
Wages Administration And Civil Service Productivity In Anambra State: An Empirical Analysis

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Abstract

This paper examines how wages administration in Anambra State Civil Service impacts on staff productivity. The study adopts the survey research method to collect data which were analysed based on simple percentage and chi-square (χ^2). The assertion of the paper is that while the wages and salaries of civil servants are their rights and entitlements, the manner by which they are determined and paid in the state civil service leaves much to be desired as it has enormous influence on staff morale and productivity. The paper recommends that at intervals, the state government should review the wages and salaries of civil servants so as to ensure that it reflects the economic realities of the period it is being paid.

Key words: Wages, Civil Service, Labour, Productivity, Leadership.

Introduction

Wages administration in Nigeria is as old as the civil service itself. Many administrations have come and gone but not without deliberating on what the appropriate' or 'minimum' wage or salary as of civil servants should be. In some situations, it has been without industrial disputes especially during the military era while most of the civilian regimes were dominated by industrial disputes which on most cases led to total breakdown of law and order as workers try to press home their demand for better wages and salaries.

In the views of Egbo and Okeke (2009), salaries and wages of civil servants are not left to the discretion of employers. They are usually backed by a legal instrument stating the minimum pay for workers. For instance, the Obasanjo led government in 2003 pegged the minimum wage rate for federal workers at N7,500. This was initiated through rigorous consultations between workers representatives and the government, before the Wages and Fiscal Commission forwarded the agreement to the National Assembly for the necessary legal backing. Nigeria being a federal structure, it was expected that the federating states should fix the salaries and wages of their state workers. However what has happened over the years is that the state workers representatives (labour unions) through the Joint Public Service Negotiating Council (JPSNC), usually adopt the Federal Government's rate for the federal workers to engage their respective state governments in negotiation and which has created so much problems in the system. Although, some states often follow suit as soon as the federal government announce a new minimum wage, many other states often allege that their allocations from the Federation Account cannot sustain such rates. In Anambra state, for instance, the problems caused by Federal Government's 2011 minimum are still being

felt very strongly in 2012 as the prolonged industrial action over the minimum wage pitched the workers against the government and instead of harmonious co-existence, workers now see the government as their enemy to be dreaded and related to only on compromise (Nwokolo, 2011). Such poor labour management relationship affects the productivity of workers as workers assume that their state government does not appreciate their work by refusing to the live of the federal government.

Workers collective bargaining through their elected representatives have often been misunderstood by the government. Although, industrial action is the last weapon in the hands of labour to press home the demands of its members for better conditions of service. It becomes very unfortunate if government decides to be vindictive or selective in its relationship with the employees. The problem is that when workers are not properly treated as they should, they will not only be demoralized but will also exhibit corrupt tendencies as feelings of insecurity overwhelms them. Poor remuneration in particular is capable of leading workers to contemplate embezzlement, misappropriation of public funds and other forms of corruption not only to take care of the present but to ensure that during retirement, there is something to fall back on. There is no doubt that an effective and efficient state civil service makes every other sector of the state economy to fall into place thereby facilitating the desired development that will impact on the quality of life of the citizenry. It is on that premise that this work examines how wages administration in Anambra State impacts on its staff's productivity.

Objective Of The Study

The objective of this study is to examine the effectiveness of wage administration for civil servants in Anambra State with a view to determining its impact on their productivity.

Research Questions

The following research questions were formulated to guide the study;

1. To what extent has wages administration for civil servants in Anambra State affected the productivity of workers?
2. What are the opinions of workers on the effectiveness of wage administration in Anambra State Civil Service?

Research Hypothesis

The following null hypotheses were constructed and tested at 0.05 level of significance;

1. There is no significant difference in the opinions of the respondents concerning the effectiveness of wage administration in Anambra state civil service.
2. Wages administration influences the productivity of workers in Anambra State Civil Service.

Significance of the Study

The findings of this study will be of immense benefit to the government of Anambra state in the area of government-workers relationship as issues relating to negotiations for wage increase and administration will now take a new dimension.

