## TITLE

**ANALYSIS OF FACTORS RESPONSIBLE FOR LOWPRODUCTIVITY OF THE NIGERIAN WORKERS.**

**(A CASE STUDY OF POWER HOLDING COMPANY ENUGU ZONAL OFFICE)**

## BY

**OGBETTE VICTOR U REG NO: BA/2009/232**

## A RESERCH PROJECT SUBMITTED TO THE DEPARTMENT OF BUSINESS ADMINISTRATION. FACULTY OF MANAGEMENT AND SOCIAL SCIENCE, CARITAS UNIVERSITY AMORJI-NIKE ENUGU, ENUGU STATE.

**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF BACHELOR OF SCIENCE (B.Sc.) DEGREE IN BUSINESS ADMINISTRATION.**

## AUGUST, 2013

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## ENUGU STATE.

**AUGUST, 2013.**

# CERTIFICATION

This is to certify that this research project work titled “Analysis of Factors Responsible for Low Productivity of Nigeria Worker, (A case study of POWER HOLDING COMPANY ENUGU ZONAL

OFFICE) has been approved and accepted in partial fulfillment of the Award of Bachelor of science degree in Business Administration in the faculty of management and social science, department of business Administration. Caritas University, Amorji-Nike, Enugu.

……………………………. …….………………………

## MR. INNOCENT UBAWIKE Date

(Project Supervisor)

……………………………. ……………………………..

## PROF. GODWIN NWANGUMA Date

(Head of Department)

## DEDICATION

This work is dedicated to my great omnipotent, omniscient, omnipresent God, who guided, guarded, provided and saw me through throughout my stay in caritas university and also to my parents for their financial and moral support and for making it possible for me to be here and also to my siblings.

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My greatest gratitude goes to the only true God who made everything possible for me even when I lost hopes, for his inspiration, direction support and everything good that has happened to me.

*ABSTRACT*

*Branch (1975;12) was of the view that productivity means the continuing improvement of the firm management performance in the use of resources and though the operations it is conducted.*

*However the purpose of this work highlights those factors responsible for low productivity among Nigerian workers. The research tends to focus on those means that will be applied to get workers committed to tier work using effective national tool to enhance and increase productivity level of the public organization “power holding company of Nigeria” as the study. Data were collected from both primary and secondary sources, the analysis of the research brought out a population size used to determine the basis for the information gathered and analyzed.*

*The use of percentage help to further the test of the data analyzed. The findings of the research observed by the help of questionnaires and interviews embarked upon as the factors responsible for the low productivity of Nigerian workers.*

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CHAPTER ONE

INTRODUCTION

## BACKGROUND OF THE STUDY

The issue of low productivity of Nigeria workers has in recent years been a matter of great concern to the nation. The rate at which productivity grows is influenced by two things: -

(i) The rate of society’s demand and the rate of inflation.

Increased productivity is very vital for the health of the country because it will help to improve the conditions of the environment, enhance security and improve the standard and quality of life of the citizens. This is why David Ricardo in his study of population said that food needs to grow at a geometrical rate in order to meet the demand of the growing population. This emphasizes the need for increased productivity.

YusufT.M. (1962:50) was of the view that productivity can be defined as the ratio between output and all the resources used in production i.e. capital, labour, raw materials etc. the most efficient use of all available resources. With these definitions; One may ask why is the Nigeria worker inherently characterized by low-productivity in spite of all government’s efforts to improve the economy and the ever increasing need for improved productivity? The answer to this disturbing question is vital and will be answered and discussed in this study.

Increasing productivity is a way of increasing the ability of people to do what they want, to do as well as achieving a higher standard of living for all suffering from low income and in boosting the prosperity of the overall Nigeria economy.

* 1. STATEMENT OF THE PROBLEM

Research has been carried out in Nigeria; regrettably not much has been done in the way of solving the problem facing the Nigeria workers.

This has been detrimental to the increase of productivity which will contribute to the development of nation like Nigeria. In order to increase productivity among the workers in Nigeria with the help of PHCN as a guide the following bottle neck were observed.

The fear of Job security among workers.

The workers should be assumed of their jobs.

The motivational tool and incentives were not properly provided to the workers that will make them to put in their best.

The job evaluation system has been carried out in an unfair manner Lack of programmes provision for developing staff made many junior

staff undertake personal training at the detriment of the employers.

* 1. THE OBJECTIVES OF THE STUDY

The objective or purpose of the stud is to discover the Following:

1. To closely look at those factors responsible for low productivity.
2. To review the current operating standard that will be of great help in the task of increasing productivity.
3. To verify what should be done to increase the overall interest of the workers to enhance productivity.
4. To find out the ways to ensure commitment to work in order to increase productivity.

To investigate how effective the motivational method already applied has promoted productivity.

* 1. RESEARCH QUESTION

To carry out the research effectively, a number of related

Questions covering the productivity of workers in PHCN have been raised.

The following questions were used to acquire the necessary information on the study.

