneration structures in the public service. They revised first, the salary structure in 1993 and later approved a series of wage increases since 1994. This was done to correct the real wage declines in the public sector in the 1980s and early 1990s. Additionally, wage supplements were granted over base pay to critical positions. This wage reform was to achieve the medium-term goal of bringing public sector wages gradually to within 10 percent of the median for comparable jobs in the private sector. (World Bank Report, 1995) Many public offices in the public service tried to compensate for the low salaries through granting ad hoc benefits and allowances to supplement salary with the intention that public servants will be adequately paid so that they will perform better on the job to deliver excellent services to the public. For example, some of the benefits given in the public service are travelling allowance, duty allowance, entertainment allowance, responsibility allowance, acting allowance, sick leave with full or half pay, vacation/annual leave Allowance, overtime allowance, time off with pay or without pay, pension upon retirement, entitlement of 28 days sick leave concession and many others. Some positions even attract duty free concession.

Therefore, the relationship between remuneration package and the enhancement of services cannot be overlooked and overemphasized. According to the Trinidad and Tobago Civil Service Act Chapter 23:01
which stated that the term remuneration means pay and allowances. (Trinidad and Tobago Civil Service Act Chapter 23:01)

**Problem**

Public Servants such as in Guyana are either employed on the pensionable establishment or on contract and are paid on salary scales. In Guyana, the salary scale ranges from G.S 1 to 14, with one being the lowers or entry level workers and 14 is the highest such as Permanent Secretaries. Both pensionable and non-pensionable employees benefit from acting allowances when performing higher duty, they can also be paid a responsibility allowance for performing additional duties other than their own.

The problems experienced in many countries public services are many. Public servants were being paid to deliver goods and services to the general public in an effective and efficient manner so that the public will be satisfied with the services they received but it clearly appears that employees’ benefits in public service such as Guyana were not sufficiently competitive to retain well experienced staff members and even in the delivery of services. The public sectors in many countries have experienced dramatic expansion in both its functions and its size. The quality of the service being delivered to the public has deteriorated and the principal cause is the low remuneration package given to public servants. Over the past few years, public services across the world has seen a lot of brain drain where many of its skilled and technical workers such as teachers, nurses, engineers, and many others categories of workers are migrating to greener pastures in the Caribbean, North America and Europe. Public servants were seen picketing in front of their ministries and Unions, fighting for better wages and salaries which do not portray a good image of the public service. Unions in some countries such as the Guyana were in constant fight with their Government for better wages and salaries for public servants on a yearly basis but have achieved little results in this battle. In some countries, the government of the day will usually be imposed salary increases for public servants before the unions complete their negotiation. There were no effective policies that were in place to motivate public servants to deliver on the job such as the performance appraisal and workers increments. Performance Appraisals has become an absolute and outdated performance measurement instrument to test workers performance on the job and not many Personnel Practitioners were trained to use their current performance appraisal system. No formal needs analysis was done in some public service to determine why workers were not performing to the best of their ability and why the public was not satisfied with the services they were receiving. On many occasions one would hear the general public complaining about the length of time and paper work to be completed for services required and the manner in which they were treated by public servants were questionable. The use of technology and customer service training were lacking at every level in the delivery of services in some of the research countries. In this modern era of technology and the internet, one will be asked, if technology was ever given a thought in the service delivery.

As a result of the problems highlighted above, the researcher was prompted to carry out this qualitative study on the impact of a good remuneration package to public servants on the enhancement of the delivery of public services by carrying out a qualitative document research on countries such as Guyana, Trinidad and Tobago, The General Caribbean, Gulf countries/Gulf Cooperation Council (GCC), Republic of South Africa, Kenya and Nigeria.

In order to bring clarity to the subject under discussion, the following research questions were developed and answered:

1. What can be considered a good remuneration package for public servants?
2. What policies are in place to motivate public servants to deliver effective services?
3. What systems are in place to monitor public servants in order to deliver effectively on the job?
4. Who determines a good remuneration package for public servants?
5. What indicators are used to determine public satisfaction with service received?
Purpose/Significance

The government of any country such as in Guyana has a fundamental right in providing public services and goods to its people. However, the delivery of this service and goods will portray the image of the public service. Therefore, remuneration is being paid to public servant to deliver effectively and efficiently on the job.

The objectives of this study were “to determine if a good remuneration package to public servants will lead to the enhancement in the delivery of services to the public”, “to develop policy/policies to determine a better remuneration package and indicators to determine public satisfaction”, “to enhance policy/policies to motivate and monitor public servants in the delivery of services” to identify ways to enhance the public service image and the delivery of services to the public”, “to measure the correlation between the remuneration package and delivery of services to the public” and “to examine the level of awareness and involvement of public servants in the determination of their remuneration package, policies and systems to monitor and motivate them to deliver effective services and indicators to determine public satisfaction.”

The study was very significant to both public servants and the general public who received the services in any country. It was significant to public servants to determine whether they were satisfied with the package they received while to the public, whether they were satisfied with the services they were receiving and the way they were being treated, which will ultimately result in customer satisfaction. This study was important because had determine if a public servant received a good remuneration package or it needs improving, will it enhance the delivery of public services to the people or it will not lead to any enhancement. This study had benefit and will make significant contributions to the researcher, public servants, government, unions, policy makers, the general public and all the other relevant stakeholders since valuable information was gathered about the relationship between a good remuneration package, work performance and the delivery of public services to the public. The information gathered can be used to make very important decisions and policies as it relates to determine what is a good remuneration package for public servants, develop policy/policies to motivate and monitor public servants in the delivery of services, develop measurable indicators to determine public satisfaction, the role of remuneration package in enhancement of the delivery of services to the public and ways to enhance the image of the public service especially with the delivery of its services to the public.

Methods

Description of the site

The public services of many countries were researched such as that of Guyana, Trinidad & Tobago and the General Caribbean, the public service of any country has almost the same structure. For example, in Guyana, the public service is composed of ministries with divisions and departments under their control, regional administrations, public corporations, financial entities, constitutional agencies, and military and police services. Most of the divisions and departments report to their respective ministers through their hierarchies, some ministries contain autonomous departments whose heads report directly to the Minister. Public Servants such as in Guyana are either employed on the pensionable establishment or on contract and are paid on a salary scale. Since Guyana Public Service is large, two main ministries (Ministry of Public Health and Ministry of Communities) were selected because of the important services they provided to the people of Guyana such as health, water, housing, etc. There are over five thousand employees in these two ministries.

Description of the study carried out

This study was carried out by reviewing other studies, publications, books, websites, journals and articles carried out in the area of the remuneration package Public Servants and its impact on the enhancement in the delivery of services to the public in countries such as Guyana, Trinidad & Tobago, The General Caribbean, Gulf countries/Gulf Cooperation Council (GCC), Republic of South Africa,
Kenya and Nigeria. The review of the literatures in this context reveals that a number of researchers have emphasized the importance of remuneration package and its enhancement in the delivery of services to the public. The research has been carried out keeping in mind the objectives and research questions in this study. On the other hand, the interviews were carries out with two Deputy Permanent Secretaries for these two Ministries and two union representatives from the Guyana Public Service Union, and questionnaires were distributed, collected and analyzed from four hundred public servants from the two main ministries selected.

Description of the method used

The method used was of qualitative and quantitative in nature. Primary and secondary data were gathered to answer the research questions and to test the two hypotheses for acceptance or rejection. The secondary data were collected through the use of literature reviews from agency that are responsible for the preparation of remuneration package, websites, articles, journals and past research that were of similar nature in different countries. The countries public services that were chosen for this document research were Guyana, Trinidad and Tobago, The General Caribbean, Gulf countries/Gulf Cooperation Council (GCC), Republic of South Africa, Kenya and Nigeria. The targeted population was public servants of these countries. The four hundred questionnaires were analyzed using both descriptive and statistical analysis. The data was entered into SPSS where techniques such as description of the mean, mode, median, standard deviation, chi square test, correlation analysis, T-Test and MANOVA were used.

