

Private versus Public Organizations and High versus Low Experienced Workers' Perceptions of Privatization in Nigeria

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Abstract

This study investigated the perceptions different categories of workers had about the privatization of public organizations in Nigerian. The participants used include the private and public organizations as well as the high experienced and low experienced workers. The workers' perceptions were tested with null hypotheses at $P < .05$. Again, 1009 participants were sampled for the study using cluster-sampling method. Their responses were tested with independent t-test. At $P < .05$, the null hypotheses were accepted. The possible reason for the outcome of the study could be attributed to the inefficiency and frustration Nigerians experience with many public organisations in the country. Consequently, they (workers) tended to consider privatization as a viable alternative policy of restoring efficiency in Nigerian public organizations. Thus, government should not use the privatization programme as deceit and political tool. Nigerians expect much benefits from the programme

Keywords: experience, organizations, workers, perception, privatization, Nigeria

INTRODUCTION

Psychological studies on privatization seem rare. This is because the policy (privatization) is believed to be a subject matter of management disciplines, economics and political science. Accepting this assumption is completely erroneous. Basically, the knowledge of privatization lies on the conceptions individuals have about it. By this, the attributions people make about the policy of privatization depend on the perceptions they have about how the policy will affect their personal and social gains.

Various categories of Nigerian workers perceive privatization differently. Two such categories of Nigerian workers were considered in this study. The first category involved Nigerian workers with organizational characteristics. Here, a comparative study was carried out on Nigerian workers who were with private organizations, and their counterparts with government organizations. The second category involved Nigerian workers with long years of working experience as against those who had (relatively) short years of working experience. Private organizations are perceived to be more flexible in adopting new technology, and general organizational development (Kalu, 1999). Flexibility is an organizational "skill" for achieving organizational effectiveness. It is therefore believed that privatization is one major way of achieving organizational development (Aluko, 1998, Fried, 1992). Many workers, especially the older workers, often argue that some organizations like public

organizations are not created to make profits. For these experienced workers, profitability should not be used for evaluating efficiency as regards public organizations (Lesser, 1991). Essentially, workers may be considered as being experienced if the workers have remained in the job or career for not less five years. It is of the opinion of many policy makers that too much credit is being given to privatization. Essentially, these policy makers believe that it has not been proven that private organizations are more likely to do better where public organizations have failed, judging from the fact that both types of organizations operate in the same environment. Hence, privatization of public organizations is only a short-term strategy that will be counter effective later (Mansoor, 1988).

METHODOLOGY

The following two research questions and null hypotheses formed the guiding tenets for the study. The null hypotheses were tested at the $P < .05$ significant levels.

Research Questions: (1) Do Nigerian workers from private organizations vary from those of public organizations in their perceptions of the benefits of privatization of public organizations? (2) To what extent do experienced Nigerian workers vary from their inexperienced counterparts as regards the perceptions of the implications of privatization policy?

Research Null Hypotheses: (1) The perception of the benefits of privatization for Nigerian workers does not depend significantly on whether the workers are from the private or public organizations. (2) Experienced and inexperienced Nigerian workers do not differ significantly in their perception of the implications of privatization of State-owned (public) organizations.

Population: The population of the study comprised 53, 811, 628 Nigerian workers (National Report, 2000). These include Nigerians working with the government, and private organizations. The population is also characterized by Nigerian workers with a wide range of working experiences.

Sampling Methods: The sample for the study consists of a total of one thousand five hundred (1,500) workers from both government and private organizations. This sample is arrived at with the Azogbue formula invented by Nwankwo (2004):

$$S = \sqrt{10^{\log} 10^{LP}} + \sqrt{\frac{10^{\log} 10^{LP}}{2}}$$

Where S = Sample, L = Lowest Limit, P = Population, and Log 10^{LP} = Lowest limit of the population put to base ten.

Thus, the lowest limit of the population put to base ten is 1,000,000

$$\text{Therefore } 10^{\log} 10^{LP} = 10^{\log} 10^{1,000,000}$$

$$= 10^{\log} 10^6 = 10^6 = 1,000,000$$

$$\therefore \sqrt{10^{\log} 10^{LP}}$$

$$= 1,000,000$$

$$= 1,000$$

$$\text{Thus } \sqrt{\frac{10^{\log} 10^{LP}}{2}}$$

$$= \frac{1,000}{2}$$

$$= 500$$

$$\therefore S = \left(\sqrt{10^{\log} 10^{LP}} \right) + \sqrt{\frac{10^{\log} 10^{LP}}{2}}$$

$$= 1,000 + 500$$

$$S = 1,500$$

The essence of the second segment of the formula, $\sqrt{\frac{10^{\log} 10^{LP}}{2}}$, is to use half of the first formula to compensate for experimental (research) mortality.

