SALARIES AND WAGES ADMINISTRATION AS A TOOL FOR IMPROVING EMPLOYEE’S PERFORMANCE IN AN ORGANISATION.

(A CASE STUDY OF OLAMABORO LOCAL GOVERNMENT AREA OF KOGI STATE)

BY

IMODE THELMA NWANNEKA
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By

Ugwu C.U
Project Supervisor

Date: __________________

Ugwu C.U
Head of Department

Date: __________________

Professor Fab. O. Onah
External Examiner

Date: __________________
DEDICATION

This work is dedicated to Almighty God for His divine grace upon my life to believe in truth and hard work.
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This work is concerned with salaries and wages administration in Nigeria public sector, a case study of Olamaboro Local Government Area of Kogi State. It is on this premise that the study is set to evaluate and highlight the significances of salaries and wages as factors towards achieving the aims and objectives of an organization. The employers of labour are aware of the fact that salary is also one way of motivating workers in an organization. The research design used in this study is descriptive research method. The sample used is 150 and the sampling technique simple random technique. The sources of data collection used in this research are personal interview, personal observation and the use of questionnaire. Method of data analysis used is Chi-square formular. Based on the analysis of data for the study, the following findings were pertinent. (1) That salary and wages administration is an essential part of any productive organization. (2) The researcher also found out that salary and wages improves the performances of the employee’s in an organization. The major conclusion of this study is that importance of salary and wages administration in an organization cannot be overemphasized. In view of the above, the following recommendation are. That the salary administration policy to be implemented across board so that all the level officers especially the junior cadre can have a sense of belonging. The promotion policy in the public services especially in Olamaboro local government be improved.
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CHAPTER ONE
INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Organization is the most significant and integral point of administration. Without proper organization, administration is not possible. Thus organization is important to every administrative action. For no administrative action can be implemented without an organization. Therefore, no organization can exist without people or human resources to pilot its affairs. People or human resources have been identified as the core element in an organization.

The concept of organization has been variously defined, for instance, Waldo (1978) defined it as “the structure of authoritative and habitual personal interrelations in an administrative system”. Organisation has also been defined as “social units deliberately constructed and reconstructed to seek specific goals” (Quoted in Makae and Pitt. 1980).

Gulick (1937) defines organization as a formal structure of authority through which work sub-divided are arranged, defined and coordinated for the designated objective or goal. As it were, individuals who created an organization in order to achieve some specific aims and objectives in turn, the organization attract individuals who wish to become members for the purpose of their own need for money, interest status and symbols.
Organization is said to be a holistic of both human, capital and material resources with the aim of putting their resources together to meet goals and objectives. Ideally an organization should seek to accomplish all its set objectives. However, salary is one of the first and basic fundamental human needs. This is because the immediate problems confronting a school graduate or a new applicant is how to secure a good job so that he can earn a living. Therefore, salary administration, means a method and process that any organization uses for compensating their workers for service rendered. Salary is also a process of determining monetary reward for service rendered by the employees to an organization. In a nutshell, salaries and wages administration is the establishment and implementation of sound policies and method of employee’s compensation.

On productivity, the need for productivity improvement exists virtually in all countries of the world whether developed or developing countries like Nigeria etc. The primary reason for this, is precisely because of increased productivity and performance and economic growth. Consequently, industrial development effort will come to naught unless a nation’s productivity also improves in the developing countries. It is generally accepted that salaries and wages have to bear some relationship to productivity. The theory is that wages cannot diverge significantly from productivity without causing either inflation or unemployment. The implication is that a dynamic economy with full employment and no inflation might be an achievement in the performance of the organization.
1.2 STATEMENT OF THE PROBLEMS

The usually enhanced remuneration paid to the civil servants, have been rendered inadequate by the high rates of inflation pervading the economy over the years. The civil and public services have witnessed a lot of neglect which has led to a drop in salary and wages and efficiency of both civil and public servants. In response to this, study in the public and civil services, the employers of labour (government and private enterprises) introduce the method and process of compensating their employees through what is called salaries and wages administration. Though, employers will impact positively on the employees morale and subsequently induce their performance. This work is set to solve the problems of salaries and wages and performances in an organization. This will go a long way in improving their performance and hence lead to higher productivity. Promotion policy should be awarded as at when due. From the analysis above, it shows that if workers’ salaries and wages are equitable it will enhance the performance of the employees. The problems of salaries and wages not paid as at when due, salaries and wages increment etc need to be solved through good salaries and wages policy. There should be no delay on annual leave, maternity leave, transport allowance, housing allowances, and medical allowances.

1.3 SIGNIFICANCE OF THE STUDY

Salaries and wages administration is one of the newest personnel challenges in modern organization. This study hopes to provide a comprehensive document that would discuss salaries and wages administration in Nigeria and its impact on
performance in an organization. The research work is of a great importance to the employers and employees in the following ways:

(1) To attract and retain sufficient and suitable employees that will help the organization to achieve its objectives.

(2) To reward employees of their efforts and commitment to the organization.

(3) To motivate workers to a high performance.

(4) It also reveals the extent to which salary and wages administration policy can go a long way in improving workers’ performance in the organization and hence lead to increased productivity.

The employees and the employers are the beneficiaries of this study because when employees are well paid, they tend to work well by so doing, the organization is increasing their productivity because the employees are committed to their work.