What factors were responsible for the low productivity of the workers?

What will encourage a worker to work diligently and put in his best at work?

What types of work environment will help to facilitates a worker in carrying his duties.

Does management style of leadership affects workers productivity level?

What additional incentives will the management apply to increase productivity?

* 1. SCOPE

The research gave much consideration to the problems

associated with low productivity among workers in the public and private organization where productivity level can be measured.

The study intends to cover a public sector which is National Electricity power Authority.

* 1. SIGNIFICANCE OF THE STUDY

The result of research will help to address those problems that militate against low productivity of workers in the public and private sector of the economy.

The research also will provide managementthe needed background in theory and practice for the implementation of the policies as well as coordinating, organising and controlling of the affairs of the public sector.

He will also help the PHCN management in dealing with the productivity problems.

* 1. LIMITATION OF THE STUDY

The research work is limited by the amount of the materials such as text. Therefore, going into detail will involve getting data from all of them and this will not be an easy job considering the limitation resource (i.e money, effort and time) available. Other limitation apart from the general problem include financial aspects.

CHAPTER TWO LITERATURE REVIEW

this chapter involves a review of some related literary materials. This chapter also takes into consideration the following Theoretical frame work for the study, Historical background of the study, review of related literature.

* 1. THEORETICAL FRAME WORK FOR THE STUDY For some times now, the constant worrying problems that has

confronted management in both private and public sector organization has been on how to improve productivity.

In other words, management has given their individual thought and fought to eradicate the problem of low productivity.

It has also been discovered that different managers have applied various approaches to solve the problem because of their individual orientation and differences.

The public organizations which have their goals as the production of social benefit in the process have reduction of social cost to the society.

Therefore, their profit index is ambiguous because the goal is the

material welfare of the members of the society.

This is the reason why some of them have being inefficient and therefore call for commercialization.

TundeIshmeal (2002:84) writing on labour, productivity and industrial engineers defined productivity as the “achievement of desired output coupled with a maximum utilization of resources that is man, money, material and machinery”

He said that in order to increase productivity of our country, slashing of wages of workers in order to match productivity. He also said that since our economy is labour intensive, emphasis should be designed to suit the economy.

Terba (2002) pointed out that productivity of labour in industry depends not only on the quality and quantity of labour used, but also on the quality and quality of their inputs that are cooperate with labour.

ATTRIBUTABLE FACTORS TO PRODUCTIVITY

Taylor (1999:98) in his write up suggested three causes which led to low productivity in the country.

The fallacious belief of the workers that any increase in-output would

inevitably result in unemployment.

The defective system of management which makes it necessary for each worker to restricted his output in order to protect his interest. Inefficient rule of thumb, effort-wasting method of work. The aim of scientific management is to overcome these obstacles and this could be achieved by a systematic study of work to discover the most efficient methods of performing the job and a systematic of management to discover the most efficient methods of controlling the workers.

This would bring a great increase in efficient and with its prosperity to the benefit of all, since a highly efficient prosperous business would be in a better position to ensure a well paid employment of workers.

According to Taylor (2002;83) what the workmen want from their employers beyond anything else is high wages and what employers want from workmen most is low cost of labour.

The existence or absence of these two elements forms the best index to either good or bad management.

To achieve good result in productivity, Taylor lays down four great

principles of management.

(a) The development of a Trey science of work. By this Taylor pointed out that employers do not really know what constitutes a fair day’s work for an employee. As a result the employers complain about the inadequacies of their workers while workers do not know what is expected of them. In view of the above, the employees should know that he would receive a high rate of pay much higher them the average worker would receive in unscientific factories.

He would also lose income if he failed to achieve his objective. THE SCIENTIFIC SELECTION AND PROGRESSIVE DEVELOPMENT OF THE WORKMAN

To earn this high rate of pay a workman would have to be intellectually qualities to enable him achieve the output. Then he must be systematically trained to be a first class worker. Taylor believed that every worker could be a first class man at some jobs.

© The bringing together of the science of work and the scientifically selected and trained men

Taylor maintained that it is this process that cause them mental revolution in management and invariably the resistance to scientific

management and invariably the major resistance to scientific management, comes from the side of management. At this point the workers are willing to cooperate to do good job for a high rate of pay.

(d) The constant and intimate cooperation of management and men.

In Taylor’s (1999:98) view, there is an almost equal division of work and responsibility between management and workers. Then management take over all work for which they are better fitted than the workmen, that are the specification and verification of the method, which is time, price and quality standards of job, and the continuous supervision and control of the worker doing it.

With this personnel corporation, the opportunities for conflict are almost eliminated since the operation of this authority is not arbitrary; the manager’s decisions are based on the scientific study of the work. Finally the co-operation of the work force is obtained monetary incentives.

Taylor assumes that man’s primary motivation for work was financial commitment. That is in order to maximize productivity and obtains work of the highest quality; the manager must give some special incentives to his men beyond that which is given to the average in the

trade.