Consequently, the remaining participants of 1009 workers after the experimental/research mortality (attrition) constituted the sub-sample. Eventually, this sub-sample was the actual sample (participants) used in the study as reflected thus: Public workers, 488; and private workers, 521, = 1009; as well as experienced workers = 446; and inexperienced workers, 563 = 1009. Owing to the very large population, and the sample size of the study,

incidental randomization (non-probability) sampling technique was used to select the participants for the study. This is based on the availability and willingness of the participants to respond to the questionnaire (Akuezulo, and Agu, 2003). From the pool of the sampled participants, the personal-data they supplied in the questionnaire were used to categorized the participants/workers into types (public/private organisations, and experienced/inexperienced workers)

Procedure: The 1009 participants were sampled across Nigeria using probability, and non-probability sampling techniques. In doing probability sampling, cluster or areas sampling was used (Akuezulo, and Agu, 2003). The population (Nigeria) was divided into the regional clusters of Eastern, Northern, and Western (regions) Nigeria. As regards non-probability sampling, it is used when the sample size is so much as in the case of regions, and when the researcher's control over the population is loose (Akuezulo, and Agu 2003). Essentially, non-probability is a supporting technique to probability sampling. The type of non-probability sampling employed here is incidental sampling. This is a type of sampling in which a researcher chooses participants at will. Mostly, the participants were those that could easily be reached in each already chosen cluster (regions). Another rationale for embarking on incidental sampling is aimed at achieving convenience, and economy of time and money (Akuezulo, and Agu 2003).

Instrument: The measuring instrument for the study was questionnaire that consisted of 52 items scored on the 5-point-rating scale recommended by Likert (1932): Strongly agree (5), agree (4), cannot say/neutral (3), disagree (2), and strongly disagree (1). Again, Baumol (1980), Hanke (1987), Lesser (1991), and Van de Walle (1986) had earlier identified privatization as having economic, and organization implications/dimensions. Similarly, Brett (1988), and Sandbrook (1988) had also earlier identified privatization as having socio-political implication/dimension in addition. Consequently, the 52 items of the questionnaire were divided into three sections according to the three implications/dimensions of privatization. Section A had to do with Economic Perception and it contains 11 items measuring economic implications/dimensions of privatization. Section B had to do with Organizational Perception and it contains 19 items measuring organizational implications/dimension of privatization. Again, section C had to do with Socio-Political Perception and it contains 13 items measuring socio-political implications/dimensions of privatization. All the items of the questionnaire were constructed in positive directions. By so doing the items of the questionnaire would then take the natural trend the

government is presenting the programme. One major benefit of this format is that the study would not look as if it is a counter action against the government’s policy of privatization.

Validation of the Instrument: The validation of the measuring instrument was determined as regards face, construct and content validity. To do this, an extensive review of literature relating to privatization was carried out. This was supported by various interviews and discussions carried out on the topic (privatization of public organizations in Nigerian). Having done this, 50 copies of this collection of items were produced, and given to experts well knowledgeable in the policy of privatization as judges. These experts were lecturers of higher institutions, and were drawn from Economic, Political Science, and Management Sciences disciplines. The minimum educational status and age of these individuals were Ph.D. and senior lecturer, and 40 years respectively. These individuals were instructed to categorize the items so that those (items) depicting economic, organizational, and socio-political constructs were grouped under economic, organizational, and socio-political perceptions respectively. These individuals were also requested to rate the items as regards whether each was relevant, not relevant, and relevant but poorly structured, for measuring privatization perception. Again, these individuals were requested to merge related items, as well as restructure any item as deemed necessary.

A total of 102 items were achieved, and the percentage level of the rating for each item was calculated. In order to take the validation decision for the questionnaire, the responses of the individuals who scrutinized and rated/vetted. The items of the questionnaire were tallied for each of the 102 items of the questionnaire as regards their relevance, not relevance, and relevance but poorly structured. The aim of this was to select the items of the questionnaire with the best/greatest Power Efficiency (McCall, 1980) of measuring privatization and its perceptions. In other words, Power Efficiency of the percentage analysis helps in selecting the items of the questionnaire that stand as the greatest predictors/factors of privatization perception. Consequently, 52 items of the questionnaire met 80% to 100% as being relevant factors that measured the perceptions of privatization. Thus, 11 items, 19 items, and 13 items for Economic, Organizational, and Socio-Political Perception sections (A,B, and C) respectively score 80% and above. They therefore form the valid measuring scale/instrument for the study.