Results

Remuneration package in public service and its relation to service delivery in different countries public services

Guyana

According to Draper, 2001, he pointed out in his research that during the period of public sector expansion in Guyana which resulted in unwieldy and dysfunctional structures. This expansion has brought about a deterioration of the quality of public services. In 1999 the then government set up an Arbitration Tribunal. The Tribunal’s Judgment report stressed the importance of having a future pay policy to avoid further confrontational negotiations and stressed the need to start the reform process at once. He also pointed out the need for the involvement of the union into the reform process and to start implement team building in Ministries and departments. The government then designed a Public Service Reform project and one of its key components is, “Improving service delivery and efficiency through an overview of the public service function and institutional capacity assessments. (Draper, 2001).

The public service of Guyana has a very important mandate to its citizen which includes providing services such as education, housing, law, and infrastructure. This is a major responsibility with which the Public Service and its personnel are expected to deliver with efficiency and dispatch. (Report on the Commission of Inquiry into the Public Service of Guyana, 2016).

In the year 2016, saw the government of Guyana invested heavily into the Commission of Inquiry (COI) into the Public Service and in keeping with one of the terms of reference, which speaks about the principles on which wages and salaries of public service should be fixed and more specifically the basis on which the levels of remuneration for various levels of Public Servants is determined. This reviewed the compensation system of public service and in addition, the determination of wages and salaries, current salary structure, at various levels of public servants, job grading, staff performance evaluation and pay for performance for incremental movement within the salary scale. This report clearly highlighted the following:

1. There is a fourteen (14) grade salary scale that is used today to pay public servants in the different positions by the ministries/agencies/regional administration.
2. The Establishment Division of the Ministry of Finance determines the pay ranges and incremental levels for public servants. The COI also pointed out that 13% of the 2016 budget which was $230 billion dollars accounts for the employment cost.

3. The GPSU is the only union representing workers in the public service. It clearly stated that, “Over the last two decades, the Government of Guyana has violated its contractual and legal obligations to bargain in good faith with the Union and has instead unilaterally imposed across-the-board salary increases of 5-8 percent (%), provided for in the annual National Budgets, without regard to individual job performance.” (Report on the Commission of Inquiry into the Public Service of Guyana, 2016).

4. Persons who were hired on the pensionable establishment, at the end of their service received a gratuity and a pension once they meet certain eligibility criteria and those of contract received a gratuity allowance of 22.5% of their basic salary payable every six (6) months which is subject to a successful performance review. They do not receive a pension.

5. Along with a basic pay, some categories of public servant received allowances that directly or indirectly linked to job performance. Such allowances are meals, uniform, telephone, station allowance, traveling, passage assistance, vacation allowance, entertainment, duty and responsibility. It clearly highlighted that apart from the regular salary increase, allowances have not been increased for over twenty-five (25) years to reflect current market value.

6. It is of the view that wages and salaries are well below acceptable levels and with the growing number of contracted employees receiving a higher pay than the other has negatively affected work performance and employee morale.

7. It clearly stated that, “the Public Service faces ever-increasing pressure to adjust to changing global, political, economic, social and technological trends. It is, therefore, important that any restructuring and reform initiative undertaken be treated as a matter of priority and urgency to ensure that it deliver services with high levels of efficiency and effectiveness that must meet the expectations of the general public, the national strategic objectives and international obligations.” (Report on the Commission of Inquiry into the Public Service of Guyana, 2016).

The COI made two (2) recommendations based on the above findings, namely:

1. That an Organizational Restructuring be undertaken in two Phases. In the First Phase, emphasis should be placed on rationalizing the status of pensionable and contract employees and the 'de.bunching' of employees in the Salary Structure and in the second Phase continue the restructuring process by way of a thoroughly conducted job evaluation study.

2. That Compensation Management be accepted as a key Human Resource Management function overseeing the full range of Compensation Management practices such as grading of jobs, and computation of salary structures.

3. Other recommendations made were as followed:

4. That the Department of the Public Service should be solely responsible for Wages and Salaries Administration in the Public Service. Therefore, the responsibilities undertaken by the Establishment Division of the Ministry of Finance relating to fixing salaries should be assigned to Public Service Management.

5. Collective bargaining negotiations and industrial relation between GPSU and negotiation responsible Ministry on behalf of the Government should be in good faith and in keeping with international standards (CARICOM AND International Labor Organization).

6. Retain the fourteen-grade salary scale but maintained a more rational and attractive value on the minimum, midpoint and maximum point of payment so as to avoid overlapping.

7. A salary review committee should recommend to the National Assembly the salaries of the President, Prime Minister, Members of Parliament, Permanent Secretaries and other high-ranking officers. (Report on the Commission of Inquiry into the Public Service of Guyana, 2016).
In the year 2017, the government of Guyana in its 2017 Budget has made and implemented some changes as it relates to salaries for public servants. This was done with the view to lead the pathways to a Goodlife. According to a brochure disturbed by the Ministry of Finance in the year 2017 title “At a Glance Budget 2017” in highlighted that seven thousand, six hundred public servants will benefit from tax free salaries, there was an increase in the income tax threshold, persons earning a particular salary will have one third of their income tax free, and personal income tax decrease for persons earning a particular salary per annum. (Ministry of Finance, 2017).

Trinidad and Tobago

In Trinidad and Tobago, their public service is made up of a diverse workforce where the central agency that is the personnel department is responsible for determining and /or advising on pay and other terms and conditions for a wide spectrum of public sector employees. The current initiative in the public sector reform in this country saw that importance in the, “enhancement of the quality and delivery of Public Services” This is the overall strategic objective of the reform effort. Under this reform they introduce the Opinion Leaders Panel Survey as a feedback system for performance-based management in the public service. Feedback will be taken from a representative sample of the population on government service delivery as it related to efficiency, effectiveness, equity, relevance and the information gathered will be used by policy makers to either modify their current service delivery approach or revise strategic objectives as required. In Trinidad and Tobago, a Monitoring and Evaluation Policy within the Public Service was being developed to foster a culture of managing for results. This policy was formed with the participation and collaboration of key stakeholders. (Riley and Nunes, 2004).

Chapter V of Trinidad and Tobago (T &T) Civil Service Act Chap. 23:01 makes provisions for the payment of remuneration and increments to public servants. It stipulated how and when these officers should be paid. The Act also makes provision for the personnel department to keep review the remuneration payable to civil servants and provide and establish procedures for consultation and negotiation for remuneration between its department and appropriate recognized association(s). The Act also makes provision for the Minister of Finance from time to time to make recommendations on remuneration. On the other had the Constitution of T & T makes provision for a Salary Review Commission which is mandated from time to time review the salaries and other terms and conditions of service of the offices falling within its purview. This has to be done with the approval of the President. The offices that fall under its preview are being paid different benefits. Salary scales at the lower levels employment in T&T civil are comparable to the private sector but are competitive with the private sector for the middle and senior management level.

Wage negotiation which includes wage increases, travelling and other allowances and leave entitlements for monthly paid officers in the public service is between the representative associations who bargain collectively with the Chief Personnel Officer (Known as the employer of State employees under the IRA). The agreement of the negotiation is entering into a Memorandum of Agreement and when it affects existing legislation; it is amended accordingly to give effect to the agreed position. On the other hand, for the daily paid officers, the terms and conditions of employment are through a collective agreement (collective bargaining) entered into by their recognized majority union and the Chief Personnel Officer after collective bargaining.