In practices this involves a huge incentives scheme based on piece of work that will go a long way to increase productivity.

Taylor (1999:17) saw scientific management as solution to many industrial problems and at the same time increases both the quality and quantity of the product. It brings to the end conflict between employers and employee.

This is because the employer is concerned with higher profits and the employee with higher wages. Two of the assumptions which underline Taylor’s principles have been singled out for criticisms.

First, Taylor assumes that man’s primary motivation for work is economic and he will therefore respond positively to financial incentives. This view – motivation based on a concept of economic man has rejected.

Secondly, Taylor’s view workers as individuals rather than members of social groups. His plan to increase productivity involved the provision of financial incentives for individual workers.

He however failed to consider the influence of informal work groups on the behaviour of the individual worker.

Kootz, O. Dannel and weignich (2001:67) maintain that one can not focus on the availability and prices of capital for enterprises but also has to consider productivity.

They further stated that there are many ways to increase productivity. One approach, for instance, is good management, which focuses on increase involvement, effective training and open communication.

Productivity also depends on other factors such as the state of technology and other co-efficient of labour capital, material infrastructures etc.

From the views of the experts in management, it could be realized that productivity is not solely dependent on labour since the efficiency and productiveness of labour also depend upon other variables such as capital materials, infrastructure, technology etc.

They further argued that even when management approaches like training, motivation, incentives etc, are fulfilled, the unavailability of other co-efficient of labour will militate against high productivity.

There is need for the measurement of productivity so that the manager may know what result are occurring to his decisions and how Secondly, his judgement is being exercised. That is by measuring

productivity which will reveal whether he is judging and deciding correctly.

At this point performance against plan, targets or cost standards will be determined. FLIPO (2001:78) a professor at the Harvard Business school, on his part conducted a series of experiments designed to investigate the relationship between working condition and productivity

He started by the assumption at the scientific management believing that the physical conditions of the work environment, the aptitude at the work and the financial incentives were the main determinants of productivity and variables such as levels lighting and heating, the length and frequency of rest period and the value of monetary incentives. The result was to be no relationship between productivity and the various factors examined.

At this point, mayor changed his direction of research. Instead of focusing on the factor that are important that is by scientific management he examined workers attitudes towards their work and behavior as members of informal work group.

He conducted a research in which fourteen workers were placed in

different jobs in order to measure the workers pay was based on group incentives schemes and efforts instead of productivity.

Stoner (2001:89) in his catalogue lies a range of need for which workers are assumed to remain satisfied in their employment. These include social needs such as a friendship, group support, acceptance, approval, recognition and status and the need for self-actualization which involves the development of the individual’s talents.

If these needs are not met, workers suffer psychological and the efficiency of the organization is impaired or weakens.

He further argued that in order to maximize productivity, manager must make sure that the personal satisfaction of workers are met which also embrace cooperation.

It is therefore dear that the concept of motivation has been a subject for academic that is what it involves and the application to the workman in the organization chart.

Whatever approach management takes towards the achievement of organizational goal, productivity is consist of financial rewards to the worker as a way of making the worker to produce more therefore remuneration are emphasized. It is also the social needs of the

workers to be motivated and the emphasis is on the improve of the quality and status of work situations. It also involves incorporating the workforce in the day to day decisions making process of the organization the way the workers sees himself as part of the production process thereby produces more.

Nwachukwu (2003:78) see participative in management as a process whereby workers discuss with their supervisors and influence decision that affect them.

It explores the feelings and opinions of the workers about their jobs. With the participative in management ovary group is consulted before any change is made.

Through the system every workers develops a sense of participation which result in high productivity and at the same time become a new form of supervision.

* 1. THE HISTORICAL BACKGROUND

Around the world, electric industries are undergoing extensive restructuring. The trend,which started in the united kingdom and china in the 1980,has rapidly spread to many countries in

latinAmerica, asia, Europe and Africa. The main motivation of driving forces for restructuring the electric industry in different countries are not the same. In some countries, such as the United Kingdom and the latin America countries, privatization of the electric has provided a means of attracting funds from the private sector to relieve the burden of heavy government subsidies. In the country formely under centralized control (central and eastern Europe), the process follows a general trend away from centralized government control towards increased privatization and decentralization in the united and maintenance of dams and other works on the river Niger and elsewhere generating electricity by means of water supply thereby improved navigation.

National electric power authority (NEPA) was established in April 1972, with the amalgamation of the former electricity corporation of Nigeria (ECN) and the Niger dams authority (NEPA) with the headquarters in Lagos.

As a government parastatals, its employees and consumer seriously hamper NEPA’s operations due to several government directive and fraudulent activities. In order to reduce this abnormally,

the authority was granted partial autonomy as a quasi-commercialized organization in 1992 while this gesture has granted some powers to the authority, it is still under the control of the government hence the authority could still not take some necessary drastic and far reaching measures to improve its revenue collection and reduce the incidence of fraudulent activities.