1.4 SCOPE OF THE STUDY

The scope of the study is limited to Olamaboro Local Government Area of Kogi State. In understanding a research work, its scope is normally defined with respect to a geographical and time dimension. The fixing of such boundaries is usually resorted to due to the problems posed by the administration of a large data. This study therefore, conforms to enhance the salaries and wages of the worker within the organization to increase their performance.


1.5 LIMITATIONS OF THE STUDY

The obvious limitations of time, finance and materials such as textbooks and other resources on the researcher makes it absolutely impossible to embark on such comprehensive study that will cover the comparative study of the whole local government in the state. Hence, the limitation has necessitated the choice of a case study which is Olamaboro local government area.

Hence, the choice local government as a case study is not arbitrarily embarked upon by the researcher. It was expected that the study would serve as a representation of a state from whose inductive research finding would be of general application. The researcher hopes that other scholars interested in salaries and wages administration will undertake a more comprehensive study to cover the entire state in the future. Therefore, wages are regularly, hourly or weekly payment made or received by workers for services rendered by an employer. Hence, both salaries and wages are payment for labour service.

1.6 RESEARCH QUESTIONS

The following research questions are posed to aid the researcher in the study.

(1) To what extent has salary and wages affected the performance of workers in an organization.

(2) Why salary and wages administration in an organization?

(3) To what extent has lack of salary and wages administration affected workers’ performance particularly in Olamaboro local government?
(4) Do management offer adequate salaries and wages to workers in Olamaboro local government?

(5) Are salaries and wages a motivator for performance or dissatisfier?

(6) How has salary and wages affected the improvement of the workers’ performance?

1.7 HYPOTHESES

For the purpose of this study, the following hypotheses are postulated:

(a) That the salaries and wages of the organization has no significant relationship with the workers’ performance (Ho)

That salaries and wages administration has a significant relationship with the workers’ performance in the organization (Hi)

(b) Salaries and wages is not a criteria for employees’ commitment to work (Ho)

Salaries and wages is a criteria for employees’ commitment to work (Hi)

(c) There are no inadequacies in the provision of salaries and wages of workers as at when due (Ho)

There are inadequacies in the provision of salaries and wages of workers as at when due (Hi).

(d) Salary and wages administration is not important in an organization (Ho)

Salary and wages administration is important in an organization (Hi)
(e) Improvement of workers is not based on salaries and wages (Ho)

Improvement of workers is based on salaries and wages (Hi)

(f) There is no need for salary and wages administration in an organization (Ho)

There is need for salary and wages administration in an organization (Hi)

1.8 OBJECTIVES OF THE STUDY

It is one thing to be blessed with abundant human resources and another to manage these resources to achieve stated objectives. No organization can hope to move or improve positively without the effort of her workers and as such sound salaries or wages is a sine qua non for improved performance of workers. They contributed in no small way towards improved performance in the organization.

Therefore, this study among other things is aimed at achieving the following objectives:

(1) To determine the relationship between salaries and wages and workers productivity in Olamaboro local government area.

(2) To measure if a day work: earning is directly proportional to the time worked but rates are graded. This is mostly applied to daily paid employees.

(3) To ascertain whether salaries and wages administration boosts the performances of the workers.

(4) To identify how workers productivity, negative attitude to work during working hours and low payment of remuneration affect performance in
Olamaboro local government and to proffer suitable suggestions and solutions.

(5) Fringe benefit: this is an extra amount paid to employees to better their working conditions, it is inform of rent supplements, transport allowances, etc. It gives employee a desirable working conditions and it satisfies their needs.

1.9 DEFINITION OF TERMS

(1) **SALARY**: a major responsibility of an organization is to make sure that its workers’ salaries are paid as at when due. The organization has to be certain that salaries paid can satisfy the basic physiological and safety needs of their employees, which when satisfied, one can expect them to put their best effort in order to achieve the organizational objectives. Therefore, salary refers to a fixed regular payment usually made every month or annually to the employees of an organization concerned. Salary could be an agreed amount of money between the employer and the employee to be paid at the end of every month in respect of the services to be rendered. Salaries are compensation paid based on an annual rate of pay, though it is usually paid monthly irrespective of the number of hours worked.

(2) **WAGES**: It is the reward that individual receives from an organization in exchange of his labour. People who work in an organization are engaged in an exchange relationship. The employees exchange the labour for financial rewards. To the employer, the most important obligation he owes his
employees is their wages. Wages are compensation paid on hourly, daily or weekly basis. It is usually paid to labourer, part time workers etc. workers are paid based on the number of hours worked and not actually on the amount of work done. Therefore, wages are regularly or usually hourly, daily etc payment made or received for work or services rendered by an employee. However, both salaries and wages are payment for labour or services rendered.

(3) **ADMINISTRATION:** There is no universality in defining administration. Administration is inevitable because where policies or decision are made, they must be applied. According to Augustus Adebayo, administration is the organization and direction of resources both human and material for the accomplishment of specific goal. Individual now tend to define administration from their personal.

(4) **FRINGE BENEFIT:** This is an extra amount paid to employees to better their working conditions, it is inform of rent supplements, transport allowances, etc. It gives employee a desirable working conditions and it satisfies their needs.

