**THE IMPACT OF BUREAUCRACY IN NIGERIA PUBLIC ENTERPRISE**

**A case study of PHCN Enugu district**

**Abstract**

The topic “The impact of Bureaucracy in Nigeria Public Enterprises” was specifically chosen to emphasis and illustrate the extent to which bureaucracy has been efficient and its ineffective in the operation of Nigeria Public Administration.       The study started with the background and definition of the study area and then went down into identifying the past and present trend, of bureaucracy (both Western and Nigerian Bureaucracy) The principles, theoretical and economic factor that influences bureaucratic organizations. It is believed that with a proper understanding of bureaucracy in the operation of Nigerians public enterprises, especially in (PHNC) Power Holding Company of Nigeria seventy will be ensured with will be ensured with a view to achieving efficiency and increase productivity in their services.

**CHAPTER ONE**

**INTRODUCTION**

* 1. **Background of the study**

The National Electric Power Authority which is today known as Power Holding Company of Nigeria (PHCN) was established by the NEPA Act of 1872. The Act authorized the merger of the activities of the Niger Dam Authority and the Electricity corporation of Nigeria. The operation object clause is among other things: “to develop and maintain an efficient coordinated and economical system of electricity supply to all parts of the federation or as the Authority may direct and for this purpose”. A close scrutiny of PHCN performance over years reveals that the above provision of the Decree are not efficiently observed. It was estimated according to world bank report, that inefficiency in  power sector alone created losses of over US$800 Million annually in Nigeria (World Bank 1794).The purpose of a Bureaucracy is to successfully implement the actions of an organization of any size (but often associated with large initiatives such as government corporation and non-governmental organizations), in achieving its purpose and mission, the bureaucracy is tasked to determine how it can achieve its purpose and mission with the greatest possible efficiency and at the least cost of any resources.The principle of social organization which characterize the twentieth century industrial society is “rational coordination” otherwise known as “Bureaucracy”. Under this form of organization, people are brought together in formal and complex settings run by professionals and experts. The professionals are called “Bureaucrats” while the organizations they run are known as “Bureaucracies”. The nineteenth century produced a number of brilliantly descriptive and literacy accounts of modern bureaucracies. Many writers call attention to the increasing bureaucratization of human activity but Max Wcber  a German Sociologist historian and economist is credited with having made the most thorough analysis of bureaucracy (Mullins 1999). The main contention in the writings of those scholars is that more and more spheres of life are being dominated by large orgainsations and increasing number of people are becoming employees of complex organization. As a matter of fact, quite a few aspect of medium society can be studied without reference to bureaucracy.

        Most obviously in the business world and in modern establishments, the coordination of specialization in accordance with impersonal rule is highly developed and adopted. The same trend has also been observed to be the pattern in every other areas of the society. Wilmot (1785) and Applebaum and Chamblis (1995) argued that bureaucracy starts from birth (health bureaucracy) to family upbringing (social welfare), to school (educational) to work (civil service, military, commercial, industrial) to worship and death (religion): man is increasingly dominated by bureaucracy. Every sphere of modern life have thus become very bureaucratic as people are born into bureaucracies; grow in it, live with it and even die in it. It is bureaucracy all the way and all the time. Right from the unset of this world, man has co-operatively organized as a group to work towards a directed goal in a directive manner. Indeed the prevalence of complex bureaucracies is believed to be the structural frame work in our recent organizations.

        No less important to mention is the fact these complex organization are established not only to find solution to given human problems but to do efficiently. It is not surprising therefore that in the new turn era, the central concern of several classical society analysis was the issues of how man is going to organize human society in general and more specifically his productive activities in the most efficient way to achieve maximum benefits. Adam Smith (1723-1790) advocated that Economic on industrial matters should be left in the hands of economics or industrial elites and agents i.e (those waste in economic affairs). He was concerned with the problems of organizational productivity. Above all for Max Webber (1864-1920) the essence of bureaucratic organization is efficiency. In other words, the peculiar characteristics of bureaucracy enables men to effectively and efficiently deal with and transform the socio-physical environment. It is at this basis that bureaucratic organization are guided and pirated in man’s bid to perfect and actualize himself through socio-economic development that any impediment to their efficient operation should be incised seriously. Indeed, the fact that Nigerians fought a civil war six years after independence, followed immediately by another six years of unprecedented oil boom in which extreme materialism took over the control of Nigerians mind and total soul, led to the enthronement of indiscipline, corruption and a lot contempt for order honors and excellence within the whole society including the bureaucratic public.

        In the light of this, one sees bureaucracy as a formal-rational organized social structure with clearly defined pattern of activities in which every series of action is fundamentally related. The study therefore centers on PHCN Enugu District in order to determine the extent to which bureaucracy contributed towards the organizational output and inefficiency.

**1.2       STATEMENT OF THE PROBLEM**

In the recent times, the Nigerian economy has witnessed a steady and rapid decrease in productivity in almost all the areas of the economy, the energy sector inclusive. The preliminary investigations carried out by this research shows that PHCN also experienced similar problems of the steady and rapid decrease in productivity which was due to lack or inadequate motivation and bureaucratic efficiency following this, the researcher has decided to find out whether the problem arose because of bureaucratic inefficiency, if so, what could be done to ensure efficiency and enhance productivity. In doing this, an attempt will be made to expose the bureaucratic system already being employed by the management of PHCN. The reactions of the workers to these techniques and whether they were understood as expected.

