TITLE PAGE

THE MANAGEMENT OF HUMAN RESOURCES IN AN UNSTABLE ENVIRONMENT. A CASE STUDY OF COTTON AND AGRICULTURAL PROCESSORS LTD. ZARIA.

BY

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A PROJECT SUBMITTED TO THE POST GRADUATE SCHOOL, AHMADU BELLO UNIVERSITY, ZARIA IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS IN BUSINESS ADMINISTRATION (MBA).

DEPARTMENT OF BUSINESS ADMINISTRATION
AHMADU BELLO UNIVERSITY, ZARIA.

OCTOBER 1998.

DECLARATION

I hereby declare that this project report has been written by me and it is a record of my own research work. All material used from other sources are duely acknowledged by means of references. I accept responsibility for all errors of omission and commission in the project.

ABDULLAHI LADI	Abdul	31/8/19
NAME	SIGNATURE	DATE

CERTIFICATION

This project entitled the management of human resources in an unstable environment. A case study of cotton and agricultural processors Ltd. Zaria by Abdullahi Ladi meets the regulations governing the award of the Degree of Master's in Business Administration (MBA) of Ahmadu Bello University, Zaria and is approved for its contribution to knowledge and Literary presentation.

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DEDICATION

This project dedicated to the Almighty God and the blessed Virgin Mary. Also to my family members without whose love, help and prayers I would have been where I am today.

ACKNOWLEDGEMENT

I wish to thank God for his care, blessings and mercies to me, and my family. I also wish to express my profound gratitude to each member of my family.

My thanks also go to the following people: Mallam Ahmed Ladan Gobir, of the cotton and Agricultural processors Ltd., Zaria for his immense contribution, and help in obtaining materials for this project, Lt. Col., R. Shekoni for his help, Mrs M.C.A Shekoni who encouraged me to come for this programme, Akerejola and family. The Alaos, my finance - Francis Fagjot John for his love.

I sincerely appreciate the co-operation received from my project supervisor, Dr. Mrs. J. Nwasike who has been like a mother to us all. She is one woman I have always admired! How she manages to combine elegance grace and still be firm beats me!

Mention must also be made of all my classmates MBA class of 97/98 session - who in their own way touched me one way or the other. It was quite a memorable experience. We were called "Nomadic" MBA, "Wandering" MBA - all sort of names. God saw us through to the end. I must not forget others like Usman, Isiaku Sunday, Maryann, Sinmi Obi, Mercy and so many others too numerous to mention.

Last but not the least, all members of N.F.C.S. Congo and St. Augustine's Parish, Kongo.

ABSTRACT

Every organisation operates within a Macro environment which in a large extent affects its policy and decision making and to a large extent the satisfaction of employees on their job.

An organisation has to constantly move to the rhythm of change and react to its dynamic environment. Otherwise it becomes a *"rusted suit of amour"* forgotten among the junk.

The need for this study arose due to the present predicament faced by the Nigerian workers - strikes, unpaid salaries, retrenchment are all abound in our economic system.

This study focuses on rationalisation using the company Cotton and Agricultural Processors, Zaria as a case study.

Irrespective of the fact that Nigeria faces an economic crisis, the Human Element should be given more consideration and appreciated for their hard work.

The aim of the research is to explore ways to effectively and efficiently manage the human resources of organisation in an unstable environment.

After a detailed research on the organisation, the conclusion drawn is that the management has been able to manage its human resources effectively in the unstable environment in which it finds itself.

It also manages to bring the organisation from the brink of collapse to an enviable position in the Industrial Sector within which it finds itself.

It realised that the human resources are the key to its survival and growth.

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CHAPTER ONE

INTRODUCTION.

Every Nation is affected by both external and internal factors which Influence and constrain the activities of such a nation. The environment in Which the nation operates has a lot of impact on her operations. The macro Environment in which a nation operates is largely uncontrollable and yet Very constraining. This environment is made up of all factors external to the organisation. I t is very dynamic and relevant to policy formulation and decision making the management of these factors determine to a large extent, the satisfaction of employees on their job. A company organization, like a baby is born naked and without culture. Almost before you know it the child has grown up, acquired a set of attitudes and donned a suit of values. Such is the nature of corporate culture: The raw Primitive force with which an enterprise come into the world quickly becomes enshrined in an unchallenged, company way of doing things.Before long, habits are dangerously ingrained. At its best, the organisation has to move to the rhythm of change and reacts to its dynamic environment, otherwise, it becomes a "rusted suit of armour" for gotten among the junk.

An organisation is made up of structure technology and people, all being Influenced by the environment. People, constitute the internal social system of an organisation. They consist of individuals and groups which may be unofficial and informal groups. An organisation does not exist alone. It is part of a larger social system that contains many other organisations. All these organisations mutually influence each other in a complex system that becomes the life style of the people. Human resource in an organisation are the most important part of that organisation and they have to be handled properly, for the efficient and effective achievement of goals in the organisation, and most importantly, for the purpose of survival. The need for a study into the management of human resources in an unstable environment arose from the present predicament being faced by workers in the Nigerian environment. Nigeria is facing a serious economic crisis, and the human resources of it all.

Retrenchment and rationalisation are abound in both the private and public sector. Due to the downward trend in the economy, and there seems to be no solution to it all at present, which is why this project work focuses on rationalisation, using the company cotton and agricultural processors, zaria as a case study. Because of the fact that a large percentage of the work force

is unemployed, most organisations do not really care about their human resource any more. No one seems really concerned about how the human resource of the nation is coping with the unstable environment in which we find ourselves currently.

The Nigerian worker has to cope with the daily increases in prices of the basic necessities of life such as: food, shelter and clothing. Has to pay school fees, transportation, cope with dependants (whose number increases daily due the fact that the jobs are fewer than the workers), and try to maintain or attain a social standing in the society. All these are bound to affect performance on the job (where it exists:).

Organisations, in a bid to survive the unstable economy have to cut down on strength to reduce costs. This even worsens the predicament of the Nigerian worker. Gone were the days when Goverment economists concentrate disassion of economic progress on only factor like money, market, natural resources andcapital good, to the neglect of humans resources. It has since been realied that all aspects of economic growth and development points to one factor- the human resource. In the modern concept, the human resource is not only recognised for its ability to form a viable entrepreneur of labour force for increased production, but is seen as the most important factor in every aspect of production. There fore, any good organisation requires not

only finance,but also good, effective and adequate manpower resource. It is due to the prime importance of manpower resource in all societies that effort has been made and infact it still being made to seek better ways of of improving and utilizing the available manpower resource. This is because, all other resources : money, machines information, time, technlogy, materials and so on are inanimate and therfore, need to be activated by human resources. In other words, the quality of human resources in an organsation is freqently the most importart factor that determines whether or not the organisation is going to be successful, whether, it will realise a satisfactory return on its investment and whether it will achieve its objectives. The following are factor be undertaken to manage Human resources adequately:

(1) Human resources have to be give a sense of security be avoiding the mistakes of the past. They should be removed/ termminated in a fair and considerate manner.

(2) Issues should be communicated to them and their views and opinion Sought. They should also be involved in the decision making process.

(3) The reward system must be adequate, but this must be accompanied by strict accountability, transparency probity and integrity on the part of

human resource. Offenders mut be properly sactioned to discourage others. It is the lack of effective sanction tha has turned our organisation and indeeed our polity into a den of corruptiion.

(4) M anagement must show example to it staff by its commitment to intergrity, probity and honesty;

(5) Policies should be realistic and implementable.

(6) There must be training and retraining of staff to keep pace with global development. Particular reference is made to the need for training in technology which is now the dominant force in the world.

(7) A monitoring unit should be set up to ensure accountability amongst the workforce.

1.2 STATEMENT OF THE PROBLEM.

The management of human resources within the nigerian contex has not been very encouraging. Nigerian worker have until quite recently been treated as part of the office furniture and no adequate consideration made fortheir feelings and opinions, which has influenced the way various organisations mainly in the public sector, have carried out rationalisation of employees with out any human feeling. This research is undertaken to highlight how cotton and agricultural processors Ltd., Zaria has managed its human resources with particular reference to rationalisation of its employees.

1.3 PURPOSE OF THE RESEARCH.

To explore way of effectively and efficently managing the human resource of organisation in an unstable enviroment. It is hoped thhat the finding of this research will aid human resource managers of an organsation in managing their staff as well as recognise that workers are human and need to be treated with care and respect as well as given a lot of considerations. This research is also for management annd business students who are interested in having an idea of managing human resources an unstable enviroment.

