Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Behavioural Factors Affecting Civil Servants' Intention Towards Covid-19 Vaccination in Kaduna Polytechnic

Author:
Adamu Micah Gumus[1]
Aliyue Sa'adiya [2]
Musa Aisha [3]

Affiliation:
[1 & 2]Department of Management Studies (CBMS) Kaduna Polytechnic, Kaduna State.

[3]Department of Office Technology (CBMS) Kaduna Polytechnic, Kaduna State

Correspondence:
Adamu Micah Gumus

e-mail:
adamumicah203@gmail.com

Dates:
Received: 29 Jan., 2022
Accepted: 13 Feb., 2022

How to cite this article:
Adamu, M. G., Aliyue, S., & Musa, A. (2022). Behavioural Factors Affecting Civil Servants' Intention Towards Covid-19 Vaccination in Kaduna Polytechnic. *Creative Business Research Journal 2(1),* 99-104

This paper aims to determine those behavioural factors that enhance intention to accept covid19 vaccine by employees of Kaduna Polytechnic. A descriptive survey research design was adopted for the study. A total of three thousand two hundred and thirty two employees of Kaduna Polytechnic constituted the population of the study (3232). A sample size of three hundred and four-six (346) was statistically obtained using Krejcie and Morgan's (1970) table for sample determination. All the selected respondents were administered with a structured questionnaire to elicit their responses. The collected data were analysed using multiple regression statistical which were run with the aid of SPSS version 23. Findings from the study showed that only attitude was found to be significant and positive while, subjective norm and perceived behavioural control were insignificant and could not influence intention to accept covid-19 vaccines. In the light of this, the study, therefore, recommended among others that Government should continue with the campaigns on covid-19 vaccines so as to create awareness on it availability, where to get it, its safety, its protective rate and its side effects if any.

Introduction

The World Health Organization (WHO) has classified Covid-19 as a dangerous respiratory disease that has harmed public health and hindered socioeconomic activity around the world. It has spread to about 220 nations throughout the world since its inception and has become a global threat (Helmy, Fawzy, Elaswad, Sobieh, Kenney & Shehata, 2020). According to data gathered from the European Centre for Disease Control (ECDC) dashboard, there have been 270 327 277 cases of COVID-19 reported as of 31 December 2019, with 5 316 017 deaths (according to case criteria and testing procedures used in the affected countries) (ECDC, 2021).

The situation in Nigeria is particularly worrisome, as figures obtained from the Nigeria Center for Disease Control (NCDC) website as of December 20, 2021 showed that 223,905 Nigerians have been confirmed contacted with covid 19, 211537 have been treated and discharged, and 2985 have diedIn Kaduna State, the number confirmed patients are 10,264, discharged cases are 10066, and death cases are 81. (NCDC, 2021).

Given the ominous figures shown above, it is clear that Covid-19 has wreaked havoc on human lives all across the world. Fortunately, the world has not remained idle, since potent vaccinations against COVID-19 have been created in less than a year since the virus was discovered. This demonstrates the gravity with which the infection was viewed and dealt with. It is expected that the vaccines will provide an additional layer of protection, reducing the spread of the virus and limiting its impact on individual lives. Unfortunately, the immunizations were met with conflicting reactions, opinions, and attitudes from around the world (Okonofua, Adeke & Obi, 2021).

Many governments throughout the world have used a variety of techniques to educate their citizens about the importance of accepting vaccines in order to prevent the spread of the deadly disease. In many cases, vaccine deployment in Nigeria has been hampered by issues such as production rights, distribution constraints, politics, and rising vaccination hesitancy/resistance (Adigwe, 2021). Despite the Nigerian government's efforts to provide sufficient vaccines for its inhabitants, most civil officials in Nigeria, particularly in Kaduna, have a negative attitude regarding accepting the vaccine. According to World Bank reports, 8.19 million doses have been provided to Nigeria so far, with 2.76 million persons fully vaccinated (World Bank, 2021). This equates to around 1.3 percent of Nigeria's population. According to a recent circular from the Office of the Head of civil service of the federation, only 20% of federal civil servants have received the entire vaccine, while 30% have received the first dosage (OHCSF, 2021). Similarly, according to the Kaduna State Ministry of Health (KSMH), only 10% of civil servants were fully vaccinated, while 15% had received their first dosage (KSMH, 2021). This revelation prompted the federal government to set a deadline of December 1, 2020 for civil personnel to get vaccinated or risk being denied access to their workplaces. Although this directive is yet to be implemented. In a similar vein, the Kaduna State Government has given all civil officials a 12-day deadline to obtain COVID-19 vaccines. Civil servants who have not been vaccinated by October 31 would be barred admission into government offices, according to Muyiwa Adekeye, the Special Adviser to the Governor on Media and Communication. Visitors, he said, will be allowed in if they show proof of vaccination registration with the state Ministry of Health and are wearing their face masks (Daily trust, 14).

Despite all of these measures taken by governments at all levels of government, civil servants' behavioural attitudes toward their intention to accept the covid 19 vaccination in Kaduna state remain feeble, as behavioural factors such as civil servants' attitudes, subjective norms, and perceived behavioural control could be responsible for their weak intention to accept covid-19, this is a problem that needs to be addressed. Other academics have looked into environmental elements, political issues, technological factors, economic factors, and so on, in addition to civil servants' behavioural attitudes. Abdulsalam, Ahmed, Ibrahim, Abdulmumuni, Gatuwa, and Muhammed (2021) conducted a study in Sokoto on the readiness of healthcare professionals to receive the covid-19 vaccination. The study found that environmental factors such as the location of the vaccine center, the amount of time spent assessing vaccines, and the availability of vaccine information influenced the acceptability of Covid 19 in Sokoto State.

To the best of the researcher's knowledge, no study has been undertaken in Kaduna State that evaluates the behavioural attitudes of civil servants in Kaduna state, particularly in Kaduna Polytechnic. This is a major gap that needs to be filled hence, the need for this study becomes necessary since, it will cover the exiting gap and contribute to the body of knowledge especially in the area of identifying those factors responsible for intention to either accept or reject covid-19 vaccines among Kaduna Polytechnic employees.

1. 1 Objectives of the Study

The main objective of this study is to examine the behavioural factors affecting intention of employees of Kaduna Polytechnic to accept covid-19 vaccines. Specifically, the study seeks to achieve the following objectives;

i. To examine the effect of attitudes on employee's intention to accept covid-19 vaccine in Kaduna Polytechnic.

ii. To examine the effect of subjective norm on employee's intention to accept covid-19 vaccine in Kaduna Polytechnic.

iii. To examine the effect of perceived behavioural control on employee's intention to accept covid-19 vaccine in Kaduna Polytechnic.

1.2 Hypotheses of the Study

To achieve the objective of the study, the following hypotheses are formulated.

H1: Employees' attitudes significantly affect their intention to accept covid-19 vaccine in Kaduna Polytechnic.

H2: Employees' subjective norms significantly affect their intention to accept covid-19 vaccine in Kaduna Polytechnic.

H3: Employees' perceived behavioural control significantly affect their intention to accept covid-19 vaccine in Kaduna Polytechnic.

2.0 Methodology

This investigation used a cross-sectional research design. It has the advantages of being cost-effective and time-saving (Sekaran, 2003).All employees of Kaduna Polytechnic who are on permanent pensionable employment made up the study's population. The full list of 3232 employees, which constitutes the study's population, was received from the registrar's office at Kaduna Polytechnic. For the study, 346 employees were chosen as the sample size. The sample size was determined using the Krejcie and Morgan (1970) table, which was used to statistically choose 346 respondents. Following that, using a basic random sampling procedure, the sample elements were chosen from the list of employees. A questionnaire was used to collect data; closed ended questions were used. The questionnaire was created using a five-point Likert scale based on Yakasai and Jusoh's (2015) and Ngune, McManus, and Parson's (2015) investigations (2015). Out of the 346 copies of the questionnaire distributed to staff of Kaduna Polytechnic, 310 copies representing 89.6% were returned and analyzed.

Ngune, McManus, and Parson devised five items to assess the dependent variable (intention to accept covid 19 vaccinations) (2015). The independent variables of attitude, subjective norms, and perceived behavioural control were adopted from Yakasai and Jusoh's study (2015). All comments were rated on a five-point Likert scale that ranged from "strongly disagree" (1) to "strongly agreed" (5). Because Krosnic and Fabrigar (1997) argue that a scale of 5 to 7 points is more trustworthy and valid than a shorter or longer scale, the usage of a 5-point Likert scale is required. Multiple regression analysis with SPSS version 23 was used to calculate the data collected from respondents in order to determine the study's outcome.

3.0 Analysis of Results

Table 3.1: **Summary of Regression Result**

Model	R	R. Square	Adjusted R-Square	Standard error of the estimate
1	.706	.498	.440	.42140

Predictors: (Constant), AT, SN, PBC

The result in table 3.1 presented the regression coefficient denoted by 'R' which shows that about 70.6% relationship exists between the independent and the dependent variables. Also, the coefficient determination is represented by 'R^{2}' which shows 0.498 meaning that 49.8% of the changes in intention to use covid 19 can be predicted by the independent variables. While, the remaining 51.1% of the changes in intention to accept covid-19 vaccines are predicted by other variables outside the model.

Table 3.2 **Summary of ANOVA**

Model		Sum of Square	Df	Mean Square	Sig
1	Regression	.298	6	.075	.012
	Resdual	30.577	304	.103	
	Total	30.875	310		

a. Dependent Variable: IACV
b. Predictors: (Constant), AT, SN, PBC

The table of Anova in 3.2 above reveals the regression equation represented by a set of regression coefficients that in total, are statistically significant which shows a significant value of 0.012 (or p<.05). This implies that the overall regression model is statistically significant, valid, and fit for any predictive purpose hence; the independent variables have a strong predictive influence on intention to accept covid-19 vaccines by employees of Kaduna Polytechnic

Table 3.3: **Coefficient of the Predictors Variables**

Hypotheses	Standard Beta	Standard Error	T- Stat	P-Value	Decision
H1: Attitude (AT)	.137	.027	5.782	.012	Accepted
H2: Subjective Norms (SN)	.156	.023	5.623	.391	Rejected
H3: Perceived Beh Control (PBC)	.117	.023	2.934	.770	Rejected

a. Dependent Variable: IACV

Hypothesis One: $H_{1:}$ Employees' attitudes significantly affect their intention to accept covid-19 vaccine in Kaduna Polytechnic

In pursuance of the first objective of the study which focuses on the effect of attitude on the intention of employees to accept covid-19 vaccine in Kaduna Polytechnic, the regression analysis computed in table 3.3 above reveals the coefficient of attitude in the model having a β_1 value of .137 which shows that a unit change in the attitude will increase the employees' intention to accept covid-19 by 1.4% when lack of subjective norm, and perceived behavioural control are held constant. The t-value of 5.782 is significant at 0.012 since P value is less than ($P < 0.05$). Thus, the alternative hypothesis which stated that employees' attitudes significantly affect their intention to acceptance covid-19 vaccine in Kaduna Polytechnic is accepted while the null hypothesis is rejected.

Test of Hypothesis Two

$H_{2:}$ Employees' subjective norms significantly affect their intention to accept covid-19 vaccine in Kaduna Polytechnic.

The result in table 3.3 above reveals the regressive coefficient of subjective norm in the model with a β_2 value of .156 which shows that a unit change in subjective norm will increase employees' intention to accept covid19 vaccine by 1.6% when attitudes and perceived behavioural control are held constant. The t-value of 5.623 is insignificant at 0.390 since the P value is greater than 0.05 ($P > 0.05$). Thus, the alternative hypothesis which stated that employees' subjective norms significantly affect their intention to accept covid-19 vaccine is rejected while; the null hypothesis which stated that employees' subjective norms have no significant effect on their intention to accept covid-19 vaccine in Kaduna Polytechnic is accepted.

Test of Hypothesis Three

$H_{3:}$ Employees' perceived behavioural control significantly affect their intention to accept covid-19 vaccine in Kaduna Polytechnic.

Finally, in order to achieve the fourth objective of the study which hubs on the significant effect of perceived behavioural control on employees' intention to accept covid-19 vaccine in Kaduna Polytechnic, the result in table 3.3 shows that the regressive coefficient of perceived behavioural control in the model with a β_3 value of .117 which shows that a unit change in perceived behavioural control will increase employees intention to accept covid-19 vaccine in Kaduna Polytechnic by 1.2% when attitude, and subjective norm are held constant. The t-value of 2.934 is insignificant at 0.770 since the P value is greater than 0.05 ($P > 0.05$). Thus, the alternative hypothesis which stated that perceived behavioural control have significant effect on employees' intention to accept covid-19 in Kaduna Polytechnic is rejected while the null hypothesis is accepted.

4.0 Conclusion and Recommendations

Theoretically, this study lends credence to the theory of planned behaviour in explaining employees' intention to accept covid-19 vaccine in Kaduna Polytechnic. All the behavioural factors; attitude, subjective norms and perceived behavioral control were tested. Attitude of employees' was found to be positive and significant to influence intention to accept covid 19 vaccines. Thus, subject norms and perceived behavioural control were found to be insignificant hence; they could not influence employees' intention to accept covid-19 vaccines in Kaduna Polytechnic.

On the basis of findings from this study and conclusion, the following recommendations on how to enhance employees' intention is hereby stated.

i. Government should continue with the campaigns on covid-19 vaccines so as to create awareness on it availability, where to get it, its safety, its protective rate and its side effects.

ii. Government, management of Kaduna Polytechnic, religious leaders, community leaders, medical practitioners and other stakeholders should involve themselves in advising and encouraging employees around them as such, will enhance their subjective norms.

iii. Government officials, medical workers and others stakeholders must lead by examples. They should ensure they take the covid 19 vaccines and provide evidence for the employees of Kaduna Polytechnic and other civil servants in Kaduna State to see, as such will build their perceived behavioural about the vaccines and enhance their intention to accept the vaccines.

Reference

Abdulsalam, G., Ahmed, B., Ibrahim, N., Abdulmumuni, D., Gatuwa,Y. & Muhammed (2021). Willingness to Accept a Potential COVID-19 Vaccine in Nigeria. *American Journal of Medical Sciences and Medicine*, 9, 1-5.

Adigwe, (2021). COVID-19 vaccine hesitancy and willingness to pay: Emergent factors from a cross-sectional study in Nigeria. *Journal of Elsevier Limited*, 9, 1-7.

European Centre for Disease and Control (ECDC, 2021). COVID-19 situation updates [Internet].

Solna: ECDC [cited 2021 Dec 7]. Available from: https://www.ecdc.europa.eu/en/geographical-distribution-2019-ncov-cases.

Helmy YA, Fawzy M, Elaswad A, Sobieh A, Kenney S P, Shehata AA. (2020). TheCOVID-19

Pandemic: A Comprehensive Review of Taxonomy, Genetics, Epidemiology, Diagnosis, Treatment, and Control. JClinMed;9(4):1225. https://doi.org/10.3390/jcm9041225 PMID:32344679.3.WuF,ZhaoS,YuB,ChenY-M,WangW,SongZ-G,et al.A

Kaduna State Ministry of Health (KSMH, 2021)https://health.kdsg.gov.ng/publications/retrieved on the 21/11/21.

National Centre for Disease Control NCDC, (2021). https://covid19.ncdc.gov.ng/report/ retrieved 21/11/2021.

Ngune, I., Jiwa, M., McManus, A, & Parsons, R. (2015). Predicting Attendance of Cancer Patients: Care in General Practice. *American Journal of Health Behaviour*, 39, 166-173.

Okonofua, A.,Adeke Y. & Obi, U, (2021). Acceptance of a COVID-19 Vaccine in Southeast Asia: A Cross-Sectional Study in Nigeria. *Frontiers in Public Health*, 8, 381-393.

World Health Organization (WHO, 2021). Coronavirus disease (COVID-19) weekly epidemiological update and weekly operational update [Internet]. Geneva: WHO; 2020 [cited 2020 Dec 29]. Available from: https://www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports.

Yakasai, A., B. & Jusoh, J., W. (2015). Testing the Theory of Planned Behavior in Determining Intention to Use Digital Coupon among University Students. *International Accounting and Business Conference*, 31, 186 – 193

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Mediating Role of Personal Initiative in the Relationship Between Self Determination and Sustainability of Micro Business Among Graduates in Nasarawa State

Authors:
Bawa Audu Musa [1]
Samuel A. Ocholi [2]
Pam Nelson Chuwang [3]
Albura Dan Adamu [4]

Affiliation:
[1, 3,& 4]Department of Business Administration, Faculty of Management Science, University of Jos

[2]Department of Marketing, Faculty of Management Science, University of Jos

Correspondence:
Bawa Audu Musa

e-mail:
bawamusaa2020@gmail.com

Dates:
Received: 1 Feb., 2022
Accepted: 23 Feb., 2022

How to cite this article:
Bawa, A. M., Samuel, A, O., Pam, N. C., & Albura, D. A. (2022). Mediating Role of Personal Initiative in the Relationship Between Self Determination and Sustainability of Micro Business Among Graduates in Nasarawa State. *Creative Business Research Journal 2(1),* 105-115

This research examined the role of personal initiative in mediating the relationship between self-determination and sustainability of micro- business among graduate in Nasarawa state. The study used the tradition method of hierarchical regression analysis; PROCESS MACRO was employed to analyze the relationship between the study variable and the mediation effect of personal initiative to strengthen the relationship between the variables in the study. The study collected data mostly among youth that are engaged in one form of micro-business or the other in Nasarawa state and those youth intending to engage in business activities. The results from the analysis showed that there is a positive and significant relationship between self-determination and the sustainability of micro-business enterprise among graduate in Nasarawa State. The effect of personal initiative in linking this relationship was discovered to be significant, this however, goes a long way to tell the story of how self-determination couple with personal attribute measures by proactiveness, self-starting behaviors and resilience has propelled business sustainability among graduates in

Introduction

Microenterprises continue to multiply in countries around the world, generating jobs, income for the individuals and revenue for governments, reducing increasing rate of social vices, improving the living standard of the citizens which also improves the overall fiscal outlook of countries (Munoz, Welsh, Chan & Raven, 2014). Their growth has remained a global challenge, where many start-up micro businesses but cannot see them through their first birthday (Angeles, Calara & de Guzman 2019). Additionally, Micro firms' plays significant role in bringing different solutions to societal and business needs of firms through exploitation of business opportunities and the use of the available environmental resources. In Nigeria, Micro-enterprises dominates the business landscape, accounting to about 95% of all firms (OECD, 2017) which is the backbone of major developing economies, as well as important contributors to employment, economic and export growth. Sommer, (2017); Yusoff, Wahab, Latiff, Osman, Zawawi and Fasal, (2018) opine that Micro enterprises form the strength of the economy contributing to more than half of the employment and more than 90 per cent of the existences of businesses globally.

Developed countries like U.S. and UK, there are over half a million new business start-ups annually, but surprisingly, around the same number at the same time closes each year (SBA, 2011). In South Africa, MSMEs account for 91% of businesses, 60% of employment and contribute 52% of total GDP. The case is not different in Nigeria, where MSMEs contribute 48% of national GDP, account for 96% of businesses and 84% of employment (National Bureau of Statistics) and sadly, over 95% of MSMEs fail in their first five year of operation (National Bureau of Statistics, 2020). Therefore, across the globe, sustainability of micro enterprises has been a major challenge. The major problem of MSMEs is how to survive beyond five years as up to 75% of small businesses close within 5 years (Plehn-Dujowich, 2010). Hence, the success of micro enterprises is full of uncertainty as those that are able to sustain their start-up perform extra effort (Carter & Van Auken, 2006). More still, failure in business activities in micro enterprises has become a norm for many business owners especially in Africa (Jiao, Welsch, & Moutray, 2009) Looking at this scenario, the understanding of why firms fail or succeed is crucial in this study to the stability of business owners and the health of the economy (Van Auken, Kaufmann, & Herrmann, 2009; Michael & Combs, 2008).

In the past and recent times, the Nigerian Government has established numerous schemes and programs specifically targeted at MSMEs; SMEDAN, You-Win, Trader-money, N-Power, (NBS, 2020). In 2013, The CBN launched the MSME Development Fund with a share capital of ₦220 billion. The Fund was established in recognition of the significant contributions of the Micro, Small and Medium Enterprises (MSME) sub-sector to the economy and the existing huge financing gap. The broad objective of the Fund is to channel low-interest funds to the MSME sub-sector of the Nigerian economy through Participating Financial Institutions (PFIs). Also, Banks and Fin techs (financial technology companies) have also been filling the gap in the market by providing short-term financial loans to MSMEs in Nigeria (NBS,2020). All these efforts combined forms a great step at bridging the gap for MSMEs in Nigeria yet the failure rate of MSMEs still alarming and persisting despite the access to soft loans and stimulus measures.

Study supports that the external environment affects the success of micro enterprises (Lim, Morse, Mitchell, & Seawright, 2010; De Clercq & Rangarajan, 2008) and these factors called internal and external must be addressed to build sustainable success of micro firms in every economy (Smith, Discenza, & Baker, 2006). The second issue is research supports; the importance of the success of micro businesses is of utmost importance. Looking at the various factors that explain micro businesses both in the developed and developing countries, it is wise to know those that can explain this study sustainability of micro business in the context of Nigeria. Therefore, this study used self-determination and personal initiative as the variable to explain sustainability of micro enterprises among graduates focusing on the mediating role of personal initiative in the relationship between self-determination and sustainability of micro businesses.

Furthermore, this study established that, no any research includes the combination of the three variables and the theories to explain the study success vs. failure of sustainability of micro enterprises especially in this context. Thus, an important missing factor may be the use of this approach for the sustainability of micro businesses.

RESEARCH OBJECTIVE

(i) To examine the relationship between self-determination and sustainability of micro enterprises in Nasarawa State
(ii) To examine the relationship between self-determination and personal initiative of micro enterprises owners in Nasarawa State
(iii) To examine the relationship between personal initiative and sustainability of micro enterprises in Nasarawa State
(iv) To examine the mediating role personal initiative on the relationship between self-determination and sustainability of micro enterprises in Nasarawa State

LITERATURE REVIEW AND HYPOTHESES DETERMINATION

Self-determination and sustainability of micro business

Micro and Small – sized enterprises are said to exhibit significantly lower corporate sustainability performance than large firms, because they are more reluctant to engage in Corporate Sustainability measures such as cleaner production (Bradford & Fraser, 2008; Nunes et al., 2019). In the context of corporate sustainability, autonomous motivation is very important because it is characterized by an intrinsic desire to engage in corporate sustainability, because it is personally valuable or inherently rewarding, which leads to higher effort and quality of decisions. Autonomous motivation characterizes an intrinsic desire to act, irrespective of any external influence, because it is personally valuable or inherently rewarding, resulting in positive behaviours like change commitment (Shin & Jung, 2021), or work initiatives and the resulting revenue generation (Grant et al., 2011). According to self-determination theory, a distinction can be made between autonomous and controlled motivation (Deci and Ryan, 1985). Unlike autonomous motivation where the drive is intrinsic, the drive-in controlled motivation is extrinsic and basically controlled by stakeholders hence the decision making and the need for sustainability is external. An autonomy seeker mussel autonomous motivation which helps him consistently drawing internal strength to keep his venture afloat. Naturally, human beings have an inherent motivation for growth and achievement (Stone, Deci, & Ryan, 2009) and they have natural motivational tendencies and readiness to learn, explore and assimilate knowledge and develop new skills (Deci& Ryan, 2000). SDT maintains that individuals are endowed with an innate desire to actualize their potentials, that is, to elaborate their knowledge, cultivate their interests, seek challenges and explore the world.

H_1:

There is a significant relationship be tween self-determination and sustainability of micro enterprises in Nasarawa State

Self-determination and Personal Initiative

Evidence on the relationship between self-starting behaviour and self-determination is established, it is also consistent with the findings of Glaub, Frese, Fischer, and Hoppe (2015) who argued that self-starting behaviour is essential for stimulating business activities, venture creation and autonomy of the venture creator determines his success. This also supports the findings of Frese (2015) who observed that self-starting behaviour is related to start-up innovation, mindset, resourcefulness, dedication, vision, and pro-activeness which can lead to a successful venture. Furthermore, Dakung, Munene, and Balunywa (2016) who advanced that individuals with initiative are familiar with the environment and can identify opportunities to start business activities base on their determination that comes from the autonomy of the entrepreneur.

H_2: There is a significant relationship between self-determination and personal initiative in Nasarawa State.

Personal Initiative and Sustainability of Micro Business

Entrepreneurs with high personal initiative (self-start, proactive attitude, and capability to overcome barriers) contributed to the success and growth of their companies (Che Rose et al. 2006). Continual bathing of ideas and initiatives keeps the drive and entrepreneur active and committed to consistently meeting targets which keeps the business moving. Therefore, Entrepreneurs who have the necessary competencies, initiatives, among other areas especially in the areas of operations, finance, marketing, human resources, and management are more likely to be successful at startup (Prahalad & Hamel 1990) and sustaining their ventures beyond the early years of establishment. In addition to competencies and personal initiatives, human capital of individual entrepreneurs plays a role in contributing to the success of entrepreneurs (Lussiers & Pfeifer 2001) and longevity in business.

H_3: There is a significant positive relationship between personal initiative and sustainability of micro in Nasarawa State.

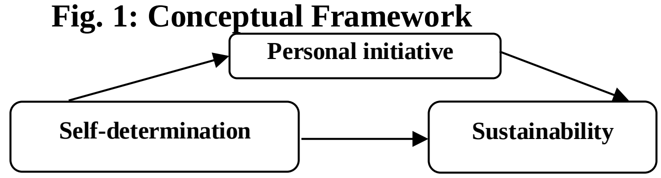
Mediating effect of Personal Initiative

Self-starting behaviour could also mean a mindset that do more than what is asked to do. Resourceful individuals are dedicated and visionary in their business activities. Self-employed individuals often use their initiative to identify business opportunities within the environment using their creativity to bring about business change and sustainability. The encouragement of positive mindset towards self-starting behaviour is essential in start-up activities which is a function of initiative (Whiler, Black, Ellen, Hochwarter & Ferris, 2017; Kautonen, van Gelderen & Fink, 2015). Cantaleano, Rodrigues and Martins, (2018) empirical findings indicate that business-oriented individuals, with the ability to proactively anticipate in the market, seek to meet unexpressed market, customers demand and competitors propose solutions for these needs, result in service innovation, create ventures and see to their sustainability.

Therefore, if the initiative is low, self-starting, proactive behaviour may affect the achievement in business. Additionally, Kuckertz and Wagner (2010) found that self-starting behaviour significantly predicts a successful business start-up. From these findings, it is evident that individuals with initiatives have the advantage to identify business opportunities and utilize resources for successful venture creation.

H_4:*Personal Initiative mediates a relationship b etween self-determination and sustainability of micro enterprises in Nasarawa State*

Fig. 1: Conceptual Framework



Source: (Stewart, 2009; Frese & Fay, 2001; Deci and Ryan, 1985)

RESEARCH METHODOLOGY

Research Design, Population and Sample

This study employed a survey design. The survey used a cross-sectional approach where data was collected at a point in time from the respondents. A total of 400 questionnaires were distributed and 382 were fit for analysis constituting 95.5% of the entire questionnaires distributed. The study instrument (questionnaire) was designed on a 6-point Likert scale which evaluated the relevance and suitability of the measurement items. The data analysis describes specific attributes of the study variables with the help of Statistical Package for Social Sciences (SPSS) version 2.6 was used for screening data and preliminary data analysis, while hierarchical regression was used to test the stated study hypotheses.

Regression Analyses

The hierarchical regression analysis was conducted to establish whether there was a relationship between the predictor variables and the criterion variable in this study.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics: R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.706[a]	.499	.497	.59812	.499	378.115	1	380	.000	
2	.723[b]	.522	.520	.58478	.023	18.531	1	379	.000	1.615

a. Predictors: (Constant), PERSONALINITIAT
b. Predictors: (Constant), PERSONALINITIAT, SELF-DETERM
c. Dependent Variable: SUSTINTER

Table 1 above provides detailed information about the nature and characteristics of the model in analyzing the variables of interest. The R-value shows that the correlation between the dependent and the independent predictor variables (Self-determination and sustainability of micro enterprise) is 0.723, which is high and shows a good correlation among the variables. The R-square gives detailed of the total variation for Micro-business enterprise that could be explained by the predictor's variables. From the model summary table, The R-square value indicates that 52.2% (0.522) of the variance in micro-business growth was being predicted Self-determination and personal initiative. This shows that the model is effective in determining the relationship among the study variables and the same value is the coefficient of determination. The Adjusted-R square value is 0.52(55%) which is not far from the R-square value. This gives a good indicator of the sample result from the population in multiple regressions.

TESTS OF HYPOTHESES

Table 2: Results of Hypothesis testing

Hypotheses	Statement	Path	Remark
H_1	There is a significant positive relationship between Self-determination and sustainability of micro-enterprise	SELFD→SUST	Supported
H_2	There is a significant positive relationship between self-Determination and personal initiative	SELFD→PERIN	Supported
H_3	There is a significant positive relationship between Personal initiative and sustainability of micro-enterprise	PERINT→ SUST	Supported
H_4	Personal initiative mediates a relationship between self-determination and sustainability of micro-enterprises	SD→PER→ SUSTAIN	Supported

DISCUSSION OF FINDINGS

Based on results of the test of hypothesis 1. They "I can do" self-declaration motivates mindset that can do more than what is asked to do. The quest for micro-business expansion and sustainability to a large extend is determine by self-will of the actors. Self-independence, capability and relatedness contributed significantly in the growth of micro business in among youth in Nasarawa.

A well-established psychological theory of motivation, SDT posits simply that autonomy (among other constructs) leads to well-being, and that individuals quest for increased well-being determines their actions, their level of success in business enterprise; the parallels to the economic analysis of utility and the link to decision theory are thus straightforward. Using quantitative instruments borrowed from psychology to evaluate newly self-employed people motivations for making the switch would also shed light on the link between autonomy and new business creation and, in future empirical studies, Shane (2008) notes statistical evidence showing that those who start businesses because they "benefit like working for other people benefit to do very well their businesses tend to make less money, grow more slowly than those people who start with the goal of making high proofs" (Shane 2008).