Review of Related Literature

Wages administration like many other concepts in the social and behavioural sciences has been given a variety of definitions. This is because, most literature on the concepts see authors defining it from their various world views. In the context of this paper, wage administration simply means “the management of human resources with respect to salary payment to workers when services are rendered”. In keeping with its own side of the contract, employers endeavour to pay their workers. The implication is that there exists a contractual agreement between workers and the employer. The way and manner the wages or salaries are paid determines the performance of the employees.

According to Manandhar (2005), there are three levels to public service (civil servants) wages, namely; reservation wage, efficiency wage and capitation wage. Reservation is given on opportunistic event; efficiency is fixed far and above the opportunistic wage, while capitation is deliberately made very low because it is presumed that employees make extra income through corrupt practices.

Wages administration is a concept that is as old as personal management itself. From time, Anambra state just like any other state in Nigeria has witnessed series of wage increases at different times. However, due to the fact that such increase has hardly met the needs of the beneficiaries, there have always been agitations for more increases to reflect the economic realities of the time.

The relationship between proper remuneration of workers and their efficiency is not far fetched so also are effective leadership and productivity. In the many occasions that workers representatives and the government have had to negotiate wages and salary in cases, the executive arm of government both at the state or federal level have always been represented by certain persons with the understanding that any decision reached in such engagements would be binding on both parties (Adebayo, 2004). Leadership therefore, determines whether agreements from such engagements are worth implementing or not. As Tannebaum and Warren (1983), wrote, “a leader is always in-charge of the affairs of his subjects. He does not only influence their behaviour but also ensures that the environment is conducive for the achievement of common goal”. This, they noted further, is against the realities that restricts use of the leader’s authority, prestige or power to diminish the interest of the subordinates thereby exerting less influence.

Kotter (1990), and Coleman (2000), believes that leadership and management are related but not the same. A person can be a manager, a leader, both or neither, managers and leaders differ in how they create an agenda, develop a rationale for achieving the agenda and execute plans and also in the types of outcome they achieve. For example when executing plans a manager focuses on monitoring results, comparing them with goals and correcting deviations. In contrast, the leader focuses on energizing people to overcome bureaucratic hurdles to help reach goals. So, when an individual monitors the performance of his employees, he is playing the role of a manager. However, when he inspires them to work harder at achieving goals, he is a leader. This is what is lacking in Nigeria’s search for good leadership over the years. Wages and salaries have never been fixed in such a way that they can sustain the basic or minimum requirements of a civil servant in Nigeria be it at the federal or state level. The worst of it all is that before any wages or salary increase are

approved for workers, so much noise would have been made about it that prices of goods and services would have risen thereby rendering worthless such salary increase.

Achebe (1983) was probably right when he opined that the problem of Nigeria is perhaps bad leadership. Though, God has blessed the country with abundant human and natural resources, the missing link has been to have the right person at the helm of affairs of the nation and every other thing will fall into place. It is bad leadership that makes the government to renege on decisions reached at negotiations with labour representatives during implementation.

There are various approaches to carrying out leadership functions of motivating and integrating governance and personnel interests in pursuit of goals or objectives of the government. Leadership styles are variously classified. According to Likert (1961), there are exploitative and benevolent, autocratic and paternalistic, participative (supportive) and laissez fair leaderships. Of all this, Nigeria have unfortunately had autocratic and exploitative leaders mostly since independence. This, of course, explains why the national minimum wage of N18,000.00 has been difficult to implement across the states of Nigeria not even by the Federal Government that brought it into being (Okeke, 2011). Instead, all manner of interpretations has been deliberately introduced to scuttle it, and this has been the situation in Anambra State where the implementation have become very difficult despite the prolonged industrial action embarked upon by the workers to press home their demand for it.

The views of Kotter (1990), that “the executive who chooses to use a leadership style that merely orders or dictates may have employees that are less committed” comes to fulfillment in Anambra State with the attitude of the present leadership towards its workers. The implication is that development would be hindered and the people will continue to live in conditions below the requirement for minimum living. The *raison d’être* of government is the welfare of the people and when that can no longer be guaranteed, then it calls for serious attention.