1.10 **THEORETICAL FRAMEWORK**

Theoretical framework is defined as a theoretical mirror or pillar upon which research works are seen or built. The importance of it cannot be over emphasized. According to Obasi (1999:9) it is a device or scheme for adopting or applying the assumption, a theoretical framework is a way of describing, analyzing and interpreting and
predicting phenomena. It involves linking problems under investigation to assumptions, postulation and principles of a theory. It has the potentiality to provide the significance or rationale of a study. Therefore it provides the overall background of the research. The theoretical framework of this study is based on Abraham Maslow hierarchy of needs theory (1965).

**Psychological Needs:** These include body’s automatic efforts to certain normal functioning such as satisfaction or hunger and thirst. The need for air and shelter also the need for sleep, sensory pleasures activity and arguable sexual desire. People concentrate on satisfying these needs before turning to higher order needs.

**Safety Needs:** These include safety and security freedom from pain or threat of physical attack, protection from danger or deprivation, the need for orderliness.

**Love Needs:** These include affection, sense of belonging, social activities, and both the giving and receiving of love.
**Esteem Needs:** These include both self respect and the esteem of other self respect involving the desire for confidence, strength, independence and freedom and achieving of esteem of other involves reputation or prestige, status, recognition and attention.

**Self Actualization:** This is the development and realization of one’s potential.
CHAPTER TWO

LITERATURE REVIEW

Due to universal applicability of salaries and wages system in an organization, some literature exist even though it may vary in form of structure and system of application.

THEORETICAL REVIEW

According to Dagget and Habu (2004:31) “Salary administration is the method and process that an organization uses for compensating their workers”. They argued that workers cannot obtain financial job satisfaction unless the organization achieved its goals. Stoner and Freeman (2002:97) consider a new pay approach as an approach towards salary system that leads to the process of setting and achieving organization objectives. These scholars advance that linking pay to the labour market and variable pay to success of the organization, the managers can use the salary system to foster teamwork and other organizational goals. It is therefore necessary for the reward system not to make inflationary rate in the country into related business to be introduced by both private and public sectors of the Nigeria economy. Strong and Freeman observed further that every good compensation or salary policy is aimed at attracting, retaining and motivating high quality employees in an organization. It is also aimed at rewarding organization members for high performance and high productivity by making sure that compensation method are such that the organization can shoulder conformably.
As Obikeze and Anthony (2003:286) pointed out, salaries or wages are the reward that individuals receive from organization in exchange for their labour and that every organization has its distinct salary system. Choosing a successful salary system depends on considerations of salary levels, salary structure and individual pay determination. Lawal (2006:22) argues that there are some factors that affect salary and wages level in an organization. Some of these factors are:

(a) Influence of trade union  
(b) Prevailing salaries and wages in the industries  
(c) Government legislation  
(d) The labour market  
(e) Organization ability to pay  
(f) Productivity level.

Lawal also argues that every organisation has its salary system. Choosing a successful salary and wages depend on the consideration of salary level, structure and individual pay determination and performance (Lawal 2006: 23).

According to Kamar (2005: 48) there are three typical ways in which organization can administrate its salaries and wages. Ad hoc increase in salaries and wage are given erratically often at the demand of the employees rather than at the initiative of the company. In a small organization, it can produce an illogical and unfair salary structure which will cause discontents and jealousy. For obvious reasons, salaries and wages paid by this system are intended to
be confidential. Incremental scales, in this system, long service and loyalty are encouraged by regular high trade. Salaries in the incremental system is non-confidential because all staff’s jobs are evaluated and graded. The salary and wages range appearing as most schemes permit a manager toward increment for exception merit or withhold an increment for unsatisfactory work or conduct but as a robe, the standard increment is given autocratically. It is customary for salaries and wages incremental system to be non-confidential.

Thus, unemployment can exist for only a short period of time and if unemployment does not exist, its due to the fact that workers are shiftless are lazy and would not work for the going wages or salaries rate. This work emphasis is placed on the supply of labour.

Gilelman (1968) “Investment theory of wages and salary” He proposed on investment of wages as a replacement for the marginal productivity (MPT). That as the marginal productivity theory focuses on the output of labour input, wages and salary are assumed to be a return on worker investment, then one would assume that the larger the investment, the higher the wages and salaries. In practice, however, this will not always be true (Ibid 1947). According to Henry Fayol as cited in Kamar (2005:17-187) reflecting on his career as a manager. Fayol found out that all industrial activities could be divided into six (6) categories namely:

(a) Technical (production)

(b) Accounting (including statistics)
(c) Commercial (buying, selling and exchange)

(d) Financial (search for optimum use of capital)

(e) Managerial (planning organizing, coordinating and control)

(f) Security (protection of properties and persons).

Fayol observed that the first categories were relatively well known, consequently, he concentrated most of his work on the analysis of the managerial categories. He devoted his attention to what a manager does thereby giving rise to the functional managerial thought (Ashiru, 2001).