Reliability of the Measuring Instrument: The reliability of the instrument (questionnaire) was determined through split-half method. To achieve

this, responses of a participant were divided into two pairs. One pair contains item responses using odd serial numbers. The other pair contains item responses using even serial numbers. These pairs of item response were correlated using Pearson Product-Moment Correlation Analysis, and the result was further subjected to Spearman-Brown Analysis. The reliability coefficient of this split-half is 0.79.

Design and Statistics: The design for the study was two-group survey design, and the statistical analyses employed for analyzing the two hypotheses tested in the study was independent t-test.

RESULT AND DISCUSSION

Result 1 and Discussion 1

Null Hypothesis 1: To test the null hypothesis one which states that, the perception of the benefits of privatization for Nigerian workers does not depend significantly on whether the workers are from private or public organizations, the collected data were analyzed using independent t-test. The result of the analysis is presented in the table 1.1 below.

Table 1.1: Independent T-Test Table for Nigerian Workers’ Perception of the Benefits of Privatization for Private and Public Organizations.

Variables	ΣX	ΣX ²	d/f	t _{obs}
Private organization	93332	17601537	1007	0.0716*
Public organization	87649	16798549		
Total	180981	34400086		
Critical values (d/f = 1007) * t.05 = 1.960, P< .05 Accept H₀				

From the result of table 1.1 above, the null hypothesis was accepted at P<.05 significant level. It indicated that no significant difference existed between Nigerian workers in private and public organizations, as regards their perceptions of the benefits of privatization.

Consequently, there was need to carry out responses distribution characteristics analysis for the two categories of Nigerian workers. The aim behind this was to understand the pattern of this perception (spread or interaction) level for the two groups of Nigerian workers. This further analysis was done with measure of central tendency. This is shown in the table 1.2 below.

Table 1.2: Response Distribution Table For Nigeria Workers Perceptions of the Benefits of Privatization for Private and Public Organizations.

Variable	\bar{X}	SD	N
Private Organizations	179.14	41.19	521
Public Organizations	179.61	46.57	488
Critical Mean = 107.5			1009

Basically, the almost equality in the mean values 179.14 for private organisations, and 179.61 for

public organisations workers respectively showed sameness in the perceptions of the benefits of privatisation for both categories of Nigerian workers. However, 215 mean (X) mark (the highest value to be scored by a participant in the study) would have indicated perceiving privatization of public organizations as being absolutely beneficial. On the other hand, 52 means (X) mark (the lowest value to be scored by a participant in the study) would have indicated perceiving privatization of public organizations as being absolutely non-beneficial. Again, 107.5 mean (X) mark (the mid/average value to be scored by a participant in the study) would have indicated average perception.

From the above table 1.2, both the private organization workers and their public organisation counterparts perceive privatisation as being beneficial for Nigerians. This is because their respective means (X) of 179.14, and 179.61 were all far greater than their common critical mean/average value of 107.5. It is very surprising that public organisation workers favour privatization of their organizations despite some perceived threats of retrenchment and politicising of such privatization. Hence, at $P < .05$, a significant difference did not exist between private and public organizations workers as regards their perceptions of the benefits of privatization of public organizations in Nigeria. One major plausible reason to explain the acceptance of the null hypothesis at $P < .05$ can be found in interference theory. It is believed that there is a serious structural adjustment problem in public organizations (Bienen and Waterbury, 1989). The implication of this is that in Nigeria, workers in both public and private organizations tend to believe that privatization policy will make these public organizations more pragmatic and flexible to embrace growth and development.

Nevertheless, caution must be emphasized that both types of organisations are also affected by the same socio-economic and political circumstance. So it may not be totally true that private organizations will succeed where public organizations fail (Mansoor, 1988). Furthermore, profitability should not be used for evaluating efficiency as regards public organizations. Profitability and efficiency really differ (Lesser, 1991).

Result 2 and Discussion 2

Null Hypothesis 2: In order to test the second null hypothesis which states that, workers with high experience and their low experienced counterparts do not differ significantly in their perceptions of the benefits of privatization of public organizations, the collected data were analyzed using independent t-test. The result of the analysis is therefore presented in the table 2.1 below:

Table 2.1: Independent t-test Table for High Experienced and Low experienced Nigerian Workers' Perceptions of the Benefits of Privatization Policy.