**1.3       PURPOSE OF THE STUDY**

The purpose of this study is to examine the root causes of poor power supply, especially in relation to bureaucracy. The workers reaction to bureaucratic pattern employed by the management to enlist the co-operation of workers and bureaucratic efficiency. The study also intend to find out the extend to which bureaucracy has undermined the smooth running and effective operation of PHCN Enugu District.

For this reason, some of the areas this study intends to accomplish are as follows:

1.   To show the bureaucratic pattern employed by the management of PHCN Enugu aimed at inducing over reaction for the enhancement of productivity.

2.   Probe and find out what may be the likely management problem with bureaucracy in PHCN Enugu District.

3.   Show the effects bureaucracy has on productivity and efficiency in power supply.

4.   Proffer solution to identified management deficiencies in the management of bureaucracy.

5.   Finally, document the findings for interested researchers in the future.

**1.4       HYPOTHESIS FORMULATION**

The study of the impact of bureaucracy in Nigeria public enterprise. The case study of PHCN Enugu District will seek to test the following hypothesis:

1.   H0:        Bureaucracy has no significant impact in Nigeria public enterprise.

HI:        Bureaucracy has significant impact in Nigeria public enterprise.

2.   H0:        Bureaucracy process does not prevents public enterprise from formulating and implementing effective policies.

HI:        Bureaucracy process prevents public enterprise from formulating and implementing effective policies.

3.   H0:        Bureaucracy process does not prevents public enterprise from making and implementing an emergency policy.

HI:        Bureaucracy delays the public enterprise in making emergency policy and implementing it.

**1.5    SIGNIFICANCE OF THE STUDY**

        This study is expected to be of immense importance in management decision making in PHCN as well as other top researchers and consequently to the nation in general. The study will specifically be beneficial in the following ways:

i.             It will make the management of PHCN Enugu to appreciate fully the principles of bureaucracy.

ii.            It will enable managers in the employment of PHCN to identify the causes of how productivity is in relation to principles of bureaucracy.

iii.          The result will help in the enhancement of efficiency and consequently productivity at PHCN Enugu when properly addressed.

iv.          It will be of immense guide to future researchers who intend to explore and understand further concepts of bureaucracy especially in service organization like PHCN.

**1.6      SCOPE OF THE STUDY**

For the purpose of clarity, the subject of this researcher work focuses on the impact of bureaucracy in Nigeria public enterprises. This study intends to cover the activities of power holding company of Nigeria (PHCN) Enugu District.

**1.7       DEFINITION OF TERMS**

**PHCN:**       Power Holding Company of Nigeria.

**NEPA:**National Electric Power Authority

**Bureaucracy:**It is laid down rule

**1.8ORGANIZATION OF THE STUDY**

This research work is organized in five chapters, for easy understanding, as follows Chapter one is concern with the introduction, which consist of the (overview, of the study), statement of problem, objectives of the study, research question, significance or the study, research methodology, definition of terms and historical background of the study. Chapter two highlight the theoretical framework on which the study its based, thus the review of related literature. Chapter three deals on the research design and methodology adopted in the study. Chapter four concentrate on the data collection and analysis and presentation of finding. Chapter five gives summary, conclusion, and recommendations made of the study.

**CHAPTER TWO**

**REVIEW OF RELATED LITERATURE**

**2.1 Introduction**

The Nigerian Public Service, otherwise known as the Nigerian Bureaucracy is a child of the British Colonial Public Service. In other words, the present arrangement of ministries, departments and agencies of government derived largely from the British system of colonial administration. At its inception, the British civil service had two broad objectives namely, to maintain law and order which Adamolekun (2000) euphemistically captured as the concept of “night watchman”. The other objective which Onimode (1983) in Ezeh (2008:318) referred to as revenue generation found expression in the utilization of the public service and its personnel to exploit and expropriate local or indigenous natural and mineral resources to develop the metropole. Frank (1972) epitomized this metropole-hinterland relationship in his centre-periphery model of the dependency theory. Following the 1914 Amalgamation of Southern and Northern Nigeria and the Lagos colony, two levels of administration existed. “Lord Lugard was, on one hand, directly responsible for fashioning and supervising the British politics of oppression, particularly as it affected difficult and non-complying communities and,… administrative matters in which Lugard was directly in charge of, together with few British officials” (Ezeh, 2008:318). The exploitative motive of the colonialists seems obvious from the numerous scholarly accounts and as reinforced by the centre-periphery model highlighted above.The major structural division of personnel in the Nigerian public service corresponded to the 1954 Gorsuch (Report) classification which are as follows: Administrative/Professional class; Higher/Technical Executive; Clerical/Artisan; and messengerial/manipulative. These categorization which have been slightly modified due to successive reforms explain the academic standards/requirements pursuant to entry into such grades.The Nigerian Bureaucracy performs a number of functions. One of such is the provision of services that are deemed to be of necessity and which would otherwise have been outside the reach of the common man. An example of public goods/services, which requires tremendous improvement at the moment is the basic health care for the citizenry. Access to and quality of basic health care delivery have collapsed to the extent that Mimiko (2010:12) painfully but factually referred to each household in Nigeria as operating a micro-municipal governance system. Under this system, each household or unit generates its electricity via generator, water from boreholes, disposes its domestic wastes and attends to its health care needs through private clinics or pay for drugs in government hospitals. Another public good or function of the public sector that had been taken for granted over the years due to lack of lustre performance of its apparatus and personnel is security. Recent news from various media (print and electronic) confirm how cheap life has become in our nation as innocent lives are lost in very horrible and avoidable circumstances. Functional and qualitative education also constitutes one of the perceived roles of the Nigerian public service, notwithstanding that the country continues to perform poorly on every available indicator of the Human Development Index. Other sundry services include provision of potable/drinking water; reliable public electricity supply; efficient and just judicial administration to mention but a few. The extent to which these services have been delivered is subject to debate.An important function of the Nigerian Bureaucracy is that it acts as agent of development. This is predicated on its potentials at marshalling human and materials resources required for economic growth and development. The role of public service in collecting data; disseminating information and ideas; analyzing data for policy decisions; weighing alternatives (including costs and benefits) and proffering possible courses of action are essentially noteworthy in this regard. The Nigerian Bureaucracy has witnessed phenomenal growth in size, with a total staff strength of less than 30,000 at independence, it grew to 45,154 in 1970; 98,877 in 1974; 213,802 in 1988; 273,392 in 1990; and about 200,000 in 1998 (Obi, 2007:21). In explaining this geometric growth, Abdulsalami (1988:49) adduced the following reasons: the attainment of independence in 1960 with its attendant high expectations for rapid socio-economic development in the country necessitated the creation of several institutions. Secondly, the creation of states from the old regional structures in 1967, and further sub-divisions in 1976, 1991 and thereafter brought about the need for more hands in the services of the states’ bureaucracy. Additionally, the massive increase in oil revenues from 1972 enabled the Federal Government to embark on very many developmental projects/programs necessitating the expansion of existing bureaucracies and the creation of new ones. The perpetration of military rule for over three decades since independence has led to the dominance of the central government in the affairs of this country with the attendant consequences of more bureaus requiring personnel.