There is a national Information and Communication Technology (ICT) strategy, dubbed “fastforward” and identified inter alia e- Government, as a key driver for the delivery of efficient and effective citizen-centered services. This give birth to the GovNeTT Communications Backbone and it provides a number of benefits such as improved citizen experience when interacting with Government agencies and Ministries and increased efficiency of government operations, etc.

In order to determine performance management in the public service of T&T, two process was carried out namely, process of developing and reviewing annual work programmes within individual Ministries and Departments and reporting on these to the Parliament; and the process whereby Ministries and
Departments account to the relevant central agency (currently the Ministry of Planning and Development) for expenditure planned and incurred under the Public Sector Investment (or Development) Programme. There is an initiative to develop a unified system for the identification of excellent performance or otherwise on the part of Ministries and Departments. On the other hand, employee performance in T&T has received the most attention. The Office of the Prime Minister, in January 1995 published a manual to assist Reporting Officers to manage performance in the Public Service It introduced a New Performance Management System which would effectively replace the old system of staff reporting. In T&T performance management initiatives existence was since the early 1960. The implementation of an integrated performance management system is of utmost importance in public service transformation agenda and is moving for its implementation. (Riley and Nunes, 2004).

Barbados

One important element in the civil service reform programme in Barbados was the creating of a customer focused government where the public sector becomes more sensitive and responsive to the needs of citizens.

The general caribbean

It is viewed that the current performance evaluation systems and tools in the Caribbean are not effective since it tends to give employees ratings on the higher end of the scale. It uses does not reflect real differences in performance and its usefulness in decision making for human resource. There is no merit pay system in place.

One study finding carried out in 2013 revealed that in Jamaica and Trinidad (Davis-Cooper, 2013)

1. That the traditional compensation forms emphasized that base pay might not have been sufficient motivators of top management’s performance.
2. The compensation policies and practices remained mostly unchanged since independence for the larger public service.
3. It stated that employee performance management tools assist management in identifying and measuring the gaps in employee performance.
4. Adequate pay and rewards play a motivating role in employee performance as well as employee retention.
5. When a consensus cannot be made between the employees and employer on salaries and conditions of service, employees’ representative associations often engage in negotiations with employers on behalf of workers. Several conditions are taken into account during the negotiation such as the state of the national economy, the company’s financial standing, the compensation of comparative positions in the wider labour market and the cost of living.

The study concluded that, “in order to attract and retain employees with the necessary expertise to accomplish the strategic organizational outcomes, governments in the English-speaking Caribbean needed to provide adequate salaries, allowances and perquisites” (Davis-Cooper, 2013).

Questionnaires results

The age range of the four hundred public servants who were targeted for this study varied from 16 years to 51 years and above. Details of this can be seen in figure 1 below.

![Figure 1. Frequency and percentage of public servant’s age](image-url)

<table>
<thead>
<tr>
<th>AGE</th>
<th>FREQUENCY OF RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NUMBER</td>
</tr>
<tr>
<td>16 to 25 YEARS</td>
<td>155</td>
</tr>
<tr>
<td>26 to 30 YEARS</td>
<td>78</td>
</tr>
<tr>
<td>31 to 40 YEARS</td>
<td>88</td>
</tr>
</tbody>
</table>
AGE | FREQUENCY OF RESPONSES
---|---
41 to 50 YEARS | 48 | 12
51 YEARS AND ABOVE | 31 | 8
TOTAL | 400 | 100

The figure above shows that 39% of the populations were between the age of 16 to 25 years old, 19% were between the age of 26 to 30 years old, another 22% were between the age of 31 to 40 years old, 12% were between the age of 41 to 50 years old while only 8% were between the age of 51 years and above. This clearly shows that the public service of Guyana had a young population since most the sample population fell below 40 years old.

With reference to the gender of the Public Servants targeted for this study, the pie chart below shows that 71% were female while the remaining 29% were male. Further details of this can be seen in the pie chart below.

![Gender Distribution](image)

**Figure 2.** Showing the gender distribution of public servant’s

Out of the targeted population, 18% were paid at the salay scale of GS 1, 31% paid at GS 2, 14% paid at GS 3, 1% paid at GS 4, 6% paid at GS 5 and 6, 4% paid at GS 7 and 8 while 8% paid at GS 9 and 10. The data collected revealed that 34% of the public servants had a secondary education, 10% had a college education, 41% had a university education, 10% had a technical education and 5% had another type of education but these were not mentioned. Further details of this can be seen on the figure below.

**Figure 3.** Means, mode, median and standard deviations for statements related to public servants’ perceptions on what can be considered a good remuneration package for public servants

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q5</th>
<th>Q6</th>
<th>Q7</th>
<th>Q8</th>
<th>Q9</th>
<th>Q10</th>
<th>Q11</th>
<th>Q12</th>
<th>Q13</th>
<th>Q14</th>
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<td>N</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
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<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Mean</td>
<td>3.34</td>
<td>3.64</td>
<td>2.70</td>
<td>2.29</td>
<td>2.34</td>
<td>2.57</td>
<td>2.03</td>
<td>2.14</td>
<td>3.41</td>
<td>2.61</td>
<td>4.45</td>
<td>4.14</td>
<td>4.28</td>
<td>2.60</td>
</tr>
<tr>
<td>Median</td>
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<td>4.00</td>
<td>2.00</td>
<td>2.00</td>
<td>2.00</td>
<td>2.00</td>
<td>2.00</td>
<td>2.00</td>
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<td>2.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Mode</td>
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<td>4.00</td>
<td>1.00</td>
<td>2.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>4.00</td>
<td>2.00</td>
<td>5.00</td>
<td>5.00</td>
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<tr>
<td>Std. Deviation</td>
<td>1.26</td>
<td>1.20</td>
<td>1.39</td>
<td>1.17</td>
<td>1.39</td>
<td>1.35</td>
<td>1.15</td>
<td>1.21</td>
<td>1.26</td>
<td>1.22</td>
<td>.93</td>
<td>1.12</td>
<td>1.16</td>
<td>1.46</td>
</tr>
</tbody>
</table>
Figure 3 reported the means, median, mode and standard deviations for public servants’ perceptions on the statements related to what can be considered a good remuneration package for public servants. The means in this research question ranged from 4.45 to 2.03, which meant that public servants had different perceptions on what can be considered a good remuneration package for public servants. The standard deviations ranged from 0.93 to 1.46 which meant that the public servant’s perceptions were very much dispersed. Item Q eleven (11), which based on, “I think that I should be paid a higher salary”, had the highest mean of 4.45, which meant that all public servants strongly agreed with this statement. This point also came out of the interviews with the Deputy Permanent Secretaries for both ministries and the two Union Representatives from the GPSU. They all mentioned that public servants should be paid a higher salary than what they were currently receiving so as to have a decent livelihood in this every changing world. On the other hand, item Q seven (7), which based on, “I am satisfied with my salary”, had the lowest mean of 2.03, which meant that most of the public servants did not agreed with this statement. This point was also proven true when the two Permanent Secretaries and the two union representatives were asked, “if they think public servants were satisfied with their salary” in an interview conducted with them. Q 1 and 9 had the same standard deviation of 1.26 likewise with Q 3 and 5 with a standard deviation of 1.39. Q 11, 12 and 13 had the same median/middle value of 5, Q3, 4, 5, 6, 7, 8, 9, 10 and 14 had same middle value of 2 while Q1,2 and 9 had the middle value of 4. This clearly indicated that in research question 1, the most repeated middle value was 2 which represented disagreed. As it related to mode or the most repeated answered, Q1, 2 and 9 had the most repeated answered of 4 (agreed), Q3, 5, 6, 7, 11, 12 and 13 had 1(strongly disagreed) as the most repeated answered, Q 4 and 10 had 2 (disagreed) as their answered whereas Q 11, 12 and 13 had 5 (strongly agreed). This clearly indicated that for research question 1 the most repeated answered was strongly disagreed.