1.4 SIGNIFICANCE OF THE RESEARCH.

A knowledge of how to manage human resources in an organisationis very important to the survival of and efficient running of the organisation. The human resource are the most important part of any organisation. The unstable enviroment in which we live presently make managing the human resource even more difficult. It is hoped that this study will be of immense benefit to both the public and private sector of the economy and will highlight ways of effectively managing the human resurce of any organisation . It is also beneficial to both human resource managers and students as well as all those who are carrying out a research on managing human resource of organisation Finally, to the soceity at large, the

study contribute to existing knowledge at it attempts to show various ways of improving and managing human resources in an unstable environment.

1.5 SCOPE OF THE RESEARCH.

This research is done within the nigerian context and it speciifically focuses on the cotton and agncltural processors, L.T.D. (c.a.p) zaria.Cotton and Agricultral processors, l.t.d, was in the colonial days incorporated as British cotton growing association popularly refered to B. C. G. A, by the royal charter in 1902,to foster the cultivation of cotton fibre and the production of lint. It commenced operation in nigeria. In 1903. As a wholly british owned enterprise. The company in cosonance with government legislations first changed its name in 1968 to british cotton growing association (Nigeria) L.T.D. and there after to cotton and agricultural processors limited, after being incorporated in Nigeria in the wake the Nigerian enterprises promotion decree of 1973 . The company is 31.80% owned by sadiyya investment and finance company L.T.D., 20% by new nigerian development company limited 46 x 18%by highly placed private indivduals and other corporate bodies and 2.02% by the employees of the company. The company has an authorised, issued and fully paid up share capital of N50 Million. The company provdes specialised services to corporate and individual clients. These services include:-

1.cotton Gining.

2. cotton Seed Dressing.

3. Seedcotton, cottonlint and cotton seed merchandsing.

The company staff strength as at 1996 was 144 of which 44 were senior and 100 junior.

A total of 20 staff benefitted from the company training programe during the year at the total cost of N416,652 as against the previous years N214,658.

The management has drawn up a five year corporate plan which includes fundamental structural reorganisation reorientation and change in nomenclature, to tune the company to the challenges of today's competitive enviroment. The company was chosen as a repesntative sample of other organisation in the country due the fact that it has been in existence for about 96 years now and has experinced the remarkable changes in the country's environment and economic changes. It also has many branches around the country. Another factor is the staff stength is sizeable enough observe and use as a representative sample since they are employed from different part of the country. The job skills are also diverse. They cut across managerial and techincal skills in the organisation. All these factors are what is obtainable in different organisation scattered across the country and the fact that all these factors are found in a single organisation, influenced the decision to make it a represntative sample.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

The penguin English Dictionary (2nd edition), defined management as the process or act of controlling, influencing or guiding the running of a business....". The management of human resources, which is the subject of interest in this study, is referred to as personnel management. Simply put, "it refers to the management of people or, the recruitment, selection, utilization and development of human resources by and within an organisation, as defined by Wendell French .The success of any business organisation is determined to a great extent by the quality and personal integrity of its management. The longer the time and employee spends in any organisation, or business the more he/ she is likely to understand the intricacies associated with it. This holds true if the business organisation is stable and devoid of turbulence.

Management can also be referred to as process whereby a manager is saddled with the responsibility of ensuring effective and efficient use of the available resources through proper coordination of managerial skills as well as the application of communication tools and strategies for the realisation of organisation goals and objectives.

Management is getting thing done through other people holds true and it is Appropriate, in the sense that without making effective use of communication techniques- verbal and non-verbal- crucial functions like team work, motivation, direction or supervision of employees cannot be realised. These are key components of management success.

In communication manager should also consider and appreciate the interpersonal in personal and extra personal factors of the public and tailor the intended messages appropriately and accordingly so as to eliminate or minimize possible barriers to effective communication. It must, however be noted that image and reputation created either by the manger/ organisation consciously or unconsciously will depend on how good he/she is and the proper or effective use of communication.

THE EFFECTIVE EMPLOYER IN THE 21ST CENTURY: GLOBAL PERSPECTIVE.

It is common place to speak of globalization, but it is certainly true that the employer of the 21st century will live and work in the global village, he will have to sell goods in the global market and face competition from the entire world. Any one travelling throughout the world cannot help but be struck by the rapid diffusion of the most sophisticated modern technologies even in the

least developed countries where they often coexist with traditional methods which have little changed from medieval time. The effect of these technologies on employment are often misunderstood of course the introduction of an automised process is designated to economies on labour cost and new markets.

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They imply different type of man power more skilled and better trained. New jobs will be needed in the maintenance and preparation of work. On the other hand, enterprises greater added value will be transformed into additional income than into demand for new products and thus into new jobs. For the employer, the new technologies will entail deep transformations of the structure of the enterprise and the labour force. The emerging shape of tomorrow's enterprises has little resemblance to the great consecration of worker of the first half of the present century. Smaller, less vulnerable to constraints in the supply of energy and raw materials it will have greater recourse to small and highly specialised subcontracting enterprises ,offering high technological services often located in other countries even in other regions of the earth. The decreasing cost of transportation, is a factor of change in the international division of labour within the enterprise labour relations are also under going a deep change. The ease in organisations made possible by computers, as well as the need to

run expensive equipment around the clock, are leading away from rigid schedules and spurring the search for new arrangement in the hours of work. Home –work was thought to have disappeared with industrialisation is re-emerging.

In all countries, enterprises face growing competition. The competition is global in scale. The entire planet is becoming a single market where quality is as important as the level of prices. Availability of cheap labour will not be enough to give access to market which demand first- class quality stemming from worker skills up graded through appropriate training efficiency of enterprise that ensure employee motivation and effective supportive institutions for exports. All enterprises live in a climate of instability implying a continuing need for structural adjustment . The current global, political social or economic unrest, particularly in developing economies of the south and the frightening advance in technologies will certainly lead to the evolution of new form of management that has its foundation in crisis .The alternative to this will be the collapse of world economy as we know it today. This is particularly so because, conventional modern management strives only in an enviroment that is stable stability is the foundation on which products of modern business schools are trained and conditioned.

Instability occasioned by political or social unrest, as is the case of Nigeria today, rocks the very foundation on which our managers of public and private enterprises plan.

2.3 THE HUMAN RESOURCE IN AN ORGANISATION:

The most important resource any organisation are the human resources. This is because; the resourcefulness of the people determines the utilization of the other resources and consequently the economic well - being of the people as individuals, organisation or state; R. LINKERT, argued on how the utilization of human resources affect productivity. He wrote that the low producing manager in keeping with traditional practice, feel that the way to motivate and direct behaviour is to exercise control through authority. Jobs are organised, methods are prescribed standards are set, performance goals and budget are established. Compliance with then is sought through the use of "hierarchial and economic pressure"

R-LINKERT (1977) also this to say on highest producing managers "wide spread" use of participation is one of the more important approaches employed by the high producing manager in their efforts to get full benefits from the technical resources of the classical theories of management coupled with high level of reinforcing motivation. This use of participation applies to all aspect of the job and work, as for example in setting work goal

and budgets controlling cost and organisation. For the purpose of this study, it is necessary to review some of the relevant theories concerning human resources in an organisation.

2.3.1 MC-CLELLAND ACHIEVEMENT MOTIVATION;

Mc-clelland, is a psychologist who built on the works of behavioural scientists on factors that influence human behaviour .He and his colleagues identified the need for achievement affiliation and power as drives that produce essentially the same results.

J.W Atkinson, described these needs as a disposition or potential behaviour to strive for success. He further describes these needs as a pride in accomplishment (achievement), sense of belonging (affiliation) and a feeling of influence (power).

Mclelland identifies personality characteristics typical of an individual with a high need for achievement, and states that the need for achievement, can be learned through the establishment of an environment in which it is possible to overcome obstacles and accomplish things .He developed a set of hypothesis from his laboratory research finding.

a. Individuals differ in the degree to which they find achievement a satisfying experience .

b. Individuals with high achievement tend to prefer the following situations

and will work harder in them than individuals of low achievement:

(i) situation of moderate risk

(ii) situation where knowledge of result is provided

(iii) situation where individual responsibility is provided

c. Since the business entrepreneurial role has the characteristic out lined in three situation above, individuals with high need for achievement will be attached to the entrepreneurial roles as a life time occupation. Assuming that the economic growth of our nation depend an successful fulfillment of the entrepreneurial role, it would follow that the success of our society depends on the number of people attracted to the entrepreneurial function.

