

THE IMPACT OF MONETIZATION POLICY ON COST OF GOVERNANCE AND PRODUCTIVITY IN PUBLIC SERVICE: A STUDY OF FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY, OWERRI, IMO STATE (2015-2019)

Hillary I. Ekemam^{1*} & Benedict Nnamdi Njoku²

^{1,2}Department of Political Science, Imo State University, Owerri, Nigeria

*larryimsu@yahoo.com

ABSTRACT: To have public service institutions in Nigeria that will be characterized by quality service delivery has been a thing of concern in Nigeria in the past few decades. The problems of high cost of running public institutions and low productivity have continued to be a challenge for various administrations in the country. No doubt, this warranted the Olusegun Obasanjo administration to introduce the policy of monetization of fringe benefits hoping to reduce cost of governance and increase productivity in public service. This study examined the impact of monetization policy on the cost of governance and productivity in public service but focusing on Federal Ministry of Science and Technology, Owerri, Imo State (2015-2019). The objectives of the study, among others, is to determine whether monetization policy ensures reduction in the cost of governance.; to find out the extent to which monetization policy affects the productivity of the public servants. Descriptive research design was adopted. The data was collected from both senior and junior staff of the reference organization with the total population of 126 using monetization policy appraisal questionnaire (MPA Q) structured using Likert format. Both simple percentage and chi-square statistical tools were employed to analyze the data. Abraham Maslow's Hierarchy of Needs Theory was used to explain the phenomenon under study. It was found, amongst others that there is no significant relationship between monetization policy and productivity of the public servants. It was recommended amongst others that the increase in monthly emoluments as a result of monetization policy should be paid wholly and regularly to assist boost the morale of public servants towards their job.

Keywords: Monetization Policy, Public Service, Monetization, and Motivation.

INTRODUCTION

Governments all over the world exist to provide goods and services (public goods) for its citizens with the primary aim of improving their living conditions. The major vehicle of translating these laudable concerns into a reality rests squarely on public bureaucracy that is efficient, effective and result-oriented. This explains why increasing emphasis and focus have been on administrative reforms by governments the world over, especially in the developing economies like Africa in order to meet challenges of growth and development. (Fayomi 2013:105).

The importance of public service in the realization of the socio-economic development of any nation Nigeria inclusive cannot be over-emphasized. In his words, Obasaolu (2015:12) stressed that the public sector of every nation is germane to her national development. However, public service reforms have been accepted as the right mechanism for ensuring quality service delivery among public service institutions globally. According to Alegbeleye and Ojeifo (2015:178) at the International and local levels, there is a paradigm shift from traditional public administration to New Public Management (NPM) which has become a new order to change the status-quo of government operations as umpire to a liberal market economy. The new public management which is hinged on efficiency, effectiveness and public-private partnership has added impetus to the functions of public service.

To Omoyefa in Alegbeleye and Ojeifo (2015:178) the public service reforms were initiated against the background that government required a departure from the traditional method of administration and the urgent need for a renewed public sector to propel government to its quest for sustainable socio-economic, political and technological development. So, there was a need for structural re-engineering of the public sector with the intention of new values of professionalism, accountability, responsiveness and a focused sense of mission for maximum efficiency in the economy.

The need to reposition the public service in Nigeria for the mutual benefits of both the government and the public servants has remained a serious issue to contend with amongst the various administrative regimes in Nigeria right from the colonial era. The situation had reached the point where the public confidence on the country's public service institutions is been highly eroded. The ray of hope came following the return to democratic rule in Nigeria in 1999. Onu in Oruebor and Okoroafor (2015:205) observed thus:

In Nigeria, there was total infrastructural decay, the economy was in shambles, the public service was inefficient and corrupt, there were wastages in government etc. An array of hope came in 1999 when a new democratic government came to power. In reaction to the general hash prevailing conditions in the country, President Obasanjo's administration embraced reforms in all sectors of the economy. Such reforms included the local government reforms, recapitalization of banks, trade liberation, private sector development, anti-corruption, institutional reforms and the public sector reforms.

According to Okafor (2014:27) against the backdrop of political, social, industrial and economic malaise that confronted Nigeria as a state, the Obasanjo administration in 2003, came up with the monetization policy as part of deliberate effort to free the economy from identified bottlenecks and other impediments to economic growth, transformation and national development.

In his historical account Omasi in Amujuri (2009:161) asserted that monetization has been adopted and applied successfully worldwide for many years. Several countries in Africa including the government agencies and parastatals have adopted the monetization policy for

quite sometimes. To Oruebor and Okorafor (2015:205) the desire of President Obasanjo for a more proactive and result-oriented public service moved the regime to introduce and implement monetization policy on the Nigerian public service in 2003, which constitutes a major landmark in the configuration of the institute. It made a clean break from the previous reforms in the country with the anticipated benefits of improved efficiency in resource allocation, minimizing waste, misuse and abuse of public facilities and reducing maintenance and running costs among others.

According to Ukomadu (2018:57) the policy was partly aimed at reducing the cost of government, eliminating sources of wastage and leakages while at once helping officers to prepare for life after retirement...the following benefits were monetized: residential accommodation, transport, furniture, medical, utility, domestic servants, leave grant, meal subsidy, duty tour and fuelling/maintenance.