Fayol went further to suggest fourteen principle of management which are:

1. Division of Labour
2. Authority
3. Discipline
4. Unit of command
5. Unity of direction
6. Centralization
7. Initiative
8. Subordination of individual interest
9. Remuneration (salaries and wages)
10. Scalar chain of authority
11. Equity
12. Stability nature of office
13. Order

14. Spirit de corps

Fayol however cautions that these principles on their own may not be exhaustive as tremendously towards the development of management thought. His ideas were basically influenced by the effect of the 19th century industrial revolution earned him a unique reputation as the founder of scientific management school of thought which was made less seen as movement. Taylor’s first paper entitled “a piece rate system” was presented to the American Society of Mechanical Engineer in 1995 but was found to be narrow in focus since only the principle used for payment of wages were considered. His second presentation was on “shop management” and was published in a pamphlet work as major management principles when enlightened include the following:

(1) The goal of a good management should be to earn higher productivity or lower the unit cost to achieve the goal. Management must pay higher wages only the measured individual efficiency could be achieved.

(2) It is important to promote the application methods to the problems of management.

(3) Standardization of working conditions by scientifically playing workers on job is crucial.

(4) In order to increase workers output, they should be scientifically selected and imported scientific training.
(5) Relationship between management and employee should be cordial. Here Taylor tries to explain the major problems of complex management.

The scientific selection and placement of workers on scientific designed jobs together with the operation reward and high productivity becomes the cardinal doctrines in Taylor’s scientific management approach.

Elton Mayo and his Harvard Colleagues (1920) in their work “the human relations approach to management”. Mayo, while in the University of Phildephia undertook his first major study on industrial psychology in 1920. During this time, it was widely held that appropriate rest period would lead to increased output.

The spinning department of Philadelphia Textile Industry had a high rate of labour of required average of 4000 employees yearly to be able to maintain, if Elton Mayo set out to examine the effects of fatique and monetary on out and rate of retention. The experiment was conveniently undertake in for phase with a social worker seeming as “as a listening past” that is to listen and observe their output and record the finding in each case.

It was discovered that the workers were pessimistic and less productive with high rate of labour turnover under the normal condition of service. During the see and phase when rest period was introduced workers became less pessimistic and more roductive in their performance. The rate of labour turnover dropped with the withdrawal of rest periods, workers became pessimistic again with lower output and higher rate of labour
turnover. At this fourth phase, rest periods were introduced with a democratic principle of workers’ participation enhanced. It was discovered that workers became pessimistic with the higher performance of productivity. The rate of turnover itself became less than 5% and lasted up to the end of the new working conditions. Thus, the general conclusion for the experiment was that there were psychological and physiological effects on workers attitudes that was contrary to the scientific principle of Frederick Taylor.

According to Mohammed (2005), the functions of salaries and wages administration varies from one country to another and among states in the federal organization. The main functional responsibility of salaries and wages administration is to attract capable, competent and qualified employee into the organization and to motivate worker into greater and effective performance and to ensure the continued dedication, commitment and retention of workers in an organization. Like most decentralization measures, the 1972 – 74 Udoji Public Service Commission which brought the salaries of worker in Nigeria into line light drives their principles justification employees welfare has been improved by the employers and presumably be better able to express their needs and demands to employers.

The administrative assumption is that salary administration would be responsible to the need of employees by virtues of their proximity knowledge if employees condition are therefore treated to react quickly to those needs and demands. The economic assumption is that, the salary administration would become more efficient if increase in salary and wagee by virtue of their supportive ability can jack their priority in terms of the different service that employer need. From all the above conceptualization so
far, there is a common agreement that government and organization exist and charged with the responsibilities of executing employees policies with giving power. It must involve the workers in salary decision through their union whom are legally entailed with the responsibilities of protecting the interest of the workers. All the authors above have the same ideas expressed in different forms about what those charged with the responsibilities of salary and wages administration in Nigeria.

2.1 THE NATURE OF SALARY AND WAGES IN NIGERIA PUBLIC SERVICE

It's interesting to note that the history of Nigeria’s pay structure predates her political independence. In the process of involving and enduring pay structure and income policy in the economy, many commissions have been setup.

Some of the major ones are:

1. The hunt commission (1934)
2. Bridges committee of enquiry (1941)
3. The Tudor Davis Commission (1945)
4. The Miller Commission 1947, the Gorsuch Commission (1955)
5. The Harragiu Commission (1946)
6. Newns Commission, the Elwood Grading Team (1956)
7. The Mbanefo Commission (1959)
8. The Morgan Commission (1963)
10. Public Service Review Commission (Udoji: Reports (1974), and
Other Commissions were

1. The Fata: Williams Committee (1990)
2. The Commission on the review higher education in Nigeria (long commission)
5. The Committee on Harmonization of Remuneration in the public service (1998)

The pertinent features of some of the commissions are provided below:

**THE TUDOR DAVIS AND HARRAGIN COMMISSION (1945 AND 1946)**

They primarily focus on the review of wages and general condition of service. The commission made fundamental changes in the public service by establishing a “junior and senior” cadre. This led to the bifurcation of the service into two rigid compartments: “junior and senior service”.

**THE MILLER COMMISSION OF 1945**

The Commission recommended application of the principle of payment based on geographical location of workers, especially the daily paid ones. It went further services, similar to that created for the universities, the steel workers, Airways and other essential jobs.
**THE LONEE COMMISSION REPORT (1991)**

The commission focus on some aspects of the problems of tertiary institutions, such as funding, salaries, conditions of service and curricular. On the issue of salaries, the commission recommended a general salary increase of 30% to all staff of tertiary institutions with Elongated University Salary Structure (EUSS). It also recommended various allowance to go with the salary increase.