Like most state-owned enterprises, NEPA has suffered from several under-funding and under-capitalization, inappropriate capital structure, excessive executive interference, and sub optimality and decision making.

NEPA equipment’s are subjected to vandalism and theft by group of cabals in different part of the country. The hydro power stations suffer from low water level during dry season and the generation output capabilities of thermal stations are often hampered by shortage of fuel. Equipment’s are expensive to repair, mostly due to their obsolete status.

NEPA was formally changed to power holding company of Nigeria (PHCN) in January 2004 in readiness for privatization. To provide the legal frame work for the restructuring of electric supply

industry (ESI) , the electric power sector reform bill was signed into law on the 11th of march 2005. The bill seeks to provide for the formation of successor companies to take over the functions, assets, liabilities and staff of NEPA; develop competitive electricity markets; establish the Nigeria electricity regulatory commission; provide for the licensing and regulation of the generation, transition, distribution and supply of electricity; enforce such matters as performance standards, consumer right and obligation ; provide for the determination of tariffs; and to provide for matters connected with or incidental to the forgoing.

An initial company (IHC) has been incorporation as provided for the act. The name of the IHC is power holding company of Nigeria (PHCN) plc and it was incorporated on 31st may 2005 the PHCN has taken over all NEPA assets and liabilities. Power holding company of Nigeria (PHCH) Enugu was officially opened many decades ago the office is responsible for the distribution and sale of electricity to Enugu and its environment , the office maintains an undertaking office and service centres and cash office in many government area of Enugu state. Just like any other PHCN other

office in the country, it has the entire department such administrative and service, technical service, customer service, finance and accounts, and audit department each headed by a manager. As a zone, the office reports directly to the chief executive officer Enugu. It also has direct communication with PHCN headquarters Abuja.

# CURRENT LITERATURE ON THEORIES POSTULATED ABOVE

Many students and known scholars have carried out studies on this issue of low productivity. They have carried out research to find out the real factors responsible for low-productivity.

Victor Njoku who was a student of Business Administration/Management at the University of Lagos carried out a study on this subject.

His study was limited to the public sector and his main area of concentration was on some of the government establishment in OwerriImoState. He discovered that the factors responsible for this are associated with the workers and nature of the workers environment. He went further to say that unless something is done to these things its will continue in our country.

Some other prominent scholars in management carried out research on the general productivity of workers in the industry. Their concern was mainly on why there is low productivity in the industries and also was of eliminating it.

Such scholars are Frederick Taylor (Scientific Management 1915) and Henri Fayol (1947:23) (Administrative theory). Their study is embedded in the theory known as classical theory.

The father of scientific management Frederick Taylor from Philadelphia centered his study mostly on the low-productivity in manufacturing industries. During his tenure a management consultant in a steel corporation he discovered many things after his investigation like the practice of soldering by the workers, also that without proper tools, workers’ productivity remained low from his findings, he postulated some principles which have been useful in management. The principles are: -

* + 1. Management by intuition, systems and standards.
    2. Harmony rather than discord in group action.
    3. Cooperative behaviour rather than chaotic individualism.
    4. Working for maximum output rather than restricted output.
    5. Development of all workers to the fullest extent.
    6. Maintenance of standard conditions
    7. High payment for successful completion of task.

There are others who contributed to this; they are Henry L. Ganth, and Franks and Lillian Gilberth.

The real father of management Henri Fayol (Administrative theory 1841 -1918) also carried out a study on low-productivity. He brought out principles which he said were not absolute but rather could be changed as the situation demands i.e.

his principles are and depends on the particular situation at hand. His principles which have really helped a lot in solving problems of low productivity are: -

1. Division of work
2. Authority and responsibility
3. Discipline
4. Unity of command
5. Subordination of individual interest to general interest
6. Unity of direction
7. Remuneration of personnel
8. Equity
9. Responsibility of tenure
10. Spirit de corps (team work)

These principles are today being practiced by many industries and statistics has shown that each of these has helped a lot in increasing productivity of workers no matter the country. Therefore the reverse of these principles causes low-productivity in workers.

The Neo-classical theory (Human Relations) also carried out experiments and interviews to find out the factors causing low-productivity of workers. Elton Mayo and his group of others did this in an electronic company beset with the problem of low-productivity and have sought answers on low productivity could be increased. Although scientific management embarked upon some incentive plan to wipe out inefficiency and increased productivity, Neo-classical theory

noted that significant over lap still exited between top management and employees.

Other observations made were

* 1. Individuals are not only motivated by economic incentives but by diverse social psychological factors.
  2. The informal work group is a dominant unit influencing the behaviour of workers.
  3. Leadership structure should be modified in order to consider psychological factors.
  4. Increased satisfaction leads to increased productivity.
  5. Development of effective communication system in the entire organization.
  6. Effective social and technical skills.

In the interview held, they also discovered that unconducive environment causes low-productivity and that any organization where the management neglects the informal group of workers suffers from low-productivity.