**2.2 THE CONCEPT OF MANAGEMENT**

The discourse of the subject matter cannot be complete without touching on the concept of management. The act of management is not a new creation. From the recorded events of man in the Garden of Eden through the successful organization of the extended family relations to the period where organizations such as the church, army, school and hospital were established, there has always been traces on management practicesexhibited, for example the ancient history of Egypt is replete with construction of great palaces and pyramids; there are the ancient but great walls of China; there is the Hanging Garden of Babylon; we know also of the military prowess and accomplishments of Romans in the battle fields. All these speaks of management practices in the areas of planning, organizing, directing and controlling. Perhaps what may be new about management is the search for a rational and systematic ways of management. Management according to Amobi and Nnabuife (1999:2) “is the role of certain group of officers occupying top and privileged positions in the organization. These people formulate the overall policies of the organization giving guide and setting limits as it were on how the organizations resources are to be utilized.” According to Lawal (1993:2) stated that “the word management was derived from the Italian “managgiare”, meaning to train horse. It was originally used to indicate the process of managing, training or directing sporting and house keeping activities.” Later it was extended to the operation of government and businesses. Also according to Heinz, Mark and Harold (2008:4) opined “that management is the process of designing and maintaining an environment in which individuals, working together in 18 groups efficiently accomplish selected aims.” This basic needs according to them is expanded: As managers, peoples carry out the managerial functions of planning, organizing, staffing, leading, and controlling. Management applies to any kind of organization it applies to managers at all organizational levels. The aim of all managers is the same: to create a surplus. Managing is concerned with productivity, which implies effectiveness and efficiency. Also the word management is used in four ways, namely, as a resources as a body of knowledge, as a process of organizational section and as economic at of allocation of very scarce resources. According to Cole (2004:9) opined that “the system approach to organizations is based on the three major elements of inputs, conversion, and output. The process of management is concerned with all three of these elements, and especially with the conversion processes of organization”. Also according to Griffin (1997) in Onah (2003) unequivocally posited that “management is perhaps best understood from a resource-based perspective, human, financial, physical and information resources. Thus, management to him is a set of activities involving planning; organizing, coordinating and controlling directed at an organization resources with the aim of achieving organizational goals in an effective and efficient manner”. Most acceptable by Ejiofor (1984:21) “management is the art and science of directing and coordinating activities of people to achieve one’s personal goals in the context of the goals of one’s organization”. This is in recognition that individual work in organization not necessarily for the goal of the organization but for their own goals. This form of deviation stagnates the success of organization. All types of organization, government, business, industries, cooperatives whether profit or non-profit making require good management to ensure viability and perfection via efficient and effective goal attainment. However, to achieve the organizational goals the manager has to plan, map out strategies, find suitable people and the material to do the job, assign different roles to different employees and ensuring that jobs are carried out according to mission statement of organization. Also management has paradigmatic perspective. First, it is seen as a group of persons, referring to those in the helm of affairs in any organization. Second, it refers to a process of activity of managing, relating to integrating resources of organization, channeled towards making organizations prolific. From the various views and contributors of writers and authors, management can be summarized to be an activity as well as process, which involves the coordination and controlling of group activities with the purpose of maximizing organizational goals effectively and efficiently. This no doubt suffices to say that achievement of organizational goals depends heavily to the extent manager adhere to the fundamental principles of management, which are: planning, organizing, coordinating, controlling, directing and supervising.