The results of hypothesis **2** revealed that Self-determination is positively related to personal initiatives, implying that behavior of self-determination having the ability to search for solution to business problems, takes opportunities and advantages as they present themselves and strive to create opportunities. Capture the relevant market knowledge available to them. More to it is that business owners can effectively collect internally provided business information around the environment in which they operate. The growth of micro business enterprises is influenced by the personal initiative's attributes. This finding agrees with the research conclusion by Briggs and Alupic (2006), Cruz Basso, Kimura and De Aguiar (2010) and Nogueiria, Kimura, De Barros Junior and Cruz Basso (2010) who reported similar findings and suggested that entrepreneurial efforts focused on creating, sharing, and storing knowledge while operating business which enables firm to have a competitive advantage. It is plausible to say that personal initiative is a good variable that can explain growth of micro-business enterprise. Accordingly, employability is perceived to be increasingly less about having knowledge sets and more about flexibility and adaptability as a result of the transferability of skills (Nicolescu & Pun, 2009; Azevedo, 2012; Velasco, 2012). Transferable skills include "motivation, initiative, creativity, organizational ability, written and oral communication skills, team working, interpersonal skills, problem solving, leadership, and numeracy and information technology" (Stewart & Knowles, 2000).

The outcome from the table above confirmed that personal initiative significantly affects the sustainability of micro business enterprise positively. Personal initiative is a key contributor to micro enterprise failure or success (Cunningham 1998). Abilities of managers are important considerations in being resourceful in business operations and can impact micro enterprise performance (Lubatkin et al. 2006; Goll & Rasheed 2005). However, key discoveries aliened to the external factors, including government assistance in training and extension services, the external environment, market support by the government, market accessibility, and networking, were seen as highly important external and internal variables by the rural entrepreneurs for their business success, while the only important internal success factor was owner environmental, social and economic sustainability practices. Specifically, with regard to the first external success factor, government assistance in training and extension services, the types of training needed by entrepreneurs in order to succeed were training in entrepreneurship, marketing, quality management, basic accounting, and technical skills. Advisory services, business information, and technical knowledge were also rated highly (Kader et al. 2009).

From the results in test of hypothesis four, it was found out that personal initiatives mediate the relationship between self-determination and sustainability of micro business enterprise. The finding agrees that business owners who have a vast established self-stating behavior help them succeed in business meaning that, the multiplier effect of proactiveness, and resilience have given better mediating effect to both direct and indirect relationship. Cantaleano, Rodrigues and Martins, (2018) empirical findings indicate that business-oriented individuals, with the ability to proactively anticipate in the business, seek to meet unexpressed market, customers demand and competitors propose solutions for these needs, result in service innovation and delivery which lead to expansion. Since creativity in business activities influence self-starting behaviour, predictive power can be enhanced micro-enterprise. Being self-starting is the key to becoming a successful self-employed (Frese, Has & Friedrich, 2016). Given this, the self-starting behaviour is a rich construct that combines not only the creative use of financial resources but also behavioural resources that could influence an individual to be successfully self-employed (Sasi & Sendil, 2000).

CONCLUSION

The ability of the micro-business sector to drive an economy and serve as an engine to development has been recognized all over the world. However, the rate of failure of businesses in the sector and its low rate of growth is alarming hence; drawing the attention of many to the growth determinants of the sector is paramount. This study examined the relationship between self-determination as a driving force among youth for sustainability of business in Nasarawa State using personal attribute as a mediating variable. The main objective of this study was to establish the relationship that exists between these variables. From the results of the analysis in table 2 above, the study revealed that these two variables have a statistically significant effect on the growth of micro-enterprise in the study population. The study suggests that self-determination is critical to the performance and sustainability of business, therefore; the awareness of these determinants and the strategic application by small scale firms will significantly and positively influence it's sustainability beyond the scope of this study.

References

Angeles**,** I.T. (2019). The impact of integrating active learning in Accounting course on the Motivation, Engagement and Personal Relevance of Non-Accounting Students. *The Dividends-nACPAE Journal of Accounting Research, 2(1), 33-43.*

Angeles**,** I.T**.,**Calara, M.S.P., & De Guzman, Allan B. (2019). The mediating effect of microfinancing on access to finance and growth of microenterprises:

evidence from the Philippines. *Journal of Global Entrepreneurship Research, 9(24)*.

Angeles**,** I.T., De Guzman, A.B., & Calara, M.S.P. (2019). The impact of financial intermediation on the growth of urban and rural microenterprises in the Philippines. *The Antoninus Journal: A Multidisciplinary Journal of the UST Graduate School, 5.*

Auken, H., Fry, F., & Stephens, P. (2006). The influence of role models on entrepreneurial intentions. *Journal of Developmental Entrepreneurship,* 11(2), 157-167.

Azevedo, A., A, G. & Hurst, D. (2012), "Competency development in business graduates: An industry driven approach for examining the alignment of undergraduate business education with industry requirements", 10(1), 1228-1259

Azevedo, A., Apfelthaler, G. & Hurst, D. (2012), "Competency development in business graduates: *An industry driven approach for examining the alignment of undergraduate business education with industry requirements" 10(1), 12-28*

Bradford J., E. & Fraser, D.G. (2008) Local authorities, climate change and small and medium enterprises: identifying effective policy instruments to reduce energy use and carbon emissions Corporate Social Responsibility Environment Management.15 (1), 156-172

Bandura, A. (1997). Self-efficacy: Toward a unifying theory of behavioral change. *Psychological Review*, 84(2), 191-215.

Bandura, A. (2000). Self-efficacy. In Kazdin, A.E. (Ed.), *Encyclopedia of psychology*. New York: Oxford University Press.

Briggs, B. R. (2009). Issues affecting Ugandan indigenous entrepreneurship in trade. *African Journal of Business Management.* 3(12), 786-797.

Cantaleano, K. R., Rodrigues, G. P., & Martins, T. S. (2018). The mediating effect of proactive market orientation capability in entrepreneurial orientation and service innovation. Revista de Administração Mackenzie, 19(1), 1–27.

Carter, T & Van Auken, A. (2006) Small Firm Bankruptcy. *Journal of Small Business Management*. 44(4),493 – 512.

Chan, K.Y., Uy, M.A., Chernyshenko, O.S., Ho, M.R., & Sam, Y. (2015). Personality and entrepreneurial, professional and leadership motivations. Personality and Individual Differences. 77, 161-166.

Che Rose, R., Kumar, N., & Yen, L. L. (2006). The dynamics of entrepreneurs' success factors in influencing venture growth. *Journal of Asia Entrepreneurship and Sustainability, 2*(2), 119–141.

Chen, L. (2014). Understanding it entrepreneurial intention: An information systems view. *Journal of Computer Information Systems,*6(2), 1-12.

Cruz Basso L. F., Kimura H., & De Aguiar, J F., (2010). Intellectual capital and value creation in the production and assembly of vehicles and auto-parts sector in Brazil: panel data analysis. *Journal of Modern Accounting and Auditing 6*,(3), 15-25.

Dakung, J. R., Munene, J. & Balunywa, W. (2016). Robustness of personal initiative in moderating entrepreneurial intentions and actions of disabled students http://dx.doi.org/10.1080/23311975.2016.1169575

De Clercq, D. & Rangarajan, D. (2008). The role of perceived relational support in entrepreneur-customer dyads. *Entrepreneurship Theory and Practice* 32(4), 659-683.

Deci, E. L., & Ryan, R. M. (2000). The “What” and “Why” of goal pursuits: Human needs and the self-determination of behavior. *Psychological Inquiry*, 11(4), 227–268.

Deci, E. L., & Ryan, R. M. (2012). Self-determination theory in health care and its relations to motivational interviewing: A few comments. *International Journal of Behavioral Nutrition and Physical Activity*, 9(1), 24.

Deci, E. L., & Ryan, R. M. (2000). The “what” and “why” of goal pursuits: Human needs and the self-determination of behavior. *Psychological Inquiry*, *11*, 227–268. doi:10.1207/S15327965PLI1104_01

Deci, E.L., & Ryan, R.M. (1985). Intrinsic Motivation and Self-Determination in Human Behavior. Plenum, New York.

Frese, M., & Gielnik, M. M. (2014). The psychology of entrepreneurship. *Annual Review of Organizational Psychology and Organizational Behavior*,*1*,413–438.

Frese, M., Hass, L., & Friedrich, C. (2016). Personal initiative training for small business owners. *Journal of Business Venturing Insights*, 27-36.

Glaub, M. E., Frese, M., Fischer, S., & Hoppe, M. (2014). Increasing personal initiative in small business managers or owners leads to entrepreneurial success: A theory based controlled randomized field intervention for evidence-based management. *Academy of Management Learning & Education*, *13*, 354–379.

Goll, I., & Rasheed, A.(2005).The relationships between top management demographic characteristics, rational decision making, environmental munificence, and firm performance. *Organization Studies*, *26*(7), 999–1023.

Ho, T.S., & Koh, H.C. (1992). Differences in psychological characteristics between entrepreneurially inclined and non-entrepreneurially inclined accounting graduates in Singapore. Entrepreneurship, Innovation and Change: *An International Journal*, 1, 243-254.

Jiao, J., Welch, H., & Moutray, C.(2009). Start-up resources and entrepreneurial discontinuance: The case of nascent entrepreneurs. *Journal of Small Business Strategy* 19(2), 1-16.

Kader, R. A., Mohamad, M. R., & Ibrahim, A. A. C.(2009). Success factors for small rural entrepreneurs under the one-district-one-industry programme in Malaysia. *Contemporary Management Research*, *5*(2), 147–162.

Kautonen, T., van Gelderen, M., & Fink, M. (2015). Robustness of the theory of planned behaviour in predicting entrepreneurial intentions and actions.

Entrepreneurship Theory and Practice, *39*(3), 655-674.

Kuckertz, A., & Wagner, M.(2010).The Influence of Sustainability Orientation on Entrepreneurial Intentions—Investigating the Role of Business Experience. *Journal of Business Venturing*, 25, 524-539.

Lim, D. S. K., Morse, E. A., Mitchell, R. K. & Seawright, K. K. (2010). Institutional environment and entrepreneurial cognitions: A comparative business systems perspective. *Entrepreneurship Theoryand Practice* 34(3), 491-518.

Lubatkin, M., Ling, H. Y., &Veiga, J. F. (2006). Ambidexterity and performance in small- to medium-sized firms: the pivotal role of top management team behavioral integration. *Journal of Management*, *32*(5), 646–672.

Lussiers, R. N., & Pfeifer, S. (2001). A crossnational prediction model for business success. *Journal of Small Business Management*, *39*(3), 228–239.

Michael, S. C., & Combs, J. G. (2008). Entrepreneurial failure: The case of franchisees. *Journal of Small Business Management*. 46(1), 73-90.

Munoz, J.M., Welsh, D.H.B., Chan, S.H.& Raven, P.V. (2014). Microenterprises in Malaysia: a preliminary study of the factors for management success. *International Entrepreneurship and Management Journal*.

Nunes J.R.R., Da Silva J.E.A.R. & Da Moris V.A.S.& Giannetti, B.F. (2019) Cleaner production in small companies: proposal of a management methodology J. Clean. Prod., 218, pp. 357-366

Nicolescu, L. & Pun, C. (2009), "Relating Higher Education with the Labour Market: Graduates' expectations and employers' requirements", 15(1), 17-33

Nogueira, C. G., Kimura, L., De Barros, J & Cruz Basso, E. (2010). The impact of intellectual capital on value added or Brazilian companies traded at the BMF-Bovespa, *Journal of International Finance and Economics*, *10*(2), 1-13.

OECD (2017), Entrepreneurship at a Glance 2017, OECD Publishing, Paris, forthcoming. enhancing the contributions of SMEs in a global and digitalised economy: Meeting of the OECD Council at Ministerial Level **Paris, 7-8 June** 2017

Plehn-Dujowich, J. (2010). A theory of serial entrepreneurship. *Small BusinessEconomics*, *35*, 377-398

Prahalad, C. K., & Hamel, G. (1990). The core competence of the corporation. *Harvard Business Review*, *68*(3), 79–91.

PwC's MSME Survey (2020). Building to Last Nigeria report www.pwc.com/ng

Revell, A. & Blackburn, R. (2007). The business case for sustainability? An examination of small firms in the UK's construction and restaurant sectors Bus. Strat. Environ., 16, pp. 404-420

Sasi, M., & Sendil, K. E.(2000). Resourcefulness: A proximal conceptualization of entrepreneurial behaviour. *Journal ofEntrepreneurship*, *9*, 135–154

Shane, J. M. (2008). Organizational stressors and police performance. (Doctoral Dissertation, The State University of New Jersey).

Smith, H. L., Discenza, R., & Baker, K. G. (2006). Building sustainable success in art galleries: An exploratory study of adaptive strategies. *Journal of Small Business Strategy* 16(2), 29-41.

Stewart, J. & Knowles, V. (2000). Graduate Recruitment and Selection: Implications for HE, Graduates and Small Business Recruiters. Career Development International, 5, 65-80. http://dx.doi.org/10.1108/13620430010318909

Stone, L., Deci, E.L. & Ryan,R. M. (2009) Beyond Talk: Creating Autonomous Motivation through Self-Determination Theory DOI:10.1177/0306307009034003 05 Corpus ID: 157253799

Van Auken, H., Kaufmann, J., & Herrmann, P. (2009). An empirical analysis of the relationship between capital acquisition and bankruptcy law. *Journal of SmallBusiness Management* 47(1), 23-37.

Velasco, M. S. (2012), "More than just good grades: candidates' perceptions about the skills and attributes employers seek in new graduates", 13(3), 499-517

Williamson, D., Lynch-Wood, G. & Ramsay, J. (2006). Drivers of environmental behaviour in manufacturing SMEs and the implications for CSR J. Bus. Ethics. 67(1), 317-330

Whiler, Black, Ellen, Hochwarter& Ferris, (2017) Personal Initiative and Job Performance Evaluations: Role of Political Skill in Opportunity Recognition and Capitalizationhttps://doi.org/10.1177/0149206314552451

Yusoff, C., Wahab, N., Latiff, T., Osman, M., Zawawi B., & Fasal, A. (2018). Sustainable Growth in SMEs: A Review from the Malaysian Perspective; *Journal of Management and Sustainability*, 8(3), 43-67.

Micro, Small, and Medium Enterprises (MSMEs) in Nigeria – An Overview https://invoice.ng/blog/msmes-in-nigeria-overview/

National Bureau of Statistics (2020) https://nigerianstat.gov.ng/# 2018 SBA Fact SheetFrance

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Financing Decisions and Nigerian Manufacturing Firms: The Interaction Effect of Capital Structure and Dividend Policy on the Performance of Listed Manufacturing Firms in Nigeria

Authors:
Prof. Aminu Kado Kurfi [1]
Prof. B. A. K/Mata [2]
Fatima Ibrahim [3]

Affiliation:
[1, 2 & 3]Department of Business Administration & Entrepreneurship,
Bayero University, Kano

Correspondence:
Fatima Ibrahim

e-mail:
fibrahim.bus@buk.edu.ng

Dates:
Received: 10 Feb., 2022
Accepted: 23 Feb., 2022

How to cite this article:
Kurfi, A. K., K/Mata, B. A., & Ibrahim, F. (2022). Financing Decisions and Nigerian Manufacturing Firms: The Interaction Effect of Capital Structure and Dividend Policy on the Performance of Listed Manufacturing Firms in Nigeria. *Creative Business Research Journal 2(1)*, 116-120

This paper seeks to examine the effect of financing decisions on the performance of listed manufacturing firms in Nigeria. The study was conducted using panel data for all listed manufacturing firms in Nigeria for the period of 2006-2020. The study uses ROA as a performance measure. The independent variables include capital structure, measured by short term debt and debt/equity ratio; and dividend policy measured by dividend payout ratio. Three control variables were used namely: interest rate, exchange rate, and management efficiency. The Driscoll-Kraay standard error regression of fixed effect model was used to test the hypotheses for the study. The results indicate that firm performance has a negative relationship with debt to equity ratio, and dividend policy measure (dividend payout). A positive relationship was found to exist between firm performance and short term debt. In addition to the main effect of independent variables on the dependent variable, the study investigated the interaction effect of capital structure and dividend policy on firm performance. The interaction was found to be negative and statistically significant.

Introduction

The performance of manufacturing sector has been gaining increasing attention globally due to the contributions it makes to economic development. However, the performance of the Nigerian manufacturing sector is not so impressive when compared to the performance of manufacturing sectors in other nations. For instance, In China, the sector contributes 36 per cent to GDP, in Thailand it is 35 per cent, and in Pakistan, 18.7% (Hassan, et al., 2013). While the Nigerian manufacturing sector only contributed about 8.59% to the country's Gross Domestic Product (GDP) in 2016. In fact, for almost a decade the contribution of the sector to GDP has remained less than 10%. In addition to its low contribution to GDP, its profitability has been steadily declining, leading to undesirable consequences.

The manufacturer's association of Nigeria MAN, (2018), revealed that, in 2017, more than 50% of the manufacturing sub sectors recorded decline in profitability. Majority of the companies ended with a negative financial position. Consequently, there were massive factory closures and job cuts.

Financing decisions have been one of the major setbacks to the performance of the manufacturing sector. Financing decisions can be viewed from a firm's capital structure which shows the portion of assets that have been raised from taking debt and the assets that have been raised from the invested capital. Having the right mix of debt and equity is crucial because if a wrong financing decision is made, it can cause major financial instability which may lead to a devastating outcome (Kasasbeh, 2021).

Financing decisions can also be viewed from a firm's dividend policy. The most significant aspect of the dividend policy is to determine the amount of earnings to be distributed to the shareholders and the amount to be retained in the firm (Okafor, et al., 2016). Therefore, having the right balance between dividend payment and retained earnings is crucial for manufacturing firm performance. If the decision of debt and equity, and dividend are not critically considered, using a wrong choice could easily lead the firm to insolvency and liquidity. (Orji, 2021).

On the whole, weak capital structure and inappropriate dividend policies have continued to stifle the performance of manufacturing firms. Therefore, the decision to employ equity or debt and whether to pay high or low dividends still remains a topic for debate for manufacturing firms. This study therefore seeks to determine the effect of financing decisions (Capital structure and dividend policy) on the performance of listed manufacturing firms in Nigeria. In addition to the main effect of capital structure and dividend policy on firm performance, the study also seeks to determine the interaction effect of the two variables on the performance of listed manufacturing firms in Nigeria. Specifically, the study seeks to determine the interaction effect of debt to equity ratio and dividend payout on the performance of listed manufacturing firms in Nigeria.

An interaction effect is the simultaneous effect of two or more independent variables on at least one dependent variable in which their joint effect is significantly greater (or significantly less) than the sum of the parts (Lavrakas, 2008). This is opposed to the "main effect" which is the action of a single independent variable on the dependent variable. It is possible that the simultaneous interaction of two independent variables could increase or decrease firm performance. It is in light of the above that the study seeks to achieve the following objectives:

1.1 Objectives of the study

The main objective of the study is to investigate the effect of financing decisions on the performance of listed manufacturing firms in Nigeria. The specific objectives are to:

1. Determine the extent to which capital structure affect the performance of listed manufacturing firms in Nigeria.
2. Determine the extent to which dividend policy affect the performance of listed manufacturing firms in Nigeria?
3. Determine the extent to which the interaction of capital structure and dividend policy affects the performance of listed manufacturing firms in Nigeria?

2.0 Methodology

The study is a combination of descriptive research design and ex-post facto (historical) research design. The study employs the use of panel data which is based on the assumption that the firms are heterogeneous. The population for the study comprised all listed manufacturing firms in Nigeria, spanning all four sub-sectors namely: conglomerate, consumer goods, industrial goods and health care sub sector. However, firms with incomplete financial reports covering the period of study (2006-2020) were excluded.

In order to analyze the data for this study, both descriptive and inferential statistics (correlation analysis and multivariate regression analysis) were employed. The following model will be used to describe the relationship between the independent and dependent variables for this study.

$$ROAit = \beta 0 + \beta 1CSit + \beta 2DPit + B3(CS * DP) + \varepsilon it$$

The above equation shows the functional relationship between the proxies for the dependent variable and the independent variable. β0 = Intercept, β1-β3= Coefficients of the explanatory variables, ROA=Return on Asset, CS*DP = the interaction of capital structure and dividend policy, ε = error term. The subscript i represents the number of companies, while subscript t represents the year, t = 2006- 2020.

2.1 Data Presentation, Analysis and Interpretation

2.1. 1 Driscoll-Kraay Standard Error Regressions

The DKSE regression model was used to test the hypotheses for the study. The model shows all the coefficients of the predictor and predicted variables and their parameter estimates including the R-square.

Table 2.1 Regression with Driscoll-Kraay standard errors
Number of obs = 280
Method: Fixed-effects regression
Group variable (i): CMP
F (8, 24) = 369.70
Prob > F = 0.0000
Within R-squared = 0.6285

ROA	Coefficients	P-Value
STD	.0196533	0.660
DE	-.1527656	0.000
DPO	-.3852661	0.001
DE-DPO	-.0005443	0.000
INT	-.0013373	0.197
EXRT	-.0025556	0.000
TAT	.6918842	0.001
_cons	3.777457	0.000

2.2 Discussion of Findings

Hypothesis one (i): Capital structure has no significant effect on the performance of manufacturing firms in Nigeria.

The study used two measures of capital structure: short term debt and debt to equity ratio. Table 2.1 shows that short term debt has a statistically insignificant effect on manufacturing firm performance. The effect was also found to be positive. The reason for the positive relationship might be due to the increase in demand for locally produced goods in the years under review which arose from policy changes focusing on boosting local production. However, from table 2.1, the P-value (0.660) is not significant at all levels of significance. The hypothesis is therefore supported. Theoretically, the findings support the Agency theory which supports the use of debt of any kind to increase firm performance.

From table 2.1, the second measure of capital structure: debt-equity ratio was found to be negatively related with firm performance. A high D/E ratio suggests high rate of risk and equally tells investors that the firm is financing its growth with a greater ratio of debt. The findings imply that a high default risk exists for firms with high

DE ratio. Investors would fear the possibility of the firm not being able to meets its fixed obligations. The P-value (0.000) suggests that there is sufficient evidence to support the said relationship.

Hypothesis Two (ii): Dividend policy has no significant effect on the performance of manufacturing firms in Nigeria.

The study employed dividend payout as a measure of dividend policy. From table 2.1, the relationship between dividend payout and manufacturing firm performance was found to be negative and statistically significant at 1% level of significance. This confirms the Miller-Modigliani dividend irrelevance theory which claims that firm performance has nothing to do with whether a firm pays dividends or not. In recognition of the P-value (0.001), the study rejects the null hypothesis which states that there is no significant relationship between

Hypothesis Three (iii): There is no significant relationship between the interaction of capital structure and dividend policy on the performance of manufacturing firms in Nigeria.

The study evaluated the interaction effect of debt/equity ratio and dividend payout on manufacturing firm performance. The regression result shows that the interaction between debt/equity ratio and dividend payout leads to a negative firm performance. This means that the relationship between debt/equity ratio and firm performance changes with varying degrees of dividend payout. Equally, the relationship between dividend payout and firm performance alters with high or low debt/equity ratios. If manufacturing firms were to simultaneously increase their debt/equity ratios and dividend payout ratios; that would lead to a decrease in firm performance and vice-versa.

2.3 Control Variables

On control variables, the study controlled for the effect of interest rate on manufacturing firm performance. Table 2.1 reveals a negative association between the two variables. This implies that as the rate of interest increases, the performance of manufacturing firm’s decreases. This is because as the borrowing rate at which the manufacturing firms secure loans increases, the price of the finished goods also increases. This translates into decreased demand for their products most especially by price sensitive consumers. Consequently, lower sales lead to lower profits. The result of regression analysis from table 2.1 confirms the hypothesis which states that there is no significant relationship between interest rate and firm performance. The P-value was not significant at 1%, 5%, or 10% level of significance. The study therefore fails to reject the null hypothesis.

Furthermore, exchange rate which was one of the control variables used in the study had a negative association with manufacturing firm performance as shown in table 2.1. Nigerian manufacturing firms are heavily dependent on imported raw materials, hence; higher exchange rates would mean that they have to spend more to get raw materials for production. This ultimately eats into their profits which would otherwise have been used to finance other investment opportunities. The table further shows that the P-value is statistically significant which leads to the conclusion that there is a statistically significant relationship between exchange rate and manufacturing firm performance. The hypothesis is thus not supported.

Finally, from the table, managerial efficiency, which was proxied by total asset turnover (TAT), had a statistically significant effect on manufacturing firm performance with a P-value of 0.000. The hypothesis is thus not supported. The regression analysis further shows that a positive association exists between the two variables. An increase in total asset turnover leads to an increase in firm performance.

3.0 Conclusion

The findings for the study revealed that short term debt is positively associated with firm performance. The study therefore concludes that short term debt is beneficial to manufacturing firms. It is also concluded that high debt to equity ratio is detrimental to manufacturing firm performance. Nigerian manufacturing firms are therefore better-off with short term debts and low leverage as evidenced from the regression results.

Dividend policy represented by dividend payout was found to be statistically significant in determining firm performance. It was also found to have a negative effect on performance. The study concludes that dividend policy significantly affects manufacturing firm performance. The negative relationship between dividend policy and manufacturing firm performance signifies that not all investors are on a watch out for firms that consistently pay dividends. There are investors that are more inclined to delayed gratification such as capital gains in the future.

References

Hassan, M., et al., (2013). Effects of Innovation Types on Firm Performance: An Empirical Study on Pakistan's Manufacturing Sector. *Pakistan Journal of Commerce and Social Sciences*, 7, 243-262.

Kasasbeh, F.I. (2021). Impact of financing decisions ratios on firm accounting-based performance: evidence from Jordan listed companies. *Future Bus J*, 7, 15.

Lavrakas, P.J. (2008). *Encyclopedia of survey research methods*.

Manufacturer's Association of Nigeria (MAN) report. (2018, June, 20).

Okafor, I.G., et al., (2016). The Effect of Board Interest on the Dividend Policy of Nigerian Manufacturing Sector, *International Journal of Academic Research in Business and Social Sciences*, 6(8), 100-115.

Orji, A., & Nwadialor E. O. (2021). Effect of Debt-Equity Financing on Firms Performance in Nigeria. *Journal of Accounting and Financial Management, (7) 3, 73*

Creative Business Research Journal **Department of Business Administration**
ISSN 2756-4940 (Paper) 2756-4932 (Online) **Gombe State University, Nigeria**
Vol. 2, No. 1

Examining the Relationship between Leadership Styles, Psychological Distress and Counterproductive Workplace Behaviour Among Civil Servants in Borno State: A Pilot Study

Authors:
Abba Umar Waziri [1]
Prof. Garba Bala Bello [2]
Dr. Mohammed Baffa Sani[3]

Affiliation:
[1]Department of Business Administration, University of Maiduguri, Borno State

[2 & 3]Department of Business Administration & Entrepreneurship, Bayero University, Kano

Correspondence:
Abba Umar Waziri

e-mail:
waziriabbaumar@gmail.com

Dates:
Received: 19 Feb., 2022
Accepted: 28 Feb., 2022

How to cite this article:
Abba, U. W., Garba, B. B., & Mohammed, B. S. (2022). Examining the Relationship between Leadership Styles, Psychological Distress and Counterproductive Workplace Behaviour Among Civil Servants in Borno State: A Pilot Study. *Creative Business Research Journal 2(1)*, 121-128

Reliability and validity results on psychological distress, leadership styles, and counterproductive work behavior among civil servants in Borno State, Nigeria, are presented in this research. The data was gathered from a small group of civil servants in Borno State. The study sample was chosen using a multistage sampling process. The questionnaire was giving out to the respondents by hand. In order to analyze the data, SPSS 24 and PLS-SEM3.0 were used. The instruments designed for the investigation were found to be reliable and valid in the pilot study. As a result, the study would proceed and collect data on a large scale.

Introduction

One of the most important and crucial steps in conducting research is the pilot study (Hassan et.al., 2004; Kraemer et. al., 2006). The rationale behind pilot study is to enables the researcher to identify some of the potential obstacles and flaws that the research instruments may reveal during the main study (Kraemer et al., 2006). Also, a pilot study is a small study conducted by researchers to determine the reliability and validity of the instruments that will be used in the major research. Gay, Mills, and Airasian (2006) suggested that researchers conduct a pilot study as a small-scale pre-test before conducting the real study. Churchill (2002), put it that a pilot review is the examination of research instruments on a minor sample of the study's main sample in order to identify and eliminate potential flaws that could impair the instruments' reliability and validity. The results of the pilot review, Hassan et al., (2006), verify the usefulness of the instruments by removing flaws in the instrument.

Similarly, Hassan et al., (2006) emphasized the importance of the pilot review, which includes determining the possibility of undertaking a study as well as identifying any weaknesses that may exist in the study's instruments, determining whether the survey instruments are asking the anticipated questions, determining whether the format is understandable and the chosen instruments can suit the targeted sample, and testing the suitability of the data collection technique; time required to complete the questionnaire and respondents' willingness to participate in the study, data entry, response coding, and statistical test applicability, and finally, preliminary data for the primary outcome of the measures. Hence, a pilot survey aids in detecting, regulating, managing, and discovering loopholes or obstacles that may affect the research instruments of a specific study, allowing essential modifications to be made.

During the pilot study, participants were required to report any misleading, irregular, or confusing words, phrases, or statements that they encountered. The collected surveys were then double-checked for any unexpected issues with the question sequence or structure. Consequently, the reliability coefficient of Cronbach's alpha was used to establish the instrument's reliability for the study (Saraph et. al., 1989). Cronbach's alpha is said to be widely utilized in social and management science survey to measure the instruments' inward consistency. As a result, the Cronbach's alpha values were utilized to establish the instrument's reliability using SPSS 24. Several academics have claimed that the reliability coefficient can only be accepted up to a certain point. The instruments are considered dependable when the reliability coefficient value is 0.70 or above, and somewhat reliable when the coefficient is 0.60 or lower (Hair et. al. 2006; Nunnally, 1978; Sekaran & Bougie, 2010). Similarly, George and Mallery (2003) asserted that alpha values larger than 0.50 are satisfactory and should be accepted. As a result, in accordance with past research, 30 questionnaires were given to conduct the pilot study (Dillman, 2007; Gorondutse, 2014; Guo & Wang, 2014). Validity, according to Sekaran and Bougie (2010), is the degree to which instruments fitted for measuring variables in a study measure what they are supposed to measure. Validity, according to Hair et., al., (2008) and Sekaran and Bougie (2010), is the process of a selected panel of experts evaluating and reviewing the acceptability of all the items chosen to assess the constructs utilized in a particular survey. Hence, the goal of this survey is to provide the results of a current study on leadership styles, psychological discomfort, and counterproductive job behavior among civil officials in Borno State, Nigeria.