These studies are directly related to this research in that they found out the thing and reasons why we have low-productivity in our industries. Though these studies were carried out by foreigners, they are still relevant in country and also the recommendations they made will go a long way in solving this problem of low-productivity by Nigeria workers.

## CHAPTER THREE

**RESEARCH DESIGN AND METHODOLOGY**

## RESEARCH DESIGN

There is need to ascertain the procedure and methods to be used in this type of research work. This is done for better completion of this work. It is very important as this gives the reader background information on how to evaluate the findings and draw conclusions from this work.

The survey approach is used to ascertain the factors responsible for low- productivity in Nigeria workers in the private sector using power holding company Enugu zonal office as a case study.

## SOURCE OF DATA

For this research data were collected from two sources, they are primary and secondary sources.

## Primary Data

These include data obtained from oral interviews with some of the skilled workers in production department. It covers the things that have been responsible for low-productivity.

## Secondary Data

This data have been used before and readily available for use. It was used to make up the data gotten from the primary sources. The sources are textbooks, news papers journals etc.

## Population of study and area

This research is carried out in the production department of the power holding company Enugu zonal office. The population therefore is 28 workers of the production department.

## DESIGN AND DETERMINATION OF SAMPLE SIZE

The researcher selected respondent randomly from the population. This is for proper presentation of the population.

The sample size is thus calculated using the formular:

|  |  |  |
| --- | --- | --- |
| n | = | N 1+N (e) 2 |
| n | = | Sample size |
| u | = | Population size |
| e | = | Margin of error |
| N | = | 28 |
| E | = | 10% |
|  | N | = 28  1+28 (0.1) 2 |

28

1+ 28 (0.01)

= 28

1.28

n = 22

## METHODS DATA COLLECTION

This study is an intensive one; therefore the data were collected from primary sources which include oral interviews and research questions to get information from the respondents. Data were collected from secondary sources which include textbooks etc.

## METHOD OF DATA ANALYSIS

The statistical method used by the researcher for this study is the descriptive statistics. This description covers statistical percentage and tabulation.

## CHAPTER FOUR

* 1. **PRESENTATION OF DATA**

## PRESENTATION AND ANALYSIS OF DATA

This chapter aims at analyzing and presenting information which was contained in the questionnaires that were used in this study. The writer’s discoveries will be fully discussed here; the raw data will be organized in such a way that will allow necessary judgment and decisions. The writer will also design a strategy that will help business organizations to tackle those negative factors that are responsible for low-productivity in Nigeria workers in the private sector. All these will be based on the findings from the data.

The questionnaire as earlier stated was administered to the productions department of power holding company of Enugu zonal office. A total of 22 questionnaires were administered and 19 were returned.

## Table 4.1

**Question 1: -** What is the name of your establishment?

|  |  |  |
| --- | --- | --- |
| Name of Industry | No. of Questionnaire Administered | No. of Questionnaire Returned |
| Power holding  company of nigeria | 22 | 19 |

This response of 86% is good and the calculation of the questionnaire is based on the 22 respondents.

## Table 4.2

**Question Two: -** What products does your organization manufacture?

|  |  |
| --- | --- |
| Name of Establishment | Products Manufactured |
| Power holding company, Enugu  zonal office | Electric Wires,services |

## Table 4.3

**Question 3: -** What is the nature of your work?

|  |  |  |
| --- | --- | --- |
| Posted Held | Number | Percentage |
| Manager | 2 | 10.5 |
| Supervisor | 5 | 26.3 |
| Ordinary worker | 12 | 63.2 |
| **Total** | **19** | **100** |

## Table 4.4

**Question 4: -** Do you think that productivity level is influenced by the type of technology used?

|  |  |  |
| --- | --- | --- |
| Not of Respondents | Percentages |  |
| No | 3 | 16 |
| Yes | 16 | 84 |

|  |  |  |
| --- | --- | --- |
| **Total** | **19** | **100** |

## Table 4.5

**Question 5: -** What is your chief source of raw Material?

|  |  |  |
| --- | --- | --- |
| No. of Respondents | Percentages |  |
| Local | 0 | 0 |
| Foreign | 19 | 100 |
| **Total** | **19** | **100** |

## Table 4.6

**Question 6: -** If the chief source of raw material is foreign how regular is the source?

|  |  |  |
| --- | --- | --- |
|  | No. of Respondents | Percentage |
| Always available | 19 | 100 |
| Seldom Available | 0 | 0 |
| Never available | 0 | 0 |
| **Total** | **19** | **100** |

## Table 4.7

**Question 7: -** what substitute measures do you take where your sources are local or foreign?

|  |  |  |
| --- | --- | --- |
| Procuring from other branches | 9 | 47 |
| No Idea | 10 | 53 |

|  |  |  |
| --- | --- | --- |
| **Total** | **19** | **100** |

## Table 4.8

**Question 8: -** Do you think that the difficulties associated with raw material acquisition and where input affect your productivity?