"This is a function of the level of concern for achievement it that society and of the number of individuals who find achievement situation pleasantly affective".

The prediction then, for economic growth is a clear one. For example an increase in achievement motivation, and you increase the economic performance of the society.

In Nigeria, Jibowo (1977) who studied the effect of job performance of motivators and hygiene factors among a group of 75 agricultural extension workers adopting basically the same method as Herzberg et al (1959), Jibowo found some support for the influence of motivators on job

performance, there were also evidence to suggest however that hygiene factors such as poor work condition, low level of pay and poor supervision, depressed productivity, and performance in general thus contradicting herzberg's theory. In other words, the hygiene factors such as pay, supervision and working conditions acts as motivators among the Nigerian workers studied by Jibowo.

2.3.2 DOUGLAS MCGREGOR THEORY X AND Y

He identified certain assumption made by successful mangers about Workers. He labeled the assumptions made by successful manager as theory Y assumption and those made by unsuccessful managers as theory X assumptions. Theory Y assumptions are:

(i) The drive of man for physical and mental effort involved in work is as natural and rewarding as play, sleep and laughter.

(ii) External control and the threat of punishment are old fashioned means of getting people involved in serving the organisation, so it can attain its objectives. The nature man is such that he exercises self direction and self-control in an integrative way, in the service of objective to which he is committed.

(iii) Commitment to objectives is a function of reward and expectation of reward.

(iv) The average human being learns given the right situation, not only to accept but also to seek responsibility.

(v) The capacity for exercising a relatively high degree of imagination ,ingenuity, and creativity in solving organisation problems is widely ,not narrowly distributed among people.

(vi) The nature of work in the modern world is such that the intellectual potential of the average human being is only partly utilized.

THEORY X ASSUMPTIONS ARE:

(i) Human beings are lazy and will avoid work if possible.

(ii) People must be directed controlled and motivated by fear of punishment to work, as the organsation requires.

(iii) The average human being prefers to be closely supervised, wishes to avoid responsibility, has relatively little ambition and seeks security above all else.

Underlying theory X and theory Y is Maslow's hierarchy of needs.

What Mc Gregor is saying is that a manager who recognises only, the basic biological needs of the worker will, provide a work environment that permits the satisfaction of only this need.

However, if a manager is to be successful, the higher level needs of workers must be recognised and work place activities must to some degree, lead to the satisfaction of these needs.

This is especially important with in the context of the Nigeria environment particularly, in the face of such hard economic conditions.

The manager has to make the work place as conducive as possible for staff so that they will perform very well on the job. As aforementioned, the most important asset of any type of organisation, large or small, is the human element of such an orgnisation. The financial and material components will remain idle with out a good team of the labour force manipulating them towards goal attainment of orgainsational objectives.

Being that as it may, if employees are properly managed, they will feel committed and will work democratically towards the success of the organisation. Conversely, if the human resources are poorly managed, there is every tendency for them to divert their effort towards pushing individual or collective goal rather than organisational objectives. In such a prevailing situation, a poorly managed transition has the propensity

facing problems of not being able to maintain the much needed organisation entropy, which can lead to total failure.

2.4 PROBLEMS OF THE NIGERIAN ECONOMY.

The Nigeria economy is characterised by a number of socio-economic problems these include: import dependence, dependence on single economic sector-oil, weak industrial base, a low level of agricultural production, a weak private sector dependence on foreign loans regional inequalities and rural – urban migration, sluggish growth, inefficient public utilities, low level of social services, unemployment and under employment and absence of a vibrant middle class.

Instability has become the bane of a number of businesses in Nigeria since the introduction of the structural adjustment progrmme (S.A.P.) in 1986. The public owned businesses have been worse affected by this policy. In addition to the effects of S.A.P, the management of these public businesses continue to be changed at a frequency that equals the frequent changes in the composition and membership of the council of states, the council of ministers, state executive council, chief executives of parastatals, local government executives.

In Nigeria it is extremely difficult to know which management or its attributes can be termed as good this is because the political climate is crisis ridden. The acceptance of the profound effect politics has had on various management in Nigeria to the conclusions that over the year, governance in Nigeria to has become a matter of contrivance as the tenure of government is either short or indefinitely long policy for mulation is not wholesome and implementation is not consummated.

2.5 THE NIGERIA WORK ENVIROMENT.

The Nigeria work environment is very different from what obtains in developed following.

1. A large virile potential work force.
2. A large population of illiterate work force.
3. Very large unemployment levels.
4. Absence of social/unemployment benefits instituted or enforced by government.
5. Large disparity in earning between the lesser paid and the highly paid.
6. Large disparity in wealth between the poor and the rich.
7. High proportion people living at starvation level.
8. Frequent mobility of labour.
9. Concentration of work in urban areas.

10. Shortage of shelter especially in the urban areas.

11. Shortage of transportation felicities.

12. Poor communication facilities.

13. A very large and inefficient civil service.

14. Lack of appreciation for merit.

The effect of the above problems found in our work environment is devastating to

our national economy and psyche. With the unemployment of same proportion of our potential work force, many of our people are operating at the lowest level of maslow's hierarchy of needs. The illiterate people in the rural areas, the semi- educated school leavers, school dropouts and the unemployed graduals lack one square meal a day and often have no shelter. They cannot aspire to the higher goal required for self-actualisation and nation building until their basic physiological need are met. What motivates them to day action at all is what holds out the promise for food and shelter. As we have seen already such motivation is short- lived and not sustained by An inner drive which belong to the higher order of maslows this is a national problem. Its presence make people perceive the Nigerian work environment as unchaining- a perception which is heightened by such other negative factor as the disparity in pay between the lowly paid and the highly paid and

between the rich and poor. The leader of both the public and private sectors of the Nigerian economy ought to liberate Nigerian workers from the shackles of hunger and bring them into the economic mainstream so that they can contribute their quota to the national productivity effort .The responsibility of creating a more healthy work environment rests squarely on our shoulders. As Max de Pree has put it: "The measure of leadership is not in the quality of the head, but the tone of the body. The signs of outstanding leadership appear primarily among the followers".

Nigeria is a vast and diverse nation even though a large proportion of our work force is operating at the lowest level of Maslow's hierarchy of need; there is a fast growing class of workers comprised of highly educated and qualified professionals. These are the leaders of today and tomorrow. Leading this class of workers requires a style, which appreciates and acknowledges their competence and marketability. In private companies, this is achieved through equity participation and profit sharing schemes, and a high level of consultation and discussion, which makes them, feels that they have a stake in the business.

They prefer to use their initiative to accomplish task. They required necessary information be available to give them clear understanding of the company's objectives and their roles in accomplishing them.

They will perform in the public sector only if their merit is recognised and adequately compensated and if engagement and promotion are base on performance and not on "man know man". The fuel and transportation crisis must compel us to ask our selves what attention we have paid to workers welfare for some of us, it is easy to come to work and go home at the end of the day in comfortable chauffeur driven cars but for the majority, it is a night mare which no words can fully describe. Should we not do more to ensure that our workers get to work with out too much problems and return? Have health at the end of the day? Surely, this cannot be too great an investment for us to make particularly when we realise that our company's production and profit depend largely on the workers performance and productivity.

2.6 THE NIGERIAN ECONOMY UNDER TRANSFORMATION.

The Nigerian economy has all the trappings of a capitalist economy but with out capital. The Nigeria State owned the commanding heights of the economy and also provides social services, such as free health care, free primary education, subsidised transport services- rail services and other welfare schemes. However,due to economic exigencies, every service is either privatized or commercialized, all with proper theoretical arguments, boiling down to the profit motive.

The Nigeria economy has all the trappings of a capitalist economy with out

capital because our economy does not have the safety valve which the world capitalist economies have- a welfare system. The Nigeria economy has gone fully wild and is being transformed in such a way that we are all tool in the hands of profit maximizes we have moved form a net exporter to a net importer and in trying to force the economy to become a net exporter again, the economy has invited galloping and run-away inflation at high social cost to the social, economic well - being of the nation. Of concern to manager is the structural transformation of the Nigeria economy. It is time that the economy was propelled towards self- sufficiency, because the Ricardian theory of comparative advantage is a capital tool for exploiting advantage in powerful countries. Within the years of the structural adjustment, we found that the productive sector has really grown and the export earnings have also grown and the dependence on the oil sectors eased off just a little bit, such that earning in the non-oil sector increased. This structural transformation in the name of S. A. P. have positive results in the financial indicator, but the social indicator showed that while the economy is doing well, the people for whom the economy is being operated are not doing so well. The trade - off between economic well- being and social well-being is one argument which cannot be won by any party, because the policy maker argue that it has to get worse ,before it get better. In order to develop the productive sector and

attract foreign capital, the value of the naira depreciated and the level of unemployment rose drastically. Inefficient firms had to go finance houses and the larger firms,grew bigger and finance houses made uneconomic profits there by resulting in a proliferation of bank.