Theoretical Explanations

Human resources are the most dynamic of all the resources at the disposal of any organization be it public or private (Akpala, 1982). What this implies essentially is that organizations must recognize the crucial position human resources of personal occupy in achieving organizational goals. The study adopts ‘Maslow’s Needs Hierarchy Theory of Motivation’. In literature, the first major attempt to explain the phenomenon of motivation followed systematic conceptual model of human motivation propounded in 1943 by Abraham Maslow. In his book “Motivation and Personality” published in 1954, Maslow observed that people are generally wanting beings who always possess innate grabbing instinct depending on what they already have. The three core propositions of the theory are:

- First, that human beings have many needs that are different in nature, ranging from biological needs at the lower level to psychological needs at the upper extreme;
- Second, individuals are in constant state of motivation, never achieving a state of satisfaction except for a very short time;
- Third, these needs are arranged in a hierarchical order, so that the lowest level needs must be satisfied before higher level needs arise or motivate people (Maslow, 1970).

Following from this theoretical exposition, it becomes apparent that the unsatisfied needs can and do influence the behaviour of a person to act in a manner that does not promote the objective of his organization. The success of any organization depends largely on the efficiency and effectiveness of he employees. An unmotivated employee cannot put in his/her best in an organization. Motivation assures and propels workers to increase their productivity. Civil servants can be motivated by giving them enhanced salary package that can take care of their needs as identified by Abraham Maslow in his work.

Even though Maslow's hierarchy of needs theory was criticized on many grounds by the likes of Alderfer (1972), Bass (1981), and Drucker (1974), it was found very suitable for the study given the phenomenon understudy. The civil service by it nature passes through career progression and at each stage up the ladder, the level of need changes to a higher one in the line with Maslow's postulation. For instance, the needs of a new entrant into the service is not the same as that of a director. When the workers needs are identified and attended to accordingly, the civil servants would try to be at their best in terms of increasing their productivity.

Research Design And Methodology

A descriptive survey design was adopted in the study which was carried out in Awka, the capital of Anambra state. The population consisted of some civil servants in Anambra State both junior and Senior staff who were randomly selected. The sample size was 251 workers comprising 175 senior and 76 junior staff from across all the ministries in the state.

Stratified random sampling technique was used in selecting the sample. This method was used to ensure that each stratum contained as much of both sexes as possible. Similarly, the dichotomy of junior and senior became necessary also to ensure that there would be a balanced view in their responses. A structured instrument (questionnaire) was designed in a modified Likert scale of four (4) points was used. The scaling was arranged in the following order.

Strongly agreed	- 4points
Agreed	- 3points
Disagreed	- 2 points
Strongly disagreed	- 1 point

The respondent was required to indicate the level of his/her agreement or disagreement to the statement of any item by choosing one of the response options as outlined above. Direct approach was adopted in the distribution of the instrument by the researcher. The questionnaire was tested for both validity and reliability using a Cronbach alpha of test re-test and a coefficient of 0.73 was arrived at which was considered adequate for the study.

Method of Data Analysis

The method of data analysis was quantitative and it was achieved by applying t-test inferential statistics on the mean scores and standard deviation of the respondents. The test of hypothesis was done at 0.05 level of significance and 240 degrees of freedom (df).

Presentation and Analysis of Data

The analysis of data shows that there are more females than males in the employment of Anambra State Government in the ratio of 60:40 respectively. The total number that completed and returned their questionnaires were 242 workers and this represents about 96.4% of the sample. The 3.6% non-response rate is insignificant and therefore was ignored. The over 96 percent response rate was a mark of willingness shown by the state work force to be available for this important study.

Table 1: Mean and Standard Deviation of Workers View on Wages Administration in Anambra State.