According to Abubakar in Oyedele (2015:36) the constant need by government to 'move' and to have the public service move along with it or even ahead of it often provides one of the greatest basis for administrative reforms. To Okon in Oyedele (2015:36) in short, the cardinal goal of reform, if it must satisfy the yearnings and aspirations of the public, must improve service delivery at minimum cost in the age of globalization characterized by international competitiveness.

According to Fayomi (2013:105) the monetization policy introduced to Nigerian public service in 2003 has laudable and lofty set goals for both the government and its primary audience (public servants). According to Federal Ministry of Information and National Orientation in Fayomi (2003:107) the policy has the following benefits:

1. Enables government to get the true picture of what it costs to maintain a political office holder or public servants in office and therefore to a more realistic budgeting and budget implementation.
2. Provides the most transparent avenue for disbursement of remuneration and fringe benefits from employers to employees.
3. Curbs the excess of public officers for example, unlike in the past, political office holders are now to drive to office and back in their personal cars with their personal drivers.
4. Corrects the wrong public perception of government utilities such as telephone, electricity etc. as limitless resources which hitherto were used without caution.
5. Stops the practice where in renovating official quarters and changing furniture items, the discarded items were in many cases not accounted for giving room for abuse.
6. Minimizes unauthorized journeys at government expenses.
7. Ensures equity in the allocation of scarce resources.
8. Ensures that public officers develop and imbibe discipline culture of frugal use of public utilities.
9. Encourages public officers to own their own vehicles, houses furniture and thereby assist them to plan better their retirement.
10. Enables the public servants to plan for a more comfortable post service life, and
11. Encourages increased productivity because of the euphoria of increased income.

Statement of the Problem

The public bureaucracy in Nigeria has continued to be saddled with the problems of high cost of running the government and low level of productivity among workers which have negatively affected the quality of service delivered by public service institutions in Nigeria.

Both studies and observations have shown that the above manifest problems still exist in the Nigerian public service to affect its quality service delivery to Nigerians despite the implementation of the monetization policy. Observations rather show that instead of reduction in government recurrent expenditure within the organization under study due to the application of the monetization policy of the federal government, most of the public servants in the organization still indulge in sharp practices that have continued to increase waste, misuse and abuse of public utilities thereby frustrating the essence of the policy aimed at cost reduction on government expenditure. Some of the top civil servants in the ministry have continued to enjoy the fringe benefits both in cash and in kind irrespective of the monetization of such benefits.

According to Alegbeleye and Ojeifo (2015:179) a lot of government's top officials despite the policy still make use of government vehicles and drivers for domestic purposes. There are instances where directors ask drivers to the agency to use official cars to take madam (his wife) to the market or the children to school and nobody queried his orders. Many official vehicles have been stolen in the process. Some still harbor maids and pay them through funds from the organization.

The abysmal low productivity among public servants since the introduction of monetization policy in Nigeria has remained worrisome to all and sundry. Majority of the staff of the organization do exhibit such negative characteristics like lateness to work, loafing at work (to slide down productivity by gallivanting from one office to the other out of frustration), absenteeism at work, buck-passing among workers (attributing another person or group with responsibility for one's own actions) as well as frustration of team work. These have affected productivity within the organization.

From the foregoing problems therefore, this paper sets to examine impact of the monetization policy on the cost of governance and productivity in public service: A study of the Federal Ministry of Science and Technology, Owerri, Imo State (2015-2019).

Objectives of the Study

The following are the objectives of the study:

1. To determine whether monetization policy ensures reduction in the cost of governance.
2. To find out the extent to which monetization policy affects the productivity of the public servants.

Research Questions

The following research questions were raised to guide the study:

1. How does monetization policy ensures reduction in the cost of governance?
2. To what extent does monetization policy affects the productivity of the public servants?

Research Hypotheses

The following hypotheses stated both in null and alternative were formulated to direct the study towards meeting the set objectives:

H₀: There is no significant relationship between monetization policy and reduction in the cost of governance.

H₁: There is a significant relationship between monetization policy and reduction in the cost of governance.

H₀: There is no significant relationship between monetization policy and productivity of the public servants.

H₁: There is significant relationship between monetization policy and productivity of the public servants.

Significance of the Study

This study is significant in the following ways:

1. It will assist the government to ascertain the true position of the monetization policy in the realization of its objectives.
2. It will help the public servants to justify the actual impact of monetization policy on their productivity level.
3. It will assist the general public to know the benefits or otherwise of the monetization policy on the reduction of the cost of governance and productivity of the workers.

Scope of the Study

The scope of this study covers the monetization policy and its effects on the cost of governance and productivity in the Federal Ministry of Science and Technology Owerri, Imo State. It is delimited to the extent to which these policy prescriptions of monetization policy have been achieved in the reference organization.

Federal Ministry of Science and Technology was chosen for this study because it is among the Federal Ministries in Nigeria where monetization policy was first introduced.

Theoretical Framework

According to Ayapere Scholars (2010:3) theoretical framework is a frame of reference which involves linking the problems under investigation to the assumptions, postulations and principles of a theory. Although, there are extant competing theories in the field of Public Administration in general and motivation in particular that can guide this study, the theory that the researcher considered suitable in analyzing and understanding the problem under investigation because of its adequacy is Abraham Maslow Hierarchy of Needs.