2.7 WHERE IS NIGERIA NOW?

THIRTEEN critical success factor (CSF) which must be present for Nigeria to

make progress have been identified these are:

1. Norms and standards.
2. Good and stable.
3. Anti- corruption.
4. Law and order.
5. Sustainable economic growth and competition.
6. Good quality education.
7. Good quality health care delivery system.
8. Cooperation.
9. Openness.
10. Promotion of good external environment.
11. Reduction in population growth.

12.Development in science.

13.Development in engineering.

14.Development in technology.

There is a noticeable break down in the moral fabric of Nigerians. Over the years, social and cultural values seem to have been eroded all because ethics whether in business in government at work or at home; have been thrown over board. Integrity, which is all about having a sense of what is right and good and keeping to it, is what can help to overcome this problem.

As a nation, the average quality of is much lower than we are entitled to on the basis of over abundant resources both human and material. Our average income percapita by world standard is very low. Millions of our county men and women are below the poverty line the international definition of the poverty line is the demarcation between those who live on less than one dollar (u.s.) per day, and those who live on more than that. What is even more worrying is that more and more people fall below this poverty line every day on the scale of human development for all countries, recently published by UNDP-united nations development programme, - it was reported that Nigeria overall ranking fell four points from 159th to 163rd out of about 191 countries in 1996.

Our number one goal should be to improve drastically in all the indices

mentioned earlier for human development measurement, the other goal that must be pursued vigorously is the improvement in all the infrastructure electricity, water, telecommunication, roads and petroleum distribution. The list is almost endless. One more goal that should be pursued with energy and innovation is job creation. The statistics of unemployment in Nigeria are not reliable, hence much of public discussion of unemployment is guess work. What is indisputable how ever, is that the rate of unemployment in Nigeria is very high. Much of the high incidence of crime in the country is traceable to high unemployment, drug abuse and worship of materialism. There fore, as our situation deteriorates we must change our goal first to curtailing the deterioration and then to move forward and improve the living condition. With out first arresting the rate of decline, we have no chance of "bottoming out" on the curve derived from annual performance measurement.

Our National over all development effort has been poor mainly because of lack of professionalism in the management of our affairs. There is too much adhocism in our management style. We have refused to develop systems approach to our management efforts. Our planning has been sporadic and lacks details. Our original ability is low. The abundant resources available to us are misused and abused to get over all better result, we need to manage

the change from sloppiness to professionalism.

Professionalism in management can be identified through three attributes. The first is INTELLECT meaning knowledge and skill .The second is INTEGRITY. Such thing as honesty, probity, transperency. Straight Forwardness and accountability. The third is QUALITATIVE EXPERIENCE.

The three make a tripod.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 METHOD OF DATA COLLECTION AND ANALYSIS

The Cotton and agricultural processors, Ltd. Zaria, was chosen as the case study and the materials for the case study was Collected through two major sources.

1. Primary source
2. Secondary source

PRIMARY SOURCE

The Primary source consisted of an informal interview with the company secretary/Human Resource Manager and some documented records belonging to the company, such as the collective agreements of both the senior and junior staff, and the Nigerian textile, garment and tailoring employers association (NTGTEA) to which they belong.

SECONDARY SOURCE

The Secondary source was obtained using textbooks, past research and some documents belonging to the cotton and agricultural processors, Limited, Newspapers and Magazines. Also other schorlarly publications like seminar

papers, unpublished works and published materials like books, journals and magazines.

3.2 SAMPLE SELECTION

Cotton and Agricultural Processors, Ltd was chosen as the sample used in this research. It is a well established company and has many branches with quite a large staff strength. It was based on this, that it is used as a case study. Cotton and Agricultural Processors Ltd, was in the colonial days Incorporated as "British Cotton Growing Association", popularly referred to as "BCGA" by the Royal Charter in 1902, to foster the cultivation of cotton fibre and the production of lint. It commenced operation in Nigeria in 1903, as a wholly British owned enterprise. The company in consonance with Government Legislations, first changed, its name in 1968 to British Cotton Growing Association (Nigeria) Ltd and thereafter, to Cotton and agricultural Processors Limited after being incorporated in Nigeria in the wake of the Nigerian Enterprise promotion decree of 1973.

OWNERSHIP:

The company is 31.80% owned by Sadiyya Investment and finance Company Ltd, 20% by new Nigeria Development Company, Limited, 46x18% by highly placed private individuals and other corporate bodies and

2.02% by the employees of the company. The company has an authorised, issued and fully paid up share capital of N50million.

SERVICES:

The company provides specialised services to corporate individual clients.

These services include:

1. Cotton Ginning
2. Cotton Seed Dressing
3. Seedcotton, cottonlint and cotton seed Merchandising.

3.3 PERIOD COVERED

This research case study spans a period of 1993 to 1996. This is due to the fact that this period was the peak of instability experienced by the Nigerian economy.

3.4 LIMITATION OF THE STUDY

1. The fact that only one organisation was used as a case study.
2. Very few women, are employed in the organisation, and this reduced the extent to which generalisation could be made in this study.

3.5 BASIS FOR RATIONALISATION OF STAFF

The following basis was used in the rationalisation process in order to be fair to all members of staff.

1. Years Of Service:

Those who have put in so many years and have reached the retirement age were considered for rationalisation.

2. Discipline:

Members of staff who have records of indiscipline and insubordination were also involved.

3. Health:

Those with a record of ill health or absentieesm based on ill health especially those who have incurred unreasonable bills for the company based on their ill health were also considered.

4. Age Of The Staff:

Those members of staff who have not being contributing to the development of the organisation based on their age or those who have become too old to work were also asked to leave.

5. Declining Productivity:

Staff who have not been contributing positively to the organisational growth and whose productivity has declined were asked to go.

6. Rationalisation Of Operation:

Some branches had to be closed down due to the economic situation and such staff had to be sent away since the other branches were already fully staffed.

7. Redundancy:

Staff made redundant by the merging of some departments were also asked to leave.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF DATA

4.1 HISTORICAL BACKGROUND OF COTTON AND AGRICULTURAL PROCESSORS, LIMITED.

Cotton and Agricutural processors, Limited, was incorporated by a royal chapter in 1902, to foster and encourage the cultivation of the cotton fibre, and the production of lint. Through the process of ginning, throughout the common-wealth of which Nigeria is a member nation, with the overall intention of developing on expert crop in the various nations.

The company in consonanace with the government decree, first changed it's name in 1968 to BCGA (Nig.) Ltd., and there after, to cotton and Agricultural processors. Ltd. (CAP) in 1973 after being incorporated in Nigeria.

Today, the company has one silent and twelve (12) functional ginneries (factories)

located in 8 states in the northern part of the country, and are divided into three districts for administrative convenience.

The districts are:

1. North Central (Zaria) District.

   With gineries in Zaria, Kuru and Kontagora under it, and Zaria as district Headquarter.

2. North West (Funtua) District.

   With ginneries in Funtua, Malumfashi, Gusau, and Mainchi under it, and funtua as district headquarters.

3. North East (Gombe) District

   With ginneries in Gombe, Kumo, Misau, Biu and Lamurde under it and Gombe as the district headquarters.

The company's head office is located in Zaria. Most of the operations of the company are within Nigeria, wherefore, it guarantees the merchants and peasant producers a market and processing facilities for their cotton crops. The end product of the company's ginning process is the lint, which is pressed into neatly wrapped, and economically packed bales, that becomes the raw material for the textile manufacturers, to convert into yarn and cloth. The cotton seed seperated from the fibre, can after reservation of selected strains for planting. Used for the extraction of vegetable oil, while the residue is made into cake for cattle feed.

The historical data will not be complete without the collective agreement reached by the Nigerian Textile Garment and Tailoring Employers Association (NTGTEA) and the representatives, of the two categories of staff:-

1. THE SENIOR STAFF ASSOCIATION

a. HOURS OF WORK

The standard official hours of work shall be 40 hours per week spread over 5 days, Monday to Friday, irrespective of the number of shifts operated by the company.