s/n o	Items	Senior Staff			Junior Staff		
		X_1	Sd_1	Decision	X_2	Sd_2	Decision
1	The relationship between staff Salaries and employees efficiency is not such that it should lower productivity	2.15	0.18	Disagreed	2.01	0.14	Disagreed
2	What matters most in civil service is not the monthly salaries but the schedule of duty an officer handles and what comes out of it	2.25	1.23	Disagreed	2.02	1.14	Disagreed
3	Industrial actions in the state most times are influenced by disgruntled politician and not genius demand for improved conditions of service	1.40	0.05	Strongly disagreed	1.21	0.11	Strongly disagreed
4	Representatives of the workers often seek their personal interests rather than those of their colleges the represent during negotiations with the government.	2.72	0.13	Agreed	2.46	0.20	Agreed
5	Government never contemplates any salary increase for workers unless they agitate for it peacefully and sometimes through industrial actions as last resort in pressing home their demand	3.63	1.40	Strongly agreed	3.58	1.35	Strongly agreed
6	Most times government prefer to give bribe to a few labour leaders to avert agitation for wage increase	3.74	1.50	Strongly agreed	3.58	1.40	Strongly agreed
7	Inadequate wages and salaries paid to workers is what encourages corrupt practices in public offices	3.70	1.52	Strongly agreed	3.51	1.31	Strongly agreed
8	State civil servants should be paid the same salary with	3.68	1.49	Strongly agreed	3.66	1.40	Strongly agreed

	their federal counterpart						
9	The way and manner government treats worker's wage increase during negotiations suggest that they can do without the services of the workers so long as allocation comes from the federal government	3.51	1.02	Strongly agreed	3.62	1.18	Strongly agreed
10	Government unwillingness to increase workers salaries regularly could be because many civil servants engage on one illegal business or the other during office hours thereby making them very unproductive.	2.46	1.21	Agreed	2.11	1.00	Disagreed
	Average	2.92	0.97		2.78	0.93	

Source: Analysis of responses obtained from a questionnaire (field survey by the researcher)

Table 1 reveals that civil servants both junior and senior identified ten issues related to wage administration and conducive working environment in the process of achieving desired efficiency in public service. These includes the relationship between staff salaries and level of productivity, scramble for lucrative work schedule for extra income, the activities of disgruntled politician and its effect on labour-management relation, negative effect of dishonest labour representatives and government nonchallant attitude toward employees welfare at work place. Others are the desires of the states civil servants to earn the same salaries and wages with their federal counterpart, selfish tendencies often exhibited by the government toward workers as manifested in the abandonment of government-labour negotiations most times and the thinking that civil servants are not productive because the often engage on illegal activities during office hours hence they don't deserve any improved conditions of service.

The mean scores and standard deviation of the workers shows that they disagreed with items 1 and 2, strongly disagreed with item 3, agreed with item 4 and strongly agreed with items 5, 6,7,8 and 9. However, only the senior staff disagreed with it. The average mean scores and standard deviation for the senior staff is 2.92 and 0.97 respectively while that of the junior staff are respectively 2.78 and 0.93.

Testing the Null Hypothesis

To test the null hypothesis which stated that there is no significant difference in the opinions of the junior and senior staff of the state civil service concerning wage administration and workers productivity in Anambra State, and that the patterns of wages administration influence workers productivity. The analysis on Table 1 was used. Also, t-test inferential

statistics for difference in two means was considered appropriate and applied at 0.05 level of significance and 240 degrees of freedom (df). The results indicated that the null hypothesis H_0 was accepted and the alternative rejected (Table 2 below).

Table 2: Summary of the t-test result for the Hypothesis

Source of variation	N	X	Sd	Df	tcal	tcrit.	P<0.05
Senior staff	169	2.92	0.97	240	1.498	1.960	No
							Significant
							Difference
Junior staff	73	2.78	0.93				

N = 242

P < 0.05

Source: Analysis of responses obtained from field work

Table 2 above shows that at 0.05 level of significance and 240 degrees of freedom (df), the calculated t(1.498) is less than the critical t(1.960). therefore, there was no significant difference between the opinions of the senior and junior civil servants in Anambra state on wage administration and workers productivity in Anambra State. Hence H_0 was accepted.

Summary and Discussion of Findings

This study has revealed the perceived problems militating against effective wage administration for civil servants in Anambra state. Just as the test result has shown, as the old saying goes, “those who wear the shoes knows where it pinches,” the workers are unanimous in their opinions concerning the issue of poor salaries and wages in the state.

Leadership was found to be insensitive in the state because of the attitude of those in positions of power towards the worker’s conditions of service. Poor salaries and wages in the state are some of the reasons why optimal productivity is not being achieved. The study also revealed that the staff are not being adequately motivated and therefore, their morale are always down. Under such situations, it is difficult to get their support to move the state forward and achieve set targets which are supposed to impact directly on the lives of the people.