**2.3 MAX WEBER’S BUREAUCRATIC MODEL**

Max Werber characterized bureaucracy as a system of administration where, for the purpose of achieving efficiency, an organization’s operations for achievement of results are guided by laid down rules, regulations, procedures and methods. It is a system where emphasis is placed on legal-rational leadership, knowledge, qualification and experience as the criteria for selection into organizations. Positions which are hierarchically organized are determined by knowledge, qualification, skills and experience. Rewards and promotions are awarded on merit. As a sociologist Werber was interested in social organizations such as the family, community, society, the state and social structure. His concern was how to ensure cohesion in social organizations and achieve set objectives through efficiency. Max Werber‟s model of bureaucracy can be described as a means of achieving organizational efficiency and effectiveness in service delivery. Its catch words are leadership, authority, division of labor and specialization, hierarchy, functional specificity, rules, regulations, procedures, methods and runtime job performance. The 16 underlying assumption of Weber‟s model is that authority which provides legitimacy to an organization system is legal rational rather than traditional or charismatic. Organizational theorists have variously commented on Weber‟s concept of bureaucracy. Thompson (1961) characterizes bureaucratic organizations as those composed of highly elaborate hierarchy imposed upon highly elaborate division of labour. Hall (1962) in attempt to highlight the definition of bureaucracy gave the following characteristics of a bureaucratic organization or administration:

1. a well-defined hierarchy of authority;

2. Division of labor based on specialization by function;

3. A system of rules addressing the rights and obligations of position holders in an organization;

4. Inter-personal relationships that are impersonal;

 5. Selection and promotion based upon technical skills and competence. Commenting on the nature of bureaucracy, Blau (1956) states that it is through formalized system that an organization maximizes efficiency in administration. Enticed by a Blau‟s proposition, Heady (1996) makes the point that every organization must be bureaucratic in order to achieve efficiency.

**2.4 The Nigerian Bureaucracy and Max Weber’s Ideal Construct: an Evaluation**

Having laid the above background, it is proper at this point to explore Max Weber’s ideal construct and principles for comparative purposes with the Nigerian Bureaucracy. Max Weber (1864-1920) directed the attention of mankind to why leaders expect compliance with orders given to their subordinates. This coincided with the three types of authority namely: traditional; charismatic and rational-legal. Most of Weber’s writings centred on the rational-legal authority which he described as the “ideal type”. Authority rests in the positions in accordance with formalized rules and regulations. The ability to reward for good works or punish for wrongdoings is viewed as legitimate, while the presence of experts/professionals in organizations legitimize the position of office holder. Weber visualized that “an impersonal, rule-abiding, efficient, merit-based career service provided the surest way of fulfilling the public interest” (Henry, 1999:55). In other words, to achieve the greatest good for a large number of people, merit must be given prominence for tenure jobs, and a body of rational laws formulated by experts who must be impersonal in their approach to official duties are indispensable. These rational laws according to Weber are to replace “Kadijustice” or justice based on the whims and caprices of a charismatic leader.

The features of bureaucracy (rational-legal authority) based on Weber’s “ideal construct” are as follows:

* Hierarchy which implies structure
* Promotion based on professional merit and skill as guides for recruitment.
* The development of a career service in the bureaucracy.
* Reliance on and use of rules and regulations that are scientific.
* Impersonality of relationships among career professionals in the bureaucracy and with their clientele (Henry, 1999:54-55).
* Specialization along functional lines
* Authority and responsibility.
* Documentation or record keeping.

In an earlier section of this paper, the structure of the Nigerian bureaucracy was traced to the Gorsuch Commission of 1954-55 (Report) classification namely: Administrative/Professional; Higher/Technical Executive; Clerical/Artisan; and Messengerial/Manipulative (Anazodo, Okoye&Chukwuemeka, 2012). These classifications were broadly referred to as Senior Service (which the Europeans dominated during the colonial epoch) and the Junior Service (largely made up of Africans). A University degree or membership of Professional body was the minimum requirement for entry into the Senior Service. Jain in Abdulsalami (1998:48) observed that “the classification within the higher civil service was based not on any rational formula of duties or functions, but on the basis of their recruitment along racial lines”. The emphasis here is that under colonial rule, colour as opposed to merit (as canvassed by Max Weber) was used in appointing personnel into the higher service. The implication of this is that the Whiteman believes that colour conferred superior intellect on him, which is a fallacy. It must however be underscored that whatever may be the merit or demerit of the colonial practice in the Nigerian Bureaucracy, there was hierarchy or structure as presented above, and this conforms to one of the features of Weber’s ideal type bureaucracy. The structure remains with slight amendment (up till moment) as a result of several civil service reforms highlighted in the subsequent segments of this paper.One other feature of Weber’s ideal construct on bureaucracy is that promotion must be based on professional merit and skills as guides for recruitment. A major issue explaining the rationale for most of the civil service reforms is on increasing efficiency in the Nigerian Public Service, and it is gratifying to observe that some of the reform panels (Udoji, 1973/74 and Ani, 1975/76) underscored this issue while zeroing-in on training as a step towards improving performance in the public service. However, institutional and cultural problems have combined to weaken the effectiveness and efficiency of the Civil Service reforms. The misuse of the federal character principle, for instance (which in truth and reality is meant to achieve proportional representation in the public service), has been observed to sacrifice merit in favour of quota in the Nigerian Bureaucracy (Briggs, 2007, Gberevbie, 2010). The 1994 Ayida Review Panel on 1988 Civil Service Reforms observed this state of affairs and recommended that recruitment into the public service, “especially at entry grade of professional cadres should as much as practicable be based on a combination of merit and federal character, so that the best candidates from each state are selected on a purely competitive basis” (Obikeze and Obi, 2004:159). Copious references on other forms of abuse of office and bureaucratic corruption in the recruitment and promotion processes are contained in Obikeze, 2007:48. Similarly, the Administration Staff College of Nigeria (ASCON) has the original mandate of promoting and encouraging the acquisition of skills to improve the competence of bureaucrats. The pursuit of internally generated revenue, extortions, fraudulent manipulations, antics and spurious claims have however, severely undermined and detracted the institute from making significant impact on public service competence in Nigeria (Talabi, 2012; Akume, 2012). Corruption and pervasive institutional impunity and fraudulent tendencies have continued to stand as sore thumbs in the achievement of the lofty expectations of these institutional reforms and thwart the realization of efficiency and high performance in the civil service (Mukoro, 2005; Anazodo, Okoye&Chukwuemeka, 2012). As observed by Okotoni&Erero (2005) and Akume (2012), the prevailing public servants detestable economic, social, psychological and environmental challenges have undermined the underlining objectives of administrative reforms of enhancing bureaucratic capacity and competence via training as envisaged by government in Nigeria.