2. Literature Review

2.1 Counterproductive Work Behavior

Any activity taken by an employee with the goal of harming the organization or other members of the organization is known as counterproductive work behavior (CWB) (Spector & Fox, 2002). CWB refers to a phenomenon that is investigated under a variety of labels, the most prominent of which is deviance (Robinson & Bennett, 1995). CWB encompasses a wide range of behaviors, from minor infractions such as taking excessively lengthy breaks or exploiting company time for personal gain, to significant infractions such as stealing or attacking others. Employees' acts within the organization that undermine the workplace environment are referred to as counterproductive work behavior (CWB) (Spector & Fox, 2002). Scholars look at CWB from a variety of viewpoints, including organizational retaliation (Gallagher, 2008), stimulated aggression (O' Leary- Kelly, 1996), rebellious behavior (Lee, 2005), and workplace deviance (Hogan & Hogan, 1989). (Robinson & Bennet, 1995). Individual bad feelings will have a gloomy impact on organizational performance (Dunlop & Lee, 2004). Employees' intolerant behaviors are stressors for individual jobs (Douglas and Martinko, 2001). (Penney & Spector, 2005).

2.2 Psychological Distress

Psychological distress is defined by Chalfantetal (1990) as a constant state of dissatisfaction, anxiousness, impatience, and a poor interpersonal interaction. In the workplace, depression is an expensive health issue. Depression affects workers' behavioural, cognitive, emotional, interpersonal, and physical performance, resulting in increased disability and sick leave, as well as diminished job ability. As a result, a significant percentage of the cost of depression can be linked to missed workdays owing to absenteeism and lower productivity of individuals who continue to work while sick. Psychological distress is defined as the inability to cope successfully with a stressful situation that affects one's bodily or mental health, as well as the emotional anguish that arises from that inability to cope (Horwitz & Ridner 2004).

2.3 Leadership Styles

One of the most essential variables in motivating and affecting the interest and commitment of employees in an organization is the leadership style of the organization. It is a leadership style in which a leader directs and motivates an employee to carry out plans in order to achieve organizational goals. 2014 (Strom, Sears, & Kelly). Messick and Kramer (2004), opined that the degree to which people exhibit a leadership attitude is typically determined by their characteristics, personal abilities, phenomena, and the situation in which they find themselves. Glantz (2002) underlines the importance of a manager determining his or her own leadership style. Transformational leadership, according to Burns (1978), is a process in which superiors and subordinates help each other achieve higher levels of morale and motivation. Boonzaier (2008), disclosed that transformational leaders employ individual attention, vision, and inspiration to make deep emotional relationships with their followers, steer their followers toward the future, and create corporate cultures of creative change and progress. This sort of leadership is generally regarded as being more proactive and engaged in the work of the employees (Jansen, 2013).

Transformational leaders, according to Bass (1985), exhibit behavior that stimulates subordinates beyond the cost-benefit connection that typically characterizes transactional leadership. Transformational leadership is characterized by the ability to inspire followers to act as change agents, generating results that go beyond what is seen in a transactional relationship. They encourage and aid subordinates in rational thinking and problem solutions by providing coaching, personal attention, and mentoring. Shamir, House, and Arthur (1992) described transformational leaders as those that encourage followers or subordinates to choose the organization's aims and values over their own.

The term "transactional leadership" refers to a commitment in which a worker receives a compensation in exchange for achieving particular goals (Bass & Avolio, 1994; Yukl, 2006). When transactional leadership is used, employees are usually more motivated (Jansen, 2013). Setting goals and rewarding followers for achieving them is how transactional leaders encourage their followers (Boonzaier et. al.). Contingent reinforcement is a feature of transactional leadership. It is typically used in conjunction with a behavior reward paradigm, in which leaders' praise, prizes, and promises stimulate subordinates' performance behaviors, which are then addressed by communicating negative feedback, threats, reprimands, or disciplinary actions. As a result, transactional leadership entails a leader reacting to the behavior of followers in order to determine if the followers have completed the tasks given to them by the leader as "transacted" between them.

Greenleaf (1977) defines servant leadership as a situation in which leaders put their subordinates' needs ahead of their own, make extra efforts to help subordinates grow, reach their full potential, and achieve optimal organizational and career success. He further claimed that servant leadership is primarily concerned with maximizing the potential of subordinates in areas such as self-motivation, task effectiveness, community stewardship, and future leadership capacities. Patterson (2003) described servant leadership as those who lead organizations by focusing on their followers in such a way that the followers' needs are prioritized over the needs of the organization. According to Hale and Fields (2007), servant leadership is "an understanding and practice of leadership that prioritizes the well-being of those led over the leader's own self-interest, emphasizing leader behavior that focuses on followers' development, and de-emphasizing the leader's glorification." According to Joseph and Winston (2005), servant leadership is defined as a situation in which a leader prioritizes the interests of followers over his or her own. Servant leadership, according to Sendjaya, Sarros, and Santora (2008), is motivating to followers/subordinates because it focuses on followers' development, community building, authentic leadership, and shared leadership. Followers are more inclined to become servants themselves as a result of servant leadership. Hence, the following research hypotheses were postulated to guide this study;

1. There is significant relationship between transformational leadership and counterproductive work behaviour.
2. There is significant relationship between transactional leadership and counterproductive work behaviour.
3. There is significant relationship between servant leadership and counterproductive work behaviour.
4. There is significant relationship between psychological distress and counterproductive work behaviour.

3. Methodology

Since this is feasibility research, a modest sample size is required for the pilot study (Fink, 2003). As a result, according to Sekaran (2003), studies should use a minimum of 30 respondents, although Malhotra (2008) and Johanson and Brooks (2010) suggested 15 to 30 respondents, and Dillman (2007) suggested up to 100. As a result, the study's sample consists of 30 civil servants from Borno State's civil service. The sample was drawn from the study's population using a multistage sampling process. To begin, public servants are divided into two categories: lower level and middle level civil servants. Second, the number of sub-samples in each category was determined using proportionate to size purposive sampling. All 30 questionnaires were successfully collected out of the total of 30 that were distributed. As a result, the data were tested for dependability and validity with SPSS 24 and PLS 3.0. The Cronbach's alpha reliability was tested using SPSS, while the composite reliability of the data was tested using PLS 3.0.

All of the characteristics in the survey were examined on a 5-point Likert scale ranging from strongly disagree to strongly agree, using tools adapted from prior studies. The study's variables were all operationalized as a single dimension. There are four sections to the questionnaire. The respondents' demographic information is presented in the first section. The second portion assesses unproductive work practices. The third component assesses management styles. The psychological anguish is measured in the fourth part. As a result, table 1 summarizes the instruments employed in the research
.

Table 1: *Summary of Measurement of the Research Variables*

Variables	Items	Source
Counterproductive work Behaviour	16	Robinson and Bennet (2000)
Transformational leadership style	12	Bass and Avolio (1992)
Transactional leadership style	06	Bass and Avolio (1992)
Servant leadership style	14	Ehrhart (2004)
Psychological Distress	10	Rosenberg (2014)

A pilot review is a little study used to test survey procedures, data collection tools, sample recruitment strategies, and other research methodologies in preparation for a larger study, as previously stated. As a result, the results of the pilot study's validity and reliability are presented in the following sections.

4.1 Validity Results of the Pilot Study

The validity test was carried out, and the validation method is explained in this part. As a result, a team of experts was contacted to evaluate the study's instruments for validity. Three professors from the Faculty of Management Sciences (Departments of Business Administration and Banking and Finance), one from the University of Maiduguri's Department of Languages and Linguistics, and two readers from the same department are among the experts. Following that, the instruments were developed and fine-tuned to accurately measure all of the study's components. As a result, the research instruments were pre-tested on the study's actual respondents. As a result, the questionnaires' flaws were identified, and appropriate modifications were made to improve the instruments' validity and reliability.

4.2 Reliability Results of the Pilot Study

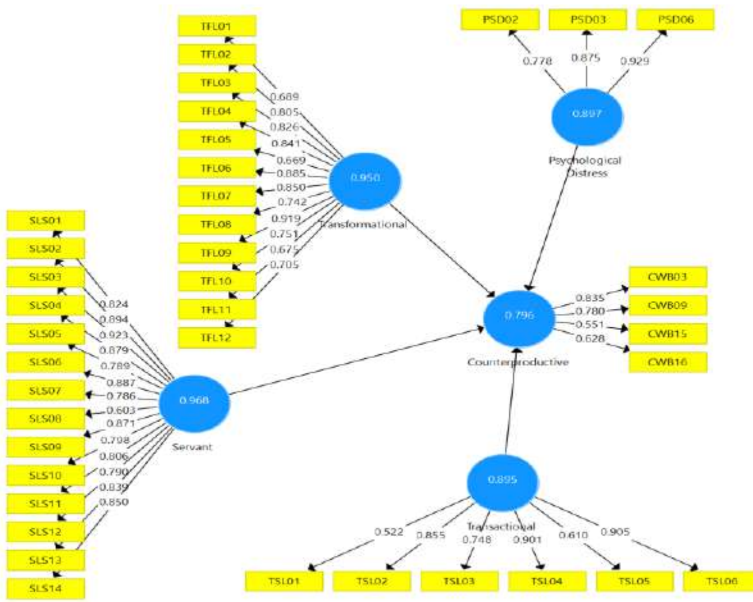
Table 2 revealed that all of the study instruments have Cronbach's alpha coefficient values ranging from 0.664 to 0.969. Counterproductive work behavior has a value of 0.664, whereas transformational leadership style has a value of 0.951, transactional leadership style has a value of 0.855, servant leadership has a value of 0.965, and psychological discomfort has a value of 0.850. Similarly, PLS 3.0 was used to test the composite reliability. Based on the findings, counterproductive work behavior has a value of 0.822, transformational leadership has a value of 0.962, transactional leadership has a value of 0.987, servant leadership has a value of 1.063, and psychological discomfort has a value of 0.903. As a result, the reliability test findings were consistent with prior researchers' recommendations and guidelines for reliability test coefficient values (Hair et al., 2008; Nunnally, 1978;

Sekaran & Bougie, 2013). As a result, table 2 and figure 1 show the pilot study's reliabilities

.

Table 2: *Reliability Test Results*

Constructs	Cronbach's Alpha	Composite Reliability
Counterproductive work behaviour	0.664	0.822
Transformational leadership style	0.951	0.962
Transactional leadership style	0.855	0.987
Servant leadership style	0.965	1.063
Psychological distress	0.850	0.903



SmartPLS Results showing the composite reliability of the pilot study

Conclusion

The aim of the pilot review, as previously said, is to ascertain the validity and reliability of the instruments employed in the survey in order to prepare for the main research. The study assessed the instrument's reliability with the help of SPSS 24. The instruments were discovered to be trustworthy. In addition, the instruments were submitted to additional analysis with PLS 3.0. The PLS results corroborated the preceding findings. The major analysis, results, and consequences of the study on the population will be revealed once the study is completed. All of the variables in the study have met the criteria that will be utilized in the final analysis.

References

Avolio, B. & Bass, M. (2004). *Multifactor Leadership Questionnaire* (3rd Edition). Manual and Sampler set. USA: Mind Garden Inc.

Bass, M. and Bass, R. (2008), *The Bass Handbook of Leadership Theory, Research and Managerial Applications.* New York: The Free Press.

Bennett, R. J., & Robinson, S. L. (2000). Development of a measure of workplace deviance. *Journal of Applied Psychology, 85,* 349-360.

Boonzaier, A. (2008) The influence of transactional transformational leadership on leader-follower value congruence and Leadership Success. Economic and Management Sciences Industrial Psychology, Stellenbosch University

Burns, J.M., (1978). *Leadership*. New York, NY: Harper and Row

Chalfantetal, D., (1990) The Clergy as a Resource for those Encountering Psychological Distress

Churchill, G. A. (2002). *Marketing Research: Methodological Foundations. Chicago: Dryden Press.*

Dillman, D. A. (2007). *Mail and Internet Survey: The Tailored Design Method, (John Wiley & Sons Inc., Hoboken*.

Douglas, S.G., & Martinko, M.J., (2001). Exploring the role of individual difference in the prediction of workplace aggression. *Journal of Applied Psychology*, 86, 547-551

Ehrhart, M. G., & Raver, J. L. (2014). *The effects of organizational climate and culture on productive and counterproductive behavior.* In B. Schneider & K. M. Barbera (Eds.), *Oxford library of psychology. The Oxford handbook of organizational climate and culture* (p. 153–176). Oxford University Press.

Fink, A. (2003). *The survey handbook (Vol. 1). Sage.*

Fox, S., Spector, P. E., & Miles, D. (2001). Counterproductive work behaviour (CWB) in response to job stressors and organizational justice: Some mediator and moderator tests for autonomy and emotions. *Journal of Vocational Behavior, 59*, 291-309.

Gay, L., Mills, G., & Airasian, P. (2006). Educational research: Competencies for analysis and application, *8*(1).

George, D., & Mallery, P. (2003). *SPSS for windows step by step: A sample Guide & reference. Boston: Allyn & Bacon.*

Greenleaf, R.K. (1977). *Servant leadership: A journey into legitimate power and greatness.* NewYork: Paulist Press.

Hair, J. F., J., Black, W. C., Babin, B. J., Andersen, R. E., & Tatham, R. L. (2006). *Multivariate data analysis (6th ed.). Upper Saddle River, NJ: Pearson Prentice*.

Hair, J. F., Wolfinbarger, M. F., & Ortinall, D. J. (2008). *Essential of marketing Research. Boston: Hill/Irwin*.

Hassan, Z. A., Schattner, P., & Mazza, D. (2006). Doing A Pilot Study: Why Is It Essential? *Malaysian Family Physician, 1*(2–3), 1–5.

Jansen, R., (2013) Transactional and transactional leadership style, motivation and the effect on team performance and team creativity, *International Management, University of Amsterdam.*

Johanson, G.., & Brooks, G. B. (2010). Initial scale development: Sample size for pilot studies. *Educational and Psychological Measurement.*, 1–7.

Joseph, E. & Winston, B. (2005). A Correlation of servant leadership, leader trust, and organizational trust. *Leadership & Organizational Development Journal*, 26, 1, 6-22.

Kraemer, H., Mintz, J. N. A., Tinklenberg, J., & Yesavage, J. (2006). Caution regarding the use of pilot studies to guide power calculations for study proposals. Arch Gen Psychiatry. *PubMed*, *65*(5), 484.

Lancaster, G. A., Dodd, S., & Williamson, P. R. (2004). Design and analysis of pilot studies: recommendations for good practice.

Lazarus, R. S., & S. Folkman. 1984. *Stress, Appraisal, and Coping.* New York: Springer.

Malhotra, N. K. (2008). *Marketing research: An applied orientation, 5/e. Pearson Education India.*

Mirowsky, J., & Ross, C.E. (2002). Selecting outcomes for the sociology of mental health: Issues of measurement and dimensionality. *Journal of health and social behaviour* 43 152-170

O'Leary-Kelly, A. M., Griffin, R. W., & Glew, D. J. (1996). Organization-motivated aggression: A research framework. *Academy of management review, 21*(1), 225-253.

Patterson, K. (2003). Servant leadership: A theoretical model. Unpublished doctoral dissertation, Regent University, Virginia Beach, VA.

Penney, L. M., & Spector, E. (2005). Job stress, incivility and CWB. *Journal of organizational behaviour*, 26, 777–796.

Robinson, L., & Bennett, J. (1995). A typology of deviant workplace behaviors. *Academy Management*, 38, 555–572.

Saraph, J. V, & Benson, P George, Schroeder, R. G. (1989). An instrument for measuring the critical factors of quality management. *Decision Sciences, 20*(4), 810–829.

Sekaran, U., & Bougie, R. (2010). *Research methods for business. A skill building approach (5th ed.). UK: John Willey.*

Sekaran, U. (2003). *Research methods for business.* Willey and Sons, USA.

Spector, E., & Fox, S. (2002). An emotion centred model of voluntary work behavior. HRM Review, 12(2), 269-292.

Spector, P.E., Fox, S. (2005). *The stressor-emotion model of counterproductive work behaviour*. In S. Fox and P.E. Spector (coord.) Counterproductive work behaviour: investigations of actors and targets (pp. 151-176). Washington DC: APA.

Spector, P.E., Fox, S., Penney, L.M., Bruursema, K., Goh, A. & Kessler, S. (2006). The dimensionality of counter productivity: Are all counterproductive behaviours created equal? *Journal of Vocational Behaviour*, 68(3), 446-460

Strom, D.L., Sears, K.L., & Kelly, K.M. (2014). Work engagement the roles of organisational justice and leadership style in predicting engagement among employees. *Journal of Leadership and Organisational Studies*. 21(1) 71-82.

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Effect of Performance Appraisal System on Employees' Productivity of Jos Electricity Distribution (JED) Company, Gombe Regional Office, Nigeria

Authors:
Ishaku Maryam [1]
Yohanna Yemen [2]
Ezra S. Danbauchi[3]

Affiliation:
[1, 2 & 3]Department of Business Administration,
Gombe State University,
Nigeria

Correspondence:
Ezra S. Danbauchi

e-mail:
ezradanbauchi247@gmail.com

Dates:
Received: 19 Feb., 2022
Accepted: 28 Feb., 2022

How to cite this article:
Ishaku, M., Yohanna, Y., & Ezra, S. D. (2022). Effect of Performance Appraisal System on Employees' Productivity of Jos Electricity Distribution (JED) Company, Gombe Regional Office, Nigeria. *Creative Business Research Journal 2(1)*, 129-135

This study examined significance of a well designed and implemented performance appraisal system on employees' productivity. The study employed survey research design and multiple regression in analyzing the relationship between the variables. A simple random sampling technique was used to select 181 respondents out of the 338 employees of JED Gombe in which this 181 was arrived at using Krejcie and Morgan table. It is a structured questionnaire that was used in collating the data on the subject matter. Finding revealed that there is a significant relationship between pre-set standards employees' performance appraisal and employees' productivity; and that post appraisal interview has a significant effect on employees' productivity. Hence, it was concluded that a well designed and implemented performance appraisal system will have a significant effect on employees' productivity. The study then recommends that Organisations should continually and objectively design and carry out performance appraisal and as well conduct post appraisal interview always

Introduction

Organizations would not want to be among the best organisations; but the first among the best in this competitive world. A good and a functional design of an employee's performance appraisal for the organization will help in this regard. This is because organisations that design a performance appraisal that suit its culture and goals tends to witness increase in the productivity of its employees. Organizations can increase the productivity of its employees by managing its human resources well. Thus, according to Moses, and Geoffrey, (2015), a human resource system can be more effective by having a valid and accurate appraisal policy used for rating the performance of employees. The adoption and effective implementation of accurate performance appraisal system in an organization will help the organization to identify its areas of strengths, weaknesses, opportunities and threats that can aid in the productivity of both workers and the organization; hence the achievement of organizational set goals and objectives. Furthermore, accurate appraisals are crucial for recruitment, selection, placement and training procedures that lead to improved performance (Moses & Geoffrey, 2015).

Performance appraisal is defined as a systematic process that helps to evaluate past and current employees' performance and identifying employees' potential for further growth and advancement within the organization's career ladder (Igbojekwe & Ugo-Okoro, 2015). To maintain and sustain further growth and advancement, organizations must embrace new knowledge, new ideas and advance in technology to update their staff and cope with the changes in the competitive environment. Performance appraisal is a good tool used to determine and improve the quality of employees' performance and a basis upon which management promotes, reward or punish unproductive employees. James (2016) backed this statement up that an employee's performance appraisal result is used to determine an employee's suitability for training, and placement into a higher position of authority. Hence, a well-structured performance appraisal system should be able to describe the job specification of employees and where they can fit into.

Employee's productivity which can be defined according to Hartzel, (2006) as a measure of the work efficiency of an individual's work unit or entire work; is a great issue of concern to every organization, as the success and survival in a competitive environment depends greatly on it. Organizations are making effort to engage their employees to effectively and enthusiastically carry out their tasks. Without which the organization cannot achieve its set goals and objectives. Ogbu and Oaya (2018), emphasizes that a well-structured employees' performance appraisal has correlation with an organization's ability to achieve and sustain competitive advantage in terms of cost reduction, making quality product and high level of organizational efficiency which consequently lead to higher productivity. Hence, employee performance appraisal is an important ingredient to an organization.

Performance appraisal is important in managing employee's work effectively. It involves description of job to educate employees of what is expected of them to do and achieve. Nadeem et al, (2013), affirms that performance appraisal involves an employee knowing what is expected of him and remain focused with the help of the supervisor, telling them how well they have done which motivate the employees toward good performance. According to Sumumma, Aule, and Hangeior, (2007), performance appraisal measures and evaluates the results of the performance of employees, pointing out their potentialities and deficiencies so that they can improve over time. In general, a good appraisal system is so fundamental to the management of employees in any organization for improving their productivity.

1.2 Statement of Problem

Organizations today are not only interested in surviving in a competitive business environment but desire to remain on top of competition and remain the best. To achieve this, organizations need to employ and retain the best employees hence, adopt the use of performance appraisal system to measure the contribution of each employee towards achieving the organizational set goals and objectives. To stimulate employee productivity, organizations use performance appraisal as a guide for workers promotion, training and replacement. Unfortunately, the number of organizations using an effective performance appraisal policy is limited (Moses & Geoffrey 2015). Most organizations are unable to design an effective and functional performance appraisal system that reflects the culture of the organization or fits job description of employees. This affects concrete and effective judgment on employee contribution; and is detrimental to the organization. This is evident in the employees' general report of dissatisfaction with their performance appraisal processes (Caleb, 2019). This is coupled with the variation and biasness that sometimes exist among individuals (managers and subordinates) who judge not on accomplishment but on past relationships which usually has effects on the credibility and genuineness of performance appraisal results. Moreover, ethnicity, corruption and religious sentiment have wormed it way into our organizations and influence false performance appraisals which are then used for promotions and training, thereby affecting the quality of employee productivity and denying organizations from achieving its goals. It is on this basis that the researchers intend to study the effect of performance appraisal on employees' productivity.

1.3 Research Hypotheses

There is no significant relationship between pre-set standards employees' performance appraisal and employees' productivity in JED, Gombe Regional Office.

There is no significant relationship between post appraisal interview and employees' productivity in JED, Gombe Regional Office.

2.1 Literature Review

The Concept of Performance Appraisal

Performance appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for future growth and development. It is part of performance management that helps an organization to gain a competitive edge, by improving the performance level of the employees working in the organization. According to Caleb (2019), performance appraisal is a regular review of an employee's job performance and overall contribution to a company. It evaluates employee's skills, achievements, and growth or lacks thereof. Organizations use performance appraisal for promotion decision, pay increase, bonuses or termination decision and constant communication flow between subordinates and managers. Performance appraisal is the systematic, periodic, and an impartial rating of an employee's excellence in matters pertaining to his present job and his potential for a better job.

Boswell & Benson, (2000), affirms that human nature is in constant need for recognition and when they are not recognized, either positively or negatively; it affects the employees' productivity adversely. Organizations should continually use effective, accurate and impartial performance appraisal policy to rate employee's contribution correctly. When contributions are rated wrongly, most especially a negative feedback, it discourages the employee from giving out his/her best. Likewise, employees should not feel a level of biasness in the result of their contributions; it can also bring the worse in them. Moses and Geoffrey (2015), backed up this statement that negative feedback from performance appraisal policy, not only fail to motivate the typical employee, but can also cause the employee to perform worse.

The main objective of performance appraisal is to improve the efficiency of organizations by bringing out the best possible efforts from employees. Performance appraisal results are helpful for salary reviews, development and training purposes, planning job rotation and promotion of employees. Boswell & Benson (2000), states that it is important that the appraiser be well informed and credible, as employees are more likely to be encouraged and more productive after the appraisal if the performance appraisal is accurate and fair.

Furthermore, employees will feel more satisfied and be more committed when results of the appraisals are known and discussed freely with them. When results are discussed with employees in a clear and unambiguous, objective and unbiased manner, the information can serve two valuable purposes. It can reinforce and reward the employee by increasing feelings of self-esteem and personal competence, hence, increase in his productivity; i.e. if the result indicates that the employee is performing effectively. And secondly, if the result identifies an area of weakness, this can serve to stimulate a process of training and development in order to overcome the weakness identified and correct errors.

There are many methods of performance appraisal developed by management researchers and practitioners. In the study of Sumumma, Aule, and Hangeior, (2007); ranking, management by objective (MBO), 360 degree feedbacks and behaviorally anchored rating scale (BARS) Methods were discussed. On the other hand, Weiss as cited in Mwema and Gachunga, (2014), brought out 3 basic steps for an effective employee performance appraisal: Evaluation and job analysis; appraisal interview; and post appraisal interview. In this study however, Evaluation and job analysis as well as post appraisal interview steps, were used as the basic components of performance appraisal. That is to say that, Weiss' basic steps of performance appraisal were adopted in this study but with the merging of step two (appraisal interview) with step one (evaluation and job analysis); because the study sees appraisal interview (step 2) as synonymous with evaluation and job analysis (step 2).

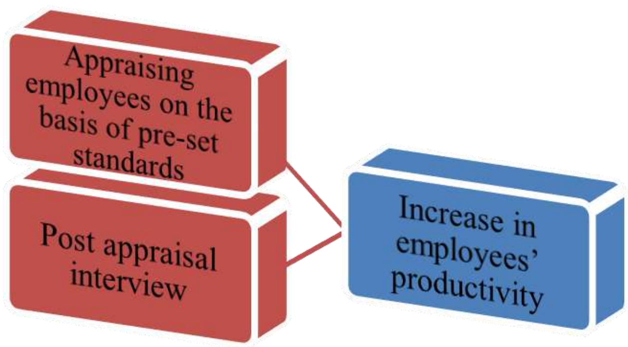
Evaluation and job analysis (performance appraisal based on preset standards): This is a performance appraisal that involves both the appraiser and the appraisee, in which each may possibly fill a form or forms with questions on whether or not the employee in question has met the pre-set standards of the job in performing his job within the timeframe under consideration. Each job has expectations that were spelt out in its analysis. According to Maharjan, (2018), employers do set periodic targets to be met by employees. Such targets or expectations could be in form of quality and quantity of outputs or behaviour expectations such as discipline, creativity and innovative abilities, punctuality, and ability of managing stress and emotions.

Post appraisal interview: This is the period in which employers discuss performance appraisal results with the employees. It gives employers the opportunity to discuss salaries, promotions, bonuses, training opportunities and transfers. It also gives employers the opportunity of reiterating what is expected of each employee as well as evaluating the effectiveness of the entire appraisal system.

2.2 *The Concept of Employees' Productivity*

Mathias and John (2013), defined employee productivity as a measure of the quality and quantity of work done, considering the cost of the resources used. And according to Bernardin, (2007), an employee's productivity could include quality and quantity of outputs, timelines of the outputs, presence at work and cooperativeness. In simple terms, employees' productivity entails the performance of the related activities expected to be performed by an employee, and how well they were performed. Thus, the employee is expected to be productive amid challenges. This is because the working environment changes continually at a rapid pace, hence, work activities are in constant state of change. These changes may be as a result of influx of new technology (Pulakos et al 2000, Rashid and Mohammed 2011) and or change in the leadership of an organization which may affect the structure of everyday work. As such, employees are expected to be more adaptable, flexible, and able to handle uncertainty than ever before, while maintaining performance on their jobs. Consider the following conceptualization for the study.

Figure 1: Conceptual Framework



Source: Researchers, (2022)

2.3 *Theoretical Framework*

This research work adopts goal theory, in order to explain the effect of performance appraisal on employees' performance.

Goal Theory: Goal theory was also adopted for this study. The theory proposes that human beings are more motivated to act when there is reward at the end of performance of a task or behavior. When goals are set, its direct individual's attention to prioritize achieving them; it stimulates employees to give in their best because there is a reward attached; and encourage employees to bring out their knowledge, skills and abilities to increase their chances of succeeding.

3.0 Methodology

This study employed survey research design and multiple regression to analyze the relationship between the variables of interest. A structured questionnaire was used to sample the opinions, feelings and thoughts of respondents on the subject matter. Simple random sampling technique was used to select 181 respondents out of the 338 employees of JED Gombe which was arrived at using Krejcie and Morgan table.

4.0 Result and Discussion

The F value of 78.148 (in table 1 below) indicates that the overall regression model is significant. This signifies that there is a significant relationship between the predictor variables of employees' performance appraisals on employees' productivity of small business. Cumulative R^2 (0.62) which is the multiple coefficient of determination gives the proportion or percentage of the total variation in the dependent variable explained by the explanatory variables jointly. Hence, it signifies that 62% of total variation in employees' productivity is caused by performance appraisal.

Table 1: ANOVA

Model	Sum of Squares	DF	Mean Square	F	Sig.	R^2
Regression	132.999	2	66.499	78.148	$.000^b$	.617
Residual	82.487	332	.291			
Total	215.486	333				

@ 5% Significant Level

Table 2: Performance Appraisal and Employees' Productivity

Model	Std. Error	Beta	T-test	Sig.	VIF
(Constant)	.213	.076	3.060	.000	1.50
Pre-Set Standards Employees' Performance Appraisal	.050	.602	5.979	.004	2.01
Post Appraisal Interview	.057	.213	2.272	.011	1.48

@ 5% significant level

The results of table 2 above reveals positive relationship between the Pre-Set Standards employees' performance appraisal and post appraisal Interview on employees' productivity of Jos electricity distribution (JED) company, Gombe; and these relationships are statistically significant at 5% significance level. Variance Inflation Factor (VIF) test results are within the range of 1.48 minimum to 2.01 VIF of 10.00 which provide evidence of the absence of collinearity. Hence, the predictive ability of the independent variables is not adversely affected by the relationship.

4.1 Discussion of Findings

As can be seen from the findings reported in table 2 above, the existence of a positive relationship between Pre-Set Standards employees' performance appraisal and post appraisal interview on employees' productivity of Jos electricity distribution (JED) company, Gombe; it implies that a 1% increase in Pre-Set Standards employees' performance appraisal will increase the employees' productivity of Jos electricity distribution (JED) company, Gombe branch by 60%. This means that there is significant relationship between pre-set standards employees' performance appraisal and employees' productivity in JED, Gombe Regional Office.

Similarly, as discovered through the regression analysis in table 2 above, post appraisal interview has a significant effect on employees' productivity of Jos electricity distribution company Gombe. The result reveals a 21% increase in employees' productivity by 1% correspondent increase of post appraisal Interview.