They shall be a half-hour break every shift / day which member companies of the association shall arrange on staggard basis to enable continous running of the machines, equipment and work without disruption of supervision.

Saturdays, shall be regarded as a normal working day for the purpose of, the computation of annual leave working days of staff association members and overtime.

b. OVERTIME

Performance of overtime is accepted in principle by both parties, shall not be made ordinarily compulsory.

Notification and authorisation of overtime work shall be at the company's discretion and is paid under a stipulated rate or commensurate allowance is

paid.

c. NIGHT DUTY ALLOWANCE

The definition of night duty shall be as provided by the labour decree 1974 section 54(3) a: As respect industrial undertakings, a period of at least eleven, (or when an order under section (3) below applies), ten consecutive hours including, the interval between ten o'clock in the evening and five O'clock in the morning".

An amount of N6.00 shall be paid for every night shift worked.

d. ANNUAL LEAVE AND LEAVE ALLOWANCES

An employee shall be entitle to paid annual leave after 12 months of continuos service, and thereafter, on the anniversary of his employment. However and employee who has completed not less than 6 months of service, shall be paid annual leave on pro-rata basis on the determination of his employment.

An employee may be allowed to defer, split, accumulate (maximum of 2 years), or postpone his annual leave, subject to mutual agreement and the exigencies of work. On completion of every year of service, an employee shall be entitled to 32 working days annual leave. This includes Saturday's, but excludes Sundays, and public holidays.

Leave allowance paid before the employee proceeds on his leave, shall be 7% of his annual basic salary. The company may also pay the employee his monthly salary in advance, when he proceeds on leave.

An employee recalled from annual leave, shall be entitled to an allowance for the remaining days of the leave, calculated on pro-rata basis. Such remaining leave may be committed to cash, if he consents.

e. MEDICAL FACILITIES

i. Free medical care shall be provided for an employee, one wife and five children registered at the company's nominated Doctors or clinics. Clinics and first aid centres shall be made available at the plant 24 hours a day. Medical care for children shall only be provided up to the time they are in gainful employment.

ii. Free medical facilities shall include treatment for dental aural and optical treatment but shall exclude the provision of artificial appliances, veneral diseases, major surgical operations, Maternity treatment for employees dependent and self inflicted injuries. Any of these exceptions shall be waived in respect of the employee, if any of the disease or illness arises from occupational causes.

iii. Any female staff who has enjoyed her maternity leave, shall not be entitled to any annual leave allowance only, when the leave becomes due during the same year.

iv. In choosing a Doctor or Clinic, for the implementation of this article, the staff association house branch shall be consulted. Payment of "Medical allowance" in view of the facilities provided by this article, shall constitute an infringement of the article and where it presently exists, shall be discontinued forth with.

v. All requirements for specialist treatment, must be by the approval of the company nominated Doctor or clinic.

vi. Female members of the staff association, shall receive free medical treatment during the period of confinements and shall be granted maternity leave during pregnancy, provided she has been confirmed after six months as follows:-

6 weeks before confinement

6 weeks after confinement

vii. During such leave of absence, she will be paid her salary in full. If at the end of maternity leave, a female employee is declared unfit to resume duty, by

(by a recognized medical practitioner or company doctor, management shall grant her additional leave as per sector (V) above.

(viii) An employee shall be entitled to sick leave and payment as follows:

2 months with full pay.

1 month with half pay.

6 months retention.

(F) DEATH AND PERSONNEL ACCIDENT SCHEME.

The company shall provide group accident insurance scheme, for Injuries arising from accident (on and off duty) for all staff association member subject to a maximum of one year basic salary. In the event of the death of an employee while still in service, the company shall provide the following:

(i) Cost of transportation to place of burial, coffin or its substitute and required fabric, for funeral purposes-

(ii) The next-of kin designated as such by the employee in service, shall be paid death benefits as follows: less than 4 year service- month basic salary 4 years and above- 4month basic salary in addition to other benefits;

(iii) The company shall comply with and be bound by the provisions in the workmen's factories compensation act and the factors act of 1987. The company shall also comply with the liabilities, terms and condition as stipulated there on, and any future amendment to both acts.

G. RETIREMENT AND RETIREMENT BENEFITS.

The retiring age for an employee, shall be 60 years. Three month notice shall be given by either party before retirement subject to the following provision:

(i) That the employee may allowed to continue employment above the age of 60 year if found healthy, productive and willingly to stay.

(ii) On the other hand, if found unhealthy and productive before the age of 60, the company may retire the employee with full benefits. At the request of the employed before the age of 60, but not earlier than 50, the employee may grant the employee voluntary retirement with full benefits.

(i) Provided that an employee who has completed 14 year continuos service, and has not attained the age of 50 or 60 year as contained in above shall be entitled to retire.

An employee retiring from service by termination resignation, but not by dismissal shall be entitled to retirement gratuity, calculated on the basis of total emolument defined as including basic salary, housing allowance, transport allowance and meal subsidy.

GRATUITY.

An employee shall be entitled to gratuity benefits, upon the

determination of his employment by reasons of termination resignation or retirement. Gratuity rates payable shall be as follows: up to 20 year but fewer 25-year services, 1.625 months for every completed year of service 25 year and above, 1.75 months for every completed year of service.

PENSION

The company shall contribute 10% and the employee shall Contribute 5%.

H REDUNDANCY AND BENEFITS.

(I) The definition of redundancy shall as provided by section 19 (3) of the labour decree of 1974.

"In this section," Redundancy" means an involuntary and permanent loss of employment caused by an excess of manpower in any section of the company.

(ii) Process of severance

The provision of the labour decree section 19 (1) (a) (b) shall apply the employer shall inform the trade union of workers

representative concerned, of the reason for and the extent of the anticipated redundancy" the principle of last in first shall be

adopted in the discharge of particular category of workers affected subject to all factors of relative merit, including skill, ability and reliability.

(ii) Process of re-engagement;

The principle of last out first in shall be applied depending on merit, suitability and record of service.

(IV) BENEFITS.

(a) 1 *month pay for every completed year of service if up to 4 year* and above. I.e. not qualified for gratuity payments.

(b) ½ month pay for every completed year of service if up to 4 year and above i.e. qualified for gratuity payments this is in addition to the gratuity entitlement of the employee

(i) TRANSPORT ALLOWANCE

Staff on salary grade 1-III shall receive a monthly transport allowance of N350. 00 while grades IV and above shall receive N450.00 per month.

(j) SALARY STRUCTURE:

All senior staff shall have their basic salaries as at 1st June 1993 have completed one year continuos service, shall be paid a once- and-for – all ex-gratia payment of NI, 000 (one thousand Naira), while those

who have spent less than one year in service, shall be paid the ex-gratia on pro-rata basis.

K EDUCATION AND TRAINING.

A staff with less than two year service wishing to further his education, may apply for study leave without pay and management may approve this provided, it is relevant to the manpower development programme of the company, such employee be guaranteed his position and seniority.

Where the company sponsors the staff on an approved course of study, such a staff shall be paid his salary and benefit's in full, and any other expenses as may be a greed, at the plant level.

L HOLY PILGRIMAGE

Every al ternative year, the company sponsors one staff picked through ballot on pilgrimage to Saudi Arabia, or Jerusalem.

M HOUSING.

It is management policy to house all senior/ management staff (especially, those in the production line) in the company of staff quarters because of proximity to the factories or the alternative, an allowance is paid. Furniture and basic amenities are provided. Electricity, gas, water and phone allowances prepaid

Paid to those not in company houses in accordance with what is prevailing in the textile industry.

n. Security allowance

This is paid to management staff who are resident in company or company rented houses outside, the company's premises /quarters.

o. Food Subsidy

This is paid to all categories of the company, in staff accordance with standards in the textile industry.

2. THE JUNIOR STAFF ASSOCIATION

Daily paid system for confirmed regular employee, shall be abolished in the industry, with effect from 1st February 1983. On conversion, the salary shall be on daily rate. Multiplied by, twenty-two or the minimum starting monthly salary of the grade, whichever is higher.

a. Leave and leave allowance

{1} Leave shall be granted to an employee who has completed twelve months continuos service. Leave allowance shall be 7% of annual basic salary for all junior employees.

{ii} In computing annual leave, Saturday shall be regarded as a normal working day.