The state has a history of poor government-labour relations which still manifests in every attempt labour makes to ask for increase in wages and salaries. For instance, talks on enhanced welfare package for the staff between workers representatives and government through the Joint Negotiating Council has always been dead locked to the detriment of the workers. The excuse that workers engage on unlawful activities during the office hours thereby making them less productive was unfounded. Even though salaries are paid in arrears of two or sometimes three months, workers still endeavour to go to work and still perform their expected duties.

The N18,000 minimum age if eventually approved in the state is not even a reflection of the real economic challenges facing the workers. Conversion of the much talked about minimum

wage to its equivalence in US dollar will only give about US\$112.5per month for a family and perhaps extended family relations. Another important finding of the study is the undue publicity that accompanies any contemplated salary increase which leaves much to be desired. While government is still saying that it cannot pay the minimum wage but already, inflation has hit the roof due to the anticipation of the increase based on the negative publicity given to it.

The study equally reveals that inadequate remuneration for civil servants tends to encourage corrupt practices among civil servants. There is fear of insecurity about what becomes of him/her when he/she must have left service if adequate attention is not given to them now that they are still in service. The only way out for any natural being who looks for the maximization of his benefit always, would be to devise means of helping himself now and later no matter how unconventional the means appear. It was further discovered that what has existed between government and workers in the two faces of industrial relations is the negative aspect-conflict instead of cooperation, though cooperation is what guarantees maximum output in any organization. This is because, cooperation is a form of social interaction wherein two or more persons work together to achieve a common end. Thus, there is give and take and mutual interests leading to cooperation. Cooperation is joint or collaborative behaviour that is directed toward some goal and in which there is common interest or hope of reward. Such cordial cooperation is not exist between labour and government of Anambra State.

Conclusion And Recommendations

Wage administration is a subset of industrial relations. It is one of the many areas of interaction between workers and government or employees and management. Therefore, cordial relationship must exist between government and the workers for the realization of set objectives.

Civil servants in Anambra State are not paid living wages and as a result many engage in other means of earning extra income for livelihood and sustenance. Poor salaries and wages contributes to corruption and unproductiveness. It is well supported in literature that adequate and regular salary are some of the motivational factors that civil servants need to perform at their bests. Unfortunately, experience from the field (respondent opinion) did not suggest that civil servants in the state are so encouraged. Traces of inefficiency, unproductiveness and corrupt practices observable in the system were necessitated by poor wage administration within the period under study. The nature of relationship existing between government and its workers defines the extent to which such a government will succeed or fail in achieving its goals. It is imperative that government give priority to the welfare of those in its employment because they can make or make government programmes. As such, adequate salaries should be paid as at when due to the workers if their support for government policies and programmes are to be sustained.

Wage administration in the state should be seen as a very serious issue by the government. In the light of the above, government should setup a standing-committee for salaries and wage review at regular interval of not less than, every five years. This will take care of effect of inflation on workers salary and as wells reflect the real economic realities in the state. The idea of waiting for workers representative to embark on industrial action before engaging

them on fruitless negotiations which the government never honors the outcome, should be a stopped. Man-hour loss during such industrial action is not in anybody's interest as it does not encourage the development of the state. Government should be proactive in dealing with industrial relation issues. Trade dispute is the test weapon at the disposal of the workers therefore they should not be blamed for using it to press home their demand for improved conditions of service. Instead, what the government needs do to avert its occurrence is to engage on strategic labour relations management so that civil servants will begin to see government as partners in progress.

Also, there have been accusations and counter accusations about sell-out on the part of workers representative during such negotiations against the spirit of collective bargaining. These may be one of the reasons why negotiations between government and labour are no longer popular in modern times. The Salary and Wages Commission that the government will set up should be able to determine when workers salary or wages are due for review so as to avoid the negotiations that breeds all manners of suspicion and mistrust among workers.

Finally, government should always enhance the salary of civil servants so that their take-home pay can provide at least their basic needs so as to dissuade the few corrupt ones from engaging on sharp practices as a result of the insecurity arising from such inadequate salary. It is believed that the non-challancy and laxity currently being observed among some civil servants may be as a result of loss of confidence in the government to fulfill its own part of the contract of employment between it and its employees.

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