These findings are consistent with the findings of Mwema & Gachunga, (2014), in which the study discovered that performance appraisal system influences employees' performance.

5.0 Conclusion

Based on the findings, it is obvious that a well designed and implemented performance appraisal system will have a significant effect on employees' productivity. This is because with this, most of the employees will be satisfied with the appraisal processes and therefore, leads to increase in their productivity.

References;

Bernardin, H. J. (2007). Human Resource Management: An Experiential Approach. Tata: McGraw-Hill Publishers.

Boswell, M., & Benson, J. (2000). Employee satisfaction with Performance Appraisal and Appraisers: The Role of Perceived Appraisal Use. *Journal of Human Resource Development 11(3) pp283-299*

Caleb, S. (2019). What is a performance appraisal – Investopedia. www.investopedia.com

Hartzel, D. (2006). Dictionary of management, New Delhi: *Academic (INDIA) Publishers.*

Igbojekwe. P. A. & Ugo-Okoro, C. P. (2015). Performance Evaluation of Academic Staff in Universities and Colleges in Nigeria. The Missing Criateria. *International journal of education and research Vol.3,3*

Maharjan, P. (2018) Performance Appraisal, Retrieved September 26 from: file:///C:/Users/Hp/Documents/Performance%20Appraisal%20-%20Definition,%20Components%20and%20Examples.htm

Mathias, R. L. & Jackson J. H. (2003). Human Resource Management, Thomson, South-Western: Mason Publishers

Moses, W.W., & Geoffrey, K. (2015). Influence of Performance Appraisal on Employee Performance in Commercial Banks in Trans Nzoia Country- Kenya. *International Journal of Academic Research in Business and Social Sciences. Vol. 5(8) pp332-343*

Mwema N. W. & Gachunga, H. G. (2014). The Influence of Performance Appraisal on Employee Productivity in Organizations: A Case Study of Selected WHO Offices in East Africa. *International Journal of Social Sciences and Entrepreneurship,* 1 (11), 324-337

Nadeem, I., Naveed, A., Zeeshan, H., Yumna, B., & Qurat-ul-ain. (2013). Impact of performance on employee's performance involving the moderating role of motivation. *Arabian Journal of Business and Management Review (OMAN Chapter). Vol. 3(1)*

Pulakos, E. D., Arad, S., Donovan, M. A., & Plamondon, K. E. (2000). Adaptability in the workplace: Development of a taxonomy of adaptive performance. *Journal of Applied Psychology 85, 612-624*

Rashid, T., & Sohal, M. A. (2011). Impact of employee adaptability to change towards organizational competitive advantage. *Global Journal of Management and Business Research. Vol.xi(ivv)1*

Sumumma, S. Z., & Aule, O. Hangeior, A. A. (2007). Performance Appraisal and Employee Productivity in Plateau State Internal Revenue Service, Nigeria, *Journal of Public Administration and Governance,* 7 (4): 24

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Effect of Service Quality on Customer Satisfaction and Patronage in Zaranda Hotel, Bauchi

Authors:
Adamu Muhammad Gital [1]
Bala Ishiyaku [2]
Aliyu Ahmad Aliyu[3]
Alhaji Abubakar Aliyu[4]

Affiliation:
[1 & 2]Department of Estate Management, Faculty of Environmental Technology, Abubakar Tafawa Balewa University, Bauchi, Nigeria

[3]Dept. of Estate Management, Faculty of Earth & Environmental Sciences, Bayero University Kano, Nigeria

[4]Dept. of Business Admin. Gombe State University, Nigeria

Correspondence:
Aliyu Ahmad Aliyu

e-mail:
aaaliyu.esm@buk.edu.ng

Dates:
Received: 19 Feb., 2022
Accepted: 28 Feb., 2022

How to cite this article:
Gital, A .M, Ishiyaku, B., Aliyu, A.A., and Aliyu, A. A. (2022). Effect of Service Quality on Customer Satisfaction and Patronage in Zaranda Hotel, Bauchi, Nigeria. *Creative Business Research Journal 2(1),* 136-152

Service quality is a global judgment or attribute that relates to the superiority of service. Since customers are always looking for consistently superior service, the marketer should fulfill their expectations irrespective of the variability nature of service. The delivery of consistent service quality creates brand differentiation, adds to the competitive advantage of the firm, improves customer satisfaction, positively contributes to customer's value and increases the likelihood of favorable customer patronage. The study was aim at examining the effect of service quality on customer satisfaction and patronage in Zaranda Hotel, Bauchi. The population of the study covers all customers in Zaranda hotel within the period of the study. The sample frame of the study comprises the occupancy rate collected from Zaranda hotel for the months between June (1,950), July (3,143) and August (2,369) for the year 2021. Purposive sampling technique was used to determine the sample size. A sample size of three hundred and thirty one (331) was determined from the calculated target population of two thousand four hundred and eighty seven (2,487). Three hundred and thirty one (331) structured questionnaires were administered to the respective respondents. Out of the total number administered, three hundred and seventeen (317) valid questionnaires which represent 96% response rate were collected and retrieved back. Mean ranking and hierarchical multiple regressions were used to analyze the data pertinent to the research. The study revealed that independent variable of service quality explained large significance effect size in customer satisfaction in the study area. Furthermore, the independent variable of service quality explained insignificance effect size in customer patronage in the study area. Hotel facilities such as communication services, transportation services in addition to internet services should be improved. This would go a long way in promoting higher level of customers' patronage with the existing hotel facilities. This study expanded the body of knowledge by adding innovative ideas, ground breaking, and new knowledge on issues related to socio-demographic variables like occupation influences customers evaluation of service quality, customer satisfaction and patronage.

Introduction

It is an undisputed fact that hospitality industry is an idiosyncratic industry in relation to other established industries; in other forms of industries, the end and final products perhaps play a very significant, vital and important role in the firms' success while services support to enhance and improve on the product's features (Tuncdan, et al. 2017). Conversely, in hospitality, the end products that hotels actually offer are not merely considered and regarded as visible or tangible in nature but they are equally viewed as services that eventually create experiences (Ofobruku, 2013). It can, therefore, be clearly seen from the above assertion that the nucleus of hospitality is revolving around services provisioning. It indeed occurs all the way through the entire process which starts from the moment a customer shows off or arrives until he leaves. It can sometimes extend to the processes prior to customer's arrival and following his departure. These include, for example, booking for rooms, dealing with feed backs or complaints and the likes.

Service quality as asserted by Chan and Kumar (2007) is a worldwide and global judgment or decision that relates to the supremacy of service. Given that customers are for all time looking for constantly superior service, the marketer, thus, ought to fulfill their expectations no matter the unpredictability nature of service. The deliverance of unswerving and constant service quality produces brand delineation (Michael, Jonathan, Bai-Ding & Christopher, 2009), improves brand image (Jay & Dwi, 2000; Joleen, 2016)), augments to the spirited or competitive advantage of the establishment of firm (Riadh, 2009), enhances customer satisfaction (Fiju, Frenie & Sid, 2004), absolutely contributes to customer's worth or value (Shahin & Reza, 2010), as well as increases the possibility of favorable customer support or patronage towards the brand in terms of re-examine and optimistic word of mouth suggestion (Riadh, 2009).

Furthermore, customer satisfaction, in contrast, has long been documented, in marketing consideration and practice, as an innermost goal (Zeithaml & Bitner, 2001). This realization is, therefore, of paramount importance for every part of business undertakings (Chaniotakis & Lymperopoulos, 2009). It is equally described as customer's evaluation and assessment of the service encounter based on their anticipation and tangible performance (Cronin, 2000). It has equally been considered as the degree to which a product/service experience fulfills customer's anticipation (Osarenkhoe and Bennani, (2007). When the real service experience meets customer's preceding expectations, he or she will be contented and satisfied. However, if it does not fulfill the expectations, he or she would be dissatisfied and discontented (Gilbert, Veloutsou, Goode & Mountinho, 2004)).

As rightly asserted and established by Ueltschy, Eggert, Laroche and Bindl, (2007), different customers display different degrees of satisfaction for the equivalent or alike service encounters owing to the obvious fact that customer satisfaction is assessed and equally evaluated based on individual's discernment on service quality delivery in addition to past experience (Osarenkhoe & Bennani, 2007). Consequently, measuring customer satisfaction and dissatisfaction is essential and fundamental for the reason that of its effect on the expectations of one's subsequent purchase decision (Sanchez-Gutierrez, Gonzalez-Uribe & Coton, 2011).

On the other hand, accomplishing customer satisfaction in hotel suits is actually associated and connected with deliverance of excellent service and patronage (Brown, & Bond, 1995); Francois, Jeremillo & Mulki, 2007; Raidh, 2009). It paves way to high business recital and performance (Morgan, Anderson and Mittal, 2005). Consequently, customer-perceived overhaul quality has been given greater than before attention due to its explicit contribution to build up satisfied customers as well as business competitiveness (Enquist, Edvardsson & Sebhatu, 2007).

Hence, customer patronage of certain services highlights the probability of her or his engagement in various behaviors akin to lodging and repurchases (Jani & Han, 2011). It equally sends signal to whether a customer will hang about with the establishment or company (Zeithaml & Bitner, 2001). Current and existing research perceived and regarded customer patronage as the intention to revisit or repurchase (Spreng, Harrell & Mackoy, 1995; Tijani, Okunola, & Orga, 2017) in addition to their readiness and willingness to offer positive/negative service. Past research conducted in this regard such as that of Yuan and Jang (2008), Tsaur, Lin and Wu (2008), Wilkins, Merrilees and Herington (2007), Tijani, Okunola, and Orga, 2017) had established that customer satisfaction and patronage is crucial to revisit or repurchase intention. Furthermore, it has been observed that customer satisfaction or dissatisfaction certainly influences and affects service quality communication (Mangold, Miller & Brockway, 1999; Negi, 2010; Sanchez-Gutierrez et al., 2011; Ogechi & Kennedy, 2017)).

Nevertheless, hotel services, as a result of their incredible nature, command contextualization and visualization for apparent service quality construct (Hokey & Hyesung, 1997; Michael,, Jonathan, Bai-Ding, & Christopher, 2009; Halil & Kashif, 2005; Lee, Yoon & Lee, 2007); Jani & Han, 2011; Schirmer, 2018); Marloes, Asperan & Corne, 2018). This should equally be within hospitality industry. Therefore, hotels are experiencing constantly increasing demand for service enhancements and improvements from their customers (Patrick & Backman, 2002; Barbara & Pamela 2004; Ehigie, Johnson & Karly, 2018). Additionally, hotel customers are incessantly looking for superior value for their money in sequence to revisit and to suggest it to others (Olive & Martin, 1996; Marco, 2001).

Moreover, owing to growing global market competition, a lot of hotel companies are experiencing serious challenges in maintaining customers (Shahin & Samea, 2010; Getty & Getty, 2003). Quite a number of market scholars have established that most hotel companies in Europe as well as in the U.S. will eventually lose half of their customers over a time span of five years (Ganesh, Arnold & Raynolds, 2017). Also, high profile hotels in Nigeria are equally being faced with the challenge of retaining their existing customers owing to extreme and severe competition as well as due to poor service quality in the existing industry (Cho, Byun & Shin, 2014).

For this reason, hotel industry has been viewed as one of the largest competitive industries particularly in the 21st century. Consequently, enhancing and improving customer patronage is among the principal aspects of enhancing competitiveness in the hotel industry as well as making certain that business flourishes and continues (Gustafsson, Johnson & Roos, 2005; Jay & Dwi, 2000; Joleen, 2016). Thus, hotel industry in Bauchi state is equally experiencing progress and advancement owing to the recent oil exploration and discovery in the state.

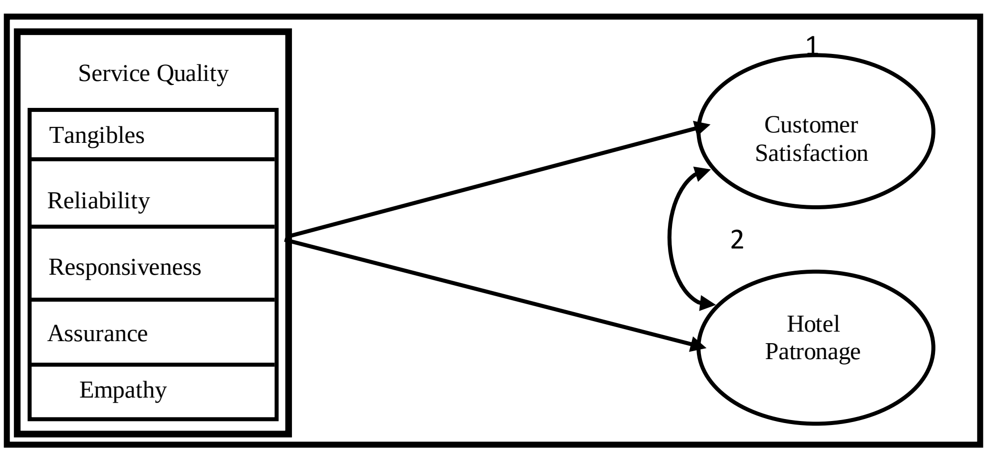
However, the performances of these indigenous hotels are not sufficiently explored within the purview of service quality (Vargo & Lusch, 2004; Barbara & Pamela, 2004; Gilbert & Celeopatra, 2006)**,** Bedi (2010) as well as the work of Gounaris, Dimitriadis and Stathakopoulos (2010). Correspondingly, the effect and influence of service quality on customer satisfaction as well as on their patronage was little or not quite explored and established in Bauchi state hotels. It is against this back-drop that this study seeks to examine the effect of service quality on customer satisfaction and patronage in Zaranda hotel of Bauchi metropolis. Consequently, this study answered the following research question: What is the level of service quality in Zaranda hotel, Bauchi? and What is the effect of service quality on customer satisfaction and customer patronage in the study area?

2. CONCEPTUAL FRAMEWORK

The framework for this study as depicted in figure 1 below clearly indicates that service quality (tangibles, reliability, responsiveness, assurance and empathy) has effect on customer satisfaction as well as on customer patronage. It equally shows that there is a relationship and association between customer satisfaction and customer patronage.

Fig. 1: Conceptual Framework

Independent Variable **Dependent Variable**



Source: Field Survey (2021)

3. METHODOLOGY

3.1 Research Design

This study employed quantitative research design: exploratory and descriptive in nature. By means of exploratory design, related empirical literatures were extensively reviewed with a view to justifying the existence of an unidentified gap worthy of exploring. Detailed review on related research in the field of service quality, customer satisfaction and customer patronage were equally conducted to have a clear focus on what had been known and what ought to be known. Moreover, the descriptive design was incorporated in order to collect information concerning service quality, customer satisfaction and customer patronage by means of questionnaire administration. Descriptive design, thus, was employed for the reason that it is appropriate for gathering primary data from wide range of respondents that have experience in a particular field of study.

3.2 Research Paradigm

In this study, the researchers' enormous and immense concern was to adopt the most suitable and appropriate epistemological position along with methodology. Therefore, the positivist paradigm as adopted by this study allowed the examination of the connection between research variables (service quality, customer satisfaction, and patronage). While analyzing the applicability of existing theories and evaluation in the research milieu (Zaranda hotel), positivist research approach was considered most pertinent to the study in its entire ramification. In particular, as suggested and advised by Creswell (2009), the epistemological position that was adopted for this study is critical realism. This is for the obvious fact that the research approach enables identification of causation as well as exploration of mechanism or machinery of cause and effect that inspire events. In this research, quantitative research method was used in data gathering through the use questionnaires.

3.3 Target Population

The population of the study covers all customers in Zaranda hotel within the period of the study. In other words, the study takes into cognizance on those customers that request for rooms for a complete day. Therefore, the study excludes customers that check in on hourly basis.

3.4 Sample Frame

The sample frame of the study comprises the occupancy rate collected from Zaranda hotel for the months between June (1,950), July (3,143) and August (2,369) for the year 2021. Therefore, the sample frame of the study could be regarded as the summation of the entire three months and then divided by three. This is in order to get the average number of the population size per month and this is 2,487.

3.5 Sample Size

In order to determine the sample size for the quantitative study, three criteria are usually, required to be fulfilled: precision level (sampling error), level of confidence (risk), and the degree of variability in the attribute being measured (Miaoulis & Michener, 1976). The sample size for the survey was, thus, determined based on the sample frame and by using the Krejcie and Morgan (1970) table to determine the sample size. In this regard, a sample size of 331 was determined from the calculated target population of 2,487.

3.6 Sampling Technique

In this article, purposive sampling technique was applied with a sole aim of selecting the respondents of the study. This is pertinent for the purpose of first-hand or primary data collection through the employment of structured and organized questionnaire.

3.7 Method of Data Collection

The study questionnaires were kept in the reception of the hotel for the period of two weeks (between 12th November and 25th November, 2021). The customers lodging in the hotel room were considered to be the respondents of the study. They were eventually administered with the questionnaire for them to fill in. They were supposed to provide answers based on their experience and convenience throughout their period of stay in the hotel.

They subsequently returned back the questionnaire through the receptionist. Moreover, a particular customer is being selected based on his/her stay for at least one night in the corresponding hotel as explained earlier. This is with the ultimate aim of avoiding any biasness or immaturity in their assessment of service quality and delivery.

3.8 Research Instrument

The research instrument that was deemed most pertinent and relevant to this study was questionnaire. The study questionnaire was, therefore, categorized into four sections. The first section comprised of the socio-economic and demographic information of the respondents. Information that were captured in the section include: gender, age, marital status, occupation, level of education, and annual household income. Sections two and three of the administered questionnaire were designed obtain data from the respondents based on their perceived satisfaction level and degree of patronage. The required data in these sections of the questionnaire were measured by means of seven-point Likert-type scales as it was anchored by 1 = strongly disagree to 7 = strongly agree.

Section four of the questionnaire was designed to extract and extort information from the respondents concerning their perceived service quality with regard to Zaranda hotel. The design and pattern of this section of the administered questionnaire was adopted from the work of Spinks, Lawley and Richins (2005). Their work in turn was based on Parasuraman *et al.*'s (1988) 5-dimension (tangible, reliability, responsiveness, assurance and empathy) and 22-item SERVQUAL instruments.

3.9 Method of Data Analysis and Presentation

The data that were obtained using questionnaire survey were screened and analyzed using both descriptive and inferential statistics. This is for the mere fact that the study in question contained descriptive, association and inferential research questions. Research question one being descriptive questions was analyzed using mean ranking.

Furthermore, research question two being an association question was analyzed using correlation. Moreover, research question two being equally an inferential question was further analyzed by Hierarchical multiple regression. The use of Hierarchical multiple regression was informed because of its ability to explain a statistically significant amount of variance in the dependent variable (DV) after controlling for other variables as asserted by Lankau and Scandura (2000), Saunder and Thornhill (2007) as well as Bommae (2016).

4. RESULTS AND DISCUSSION

4.1 Questionnaire Validation

The questionnaire were printed and given to professionals from Abubakar Tafawa

Balewa University, Bauchi and practicing estate surveyors and valuer. The justification for given the questionnaire to both scholars and professions was for them to do proof reading and validation. All the observations, corrections, suggestions and comments that were highlighted by the experts were eventually corrected and effected prior to proper administration of the questionnaire to the concerned respondents

4.2 Field Survey Results

For the purpose of this study, three hundred and thirty one (331) structured questionnaires were administered to the respective respondents. Out of the total number administered, three hundred and seventeen (317) valid questionnaires which represent 96% response rate were collected and retrieved back. Additionally, three hundred and one (301) which represent 91% of the response rate were used in rolling the analyses. Details can be found in Table 1 below:

Table 1: Questionnaire Administration

Questionnaires	Number	Response rate
Administered	331	100%
Collected	317	96%
Screened	301	91%

Source: Field Survey (2021)

4.3 Test of Normality

According to the existing central limit theorem, in as much as the sample size of a study is thirty (30) or more; the sampling distribution would have a propensity to be normal notwithstanding the population distribution (Field, 2009). On the whole, a huge and a sufficient amount of sample size of three hundred and thirty three (331) as used in this study satisfies and fulfils the requirement of normality. Nevertheless, in order to examine and observe the appropriateness of data for further analysis, two measures of normality, that is, Kurtosis and Skewness were equally computed and estimated.

As posited by Mardia (1970), when the maximum acceptable level of Skeweness (2) and Kurtosis (6) are violated, it suggests a problem that should be properly addressed before performing any inferential statistical analysis. The result revealed that all the computed values of Skewness and Kurtosis were discovered to be within the acceptable limits and, thus, appeared to be normal.

4.4 Reliability of Field Results

The reliability of the field results were analyzed for all the constructs. This was done with the ultimate aim of showing the Cronbach's Alpha value. Details are presented in Table 2 below.

Table 2: Reliability of Field Results

Constructs	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
Quality	0.782	0.814	16
Satisfaction	0.875	0.879	16
Patronage	0.827	0.825	5

Source: Field Survey (2021)

4.5 Analysis of Research Questions

A 7-point likert scale was used throughout the study to rate the level of service quality, satisfaction and patronage. The research questions for this study were analyzed in the subsequent sections.

4.6 What is the Level of Service Quality in Zaranda Hotel Bauchi?

Descriptive analysis based on mean ranking was carried out in order to show the level of service quality in Zaranda hotel, Bauchi. The results as presented in Table 3 below clearly showed the ranking, mean and standard deviation for each variable

Table 3: Level of Service Quality in Zaranda Hotel Bauchi

Services	Mean	Std. Deviation	Rank	Levels	Remark
Parking	5.9502	.21796	1	Very good	
Swimming	5.7010	.55103	2	Very good	
Access	5.3256	.47642	3	Very good	
Recreation	5.1495	.39274	4	Very good	
Water	5.1296	.38274	5	Very good	
Electricity	5.0000	.21602	6	Good	
Restaurant	4.9635	.26203	7	Good	
Accommodation	4.8106	.39245	8	Good	Good
Response	4.6811	.46684	9	Good	4.5672
Sales	4.5150	.50061	10	Good	
Security	4.4950	.58093	11	Good	
Health	4.4551	.55571	12	Good	
Communication	3.5914	.60756	13	Neither good nor bad	
Transportation	2.7143	.53984	14	Bad	
Internet	2.2259	.80548	15	Bad	

Source: Field Survey (2021)

Table 3 above reveals the level of Service Quality in Zaranda Hotel Bauchi**.** The results indicate that the service quality that were provided most in the hotel, based on seven point measurement scale, were parking space. This has a mean score of 5.9502 and was, therefore, ranked first (1st). Moreover, swimming was ranked second

(2nd) among the services that are mostly provided in the hotel as it has a mean score of 5.7010. Additionally, access was ranked third (3rd) as it has a mean score of 5.3256.

Furthermore, recreation was ranked fourth (4th) among the services that are being provided by the hotel. This is due to the fact that it has a mean value of 5.1495. The fifth (5th) in the ranking of services that are mostly provided by the hotel is water owing the fact that it has a mean value of 5.1296. Moreover, electricity with a mean value of 5.0000 was ranked sixth (6th). Restaurant was ranked seventh (7th) due to the fact that it has mean value of 4.9635, Accommodation with a mean value of 4.8106 was, however, ranked eight (8th) in the order of ranking,

Quick response to customer's request with a mean value of 4.6811 was, thus, ranked the ninth (9th). Furthermore, a sale with a mean value of 4.5150 was ranked the tenth (10th), Security with a mean value of 4.4950 was further ranked the eleventh 11th), Health with a mean value of 4.4551 was ranked the twelfth 12. All the above-mentioned services were found to be adequate and sufficient in the area.

However, the services that were discovered to be inadequate in terms of their provision and availability include the following: communication, transportation and internet. This is for the undisputed fact that they have a mean value of 3.5914, 2.7143 and 2.2259 respectively. They were, thus, ranked as thirteenth (13th), fourteenth (14th) and fifteenth (15th) as indicated in the table three (3) above respectively. Therefore, these results indicate that five service qualities were very good, seven service qualities were good and 3 service qualities were bad in the study area. The overall level of service quality in the study area was good as a matter of fact.

4.7 What is the Effect of Service Quality on Customer Satisfaction and Customer Patronage in the Study Area?

A regression analysis was carried out to assess the effect of service quality on customer satisfaction and customer patronage in the study area. Three themes were used to present the analyses for research question 4. The results were presented accordingly.

4.7.1 Effect of Service Quality on Customer Satisfaction in the Study Area

In this section, the regression analysis was conducted with a view to estimating the effect of service quality on customer satisfaction in the study area. A simple regression analysis was carried out by taking service quality as the independent variable and customer satisfaction as the dependent variable. The result of the regression analysis was presented in table 4 below.

Table 4: Effect of Service Quality on Customer Satisfaction (n=301)s

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	df	df2	F	Sig.
1	.891[a]	.795	.794	.06299	1	299	1156.012	.000[b]

Source: Field Survey (2021)

The result of the regression analysis was shown in table 4 above. The result indicated that there exists a strong relationship between service quality and customer satisfaction as indicated by R (correlation) value of 0.891. Thus, this revealed highly significant association and connection. Similarly, the result equally shows that the influence of service quality on customer satisfaction is highly evident based on the above analysis. This is revealed by an R2 value of 0.795 which is significant at 0.01 significant levels. The value shows that about 79.4 percent of the variation in customer satisfaction can be explained by services when the influences of other factors are not controlled. The specific influence of the service quality on customer patronage is presented in table 5 below after controlling for its effect in hierarchical multiple regression models.

4.7.2 Effect of Service Quality on Customer Patronage in the Study Area

A regression analysis was further carried out with the aim of assessing the effect of service quality on customer patronage in the study area. The R^2 value as presented in Table 5 below shows how much of the variance in the dependent variable, that is, customer patronage in the study area is explained by the independent variable, that is, service quality.

Table 5: Effect of Service Quality on Customer Patronage in the Study Area

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	df	df2	F	Sig.
1	.037[a]	.001	-.002	24727	1	299	.417	.519[b]

Source: Field Survey (2021)

The result in Table 5 above in this case indicated that the value was R^2 = .001, *f* (1, 299) = .417, *p* < .519. This means that the independent variable which is service quality explained 1.0% and is insignificant (p<0.519) effect in size with regards to customer patronage in the study area.

4.7.3 Effect of Service Quality on Customer Satisfaction and Patronage in the Study Area

Hierarchical multiple regressions were used in order to determine the ability of service quality to predict customer patronage. This is after controlling for customer satisfaction with service quality. Preliminary analyses were equally conducted so as to be certain that no violation of the assumptions of normality, linearity, multi-collinearity as well as homoscedasticity was done. The results were presented in Table 6 below.

Table 6: Service Quality Effect on Customer Patronage after Controlling for Customer Satisfaction (N=301)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.116[a]	.013	.010	.24578	.013	4.081	1	299	.044
2	.186[b]	.035	.028	.24352	.021	6.564	1	298	.011

Source: Field Survey (2021)

The first stage in the hierarchical multiple regressions was to first and foremost identify the dependent variable, then use the enter-method to specify the variable to be controlled. Accordingly, the customer patronage was specified as the dependent variable, while the customer satisfaction was taken as the controlled variable. The first model shows that customer satisfaction was significant in explaining customer patronage as indicated by model's summary significance. The first model produced an R^2 value of 0.013 which signifies that only about 1.3 percent of the variation in customer patronage can be predicted by the customer satisfaction. However, the predication capacity was significant although the R^2 value is weak.

The next stage of the hierarchical model has to do with entering the main predictor in the second model. The main predictor in this case is the service quality and is conceptualized to have an influence on customer patronage after controlling for the effect of customer satisfaction. After the entry of the service quality at step two, the total variance explained by the model as a whole was .035, f (2,298) = 21.164, p <.001. The R square value R^2=.035, f (2,298) = 21.164, p < .001shows how much of the variance in the dependent variable, that is, customer patronage is explained by the independent variables, that is, service quality and customers' satisfaction with service quality. In this case, the value was R^2=.035, f (2,298) = 21.164, p < .001.This denotes that the independent variables of service quality and customers' satisfaction with service quality explained 3.5% medium significance (p<0.001).

The effect size of the influence of service quality on customer patronage is explained by the R^2 change. R^2 change is the change in R^2 due to commission or omission of a variable in a model. The influence is termed as significance if the F-change statistics is significant. The result shows an R^2 change of 0.021 which indicates a 2.1 percent change in the model R^2 as a result of adding service quality into the block model. Thus, it is significant as indicated by F-change p-value of 0.011. This indicates that the service quality explained additional two percent of the customer patronage in the study area. Although the effect size is weak but it is significant. This explained the effect of service quality on customers' patronage in the study area after controlling for the effect of satisfaction with service quality.

However, further evaluation of the relationship and asociation between each of the independent variables and the dependent variable was presented in Table 7 below.

Table 7: Contribution of Service Quality on Customers' Satisfaction and Patronage (n=301)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	4.083	.471		.8676	.000		
	Satisfaction	.207	.102	.116	2.020	.044	1.000	1.000
2	(Constant)	4.215	.469		8.985	.000		
	Satisfaction	.717	.224	.403	3.208	.001	.205	4.866
	Service Quality	.540	.211	.322	2.562.	.011	.205	4.866

Source: Field Survey (2021)

The level of influence of each variable on the dependent variable is presented in table 7 above. The result indicates that the variable with the largest beta value in the standardized coefficients is .403 for customers' satisfaction, when the variance explained by service quality variable in the model is controlled. It further shows that customers' satisfaction variable is making a statistically significant ($p<0.001$) distinctive contribution to the equation. In contrast, service quality variable has a beta value of .322 and significant ($p=.011$) contribution in explaining the dependent variable customers' patronage in the study area. In the final model, the service quality has statistically significant influence on customer patronage after controlling for the effect of customer satisfaction in the model. Therefore, the result of the hierarchical multiple regressions indicates that, after controlling for the effects of customer satisfaction, Service quality has significant influence on Customer patronage.

5. DISCUSSION OF FINDINGS

5.1 Level of Service Quality in Zaranda Hotel Bauchi

The study findings on service quality established that parking, swimming, access, recreation and water were ranked 1st, 2nd, 3rd, 4th and 5th respectively. They were found to be "very good" based on the ranking scale. This result challenges, contradicts and refutes the study findings of Zeithaml and Bitner (2001). The appealing reason might perhaps be due to difference in study location and period by which the researches were, eventually, conducted.