**THE ALLISON AID PANEL (1994)**

This review panel on the civil service reform was set up to, among others, identify the various factors that had led to low morale in the civil service and make recommendations to raise the moral of staff and give them a sense of security. The panel observes that workers pay did not reflect the cost of living at all and that the gap between the public and private sector, pay package was as wide. Also the panel recommended that the total emoluments of civil servants be substantially reviewed upwards and adjusted annual to reflect the general price movement with a view to discourage corruption.


The committee undertook an in depth study of the compensation package in the civil service and made far-reaching recommendation for improvement. The committee observed that worker salaries did not reflect the cost of living in the country and that civil servants salaries package was far below that of its counterpart in the private sector. It therefore suggested a harmonized salary package for the public and private
sector if Nigeria was to realistically achieve the laudable goals of the vision 2010 programmes.

Accordingly, the committee recommended the following for the public service:

1. Substantial upward review of wages and salaries starting from 1998
2. A realistic minimum wages and adequate reward system that could sustain an average worker and which would not be eroded by inflation at any time.
3. A review of salaries and allowances every two years based on a cost of living index to promote comparability of remuneration with the private sector.
4. Payment of generous housing and allowances to enable civil servants rent adequate accommodation and reduce their incessant for living in government quarters.
5. Providing assistance in the education of workers’ children by paying education allowances in a maximum of four children per family until they graduate from secondary school.

The mandate of this committee was to harmonize the proliferation of salary structures in the public sector which had virgin degrees of minimum and maximum entry point and wide disparities in allowances and fringe benefits among various establishments. It recommended the harmonization of public service salaries in order to promote industrial harmony and specifically recommended five (5) harmonized salary structure for the service as follows:
Harmonized Public Service Salary Structure (HPSS) for the civil service, non-commercial agencies/organization already operating UGSS in any part of the public service, medical/dental/veterinary doctors in the civil service, judicial and non-judicial posts, staff of primary and federal secondary institutions.

Harmonized Armed Forces Salary Structure (HAFSS) for the armed forces.


Harmonized Tertiary Institutions Salary Structure (HTISS) for all staff of the Federal Universities, Polytechnics, Colleges of Education, Research Institutes and Institutions already operating the ESUSS; the Medical doctors in teaching and specialist hospitals, Federal Medical Centers and health agencies.

Harmonized enumeration of Top Federal Public office holders for the executives, the legislature and the top judiciary arm of the public service.

Furthermore, the committee recommended that:

(i) All commercial parastatals be allowed to continue to operate their respective salary structures and continue to fund their personnel costs without recourse to government subventions, but with clearance from the nations salaries, incomes and wages commissions on subsequent reviews.

(ii) All partially commercialized parastatal receiving subventions from government of more than 33.3% of their recurrent expenditure adopted the proposed Harmonized public service salary structure.
Finally the committee noted that to establish a realistic minimum wage which would adequately address the cost of living issue as well as the basic needs of the least paid worker in the public service, bearing in mind the need to enhance workers’ productivity and availability of resources.

2.2 EMPIRICAL REVIEW

THE IMPACT OF SALARIES AND WAGES ON NIGERIAN WORKERS

Along with perception, personality, attitudes and learning, motivation is another important way of understanding behavior. Luthan (1998) asserts that motivation should not be thought of as the only explanation of behavior, since it interacts with and acts in conjunction with other mediating process and with the environment. Luthan stresses that like the other cognitive process, motivation cannot be seen. All that can be seen is behavior, and this should not be equated with causes of behavior. While recognizing the central role of motivation, Evans (1998) states that many recent theories of organizational behavior find it important for the field to re-emphasize behavior.

Definitions of motivation abound. One thing these definitions have in common is the inclusion of words such as desire, want, aim, goal, needs, and incentives. Luthan (1996) defines motivation as “a process that starts with a physiological deficiency or need that activates a behavior or a drive that is aimed at a goal incentive”. Therefore, the key to understand the process of motivation lies in the meaning of, and relationship among needs, drives, and incentives. Relative to this, Minner, Ebrahim
and Narchel, (1995) state that in a system sense, motivation consists of these three interacting and interdependent elements, i.e. needs, drive and incentives.

Specific employees’ attitudes relating to job satisfaction and organization commitment are of major interest to the field of organizational behavior and the practice of human resources management. Attitudes have direct impact on job satisfaction. Organization commitment on the other hand focuses on their attitudes towards the entire organization. Although, a strong relationship between satisfaction and commitment has been found, more recent research gives more supports to the idea that commitment causes satisfaction. However, most studies treat satisfaction and commitment differently, especially in light of things like downsizing that are part of modern organizations.