|  |  |  |
| --- | --- | --- |
|  | No. of Respondents | Percentage |
| Yes | 15 | 79 |
| No | 4 | 21 |
| **Total** | **19** | **100** |

## Table 4.9

**Question 9: -** Which of the following have you taken in order to cope with irregular supply of materials?

|  |  |  |
| --- | --- | --- |
| Reduced No of working days | 0 | 0 |
| Reduced the No. of Working hours | 13 | 68 |
| Reduced the level of output | 6 | 32 |
| **Total** | **19** | **100** |

## Table 4.10

**Question 10: -** Do you have sufficient manpower to meet you production?

|  |  |  |
| --- | --- | --- |
|  | No. of Respondents | Percentage |
| Yes | 16 | 16 |

|  |  |  |
| --- | --- | --- |
| No | 19 | 84 |

## Table 4.11

**Question 11: -** Do you have sufficient equipment to meet your production?

|  |  |  |
| --- | --- | --- |
|  | No. of Respondents | Percentage |
| Yes | 2 | 11 |
| No | 17 | 89 |
| **Total** | **19** | **100** |

## Table 4.12

**Question 12: -** Are you satisfied with your productivity level?

|  |  |  |
| --- | --- | --- |
|  | No. of Respondents | Percentage |
| Yes | 10 | 52.6 |
| No | 9 | 47.3 |
| **Total** | **19** | **100** |

## Table 4.13

**Question 13: -** Which of these is your greatest obstacle to higher productivity?

|  |  |  |
| --- | --- | --- |
|  | No. of Respondents | % |
| Money | 0 | 0 |
| Electricity | 15 | 79 |

|  |  |  |
| --- | --- | --- |
| Machines | 2 | 10.5 |
| Lack of Govt. Inducement | 0 | 0 |
| Lack of basic Amenities | 0 | 0 |
| **Total** | **19** | **100** |

## Question 14

How do you think that your productivity level can be increased?

The respondents gave their own suggestions on how to improve productivity. The predominant suggestions are: -

* + 1. Regular supply of raw materials
    2. Motivation or inducement to workers
    3. Reducing idle time
    4. More manpower
    5. Proper maintenance of machine
    6. Regular power supply.
    7. Buying new machines
    8. Supervisors should stop being unnecessarily strict
    9. Supervisors should not supervise all the time
    10. Training workers.
    11. Motivating workers
    12. Appraising the workers
    13. Orderliness in the office
    14. Arrangement of things in the factory
    15. Rapport with management and workers

## INTERPRETATION OF DATA

The total number of questionnaires given out was twenty-two but nineteen was retrieved. The other three were lost by workers who could not bring theirs. This represents 86% of the entire population used. This percentage is a good response.

The number two question was asked to know the nature and types of product that the organization produces. The response shows that PHCN produces both wall sockets.

The products are wires and wall sockets

Question three is determining the nature of the work done by the entire production department. The answer shows that they have three managers, supervisors and the remaining are ordinary workers.

The managers plan and direct the affairs of the department while the supervisors supervise the workers during some cases. The ordinary workers carry out the other works.

Question four was asked to find out if technology affects their productivity level. Sixteen percent responded negatively while 84% of them answered positively. This implies that technology affects the levels of production.

The fifth question was found out their source of raw materials. 100% of the respondents gave foreign sources as their answer. This shows that quality of raw materials affects their productivity as they cannot afford to rely on local source of raw materials as it may no be regular.

The sixth question was to determine how regular their source to raw material is 100% of them answered always available. The reason behind this is that the organizations usually make large order for continuous use, i.e. They make bulky orders and it is usually in advance.

The seventh question was asked to find out if they have alternative source or measures for the procurement of raw materials from their other branches that may have more than enough for that time. This situation usually occurs when there are unexpected extra-large orders. 53% of the respondents are not aware of this because they are not directly involved with production

Questions eight was to determine the extent to which the difficulties associated with raw materials acquisition and other input affect their productivities have much impact on productivity ie when there is not enough raw materials, large orders cannot be met.

Question nine was asked to find out the actions they usually take when raw materials are not regular 68% of the respondents wrote that the number of working hours was usually reduced.

This implies that shortage of raw materials affects productivity as they cannot produce without raw materials especially when the demand for their product is high.

Question ten was to find out if man power resources have impact on their productivity. 84% responded that they do not sufficient manpower to meet their production, i.e. manpower also affects their productivity. Some of the workers are employed on casual basis when there is large order for their products, after that they are usually laid off.

Question eleven was to find out the extent to which equipments and machines affect their productivity. 89% answered that it affects their productivity as they do not have enough equipments at times. This stems from the

Oi = Observed frequently ei = expected frequently

Expected data = 50% for each option.

In testing the hypothesis, a level of significance of 5% or 0.5 is assumed.

## Test of Hypothesis 1

Ho: - The type of technology used to not have effect on the level of productivity.

Hi: - The types of technology used have effect on the level of productivity.