{iii} Leave shall normally be taken in full at the appropriate time and

may not be accumulated, spilt or altered, save for exceptional circumstance such as urgent compassionate reason or to meet operational contingencies subject to management's discretion.

{iv} Notwithstanding, the provision of clause {iii} above, leave shall only accumulate up to a maximum of two periods and no salary or wages shall bc paid in lieu of leave.

(v) An employee shall receive his leave entitlement not later than, two days before he proceeds on leave.

(vi) Seniority or exigencies of duty, shall be the guiding factor, in the event of a choice between employees as to the fixing of leave dates.

(vii) When an employee falls sick, four days before proceeding on annual

leave, the leave shall be deferred until he recovers subject to the provision of medical certificate from an acceptable Doctor. This provision may be waived at the request of sick employee.

b. MEDICAL FACIILITIES

(l) The company shall make reasonable provision from time to time for the safety and health of its employees during the course of their employment and furnish the employees with protective devices and wears where desirable.

(II) The company shall provide free basic medical facilities to treat its workers, who report sick or require first aid. Th scheme shall include treatment for dental, aural, minor operation and optical, but shall exclude provision of artificial limbs and lungs, eye glasses, hearing aid and such other surgical appliances. It shall also exclude, major surgical operation (an amendment has been made to the general operations for appendicitis and hernia), self inflicted injury arising out of willful negligence, narcortics, alcoholism, venereal diseases and maternity.

(III) Where an ailment is alleged to have risen out of and in the course of employment, the Member Company shall refer the employee to the company's doctor to ascertain the cause of the ailment.

(IV) Where the doctor certifies that the ailment is as alleged in (iii) above areas if of occupational or work hazard, the company shall assume full responsibility for treatment of the employee for the same ailment.

(V) Subject to the over all provision that an employee's illness is not covered by exclusion in (ii), the company shall offer sick leave.

C. DEATH BENEFITS.

Should an employee lose his life during his employment, his next of kin shall be entitled to an ex-gratia payment in addition to all other benefits provided in this agreement in accordance with his length of service as follows:

(i) Up to five years in service, 3months basic pay.

(ii) Above five years but less than 10years in service, 4months basic pay.

(iii) 10years and above in service-5months basic pay

D MATERNITY LEAVE .

(I) Female employee shall be granted maternity leave during pregnancy, provided she has served for 6months as following:

6 weeks before confinement.

6 weeks after confinement.

During the leave, she shall not be entitled to annual leave for the year. She will however, be entitled to leave allowance only when, her leave becomes due.

(ii) Where she is absent from work, after expiration of maternity leave as a result of illness, certified by a registered medical practitioner to arise out of her pregnancy or confinement which render her unfit to work,

she shall be allowed additional leave as provided in (b) (iii) and (iv).

E GRATUITY BENEFITS:

In recognition of long service, gratuity payments shall be made to an employee who leaves by termination or resignation (NOT SUMMARY DISMISSAL). After completing a minimum of 5years continuos service. The rates shall depend on length of devices follows:

5years but less than 10years, 1month (4week) pay for completed year of service.

10years but less than 15years 1.25 months (5weeks) pay for every completed year of service.

20years but less than 25years 1.75 month (7weeks) pay for every completed year of service.

25 years but less than 30 years 1.75 month (7weeks) pay for every completed years of service.

30 years and above in service 2 months (8weeks) pay for every completed years of service.

F. REDUNDANCY AND SEVERANCE PAY.

(i) Redundancy is an involuntary and permanent loss of employment through no-fault of the worker, caused by an excess of manpower in

any section or sections, of the company.

(ii) Whenever redundancy is imminent or perceived, the union shall be notified not less than one calendar month in advance. In emergency cases; it may not be possible to give the required notice.

(iii) The following factors shall govern the redundancy exercise.

(i) Efforts shall be made to deploy affected employees to other sections or departments if possible.

(ii) If an employee is transferred to a new job in another department, his salary and length of service shall be maintained.

(iii) The rule, "first come, last out shall apply. This shall be with out prejudice to other factors like efficiency, loyalty and health.

(4) Redundant employees shall be recalled to work in accordance with

their job wide seniority when employment opportunities avail, themselves after lay-off.

(5) Redundant employees shall be paid certain percentage of their month's pay depending on years of service in the company.

(6) Redundant employees shall be given preference over new applicants.

(7) Cash payment of annual leave if due, or pro-rata payment if not Fully due.

G SALARY/ WAGE GUARANTEE.

The company agreed to pay the basic wages/ salaries to employees involved in the following.

(i) Experimental or developmental work (e.g. research)

(ii) Time lost due to mechanical or power delays (except in prolonged circumstances).

(iii) Time lost due to stock a abnormalities

(iv) Time lost awaiting materials.

(v) Instructional work.

H TRANSPORT ALLOWANCE.

(i) The company shall endeavour to introduce a bus scheme where

(ii) possible to alleviate the transport difficulties confuting the employees.

(iii) Until such a bus scheme is introduced, the employees shall be paid transport allowance in all locations, of N 10per day worked

(iv) Companies already operating bus services shall not pay transport allowance, which those paying shall cease to do so when a bus scheme is introduced.

I OUT- STATION ASSIGNMENT.

An employee who travels outside his duty station on official assignment shall be paid on out-station allowance of N100per night in lieu of accommodation.

In view of the inconvenience suffered by the employee who performs night duty, it is agreed that such employee shall enjoy a flat rate of N4.00per night worked, as night duty allowance

J. HOUSING ALLOWANCE.

The monthly housing allowance shall be 25% of monthly basic salary

K. FOOD SUBSIDY.

The food subsidy shall be N6.00per day worked, pay able monthly

L. SALARY STUCTURE.

All junior employees shall have their basic salaries as at 31st June 1993 increased by 35%.

M. RETIREMENT.

(i) The refinement age for employees covered by the agreement shall be 60 years.

(ii) Three months notice or payment in lieu shall be give by the employee or employer before refinement subject to the following:

1. The employee may allowed to remain in employment after attaining the age of 60 years, if found healthy, productive and willing to stay.

2. On the other hand if found unhealthy and unproductive before the age of 60 years, but not earlier than 50 years the company may retire the employee with full benefits.

   At the request of the employee, before the age of 60, but not earlier than 50 years the employer may grant the employee voluntary retirement with full benefits calculated on the basic of total emoluments.

3. However, an employee who has completed at least 16 years continous service, and has not attained the age of so or 60 years as contained in (2) above, shall also be entitled to resignation or termination but not by summary dismissal to be paid gratuity.

Calculated on the basic of total emolument shall be defined as including basic salary, housing allowance, transport allowance and meal subsidy.

4.2 DATA PRESENTATION.

The organization (c.a.p) managed to stay afloat during the early stages of the turbulent economic crises but the genesis of its problem started with a loan taken form bank of north, l. t. d. and a term loan EIB/NNDC.

The bank of the north loan bore an interest of 2.5% over the prime leading rate and was secured by a fixed and floating debenture on the companies gingery at funtua and repayable by 12 quarterly installments of N583, 333 convincing form October 1992.

The EIB/NNDC loan of ($3.24m) which bears interest at 11%and secured on the companies fixed and floating assets was fully repaid in the year ended October 31,1995 at the official exchange rate of N21.996 to $1.

These loans were obtained when the economy was relatively stable with relatively stable exchange rates and interest rates. Unfortunately for the organization exchange rates soared and this made the interest on loan repayments higher than the organisation could afford. The organization now found itself with huge debt repayment outstanding and more factions and staff than it could cope with. It was now faced with a dilemma- how to sure in such a harsh unstable environment.

KASHIM IBRAHIM LIBR

It had to consider interest of the human resources. Who had been loyal to it for several years and had limited employment opportunities elsewhere considering the situation of the country with soaring unemployment levels and high cost of living. The loan needed to be taken in order to out dated and broken down equipment, and purchase new ones that would improve the production capacity and quality of the cotton lint. The organization was now forced as a measure of last resort to close down some of its plants and rationalise staff much as it did not want to. The other survival strategy it engaged in was to increase its share capital from N15 million toN50m this additional capital acted as a cushion and serviced the smaller debts of the company. It also enabled the organisation improve the living standard of the staff. This was necessary in the face of the declining standard of the staff. This was necessary in the face of the declining standard of living and exorbitant costs of the basic necessities of life, which were out of reach of the common man. The rationalisation exercise cut across all the cadre in the orgnisation, Majority of those affected were in the junior staff category this was because of of their population in the organization. The exercised spanned across a period of two and a half years. The first exercise was carried out in 1993.94 and the second was in 1995 which was done due to the closure of the lamurde branch which is under the North East

District with Gombe as the district headquarters. The table below shows the number of employees involved and the category/cadre to which they belong.