However, the study finding validates and confirms the work of Osarenkhoe and Bennani, (2007) where they discovered that the first five hotel services dictate and inform customers' patronage. Moreover, electricity, restaurant, accommodation, quick response, sales, security and health were ranked 6th, 7th, 8th, 9th, 10th, 11th and 12th respectively. They were equally found to be good in the area. This study result concurs with the empirical findings of Vargo and Lusch (2004), Barbara and Pamela (2004), Gilbert and Celeopatra (2006), as well as the work of Bedi (2010) whose result also established that the 6th to 12th hotel service have a great influence on customer's patronage.

Conversely, communication, transportation and internet ranked thirteenth 13th, 14th and 15th respectively. They were "bad" based on the response obtained from the respondents. This is due to the mere fact that the hotel does not have internet service of its own. The communication service was equally bad owing to the fact that the intercom goes to the reception only as there was no inter room connectivity.

The transportation service was also bad for the reason that transportation is on demand but customers normally take full responsibility. The finding of this study also concurred with the empirical work of Shahin and Reza (2010), Wen, et. al (2012), Cho, Byun and Shin (2014) as they established and concluded that the above-mentioned three services (communication, transportation and internet) were not adequate in terms of provision and availability..

5.2 Effect of Service Quality on Customer Satisfaction and Patronage in the Hotel

A Regression analysis was carried out to assess the effect of service quality on customer satisfaction and patronage in the study area. The independent variable, that is, service quality explained large significance effect size in customer satisfaction in the study area. Furthermore, the independent variable of service quality explained insignificant effect size in customer patronage in the study area.

However, further finding showed that there is a relationship between each of the independent and the dependent and variables in the final model. Therefore, the service quality has quite statistically significant influence on customer patronage after controlling for the effect of customer satisfaction in the model.

The finding of this study, thus, is in conformity with the findings of Shahin and Samea (2010) and Getty and Getty (2003). On the other hand, the result of this study challenges and refutes the work of Jay and Dwi (2000), Yuan & Jang (2008), as well as Michael, Jonathan, Bai-Ding and Christopher (2009).

6. CONCLUSION

The study established that service quality of parking, swimming, access, recreation and water were ranked 1st to 5th respectively. They were equally found to be of "very good" status based on the ranking scale. Moreover, electricity, restaurant, accommodation, response, sales, security and health were ranked from 6th to 12th respectively. They were also found to be "good" in the area. Additionally, communication, transportation and internet were ranked from 14th to 15th respectively they were "bad" in the study area.

The study also revealed that independent variable of service quality explained large significance effect size in customer satisfaction in the study area and also the independent variable service quality explained insignificance effect size in customer patronage in the study area. However, further finding showed that there is relationship between each of the independent variables and the dependent and in the final model the service quality has statistically significant influence on customer patronage after controlling for the effect of customer satisfaction in the model.

7. RECOMMENDATIONS

It is important to make some feasible recommendations on how to improve on the service quality and facilities, customers' patronage and their satisfaction with service quality in Zaranda hotel Bauchi.

Therefore, the following recommendations were proffer: Hotel facilities such as communication services, transportation services in addition to internet services should be improved. This would go a long way in promoting higher level of customers' patronage with the existing hotel facilities. The study further recommends that the service quality of communications should be addressed. This would, therefore, ensure increase patronage by the prospective customers. It would also provide maximum satisfaction and pleasure from the customers with the hotel facilities, utilities and services.

8. CONTRIBUTION TO KNOWLEDGE

9.1 Theoretical Contribution

The SERVQUAL is found to be a valid and reliable approach/model to measure service quality in the hotel sector. Therefore, it can be considered as an incremental theoretical contribution given that it adds up to the knowledge of measuring service quality in specific service context (Hotel sector). Furthermore, the study findings pertaining to the association of customers profile variables with their perceptions of service quality, customer satisfaction and patronage amount to incremental theoretical contribution in the service/tourism marketing, and specific to hotel sector.

Accordingly, this study expanded the body of knowledge by adding innovative ideas, ground breaking, and new knowledge on issues related to socio-demographic variables like occupation influences customers evaluation of service quality, customer satisfaction and patronage. This may have significant implications and, hence, invites further qualitative investigation.

9.2 Policy Contribution

The study developed and tested, for validity and reliability sake, a standard instrument which would be used to measure service quality and its relationship with customer satisfaction and patronage in the hotel sector. Hence, hotels, government and relevant stakeholders in the sector should enforce the application of such standard and scientific instrument so as to evaluate customer's perceptions of hotel service quality and the way it relates with other constructs (like customer satisfaction and patronage).

9.3 Managerial Contribution

The findings of the study revealed that twelve of the fifteen service quality dimensions have significant contribution to influence customer patronage. These can have important managerial implications. Therefore, hotel managers should develop their understanding of the twelve dimensions and put appropriate strategies in place. This would go a long way in influencing customer's patronage.

10. REFERENCES

Barbara, R. L., & Pamela, M. (2004). Service failure and recovery: Evidence from the hotel industry. *International Journal of Contemporary Hospitality Management*, 15(1), 6-17.

Bedi, M. (2010). An Integrated framework for service quality, customer satisfaction and behavioral responses in Indian banking industry: A comparison of public and private sector banks. *Journal of Services Research*, 10(1), 157-172.

Bommae, K. (2016). *Statistical consulting associate University of Virginia library*. May 20, 2016. Virginia University Press.

Brown, S. W., & Bond, E. U. (1995). The internal and external framework and service quality: Toward theory in services marketing. *Journal of Marketing Management*, 11(2), 25-39.

Chan, N. K. (2007). Global supplier development considering risk factor using fuzzy extended AHP based. *The Service Industry Journal, 35*(4)*, 417-431*.

Chaniotakis, I. E., & Lymperopoulos, C. (2009). Service quality effect on satisfaction and word of mouth in the health care industry. *Managing Service Quality*, 19(2), 229-242.

Cho, H., Byun, B., & Shin, S. (2014). An examination of the relationship between rural tourists' satisfaction, revisitation and information preferences: A Korean case study. *Sustainability*, 6(9), 6293-6311.

Creswell, J. W. (2009). *Research design: Qualitative, quantitative and mixed methods approaches,* 3rd ed., Thousand Oaks, California: Sage Publications.

Cronin, J., Bradly, M., & Hult, T. (2000). Assessing the effect of quality, value, and customer satisfaction on customer behavioral intention in service environment, *Journal of Retailing*, 76(2), 193-218.

Ehigie, C., Johnson, J., & Karly, H. (2018). Impact of service quality on customer satisfaction: Liberia revenue authority. *Journal of service marketing*, 2(1), 24-42.

Enquist, B., Edvardsson, B., & Sebhatu, S. P. (2007). Values-based service quality for sustainable business, *Managing Service Quality*, 17(4), 385-403.

Field, A. (2009). *Discovering statistics using SPSS*, 3rd ed., London: Sage Publications.

Fiju, A., Frenie, F., & Sid, G. (2004). Evaluating service quality in a U.K hotel chain: A case study, *International Journal of Contemporary Hospitality Management*, 16(6), 380-384.

Francois, A., Jeremillo, C. F., & Mulki, J. (2007). The validity of the SERVQUAL and SERVPERF ccales: A meta-analytic view of 17 years of research across five continents. *International Journal of Service Industry Management*, 18(5), 472-490.

Ganesh, J., Arnold, M. J., & Reynolds, K. E. (2017). Understanding the customer base of service providers: An examination of the differences between switchers and stayers. *Journal of Marketing*, 6(4), 65-87.

Getty, J. M., & Getty, R. L. (2003). Lodging quality index (LQI): Assessing customers' perceptions of quality delivery. *International Journal of Contemporary Hospitality Management, 15*(2), 94-104.

Gilbert, G. R., & Cleopatra V. (2006). A Cross-industry comparison of customer satisfaction. *Journal of services marketing*, 20(5), 298-308.

Gilbert, G. R., Veloutsou, C., Goode, M. H., & Mountinho, L. (2004). Measuring customer satisfaction in the fast food industry: A cross national approach, *Journal of Services Marketing*, 18(5), 371-383.

Gounaris, S., Dimitriadis, S., & Stathakopoulos, V. (2010). An examination of the effects of service quality and satisfaction on customers' behavioral intentions in e-shopping, *Journal of Services Marketing*, 24(2), 142-156.

Gustafsson, A. Johnson, M. D., & Roos, I. (2005). The effects of customer satisfaction, relationship commitment dimensions, and triggers on customer retention. *Journal of Marketing*, 6(9), 210-218.

Halil, N., & Kashif, H. (2005). Perceptions of service quality in North Cyprus hotels. *International Journal of Contemporary Hospitality Management*, 17(6), 469-480.

Hokey, M., & Hyesung, M. (1997). Benchmarking the quality of hotel services: Managerial perspectives. *International Journal of Quality& Reliability Management*, 14(6), 582-590.

Jani, D., & Han, H. (2011). Investigating key factors affecting behavioral intentions: Evidence from full service restaurant setting. *International Journal of Contemporary Hospitality Management*, 23(7), 1000-1018.

Jay, K., & Dwi, S. (2000). Customer loyalty in the hotel industry: The role of customer satisfaction and image‘, *International Journal of Contemporary Hospitality Management*, 12(6), 346-359.

Joleen, B. M. (2016). *Customer satisfaction in hotel services case-Lake kivu Serena hotel.* Unpublished Bachelor Thesis, JAMK University of Applied sciences.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activity. *Educational and Psychological Measurement*, 30(1), 607-610.

Lam, T., & Zhang, H. Q. (1999). Service quality of travel agents: The case of travel agents in Hong Kong. *Tourism Management, 20*(3), 341-349.

Lankau, M. J., & Scandura, T. A. (2002). An investigation of personal learning in mentoring relationship: Content, antecedents and consequences. *Academy of Management Journal*, 4(5), 779-790.

Lee, C. K., Yoon, Y. S., & Lee, S. K. (2007). Investigating the relationship among perceived value, satisfaction, and recommendation: The case of the Korean DMZ, *Tourism Management*, 28(1, 204-214.

Mangold, W. G., Miller, F., & Brockway, G. R. (1999). Word-of-mouth communication in the service marketplace. *The Journal of Services Marketing*, 13(1), 73-89.

Marco, A. R. (2001). Measuring and managing service quality: Integrating customer expectations. *Managing Service Quality*, 11(1), 22-31.

Mardia, K. V. (1970). Measures of multivariate skewness and kurtosis with applications. *Biometrika*, 5(7), 519-530.

Marloes, V. Asperan, P., & Corne, D. (2018). Engagement-based loyalty: The effect of social Media Engagement on Customer Loyalty in Travel Industry. *International Journal of Hospitality and* Tourism *Administration*, 19(1), 159-173.

Mazieh, S. B. (2015). *Identifying and evaluating service quality in five star hotels of Tehran*. Unpublished Master Thesis, Lulea University of Technology, Iran.

Miaoulis, G., & Michener, R. D. (1976). *An introduction to sampling*. Dubuque, Iowa: Kandall Hunt Publishing Company.

Michael, D., Jonathan, H. W., Bai-Ding, H., & Christopher, G. (2009). An empirical study of behavioral intentions in the Taiwan hotel industry, *Journal of Innovative Marketing*, 5(3), 30-50.

Morgan, N. A., Anderson, E. W., & Mittal, V. (2005). Understanding firms' customer satisfaction information usage. *Journal of Marketing*, 69(3), 131-151.

Negi, R. (2010). Determining customer satisfaction through perceived service quality: A study of Ethiopian mobile users. *International Journal of Mobile Marketing*, 4(1), 31-38.

Ofobruku, S. A. (2013). Assessment of leadership style among hospitality business in Abuja. *Arabian Journal of Business and Management Review*, 2(6), 238-254.

Ogechi, A., & Kennedy, E. (2017). The hospitality business in Nigeria: Issues, challenges and opportunities. *Worldwide hospitality and tourism themes*, 8(2), 182-194.

Osarenkhoe, A., & Bennani, A. (2007). An exploratory study of implementation of customer relationship management strategy. *Business Process Management Journal*, 13(1), 139-164.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). Servqual: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, *64*(1), 12.

Patrick, J. F., & Backman, S. J. (2002). An examination of the construct of perceived value for the prediction of golf travelers' intentions to revisit. *Journal of Travel Research*, 41(1), 38-45.

Riadh, L. (2009). A review of twenty years of SERVQUAL research, *International Journal of Quality and Services Science*, 1(2), 172-198.

Sanchez-Gutierrez, J., Gonzalez-Uribe, E. G., & Coton, S. G. H. (2011). Customer satisfaction in the hospitality industry in Guadalajara, Mexico, *Advances in Competitiveness Research*, 19(4), 17-30.

Saunder, M., Lewis, P., & Thornhill, A. (2007). *Research methods for business students,* 4th ed., London: Pearson Education Ltd.

Schirmer, N. (2018). The linkage between customer satisfaction and loyalty: The moderating roll of customer character. *Journal of strategic marketing*, 26(4), 197-215.

Shahin, A., & Reza, D. (2010). Correlation analysis of service quality gaps in four stars hotels in Iran, *International Business Research Journal*, 3(3), 40-47.

Shahin, A., & Samea, M. (2010). Developing the models of service quality gaps: A critical discussion. *Business Management and Strategy*, *1*(1), 1-11.

Spinks, W., Lawley, M., & Richins, H. (2005). Satisfaction with sunshine coast tourist attractions: The influence of individual visitor characteristics. *The Journal of Tourism Studies*, 16(1), 12-23.

Spreng, R. A., Harrell, G. D., & Mackoy, R. D. (1995). Service recovery: Impact on satisfaction and intentions. *Journal of Services Marketing*, 9(1), 15-23.

Tijani, N., Okunola, G. A., & Orga D. Y. (2017). Service delivery and customer satisfaction in some selected hotels in Ikeja area of Lagos state. *The Service Industry Journal*, 3(1), 4-7.

Tsaur, S., Lin, C., & Wu, C. (2008). Cultural differences of service quality and behavioral intentions in tourist hotels. *Journal of Hospitality and Leisure Marketing*, 13(1), 243-261.

Tuncdan, B., Erhan, A., Melike, D., Kaplan, O., Yurt, T., & Cem., K. (2017). A new framework for service supply chain. *The Service Industry Journal*, 2(7), 105-124.

Ueltschy, L. C., Laroche, M., Eggert, A., & Bindl, U. (2007). Service quality and satisfaction: An international comparison of professional services perceptions. *The Journal of Services Marketing*, 21(6), 410-423.

Vargo, S. L., & Lusch, R. F. (2004). The four service marketing myths: remnants of a goods-based, manufacturing model. *Journal of service research*, *6*(4), 324-335.

Wen, C., Qin, H., Prybutok, V. R., & Blankson, C. (2012). The Role of national culture on relationships between customers' perception of quality, values, satisfaction, and behavioral intentions. *The Quality Management Journal*, 19(4), 7-23.

Wilkins, H., Merrilees, B., & Herington, C. (2007). Towards an understanding of total service quality in hotels. *International Journal of Hospitality Management*, 3(4), 840-853.

Yuan, J., & Jang, S. (2008). The effects of quality and satisfaction on awareness and behavioural intentions: Exploring the role of a wine festival. *Journal of Travel Research*, 46(3), 279-288.

Zeithaml, V. A., & Bitner, M. J. (2001). *Service marketing: Integrating customer focus across firms*, 2nd ed., New Delhi: Tata McGraw-Hill.

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Service Quality and Customer Patronage in Zaranda Hotel Bauchi

Authors:
Adamu Muhammad Gital [1]
Bala Ishiyaku [2]
Aliyu Ahmad Aliyu [3]
Alhaji Abubakar Aliyu [4]

Affiliation:
[1&2]Dept. of Estate Management Faculty of Environmental Tech., Abubakar Tafawa Balewa University, Bauchi

[3]Dept. of state Management, Faculty of Earth and Environmental Sciences Bayero University Kano

[4]Dept. of Business Administration, Faculty Arts & Social Sciences Gombe State University

Correspondence:
Aliyu Ahmad Aliyu

e-mail:
aaaliyu.esm@buk.edu.ng

Dates:
Received: 21 Feb., 2022
Accepted: 1 Mar., 2022

How to cite this article:
Gital, A. M, Ishiyaku, B., Aliyu, A. A., and Aliyu, A. A. (2022). Quality and Customer Patronage in Zaranda Hotel, Bauchi. *Creative Business Research Journal 2(1),* 153-170

The aim of this study is to evaluate the effects of service quality on customer satisfaction and patronage in Zaranda hotel of Bauchi metropolis. A quantitative research approach was adopted in order to obtain data pertinent to the study. Furthermore, structured questionnaire was administered to the respondents. SERVQUAL dimensions were eventually modified to best fit with hotel sector. The sample frame for the study is 2,369 and 331 formed the sample size which were drawn from the entire population. Purposive sampling was thus adopted in the study in order to arrive at the sample size. Data were collected from 331 respondents that formed the customers in Zaranda hotel. Hierarchical multiple regression was used to analyze and determine the effects of service quality on customer satisfaction in the study area. The result revealed that R square was 0.795. This showed a large significant effect size in customer satisfaction in the study area. Moreover, the effect of service quality on customer patronage in the study area revealed that the R square was 0.001. This indicated insignificant effect size in customer patronage in the study area. However, further findings from the study uncovered that service quality has statistically significant influence on customer patronage after controlling the effect of customer satisfaction in the model. The study recommended that Hotel facilities such as communication services, transportation services and internet services should be improved. This will promote higher level of customers' patronage with the hotel facilities. The study equally suggested that service quality of communications services should be enhanced and improved. The study also recommended that customer requirements should be incorporated into the proposed hotel services. The facilities, services, amenities and utilities in hotels should be provided based on the customers' need and requirement. More emphasis should be given to contractors, developers, designers, and end user's right from the proposed stage so as to put up the customers' needs.

Introduction

Hotel investment is capital intensive in nature. Consequently, the return from an investment should be secured enough to give good reason for the investment option (Burns & Neisner, 2006). The hotel industry is one of the essential infrastructures that would go a long way in attracting tourists and tourism development. Therefore, this industry is comprised of numerous sections, which cover a wide range of organizations and services (Caro & Garcia, 2007). One of the most significant issues in this industry is concerning the question of 'how could someone be successful in this competitive world?

It was reported by the New York University in 2017 that no significant value appreciation is expected for hotel investment globally in several years. It also forecasted and projected that the U.S hotel value will remain relatively flat in the three years period from 2017 to 2019. In Nigeria, the problems faced by the Hotel industry are numerous. These challenges include competition as emerging and new hotels are proliferating every day. Moreover, other problems include poor service quality as complaint by many customers in recent empirical study conducted by Tijani, Okunola and Orga (2017). Therefore, Zaranda hotel is also experiencing an ever growing need and demand for facilities, utilities and service improvements in order to retain their customers.

The resultant effect of the aforementioned problems and challenges if not properly addressed can adversely and negatively affect the nation's economy at large and Bauchi state in particular (William, Taylor & Jayawardena, 2003). This is for the obvious fact that the hospitality industry is one of the potential tax paying sectors in the economy (Braunsberger & Gates, 2009). Therefore, if hotels are losing their customers, it will eventually make the business to fail. Undeniably, in a case where the customer's needs and requirements are not fulfilled, the effects of dissatisfaction can quickly multiply (Rust & Oliver, 1993). Eventually, the customer might perhaps change their mind and opts go to another decent hotel and shun away from such previous bad and negative experience (Bouzaabia, Van, & Semeijn, 2013).

Furthermore, consideration of customers need is considered to be imperative and essential in order to understand the differences in customer's view, opinion and perception on the service constructs like customer satisfaction and patronage. This could be used in developing enhanced and healthier marketing strategies (Bowen & Chen, 2001). Thus, this study, on one hand, helps in locating and identifying an avenue for examining service quality, customer satisfaction and customers patronage. On the other hand, it contributes towards understanding the association, relationship and connection among the stated constructs in the hotel sector of Bauchi state.

The service industry requires close employees and customers' interface and interaction. The upshot or outcome of this mutual interaction can eventually lead to either high or low service quality level. The far above the ground standard of service quality attracts additional customers and paves way for building a virile, significant and patronized customer base (Baker & Crompton, 2000). The excellence and quality of the service is, therefore, determined and appraised by consumers' perception of the rendered services as it would uncover and reveal customers' satisfaction as well as dissatisfaction.

Research had established that it is much more difficult to get new customers than retaining and keeping the current or existing ones (Tuncdan et al., 2017). Nowadays, companies do invest a substantial amount of their resources and funds into different management programs where they can learn how to get new customers and maintain the existing one. It is worth investing and venturing in these unexplored areas. This is because the patronized customer-base is an index of an outstanding quality service. As buttressed by Hall (2009), quality is never an accident; it is for all time the consequent of high intention, heartfelt effort, intelligent direction as well as skilful execution; it, therefore, represents the wise choice of numerous alternatives. It is against this back-drop that this study attempts to examine the quality of services rendered and customer's willingness to patronize Zaranda hotel in Bauchi metropolis.

2. Previous Studies

It has been documented and established through the findings of previous researches which had been conducted that quality of services rendered by hotels informed and motivated customers to either lodge in or otherwise. Moreover, over the past three decades, empirical studies on service quality had become a central and major area of attention to both academicians and practitioners (Cronin & Taylor, 1992 & 1994; Ogechi, & Kennedy, 2017). Customer's willingness to maintain a rapport as well as good relationship with a hotel is contingent upon their perception and opinion of the benefits alongside values of the hotel's high-quality service (Wen et al, 2012; Cho, Byun & Shen, 2014; Schirmer, 2018). Furthermore, many past empirical studies have confirmed the positive impact of service quality on an assortment of behavioral outcomes, such as customer satisfaction, service quality as well as patronage (Cronin, Bradly & Hult, 2000; Gilbert & Celeopatra, 2006; Bedi, 2010; Wen *et al.*, 2012; Tsiotsou & Goldsmith, 2012; James, Lionard, & Sasser, 2015; Joleen, 2016).

Few previous studies had been conducted on this field of study include. Notable amongst them is the one conducted by Cobanoglu (2011) on the impact of technology amenities on hotel customer overall satisfaction. His findings revealed that customers do patronize hotels based on the existing services rendered by the hotel. Mazieh (2015) equally conducted a research on the relationship between service quality and customer's willingness to patronize a hotel in Tehran. The author identified and evaluated service quality in five star hotels of Tehran. He eventually came to a conclusion that the quality of services rendered by the hotel plays a significant role in determining and dictating customer's willingness to patronize a hotel. Joleen, (2016) further carried out a study on the evaluation of customer satisfaction on hotel services in Lake Kivu Sarena hotel. He also came to a similar conclusion and inference. A study conducted by Elena (2017) on the impact of service quality on customer satisfaction in hotel industry equally arrived at a similar conclusion. Moreover, an empirical study on service delivery on customer satisfaction in some selected hotels in Ikeja area of Lagos State was conducted by Tijani et al. (2017) equally established that customer's willingness to patronize the hotel is a function of service deliver, Positive relationship or connection flanked by customer satisfaction and patronage alongside hotel services was established in the work of Ariffin and Maghzi (2012) and Schirmer (2018).

A cursory review of these past studies indicated that few or none of these previous studies was conducted purely on the effect of service quality delivery on customer satisfaction and customer's patronage together. Thus, to bridge the unfilled gap that was identified above, this study attempts to evaluate the effect of service quality on customer's satisfaction and patronage in Zaranda hotel of Bauchi metropolis. The major research questions which this current study seeks to address are: What is the level of customer satisfaction and willingness to patronize in the study area? and What is the effect of service quality on customer satisfaction and patronage in the study area?

Competition in benefit conveyance as well as rising client desires have made many firms to fulfill their clients' aspiration and upgrade repurchases by them. By taking into consideration of that, virtually all firms depend on repeal or rehash commerce as well as solid intrigued in inquiring about benefit showcasing constructs (e.g., service quality and customer satisfaction). The relationship between service quality and patronage has much advanced over the past decade (Francosis, Jeremilo & Mulki, 2007; Zabkar, Makovec, Brencic & Dmitrovic, 2010; Jani & Han, 2011; James et al., 2015; Ehigie, Johnson & Karly, 2018) both in scholarly and proficient domains. Researchers such as Lee, Yoon and Lee (2007), Nurminen (2007) and Zabkar *et al.* (2010) have investigated the association or connection between service quality and indicators like cost, efficiency, customers satisfaction, productivity and customers patronage, in spite of the fact that experimental prove of such connections in the hotel sector is limited.

Some researches like Festus, Maxwell and Godwin (2006), Ueltschy et al. (2007), Micheal *et al.* (2009), Ofobruku (2013) and Marloes, Asperan and Corne (2018) reported that service quality contributes to customer satisfaction, and customer patronage. There exist arguments among scholars that such relationships are not direct and eventually remain speculative across many service sectors (Choi & Chu, 2000; Luk & Layton, 2002; Riadh, 2009; Negi, 2010). For that reason, it is very essential and imperative to understand the nature of service marketing constructs, their interrelationships as well as the way these issues influence customer patronage across different sectors like hotel.

This study evaluates the relationship and connection between service quality, customer satisfaction and patronage within the purview of Zaranda hotel in Bauchi metropolis. Consequently, the scope of the study is limited to quantitative measure of the effect of service quality on customer satisfaction and patronage, while covering both tangibles (quality of ceiling, beds, toilet facilities etc,) and intangibles (quality of natural lighting, ventilation, privacy, security and the likes in Zaranda hotel of Bauchi metropolis. The respondents for this study covered customers in Zaranda hotel who request for room and spent at least one night. Service quality (SERVQUAL) was adopted in order to measure the five dimensions of service quality comprising of tangibles, reliability, responsiveness, assurance and empathy.

3. Methodology

3.1 Deductive and Inductive Reasoning

Saunder, Lewis and Thornhill (2007) suggested that the extent and degree of the explicitness of theory at the beginning or onset of a research raises a considerable question concerning the research design, that is, whether the research should employ inductive or deductive approach/reasoning. For that reason, there exist two research approaches: inductive and deductive (Bryman, 2012).

Thus, as asserted by Altinay and Paraskevas (2008), inductive reasoning is a process whereby the researcher draws inferences and conclusions from one or more particular pieces of substantiation, and usually integrates the inquiry into qualitative domain. The power of an inductive reasoning depends on the heaviness of support it offers to the conclusions (Walliman, 2011). An inductive approach of reasoning simply offers support for the conclusion rather than providing indisputable or irrefutable grounds for truth. This approach can neither be correct nor incorrect (Saunder et al. 2007). This type of research is more effective when using small samples, and more particularly, when establishing a cause-effect connection between different variables while using empirical evidences to augment and support reasoning process (Altinay & Paraskevas, 2008).

On the other hand, deductive theorists obtain their inferences and conclusion by means of rationalizing reason to a known set of assumptions. Frequently in quantitative research, deductive reasoning do employs theory in order to drive the research from the beginning towards the formulation of research hypotheses. This is imperative as it would go a long way in determining the type of evidence or data that a researcher should gather (Creswell, 2009). The potency of deductive reasoning is based on its coherent and logical form, and not predominantly on the content of the statements that is being presented (Walliman, 2011).

Conversely, inductive approach builds and develops on a specific phenomenon prior to generalization. The deductive approach scrutinizes phenomena based on standard and generic theory. In other words, deductive and inductive approaches of logical reasoning attempt to offer and give explanation of truth from different and opposing directions; the inductive argument seeks truth from specific to general. However, deductive argument seeks truth from general to specific (Walliman, 2011). However, the risk of a research which yields no useful data patterns and theories is prominent in inductive rather than deductive research (Altinay & Paraskevas, 2008).

Whilst both approaches offer and provide different avenues and ways to distinctive kinds of exploration in social science research, numerous studies comprise elements of both. Given that, data are gathered and collected with some explanatory models in mind, there remains a sign and an element of deduction in research (Veal, 2006). On the contrary, it is not likely to develop hypotheses devoid of information on the subject matter. Consequently, there is equally an element of induction. Saunder et al. (2007) in their write up, reiterate the fact that mixing inductive and deductive approaches is valuable, advantageous and beneficial.

For someone to gain proper insights into how hotel customers evaluate and assess service quality and its connection or relationship with other pertinent study constructs, deductive approach was, therefore, found to be useful. This is for the obvious fact that it allows for explanation on causal relationships among variables (Saunder, et. al, 2007), as well as operationalization of concepts. Hence, this study in question adopted deductive approach in order to gain the benefits of explaining the causal relationship and association between the constructs (service quality, customer satisfaction and patronage).

3.2 Area of Coverage

This research was carried out in Bauchi metropolis which is the capital city of Bauchi State. It is one of the thirty six (36) political administrative states in Nigeria. It is located in the North Eastern part of the country. Bauchi State is made up of twenty (20) Local Government Areas, The state has a land mass of approximately 49,119km square area, with about five (5) million people (NPC, 2006). Zaranda hotel is the hotel under study. It is located and situated along Jos road and it is about four kilometres away from the downtown of Bauchi metropolis. Zaranda hotel is one of the major players in the hospitality industry in Bauchi. The hotel has the advantage of operating under the fourty six (46) group of hotels that operate in Bauchi metropplis (Bauchi Hotel Development Board, 2019).

Zaranda hotel was choosing because it is the first hotel that was built by the Bauchi state government. It was equally selected given that it is the biggest hotel in the state. Another reason for choosing the hotel in this study was for the mere fact that it forms the bedrock in term of providing hospitality services in the state. The hotel was built since 1980 with a total number of 184 rooms. The rooms are of varying, distinctive and different categories ranging from double room, luxury room, executive suite, presidential suite as well as diplomatic suite. It stands as the only hotel in Bauchi that can host about 2000 customers at a time. It is also the only hotel in Bauchi with about five conference halls, such as the Main hall, Gamji hall, Sardauna hall, Breakout hall 1, Breakout hall 2 and the 10th floor hall.

Among its historical legacies were the hosting of all the international players during the 1999 FIFA world cup championship and the 2009 FIFA under 17 world cup tournaments which took place in Nigeria. In addition, among the justification for choosing Zaranda hotel is the consideration of the monthly occupancy rate which reveals an average of 2,487 customers that the hotel receives monthly.

3.3 Sample Frame, Sample Size and Sampling Technique and Procedure

The respondents shall be all customers in Zaranda hotel within the period of the study. The study only covered those customers that request for rooms in the hotel with the exclusion of hourly customers. The sampling frame for the study covered the entire customers, that is, occupancy rate collected from Zaranda hotel for the months of June 2021 (1,950), July 2021 (3,143) and August 2021 (2,369). For that reason, the study sampling frame can be ascertained by adding together the three months and then divide the total sum by three. This is in order to obtain the average of the sample size per month which is 2,487.