The data obtained from this research question was further subjected to a Chi Square test of Association to determine whether there is a relationship among the variables to consider a good remuneration package for public servants. The findings from the Chi Square test can be seen in the table below.

**Figure 4. Chi square testing for research question one “what can be considered a good remuneration package for public servants”**

<table>
<thead>
<tr>
<th>Res. Ques.</th>
<th>Sample size</th>
<th>Obs. Value(o)</th>
<th>Exp. Value (e)</th>
<th>df</th>
<th>Level of Sig.</th>
<th>Calculated Chi Square Value ($\chi^2$)</th>
<th>Critical Value at 0.05</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>400</td>
<td>5600</td>
<td>5600</td>
<td>52</td>
<td>0.05</td>
<td>2438</td>
<td>69.832</td>
<td>2438&gt;69.832 = Association among the fourteen variables</td>
</tr>
</tbody>
</table>

From the table above, the data revealed that the Calculated Chi Square value was greater than the critical value (2438>69.832); hence, it can be concluded that there are some relationship/association among the variables in research question one. This clearly shows that the remuneration package currently offered to public servants was not a good package. This finding is also keeping with what was discovered in the interview with the two deputy Permanent Secretaries and two union representatives.
**Figure 5.** Means, Mode, Median and Standard Deviations for statements related to public servants’ perceptions on what policies are in place to motivate public servants to deliver effective services

<table>
<thead>
<tr>
<th></th>
<th>Q15</th>
<th>Q16</th>
<th>Q17</th>
<th>Q18</th>
<th>Q19</th>
<th>Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td>N Valid</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Mean</td>
<td>2.89</td>
<td>2.43</td>
<td>3.97</td>
<td>2.29</td>
<td>3.75</td>
<td>2.80</td>
</tr>
<tr>
<td>Median</td>
<td>3.00</td>
<td>2.00</td>
<td>4.00</td>
<td>2.00</td>
<td>4.00</td>
<td>3.00</td>
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<td>Mode</td>
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<td>5.00</td>
<td>1.00</td>
<td>4.00</td>
<td>3.00</td>
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<tr>
<td>Std. Deviation</td>
<td>1.25</td>
<td>1.18</td>
<td>1.08</td>
<td>1.12</td>
<td>1.03</td>
<td>1.17</td>
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<tr>
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<td>Maximum</td>
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<td>5.00</td>
<td>5.00</td>
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</tr>
<tr>
<td>Sum</td>
<td>1158</td>
<td>975</td>
<td>1591</td>
<td>918</td>
<td>1501</td>
<td>1121</td>
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</table>

Figure 5 reported the means, median, mode and standard deviations for public servants’ perceptions on the statements related to public servants’ perceptions on what policies were in place to motivate public servants to deliver effective services. The standard deviations ranged from 1.03 to 1.25 which meant that the public servant’s perceptions were very much dispersed. Item Q seventeen (17), which based on, “the ministry’s current motivational policies need improvement relating to worker performance on the job”, had the highest mean of 3.97, which meant that all public servants were in agreement with this statement. This point also came out of the interviews with the Deputy Permanent Secretaries for both ministries and the two Union Representatives from the GPSU. They all mentioned that there are no effective policies except for the public service rules. There should be policies to encourage public servants to work for example awards or tokens for years of services, acknowledge/recognition of employees by giving some monetary or non-monetary rewards for outstanding performance and include the use of technology so as to free up the use of paper in the Public Service. One Deputy Permanent Secretary mentioned that the Public Service Rules needs to be updated to keep up current times. On the other hand, item Q eighteen (18), which based on, “I was involved in developing the motivational policies relating to worker performance on the job”, had the lowest mean of 2.29, which meant that most of the public servants did not agreed with this statement. This point was also proven true when the two Permanent Secretaries and the two union representatives were asked, “if they think public servants should be involved in developing motivational policies” in an interview conducted with them. They indicated that with the Public Servants involvement, their support of the implementation of these policies will be guaranteed, they would also be aware of the “what is” and work towards making it better. Almost all the questions in this cluster had a high standard deviation of 1.0 and above which indicated that participants’ perceptions were very dispersed. Statement 16 and 18 had the same mode of 1.0 which indicated that most of the participants choose strongly disagreed when answering these questions.

The data obtained from this research question was further subjected to a Chi Square test of Association to determine whether there is a relationship among the variables for systems in place to monitor public servants in order to deliver effectively on the job. The findings from the Chi Square test can be seen in the table below.

**Figure 6.** Chi square testing for research question two “what systems are in place to monitor public servants in order to deliver effectively on the job”.

<table>
<thead>
<tr>
<th>Res. Ques.</th>
<th>Sample size</th>
<th>Obs. Value(o)</th>
<th>Exp. Value (e)</th>
<th>df</th>
<th>Level of Sig.</th>
<th>Calculated Chi Square Value ($\chi^2$)</th>
<th>Critical Value at 0.05</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>400</td>
<td>2400</td>
<td>2400</td>
<td>20</td>
<td>0.05</td>
<td>626.55</td>
<td>31.410</td>
<td>627&gt;31.410 = Association</td>
</tr>
</tbody>
</table>
From the table above, the data revealed that the Calculated Chi Square value was greater than the critical value (627>31.410); hence, it can be concluded that there are some relationship/association among the variables in research question two. This clearly shows that there were no effective policies in place to motivate public servants to deliver effective services. This finding is also keeping with what was discovered in the interview with the two deputy Permanent Secretaries and two union representatives.

Figure 7. Means, Mode, Median and Standard Deviations for statements related to public servants’ perceptions on what systems were in place to monitor public servants in order to deliver effectively on the job

<table>
<thead>
<tr>
<th></th>
<th>Q21</th>
<th>Q22</th>
<th>Q23</th>
<th>Q24</th>
<th>Q25</th>
<th>Q26</th>
<th>Q27</th>
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<td>400</td>
<td>400</td>
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<td>400</td>
</tr>
<tr>
<td>Mean</td>
<td>2.93</td>
<td>2.73</td>
<td>3.99</td>
<td>2.29</td>
<td>3.53</td>
<td>3.97</td>
<td>3.51</td>
<td>2.82</td>
<td>2.94</td>
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<td>Mode</td>
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<tr>
<td>Std. Deviation</td>
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<td>1.08</td>
<td>1.07</td>
<td>1.05</td>
<td>1.17</td>
<td>1.30</td>
<td>1.26</td>
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</tbody>
</table>

Figure 7 reported the means, median, mode and standard deviations for public servants’ perceptions on the statements related to what systems were in place to monitor public servants in order to deliver effectively on the job. The means for this research question ranged from 3.99 to 2.73, which meant that public servants had various perceptions on what systems were in place to monitor public servants in order to deliver effectively on the job. The standard deviations ranged from 0.98 to 1.26 which meant that the public servant’s perceptions were very much dispersed. Statement 21 which was based on, “my Ministry has systems in place to monitor public servants in order to deliver effectively on the job” had a mean of 2.93, and a high standard deviation of 1.22 which meant that not all of the public servants were in agreement with this statement and their responses were scattered. This result was also justified by the Deputy Permanent Secretaries and two Union Representatives who indicated that there are systems in place but they are not effective. Some of the monitoring systems mentioned were performance appraisal, monthly, statutory and annual reports to the head of the Ministry, probationary period, regulation and law such as Public Service and Public Service Commission Rules, Financial Acts, the Public Service Code of Conduct and constant meetings.

The data obtained from this research question was further subjected to a Chi Square test of Association to determine whether there was a relationship among the variables to consider a good remuneration package for public servants. The findings from the Chi Square test can be seen in the table below.