Managers and management researchers have long believed that organizational goals are unattainable without the enduring commitment of members of the organizations. Motivation is a human psychological characteristic that contributes to factors that cause channel and sustain human behavior in a particular committed direction. Stoke, in Adeyemo (1999) goes on to say that there are basic assumptions of motivation practiced by managers which must be understood. First, that motivation is commonly assumed to be a good thing. One cannot feel very good about oneself if one is not motivated. Second, motivation is one of several factors that goes into a person’s performance (e.g. as a librarian). Factors such as ability, resources and conditions under which one performs are also important. Third, managers and researchers alike
assume that motivation is in short supply and in need of periodic replenishment. Fourth, motivation is a tool with which managers can use in organization. If managers do not drive the people working for them, they can tailor job assignments and rewards to what makes people “tick”. Motivation can also be conceived of as whatever it takes to encourage workers to perform by fulfilling or appealing to their needs. To Olajide (2000), “it is goal directed, and therefore cannot be outside the goals of any organization whether public, private or non-profit.”

Some of the strategies in motivating workers in the organization are:

(1) **Salary, wages and condition of service:** To use salaries as a motivator effectively, personnel manager must consider four major components of a salary structures. These are job rates, which relates to the importance the organization attached to each job, payment, which encourages workers or groups by rewarding them according to their performance, personal or special allowances, associated with faction such as scarcity of particular skills or certain categories of information processonals or with long service, and fringe benefits such as holidays with pay, pension and so on.

(2) **Money:** Akintoye (2000) asserts that money remains the most significant motivational strategy. As far back as 1911, Frederick Taylor and his scientific management associates described money as the most important factor in motivating the individual worker to achieve greater productivity. Taylor advocated the establishment of incentives wage system as a means of
stimulating workers to higher performance, commitment, and eventually satisfaction. Katz in Sinclair et al (2005) demonstrates the motivational power of money through the process of job choice. He explains that money has the power to attract, retain and motivate individuals towards higher performance. For instance, if a librarian or information professional has another job offer which has identical job characteristics with his current job, but greater financial reward, the worker would in all probability be motivated to accept the new job offer. Money possesses significant motivating power in as much as it symbolize intangible goal like security, power, prestige and a feeling of accomplishment and success. Bankoko (1996) states that many managers use money to reward or punish workers. This is done through the process of rewarding employees for higher productivity by instilling fear of loss of job (e.g. premature retirement due to poor performance). The desire to be promoted and earn enhanced pay may also motivate employees.

(3) **Staff Training:** No matter how automated an organization may be, high productivity depends on the level of motivation and the effectiveness of the workforce. Staff training is an indispensable strategy for motivating workers. The organization must have good training programmes. This will make the organization an information professionally opportunities for self improvement and development to meet the challenges and requirements of a new equipment and new techniques of performing a task.
(4) Job Satisfaction: Definition of job satisfaction as pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience. Job satisfaction is a result of employee’s perception of how well this job provides those things that are viewed as important. According to Mikhell and Lasan (1986). It is generally recognized in the organizational behavior field that job satisfaction is the most important and frequently studied attitude. While Luthan (1998) posited that there are three (3) important dimensions to job satisfaction.

- Job satisfaction is an emotional response to a job situation. As such, it cannot be seen, it can only be inferred.

- Job satisfaction is often determined by how well outcomes meet or exceed expectations. For instance, if organization participation feel that they are working much harder than others, in the department but are receiving fewer rewards, they will probably have a negative attitude towards the work, the boss and or co-workers. On the other hand, if they feel they are being treated very well and are being paid equitably, they are likely to have positive attitude towards the job.

- Job satisfaction represents several related attitudes which are most important characteristics of a job about which people have effective response. These to Luthans are: the work itself, pay, promotion opportunities, supervision and co-workers.
Job satisfaction cannot be talked of where there is absence of motivation, lack of job satisfaction a predictor of equating a job (Alexandr, Litchenstein and Heumann, 1997: Jamal, 1997). Sometimes workers may quit from public to the private sector and vice versa.

2.3 ADMINISTRATIVE MEASURES ON IMPROVING SALARY AND WAGES ON NIGERIA PUBLIC SERVICE

The administrative measures on improving salary and wages based on the Teachers’ Salary Structure (TSS). So far, an insider’s chronological account on the 25 years struggle for better condition of service for teachers in Nigeria.

Contemporary world attention today is focused on educating as an instrument of launching nations into the world of science and technology and with consequential hope of human advancement, in terms of living conditions and development of the environment. This is because education in the light of any nation is the live wire of its industries. It is the foundation of moral regeneration and rival of its people. Education is the force and bulwark of any nation defense. The reform, no nation can afford to pay lip service to the education of its people. The nation which thinks lightly on education does so to its own perils. In this regard, it has been observed that no nation rises above the level of its education and no educational system outgrows the quality and status of its teachers.

This must have informed the decision of this International Labour Organisation (ILO) in corporation with UNESCO (1996) to launch a charter on ILO/UNESCO.
Recommendation concerning the status of teachers, a document to which the Nigeria government was a signatory made a very strong case of the primacy of importance the teaching profession should enjoy in the scheme of things, but also presented a solid advocacy for the improvement of the conditions of services of teaching practitioners over and above what obtains in the nations public service grid. Circumstances of this nature gave the NUT the impetus to look inward with a view to adducing facts and information that would aid the Federal Government of Nigeria in going consideration for enhanced conditions of service for the Nigerian teachers. The administrative measures of the wages and salaries should be based on the demand for Teacher’s Salary Structure (TSS). For over two decades, the teachers of Nigeria under the aegis of the NUT have been consistent in their request for a separate condition of service and salary structure and for teachers in primary schools in the country. This demand had been backed up with moral persuasion and historical trade union struggles as occasion warranted.