Abraham Maslow's Hierarchy of Needs Theory

The theory was propounded by Abraham Maslow in 1943. The assumption of the theory is that human beings are organisms which drive into action to satisfy their needs. What they want depends on that they already have. A substantially satisfied need, no longer motivates. The employees' needs influence their motivation. The needs trigger specific behaviour from the employees and could vary over time and place.

People will react to satisfy those needs that are not fully satisfied. The theory separated human needs into lower order needs (physiological and safety needs) and higher order needs (social, esteem and self actualization needs). To Izueke in Aduma (2016:89) Maslow opined that the lower order needs are more basic than the higher order needs. According to Sapru (2013:445) if we want to motivate someone, we need to understand what level of the hierarchy that person is currently on and focuses on satisfying the needs at or above that level of hierarchy.

By implication therefore, prior to the introduction of the monetization policy by the federal government into the public service, majority of the public servants were already struggling to satisfy their lower order needs. They believed that the policy will motivate them tremendously in their job by meeting their needs especially the basic ones that will go a long way to fulfill their higher order needs.

The staff of the Federal Ministry of Science and Technology, Owerri, believed that the monetization of their fringe benefits will motivate them to increase their productivity. The benefits derivable from the policy will influence their behaviours positively towards their job by helping them to shun all manner of corrupt practices, wastes, abuses and mismanagement that lead to increase in government expenditure. The motivation they receive through the policy will help reduce cost of governance in the organization and increase the performance level of the workers thereby enable the government to have effective and efficient public service institutions in the country.

Impact of Monetization Policy on Cost of Governance

Though the monetization policy of the Obasanjo Administration was well intended considering the high level of financial recklessness, waste and abuse among public servants prior to the introduction of the policy which over bloated government budget especially the recurrent aspect of the government budget against the capital budget, the envisaged benefit of monetization

policy to reduce the cost of governance thereby ensure quality service delivery in Nigeria remained elusive. The above situation therefore poses serious question on the impact of monetization policy on the reduction of the astronomical cost of governance in the country.

According to Osagiede cited in Agu (2016:5) before the birth of the Nigerian Fourth Republic, corruption has been practically institutionalized as an instrument of governance in Nigeria with attendant destructive consequences. In a bid to get to the root cause of the problem of lack of accountability among public servants in Nigeria, Nwaeke (2012:170) pin-pointed the factors of personal advantage, political and ethnic cleavages as responsible for the decline in honesty and integrity of personnel in public sector. To him still, as recourse to these afflictions, Nigerian government introduced the monetization of fringe benefits as a reform agenda to reinvent the public interest by public servants.

According to Ekaete in Ndan (2008:8) the cost of providing fringe benefits to public servants over the years was a huge burden on the part of government, arising from massive waste associated with the process. There were wide spread cases of corruption, misuse, abuse and other unethical conduct in the process. This was further worsened by our cultural practices of polygamy, over bloated family size and dependency syndrome.

Aluko cited in Ndan (2008:9) described this scenario more succinctly as follows:

...Abuse of benefits: Instead of one car, our indigenous civil service "oga" has 10 government cars at his beck and call; has three government houses (in Abuja, Lagos and Kaduna) because, yes, each can have more than one wife (the colonialist had only one wife; if any), rides in first class plane (there were no planes then, just boats), including for the week-end, if at all while getting a fat basic salary in addition to other allowances. And the post-colonial officers are many: federal, state and local government executives, legislators and judges, parastatals and institutional directors and sub directors; university lecturers etc. Although, they are only about 2% of the population of the country, to maintain them requires almost 60%- 70% annual national budget expenditure.

According to Ndan (2008:9) both the size and circumstances of spending were limited during the colonial period than we have immediately after. Whatever was spent during the colonial period was a far away to the spending spray of the moment. It was not a surprise that the sum total of these huge and wasteful expenditures made it difficult, if not impossible for the government to pay attention to the issues of development.

Furthermore, he noted that providing fringe benefits in kind to workers was also exorbitant in the public service, due to inflated cost for goods that were supplied. In fact their quality was not in tandem with the cost. Most times, contractors connived with government officials to inflate cost

of materials for selfish reasons. These acts of fraudulent practices were in every facets of public life.

In his opinion, Fayomi (2013:106) stressed that the introduction of the monetization policy by president Obasanjo was informed by the startling revelation that at the end of 2001, over 85 percent of public sector expenditure went to overhead costs. It has been asserted that, one strategy of ensuring good governance is to adopt public policy that is capable of minimizing fraud, preventing wasteful use of public funds and facilities as well as checking abuse of power by public officials.

He went further to state that the Obasanjo regime reasoned that there was an urgent need to take a hard look at these incredible fringe benefits and allowances in order to check the spiraling cost of providing them; which have been gulping enormous resources that could have been otherwise used for social capital projects for the generality of Nigerians.