Variables	ΣX	ΣX^2	d/f	t_{obs}
Experienced Workers	80525	15643041	1007	0.7624*
Inexperienced Workers	100456	18757045		
Total	180981	34400086		
Critical values (d/f = 1007) * $t_{.05} = 1.960, P < .05$ Accept H_0				

Looking at the analysis of table 2.2 above, the null hypothesis is accepted at $P < .05$. The implication of this was that no significant difference existed between high experienced and low experienced Nigerian workers as regards their/each group's perception of the benefits of privatization of public organizations. In other words, the perceptions of the benefits of privatization of public organizations do not differ significantly for the high experienced Nigeria workers, and their low experienced counterparts.

In order to understand the pattern of this non-significant perception, further statistical analysis is therefore imperative. To do this, measure of central tendency is therefore necessary for evaluating the response distribution characteristics for each category of Nigerian worker. This is shown in the table 2.2 below:

Table 2.2: Response Distribution Table For Experienced And Inexperienced Nigerian Workers' Perception Of The Benefits Of Privatization Policy.

Variable	\bar{X}	SD	N
Experienced workers	180.55	49.82	446
Inexperienced workers	178.43	38.49	563
Critical Mean = 107.5			

As noted earlier, 215 mean (X) mark (the highest value to be scored by a participant in the study) would indicate perceiving privatization of public organizations as being absolutely beneficial. On the other hand, 52 means (X) mark (the lowest value to be scored by a participant in the study) would indicate perceiving privatization of public organizations as being absolutely non-beneficial. And 107.5 mean (X) mark (the mid/average value to be scored by a participant in the study) would indicate average perception.

Going back to table 2.1, no significant difference exists between the high experienced and low experienced Nigerian workers as regards their perceptions of the benefits of privatization of public organizations. Thus, looking at table 2.2, it can therefore be emphasized that both the high experienced Nigerian workers (180.55) and their low experienced counterparts (178.43) showed a very

high above average perceptions of the benefits of the privatization of public organizations.

Essentially, both the high experienced and low experienced Nigerian workers perceive privatization of public organizations as being very beneficial. The perceptions by the two groups of Nigerian workers, as regards the benefits of the privatization of public organisations, can be attributed to the knowledge they (Nigerian workers) have about the psychology of many Nigerian workers. It is often argued that many Nigerian workers have poor attitudes to work. This includes lateness to work, loitering, closing before time, bribery, and failure to do official duties (Akpan, 2000). It is therefore believed that privatization is very necessary to curb these unhealthy work attitudes by many Nigerian workers.

Consequently, the high experienced workers must have believed that these negative organizational behaviours (poor attitudes to work) need to be changed. Since the government has presented privatization policy as a way of handling these organizational problems, both the high experienced and the low experienced Nigerian workers consequently embrace this privatization policy with greater enthusiasm. Again, both the high experienced and low experienced Nigerian workers must have believed that hard work, and ethical standards improve organizational performance, as being presented by government in its privatization policy (Eyo, 2002).

Both the high experienced Nigerian workers and their low experienced counterparts must have been in the employment for some periods of time. They must have also witnessed various aspect of socio-economic and socio-organizational performance/system of Nigerian workers, some of which could be very displeasing. Believing that the system is not satisfactory and thus the need for a change, the various categories of Nigerian workers studied here could have perceived privatization programme as a salvaging policy.

CONCLUSION

A lot of Nigerian workers from both private and public organizations, as well as the high experienced and low experienced workers perceive privatization of public organizations as a beneficial programme. This positive perception of privatisation in Nigeria is really very high. Yet, there are still some reservations about the privatization policy. May be the workers are prepared to give the policy a test/trial. Assuming the government is truthful with the socio-economic and socio-organizational development of privatization, it (government) should therefore seize this opportunity to establish the credibility and benefits of the programme (privatization). Hence, the following recommendations are therefore proffered:

RECOMMENDATIONS

Government should not use privatization policy as deceit and political tool. Attempt to politicize privatization will reduce the confidence people have in the privatization programme. There is need for the citizens to be well educated on the privatization agenda. This will help immensely in getting them to participate actively as well as benefit maximally in the development accruing from the privatization.

It is also recommended that non-business professionals should embrace self-education and enlightenment on the issue of privatization. This will help them contribute their knowledge and experience meaningfully in the quest for societal development via privatization of public organisations.

Again, it is very necessary to make the privatization activities as adaptive as possible. Such a flexible and pragmatic approach to privatization programme will definitely make privatization suit and succeed in the Nigerian socio-economic environment.

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