TABLE 1

Cadre	Number
Management Staff	3
Senior Staff	2
Junior Staff	29
Total	34

The next tables show the job titles, years of service and branches affected.

TABLE 2

Management Staff		
Job Title	Years of Service	Branch
District Manager	22	Zaria
Welfare Manager	6	Zaria
Senior Administrative Manager	28	Gombe

Table 3

Senior Staff		
Job title	Year of Service	Branch
Senior Engineer	19	Kontagora
Shift Engineer	6	Zaria

Table 4

Junior Staff

Job Title	Years of Service	Branch
Assistant Supervisor	33	Zaria
Admin. Supervisor	27	Zaria
Senior Messenger	32	Zaria
Mechanic Fitter	12	Zaria
Mechanic Fitter	5	Zaria
Mechanic Fitter	5	Zaria
Technician	29	Kumo
Senior Clerk	13	Zaria
Senior StoreKeeper	29	Zaria
Senior Technician	16	Kontagora
Gardener	6	Zaria
Senior Technician	17	Zaria
Store Supervisor	33	Zaria
Store Man	28	Zaria
Senior Driver	11	Zaria
Motor Mate	28	Zaria
Senior Technician	19	Kuru
Gardener	5	Kuru
Messenger	5	Mulumfashi
Gardener	19	Misau
Admin. Assistant	15	Gombe
Store Keeper	5	Lamurde
Driver	5	Lamurde
Watchman	5	Lamurde
Gardener	5	Lamurde
Sanitaryman	5	Lamurde
Driver	5	M'inchi
Gardener	5	M'inchi
Driver	5	Kuru

4.3 DATA ANALYSIS

The information listed in all the tables comprises the whole rationalisation exercise and it spanned a period of 1993/94 and 1995 as earlier noted. Attached at the at the appendix is the photocopy of profit and loss accounts, Balance sheet. For the purpose of respect of privacy, names are not mentioned just the job titles. From the aforementioned data, it is obvious that the rationalisation exercise cut across all the levels of the Organisation. The junior staff cadre was affected most because apart from the fact that their population is much more than that of the other cadres, most of their jobs are duplicated.

duplicated. Some jobs like Gardening which could be done by about 3 Gardeners effectively had about 10 gardeners tendering such jobs. This left so many junior staff redundant with time on their hands. It was as if the organisation was paying most of its junior staff for not doing anything and just idling away.

Another factor was that of age . A lot of junior staff were too old for the jobs. Some Drivers were loosing their sharp eyesight which is essential for such a demanding job and could not function very well. They kept giving excuses of headaches while driving and some complained of body aches and pain and refused to go long distances which is what is entailed on this particular job since the raw materials has to be obtained from the rural areas and most buyers are also in the rural areas.

Some messagers and clerks were not conversant with the new technological equipment and training was implemented, but this still did not improve the skills of some of them. So the only other option was to rationalise staff and this was done after a lot of deliberation.

Councelling was done before the actual rationalisation process. Gratuity entitlements were paid without any delay and service awards given to those entitled to it.

An impressive action taken by the organisation was to conduct an exit interview. It made the staff feel their efforts and hard work on the job had been appreciated. The exit interview was conducted tactfully by the Human Resource Manager. It had to be tactful because many of the staff felt aggrieved.

The exit interview also encouraged the staff who were not affected to put in more effort and time into their jobs.

The affected staff were also encouraged to come and do business with the organisation. Such as selling cotton lint or other such service to the organisation or buy the processed lint from the organisation.

It is remarkable that many of the organisation's customers were former employees of the organisation.

During the exit interview, the elderly ones were told that the organisation was letting go of them so they could enjoy their retirement peacefully and rest from all the hassels of work. Those affected on health grounds were told that the organisation was so concerned for their health that they wanted them to get better and not be in pain working on the job.

They were also told that the gap left by them would be very difficult to fill and those left on the job are not better than they that are leaving. The doors of the organisation were also left wide open to them anytime they wanted advice.

All these cushioned the effect and force of the rationalisation exercise, because the staff were addressed and told of the process which the exercise was going to take.

The survival measurers taken by the organisation, improved the situation of the organisation tremendously. Those staff retained were given more responsibility and better pay, and the increased share capital of the organisation enable it to meet its obligations and spread the risk among more people. It also made the organisation less of a risky investment in the face of it's investors.

4.5 DATA EVALUATION.

The performance review of the organisation show quite an improvement in the recent years. The company posted a turn over of N184.24million in 1996 compared to N73.77 million in 1995 to N21.61 million in 1996, an increase of 338% while profit after tax rose from N9,817 million to N20.014 million during the same period. The sum of N15 million or 60k per share is being proposed as divided of N10 million had already been paid. The sum of N5.014 million is being retained in the company to fund future expansion and growth.

With good managerial skills, the organisation has been able to manage it's human resources effectively in the unstable environment within which it find itself. It has also manage to bring the organisation from the brink of collapse to an enviable position in the industrial sector within which is finds itself.

The Nigerian Industry today, is very violatile and the organisation has managed to attain it's goals and build a sense of commitment in it's staff. The balance it has created shows that the instability of the environment is no excuse for an organisation to treat its staff as though they are just part of the factory equipment.

CHAPTER FIVE

5.1 SUMMARY/CONLUSION

Th world has witnessed a substained break through in technology, the development of which had posed great challenges and changes in all areas of human endeavour. To over come these great challenges and changes, a good and successful management must out of necessity create a work force that understands the goals of management as well as that of the organisation in general. This it can accomplish through:

(a) Recruiting

(b) Selecting

(c) Placing Human Resources

(d) Planning

(e) Training and Developing Employee

(f) Compensating the Work Force

(g) Laising with the Employees Association



Management in any organisation is central to it's success. Continuation of the success can only be guaranted if the organisation continues to perform well above or within it's set standards. This is the assurance it has, that it will remain competitive, that is the ability of the organisation to continue to meet the need so

for us to succeed in future, management is a key factor, whether in the public or private sector.

Infact, it should be pointed out that Nigeria's process of long term thinking and planning for her future transformation is an essential aspect of the responsibilities of management. Needless to add that, taking it beyond numerous pages of documents on which the whole exercise has been prepared so far, to concrete things that the generality of the people can relate to or identify with, is also an integral part of the responsibilities of management. Within the international context, we live in an increasingly interdependent world. Developments is any one country are easily monitored in other countries. Indeed, the world has become one global village and developments information technology threaten to further render national boundance irrelevant. It is therefore, in a country's interest to make conscious efforts to ensure that its' external image is not only good, but also that it is percieved to be so by other countries.

In the case of Nigeria, it would not be fair to pretend that our country's external image is curretiy in good shape . Nigerian who travel frequently to other party of The world can testify to the hamowing experience they go through at immigration post in many countries of the world. At the root of this are a few problems such as the prevalence of the advance fee fraud, dubbed 419; the trafficking in illcit drugs and the more recent issues of inability to enthrone democratic governance and alleged human rights violation or denial. The importance of the external sector to our country is unqualifiable because our country's economy is eternally dependent we are also externally indebted and we require debt relief. We also require foreign

investment. A lot of this however, depends on the perception of a country's image on the global scene.

The European union and the united state have already imposed sanction on Nigeria Foreign direct investment flows into the non-oil sector of our economy have been on the decline for sometime the recent trend here is one in which multinational firms, that had invested here for many years have been divesting, the poor external image of Nigeria could be blamed, albeit, remotely for this worrisome trend furthermore, Nigeria as a responsible member of the global community has international interests and aspirations which are currenting being hampered by the somewhat poor external image.

What is permanent is how to redress the situation in other words she must not only do, damage control, but also a concerted effort must be words to turn around the poor external image of the country. Whatever is the situation, how it is managed will be crucial this again underlies the keys roles of management.

The organisation used as a case study – C.A.P.has from the data and records obtained showed that it considers the human resource element of it s organisation as very important and has managed to achieve a balance between it's management, staff and still survive the turbulent economy.

It realised that the human resource are the key to it's survival and growth. It also considers their personal lives are not just what they can get out of these staff.

If most organistaion in the country can adopt this approach towards the human element of the organisation,then a major break through and improvement will be made in the business environment and the country as a whole.