Figure 8. Chi Square testing for Research Question one “what can be considered a good remuneration package for public servants”

<table>
<thead>
<tr>
<th>Res. Ques.</th>
<th>Sample size</th>
<th>Obs. Value(o)</th>
<th>Exp. Value (e)</th>
<th>df</th>
<th>Level of Sig.</th>
<th>Calculated Chi Square Value ($\chi^2$)</th>
<th>Critical Value at 0.05</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>400</td>
<td>4000</td>
<td>4000</td>
<td>40</td>
<td>0.05</td>
<td>1244</td>
<td>55.758</td>
<td>1244&gt;55.758 = Association among the ten variables</td>
</tr>
</tbody>
</table>
From the table above, the data revealed that the Calculated Chi Square value was greater than the critical value (1244>55.758); hence, it can be concluded that there are some relationship/association among the variables in research question three. This clearly shows that there were no effective systems in place to monitor public servants to deliver effectively on the job. This finding is also keeping with what was discovered in the interview with the two deputy Permanent Secretaries and two union representatives.

**Figure 9.** Means, Mode, Median and Standard Deviations for statements related to public servants’ perceptions on who determines a good remuneration package for public servants.

<table>
<thead>
<tr>
<th>Q</th>
<th>N Valid</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Sum</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>400</td>
<td>3.11</td>
<td>3.73</td>
<td>3.92</td>
<td>2.71</td>
<td>1.00</td>
<td>5.00</td>
<td>1245</td>
</tr>
<tr>
<td>32</td>
<td>400</td>
<td>4.00</td>
<td>4.00</td>
<td>4.00</td>
<td>3.00</td>
<td>1.00</td>
<td>5.00</td>
<td>1493</td>
</tr>
<tr>
<td>33</td>
<td>400</td>
<td>1.13</td>
<td>1.17</td>
<td>1.10</td>
<td>1.30</td>
<td>1.00</td>
<td>5.00</td>
<td>864</td>
</tr>
<tr>
<td>34</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1569</td>
</tr>
<tr>
<td>35</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1086</td>
</tr>
<tr>
<td>36</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1080</td>
</tr>
<tr>
<td>37</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1004</td>
</tr>
<tr>
<td>38</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1114</td>
</tr>
<tr>
<td>39</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1347</td>
</tr>
<tr>
<td>40</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1019</td>
</tr>
<tr>
<td>41</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1456</td>
</tr>
<tr>
<td>42</td>
<td>400</td>
<td>1.10</td>
<td>1.30</td>
<td>1.22</td>
<td>1.06</td>
<td>1.00</td>
<td>5.00</td>
<td>1320</td>
</tr>
</tbody>
</table>

Figure 9 reported the means, median, mode and standard deviations for public servants’ perceptions on the statements related to who determine a good remuneration package for public servants. The means in this research question ranged from 3.92 to 2.16, which meant that public servants had different perceptions on who determine a good remuneration package for public servants. The standard deviations ranged from 1.06 to 1.30 which meant that the public servant’s perceptions were very much dispersed. Item Q thirty-four (34), which based on, “I feel that I should be involved in determining my remuneration package (salary and other types of benefits)”, had the highest mean of 3.92, which meant that most of the public servants agreed with this statement. This point also came out of the interviews with the Deputy Permanent Secretaries for both ministries and the two Union Representatives from the GPSU. They all mentioned that public servants, the union and other relevant stakeholders should be involved in this process. On the other hand, item Q thirty-three (33), which based on, “I was involved in determining my remuneration package (salary and types of benefits)”, had the lowest mean of 2.16, which meant that most of the public servants did not agree with this statement. Only the two union representatives indicated they were involved in determining the remuneration package. Question Q 37 which was based on, “my union negotiates my salary only”, had the lowest standard deviation which meant that the scores for public servants on this question were clustered. Question 36 had the highest standard deviation, which meant that the scores for this question were much dispersed.

The data obtained from this research question was further subjected to a Chi Square test of Association to determine whether there is a relationship among the variables for who determines a good Remuneration package for public servants. The findings from the Chi Square test can be seen in the table below.

**Figure 10.** Chi Square testing for Research Question four “who determines a good Remuneration package for public servants”

<table>
<thead>
<tr>
<th>Res. Ques.</th>
<th>Sample size</th>
<th>Obs. Value(o)</th>
<th>Exp. Value (e)</th>
<th>df</th>
<th>Level of Sig.</th>
<th>Calculated Chi Square Value (χ2)</th>
<th>Critical Value at 0.05</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>400</td>
<td>4800</td>
<td>4799.88</td>
<td>44</td>
<td>0.05</td>
<td>1469</td>
<td>58.124</td>
<td>2438&gt;58.124= Association among the twelve</td>
</tr>
</tbody>
</table>

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From the table above, the data revealed that the Calculated Chi Square value was greater than the critical value (1469 > 58.124); hence, it can be concluded that there are some relationship/association among the variables in research question four. This clearly shows that most of the public servants were not aware of who determines a good Remuneration package for public servants. This finding is also keeping with what was discovered in the interview with the two deputy Permanent Secretaries and two union representatives.

**Figure 11.** Means, Mode, Median and Standard Deviations for statements related to public servants’ perceptions on what indicators are used to determine public satisfaction with service received

<table>
<thead>
<tr>
<th></th>
<th>Q43</th>
<th>Q44</th>
<th>Q45</th>
<th>Q46</th>
<th>Q47</th>
<th>Q48</th>
<th>Q49</th>
<th>Q50</th>
<th>Q51</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Mean</td>
<td>2.80</td>
<td>2.70</td>
<td>3.73</td>
<td>2.37</td>
<td>3.52</td>
<td>3.08</td>
<td>3.07</td>
<td>2.83</td>
<td>4.34</td>
</tr>
<tr>
<td>Median</td>
<td>3.00</td>
<td>3.00</td>
<td>4.00</td>
<td>2.00</td>
<td>4.00</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>Mode</td>
<td>3.00</td>
<td>3.00</td>
<td>4.00</td>
<td>3.00</td>
<td>3.00</td>
<td>4.00</td>
<td>3.00</td>
<td>2.00</td>
<td>5.00</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>1.11</td>
<td>1.08</td>
<td>1.01</td>
<td>1.08</td>
<td>1.05</td>
<td>1.31</td>
<td>1.25</td>
<td>1.38</td>
<td>0.86</td>
</tr>
<tr>
<td>Minimum</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Maximum</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td>Sum</td>
<td>1123</td>
<td>1080</td>
<td>1493</td>
<td>949</td>
<td>1408</td>
<td>1235</td>
<td>1135</td>
<td>1739</td>
<td></td>
</tr>
</tbody>
</table>

Figure 11 reported the means, median, mode and standard deviations for public servants’ perceptions on the statements related to what indicators were used to determine public satisfaction with service received. The means in this research question ranged from 4.34 to 2.37, which meant that public servants had different perceptions on what indicators were used to determine public satisfaction with service received. The standard deviations ranged from 0.86 to 1.38 which meant that the public servant’s perceptions were very much dispersed. Item Q fifty-one (51), which based on, “there should be a suggestion box for staff and public to give their comments and concerns”, had the highest mean of 4.34, which meant that most public servants strongly agreed with this statement. This point also came out of the interviews with the Deputy Permanent Secretaries for both ministries and the two Union Representatives from the GPSU when they were asked “should there be a suggestion box at every ministry for the staff and public to give their comments and/or concerns”. They all mentioned that a suggestion box is a very important way for getting feedback from public servants and the public and every ministry should have one. On the other hand, item Q forty-six (46), which based on, “I was involved in developing the current indicators to determine public satisfaction with service received”, had the lowest mean of 2.37, which meant that most of the public servants did not agree with this statement. In the interview with the two Deputy Permanent Secretaries who indicated that they were not involved in the development of any indicators for public satisfaction since there were no effective tools were development and implemented. The two Deputy Permanent Secretaries and the two Union Representatives were asked, “Should the public servants, public and union be involved in developing the indicators” and if “yes, why” in an interview conducted with them. They all indicated that the public servants, public and union should be involved because they were, they will be the major stakeholders involved and there will be a reduction of problems during the implementation process because of their involvement. Q forty-four (44) and forty-six (46) had the same standard deviation of 1.08. Q 43, 44, 47,48, 49 and had the same median/middle value of 3, Q 45 had same middle value of 4, Q 51 had the middle value of 5 while Q 46 had the middle value of 2. This clearly indicated that in research question 5, the most repeated middle value was 3 which represented neutral.