To Ndan (2008) in any case, the sum total of these dishonest and reckless expenditure pattern, culminated in government having lopsided expenditure pattern favouring overhead costs over capital expenditure. He equally stated that according to the World Bank, about 65%-70% of government expenditure was spent on recurrent expenditure especially provision of fringe benefits to civil servants who constituted less than 3% of the Nigerian population. This was an intolerable situation especially for a nation anxious to catch up with the developed world.

Iyida (2015:14) inferred that these benefits were inherited by indigenous civil servants until government felt that cost of providing and maintaining them was becoming enormous. For instance between 2001-2003 government expended ₦186,513,385.98 on renovation of government houses. This indicates that substantial amount of money is being drained on maintenance of residential quarters just for the comfort of few Nigerians.

Fayomi (2013) noted that the policy document on monetization expected that the policy would reduce waste, cost of government and corruption in the public administration. He further said that findings showed that instead of these, the cost of governance and corruption is still on the high side.

He also went ahead to stress that corrupt practices in different nature are still prevalent in the public sector which has been the bane of national development in Nigeria. Thus, the policy has not achieved its objectives in this direction. The savings the government were expected in the implementation of the policy to prosecute more capital or developmental projects in the country were not forth coming since the cost of government and corruption have not abated, but rather on the increase.

According to Mohamood in Olatunji, Muhammed and Raji (2013:60) the essence of monetization is to lower the financial cost of governance. It was also expected that monetization could increase the associated financial cost in 2004 due to the fact that inflows from the disposal of certain capital items would take some longer time to lead to substantial financial savings in

subsequent years, thereby achieving its core objectives of contributing to the reduction in the cost of governance.

In his view Eric (2016:2-3) corroborates that at the time of his departure from office in 2007, President Olusegun Obasanjo was shocked to find out the magnitude of the monetization of the legislators and the jumbo salaries they were to earn. He refused to sign the bill, leaving it for President Umaru Yara'dua who signed it eventually in order to please the legislators, adding that also the monetization policy, a policy that was meant to solve problems has now created more problems. All that the president should do is to call a meeting of the stakeholders including governors, legislators, Nigerian Labour Congress, public discussants, Religious leaders, market women and other bodies and insist that the government cannot sustain any longer the monetization policy of 2003. In the interim he should withdraw the circular on monetization.

Okafor (2014:27) in his study indicated that the policy of monetization have not helped in curbing corrupt tendencies of the average public servants. Alegbeleye and Ojeifo (2015:183-184) stressed that data and information coming from the various arms of government, conclusively suggest that the cost of implementing the policy will be very substantial which will invariably defeat the aim of the policy. At a time in 2011, a substantial amount of the annual budget about 1.12 trillion naira, went to pay 17, 474 officials in federal, state and local governments, according to the Revenue Mobilization Allocation and Fiscal Commission (RMAFC), the Abuja-base agency responsible for setting their pay.

To Mark and Bankole in Alegbeleye and Ojeifs (2015:184), the then finance minister and minister of Trade and investment, Olusegun Aganga called that year's budget "unimplementable" while Sanusi cited the spending boom as a reason for the decision to raise the benchmark interest rate by a percentage point to 7.5 percent.

According to Ukomadu (2018:60) the policy document on monetization expected that the policy would reduce waste, cost of governance and corruption in the public administration. Findings showed that instead of these, the cost of governance and corruption is still on the high side; hence the government has set up the Orosanya committee which submitted its report recently on how the cost of governance could be reduced. To Chinnah (2018:7) monetization policy aided and institutionalized corruption in the civil service, government property were sold but not accounted for.

Bakare (2011:62) in an attempt to x-ray the monetization policy of President Olusegun Obasanjo's administration inferred that we have a country, Nigeria, where initiators of policies and programmes do not usually take total cognizance of how policies work. No sooner they left office, than the policies or programmes begin to collapse. Monetization seems to be heading that same way as up till now there is nothing serious to show that monetization is really working as expected. In spite of the policy, the cost of maintaining the public service have continued to escalate while the avenue for corruption through undue appropriation of benefits gained ascendancy.

Impact of Monetization Policy on Productivity of Public Servants

In consideration to the persistent yearnings for improvement in the Nigerian public service for some decades now, it was the expectation of all and sundry that the introduction of the monetization policy of the Obasanjo's Administration would bring about remarkable achievement in quality of services rendered by the country's public bureaucracy. Regrettably, the public service institutions in Nigeria have continued to be beleaguered by rather unprecedented level of ineffectiveness and inefficiency; a situation that has continued to give room for aspersions on the performance of public servants in Nigeria. It was claimed that monetization policy will help to ensure improvement on the level of productivity of public workers in the country.

According to Alegbeleye and Ojeifo (2015:176) as a panacea to enhance efficiency and effectiveness in the Nigerian public sector, the twin issues of efficiency and effectiveness has been a growing concern in the Nigerian public service which has led to monetization.

To Oyedele (2015:33) one of the challenges of government and of course the legitimate expectation of the citizens of a developing country such as Nigeria is the ability of the Public Service to properly direct their aspirations towards improving the general welfare of the citizens. This is because the primary responsibility of government is to deliver services through its public service effectively and promptly to citizens at affordable prices, particularly now that the country is under civil rule following the wind of democracy which has blown over countries of the world.