In order to determine the sample size for the quantitative study, usually three criteria are required to be specified: precision level (or sampling error), level of confidence (or risk), and the degree of variability in the attribute being measured (Miaoulis & Michener, 1976). The sample size for the survey was determined based on the sample frame and by using the Krejcie and Morgan (1970) table to determine the sample size. In this way, sample size of 331 was determined for the calculated target population of 2,487. The next section on sampling technique shed light on the approach of sampling being used by the study. Therefore, purposive sampling technique was adopted in order to select the right respondents of the study.

3.4 Questionnaire as Instrument of Data Collection

The structured questionnaires were eventually administered to the respondents in the hotel between 12th November, 2021 and 25th November, 2021. The customers that were lodging in the hotel room were taken to be the respondents of the study. They were, thus, provided with the questionnaire for them to fill in. However, a hotel customer is being selected based on the criteria that he or she stays in the hotel for at least one night. This is to avoid any biasness or error in the assessment of service quality and delivery.

3.5 Data Analysis and Presentation Tools

The data that were retrieved by means of questionnaire administration were further analyzed and interpreted through the adoption of various techniques and tools of analysis. Data concerning the socio-economic background or demographic information of the respondents were analyzed through simple or frequency percentage distribution tables. Data pertinent to the level of customer satisfaction on the quality of services rendered by the hotel was further analyzed by means of mean ranking. Information on the level of customer's willingness to patronize the hotel was equally analyzed through the use of mean ranking.

Furthermore, in order to establish a link, connection, association and relationship between dependent and independent variable (that is, the relationship between customer satisfaction and patronage), Pearson product-moment correlation coefficient was incorporated. The use of Pearson product-moment correlation coefficient was informed for the reason of its ability to explain a statistically significant amount of variance in the dependent variable (DV) after controlling for other variables as suggested by Lankau and Scandura (2000) and Bommae Kim (2016).

3.6 Reliability Test

According to Pallant (2011), the reliability of a scale indicates how free it is from random error. Two frequently used indicators of a scale's reliability are test-retest reliability (also referred to as temporal stability) and internal consistency. The test-retest reliability of a scale is being assessed by administering the questionnaire or interview to the same people on two different occasions. Thereafter, the researcher calculates the correlation between the two scores obtained. On the other hand, the second aspect of reliability test which is referred to as internal consistency is being employed in a situation where the items that make up the scale are all measuring the same underlying attribute.

Therefore, this study adopted the use of internal consistency of reliability test. Internal consistency can be measured in a number of ways. More so, the most commonly used statistic is Cronbach's coefficient alpha. The statistic provides an indication of the average correlation among all the items that make up the scale. Kothari

2004) as cited by Pallant (2011) recommends a minimum level of .7 Cronbach alpha values.

However, in this study, reliability test was carried out in order to measure reliability of constructs. This is necessary, essential and imperative in order to identify variables that need to be deleted and thereby improve alpha value. This is to ensure that constructs achieve reliable alpha (Pallant, 2011). Internal consistency was equally employed in this study as goes a long way in indicating areas that need improvement when administering questionnaire during pilot survey prior to actual field questionnaire administration.

3.6.1 Reliability of the Pilot Results

The reliability test was carried out to assess the Cronbach's Alpha of the research constructs. About thirty (30) questionnaires were used for this purpose. Details of the reliability of the pilot study results can be seen in table 1 below:

Table 1: Reliability of the Pilot Study Results

Constructs	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
Quality	0.348	0.343	16
Satisfaction	0.210	0.137	16
Patronage	0.515	0.491	5

Source: Field Survey (2021)

The reliability of the constructs was analyzed by finding Cronbach's alpha as suggested by Pallant (2011). Overall Cronbach's alpha for the administered questionnaire was 0.515. This means that the questionnaire as a whole is not reliable and acceptable because the results were below the recommended value of 0.7. To improve the alpha value, the item that has a low value was restructured while some were removed.

3.7 Validity Test

The validity of a scale refers to the degree to which it measures what it is supposed to measure. In the word of Pallant (2011), there is no one clear-cut indicator of scale validity. Thus, the validation of a scale involves the collection of empirical evidence concerning its use in either content validity, criterion validity or construct validity. The content validity is needed as it ensures that the questionnaire contains the required information based on the study objectives through the use of some selected professionals that have adequate knowledge in terms of research methodology and subject matter. The survey questionnaires were pre-tested by administering them to a small number of respondents. This small number of respondents has similar characteristics like those of the sample frame of the respondents.

The purpose of the pilot test was to observe how the survey would be done and whether changes were necessary before the full-scale study began or not. Thus, the questionnaire validation was carried out before proper administration of the pilot and field survey. The proposed questionnaires were printed and given to four (4) professionals from Faculty of Environmental Technology of Abubakar Tafawa Balewa University, Bauchi. The said questionnaires were equally given to four (4) practicing estate surveyors and valuers for proof reading and validation. All the comments, suggestions and observations raised by the academics and professionals were corrected, amended and effected prior to proper and actual questionnaire administration for both pilot and field study.

4. Results and Findings

4.1 Demographic Information of the Respondents

The results of the socio-economic background and demographic information of the respondents were presented and analyzed in Table 1 below:

Table 1: Demographic Data of the Respondents

Variables	Options	Frequency	Percentages
Gender	Male	230	76.4
	Female	71	23.6
Age	Under 30 years	108	35.9
	31 to 60 years	191	63.5
	Above 61 years	2	0.7
How often do you visit the hotel?	Most of the time	236	78.4
	Some times	58	19.3
	First time	7	2.3
Occupation	Civil servant	184	61.1
	Professional	4	1.3
	NGO Staff	46	15.3
	Business	59	19.6
	Farmer	3	1.0
	Student	5	7
Educational Qualification	Primary/secondary	2	0.7
	Diploma	67	22.3
	Degree	210	69.8
	Master degree and above	22	7.3
Nature of visit	Lodging	54	17.9
	Event	9	3.0
	Programme	238	79.1

Source: Field Survey (2021)

The table above shows that the majority of the respondents are male representing 76.4%, while female represents 23.6%. This means that male respondents have dominated the study area. The age between 30 and 60 years has the highest percentage of 63.5%. This is followed by age under 30 years with 35.9%, then age above 60 years with 0.7%. This indicates that age 30-60 years dominated the age distribution of the respondents. Moreover, those above 60 years are the least in terms of age in the study area. More so, concerning the question on how often does a respondent visits the hotel, the result indicated that those who have been visiting the hotel most of the time are the majority as they have the higher percentage of 78.4%. This is followed by those that seldom or sometimes visit the hotel with 19.3%. The least are those who visit the hotel for the first time with a percentage of 2.3%.

In terms of occupation civil servants has the highest percentage of 61.1% followed by Business men with 19.6% and then NG'OS Staff with 15.3 and also student with 1.7% the least percentage was farmer with 1.0% in the table above. With regard to educational qualification of the respondents, degree holders have the highest percentage of 69.8% followed by secondary/certificate holders with 27.9% and the informal education with 12.7% and the least was master degree and above with 6.1%. Degree holders dominated the area having the highest percentage and master degree and above having the least percentage.

4.2 Criteria for Ranking

A seven (7) Likert scale questionnaire was used for data collection and analysis. The same ranking scale was equally used in mean ranking scale for the study. Scale on service quality based on customer satisfaction ranges from: extremely good to extremely bad, extremely satisfied to extremely dissatisfied. While scale for patronage was based on a range between: extremely high and extremely low important as advised and suggested by Braunsberger and Gates (2009). Details can be found in table 2 below:

Table 2: Seven (7) Likert Scale criteria for Service Quality Ranking

S/N	Quality	Satisfaction	Patronage	Ranging Scale
1	Extremely Good	Extremely Satisfied	Extremely High	6.01 - 7.00
2	Very good	Very Satisfied	Very High	5.01 - 6.00
3	Good	Satisfied	High	4.01 - 5.00
4	Neither satisfied nor Dissatisfied	Neither satisfied nor Dissatisfied	Neither satisfied nor Dissatisfied	3.01 - 4.00
5	Bad	Dissatisfied	Low	2.01 - 3.00
6	Very Bad	Very Dissatisfied	Very Low	1.01 - 2.00
7	Extremely Bad	Extremely Dissatisfied	Extremely Low	00. - 1.00

Source: Adopted from Braunsberger and Gates (2009)

4.3 Level of Customer Satisfaction and Willingness to Patronize the Hotel

Descriptive statistics based on mean ranking was carried out to assess and evaluate the level of customer satisfaction and willingness to patronize the hotel in the study area. The results showed the ranking, mean and standard deviation for each Item as clearly presented in table 3 below:

Table 3: Level of Customer Satisfaction with the Service Quality in the Hotel

Services	Mean	Std. Deviation	Rank	Levels	Remark
Parking	5.9269	.26072	1	Very Satisfied	
Swimming	5.7641	.51073	2	Very Satisfied	
Access	5.4618	.50600	3	Very Satisfied	
Recreational	5.3090	.46999	4	Very Satisfied	
Water	5.1429	.35051	5	Very Satisfied	
Restaurants	4.9535	.32326	6	Satisfied	Satisfied
Electricity	4.8605	.35656	7	Satisfied	4.9076
Food	4.8206	.40952	8	Satisfied	
Accommodations	4.7807	.46736	9	Satisfied	
Security	4.7076	.70302	10	Satisfied	
Fires	4.6645	.47297	11	Satisfied	
Responses	4.6611	.49476	12	Satisfied	
Sales	4.5482	.52457	13	Satisfied	
Health	4.4718	.53855	14	Satisfied	
Communications	3.5415	.53768	15	Neither satisfied nor dissatisfied	

Source: Field Survey (2021)

Table 10 shows the level of satisfaction with the service quality in Zaranda hotel of Bauchi metropolis**.** It obviously shows that the respondents' satisfaction with the service quality can be depicted based on seven point measurement scale. The ranking starts with parking space with a mean score of 5.9269 and was ranked 1st. Moreover, swimming with a mean score of 5.7641 was ranked 2nd in the order of ranking. Access with a mean score of 5.4618 was also ranked 3rd. Recreation with a mean value of 5.3090 was ranked 4th. Furthermore, water with a mean value of 5.1429 was ranked 5th as the customers were very satisfied with them in the hotel.

Additionally, restaurant with a mean value of 4.9535 was ranked 6th. Electricity with a mean value of 4.8605 was ranked the 7th in the ranking order. Food with a mean value of 4.8206 was ranked the 8th. Accommodation with a mean value of 4.7807 was ranked the 9th. Security with a mean value of 4.7076 was further ranked the 10th. Fire service with a mean value of 4.6645 was ranked 11th. Prompt response to customer's demand with mean a value of 4.6611 was ranked the 12th. Sale with a mean value of 4.5482 was ranked the 13th. Moreover, health with a mean value of 4.4718 was ranked the 14th. The result indicated that the customers were satisfied with the service quality in the hotel.

However, the respondents indicated neither satisfied nor dissatisfied with only one service quality which is communication as it has a mean value of 3.5415 in the ranking order and was therefore ranked the 15th in the hotel. Hence, these results indicated that from 1st to 5th in the ranking order of service qualities were seemed to be very satisfied by the customers. Moreover, nine (9) service qualities were satisfied by the customer and only one (1) service quality was neither satisfied nor dissatisfied with the service quality by the customers in the study area. The overall level of customer satisfaction in the study area was satisfied.

4.4 Level of Customer Patronage in the Hotel

Table 4 below presents the findings of the study on the level of customer's willingness to patronize the hotel in the study area.

Table 4: Level of Customer Patronage in the Hotel

SN	Variables	Mean	Std. Deviation	Rank	Level	Overall Patronage
1	Buy	5.6179	.52619	1	Very High	5.03324
2	Invite	4.9668	.25605	2	High	Very High
3	Visiting	4.8738	.45899	3	High	
4	Stay	4.8638	.38908	4	High	
5	Recommend	4.8439	.43841	5	High	

Source: Field Survey (2021)

Table 4 above revealed the level of customer patronage in Zaranda hotel, Bauchi. It revealed that willingness to buy eating/drinking stuffs in the hotel with a mean score of 5.2619 was ranked 1st. Moreover, willingness to invite friends and relatives to visit the hotel with a mean score of 4.9668 was ranked 2nd. Willingness to be visiting the hotel with a mean score of 4.8738 was ranked 3rd. Furthermore, willingness to stay longer in the hotel with a mean score of 4.8638 was ranked 4th. Lastly, willingness to recommend the hotel to other people to lodge in the hotel with mean score of 4.8439 was ranked 5th in the mean ranking.

Therefore, the result established that the level of customers' willingness to purchase or buy eating/drinking stuffs in the hotel was considered to be "very high" as it was the 1st in ranking. Furthermore, willingness to invite friends and relatives to visit the hotel, willingness to be visiting the hotel, willingness to stay longer in the hotel and willingness of the customers to recommend the hotel to other people to visit the hotel were considered to be "high" in the mean ranking. The overall level of customer patronage in the study area was "very high".

4.5 Relationship between Customer Satisfaction and Patronage in the Hotel

A correlation analysis was carried out in order to assess the relationship between customer satisfaction and patronage in the study area. The correlation result that established an association, connection, relationship, assortment as well as a link between customer satisfaction and patronage in the hotel was, therefore, presented in table 5 below.

Table 5: Relationship between Customer Satisfaction and Patronage

		Satisfaction	Patronage
Satisfaction	Pearson Correlation	.116*	
	Sig. (2-tailed)	.044	
	N	301	
Patronage	Pearson Correlation		.116*
	Sig. (2-tailed)		.044
	N		301

Source: Field Survey (2021)

The relationship and association between customer satisfaction and patronage was, thus, assessed using Pearson product-moment correlation coefficient. The results showed that there is positive correlation between the two variables of customer satisfaction and patronage at r = 0 .116.

5. Discussion of Findings

5.1 Level of Customer Satisfaction and Willingness to Patronize the Hotel

The study findings based on customer satisfaction with the service quality revealed that parking, swimming, access, recreation and water were ranked from 1st to 5th respectively. It has, therefore, been established through the findings of this study that the customers disclosed that they were "very satisfied" with the identified constructs based on ranking scale. This result contradicts and debunks the study findings of Cronin et al (2000), Gilbert and Celeopatra (2006), Bedi (2010), Wen *et al.* (2012), Tsiotsou and Goldsmith, (2012), James et al. (2015) and Joleen (2016) in their studies. The apparent and obvious reason could be due to differences in the study locations and periods of the researches. However, the study finding is in agreement and conformity with that of William et al. (2003).

Based on the findings of this study, restaurant, electricity, food, accommodations, security, responses, sales and health were ranked from 6th to 14th in the ranking order. Thus, the respondents were "satisfied" with the service quality provided by the hotel in the area. However, communication services was ranked 15th and was neither satisfied nor dissatisfied by the respondents in the study area. The finding of the study was equally in line with the study findings of Ariffin and Maghzi (2012) in their study as they discovered that the respondents were "satisfied" with the quality of services provided by the hotel concerning restaurant, electricity, food, accommodations, security and prompt response to customer's demand.

The study finding on the level of customer's willingness to patronize the hotel shows that the level of customer willingness to buy eating/drinking stuffs in the hotel as revealed by the respondents was "very high" and was, thus, ranked in the mean ranking. The finding of this study is, thus, in agreement with study outcome of Rust and Oliver (1993). Moreover, willingness to invite friends and relatives to visit the hotel, willingness to be visiting the hotel, willingness to stay longer in the hotel and willingness of the customers to recommend the hotel to other people to were ranked from 2nd to 5th respectively. In other words, the respondents disclosed that their level of satisfaction was "high" based on item 2nd to 5th in the ranking order. This study result is equally in congruence with the findings of Francosis et al. (2007), Zabkar et al. (2010), Jani and Han (2011), James et al. (2015) and Ehigie et al. (2018) as they established that the above-mentioned service qualities patronized customers to lodge in the hotel.

5.2 Relationship between Customer Satisfaction and Patronage in the Hotel

Correlation analysis was conducted to ascertain and determine the extent, degree and level of relationship between customer satisfaction and patronage. The results showed positive correlation between customer satisfaction and patronage. It is obvious and apparent that the interaction between customer satisfaction and patronage has positive effect on service quality. This result is in line with the existing study findings of Maxwell and Godwin (2006), Ueltschy et al. (2007), Micheal *et al.* (2009), Ofobruku (2013) and Marloes et al. (2018). However, the study outcome was not in conformity with the results of Choi and Chu (2000), Luk and Layton (2002), Riadh (2009) and Negi (2010).

The study result was equally not in concord with the study findings of Tijani (2017) and Tuncdan et al. (2017) as they established that the relationship and association between customer satisfaction and patronage was low. This might perhaps be attributable to the fact that most of the customers are civil servant (61.1%). This is for the mere fact that their organization can pay for them as the decision to lodge in the hotel might not be under their control. It is therefore important for the hotel service providers and management to ensure that service quality such as restaurant, electricity, food, accommodations, security, prompt responses to customer’s need, sales and health are excellent. This would go a long way in upholding customers' satisfaction and patronage. It would equally help in achieving sustainable services quality in the hotel.

6. Conclusion and Recommendations

The findings from the survey that was carried out indicated that parking, swimming, access, recreation and water were very good in the study area. Thus, the overall level of service quality in Zaranda hotel was good. The study outcome further revealed that customer's response concerning service quality of parking, swimming, access, recreation and water were “very satisfied”. Others service quality of communication service was not “satisfied” by the customers in the area. The overall level of customer satisfaction in the study area was “satisfied”.

Moreover, the study finding concerning level of customer’s willingness to patronize the hotel shows that the customer’s willingness to buy eating/drinking stuffs in the hotel was very high. More so, willingness of the customers to invite friends and relatives to visit the hotel, willingness to be visiting the hotel, willingness to stay longer in the hotel and the willingness of the customers to recommend the hotel to other people were high. Therefore, the overall level of willingness of customers to patronize the hotel was very high. Finally, the study findings indicated positive connection and correlation between customer satisfaction and patronage. Until and unless the issues highlighted are taken as a challenge rather than a mere simple obstacle, the problems pinpointed would keep on manifesting in the study area and other areas with similar antecedents.

The following recommendations were proposed in order to find a long lasting solution in the study area as well as other hotels that experience quite similar problems.

i. The study recommends that customer requirements should be incorporated into the proposed hotel services. This would go a long way in guaranteeing that customer’s satisfaction is well addressed in the development and uses of the hotel services.
ii. It is suggested that all ancillary facilities, utilities, services and amenities that are supposed to be within and around the hotel should be provided based on customer’s needs and requirements.
iii. More emphasis should be given to contractors, developers, designers, and end users right from the proposed stage so as to put up the customers' needs.

7. Contribution to the Existing Frontier of Knowledge

This study primarily contributes to better understanding of the relationship of service quality with customer satisfaction and patronage in Zaranda hotel Bauchi. The study made a significant contribution to the existing body of knowledge by empirically testing the influence of service quality on other stated constructs. The study was a ground breaking exploration as it identified the service quality gaps that hotels should fill to overcome customer dissatisfaction and negative communication between the hotel and its customers. In general, the study contributes to hotel management and service marketing literature through conceptualization of service quality construct on one hand and proposing a valid and reliable scale for assessing service quality in the hotel sector on the other hand.

The combined effect of these contributions would mean more demand for the hotel services in the nation, which in turn, would provide prospects for potential hotel investors. It would equally increase revenue to the economy as well as providing employment opportunities for the citizens. Also, the study identifies certain standards that are to be maintained by hotels as they are quite important to their customers. This significance could be seen right from the service delivery perspective through practical tools that would measure the quality and value associated with their services. This includes the relative contribution of service quality dimensions to customer satisfaction and patronage. Finally, the study identified managerial implications of the findings and thereby made recommendations pertaining to resource management and marketing strategies to help develop a viable basis for increasing customer inflow to Zaranda hotel and other similar hotels.

There are other service qualities of hotel component such as laundry services, bar service and casino which this study did not explore. Therefore, there is a need for a study to be conducted in this regard. There is equally a need to conduct more extensive studies in other hotels within the state. This would go a long way in generalizing the study results to the entire hotels of the state. There is also a need to use qualitative approach for data collection as the present study used only quantitative approach.

8. References

Altinay, L., & Paraskevas, A. (2008). *Planning Research in Hospitality and Tourism*, London: Butterworth-Heinemann.

Ariffin, A. A. M., & Maghzi, A. (2012). A preliminary study on customer expectations of hotel hospitality: Influences of personal and hotel factors, .*International Journal of Hospitality Management*, *31*(1), 191-198.

Baker, D. A., & Crompton, J. L.(2000). Quality, satisfaction and behavioral intentions. *Journal of Tourism Research*, 27(3), 785-804.

Bedi, M. (2010). An Integrated framework for service quality, customer satisfaction and behavioral responses in Indian banking industry: A comparison of public and private sector banks. *Journal of Services Research*, 10(1), 157-172.

Bommae, K. (2016). *Statistical consulting associate University of Virginia library*. May 20, 2016. Virginia University Press.

Bouzaabia, O., Van. R. A. C., & Semeijn. J. (2013). Managing in-store logistics: a fresh perspective on retail service. *Journal of Service Manage*ment, 24(2), 112-129.

Bowen, J. T., & Chen, S-L. (2001). The relationship between customer loyalty and customer satisfaction. *International Journal of Contemporary Hospitality Management,* 13(2), 213-232.

Braunsberger, K., & Gates, R. (2009). Developing inventories for satisfaction and Likert scales in a service environment. *Journal of service marketing* 23(4), 219-225.

Bryman, A. (2012). *Social research methods,* 4th ed., Oxford: Oxford University Press.

Burns, D., & Neisner, L. (2006). Customer satisfaction in a retail setting: The contribution of emotion. *International Journal of Retail & Distribution Management,* 34(1), 49-66.

Caro, L. M., & Garcia, J. A. M. (2007). Measuring perceived service quality in urgent transport service. *Journal of retailing and consumer services*, *14*(1), 60-72.

Cho, H., Byun, B., & Shin, S. (2014). An examination of the relationship between rural tourists' satisfaction, revisitation and information preferences: A Korean case study. *Sustainability,* 6(9), 6293-6311.

Choi, T. Y. & Chu, R. (2000). Levels of satisfaction among Asian and Western travelers. *International Journal of Quality & Reliability Management*, 17(2), 116-132.

Cobanoglu, C., Katerina, B., Michael, L. K., & Mehmet, E. (2011). The impact of technology amenities on hotel customer overall satisfaction. *Journal of Quality Assurance in Hospitality & Tourism,* 12(4), 272-288.

Creswell, J. W. (2009). *Research design: Qualitative, quantitative and mixed methods approaches,* 3rd ed., Thousand Oaks, California: Sage Publications.

Cronin, J., Bradly, M., & Hult, T. (2000). Assessing the effect of quality, value, and customer satisfaction on customer behavioral intention in service environment, *Journal of Retailing*, 76(2), 193-218.

Cronin, J., & Tayor S. (1992). Measuring service quality: Re-examination and extension, *Journal of Marketing*, 5(6), 56-57.

Cronin, J., & Taylor, S. (1994). SERVPERF versus SERVQUAL: Reconciling performance based and perceptions-minus-expectations measurement of service quality. *Journal of Marketing, 58*(1), 125-131.

Ehigie, C., Johnson, J., & Karly, H. (2018). Impact of service quality on customer satisfaction: Liberia revenue authority. *Journal of service marketing*, 2(1), 24-42.

Elena, G. (2017). *The Impact of service quality on customer satisfaction in hotel industry: Case company-A$G GMBH.* Degree programme in international Business,Korelia University of Applied Sciences.

Festus, O., Maxwell, K. H., & Godwin, J. (2006). Service quality, customer satisfaction, and behavioral intentions in service factory. *Journal of Services Marketing*, 20(1), 59-72.

Francois, A., Jeremillo, C. F., & Mulki, J. (2007). The validity of the SERVQUAL and SERVPERF ccales: A meta-analytic view of 17 years of research across five continents. *International Journal of Service Industry Management*, 18(5), 472-490.

Gilbert, G. R., & Cleopatra V. (2006). A Cross-industry comparison of customer satisfaction. *Journal of services marketing*, 20(5), 298-308.

Hall, T. (2009). *Terrorism focus shift to events held in hotels*. Haymarket Business Publications Ltd.

James, L. H., Lionard, A. C., & Sasser, W. (2015). *Private sector driven hospitality*. Washington: Harvard Business press.

Jani, D., & Han, H. (2011). Investigating key factors affecting behavioral intentions: Evidence from full service restaurant setting. *International Journal of Contemporary Hospitality Management*, 23(7), 1000-1018.

Joleen, B. M. (2016). *Customer satisfaction in hotel services case-Lake kivu Serena hotel*. Unpublished Bachelor Thesis, JAMK University of Applied sciences.

Kothari, C. R. (2004). *Research methodology: methods and techniques*, 2nd ed., New Delhi: New Age Publishers.

Kozak, M. (2001). Comparative assessment of tourist satisfaction with destinations across two nationalities. *Journal of Tourism Management*, 22(4), 391-401.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activity. *Educational and Psychological Measurement*, 30(1), 607-610.

Lankau, M. J., & Scandura, T. A. (2002). An investigation of personal learning in mentoring relationship: Content, antecedents and consequences. *Academy of Management Journal*, 4(5), 779-790.

Lee, C. K., Yoon, Y. S., & Lee, S. K. (2007). Investigating the relationship among perceived value, satisfaction, and recommendation: The case of the Korean DMZ. *Tourism Management*, 28(1, 204-214.

Luk, S. T. K., & Layton, R. (2002). Perceptions gaps in customer expectations: Managers versus service providers and customers. *The Service Industries Journal*, *22*(2), 109-128.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activity. *Educational and Psychological Measurement*, 30(1), 607-610.

Marloes, V. Asperan, P., & Corne, D. (2018). Engagement-based loyalty: The effect of social Media Engagement on Customer Loyalty in Travel Industry. *International Journal of Hospitality and* Tourism *Administration*, 19(1), 159-173.

Mazieh, S. B. (2015). *Identifying and evaluating service quality in five star hotels of Tehran*. Unpublished Master Thesis, Lulea University of Technology, Iran.

Miaoulis, G., & Michener, R.D. (1976). *An Introduction to sampling*. Dubuque, Iowa: Kandall Hunt Publishing Company.

Michael, D., Jonathan, H. W., Bai-Ding, H., & Christopher, G. (2009). An empirical study of behavioral intentions in the Taiwan hotel industry. *Journal of Innovative Marketing*, 5(3), 30-50.

Negi, R. (2010). Determining customer satisfaction through perceived service quality: A study of Ethiopian mobile users. *International Journal of Mobile Marketing*, 4(1), 31-38.

New York University (NYU), (2017). *International hospitality industry investment conference*.

Nurminen, M. (2007). Customer experience design in hotel industry. *Simon Fraser University of Hospitality and Tourism Management*, 9(2), 189-197.

Ofobruku, S. A. (2013). Assessment of leadership style among hospitality business in Abuja. *Arabian Journal of Business and Management Review*, 2(6), 238-254.

Ogechi, A., & Kennedy, E. (2017). The hospitality business in Nigeria: Issues, challenges and opportunities. *Worldwide hospitality and tourism themes*, 8(2), 182-194.

Pallant, J. (2011). *SPSS survival manual: A step by step guide to data analysis using SPSS for program*. 4th ed.. Australia, Allen & Unwin. Plymouth,

http://www.edu.plymouth.ac.uk/RESINED/QUESTS/index.htm#

Rust, R. T., & Oliver, R. L. eds. (1993). *Service quality: New directions in theory and practice*. Sage Publications.

Riadh, L. (2009). A review of twenty years of SERVQUAL research, *International Journal of Quality and Services Science*, 1(2), 172-198.

Saunder, M., Lewis, P., & Thornhill, A. (2007). *Research methods for business students*, 4th ed., London: Pearson Education Ltd.

Schirmer, N. (2018). The linkage between customer satisfaction and loyalty: The moderating roll of customer character. *Journal of strategic marketing*, 26(4), 197-215.

Tijani, N., Okunola, G. A., & Orga, D. Y. (2017). Service delivery and customer satisfaction in some selected hotels in Ikeja area of Lagos state. *The Service Industry Journal*, 3(1),4-7.

Tsiotsou, R., & Goldsmith, R. (2012). *Strategic marketing in tourism services*. Bingley: Emerald.

Tuncdan, B., Erhan, A., Melike, D., Kaplan, O., Yurt, T., & Cem., K. (2017). A new framework for service supply chain. *The Service Industry Journal*, 2(7), 105-124.

Ueltschy, L. C., Laroche, M., Eggert, A., & Bindl, U. (2007). Service quality and satisfaction: An international comparison of professional services perceptions. *The Journal of Services Marketing*, 21(6), 410-423.

Veal, A. J. (2006). *Research methods for leisure and tourism*: A practical guide, 3rd ed., London: Pitman.

Walliman, N. (2011). *Your research project: Designing and planning your work*, 3rd ed., London: Sage.

William, J. P., Taylor W., & Jayawardena, C. (2003). People and quality: The case of Delta Hotels. *International Journal of Contemporary Hospitality Management*, 15(6), 349-351.

Wen, C., Qin, H., Prybutok, V. R., & Blankson, C. (2012). The Role of national culture on relationships between customers' perception of quality, values, satisfaction, and behavioral intentions. *The Quality Management Journal*, 19(4), 7-23.

Zabkar, V., Makovec, M., Brencic, T., & Dmitrovic, T. (2010). Modeling perceived quality, visitor satisfaction and behavioral intentions at the destination level. *Journal of Tourism Management*, 31(4), 537-546.

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Effect of Smartphones and Automation on Business Performance of SMEs in Kano State

Author:
Yahaya Usman

Affiliation:
Kaduna State University

Correspondence:
Yahaya Usman

e-mail:
yahayausman5@gmail.com

Dates:
Received: 4 Feb., 2022
Accepted: 1 Mar., 2022

How to cite this article:
Yahaya, U. (2022). Effect of Smartphones and Automation on Business Performance of SMEs in Kano State. *Creative Business Research Journal 2(1)*, 171-177

Technology through the usage of smartphones and automation provides numerous benefits and ease to businesses, however, not all businesses are optimizing smartphones and automation in relation to business performance. Currently, there is minimal knowledge of the adoption and usage of smartphones and automation by businesses. For this purpose, this study aims to investigate the effect of smartphones and automation on business performance. Questionnaires were used to collect information from the population of the study. Structural equation model was used to assess the effect of smartphones and automation on business performance. It was discovered that smartphones effect business performance positively and automation was also seen to have a positive effect on business performance. Though studies have showed that smartphones are used for other purposes by business owners, it was discovered that smartphones have a role to play on performance; hence, the study concluded that smartphones and automation influence business performance. It was recommended amongst others that SMEs should ensure they fully utilize mobile apps and features available in smartphones in running their businesses.