The data obtained from this research question was further subjected to a Chi Square test of Association to determine whether there is a relationship among the variables for what indicators are used to determine
public satisfaction with service received. The findings from the Chi Square test can be seen in the table below. Appendix __ shows the calculation.

Figure 12. Chi square testing for research question five “what indicators are used to determine public satisfaction with service received”.

<table>
<thead>
<tr>
<th>Res. Ques.</th>
<th>Sample size</th>
<th>Obs. Value(o)</th>
<th>Exp. Value (e)</th>
<th>df</th>
<th>Level of Sig.</th>
<th>Calculated Chi Square Value ($\chi^2$)</th>
<th>Critical Value at 0.05</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>400</td>
<td>3600</td>
<td>3600</td>
<td>32</td>
<td>0.05</td>
<td>938</td>
<td>46.194</td>
<td>938&gt;46.194 = Association among the nine variables</td>
</tr>
</tbody>
</table>

From the table above, the data revealed that the Calculated Chi Square value was greater than the critical value (938>46.194); hence, it can be concluded that there are some relationship/association among the variables in research question five. This clearly shows that there are no effective indicators used to determine public satisfaction with service received. This finding is also keeping with what was discovered in the interview with the two deputy Permanent Secretaries and two union representatives.

Correlation analysis

The figure below assesses the relationship between dependent and independent variables; (i.e.; remuneration package, policies to motivate public servants to deliver effective services, monitoring systems to monitor public servants’ delivery of effective services, determination of a good remuneration package and indicators used to determine public satisfaction with services received).

Figure 13. Showing the correlation test between independent and dependent variables

<table>
<thead>
<tr>
<th>Remuneration package contains salary and benefits</th>
<th>Non-monetary benefits</th>
<th>Duty free concession</th>
<th>Satisfy with salary</th>
<th>Satisfy with benefits</th>
<th>Paid overtime</th>
<th>Aware of motivational polices</th>
<th>Satisfy with ministry motivational polices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>Pearcorrelation Sig. 2 tail N</td>
<td>Pearcorrelation Sig. 2 tail N</td>
<td>Pearcorrelation Sig. 2 tail N</td>
<td>Pearcorrelation Sig. 2 tail N</td>
<td>Pearcorrelation Sig. 2 tail N</td>
<td>Pearcorrelation Sig. 2 tail N</td>
<td>Pearcorrelation Sig. 2 tail N</td>
</tr>
<tr>
<td>Sig. 2 tail N</td>
<td>0.253**</td>
<td>0.172**</td>
<td>0.187**</td>
<td>0.277**</td>
<td>0.154**</td>
<td>0.227**</td>
<td>0.224**</td>
</tr>
<tr>
<td>Sig. 2 tail N</td>
<td>0.000</td>
<td>0.001</td>
<td>0.000</td>
<td>0.000</td>
<td>0.002</td>
<td>0.000</td>
<td>0.003</td>
</tr>
<tr>
<td>Sig. 2 tail N</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
</tbody>
</table>
**Correlation is significant at the 0.01 level (2 tailed)**

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

The above figure shows there was a strong positive relationship with remuneration package and the following variables: received required training in carrying out duties, performance appraisal adequately covers entire task, ministry’s official involved in determining remuneration package, was involved in determining remuneration package and ministry has current indicators to determine public satisfaction. These variables correlation coefficient was statistically significant at the 0.01 significant level. There was also very strong positive relation with remuneration package and the following variables: non-monetary benefits, duty free concession, satisfy with salary, satisfy with benefits, paid overtime, aware of motivational policies, satisfy with ministry motivational policies, involved in developing motivational policies, policies for non-monetary benefits to motivate effective service delivery, systems to monitor effective service delivery and satisfy with ministry’s current monitoring system. These variables correlation coefficient was statistically significant at the 0.05 significant level.

**T-Test**

Using SPSS, the T test was used to test the hypothesis for this research which stated the following:

\( H_0 = 0 \) - A Good Remuneration Package to Guyana Public Servants will have no impact on the enhancement in the delivery of services to the public.

\( H_a \neq 0 \) - A Good Remuneration Package to Guyana Public Servants will lead to a positive impact on the enhancement in the delivery of services to the public.
**Figure 14.** Showing the One-Sample Test for what can be considered a good remuneration package for public servants

<table>
<thead>
<tr>
<th>Description</th>
<th>Test Value</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration package contains salary and benefits</td>
<td>52.810</td>
<td>399</td>
<td>.000</td>
<td>3.338</td>
<td>3.21 - 3.46</td>
</tr>
<tr>
<td>Only receiving basic salary</td>
<td>60.421</td>
<td>399</td>
<td>.000</td>
<td>3.638</td>
<td>3.52 - 3.76</td>
</tr>
<tr>
<td>Receiving other allowances</td>
<td>38.872</td>
<td>399</td>
<td>.000</td>
<td>2.700</td>
<td>2.56 - 2.84</td>
</tr>
<tr>
<td>Receive non-monetary benefits as part of remuneration package</td>
<td>39.167</td>
<td>399</td>
<td>.000</td>
<td>2.292</td>
<td>2.18 - 2.41</td>
</tr>
<tr>
<td>Position carries duty free concession</td>
<td>33.449</td>
<td>399</td>
<td>.000</td>
<td>2.338</td>
<td>2.20 - 2.47</td>
</tr>
<tr>
<td>Position carries duty free concession and I not receiving one</td>
<td>37.918</td>
<td>399</td>
<td>.000</td>
<td>2.565</td>
<td>2.43 - 2.70</td>
</tr>
<tr>
<td>Satisfied with my salary</td>
<td>35.148</td>
<td>399</td>
<td>.000</td>
<td>2.025</td>
<td>1.91 - 2.14</td>
</tr>
<tr>
<td>Satisfied with my benefits</td>
<td>35.334</td>
<td>399</td>
<td>.000</td>
<td>2.135</td>
<td>2.02 - 2.25</td>
</tr>
<tr>
<td>Paying taxes on my salary only</td>
<td>54.103</td>
<td>399</td>
<td>.000</td>
<td>3.412</td>
<td>3.29 - 3.54</td>
</tr>
<tr>
<td>Paying taxes on my other benefits</td>
<td>42.888</td>
<td>399</td>
<td>.000</td>
<td>2.618</td>
<td>2.50 - 2.74</td>
</tr>
<tr>
<td>Should be paid a higher salary</td>
<td>95.912</td>
<td>399</td>
<td>.000</td>
<td>4.445</td>
<td>4.35 - 4.54</td>
</tr>
<tr>
<td>Should be paid performance-based incentives</td>
<td>74.121</td>
<td>399</td>
<td>.000</td>
<td>4.135</td>
<td>4.03 - 4.24</td>
</tr>
<tr>
<td>Allowances and other benefits should not be taxed</td>
<td>73.949</td>
<td>399</td>
<td>.000</td>
<td>4.280</td>
<td>4.17 - 4.39</td>
</tr>
<tr>
<td>I am paid for overtime during the week and on weekends</td>
<td>35.582</td>
<td>399</td>
<td>.000</td>
<td>2.602</td>
<td>2.46 - 2.75</td>
</tr>
</tbody>
</table>
Figure 15. Showing the One-Sample Test for what indicators are used to determine public satisfaction with service received