## Testing the Null Hypothesis

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **X** | **Oi** | **ei** | **Oi-ei** | **(Oi-ei)2** | **(Oi – ei)2 ei** |
| Yes | 16 | 9.5 | 6.5 | 42.25 | 4.45 |
| No | 3 | 9.5 | 6.5 | 42.25 | 4.45 |
| **Total** | **19** | **19** |  |  | **8.9** |

= x2 =8.9

To calculate the degree of freedom (D.F) DF = (R-1) (C-1)

R = No of Rows

C = No of Columns DF = (R-1) (C-1)

(2-1) (2-1)

(1) (1)

Using the statistical table of chi-square, the critical value X2 at 0.05 is =

3.841

## Decision

Critical value = 3.841

Calculated value = 8.9

Critical value = (3.841) = calculated value (8.9)

The Null hypothesis is rejected which means that the type of technology used have effect on the level of productivity.

## Hypothesis

Ho = The difficulties associated with raw materials acquisition do not have effect on productivity level.

HI = The difficulties associated with raw material acquisition have effects on productivity level.

## Test the Null Hypothesis

Critical value = (R-1) (C-1) R = No of Rows

C = No of Columns DF = (21) (21)

(1) (1)

DF = 1

Using the statistical table of chi-square, the critical value of at 0.05 is = 3.841

Calculated value:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **X** | **Oi** | **ei** | **Oi-ei** | **(Oi-ei)2** | **(Oi – ei)2 ei** |
| Yes | 15 | 9.5 | 5.5 | 30.25 | 3.184 |
| No | 4 | 9.5 | -5.5 | 30.25 | 3.184 |
| **Total** | **19** | **19** |  |  | **6.296** |

Critical value = 3.841

## Decisions:

Critical value 3.841 = calculated value 6.296. The Null hypothesis is rejected which means that the difficulties associated with raw materials acquisition have effect on productivity level.

## CHAPTER FIVE

* 1. **FINDINGS, CONCLUSION, RECOMMENDATION.**

## FINDINGS

Many factors are responsible for low-productivity of Nigerian workers in the private sector. The data that were collected for this study through the use of questionnaire and oral interview and consultation of texts have revealed certain facts.

Such facts are analyzed bellowed: -

* + 1. Poor management
    2. Lack of production goal
    3. Non- motivation of workers and lack of incentives
    4. Lack of harmony between management and workers.
    5. Technology and acquisition of raw materials
    6. Constant change of work force
    7. Constant and close supervision
    8. Break down of machine and equipments idle time and state of technology.

The founder of Houston based America productivity centre believes that one of eh biggest impediment to productivity growth lies in management lap. He asserts that management productivity improvement strategies in favour of such goals as increasing market share. There are still too many mangers that are

talking but not doing anything in the work place. Their neglect is still widespread.

A saying also goes like this, we have seen the enemy and he is us. Many managers have not yet accepted and put into practice the theme that management involves managing work operations. The neglect of any of these three legs on management stool and result in more problems.

Nothing detracts productivity as changing the work force from time to time. Any new worker will have to master the skill and also perfect in his job.

The production department of power holding company of Nigeria, Enugu makes use of casual workers; they are usually employed for few weeks or months depending on the situation of things. This lowers productivity much as fresh workers have to adapt before their performance reach expectation.

Goal is what one wishes to achieve in aim, lack of productivity goals lower productivity. Any manager that does not know his work is bound to mess- up. This is because he do not have any measure to check if he reach achieved what he desired.

There is nothing that hinders productivity close supervision. The data from our questionnaire revealed that supervisors supervision constantly and closely. This fear in workers and such productivity suffers.

Breakdown of machines, tools and equipment was also found out to hind productivity. The workers stay idle when any machine used for production breakdown or is not functioning properly.

Any organization where the management and workers do not have a good rapport between them, their productivity is affected. Lack of harmony therefore, causes low-productivity in Nigeria workers. Technology is the systematic application of knowledge to practical task in the industry. Any business organization that is not ye advanced in technology suffers low-productivity.

Lack of incentive and motivation of workers also affects productivity. It kills the mind to work. some of the workers has this to say, “the most depressing moment is whenever they feel that they have done much and will be praised by their supervisors but only to be told that they did not work up to expectation”. Naturally they get tired and discouraged. The next thing that follows is to work grudgingly and productivity level will be affected.

## CONCLUSION

As productivity is the lifeblood of our economy and key to high standard of living. Productivity growth is important for the well being of future generation.

It is only by productivity that the real national wealth of a country can increase.

## RECOMMENDATIONS

Now that some of the most pressing problems affecting the productivity of Nigeria workers have been identified and analyzed, an attempt to recommend

solutions to those problems can be made. Any problem correctly identified is almost solved.

In view of the problems facing machines and equipments, it can be solved through new equipment and new job design. People are extremely important. In most recent reports on how to improve productivity, a major theme is the importance of always respecting people. People receive less attention than they should. Using gimmicks to show concern are not tolerated in productive firms.