In the view of Obasaolufemi (2015:1) a critical function that an organization should perform is that of getting its employee motivated. Every country be it a capitalist or socialist, developed or developing aims at securing maximum productivity in every sector of its economy in order to sustain its economic viability.

Furthermore, he added that Nigerian public sector has low productivity as measured by its output in relation to its capital and labour inputs. This problem is majorly predicated on government non-sustainability action towards labour and its insensitivity towards the unprecedented poor wages and incentives given to public workers.

In corroboration, Onyekachi (2017:317) inferred that wages, commission or salary is a fundamental reward for a civil servant based on the contract signed and work done. This is a very good aspect where motivation has a lot of role to play because civil servants can make or mar government business. The inability to use better reward for best workers to encourage workers to put in their best will not only bring productivity, but will also give a sense of belonging to remove or erode the idea that they are working for them.

He equally stressed that the inability of the government to effectively pay monthly staff emolument predicated on learn resources, results to low workers commitment, this thus, decreases the level of productivity. This situation makes workers not to be committed to their work and thus government ministries record low output.

According to Obasaolufemi (2015) when we talk about higher productivity, we are indeed saying that the same amounts or resources are utilized to get or secure greater output in terms of volume and quantity. This higher productivity is often a sine-qua non to effective performance which is majorly predicated on many factor ranging from top management support, committed personnel at all levels, a performance measurement system, employee training, reward structures etc. It is thus important to build up capacities for productivity improvement. In fact, productivity is one of the many ways in which performance may be measured and defined.

He went ahead to stress that in Nigeria, salaries and wages are below sustenance level and most of the workers in the country cannot take care of their basic needs from their emolument. This development tends to de-motivate the public employees from putting in their best in the course of producing goods and services. Thus, effectiveness and productivity are not opposite but they should be seen as mutually complementary....good remuneration has been found over the years to be one of the policies the organization can adopt to increase their performance and thereby increase the organization's productivity.

According to Stevens cited in Ndan (2008:51) the civil service of my country should be compensated far above the other sectors to enhance their efficiency and effectiveness. It was argued that it is relatively easy to understand why government rewards its civil servants generously but the difficulty arises in matters relating to government's ability to finance such expenditures.

Fayomi (2013:105) observes that public sector reform is an attempt to improve by change of form or removal of faults. It is informed by poor use of national resources or delay in national productivity drive. In other words, the public service may be over-bloated, over extended by doing too much with few resources, it may be poorly organized, its decision-making may be weak; public programmes may be poorly designed; techniques may be out dated; and services poorly delivered. The public service reform is to fix these problems.

In the opinions of Warsi et al and Griffin cited in Madu and Madu (2013:2) in today's capitalist economy, organizations whether private or public must design reward systems like performance based pay plans, merit pay, skilled-based systems and fringe benefits to competitive advantages, elicit desired work outcomes and to gain superior performance and for productivity improvements.

According to Ndan (2008:47) disparity in salary payment within an organization should be de-emphasized. This is because, disparity in salary administration within an organization would result to corruption and increase cost of production or of providing services. The face up between the government and RATAWU (Radio and Theatre Amalgamated Workers Union) and other trade unions, over non-payment of monetization benefits to workers of parastatals, when workers of core ministries had earlier received theirs should be understood within that context. Pigors and Myers cited in Ndan (2008) have this to say:

Monetization of remuneration...might be politically easy or difficult depending on the degree to which salaries compensate for

loss on non-wage benefits. The whole issue of monetization of fringe benefits are attempts geared towards removing the demotivating distortions in government remuneration structure. It is aimed at reducing the proportion of pay from non-wage benefits. It is politically difficult to dispense with non-wage mechanisms without redressing the inadequacies of the salary structure that stimulated the emergence of non-wage distortions in the first place.

Onyendi in Abdulrasaki (2011:270) noted that the government sees the globalization of Nigeria by way of monetization to raise the moral of public servants. To Abdulrasaki, the risk is that government has not fully utilized the monetization...that could lead to efficient and effective workers for domestic mobilization. Right now, public servants are down-hearted due to red tapism, bureaucratic procedures, overwhelming control of most chief executives, head of parastatals and other top government official and reducing unionized works to a toothless bull dog. However, monetization is morphing from a cost angle to a profit centre and more willing workers to increase productivity.

According to Ayapere Scholars (2013:3) monetization policy that determines fringe benefits of workers had also tampered with the reward structure of the public service. The essence of a good reward structure need not to be over emphasized because it serves as a motivating factor which can cause great affection on employees' morale that has effect on performance.

They further said that as one evaluates the impact of the current monetization policy on national development. The point is that the exercise will help to create the necessary environment to grow the economy, encourage private initiative and facilitate creativity and innovation, and more importantly improve the quality of service deliverance, promote patriotisms and efficiency among civil servants.

In the words of Saka cited in Igbara, Jonny, Alobani and Zukbee (2016:100) the monetized fringed benefit in the Nigerian public sector was expected to improve productivity and efficiency in resource allocation since the country is inching towards full economic liberation but if care is not taking in the execution of the policy, it will introduce negative mindset to the workers who may feel cheated by the policy.