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5.2 RECOMMENDATION

The salvation of our country lies in the environment of a virile, committed and caring private sector, which is concerned not only with making a sizeable profit, but with making sizeable leadership contribution as a corporate citizen. The Nigeria private sector must not allow it itself to drift corporate Nigeria must organise itself and set clear objectives as to it's collective role of leadership and nation building. There is the need for the operators of the private sector to meet from time to time to share knowledge, review common targets and routine, and focus on their role and responsibility as leaders of the society.

The salvation of our country, lies in the redefinition of our value system to enthrone excellence and de throne mediority, it lies in eshewing tribal sentiment in politics and in public and private life it lies in the creation of a new work environment in which Nigeria lives above the hunger line and above insecurity it lies in leaders creating environment for every one to be best that they can be.

In time of austerity and economy recession, it has become fashionable for government all over the world to make declaration of belt-tightening intentions in this type of situation, the kind of leadership / technic/ style a leader/ manager adopt, will determine the kind of result he would obtain. It is apparent that government function are expanding at a fast rate and becoming more and more complex, while

the resources for performing them successfully are dwindling ironically. Federal, the state and even local government have all reordered their areas of priorities. It is therefore incumbent on the public sector leaders to assists the government in turning these priorities into concrete realities. This can only be done if the right atmosphere prevails and appropriate leadership strategies are adopted.

The trend of increased flexibility implies a limited deregulation of the labour market. To meet the difficult situation, in the labour market, fixed –term, part-time and temporary jobs have exploded in most industrialised countries despite resistance from unions. Linked to these changes in the regulation of employment contracts, similar changes occur in the "internal" labour market of the firm, teamwork is encouraged, to enhance co-ordination across functional boundaries, flexible work hours, job rotation, quality circles, small group activity and other ' total quality management' (T.Q.M) tools are wide spread. There is a need for continuos improvement in productivity and quality necessary for an effective use of new technologies. The government should establish systems of funding expanded

programmes to reform the quality of vocational training and revitalise traditional apprenticeship. Quality of the work force should be improved and pay systems should be related to performance and skill increases. Nigeria is a vast country, full of opportunities. Nigerian employers should not look at the new developments in the industrial relations scene in the industrial world as something interesting but very far from the actual preoccupations of their country. You have to prepare for the future, the challenges of the new century. If Nigeria succeeds in starting a process of industrialization, she has to prepare herself for the new challenges in managing her human resources. They are her main assets. The managers of human resources live in a dangerous world, full of opportunities but open to many dangers created by fierce competition. He will have to master technological challenges, to be able to collect investment resources to be an expert in the new management techniques. But mainly, he should have the capacity to mobilise his workforce in order to offer goods of the highest quality for demanding customers.

He will certainly need the support of the state and other public bodies, but he will also need the support of his own orgainsation for an effective employers orgainsation. The manager of human resources will have to master more and more sophisticated technologies. He will be a real leader capable of mobilising a team of skilled and motivated workers, but his voice should be heard outside his enterprise. His responsibilities should expand outside the limits of his own enterprise. The management of human resource requires effective communication. Managers must master communication skills for expressing, recording and dissenating management information including strategic ideas, visions, messages, views, facts, knowledge, and so on, verbally, or non verbally. All management functions are underpinned by precision and clarity of information between both parties involved in information trade – staff and management. There must be a great deal of change in our present attitude to work ethics, to the environment and environmental protection, to maintenance culture, to materialism, to conspicuous consumption for the few rich, to the lack of culture of reading, to crime, drug abuse, to lack of courtesy and refinement. In

general, we need in the area of work ethics to strive for higher productivity and preference for locally produced goods. We seem so eager to consume modernity even through we do not produce it.

All these ideas will not be worth the effort, unless they could be actualised. Good, competent and professional management is the key that opens the door to actualisation. So at every stage of the process of strategic planning, management competencies must be factored into the thinking. The more one thinks about management of change, the more one is confronted with the truism that the only thing permanent in life is change.

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Exhibit 2

(2) Balance Sheet at October 31, 1998 73

Exhibit 3

(3) List of Rationalised staff (Cadre and years of service) 74

	Notes	1996	1995
TURNOVER	1	184,239,311	73,762,781
Cost of sales		(143,571,056)	(47,318,702)
GROSS PROFIT		40, 668,255	26,444,079
Net operating expenses	2	(20,716,752)	(19,724,070)
OPERATING PROFIT	3	15,951,503	6,720,099
Investment income	4	5,694,427	933,890
PROFIT BEFORE INTREST PAYABLE		21,645,930	7,653,899
Interest payable	5	(35,381)	(2,724,614)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		21,610,549	4,929,285
Taxation	6	(1,596,450)	(722,946)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		20,014,099	4,206,339
EXTRAORDINARY ITEMS (NET OF TAX)	7	-	5,610,889
PROFIT FOR THE FINANCIAL YEAR		20,014,099	9,817,228
Proposed dividends	8	15,000,000	5,500,000
RETAINED PROFIT FOR THE YEAR	15	5,014,099	4,317,228
EARNINGS PER SHARE		80k	39k
DIVIDEND PER SHARE		60k	22k

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BALANCE SHEET AT OCTOBER 31, 1996

	Notes	1996	1995
		N	N
FIXED ASSETS	9	38,285,627	33,967,672
INVESTMENTS	10	4	4
CURRENT ASSETS			
Stocks	11	32,107,966	39,812,526
Debtors	12	10,334,344	4,447,700
Cash at bank and in hand		37,294,925	26,303,421
		79,737,235	70,563,647
CREDITORS			
Amounts falling due within one year	13	56,446,535	47,969,091
NET CURRENT ASSETS		23,290,700	22,594,556
NET ASSETS		61,576,331	56,562,232
CAPITAL AND RESERVES			
Share Capital	14	50,000,000	50,000,000
Revaluation reserve	15	4,342,256	4,342,256
Profit and loss account	15	7,234,075	2,219,976
SHAREHOLDERS' FUNDS		61,576,331	56,562,232

The Financial Statements on pages 15 to 28 were approved by the Board of Directors on March 27, 1997 and were signed on its behalf by:

Alhaji M. M. Kyari
Alhaji B. U. Girei
} Directors

JOB TITLE	YEARS OF SERVICE	GRATUITY ENTITLEMENTS	REMARKS
DISTRICT MANAGER	22	₦ 153,332	ZARIA
WELFARE MANAGER	6	12,265	ZARIA
SNR. ENGINEER	19	81,189	K'GORA
SNR. ADM. MANAGER	28	129,658	GOMBE
CHIEF ENGINEER	6	6,062	ZARIA
AGSTS. SUPERVISOR	33	110,963	"
ADM. SUPERVISOR	27	76,151	"
SNR. MESSENGER	32	64,747	"
MECH. FITTER	12	10,410	"
" "	5	3,305	"
" "	5	3,305	"
TECHNICIAN	29	52,560	KUMO
SNR. CLERK	13	14,869	ZARIA
SNR. STOREKEEPER	29	61,268	"
SNR. TECHNICIAN	16	28,974	K'GORA
GARDENER	6	3,402	ZARIA
SNR. TECHNICIAN	17	33,171	"
STORES SUPERVISOR	33	107,382	"
STORE MAN	28	49,572	"
SNR. DRIVER	11	11,358	"
MOTOR MATE	28	49,572	ZARIA
SNR. TECHNICIAN	19	34,407	KURU
GARDENER	5	2,835	"
MESSENGER	5	2,835	M'FASHI
GARDENER	19	28,814	MISAU
ADM ASST.	15	22,500	GOMBE

S AND AGRIC[illegible] M. PROGRESSIVE LIMITED

JOB TITLE	YEARS OF SERVICE	MONTHLY PAY	GRATUITY ENTITLEMENTS	TOTAL PAY	STATION
		₦	₦	₦	
STOREKEEPER	5	694.00	3,470.00	4,164.00	LAMURDE
DRIVER	5	616.00	3,080.00	3,696.00	"
WATCHMAN	5	567.00	2,835.00	3,402.00	"
GARDENER	5	567.00	2,835.00	3,402.00	"
SANITARYMAN	5	567.00	2,835.00	3,402.00	"
DRIVER	5	616.00	3,080.00	3,696.00	M'INCHI
GARDENER	5	567.00	2,835.00	3,402.00	"
DRIVER	5	616.00	3,080.00	3,696.00	KURU
			TOTAL	28,860.00	