Olum (2004:1) sees management as one of most important human activities, from the time human beings began forming social organization to accomplish aims and objectives they could not accomplish as individual; he stated further that managing has been essential to ensure the coordination of individual efforts. As society continuously relied on group effort, and as many organized group have become large, the task of managers has been increasing in importance and complexity. Henceforth, managerial theory has become crucial in the way managers manage complex organizations. The central thesis of Olum’s view is that although some managers in different parts of the world could have achieved managerial success without having basic theoretical knowledge in management, it has to be unequivocally 24 emphasized that those managers who have mixed management theory in their day-to-day practice, have had better chances of managing their organizations more efficiently and effectively to achieve both individual and organizational objectives, which is one of the major aims of this research project as it concerns NTA, Awka as a public enterprises in study. Therefore, managers of contemporary organizations ought to appreciate the important role they play in their respective organizations if they are to achieve set goals. Secondly, there is need to promote excellence among all persons in organizations, especially among managers themselves. Also seeing management from performance perspective, Economic Commission for Africa (Development Policy Management Division, DPMD) (2004:12) maintained “that performance management is one of the various New Public Management (NPM)-inspired measures to address some of the accountability problems in pursuit of the goal of performance improvement, performance management advocates for the “empowerment” of managers, i.e. vesting the public manager”. Also seeing management from Decentralized Perspective, the ECA (2004:15) still maintained “that Decentralizing management is a strand of NPM derived from “managerialism” which is part of an effort to “de-bureaucratize” and “delayer” the hierarchies within the public service, the key concern is to give managers the freedom to manage their units in order to achieve the most efficient output. The above explanation is to understand management from decentralized and public management perspective, which shows that if government should decentralize function and authority and also reduce interference in the activities of public enterprises, especially in Nigeria, that efficiency and effectiveness will improve. This lack of decentralization and government interference is one of the causes of failure of public enterprises in Nigeria including NTA, Awka. Still on public management, World Bank (2003) put it thus: the final dimension of management decentralization is the adoption of new forms of corporate governance and the board of directors model, which aims to reduce the power of elected representative and minimize the influence of labour union management” Understanding the concept of management is not complete without touching on scientific perspective of management. According to Taylor (1911) in Ogumbamerm (2004:6 2) in his book “the principles of scientific management” published in 1911 sought to establish a scientific process to address productivity problems by organization. He criticized the arbitrary approach of managers to their responsibilities and the workers irresponsible disposition to work maintaining that such actions accounts for poor productivity performance by organization. For this reason, Taylor urged the need for managers and workers to be guided by a system of established rules and standards. He proposed four principles of management in the hope of making management a science resting on well recognized, clearly defined and fixed principles instead of depending on more or less lazy ideas.

**2.5 THEORIES OF LEADERSHIP**

Considerable volume of theories and research has been carried out on leadership because of its relevance to group action. It is, therefore, no surprise that when in 1974 Stogdul completed his research on leadership, he analyzed over 3000 books and articles in the field. Though legion of leadership theories have been propounded, we are going to discuss briefly those considered popular are relevant to us.

1. **Trait theories of leadership**

The trait theory of leadership argues that there are certain traits which effective leaders should possess. According to Stogidill (1974) in Ogunabameru (2004:236) he found that even among the traits most commonly cited in empirical studies, intelligence, achievement, dependability, and socio-economic status. He further argued that this might be due to the fact that someone with one or more of these traits might be so different from others in the group that he would be viewed more as a deviant then a leader. The facelessness trait studies and many contemporary studies can be traced to several methodological and measurement problems, first, measurement of personality traits are still inexact science. There is a considerable amount of disagreement regarding even the most familiar and most frequently tested traits. Intelligence, for example is measured in many different ways while there is generally some correlation in intelligence test, it is common for a person to score high in one test ad relatively low in another. Second, there is a failure to distinguish between effective and ineffective leadership. One might have a great deal of leadership capacity and have little ability to lead others in productive activity. Also according to Nwankwo (2003:7) stated that “characteristic like decisiveness, charisma, intelligence, enthusiasm, strength, bravery, integrity, self-confidence etc have been suggested as relevant traits which leaders should posses”. Mahatma Ghandi, Martin Luther King (Jr) Adoff Hitter etc. were all leaders, but for sure, they were individuals with utterly different characteristics. Herein lies the futility of the trait theory. If this theory were to be valid then all leaders should possess specific characteristics that could be identified in each.