In addition, Ogunkuada (2016:215) states that the policy is a package of policy measures and like any other policy; it has set goals which it aims at achieving. To be specific, the policy was formulated to address the observed governance problems that have resulted to low productivity in the public service, which could be attributed to poor pay, uneven reward system, unfavourable social, economic and political infrastructure of the public service.

According to Alegbeleye and Ojoifo (2015) monetization is viewed as an incentive and financial empowerment to improve worker's productivity...just as this may be correct, people have failed to see the wide income gap the policy has created between the low income and high income earners in the public service.

Aduma (2016:92) inferred that monetization policy if well implemented, has the benefit of boosting the productivity among civil servants in Abuja - the poor implementation of the policy which has left workers frustrated and disillusioned.

To Nweke (2012:173) the federal government of Nigeria between 1999 and 2002 caused massive increment in recurrent expenditure as it rose from 499.67 billion naira to aggressive 696.78 billion naira in 2002. The sum is spent in procuring, maintaining and keeping state officials in affluent transportation, accommodation, medical services and so on. Although, these amount was spent to improve the non-salary components of their wages and motivate workers to perform better, the outcome remained abysmally low productivity of public personnel.

In the view of Chinnah (2018:7) government could not pay the monetized money en-bloc as planned. This reduced the moral tone of workers as they were demoralized. As they get a dash to their expectations, this reduced productivity.

To Fayomi (2013:111) it was revealed that poor productivity culture which is prevalent in the Nigerian public service is a function of many interwoven variables that are both intrinsic and extrinsic in nature. The haphazard implementation of the monetization policy significantly heightened the poor productivity drive in the public sector. He went ahead to add that according to the president of the Nigerian Civil Service Union, Comrade Fidel Edeh, the policy was politically motivated and the manner of its clumsy implementation has negative attendant effects on the zeal of the workers.

According to Olatunji, Muhammed and Raji (2013:59) from the journey so far on monetization, it could be realized that the policy has not fared well in achieving most of the reasons for which it was established. This is because despite the implementation of the policy, civil service delivery in Nigeria is still very poor and unproductive.

Ayapere cited in Ogunkuade (2016:219) found that the motive behind the adoption of the monetization policy in Nigeria is not genuine and that the monetization benefit are not in any way commensurate with the cost of providing civil servants basic and socio-economic needs. The monetization policy implementation has no possible effect on workers' job performance.

Conceptual Explications

In order to ensure proper understanding of some concepts used in the study, the researcher considered it imperative to explain the following terminologies as a way of obviating any inherent confusion that may arise from them.

Monetization Policy – This is government policy that withdraws the direct funding of certain services to the public servants by the government and replaced them with cash payment. It is the conversion into cash the fringe benefits being enjoyed by public servants as part of their remuneration package and conditions of service. To Amuwo cited in Bakare (2011:62) it is the conversion of benefits previously available in kinds to public officers into cash payment.

Public Service – This is the services organized under the statutory machinery of government at local, state and federal levels. According to Modepe (2015:1275) it is the machinery of government that is concern with the formulation of policies and delivery of goods and services by and for the government whether national, regional and local levels.

Motivation – This refers to the forces that drive an employee to perform specific task which could be either internal or external. To Modupe (2015:1276) it is the willingness of an employer to provide situations which cater for an individual psychological need in exchange for a commitment by the employee to his work and the firm’s interest.

Cost of governance - This refers to the administrative cost that the government incures in running the public service institutions.

RESEARCH METHODOLOGY

The method adopted in carrying out this study were discussed under the following sub-headings: Research Design, population of the study, sample and sampling technique, instrument of data collection, validity and reliability of the instrument, method of data collection and method of data analysis.

Research Design

The descriptive research design was adopted. The researcher did not deliberately manipulate the influence of any variable on the sample. The type of descriptive research design chosen was survey research design where data was accurately and objectively collected to describe the existing phenomenon under study.

Sample and Sampling Technique

The sample size of this study is 126 staff of the reference organization consisting of both the senior and junior staff. The sample size for the study was determined through the application of Taro Yamen’s formula given as:

$$n = \frac{N}{1 + N(e)^2}$$

Where

n = sample size to be determined

N = The entire population of study

e = Accepted margin of error (0.05)

I = Constant

Substituting for the formular we have

$$\begin{aligned}n &= \frac{183}{1 + 183 (0.05)^2} \\ &= \frac{183}{1 + 183 (0.005)} \\ &= \frac{183}{1 + 0.4575} \\ &= \frac{183}{1.4575} \\ &= 125.6 \\ n &= 126 \text{ (nearest whole number)}\end{aligned}$$

The convenience sampling method was adopted. Here, the sampling units that could easily be accessed and conveniently located were to be selected. This therefore implies that the respondents that the researcher can easily collect data from without difficulties were taken to be the source of the primary data. Data was collected from the source that can be found easily available. This method was chosen in preference to any other sampling method due to its convenience, economy of time and money.

Instrument of Data Collection – Monetization Policy Appraisal Questionnaire (MPAQ) developed by the researcher to reflect such options as Very High Extent (VHE), High Extent (HE), Low Extent (LE), Very Low Extent (VLE) and undecided (U), popularly referred to five point likert scale was used to elicit the needed information from the respondents.