In 1992, a memorandum was submitted by the NUT to the federal ministry of education and was subsequently reviewed in 1995 and well defended before the national salary and wages commission. The seriousness of the demand for the Teachers salary structure has taken its took on the industrial life of the nation, sometimes leading to nationwide industrial actions by teachers. In the aftermath of insistent demand by the NUT the federal government commissioned a ministering committee on Teacher’s Salary Structure, the report of which was submitted to the federal government on 3rd October, 1996. The next cheering information the public
heard of the teacher’s salary structure was made by the federal government in federal broadcast of 1998. The minister of education categorically stated that the federal government would take teachers out of the public service salary structure. The implementation of that budget broadcast remains subsumed in the nations archive till date. The federal government of Nigeria has accorded due recognition to the global clamour for education for all (EFA) as a veritable instrument of social and political mobilization and economic development. This is in keeping with the set objectives of according the citizenry free, compulsory, and qualitative education to all school age children for the first nine (9) years of schooling, in order to ensure compliance with the EFA and Millennium Development Goals.

In this regard, the government signed into law, the compulsory free Universal Basic Education Act, 2004 and other related matters which was a positive see in the right direction, aimed at actualizing the above stated goals. A location Investment in the exercise as well as the overall objectives of the programme would only bear fruit and be result oriented if the teachers who constitute the executives of the process are adequately motivated and well remunerated. The union insisted that there should be a total departure and revolutionized policy thrust on the wages and salaries of teachers in primary and post primary schools in Nigeria from the age long, public service structure which has not given any image to the teachers. It does not require spinted argument to show that the job expectations and the job analysis of a teacher are professionally in nature, demanding special consideration and special attention. The teachers do not have limited working hours, as they have to cope with many contacts
and non contact hours for which no adequate remuneration can be given. Lesson preparation research on topics, the search for teaching materials, contact teaching periods, crowded classrooms, counseling responsibilities, manual labour, moral instructions, game and sports organizations, specialized professional qualifications and over co-curricular activities which they may help to mould the child’s life, constitute some of the vital professional areas of duties performed by the teachers. These duties have mostly, till date, remained unrecognized and unrewarded but still and central and germinate to use overall development of the child. Ironically, while teachers in all tertiary institutions in the country (universities, polytechnics, monotechnics, colleges of education etc) enjoy separate salary packages in keeping with their occupational and professional calling, those in primary and post-primary schools who constitute the foundation and critical levels are ignored and left out. Yet, they all possess the same prerequisite for professional qualifications to be registered and licensed with the Teachers Registration Council of Nigeria (TRCN), and exercise that is currently going on. This represents an establishment case of professional discrimination. Consequent upon the delay in establishing the TSS and in view of rising pressure from teachers, the NUT took fresh step by resuscitating demand for TSS in 2001. A view memorandum was submitted by the Nigerian Union of Teachers (NUT) to the Federal Ministry of Education requesting for the establishment of a Teacher Salary Structure (TSS) and this received the attention of the Joint Consultative Committee of Education (JCCE) plenary meeting held in Kano in 2002, as a prelude to its consideration by the National Council on Education (NCE). A technical committee of the JCCE was set up to exercise this submission and make
appropriate recommendations to the National Council of Education (NCE) which is the highest policy making body of government on all education matters in the country. In the course of this administrative measures, some committee considered the desirability or otherwise of the TSS and came up with some findings and recommendations, which some its findings include:

1. The teachers at tertiary levels had over a decade enjoyed special salaries and allowances.
2. That in the past, special allowances were given to teachers at the lower levels but such responsibilities allowances had disappeared.
3. That lack of motivation and appropriate incentives had negatively affected the quality of teaching and learning at the foundation level of the nation’s educational system.
4. That the poor financial had implication for the quality of education of both the lower and tertiary levels.
5. That the justification for the TSS was highly appreciated and duly recommended.

In order to make a holistic, comprehensive and acceptable presentation, the committee went ahead to consult with the salaries income and wages commission for their input and sectoral advice on the issues, consequent upon which it recommended that:

1. 20% increase on the Harmonized public service salary scale (HAPSS) for across the board implementation for the teachers in primary schools and post primary schools in the country be approved.
2. Some allowances paid to teachers particularly in the rural areas to enhance motivation and ensure retention.

The above findings and recommendation contained in the report of the committee submitted to the National Council on Education (NCE) at its 50th session held in October 2003 in Yenagoa, Bayelsa state, at which Honourable Commissioner of Education, parastatals of the Federal Ministry of Education and other attendance, after due consideration and extensive deliberation unanimously approved the Teachers Salary Structure (TSS) subsequently, the Honourable Minister of Education in his capacity as chairman of the NCE presented TSS as approved to the Federal Executive Council (FEC) which referred it to the National Incomes, salaries and wages commission for all necessary actions. It must be mentioned that the approved of the TSS by the BCE in 2003 was received with great joy and heightened celebration by all teachers in primary and post-primary schools in the country. The delay in actualizing and implementing it has however remained a topical issue, generating interest, apprehension and uncontrollable restiveness among the teachers who now feel a strong sense of discrimination and dermal.