 **b. Behavioral theory**

If the trait theory had been successful, it could have provided the basis for selecting effective leaders for various organizations, but its futility led to the emphasis on the behavioral theory. The behavioral theory argues that effective leaders have distinct ways of behaving. It emphasizes the training of the leaders. This implies that leadership behavior could taught and learned. Experiences have however, shown that the behavior of each leader is determined by prevailing situational variables. This implies that a leader can act in divergent ways at different situations. The demise of the behavioural theories is its inability to clarify such situational factors.

 **c. The situational approach to leadership theory**

This theory is in some academic quarters, called the “zeigeist” theory; “zeitgeist” is a German word meaning spirit of the times. According to Igboeli (1990:158) “this theory of leadership maintains that a leader is a product of time or situation. This implies that one will be called, a leader if he is able to meet up with the demands of a situation or time.

 **d. The path-goal theory**

The path-goal theory was developed by Robert House of the University of Toronto. According to this theory, the subordinates accept a leader’s behavior once they view it as a source of their satisfaction, either immediately or in the future. It could also be stated, that a leader, becomes acceptable to his sub-ordinate once his behavior appears motivational to them. According to Robbins (1988:390) stated that “the path-goal model proposes that leader behavior depends or the degree of task structure in the job, the subordinate’s perception of his or her own ability, and the subordinate locus of control.” This theory, therefore, identifies two basic dimensions of leadership as:

1. Initiating structure; and
2. Consideration In other words, the leadership should be motivational when the task structure correlates effective performance with the satisfaction of the subordinate needs, as well as provide the requisite training, guidance, support and reward that would enhance the effective performance.

**e. The contingency model** This model was first developed by Fieldler (1967) according to this model, effective group performance is dependent upon the compatibility between the style of the leader is controlled and influenced by the work situation with his least-preferred co-worker (LPC) questionnaire, he purportedly measured if a person is task-or relationship oriented. He further isolated three situations criteria-leader-member relations, task structure, and position power. He believes that these criteria could be manipulated to create the proper match with the behavioral situation of the leader. This is according to Robbins (1988:390)

**2.6 ORGANIZATIONAL STRATEGIC MANAGEMENT**

Organizational strategic management (OSM) integrates all major activities and functions of an organization and directs them towards 40 advancing an organization’s strategic agenda. It integrates all other management processes to provide a systematic coherent and effective approach in establishing, attaining, monitoring, and upgrading an agency’s strategic objective. Poister and Streib (1999:41) stated that “an effective strategic management capability is essential for maintaining or strengthening the links between the organization, external stakeholders, and managing for result.” African public service agencies need to formulate their strategic plans and use the plans as a basis for effective public service management. Policy management Policy management is the process of policy initiation, analysis, formulation, approval, implementation, and monitoring and evaluation (M α E) in the public sector. Policy analysis skills have been identified as a key weakness within the civil service in many developing countries, particularly Africa. In Australia, New Zealand, the United Kingdom, and Zambia, this has been addressed by strengthening the office of the president prime minister and cabinet through the creation of policy units. In Ghana and Malaysis, Inter-ministerial Committees have been set up for special policy issues, supported by national forum involving the private sector. The new culture of policy management emphasizes participation, accountability and transparency. It hinges upon the involvement of the private sector and civil society in policy formulation, monitoring and evaluation, and on the recognition that at stakeholders in the policy development process must be involved in order to enhance support and ease implementation.

**2.7 PUBLIC ENTERPRISE**

There is no generally accepted agreement among scholars with regards to the definition of public enterprise. This lack of universal agreement on definition among scholars emanated. From the variation in the nature of public enterprise. According to Amara (2009:51) stated that “public enterprises are essentially the public organization that have emerged as a result of government acting in the capacity of an entrepreneur” he further stated that they include the parastatals, state- owed companies and statutory corporations. Also Ezeani (2006:213) opined that “public enterprises are defined here as legally constituted bodies operating services of an economic or social character or both on behalf of the government” he also further stated that through largely autonomous in their management then are subject to different types of government control and are also characterized by different degrees of public financed support. Ozor (2004:108) stated that “the term public enterprise denotes an organization operating or supposed to be operating on commercial principle wholly or partly owned and effectively controlled by public authority. This definition emphasizes the type of public enterprise that are commercially oriented and therefore less encompassing. Public Enterprise combines the features of public administration with the key attributes of private enterprise. The creation of these enterprise results from the desire to infuse more flexibility and efficiency in the organization of some governmental activities. It must be emphasized here that while the civil service exists by the some law (authority) will government pubic enterprise are created by separate laws. Therefore, subsidiary arm of government, like local government, come under public enterprise classification. This is why laieye (2002:28) stated that “a public enterprise is an organization that is set up as a corporate body and as part of the governmental apparatus for and entrepreneurial or entrepreneurial like objective”. Also SoSna (1983:27) opined that “there are many reasons why in developed capitalist countries there is no single standard definition of public enterprise, he also stated that public enterprises were established at different periods and each epoch naturally brought forth the types of public enterprises most clearly matching its own conditions. It is therefore believed that the variation in definition are informed by the ideological, values interest, disposition and circumstances that brought public enterprise into existence whatever the controversy and the lack of uniformity of some scholars of public enterprises. For instance Efange (1987:5) defined public enterprise or parastatal as institution or organization, which are owned by the state or in which the state holds a majority interest, whose activities are of a business in nature and which provide service or produce goods and have their own distinct management. Obadan and Ayodele (1998:1) have seen public enterprise as organization whose primary function is the production and sales of goods and /or services and in which government or other government controlled agencies have no ownership stake that is sufficient to ensure their control over the enterprises regardless of how actively that control is exercised. Also Cheng (2006:145) stated the term “public enterprise” is used for any enterprise that is solely owned by the government or other public enterprises, or is jointly owned by the government or other public enterprises and private individuals, provided the public section hold more then 50 percent of the capital/ shares. Also Cheng (2006:168) in his own view stated that “legally public enterprise is treated as an important part of the government structure, with annual budgets, critical investment plans, high level personnel nomination personnel management, financial auditing and even-day to day matters all under the strict regulation and supervision of relevant government organs and processes”. In a United Nations (1974:2) publication public enterprise are defined as those enterprise “in which the government has majority interest of ownership and /or management”. Another United Nations (1968:1) Source defines public enterprise as “industrial agriculture and commercial concerns which are owned and controlled by central government (in a Unitary state) or the control government and regional government (in a federation).