Validity and Reliability of the Instruments

The instrument of data collection was content validated. Some copies of the instrument were given to experts who are knowledgeable enough in both the area of study and questionnaire construction for criticism. All the criticism and corrections were reflected in the final draft.

In the area of reliability of the instrument, the researcher employed test-re-test method. According to Nkwocha (2010:121), test-re-test method involves testing the trial sample with the test under study at two different occasions but in close sequence. The scores generated at the

different occasions are then correlated with an appropriate correlation technique. The instrument was therefore administered to 30 staff comprising of both the senior and junior staff of the Imo State Ministry of Education, Owerri where monetization policy is equally implemented using convenience sampling method. After an interval of two weeks, the same instrument was administered to the same group of people in the organization again making it twice. The responses from the two tests were analyzed using t-test statistical method. The co-efficient of stability or reliability index was 0.84.

Method of Data Collection

The researcher used direct questionnaire administration method to collect data from the respondents. This implies that the researcher administered the questionnaire directly to the respondents by himself and equally collected them immediately they were filled.

This helped him to make some clarifications or explanations where needed. The method assisted to reduce the volume of non-response and non-returning of the instrument that is often associated with surveys of this nature. However, out of 126 questionnaires administered, 117 were well completed and returned, this showing approximately a response rate of 93%.

Method of Data Analysis

The researcher used simple percentage and chi-square statistical methods to analyze the data collected through primary sources only. According to Nkwocha (2010:154) chi-square is employed to indicate whether there is a relationship between the assumptions of a theory and some observations. Chi-square often referred to as test of goodness of fit was employed to show whether or not a set of observed frequencies fit closely to the theoretical or expected frequencies. The data used for the study is frequency data. The significant level was 0.05. This is the probability level at which the researcher was willing to risk type 1 error.

Population of the study

The population of this study consists of the senior and junior staff of the Federal Ministry of Science and Technology, Owerri, Imo State. These categories of staff were the people directly affected by the monetization policy of the federal government and can also properly discuss issues relating to it. Through, the staff statistics of the organization, a population of one hundred and eighty three (183) was identified as the population of the study.

Presentation, Analysis and Interpretation of Data

Data were presented in tables and with the aid of descriptive statistics especially the simple percentage and chi-square.

Table 1: Distribution of Respondents bio data/Employment profile

Characteristics	Category	Frequency	Percentage %
Age	20-29	22	18.8
	30-39	42	35.9
	40-49	37	31.6
	50-above	16	13.7
	Total	117	100
Sex	Male	71	60.7
	Female	46	39.3
	Total	117	100
Marital Status	Single	46	39.3
	Married	55	47.0
	Divorced	7	6.0
	Widowed	9	7.7
	Total	117	100
Education	0'level	11	9.4
	Diploma/NCE	29	24.8
	HND/B.Sc./B.A	58	49.6
	Postgraduate	19	16.2
	Total	117	100
Religion	Christianity	85	72.6
	Islam	32	27.4
	Traditional	-	-
	Total		100
Working Experience	< 5 years	16	13.7
	4-10 years	38	32.5
	> 10 years	63	53.8
	Total	118	100
Category	Senior	76	65
	Junior	41	35
	Total	117	1000

Source: Research Report, 2019.

Table I above indicates that out of 117 respondents, 22 of them representing 18.8% were within the age bracket of 20-29 years, 42 (35.9%) were within the age bracket of 30-39 years, 37 (31.6%) were within the age bracket of 40-49 years 16 (13.7%) were within the age bracket of 50 years and above. Out 117 respondents 71 (60.7%) were male and 46 (39.3%) were female. Out of 117 respondents, 46 (39.3%) were single, 55 (47.0%) were married, 7 (6%) were divorced and 9 (7.7%) were widowed. Out of 117 respondents, 11 (9.4%) were with 0'level, 29 (24.8%) were

with Diploma/NCE, 58 (49.6%) were with HND/B.Sc./B.A, 19 (16.2%) were with postgraduate degrees. Out of 117 respondents, 85 (72.6%) were Christians, 32 (27.4%) were Muslims and none was traditional worshipper. Out of 117 respondents, 16 (13.7%) had worked for less than 5 years, 38 (32.5%) worked 4-10 years and 63 (53.8%) worked for 10 years and above. Out of 117 respondents 76 (65%) were senior staff and 41 (35%) were junior staff.

TABLE 2: DISTRIBUTION OF RESPONDENTS VIEWS ON THE IMPACT OF MONETIZATION POLICY ON REDUCTION OF COST OF GOVERNANCE

Options	Frequency	Percentage (%)
Very High Extent	22	18.8
High Extent	27	23.1
Low Extent	28	23.9
Very Low Extent	29	24.8
Undecided	11	9.4
Total	117	100

Source: Research Report, 2019.

Table 2 above indicates that out of 117 respondents, 22 (18.8%) claim that the impact of monetization policy on reduction of cost of governance is to a very high extent, 27 (23.1%) respondents hold the view that it is to high extent; 28 (23.9%) respondents hold the view that it is to low extent, 29 (24.8%) respondents maintain that it is a very low extent and 11 (9.4%) respondents claim that they have not decided. The table shows that monetization policy has not reduced the cost of governance, as earlier stated by the policy.