<table>
<thead>
<tr>
<th>Description</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>My Ministry has current indicators to determine public satisfaction with service received.</td>
<td>50.150</td>
<td>399</td>
<td>.000</td>
<td>2.808</td>
<td>2.70 - 2.92</td>
</tr>
<tr>
<td>I am satisfied with my Ministry’s current indicators to determine public satisfaction with service received.</td>
<td>49.861</td>
<td>399</td>
<td>.000</td>
<td>2.700</td>
<td>2.59 - 2.81</td>
</tr>
<tr>
<td>My Ministry’s current indicators need improvement to determine public satisfaction with service received.</td>
<td>73.788</td>
<td>399</td>
<td>.000</td>
<td>3.732</td>
<td>3.63 - 3.83</td>
</tr>
<tr>
<td>I was involved in developing the current indicators to determine public satisfaction with service received.</td>
<td>43.930</td>
<td>399</td>
<td>.000</td>
<td>2.372</td>
<td>2.27 - 2.48</td>
</tr>
<tr>
<td>I should be involved in developing the current indicators to determine public satisfaction with service received.</td>
<td>66.599</td>
<td>399</td>
<td>.000</td>
<td>3.520</td>
<td>3.42 - 3.62</td>
</tr>
<tr>
<td>I received training in customer satisfaction.</td>
<td>47.027</td>
<td>399</td>
<td>.000</td>
<td>3.088</td>
<td>2.96 - 3.22</td>
</tr>
<tr>
<td>I feel I need training in customer satisfaction.</td>
<td>48.960</td>
<td>399</td>
<td>.000</td>
<td>3.078</td>
<td>2.95 - 3.20</td>
</tr>
<tr>
<td>There is a suggestion box at my ministry for the public to state their opinion on the services received.</td>
<td>40.840</td>
<td>399</td>
<td>.000</td>
<td>2.838</td>
<td>2.70 - 2.97</td>
</tr>
</tbody>
</table>
Figures 14 and 15 shows that the p-value for all the variables in the two research questions were 0.000 which is less than the significance level 0.05 (p < .05). This means that the observed mean as shown in each research question above was significantly different from what the researcher hypothesized, a good remuneration package to Public Servants will lead to no impact on the delivery of services to the public. Therefore, the researcher accepted the alternative hypothesis which stated that a good remuneration package to Public Servants will lead to positive impact on the delivery of services to the public. It can be
concluded that a good remuneration package to Public Servants will lead to positive impact on the delivery of services to the public.

**MANOVA test**

![Figure 16. Showing the Multivariate Tests](image)

<table>
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<tr>
<th>Effect</th>
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<th>Hypothesis df</th>
<th>Error df</th>
<th>Sig.</th>
<th>Partial Eta Squared</th>
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Q43

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Q44

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Q43 * Q44

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a. Exact statistic
b. The statistic is an upper bound on F that yields a lower bound on the significance level.
c. Design: Intercept + Q43 + Q44 + Q43 * Q44

The figure above tells whether the treatment had an overall effect on the outcome/dependent variables, using Pillai’s trace the significant value at F, 1.938, 1.613 and 1.187 was P= 0.004 and 0.031 respectively. There was a statistical significance between the two dependent variables; current indicators to determine public satisfaction with services received at P< 0.05, and therefore it can be concluded that the treatment (indicators to determine public satisfaction) had an effect on the aggregate outcome, so the researcher reject the null hypothesis since the treatment has an effect on the aggregate outcome. Further, 3% of the variance in the outcome variable Q43 and 2.5 % of the variance in the outcome variable Q44 was explained by the treatment and therefore there was weak effect sizes in the variance explain.

In concluding even though the treatment had a positive effect on the aggregate outcome, the percentage effect sizes were very weak and it therefore mean it needs improvement to have a large effect size.

**Discussion**

A qualitative and quantitative study was carried out on the impact of a good remuneration package to public servants on the enhancement of the delivery of public services with the following objectives “to determine if a good remuneration package to public servants will lead to the enhancement in the delivery of services to the public”, “to develop policy/policies to determine a better remuneration package and indicators to determine public satisfaction”, “to enhance policy/policies to motivate and monitor public
servants in the delivery of services” to identify ways to enhance the public service image and the delivery of services to the public”, “to measure the correlation between the remuneration package and delivery of services to the public” and “to examine the level of awareness and involvement of public servants in the determination of their remuneration package, policies and systems to monitor and motivate them to deliver effective services and indicators to determine public satisfaction.” This was carried out under five research questions namely:

1. What can be considered a good remuneration package for public servants?
2. What policies are in place to motivate public servants to deliver effective services?
3. What systems are in place to monitor public servants in order to deliver effectively on the job?
4. Who determines a good remuneration package for public servants?
5. What indicators are used to determine public satisfaction with service received?

What can be considered a good remuneration package for public servants?

This research has indicated that every country has a different package payable to public servants but all included a salary and different allowances payable at different rates as shown in Guyana, Trinidad and Tobago, The General Caribbean, Gulf countries/Gulf Cooperation Council (GCC), Republic of South Africa, Kenya and Nigeria. The difference in each country is that the salary structures payable are different and different allowances. Some countries have more allowances to offer than some. This was reflected in Davis-Cooper, 2013 finding in that in order to attract and retain employees with the necessary expertise to accomplish the strategic organizational outcomes, governments in the English-speaking Caribbean needed to provide adequate salaries, allowances and perquisites. It was also reflected in the research conducted in the Gulf countries which pointed out that the competitive remuneration package along with a tax-free environment and a comfortable lifestyle has attracted talent from around the globe. The analysis from the questionnaire under this research question indicated that public servants were not receiving a good remuneration package.

Therefore, in order to consider a good remuneration package for public servants, governments of each country have to look at the economic factors of a country and what it is able to offer public servants to have a decent and comfortable standard of living. A good remuneration package must include an adequate salaries and suitable allowances payable in a tax-free environment, a government pension fund and its perquisites.

What policies are in place to motivate public servants to deliver effective services?”

This literature clearly shows that there is not much done by employers to motivate public servants to deliver effective services. No effective policy (policies) has been highlighted other than what is being recommended in some countries like Guyana. Every public service position comes with a package which includes a salary and allowances but it clearly shows the package is not really satisfying and much is not done to change it, as the years goes by. A COI in Guyana highlighted that if the government wants to ensure that it delivers services with high levels of efficiency and effectiveness to meet the expectations of the general public, restructuring and reform initiative undertaken must be treated as a matter of priority and urgency. This is a recommendation which needs to be taking seriously and put policies in place to ensure proper and efficient restructure to get effective results.

Majority of the public servants in the two ministries were not aware of their ministries motivational policies and those that were aware, majority were not satisfied with them.

Therefore, in order to motivate public servants to deliver effective services polices needs to be formulated and implemented in keeping with current times and practices. There is also need for more involvements of important stakeholders in policies formulation and more awareness of them. They have to be continuously monitored and change as times goes by.
What systems are in place to monitor public servants in order to deliver effectively on the job?"

Under this research question most of the countries under study does not have any effective systems to monitor public servants in order to deliver effectively on the job. All of the countries have a Performance Appraisal system but its effectiveness is questionable. In some countries this is just a formality which is not even implemented and monitored properly. This was clearly highlighted in almost all of the countries under study. In Trinidad and Tobago, there is an exception which a study highlighted that they introduced the Opinion Leaders Panel Survey as a feedback system for performance.

In Guyana Public Service, the data shows there were monitoring systems but its awareness among the targeted public servants were minimum and were not very effective. This result was also justified by the Deputy Permanent Secretaries and two Union Representatives who indicated that there are systems in place but they are not effective. Some of the monitoring systems mentioned were performance appraisal, monthly, statutory and annual reports to the head of the Ministry, probationary period, regulation and law such as Public Service and Public Service Commission Rules, Financial Acts, the Public Service Code of Conduct and constant meetings.