**CHAPTER THREE**

**RESEARCH METHODOLOGY**

* 1. **Introduction**

This chapter deals with the method used in collecting data required in carrying out this research work it explains the procedures that were followed and the instrument used in collecting data.

* 1. **SOURCES OF DATA COLLECTION**

Data were collected from two main sources namely

-Primary source and

-secondary source

**Primary source:** These are materials of statistical investigation, which were collected by the research for a particular purpose. They can be obtained through a survey, observation questionnaire or as experiment; the researcher has adopted the questionnaire method for this study.

**Secondary data:** These are data from textbook Journal handset etc. they arise as byproducts of the same other purposes. Example administration, various other unpublished works and write ups were also used.

**3.3 POPULATION OF THE STUDY**

Population of a study is a group of persons or aggregate items, things the researcher in interested in getting information from for the study the impact of bureaucracy in Nigeria public enterprise 200 staff of power holding company of Nigeria (PHCN) was randomly selected by the researcher as the population of the study.

* 1. **SAMPLE AND SAMPLING PROCEDURE**

Sample is the set people or items which constitute part of a given population sampling. Due to large size of the target population, the researcher used the Taro Yamani formula to arrived at the sample population of the study.

n= N

 1+N(e)2

n= 200

1+200(0.05)2

= 200

1+200(0.0025)

= 200 200

1+0.5 = 1.5 = 133

**3.5 INSTRUMENT FOR DATA COLLECTION**

The major research instrument used is the questionnaires. This was appropriately moderated. The secretaries were administered with the questionnaires to complete, with or without disclosing their identities. The questionnaire was designed to obtain sufficient and relevant information from the respondents. The primary data contained information extracted from the questionnaires in which the respondents were required to give specific answer to a question by ticking in front of an appropriate answer and administered the same on staff of the two organizations: The questionnaires contained about 16 structured questions which was divided into sections A and B

* 1. **VALIDATION OF THE RESEARCH INSTRUMENT**

The questionnaire used as the research instrument was subjected to face its validation. This research instrument (questionnaire) adopted was adequately checked and validated by the supervisor, his contributions and corrections were included into the final draft of the research instrument used.

* 1. **METHOD OF DATA ANALYSIS**

The data collected was not an end in itself but it served as a means to an end. The end being the use of the required data to understand the various situations it is with a view to making valuable recommendations and contributions. To this end, the data collected has to be analysis for any meaningful interpretation to come out with some results. It is for this reason that the following methods were adopted in the research project for the analysis of the data collected. For a comprehensive analysis of data collected, emphasis was laid on the use of absolute numbers frequencies of responses and percentages. Answers to the research questions were provided through the comparison of the percentage of workers response to each statement in the questionnaire related to any specified question being considered.

Frequency in this study refers to the arrangement of responses in order of magnitude or occurrence while percentage refers to the arrangements of the responses in order of their proportion.

The simple percentage method is believed to be straight forward easy to interpret and understand method . the researcher therefore choose the simple percentage as the method to use. The formula for percentage is shown as.

% = f/N x 100/1

where f = frequency of respondents response

N = Total Number of response of the sample

100 = Consistency in the percentage of respondents for each item contained in questions.

**CHAPTER FOUR**

**PRESENTATION ANALYSIS INTERPRETATION OF DATA**

**4.1 Introduction**

Efforts will be made at this stage to present, analyze and interpret the data collected during the field survey. This presentation will be based on the responses from the completed questionnaires. The result of this exercise will be summarized in tabular forms for easy references and analysis. It will also show answers to questions relating to the research questions for this research study. The researcher employed simple percentage in the analysis.

**DATA ANALYSIS**

The data collected from the respondents were analyzed in tabular form with simple percentage for easy understanding.

A total of 133(one hundred and thirty three) questionnaires were distributed and 133 questionnaires were returned.

Question 1

Gender distribution of the respondents.

TABLE I

|  |
| --- |
| **Gender distribution of the respondents** |
| Response | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Male | 77 | 57.9 | 57.9 | 57.9 |
| Female | 56 | 42.1 | 42.1 | 100.0 |
| Total | 133 | 100.0 | 100.0 |  |

From the above table it shows that 57.9% of the respondents were male while 42.1% of the respondents were female.