Introduction

Globalization has made markets to become more competitive and complex, which has made competition intensified and hyper in nature (Hammoud & Abdallah, 2019). Advantages are created quickly but competitive advantage is temporary, thereby making firms to struggle in increasing or even maintaining performance. Businesses around the world seek survival, growth and increased performance in their respective industries using various strategies, because increased performance is paramount if the firm must survive the complexities of the environment (Anwar, 2018). Though most businesses have a clear goal of increasing performance overtime, some of them still struggle to meet up with their set objectives. As such, owners and managers of firms deploy approaches that can aid them in improving their position to compete better and gain performance. One of the global trends currently employed by businesses to strategize is digital technology.

Employing technology to facilitate business activities and processes by different businesses has become the pattern, as such different forms of technology are being deployed to ensure that the firm has a technology-fit which will support its objectives (Lailah & Soehari, 2020). Though firms strive to achieve technology-fit to improve their activities, it is however seen that some businesses lack the infrastructure to deploy some of the technologies (Oladimeji et al., 2017). Though some of the digital technologies are assessable to business owners, having the know-how of adopting and using it for business purposes becomes challenging.

Due to hypercompetition, there is an increasing pace in the adoption of digital technology as a means of strategizing to increase business performance. Managers have adopted this form of innovation to position themselves in order to compete better, and increase performance (Mahmoud et al., 2020). In developing countries, businesses are also struggling to follow the trend by adopting these digital technologies as a means of increasing productivity and performance (Goodluck, 2020), however, despite the trend towards the adoption and usage of digital technology to improve business processes globally, SMEs in Nigeria are still struggling to increase their business performance (Oladimeji et al., 2017).

Business performance is vital if businesses must survive their environment, however, the high rate of competition and other factors in Nigeria tend to reduce the performance of businesses. The digital technological space in form of smartphones and automation have been seen to provide the path through which businesses can improve their performance overtime, hence providing a basis for this study. Studies have been done on digital technology relating to business performance especially in developed countries. Reviewed literature has shown that there are few attempts made to empirically relate digital technology and business performance. Even the ones that made such attempts like Oladimeji et al., (2017) were done in the banking sector. It was also discovered from literature that the techniques employed by some studies like Jena and Shekhar (2020) lack the capacity to reveal the patterns and trends in the data collected, which then provides a gap to be explored. Hence, to what extent does smartphones and automation impact business performance of SMEs?

The study therefore sets out to examine the effect of smartphones and automation on business performance of SMEs in Kano. The hypotheses of the study were all stated in null form and derived from the assertions of Mahmoud et al., (2020) positing that automation impacts on business performance and Tahir and AbMalek. (2017) that provided literature linking smartphones and business performance:

$H_{01:}$ Smartphones have no significant effect on business performance of SMEs in Kano

$H_{02:}$ Automation have no significant effect on business performance of SMEs in Kano

The study is limited to the role of smartphones and automation on business performance in Kano and it is also limited to quantitative approach and correlational design.

Methodology and Analysis

The study adopted a quantitative approach, thereby employing a survey research design to achieve the stated objectives. Correlational design provides insight into complex relationships, as well as provide indications about causal relationships.

Hence, the design was used to guide the process of conducting the study. The population of the study consisted of the SMEs in Kano which were 2,441. 2,298 of the SMEs were of the small enterprises category while the 143 made up the medium scale enterprises bringing the total population to 2,441 (NSMSMES, 2017). Owing to the number of the population, Krejcie and Morgan (1970) table was used to determine the sample size for the study, which was then 335. To further handle the issues of reduction in the responses to be received, the study proceeded to increase the sample size by 20% as proposed by Israel (1992). The attrition rate of 20% of the sample size resulted to an increase in the sample size by 67, thereby making the sample to be 402. The study proceeded to employ the use of proportionate stratified random sampling to select the sample size of the study as well as the distribution strategy. The study categorized the population into two strata's of small and medium, since they all have different population size. Randomization was employed to ensure that every SME had the probability of being selected in the study. To arrive at the distribution of the sample, the calculation is given as such:

Small enterprises sample size distribution = $\frac{402}{2441} \times 2{,}298 = 378$

Medium enterprises sample size distribution = $\frac{402}{2441} \times 143 = 24$

For the distribution, the SMEs were categorized based on their locations using the three senatorial districts, Kano central, Kano north and Kano south. The questionnaires were divided equally amongst the senatorial districts with Kano central having 126 for small enterprises and 8 for medium enterprises. Kano north senatorial district also received 126 for small enterprises and 8 for medium enterprises while Kano south had the same as all the other senatorial districts.

Smart Phones was measured on a 5-point Likert-scale with 6 indicators and it was adopted from Al Tawara and Gide (2017). Automation was also measured on a 5-point Likert scale with 6 indicators, and it was adopted from Seebacher *et al.*, 2021). Business performance on the other hand was measured with 7 indicators on a 5-point Likert scale and was adopted from Lailah and Soehari, (2020).

The instrument and the constructs were measured for reliability and validity using measurement model that is, composite reliability and Cronbach alpha for reliability and Fornell and Lacker Criteria and Hetrotriat Monotrait ratio (HTMT) for validity. The outer model measurement was used to determine the effect of the explanatory variable on the explained variable. The coefficients were used to test the stated hypotheses.

402 questionnaires were issued, 392 retrieved out of which 11 were invalid, thereby making the valid response rate for the analysis to be 381. Hence the valid response rate represents 97% of the returned responses and 94% of the total sample. The analysis began with the assessment of the internal reliability and convergent validity of three multi-item constructs: Automation, Smart Phones and Business performance. In order to assess the adequacy of the measurement model, test for reliability, convergent and discriminant validity were performed as suggested by Hair et al (2014).

Measurement model

The study began by looking at the reliability and validity of the model. Table 1 presents the construct reliability and validity.

Table 1: Construct reliability and validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Automation	0.936	0.937	0.949	0.758
Business Performance	0.879	0.881	0.925	0.805
Smart Phones	0.815	0.818	0.89	0.73

Source: SmartPLS Output (2021)

Cronbach reliability and composite reliability were employed to assess the factors of the model. Looking at the Cronbach alpha values, it is seen that all the variables have alpha values that are above .7 which signifies that there is internal consistency (Hair et al, 2010). To further support the internal consistency of the model, the study employed the use of composite reliability, which assumes internal consistency when the constructs are above .7 or higher (Gefen et al. 2000). Hence, the result shows that all the constructs have internal consistency and are reliable. The convergent validity of the model was also assessed using the average variance extracted (AVE), which is meant to detect the average variance that can be extracted from the loadings of the constructs to explain the variables. The AVE is expected to be .65 to .70 (Chin, 2010). Hence, this study discovers that there is accuracy in the model as all the AVEs are .7 and above.

Fornell-Larcker criterion and Heterotrait-Monotrait Ratio (HTMT) were employed to look at the discriminant validity of the model. For the Fornell-Larcker criterion, it is expected that the square root of the AVE is greater than all the inter-constructs correlations, if that is achieved, then there is evidence of sufficient discriminant validity (Chin, 2010).

Table 2: Fornell-Larcker Criterion

	Automation	Business Performance	Smart Phones
Automation	0.871		
Business Performance	0.764	0.897	
Smart Phones	0.775	0.756	0.854

Source: SmartPLS Output (2021)

Table 2 has shown that all the variables have coefficients that are below the coefficients the variables they are relating with. Business performance was seen to have a coefficient of 0.764 which is below 0.871. Smart phones and automation also had a value of 0.775, which is below 0.871. Smartphones and business performance had a coefficient of 0.756, which is below 0.897. This therefore implies that there is discriminant validity in the model.

Heterotrait-Monotrait Ratio (HTMT) was also used to assess how well the factors discriminate against other constructs. It is expected that the values of the constructs should all be below .85 or .90 (Gold et al. 2001). Looking at table 3, it is seen that all the values of the variables are between .8, hence, discriminant validity is achieved.

Table 3: Heterotrait-Monotrait Ratio (HTMT)

	Automation	Business Performance	Smart Phones
Automation			
Business Performance	0.842		
Smart Phones	0.887	0.893	

Source: SmartPLS Output, (2021)

Structural model

The structural model reflects the paths hypothesized in the research framework. A structural model is assessed based on R^2, Q^2, and significant paths. The goodness of the model is determined by the strength of each structural path determined by R^2 value for the dependent variable. The value of the R^2 should be equal to or above 0.1 (Falk & Miller, 1992). The result in table 4 shows that the R^2 value is above 0.1. Hence, the predictive capability is established.

Table 4: R Square

	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Business Performance	0.651	0.044	14.881	0.000

Source: SmartPLS Output (2021)

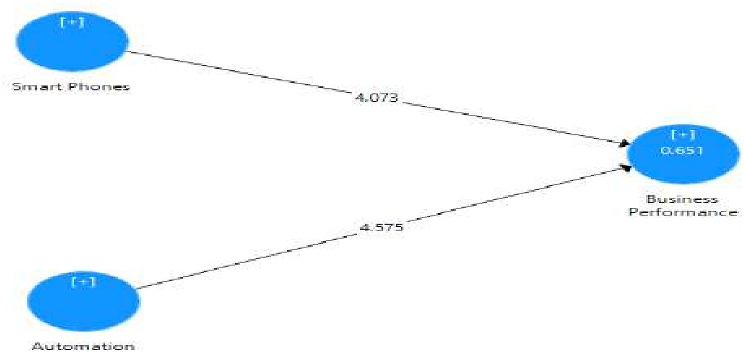
The result implies that approximately 65% of business performance is explained by smartphones and automation. The model was also seen to be statistically significant with a p-value of 0.000. The R^2 was found to be moderate since it is above .50 but not up to .75 (Hair et al, 2017). The path coefficient provides information about the effect of the independent variables on the criterion variable, and it is expected that the R^2 will be significant. Table 5 therefore presents the result, and it is seen that automation and business performance have a positive and significant relationship. This implies that adoption of automation in the organization have the capability to increase business performance by about 44% and this result is significant at 0.000. Smartphones were also seen to have a positive impact on business performance with an R^2 of 0.411 and a P-value of 0.000, implying that adoption and use of smartphones for business purposes can impact the performance of the business positively by 41%.

Table 5: Path coefficient

	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Automation -> Business Performance	0.445	0.097	4.575	0.000
Smart Phones -> Business Performance	0.411	0.101	4.073	0.000

Source: SmartPLS Output, (2021)

Fig 1: Model



Two hypotheses were developed, and it is expected that the significant All the hypotheses developed were in null form and the R^2 values of all the relationships were found to be moderate and statistically significant. Based on the finding, all the stated hypotheses were rejected.

Discussion of findings

The study looked at the effect of smartphones and automation on business performance of SMEs in Kano state. The study discovered that smartphones have a positive and significant effect on business performance with a coefficient of .445 and a significant value of .000. This finding goes in line with Panwar and Agrawal, (2021).

The study also discovered that automation have a positive and significant impact on business performance which also goes in line with the findings of Mahmoud et al. (2020).

Conclusion

Looking at the finding from the analysis, it is discovered that there is a positive and significant relationship between smartphone and business performance, based on the finding, the study concluded that Smartphones have a relationship with business performance.

The second discovery of the study was on automation and business performance, the study discovered that there is a positive and significant relationship between automation and business performance. Based on this finding, the study concludes that there is a relationship between automation and business performance.

References

Al Tawara, A., & Gide, E. (2017). A Comprehensive Analysis on the Adoption of Mobile Technology by Using Big Data-Based Social Media Marketing in SME Retailers in Jordan. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.2962990

Anwar, M. (2018). Business model innovation and SMEs performance-Does competitive advantage mediate? *International Journal of Innovation Management*, *22*(07). https://doi.org/10.1142/S1363919618500573

Goodluck, S. (2020). *The impact of automation on employment in manufacturing industry: A case of*

Coca Cola Company Tanzania. (Unpublished).

Hammoud, K., & Abdallah, J. (2019). *Empirical analysis on strategy and hypercompetition with SMEs.*

Jena, N., & Shekhar, S. (2020). A Study on Impact of Smart-phone usage on Academic Performance of Upper Primary Students in Delhi. In psychology and education, 57(9).

Lailah, F. A., & Soehari, T. D. (2020). The effect of innovation, information technology and entrepreneurial orientation on business performance. *Akademika*, *9*(02). https://doi.org/10.34005/akademika.v9i02.914

Mahmoud, M. A., Alomari, Y. M., Badawi, U. A., Salah, A. ben, Tayfour, M. F., Alghamdi, F. A., & Aseri, A. M. (2020). Impacts of marketing automation on business performance. *Journal of Theoretical and Applied Information Technology*, *98*(11).

Oladimeji, M. S., Ebodaghe, A. T., & Shobayo, P. (2017). Effect of globalization on small and medium enterprises (SMEs) performance in Nigeria. *International Journal of Entrepreneurial Knowledge*, *5*(2). https://doi.org/10.37335/ijek.v5i2.59

Panwar, S., & Agrawal, V. (2021). Impact of smartphone usage on employee engagement and employee performance in Indian corporate sector. *Journal of Statistics and Management Systems*, *24*(3). https://doi.org/10.1080/09720510.2020.1843276

Seebacher, S., Schüritz, R., & Satzger, G. (2021). Towards an understanding of technology fit and appropriation in business networks: evidence from blockchain implementations. *Information Systems and E-Business Management*, *19*(1). https://doi.org/10.1007/s10257-020-00485-1

Tahir., MdNorHayati., & AbMalek., Muhammad Ridzuan. (2017). Investigation and adoption of smartphone: A road to ubiquitous business management. *International Journal of Advanced Research*, *5*(1), 509–516. https://doi.org/10.21474/IJAR01/2775

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

Department of Business Administration
Gombe State University, Nigeria

Mediating Role of Organizational Identification in the Relationship between Procedural Justice and Employee Task Performance in Kano State, Nigeria

Authors:
Abdu Jafaru Bambale [1]
Murtala Aminu Ibrahim [2]
Rabiu Hassan [3]

Affiliation:
[1, 2 & 3]Department of Business Administration and Entrepreneurship, Bayero University, Kano

Correspondence:
Rabiu Hassan

e-mail:
rhassan.bus@buk.edu.ng

Dates:
Received: 11 Dec., 2021
Accepted: 8 Mar., 2022

How to cite this article:
Bambale, A. J., Ibrahim, M. A., & Hassan, R. (2022). Mediating Role of Organizational Identification in the Relationship between Procedural Justice and Employee Task Performance in Kano State, Nigeria. *Creative Business Research Journal 2(1),* 178-188

This study examines task performance of Universities Lecturers in Kano State, Nigeria. The study explores the role of organizational identification as a mediator in the relationship between procedural justice and employee task performance. A total of 336 lecturers participated in the study, the result of structural equation modeling and bootstrapping method supported all of the hypotheses formulated. Specifically, there is strong[1]er positive and significant relationship between organizational identification and task performance likewise procedural justice and task performance. The bootstrapping method supported the mediation effect of organizational identification on the relationship between procedural justice and task performance. It was recommended that universities should fairly treat their employees (lecturers) so as to increase organizational identification which would consequently help the Universities achieve better task performance. Suggestions for future studies are also provided.

1.0 Introduction

Employee performance is one of the most important organizational behaviors that translate organization aims and objectives into actions. Therefore, guarantees its survival and growth. More importantly, efficient employee performance has been related to the ability of an organization to achieve and sustain competitive advantage in terms of cost reduction, quality product and services, and high level of organizational efficiency which consequently lead to higher profitability (Ogbu & Oaya, 2018). Task performance is the job assignments that are necessary to achieve main organization objectives, and they are primary employee responsibilities that are specified in his job description that are equally recognised by the organization formal reward system (Motowidlo & Van Scotter, 1994). Recent studies have shifted focus to the performance of academicians in various institutions of higher learning (Adeniyi, Festus, & Alarapebabatunde, 2018; Vanitha, 2018; Walbe & Gyang, 2019). This is because lecturers with their strategic role as teachers have a significant contribution in realising the major developmental goals of any countries (Subiyanto & Djastuti, 2020).

In view of this, some developing countries, such as Malaysia leverage education as the source of competitive advantage and are making much income mostly from international students because of their robust education system (Kassim et al., 2018). However, in other countries mostly in Africa and Asia, the case is not the same, the issues of poor standard of education is persistently prevailing (Adeyemi, 2017).

In Nigeria, the higher education system faces many challenges such as low standard of education, a problem which causes mass exodus of Nigerians to foreign countries for a better education (UNESCO, 2020). It was predicted that the large percentage of international students from Africa in many countries around the world are from Nigeria as a result of poor standard of education (Abubakar & Dutse, 2017). According to UNESCO (2020) there were about 85,251 Nigerian students in various countries worldwide, costing Nigeria about $2Billion annually despite economic hardship and the consequent rise in the value of the dollar. Even though many factors were identified as contributing to the problem (Abubakar & Dutse, 2017). It was shown that lecturers' performance is not satisfactory in Nigerian universities and has been one of the factors responsible for the decay in the education sector (Otti, 2017; (Times Higher Education, [THE] 2019). Similarly, in terms of quality researches, Nigerian academics have always been at the bottom of the chat, and only a few universities appeared in the world universities ranking, due to their weak performance in relation to their counterparts worldwide (Abubakar & Ahmed, 2017). In a recent world universities ranking by Times Higher Education (2021) it was indicated only five out of 195 Nigerian universities appeared in the world ranking of 1526 universities. University of Ibadan at 401-500, Lagos State University at 501-600, University of Lagos at 601-800, Covenant University is at 801-1000 whereas University of Nigeria, Nsukka is at 1001+ in the ranking. The major reasons for the low ranking include low-quality teaching and research, weak international outlook and low industry income from knowledge transfer (THE, 2020). From all the five universities that appeared at the ranking, none of them came from Northern Nigeria. The issue of poor lecturers' performance has been attributed to so many factors in Nigeria. However, Onyeizugbe, Musah, and Adedire (2020) and Efanga, Aniedi and Idante (2015) relate the problem to the issues of organizational injustice within the Universities system.

The problems of organizational injustice are rampant across all forms of organizational set up in Nigeria, including intellectual organizations like Universities. There have been issues of injustice with regards to remuneration, allowances, recruitment, promotion, sponsorship, courses allocation, appointments, training and development, etc. (Efanga, Aniedi & Idante 2015; Mgbechi, Gabriel, & Nwaeke, 2014). This has resulted in low performance of the lecturers because of the negative emotional effect of their perceived injustice from the school managements and the government (Onyeizugbe et al., 2020). This was supported by former ASUU president Abdullahi Sule's assertion that a University system cannot work without fairness and justice (Muhammad, 2008). This can also be seen in number of times ASUU members have been going for strike on and off again and again to press for their demands.

The primary aim of the present study is to recommend how to solve the problem of lecturers task performance, therefore, to stimulate better employee behaviour, numbers of scholars are of the view that organizational identification is very effective stimulus that instigates better employee behaviour in the organization (Pattnaik & Tripathy, 2018). Similarly, due to consistencies of findings across number of justice performance studies number of previous researchers have recommended a mediating variable in the justice-performance studies (Ghosh et al., 2017; 2016; Sandhu et al., 2017; Pattnaik and Tripathy, 2018). Specifically, Pattnaik and Tripathy, (2018) recommended empirical examination of a mediating role of orgnisational identification on the relationship between organisational justice and employee performance. According to Mael & Ashforth (1992) organizational identification is a situation where an employee feels a sense of belonging to the organization, where he or she sees himself or herself as being part and parcel of the organization. This feeling makes an employee sees organization success as his own personal success because of the emotional attachment to the organization. It was also argued that a fair treatment of an employee creates a sense of belonging to the organization thereby making an employee identifies with the organization where he or she sees the organizational success as his or her success (Knippenberg et al., 2002).

Procedural distributive justice can be defined as the fairness perceptions of employees about the procedures follow by the organization to take decision on matters relating to them. According to Masterson, Lewis, Goldman and Taylor, (2000) procedural justice does not seem concerned with the process of distribution of rewards or punishment but on the fairness of the decisions that lead to the distribution of the said reward or punishment in the organization, thus, the most important organizational justice. Therefore, the study examines a mediating role of organizational identification on the relationship between procedural justice and employee task performance.

1.1 Objectives of the Study

The main objective of this study is to empirically examine a mediating role of organizational identification in the relationship between procedural justice and employee task performance. Specifically, the study has the following objectives:

1. To investigate the relationship between procedural justice and employee task performance.
2. To examine the relationship between procedural justice and organizational identification
3. To examine the relationship between organizational identification and employee task performance and\
4. To investigate the mediating effect of organizational identification in the relationship between procedural justice and employee task performance

2.0 Methodology

The study used survey method to collect data from 336 academic staff of three mainstream universities in Kano State Nigeria. Stratified sampling technique was used to collect the data across the three universities. After preliminary analysis 328 valid responses were deemed fit for the study.

The items in the research questionnaire were adapted from previous studies; procedural justice was adapted from organizational justice scale from Niehoff and Moormon (1993) and Moorman (1991) which has 6 items that were measured using a 5-point Likert scale of strongly agree-to-strongly disagree. Task performance was measured using a scale adapted from Williams and Anderson (1991) which was also measured on 5-point Likert scale. Lastly, organizational identification was measured using an adapted scale from Smidts, Van Riel and Pruyn (2000) the scale is based on a social identity theory, the responses were obtained using 5 Likert scale of strongly agree to strongly disagree. SPSS version 25 was used for data screening and other preliminary analysis whereas; AMOS version 24 was used for validating the measurement model and analyzing the structural model.

3.0 Results

Demographic characteristics of the respondents: The demographic data of the study respondents can be seen in table 1 below.

Table 1 Demographic Characteristics of the Respondents

	Frequency	Percentage (%)
Gender:		
Male	262	79.9
Female	66	20.1
Age:		
Less than 30	16	4.9
30-40	106	32.3
40-50	115	35.1
50-60	72	22.0
60 & above	19	5.8
University		
BUK	209	63.7
KUST	27	8.2
YMSU	92	28.0
Job Experience:		
Less than 2 years	24	10.4
2-5 years	85	25.9
6-10 years	114	31.7
11-16 years	71	21.6
16 and above	33	10.1
Rank:		
Professor	11	3.4
Associate Professor	24	7.3
Senior Lecturer	60	18.3
Lecturer One	58	17.7
Lecturer Two	103	31.4
Assistant Lecturer	47	14.3
Graduate Assistant	25	7.6
Qualification:		
PhD	186	56.7
Masters	113	34.5
First Degree	29	8.8

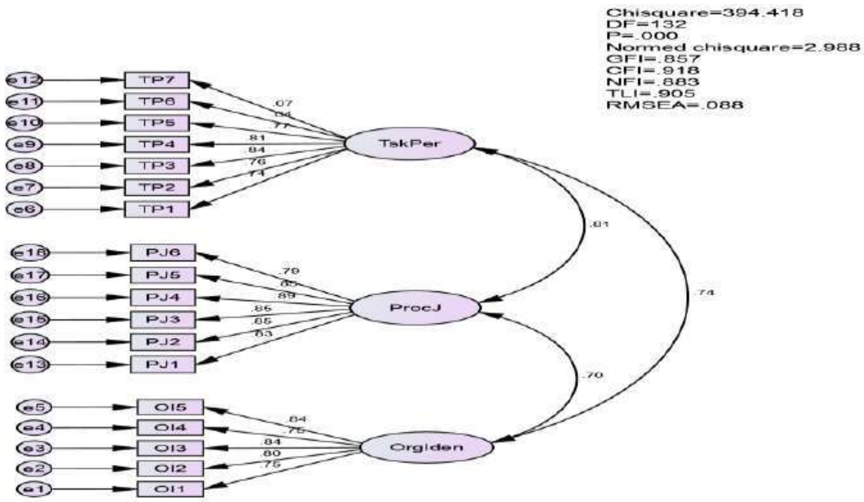
Source: The Researcher (2021)

3.1 The Measurement Model

The model consisted of three latent constructs; procedural justice(6-items), task performance (5-items) and organizational identification (5-items), however, after confirmatory factor analysis (CFA) it was discovered that number of items needed to be deleted as their factor loadings were below the acceptable level of 0.6 (Awang, 2015) and some items were redundant in the model

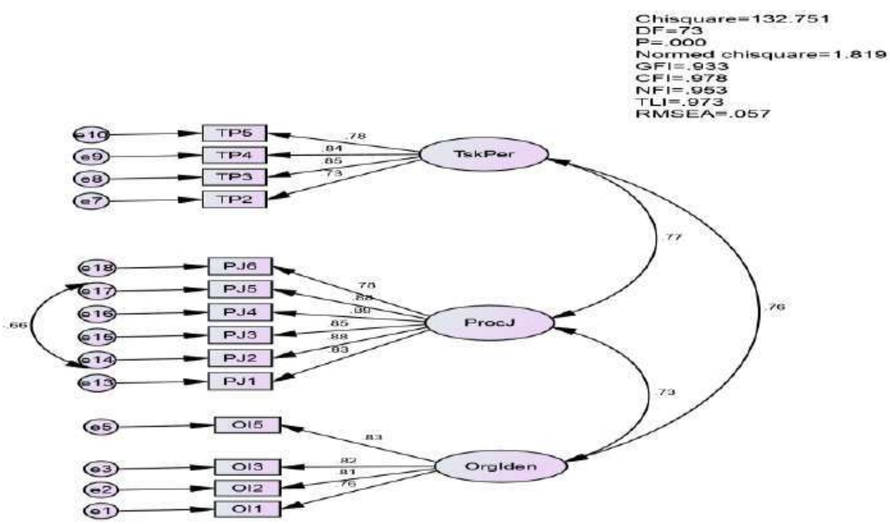
.

Figure 1



Therefore adjustment was made where necessary. After the adjustments 4 items (TP6, TP7, TP1 & OI4) were deleted and PJ5 and PJ2 were constraint for been redundant in the model. As a result of the adjustments all the goodness fit indices improved to acceptable level (Chi-square/df=132.75, GFI=.933, CFI=.978, NFI=.953, TLI=.973 and RMSEA=.057) see figure 2

Figure 2



Similarly, the composite reliability (CR) and average variance extracted (AVE) in Table 2, are also within the acceptable level of .7 and .5 respectably (Hair et al., 2010)

Table 2 Validity and Reliability of the measurement model

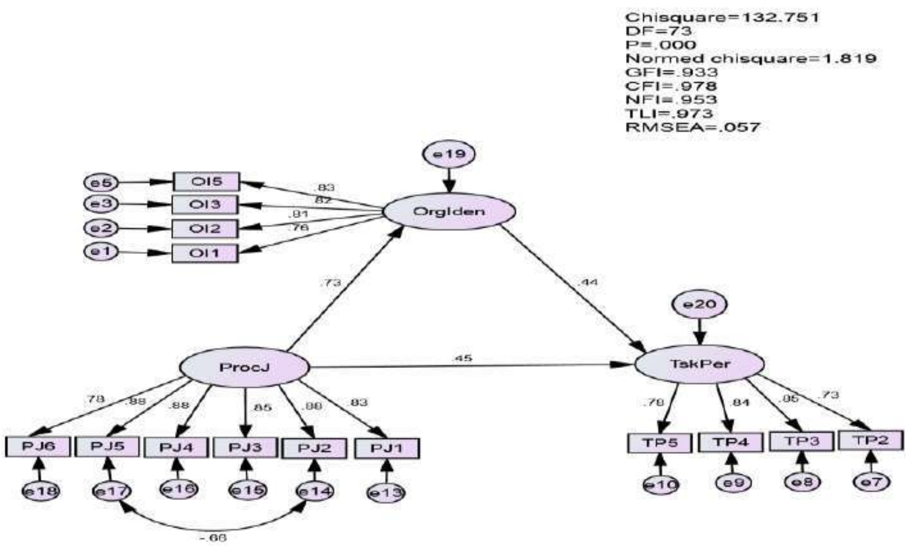
Constructs	Items	Loadings	CR	AVE
Task Performance	TP2	.73		
	TP3	.85		
	TP4	.84		
	TP5	.78	.89	.61
Procedural Justice	PJ1	.83		
	PJ2	.88		
	PJ3	.85		
	PJ4	.88		
	PJ5	.88		
	PJ6	.78	.94	.72
Organizational Identification	OI1	.76		
	OI2	.81		
	OI3	.82		
	OI5	.83	.90	.64

Table 2 Cont...

3.2 Structural Model and Hypotheses Testing

This sections deals with the structural model. Structural model is the part of the model that specifies which latent constructs directly or indirectly affect other latent construct in the model (Bryne, 2010). Therefore based on the hypotheses formulated for the study the following structural model was analyzed:

Figure 3



From the path analysis at table 3.3 procedural justice positively affect task performance at (ß=.744, Z score=10.431 at P=.001) is statistically significant by the result and therefore the hypothesis which states that "procedural justice significantly affects task performance" is supported by the result of the analysis.

Table 3 The Standardised Regression Weight and its Probability

Hypotheses	Relationship	Estimate	S.E.	C.R.	P	Label
1	PJustice---> TaskP	.420	.073	5.791	***	Supported
2	PJustice---> OrgIdent	.744	.071	5.791	***	Supported
3	OrgIdent--->TaskP	.398	.074	5.361	***	Supported

Hypothesis 2 states that "procedural justice significantly affects organizational identification" is also supported by the result of the analysis. Lastly hypothesis 3 which states that "organizational identification significantly affects task performance" is also supported by the result of the analysis.