Therefore, in order to monitor public servants in order to deliver effectively on the job, the government needs to revise it current systems especially that of the performance appraisal/evaluation to keep with the job description and job specification of the position. This needs to be properly implemented and monitored by well-trained individuals in this area. New system such as that recommended in Trinidad and Tobago can be adopted or even introduced a suggestion box.

Who determines a good remuneration package for public servants?

This study pointed out that every country has their own system, person (s) and or department that is responsible for the determination of a remuneration package. Even though this is so, this study highlights that in almost all the countries under study, the unions did not really play an effective role in making effective contributions on its employee’s behalf, in the determination of the remuneration package which was clearly indicated in COI in Guyana.

This study indicated that in:

1. Guyana, it is the Establishment Division of the Ministry of Finance who determines the pay ranges and incremental levels for public servants. For pay increases, there is consultation between unions and negotiation ministry on behalf of the government.

2. Trinidad and Tobago, this includes the personnel department reviews the remuneration payable to civil servants and provides and establishes procedures for consultation and negotiation for remuneration between its department and appropriate recognized association, the Minister of Finance from time to time makes recommendations on remuneration and a Salary Review Commission which is mandated from time to time review the salaries and other terms and conditions of service of the offices falling within its purview. Wage negotiation for monthly paid officers in the public service is between the representative associations who bargain collectively with the Chief Personnel Officer and for the daily paid officers, the terms and conditions of employment are through a collective agreement (collective bargaining) entered into by their recognized majority union and the Chief Personnel Officer after collective bargaining.

The study also revealed that there was not much involvement by the major stakeholders in the determination of remuneration package and the awareness was very minimum.

Therefore, to determine a good remuneration package for public servants and the necessary increases, every country must have an independent body to review remuneration packages for public servant. Where this is not possible every country system, person (s) and or department that is responsible for the determination of a remuneration package must work collaboratively in the interest of public servants to
determine the best package for them. There should be more awareness and involvement in the determination of public servants remuneration package.

**What indicators are used to determine public satisfaction with service received?**

Most of the countries under study did not mention any indicators to determine public satisfaction with service received. Trinidad and Tobago have an Opinion Leaders Panel Survey as a feedback system for performance. The indicators to be used were not mentioned.

The Deputy Permanent Secretaries for both ministries and the two Union Representatives from the GPSU indicates that there should there be a suggestion box at every ministry for the staff and public to give their comments and/or concerns since it is a very important way for getting feedback from public servants and the public and every ministry should have one. The targeted Public servants and the two Deputy Permanent Secretaries interviewed indicated that they were not involved in the development of any indicators for public satisfaction since there were no effective tools were development and implemented.

Public satisfaction is very had to measure but indicators can be formulated which need to be specific and measurable in keeping with the service provided. Some indicators could be timeliness, value, adequacy, quality, satisfaction/appreciated, recommending the service or revising it if needs and desires are met, reliability, accessibility, professional appearance, attention and care given by public servants.

The study also indicated that age varied from 16 years to 51 years and above and there were more females working in Guyana Public Service. This information clearly shown that most of the public servants targeted were paid from GS 1 to GS 5 which represented the junior level positions. Most of the public servants were employed on pensionable establishment which guarantee employment security. This study showed that most of the public servants had a secondary and university education which clearly indicated that Guyana public service was an educated public service.

The correlation analysis indicated at 0.01 and 0.05 significance levels, there was a strong positive relation between remuneration package and the variables in the five research questions. This was also shown in the Chi Square test since the Calculated Chi Square value was greater than the critical value for all five research questions hence, it can be said that there are some relationship/association among the two variables in the research and the interviewees indicated the same perception.

The hypothesis was subjected to a T-Test to test the hypotheses and the results indicated that a good remuneration package to Public Servants will lead to positive impact on the delivery of services to the public since \( p < .05 \).

The MANOVA test indicated while using Pillai’s trace that the significant value at F, 1.938, 1.613 and 1.187 was \( P = 0.004 \) and 0.031 respectively. It showed that there was a statistical significance between the two dependent variables; current indicators to determine public satisfaction with services received at \( P < 0.05 \), and therefore it can be concluded that the treatment (indicators to determine public satisfaction) had an effect on the aggregate outcome, so the researcher reject the null hypothesis since the treatment has an effect on the aggregate outcome and accept the alternative hypotheses. Even though the treatment had a positive effect on the aggregate outcome, the percentage effect sizes were very weak and it therefore mean it needs improvement to have a large effect size.

In general, the major findings discovered were that in almost all public service under study, there were massive public sector reforms to tackle remuneration package enhancement, work performance and delivery of services. The determination of a remuneration package/ wage structure for the various categories of public servants is a problem, public service delivery is a problem in most countries as pointed out in Africa, in Latin America and the Caribbean and the employee performance tools used is ineffective and needs to be revised. Therefore, it is imperative for any government to look into this matter. The statistical results indicated that there were significant association between remuneration package and enhancement in the delivery of services. It also indicated that remuneration package to public servants has a positive impact on the enhancement of the delivery of Public Services.
The result of this study shows that a good remuneration package to public servants will enhance the delivery of public services. Further research on this study should be done. It is recommended that:

1. Further research in this area should be carried out in the entire public service so as to get more accurate results of public servant’s views on the impact of a good remuneration package in the enhancement of the delivery of services.
2. At the same time research should also be carried out in other areas that will enhance the delivery of public services such as improved technology, better working conditions.
3. A good remuneration package must include an adequate salaries and suitable allowances payable in a tax-free environment, a government pension fund and its perquisites.
4. Polices needs to be formulated and implemented in keeping with current times and practices. They have to be continuously monitored and change as times goes by.
5. Review, implement and monitor employee performance systems/tools by well-trained individuals in this area. New system such as that recommended in Trinidad and Tobago can be adopted or even introduced a suggestion box.
6. Every country must have an independent body to review remuneration packages for public servant. Where this is not possible every country system, person(s) and or department that is responsible for the determination of a remuneration package must work collaboratively in the interest of public servants to determine the best package for them.
7. Indicators needs to be formulated which need to be specific and measurable in keeping with the service provided. Some indicators could be timeliness, value, adequacy, quality, satisfaction/appreciated, recommending the service or revising it if needs and desires are met, reliability, accessibility, professional appearance, attention and care given by public servants.
8. Introduce increment pay for performing workers.
9. There should be adequate consultation and involvement with the relevant stakeholders in determining their remuneration package.
10. Unions should have adequate, relevant training and sensitization activities for their members and at the same time there should be full representation in dealing with members’ problems as it relates to their remuneration package and increases.
11. Adequate involvement and public awareness in development and implementation on policies, monitoring systems and determination of remuneration package and indicator to measure public satisfaction.

Conclusion

The researcher interprets and concludes that there is a strong positive relationship between public servants receiving a good remuneration package and the enhancement in the delivery of the public service to the people of any country such as Guyana. However, the government should not totally depend on remuneration package to public servants in the enhancement of the delivery of services to the public. They should look at other means such as strengthening policies and measurements as it relates to work performance of public servants, motivational training especially in customer service and not forgetting the use of technology which can greatly enhance work performance and service delivery in the public service.

Acknowledgement

I would like to take this opportunity in thanking my family especially my husband Jaigobin Jaisingh and my guide Dr. Jayanthi in assisting me in the completion of this Article. I would also like to thank all personnel from Texila American University for giving me this opportunity, the two deputy permanent secretaries, two union representatives, the public servants who took part in answering the questionnaires and those individuals who assisted me in the analyzation of the data for this research.
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