Question 2

The positions held by respondents

TABLE II

|  |
| --- |
| **The positions held by respondents** |
| Response | Frequency | Percent | Valid Percent | Cumulative Percent |
| **Valid** | **Managers**  | 37 | 27.8 | 27.8 | 27.8 |
| **Engineers**  | 50 | 37.6 | 37.6 | 65.4 |
| **Technicians**  | 23 | 17.3 | 17.3 | 82.7 |
| **Accountants**  | 23 | 17.3 | 17.3 | 100.0 |
| Total | 133 | 100.0 | 100.0 |  |

The above tables shown that drivers respondents which represents27.8% of the respondents are managers, 50 respondents which represents 37.6 % are engineers, 23 respondents which represents 17. 3% of the respondents are technicians, while 23 respondents which represents 17.3% of the respondents are line accountants.

**TEST OF HYPOTHESES**

Bureaucracy has no significant impact in Nigeria public enterprise

Table III

|  |
| --- |
| **Bureaucracy has no significant impact in Nigeria public enterprise** |
|  | Observed N | Expected N | Residual |
| Agreed | 40 | 33.3 | 6.8 |
| strongly agreed | 50 | 33.3 | 16.8 |
| Disagreed | 26 | 33.3 | -7.3 |
| strongly disagreed | 17 | 33.3 | -16.3 |
| Total | 133 |  |  |

|  |
| --- |
| **Test Statistics** |
|  | Bureaucracy has no significant impact in Nigeria public enterprise |
| Chi-Square | 19.331a |
| df | 3 |
| Asymp. Sig. | .000 |
| a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3. |

Decision rule:

There researcher therefore reject the null hypothesis that state that Bureaucracy has no significant impact in Nigeria public enterprise as the calculated value of 19.331 is greater than the critical value of 7.82

Therefore the alternate hypothesis is accepted that Bureaucracy has significant impact in Nigeria public enterprise.

**TEST OF HYPOTHESIS TWO**

Bureaucracy process does not prevents public enterprise from formulating and implementing effective policies

Table V

|  |
| --- |
| **Bureaucracy process does not prevents public enterprise from formulating and implementing effective policies** |
|  | Observed N | Expected N | Residual |
| Yes | 73 | 44.3 | 28.7 |
| No | 33 | 44.3 | -11.3 |
| Undecided | 27 | 44.3 | -17.3 |
| Total | 133 |  |  |

|  |
| --- |
| **Test Statistics** |
|  | Bureaucracy process does not prevents public enterprise from formulating and implementing effective policies |
| Chi-Square | 28.211a |
| df | 2 |
| Asymp. Sig. | .000 |
| a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 44.3. |

Decision rule:

There researcher therefore reject the null hypothesis that state that Bureaucracy process does not prevents public enterprise from formulating and implementing effective policiesas the calculated value of 28.211 is greater than the critical value of 5.99

Therefore the alternate hypothesis is accepted that Bureaucracy process prevents public enterprise from formulating and implementing effective policies.

**CHAPTER FIVE**

**SUMMARY CONCLUSION RECOMMENDATION**

**5.1 Introduction**

It is important to ascertain that the objective of this study was to investigate the impact of bureaucracy in Nigeria public enterprise.

In the preceding chapter, the relevant data collected for this study were presented, critically analyzed and appropriate interpretation given. In this chapter, certain recommendations made which in the opinion of the researcher will be of benefits in addressing the challenge of bureaucracy and procedure bottle neck.

**5.2 Summary**

The administrative processes presupposes that a positive relationship between the administrator and his clientele members of the public who enjoy his services (BoakyeSarpong, 1998). Even though the respondents from the PHCN indicated knowing that citizens are their clients. On the other hand, over 80% of clients were of the view that staff of the PHCN do not have customer satisfaction as a major concern. According to majority of clients/customers, who interacted with the organization to acquire services such as; business operating permit, bills generation, power supply, repairs and maintenance, etc, services are procedurally delayed for selfish reasons. Further to this, staff is unfriendly and lack customer care.

**5.3 Conclusion**

The performance of public enterprises in Nigeria including that of PHCN has been regrettable inspite of huge sum of money invested on them. However, without an attempt to checkmate these management problems of public enterprises in Nigeria which include poor and unstable management board, incompetence, excessive government interference and control, conflicting objective, corruption and monopoly, achievement of efficiency, profitability and socio-economic growth and development in the country is alarming. The current predicament of public enterprises the world over, notwithstanding, an active public sector presence is desirable so as to counterbalance the excesses and contradictions of the ubiquitous private sector.

**5.4 Recommendations**

The researcher therefore recommend that Effective training and development program should be inculcated by the management of PHCN. The essence of training is to equip staff with necessary skills and techniques needed for the particular job in the organization. In the case of change in technology and innovations, an employee needs to be educated and trained in relevant job. This significantly will help to boost efficiency and effectiveness of the company and ensure full capacity utilization. ii. Since it is agreed that motivation induces employee to give their best, proper motivation cannot be de-emphasize in PHCN. This could take the form of promotion, increasing the salaries of employees, allowing their initiative in some policy issues and remunerating them adequately so that their social obligation and responsibilities are attained with good working condition, employees of PHCN, no doubt will increase their elasticity to achieving desired result.

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