3.3 Mediation Analysis

According Awang (2015) to test a mediation analysis using AMOS ones needs to determine his direct and indirect effect, from figure 2, the direct effect = .45, the indirect =.73x.44=.32 since indirect is less than the direct then no mediation occurs. However number of researchers were of view that whatever result a researcher gets using conventional method of mediation analysis, a bootstrapping method should be used to confirm and in the situation where the result of the bootstrapping differs from that of the conventional, the latter should be adopted (Awang, 2015; Keikhosrokiani et al., 2020; Shrout & Bolger, 2002; Zhao et al., 2010). Therefore table 4 indicated the bootstrapping of the direct and indirect result obtained using maximum likelihood with a bootstrapping procedure using 2000 sample and biased-corrected confidence interval of 95%

Table 4 Direct and Indirect Bootstrapping Result

	Indirect Effect P Value	**Direct effect P Value**
Bootstrapping P Value	.001	.001
Result	Significant	significant
Type of Mediation	**Partial mediation** since direct effect is also significant	

Therefore based on the result of the bootstrapping analysis organizational identification partially mediated the relationship between procedural justice and task performance and therefore the result is adopted.

3.4 Discussion of Findings

This section discusses the hypothesis tested in relation to previous studies and theories postulated around the constructs featured in the hypotheses.

Hypothesis 1 states that "Procedural justice significantly affects task performance" the current findings provided support for the hypothesis and thus consistent with number of previous studies (Onyeizugbe et al., 2020; Sandhu et al., 2017). According to social exchange theory Blau (1964) an individual makes an effort to reciprocate a good gesture with a good or something better. Number of researchers have related procedural justice to improved employee productivity or otherwise depending on whether justice or injustice happen to the employee (Kalay, 2016a; Onn et al., 2018; Sandhu et al., 2017).

Hypothesis 2 which states that "Procedural justice significantly affects organizational identification" was supported by the result of the analysis. This means that the lecturers at the case study contexts believes that the procedures followed by the universities managements, Deans, H.O.D. etc. to arrive at various decisions affecting them are satisfactory and that can influence their ability to identify with the universities as part and parcel of their lives where it success or failure are theirs. This is consistent with findings by the previous studies (Cheung & Law, 2008; Maimuna Ismail & Umar Baki, 2017; Liu & Liu, 2014; Loi et al., 2006).

Hypotheses 3 which states that "Organizational identification significantly affects task performance" was supported by the result of the study as expected. This is consistent with the social identity theory of Tajfe and Turner (1979) and number of previuos studies (Finch, Abeza, O'Reilly, & Hillenbrand, 2018; Inelmen, Selekler-Goksen, & Yildirim-Oktem, 2017; Lee et al., 2015).

Lastly, hypothesis 4 states that "organizational identification mediates the relationship between procedural justice and employee task performance" the result of the analysis provided support for the hypothesis. The result showed that an employee perception of fairness in the procedures or method used to arrive at a decision regarding distribution of reward, pay, etc. resulted in the development of trust and understanding between the employees and the organization a feeling that resulted in emotional attachment to the organization by the employees which made them feel that the organization is part and parcel of their lives as such they see it failure or successes theirs thereby doing all they could to make it succeed.. This behaviour is consistent with the provision of social exchange (Blau 1964) and social identity (Tajfel & Turner, 1979) theories.

4.0 Conclusion

The major contribution of the present study to the body of knowledge includes; empirical examination of a mediating role of the organizational identification on the relationship between procedural justice and lecturers task performance of universities in Kano State Nigeria, using larger samples in a new context and better method of data analysis. Apart from the major contribution, the study also enriched the literature further by validating previous studies findings (Devonish & Greenidge, 2010; Kalay, 2016; 2016; Onn et al., 2018). The study findings also provided supports for the underpinning theories of the study (social exchange theory) on the relationship among the variables in the study. Based on the findings it is recommended that universities should make sure that procedures followed to arrive at major decision affecting the lecturers are biased free, the lecturers should also have a voice in decisions that affect them. Also universities should fairly treat their employees (lecturers) so as to increase organizational identification which would consequently help organization achieve better performance of the lecturers' core responsibilities of research, teaching and community service. The present findings and the recommendations can also applies to other organizations and businesses. One of the study limitations was the use of subjective method of data collection; future studies may consider using other methods of data collection.

References

Abubakar, A, & Dutse, A. Y. (2017). Empirical study on the effect of strategic talent management on performance of Nigerian universities. *Nigerian Journal of Management Technology & Development*, *8*(1), 23–36.

Adeniyi, O., Festus, O., & Alarapebabatunde, A. (2018). Human resource management and employee performance in Federal University of Technology Akure. *Journal of Business and Management*, *19*(4), 95–104. https://doi.org/10.9790/487X-19040295104

Adeyemi, S. B. (2017). Lecturers ' variables as predictors of academic performance in Universities. *Journal of Social Science*, *50*(1–3), 14–26. https://doi.org/10.1080/09718923.2017.1311735

Awang, Z. (2015). *SEM made simple: A gentle approach to learning structural equation modeling*. Perpustakaan, Negara, Malaysia: MPWS rich publication.

Blau, P. M. (1961). Justice in social exchange. *Sociological Inquiry, 261*, 193–206.

Byrne, B. M. (2010). *Structural equation modeling with AMOS* (2nd ed.). New York, NY 10010, USA: Routledge, Taylor & Francis.

Cheung, M. F. Y., & Law, M. C. C. (2008). Relationships of organizational justice and organizational identification : The mediating effects of perceived organizational support in Hong Kong. *Asia Pacific Business Review*, *14*(2), 213–231. https://doi.org/10.1080/13602380701430879

Efanga, S. I., Aniedi, M. O., & Idente, G. O. (2015). Organizational justice and job performance of lecturers in federal universities in South-South zone of Nigeria. *American International Journal of Social Science*, *4*(1), 111–117.

Finch, D. J., Abeza, G., O'Reilly, N., & Hillenbrand. (2018). Organizational identification and independent sales contractor performance in professional services. *Journal of Services Marketing*, *32*(4), 373–386.

Ghosh, D., Sekiguchi, T., & Gurunathan, L. (2017). Organizational embeddedness as a mediator between justice and in-role performance. *Journal of Business Research*, *75*, 130–137. https://doi.org/10.1016/j.jbusres.2017.02.013

Hair, J., Black, W., Babin, B., & Anderson, R. (2010). *Multivariate data analysis* (7th ed.). Pearson Prentice Hall.

Inelmen, K., Selekler-Goksen, N., & Yildirim-Oktem, O. (2017). Understanding citizenship behavior of academics in American- vs Continental European-modeled universities in Turkey. *Personnel Review*, *46*(6), 1142–1164. https://doi.org/10.1108/PR-06-2015-0182

Ismail, Maimuna, & Umar Baki, N. (2017). Organizational factors of justice and culture leading to organizational identification in merger and acquisition. *European Journal of Training and Development*, *41*(8), 687–704. https://doi.org/10.1108/EJTD-04-2017-0030

Kalay, F. (2016). The impact of organizational justice on employee performance: A survey in Turkey and Turkish context. *International Journal of Human Resource Studies*, *6*(1), 1. https://doi.org/10.5296/ijhrs.v6i1.8854

Keikhosrokiani, P., Mustaffa, N., Zakaria, N., & Abdullah, R. (2020). Assessment of a medical information system : the mediating role of use and user satisfaction on the success of human interaction with the mobile healthcare system (iHeart). *Cognition, Technology & Work*, *22*(2), 281–305. https://doi.org/10.1007/s10111-019-00565-4

Knippenberg, D. Van, Knippenberg, B. Van, Monden, L., & Lima, Fl. de. (2002). Organizational identication after a merger : A social identity perspective. *British Journal of Social Psychology*, *41*(2), 233–252.

Lee, E. S., Park, T. Y., & Koo, B. (2015). Identifying organisational identification as a basis for attitudes and behaviours: A meta-analytic review. *Psychological Bulletin*, *141*(2), 1–33. https://doi.org/10.1037/bul0000012

Loi, R., Hang-yue, N., & Foley, S. (2006). Linking employees' justice perceptions to organizational commitment and intention to leave: The mediating role of perceived organizational support. *Journal of Occupational and Organizational Psychology*, *79*(1), 101–120. https://doi.org/10.1348/096317905X39657

Mael, F., & Ashforth, B. E. (1992). Alumni and their alma mater : A partial test of the reformulated model of organizational identification. *Journal of Organisational Behaviour*, *13*(2), 103–123.

Masterson, S. S., & Hall, M. (2000). Integrating justice and social exchange: The differing effects of fair procedures and treatment on work relationships. *Academy of Management Journal*, *43*(4), 738–748.

Mgbechi, J., Gabriel, O., & Nwaeke, L. I. (2014). An empirical critique of the association of organisational justice and lecturers' quality of work-life in Nigeria. *International Journal of Management Sciences*, *3*(10), 774–787.

Moorman, R. (1991). Relationship between organizational justice and organizational citizenship behaviors: Do fairness perceptions influence employee citizenship. *Journal of Applied Psychology*, *76*(6), 845–855. https://doi.org/10.1037/0021-9010.76.6.845

Motowidlo, S. J., & Van Scotter, J. R. (1994). Evidence that task performance should be distinguished from contextual performance. *Journal of Applied Psychology*, *79*(4), 475–480. https://doi.org/10.1037/0021-9010.79.4.475

Muhammad, R. A. (2008). Nigeria: University System Cannot Exist Without Justice , Fairness -ASUU President. *AllAfrica*, pp. 25–26. Retrieved from allafrica.com/stories/200803100836.html

Niehoff, B. P., & Moorman, R. H. (1993). Justice as a mediator of the relationship between methods of monitoring and organisational citizenship behaviour. *Academy of Management Journal*, *36*(3), 527–556.

Ogbu, O. J., & Oaya, Z. C. T. (2018). Impact of culture on employee performance: a study of a savings and loans firm. *IJMSR*, *3*(1), 65–82.

Onyeizugbe, C. U., Musah, I., & Adedire, T. P. (2020). Organizational justice and academic staff performance among public and private tertiary institutions in South-South states of Nigeria. *Academy of Social Science Journal*, *5*(2), 1612–1627.

Otti, A. (2017, June 11). Nigerian universities in the development equation. *Sahara Reporters*, pp. 1–14. Retrieved from http://saharareporters.com/2017/06/11/nigerian-universities-development-equation-alex-otti

Pattnaik, S., & Tripathy, S. K. (2018). A review of inconsistencies in the organizational justice and employee performance relationship : Can organizational identification bridge the gap ? *South Asian Journal of Management*, *25*(1), 83–108.

Sandhu, M. A., Iqbal, J., Ali, W., & Tufail, M. S. (2017). Effect of employee motivation on employee performance. *Journal of Business and Social Review in Emerging Economies*, *3*(1), 85–100.

Shrout, P. E., & Bolger, N. (2002). Mediation in experimental and nonexperimental studies: New procedures and recommendations. *Psychological Methods*, *7*(4), 422–445. https://doi.org/10.1037//1082-989X.7.4.422

Smidts, A., Van Riel, C. B. M., & Pruyn, A. T. H. (2000). *The impact of employee communication and perceived external prestige on organisational identification*. 3000 DR Rotterdam, The Netherlands.

Subiyanto, D., & Djastuti, I. (2020). Transformational leadership, organizational support, and dynamic ambidexterity capabilities in troubleshooting: strategic efforts to improve lecturer performance: Empirical evidence from private universities in Central Java Province and the Yogyakarta Spe. *Quality-Access to Success*, *19*(162).

Tajfel, H., & Turner, J. (1979). An integrative theory of intergroup conflict. *Organisational Identity*, *56*(65).

Times Higher Education. (2020). World University Rankings 2020. Retrieved from timeshighereducation.com/world-university-rankings/2020

Times Higher Education. (2021). World University Rankings 2021. Retrieved October 21, 2021, from https://www.timeshighereducation.com/world-university-rankings/2021/world-ranking#!/page/0/length/25/sort_by/rank/sort_order/asc/cols/stats

UNESCO. (2020). Global Flow of Tertiary-Level Students Nigeria. Retrieved February 21, 2020, from http://uis.unesco.org/en/uis-student-flow

Walbe, S. G., & Gyang, T. S. (2019). Lecturers' moonlighting and job effectiveness in public universities in North-Central Nigeria. *KIU Journal of Humanities*, *4*(4), 395–405.

Williams, L. J., & Anderson, S. E. (1991). Job satisfaction and organisational commitment as predictors of organisational citizenship and in-role behaviours. *Journal of Management*, *17*(3), 6001–6617.

Zhao, X., Lynch, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and truths about mediation analysis. *Journal of Consumer Research*, *37*(8), 197–206. https://doi.org/10.1086/651257

Creative Business Research Journal
ISSN 2756-4940 (Paper) 2756-4932 (Online)
Vol. 2, No. 1

An Overview of Cotton Marketing Policies in Gombe State, Nigeria

Authors:
Abdulkadir Saleh (Ph.D) [1]
Bashir Abdullahi [2]
Shadrack T. Danbaba [3]

Affiliation:
[1, 2 & 3]Department of Political Science,
Faculty of Arts and Social Sciences,
Gombe State University, Nigeria

Correspondence:
Abdulkadir Sale

e-mail:
abdulkadirsaleh5@gmail.com

Dates:
Received: 23 Feb., 2022
Accepted: 9 Mar., 2022

How to cite this article:
Saleh, A., Abdullahi, B., & Terengson, S. D. (2022). An Overview of Cotton Marketing Policies in Gombe State, Nigeria. *Creative Business Research Journal 2(1)*, 189-195

This research examined the situation of cotton marketing policies of government and its consequences on production and marketing of the product. Marxian Political Economy approach is adopted to explain the situation of cotton marketing in the country. The study utilizes secondary sources which include books, journals, newspapers, and central banks reports as well as interview. The research establishes that the exploitation of cotton farmers by the merchants through unfavorable price mechanism worsen the capacity of farmers to engage in massive production. Also the findings revealed that, the high price of fertilizer and other pesticide makes cotton farming very expensive and cost ineffective. As such many farmers abandon cotton farming to other alternative crops.

***Keywords: Cotton, Policies, Marketing, Production*.**

1.0 Introduction

Cotton is one of the important fibre crops in Nigeria. The cultivation of the crop started well before the colonial period, although it was not produced in commercial quantities until the onset of the activities of the British Cotton Growing Association (BCGA) around 1903. Since then considerable attention and resources have been devoted to the improvement of cotton production, marketing and utilization by both public and private organization (Adeoti et Al, 2020).

Cotton marketing in Nigeria dates back to 1903 when the BCGA established its first presence in Lagos and later Oshogbo, it gradually spread its operations to many major seed cotton production areas that are mainly in the northern part of the country. Seed cotton was then mapped out and exported to Britain. Subsequently, the northern states marketing boards which metamorphosed to Nigeria Cotton Board (NCB), was established to handle cotton marketing. The "deregulation" of the Nigerian economy which followed the International Monetary Fund (IMF) and World Bank Structural Adjustment (SAP) in 1986 brought radical changes to both production and marketing of cotton in Nigeria. The privatization aspect of the "liberalization encouraged corporate bodies and individual merchants to take up cotton marketing by buying seed cotton directly from farmers at more "competitive" price, which they processed and sale to textile, oil millers or even export it to cotton international market. Therefore, this research examined some of these post structural adjustment marketing policies and their effects on production and marketing of the product at the national level as well as in Gombe State. . It was observed that, 1980s and 1990s, Nigeria had, unarguably, one of Africa's largest textile industries with over 180 textile mills functioning optimally, employing close to over 450,000 workers and contributing in excess of 25 per cent of the workforce in the manufacturing sector (Idris, 2020).

Methodological and theoretical considerations

This study adopted qualitative and documentary content analysis to source data from interview and secondary sources. Five persons from farmers, cotton merchants and staff of Ministry of Agriculture were interviewed and for the secondary sources, data were sourced from books, journals, newspapers, and central banks reports. The data sourced were carefully analysed to address the cotton marketing in Gombe State. Gombe State is located in the middle of Northeast Nigeria. It was created on 1st October, 1996 out of the defunct Bauchi State by General Sani Abacha. It has eleven (11) Local Government Areas comprising Akko, Balanga, Billiri, Dukku, Funakaye, Gombe, Kaltungo, Kwami, Nafada, Shongom and Yamaltu Deba.

The State is bordered by Borno State to the East, Yobe State to the North, Bauchi State to the West, Adamawa and Taraba States in the Southern part respectively. Gombe State is a multi-ethnic society made up of people of diverse ethnic, cultural and religious backgrounds such as Fulbe, Hausa, Tera, Bolewa, Tangale, Waja, Tula, Kamo, Awak, Dadiya, Lunguda, Jara, Cham, Jukun, Pero, Bangunji and Kare-Kare. The main occupation of the people of Gombe State is farming. Gombe State is among the major producers of cotton in Nigeria. Therefore, good marketing policies are required to motivate farmers to produce more for local consumption and exports.

Theoretical Framework

This research is anchored on the Marxian Political Economy approach. The approach believed that the economy is the substructure upon which other substructural edifice of society revolves. Using his logic of historical determinism and dialectical materialism, Marx established the evidence of antagonistic contradiction in every economic epoch from slavery to capitalism and class struggle in each epoch. Marx established that conflict is a driving force of history. He believed that an individual's position within a class hierarchy is determined by his role in the production process. He distinguished one class from another based on two criterions i.e ownership of means of production and control of labour power of others. From this, he defines modern society as having three distinct classes. First, is capitalist who owned the means of production and purchase the labour of others. The second categories are the workers or proletariat who do not own any means of production or the ability to purchase labor power. The last is a small transitional class known as the petty bourgeoisie that own sufficient means of production but does not purchase labor (Caporoso & Levine, 1992).

Prior to crude oil discovery and the oil boom of 1970s the colonial and post-colonial period in Nigeria was cauterized by taxing agriculture to finance other sectors for example, the sector contributed up to 63.4 percent of the Gross Domestic Product (GDP) in 1960, 61.7 percent in 1961, 59.7 percent in 1962 by 1970 the figure was 51.6 percent (Onimode, 1961). Commodity Marketing Boards, Cotton Board inclusive generate surplus value by shortchanging the peasant producers or the proletariat.

Marxist critique of capitalism is that although the individual capitalist system itself is irrational. The competitive market necessitated that the individual capitalist must save to invest and accumulate. If the desire for profit is the fuel of capitalism then investment is the motto and accumulation is the result in the aggregate (Jhingan, 1996). However, this accumulating capital of individual capitalist led to the periodic overproduction, underproduction, surplus value accumulation and disappearance of investment incentives.

In time, the increasing severity of the downturns in the business cycle and the long-term trends toward economic stagnation will cause the proletariat to overthrow the system through revolutionary violence. The Marxian approach is consistent with sociologist worldview as well as neo-classical political economy which accommodate extensive state intervention and control of the economy of the nation. Perhaps, could be the reason why China is amongst the top five cotton producers in the world. The approach is very relevant to this research, looking at cotton production and marketing policies from colonial to post-colonial era.

The activities of British Cotton Growing Association (BCGA), the Empire Cotton Growing Corporation, the Marketing Boards of 1949, the Licensed Buying Agents (LBAS), the adoption of Structural Adjustment Programme in 1986 are some of the historical events that shape the growth and development of cotton production and marketing in Nigeria. Therefore, the inability to produce enough which caused the general decline in agriculture was a result of overall agricultural crisis ignited by capitalist marketing policies in the Nigeria’s agricultural sector.

An Overview of Cotton Marketing Policies in Nigeria

Available statistics shows that the average annual cotton production is about 250,000 metric tons and the Nigerian Textile Mills cotton lint requirement annually is about 108,600 metric tons (Ahmed, 2009). The gap between demand and supply is becoming wider and wider every year. If such situation persists, the demand for raw materials cannot be met by our local industries. These and other unfavorable policies forced a sudden shift of attention by cotton farmers in Northern Nigeria from cotton production to more profitable food crops. Similarly, the crises in the price of commodities and marketing system ignited by the capitalist institutions of IMF and World Bank sponsored SAP of 1986 worsen the situation of cotton marketing in Nigeria and the study area i.e Gombe State.

Over the years, Nigerian governments seemed to be placing undue emphasis on non-oil export, leading to the export of Nigeria’s cotton in its primary form i.e. in the form of fibre or lint. This is done at the expense of the numerous economic benefits of value addition to this commodity before export. In the textile chain is limited in Nigeria. Nevertheless, its value would, when processed, appreciated by 15% after ginning, by 100% at grey fabric stage, 300% at finished fabric stage, and by 780% at garment and make-up stage as shown in table 1.1 below:

Table 1.1 Share of cotton lint on Nigeria's non-oil export earnings

Product	Export Value (Million Naira)		% Share to Total Export	
	2005	2006	2005	2006
Cotton lint	6,781.17	4,542.23	6.4	3.4
Textile Yarns	7,840.73	1,068.78	7.4	0.8
Textiles	1,059.56	935.16	1.0	0.7

Source: CBN Annual Report, 2006

Tables 1.2, 1.3 and 1.4 below exhibit clearly the inconsistence/unpredictable nature of the price of Nigerian cotton lint and yet price stability and predictability are so important to the cotton growers, particularly at this part of the globe.

Table 1.2: Average Price of Cotton (Naira per ton)

Commodity	2002	2003	2004	2005	2006
Cotton	33,868.0	32,052.2	31,250.9	30,480.0	29,171.5

Source: CBN Annual Report, 2006

Table 1.3: Indices of Average World Prices (CIF) of Cotton Export (1990 =100, Naira based)

Commodity	2002	2003	2004	2005	2006
Cotton	829.7	857.1	1,242.2	1,079.6	1,096.8

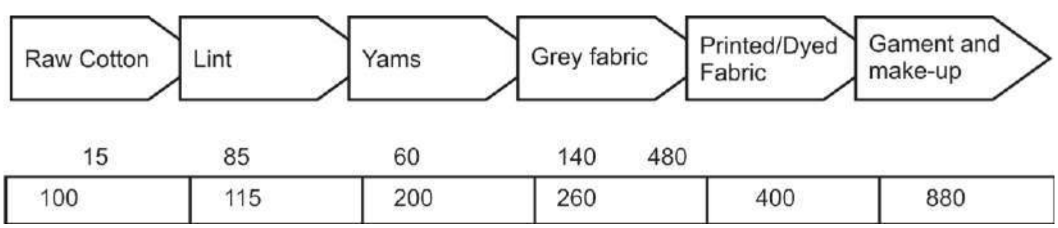
Source: CBN Annual Report and Statement of Account, 2006

Table 1.4: Indices of Average World Prices (CIF) of Cotton Export (1990 =100; US dollar based)

Commodity	2002	2003	2004	2005	2006
Cotton	55.4	58.5	73.7	66.7	69.7

Adopted: Source: CBN Annual Report and Statement of Account, 2006

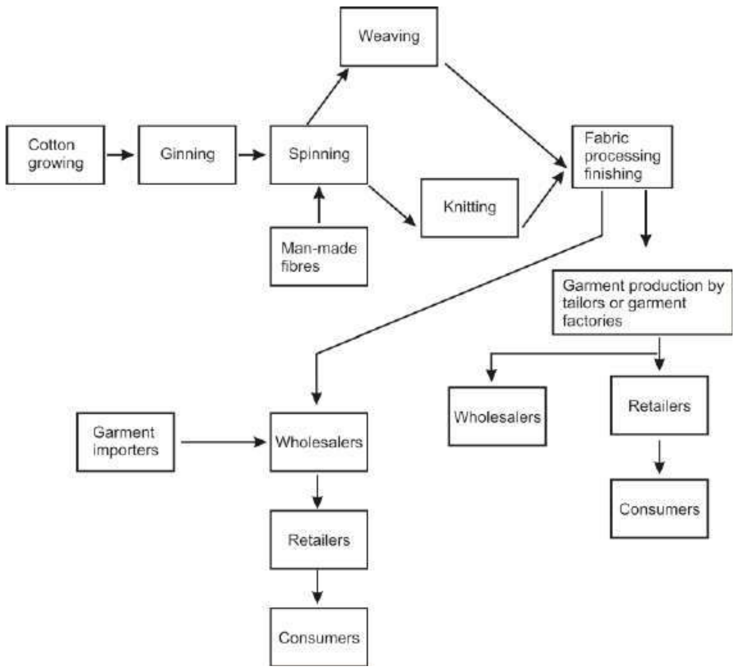
Figure 1.1: Cotton Textile Value Chain Activities



Adopted: Source: Gherzi Report, 2003

To appreciate the value added chains earlier mentioned, the figure below indicates the value addition stages. As shown in Figure 1.1 Perhaps, this explains the relatively how figures of manufacturing index recorded by cotton textiles over the years, as shown in the figure 1.2:

Figure 1.2: Cotton Textile Value Chain Activities



Adopted Source: CBN Annual repot 2006

It is unfortunate that despite the high value addition potentials of garments and make-up by up to 780%, Nigeria is yet to exploit fully this potential, when fully developed, the Nigerian government and make up industry, which is likely to be over 60% cotton based would not only boost cotton development and utilization but will save Nigeria of the huge foreign exchange expended on importation of assorted wears and earn huge foreign exchange from its exports to US and to Europe (Onwualu, 2009).

An Overview of Cotton Marketing in Gombe State

Cotton marketing became more disarticulated with the liberation of the commodity marketing. The cotton board was however, disbanded or scrapped. The deregulation policy of the cotton market thus permitted private participation in the market and it was expected that it would afford both sellers as well as buyers of cotton a fair return on investment as compared to the days of commodity boards when there was unilateral fixing of prices by the boards. A major consequence of the market liberalization policy was the establishment of Cotton Merchants Association called the National Cotton Association of Nigeria (NACOTAN) with a branch in Gombe State.

The Association is also expected to play a critical role in regulating seed cotton trade across the cotton delineated zones. The go between or middlemen who were entrusted with the responsibility of organizing markets and mediated between the farmers, merchants and ginnery managers prove to be exploitative. The middlemen make it practically impossible for demand and supply to be the determining force of cotton price in the market. The State Government constructed Twenty Six (26) Cotton gazetted market (Gidado, 2007).

Equally, the State Ministry of Agriculture posted produced Inspector to carry out the inspection and grading of seed cotton brought for marketing by the farmers. However, according to an interview with some officials of the State Ministry of Agriculture revealed that "Cotton farmers refuse to patronize the gazetted market due to transportation cost of conveying their cotton and the readiness of the cotton merchants to buy at the farm gate or even sometimes at the local residential houses of cotton farmers (Gidado, 2007). Gombe State is currently having three ginneries namely Nasara Agro Industrial Company Limited, West African Cotton Development Company and Cotton and Agricultural processors limited. Some of the cotton merchants in the State include: Alhaji Yahaya Umaru, Alhaji Umaru Nabingi, Alhaji Jauro Bappi and Alhaji Habu Makaho to mention just a few (Interview, 2021).

Table 1.5: Price of Cotton in Gombe State in the years 2011-2021

S/No	Year	Price per Kilo	Price per Ton
1.	2012	85	85,000
2.	2013	90	90,000
3.	2014	95	95,000
4.	2015	105	105,000
5.	2016	115	115,00
6.	2017	125	125,00
7.	2018	160	160,000
8.	2019	200	200,000
9.	2020	300	300,000
10.	2021	500	500,000

Source: Estimated by Engr. Felix Igashi – Branch Manager, CAP Ginnery, Gombe) – 18th February, 2022.

The data in table 1.5 indicated that the price of cotton kept rising for the past 10 years from N85 per kilo in 2012 to N500 in 2021. Although, the price of cotton per ton rose astronomically, the farmers were not happy and contented (Interview, 2022). This is largely because of the depreciating value of naira, inflation rate on basic necessities of life and the price of agricultural inputs such as fertilizer which is about N17,000 per bag (Interview, 2022).

Conclusion

The study established that the closure of existing ginning and textile industries and the non –establishment of new ones in most cotton producing states has adversely affected the domestic demand for cotton which in turn can contributed to the decline in cotton production and marketing in the country. Secondly, the research agreed that inconsistency and lack of continuity in agricultural policies as well as cotton production and marketing programmes immensely affected negatively the performance of cotton in Nigeria. Thirdly, since the adoption of structural adjustment programmes in 1986 and the consequent abolishing of Nigeria Cotton Board (NCB) there is non-existence of regulatory body to coordinate the activities of cotton production and marketing have worsen the situation. The work also established that there were series of policies intervention designed by the government to save the situation without achieving the desired result. Finally, the exploitation of cotton farmers by the merchants in the sphere of marketing through free market economy compounded their poverty level thereby discouraging them from increasing their production.

References

Adeoti S.O., Ajayi A. M. & Agunbiafe M.O (2020). Yield Estimation and Profitability of Cotton Production in Northern Nigeria. *Journal of Agricultural and Crop Research.* 8(10), 215-220.

Ado, S.G. (2007). Address by the Director Institute for Agricultural Research, Samuru Zaria. To 2007 Forum for the Cotton Master Sample and Cotton Production, Marketing and Quality Meeting.

Ahmed, B.Y. (2008). "Financing options for the Nigerian cotton industry". In: *the proceedings of commodities seminar 2008-2009 Gum Arabic, Cotton and rubber*. Central Bank of Nigeria at Kaduna State Nigeria.

Idem, N.U.A (1999). *Cotton production in Nigeria*. Baraka Press: Kaduna State Nigeria.

Idris H. (2020). Nigeria and the Benefits of Reviving Cotton Sector. Retrieved from https://www.google.com/url?sa=t&source=web&rct=j&url=https://agoa.info/news/article/15750-nigeria-and-the-benefits-of-reviving-cotton-sector.html&ved=2ahUKEwjJs8TR87v2AhW2hP0HHfpzB9s4ChAWegQIDxAB&usg=AOvVaw2OUOAd-njW7nPD9Vs8V1Md on 10-03-2022.

Keku, P.K. (2009). "Production Practices and Extension Strategies for Improved Cotton Production". In: *Training Programme on Cotton Production, Marketing and Technology in Nigeria*. Federal Ministry of Agriculture and Water Resources, Abuja.

Marx, K. (1952). *Wage Labour and Capital*. Moscow: Progress Publishers.

NACOTAN (2011). Welcome address by the Chairman, Caretaker Committee of National Cotton Association of Nigeria. At the cotton stakeholders capacity building seminar with the theme "Cotton Contamination and how to eliminate it". *Held at Women Development Centre*, Gombe, Gombe State.

Onwualu P.A (2009) "An over view of the cotton industry in Nigeria past, Present and future". In: *The proceedings of commodities seminars 2008-2009 Gum Arabic cotton and Rubber*. Central Bank of Nigeria at Kaduna State Nigeria.

CREATIVE BUSINESS RESEARCH JOURNAL (CBRJ)

VOLUME 02 NUMBER 01 - 2022
ISSN ONLINE- 2756-4932
ISSN PRINT- 2756-4940

PRIMUS INTERPARES

Department of Business Administration,
Faculty of Arts and Social Science,
Gombe State University.