One management estimates that on the average workers are productive only 55% of the time but 30% is lost through scheduling problems, unclear assignments, improve staffing and poor discipline.

Productivity improvement does not just happen competent, hardworking and knowledgeable manager makes it happen.

Father of personnel management (Robert Owen) when he was a manager in textile firm in Scotland; their worker were regarded inert instrument, he improved working condition in the factory, raised the minimum working age of children, reduced hours of work for employees, provided meals for employees at the factories, set up stores to sell necessities to employee: His philosophy was that good management pays dividends to the employees and is essential part of every management job. Then to improve productivity, the management must handle the organization well.

Productivity also needs to be measured in order to compare performance. All programmes of production improvement must be planned, organized and controlled.

Supervisors should stop constant and close supervision all the time. They should make the workers feel that they are mature enough to perform their duties to the workers.

People may leave half an hour early on the first day in each month to go for a family matter. If there is a good reason behind it, be sympathetic to such request provided the work is still done effectively and on time. It helps to make the people concerned contented in their work and tie them more firmly to the company. You cannot begin to understand people until you know their interest. This shows that good rapport between the management and employees increases productivity.

Organizations should try as much as possible to lower the rate of labour turnover.

Practice they say makes perfect. Any worker who have acquired skilled and perfection through long stay in the company is found to perform better than a new worker. Therefore management should lower the rate of labour turnover to help solve this problem low-productivity.

Increased productivity demands that there should be unity between workers and their fellow workers and also between workers and management.

This makes the workers to work as one and work towards the achievement of the organization’s targets.

There is an old adage that if you do not know where you are going, there is no way to there. Goals are necessary; it is natural for a person to seek goals. It provides a vehicle for channeling time and effort. The exercise of setting organizational and productivity goals forces individuals to spend time thinking seriously about their jobs and deciding how better to accomplish the work. Therefore, it is necessary that organization should set out their productivity goal before they even embark on production and the goals must be realistic, specific, comprehensive and meaningful.

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**BY**

**OGBIDI JOSEPH ABANG EE/2008/282**

**DEPARTMENT OF ELECTRICAL/ELECTRONIC ENGINEERING FACULTY OF ENGINEERING CARITAS UNIVERSITY**

**AMORJI-NIKE, ENUGU**

**AUGUST, 2013**

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## APPENDIX

Department of Business Administration and Management School of Business Studies

Caritas University Amorji-Nike Enugu-State

July 2013

Dear sir/Madam,

I am student of the above named institution undergoing a degree programme in Business Administration and I am researching on the topic Analysis of Factors responsible for low productivity of Nigerian workers.

This is entirely an academic exercise in partial fulfillment of the requirement for the award of a Bachelor of Science degree in Management. So all the information provided shall be used strictly for this purpose and treated as confidential.

Thanks

Yours faithfully, OGBETTE VICTOR. U

## QUESTIONNAIRE

Please tick {} where appropriate

1. Name of establishment ……………………………………
2. What products does your organization manufacture? (Name them specifically)
3. What is the nature of your work?
   1. Manage { }
   2. Supervisor {}
   3. Ordinary worker { }
4. Do you think that productivity level is influenced by the type of technology used?
   1. Yes { }
   2. No { }
5. What is your chief source of raw materials
   1. Local { }
   2. Foreign { }
6. If the chief source of your raw material above is local, how regular us the source?
   1. Always available { }
   2. Seldom available {}
   3. Never available { }
7. If the source of raw materials above is foreign how regular is the supply
   1. Available { }
   2. Seldom available {}
   3. Never available { }

What substitute measures do you take when your source is local or foreign? Specify: -

a. …………………………………………………………

b. …………………………………………………………

c. …………………………………………………………

1. Do you think that the difficulties associated with raw materials acquisition and other input affects your productivity?
   1. Yes { }
   2. No { }
2. Which of the following actions have you ever taken in order to cope with irregular supply of raw materials?
   1. Reduced the number of working days { }
   2. Reduced the number of working hours { }
   3. Closed the manufacturing office permanently { }
   4. Reduced the level of output { }
3. Do you have sufficient manpower to meet your production level?
   1. Yes { }
   2. No { }
4. Do you have sufficient equipment to meet your production level?
   1. Yes { }
   2. No { }
5. Are you satisfied with your production level?
   1. Yes { }
   2. No {}
6. As a manufacturer, which of these is your greater obstacle to higher productivity?

|  |  |  |
| --- | --- | --- |
| a. Money { | } |  |
| b. Manpower { | } |
| c. Electricity { |  | } |
| d. Machines { |  | } |

e. Lack of government inducement { }

f. Lack of basic amenities {}

1. How do think that your productivity level can be increased specify? a. …………………………………………………….

b. ……………………………………………………..

c. ……………………………………………………...

1. How conducive is your factory or working environment?
   1. Good { }
   2. Fairly good { }
   3. Bad { }Very bad { }