TABLE 3: DISTRIBUTION OF RESPONDENTS VIEWS ON THE IMPACT OF MONETIZATION POLICY ON PRODUCTIVITY OF PUBLIC SERVANTS

Options	Frequency	Percentage (%)
Very High Extent	20	17.1
High Extent	27	23.1
Low Extent	30	25.6
Very Low Extent	28	23.9
Undecided	12	10.3
Total	117	100

Source: Research Report, 2019.

Table 3 above indicates that out of 117 respondents 20 (17.1%) claim that the impact of monetization policy on productivity of public servants is to a very high extent, 27 (23.1%) respondent hold the view that it is to a high extent, 30 (25.6%) respondents hold the view that it is to a low extent, 28 (23.9%) respondents claim that it is to a very low extent and 12 (10.3%) respondents were undecided. The table shows that monetization policy has not impacted

reasonably on the productivity of the workers of the Federal Ministry of Science and Technology, Owerri, as earlier envisaged by the policy.

TEST OF HYPOTHESES

The formulated hypotheses were tested using the chi-square (χ^2) statistical tool.

$$\chi^2 = \frac{\sum(o_i - e_i)^2}{e_i}$$

Where χ^2 = chi-square

Σ = summation sign

O_i = observed frequency

e_i = expected frequency

Decision Rule

Accept the null (H_0) hypothesis, if the computed or calculated chi-square (χ^2) result is equal to or less than the tabulated chi-square (χ^2) result, otherwise accept the alternative (H_1) hypothesis.

Degree of freedom = $n-1 = 5-1 = 4$

The level of significance = 0.05

The critical value at 4 degree of freedom on 0.05 level of significance is = 9.49.

HYPOTHESIS ONE

H₀: There is no significant relationship between monetary policy and reduction in the cost of governance.

H₁: There is significant relationship between monetary policy and reduction in the cost of governance.

Options	o_i	e_i	$o_i - e_i$	$(o_i - e_i)^2$	$(o_i - e_i)^2 / e_i$
VHE	22	23.4	-1.4	1.96	0.08
HE	27	23.4	3.6	12.96	0.55
LE	28	23.4	4.6	21.16	0.90
VLE	29	23.4	5.6	31.36	1.34
U	11	23.4	-12.4	153.76	6.57
TOTAL	117				9.44

The calculated value = 9.44

The expected frequency (ei)

$$= \frac{\text{sum of observed frequency}}{\text{Number of variables}}$$

$$= \frac{117}{5} = 23.4$$

Decision: There is no significant relationship between monetization policy and reduction in the cost of governance because the calculated χ^2 9.44 is less than the tabulated χ^2 9.49.

HYPOTHESIS TWO

H₀: There is no significant relationship between monetization policy and productivity of the public servants.

H₁: There is significant relationship between monetization policy and productivity of the public servants.

Options	O _i	e _i	o _i -e _i	(o _i -e _i) ²	(o _i -e _i) ² /e _i
VHE	20	23.4	-3.4	11.56	0.49
HE	27	23.4	3.6	12.96	0.55
LE	30	23.4	6.6	43.56	1.86
VLE	28	23.4	4.6	21.16	0.90
U	12	23.4	-11.4	129.96	5.55
TOTAL	117				9.35

The calculated value = 9.35

The expected frequency (ei)

$$= \frac{\text{Sum of observed frequency}}{\text{Number of variables}}$$

$$= \frac{117}{5} = 23.4$$

Decision: Hence, the computed χ^2 (9.35) is less than the tabulated (9.49), the H_0 hypothesis was accepted while the H_1 hypothesis was rejected. This means that there is no significant relationship between monetization policy and productivity of the public servants in the Federal Ministry of Science and Technology, Owerri.

DISCUSSION OF FINDINGS

The study reveals through the responses of our respondents in their questionnaire that monetization policy in the public service failed to accomplish its pre-determined objectives because both the expectations of the workers and the government were not realized.

Our findings show that there is no significant relationship between monetization policy and reduction in the cost of governance. This implies that the staff of Federal Ministry of Science and Technology, Owerri still engages in sharp practices that negates the laid down principles of the policy thereby increasing the cost of government expenditure in the ministry. This is in agreement with the findings of Ogunkuade (2016:226) that the proposition that says that the introduction of monetization policy will bring about efficiency in resource allocation and reduction of waste in government expenditure was not confirmed.

The findings also indicate that there is no significant relationship between monetization policy and productivity of the public servants. By implication, the introduction of the policy has not translated into a more efficient and effective workforce in the reference organization. This is supported by the findings of Aduma (2016:92) that the policy has not significantly enhanced productivity among civil servants in Abuja.

Conclusion and Recommendation

The study demonstrates that the policy objectives of the monetization of fringe benefits on reduction of cost of governance and increase in productivity in public service were not achieved. The problems of reduction in the cost of governance and improvement in the productivity of workers have not been addressed with the full implementation of the policy for over a decade now within the organization under study.

From the foregoing, the study makes the following recommendations:

Government should show enough political will to eradicate the problem of dishonesty and corruption prevalent within the Nigerian society thereby help enthrone public accountability and probity among the public servants.

The increase in monthly emoluments of the public servants as a result of monetization policy should be paid wholly and regularly, to boost their morale towards their job.

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