Following the consideration and approval given to the recommendations for the TSS implementation by the Government, the Federal Ministry of Education referred the issues to salaries incomes and wages commission. The commission responded by requesting the Federal Ministry of Education to provide information the cost implication of implementing the proposed TSS by the Federal government.
2.4 AGITATION FOR INCREMNT OF SALARY AND WAGES ON NIGERIA PUBLIC SERVICE

The minimum wage agitation is one that has generated so much interest amongst Nigeria workers, considering the fact that the wages currently earned can be best described as poverty wages. The issue has characterized by conflicting stories from the government quarters and the media. This has confirmed the position being advocated by the DSM that without a determined mass struggle, the government will not willingly grant the new minimum wage.

For instance, contrary to a report that president Goodluck Jonathan was to announce a minimum wage for workers on July 2010, the minister of state for finance, Mr. Remi Babalola was reported to have said that the new minimum wage to be expected will only cover workers in tertiary institutions as agreed with government in the year 2009, but with a caveat that the other categories of workers will subsequently enjoy the same salary increment later. Also the Chief Executive of the Salaries and Wages Commission, Richard Egbule, who has on April 13, 2010 in Abuja said that the Federal government could not afford to increase workers salary at this time, was later reported in paper in the year 2010 to have said that the government had released a circular that suggest that as from July 2010, the new minimum wage of N17,000 would be implemented for the Federal Service workers. The president of the Trade Union Congress (TUC), Peter Esele, at the 2010 may Day Celebration in Abuja, announced N18,000 as a figure agreed with government by labour leaders. But this was roundly rejected by workers as this figure is a far cry from the N52,200 being officially demanded by labour since December 2008. Besides, the workers realized
that with inflationary trends and ever increasing cost of living, N18,000 or N17,000 is paltry. There is also a feeling of injustice when the figure is compared with the outrageous jumbo pay of the political office holders. Provatively, as at press time, the House of Representatives members who earn 25 million per quarter (9 million per month) as constituency allowance are agitating to increase to 42 million per quarter (14 million per month).

Although it is still inadequate in the face of harsh economic realities and labours original demand, N18,000 minimum wage is a small victory that needs to be consolidated upon through agitations and mass action in order to extend the victory to all workers irrespective of their employers and to be increased periodically until a living wage is achieved. It must also be stressed that no worker must lose his/her job on account of the new minimum wage. The last one decade of the civil rule witnessed huge job loses inspite of the increase in the oil wealth of the country. for example, according to Professor Sam Aluko, between 1999 and 2007, the governments both Federal and state, bank and insurance companies have sacked about 4.8 million Nigerians, most of whom are from the civil service. These figures were some what buttressed by Mr. Stephen Oransaya, the head of civil service of the federation, who was reported in the Business Day of June, 21, 2010 to have disclosed that the federal government has retrenched no fewer than 42,000 civil servants lately. Yet government has made over 34 trillion in revenue for the period between 1999 and 2009. This has simply shown that whatever cession government and private sector employers grant is not sustainable since it comes with attacks in forms of
retrenchment, inflation, increased in taxation cuts in public spending. The past experiences have shown that most states, if not all and private sector employers would refuse to pay the new minimum wage after the federal government starts to implement it. Already, many state governments have warned that they are not duty bound on the basis of federalism to implement whatever the federal government agrees with NLC/TUC. This is a fraudulent argument. The Revenue Mobilization Allocation and Fiscal Commission (RMAFC), a federal government agency, determines wages and allowances for political office holders without recourse to federalism. It is only when it comes to increment of workers wages that all types of ply are employed to defeat it. This has always been patterned. For instance after the federal government on 7,500 minimum wage in year 2000, many states refused to pay while those who agreed only acceded to 5,500 after strikes and other mass action by workers. Indeed, in Lagos, the struggle led to the sack of Ayodele Alele and other trade union activists who led the struggle against them. Bola Tinubu state government.

More importantly labour leaders must realize that it is counter productive both in the short and long run to have the same government who unleash neo-liberal attacks on the working class people to remain in power and expect the gains or concessions won to remain without being eroded. Therefore, the struggle of the working people or concessions like improvement in wages should be linked with the overall struggle to wrest political power from the thieving capitalists ruling elite with the aim of forming a working people’s government that will mobilize the resources of the society for the provision of basic needs like education, health care, water, decent jobs, decent housing
and infrastructure, like electricity and roads. To sustain such program on a lasting basis, it will require public ownership of the commanding heights of economy with democratic management and control of the working people along a comprehensive socialist programmed and politics.

But as at 23rd Feb. 2011, there was a media reports from Grace FM 95.5mh that Senate of the Federal Republic of Nigeria has approved the minimum wage of N18,000.

2.5 HISTORY AND BACKGROUND OF OLAMABORO LOCAL GOVERNMENT AREA

The importance of local government development cannot be over emphasized for it brings about development at the grassroots level. It is not surprise therefore that Olamaboro local government area is one of the local government in Kogi State in Nigeria.

During General Ibrahim Babangida’s led administration 1991, Nigeria was divided into 36 states among which was Kogi State with headquarters at Lokoja. This changes including boundary adjustments which resulted in the creation of Olamaboro Local Government Area. It was created out of the former Ankpa local government area with headquarters at Okpo.

Olamaboro Local Government Area consists of three (3) districts. There are Ogugu, Okpo and Imane districts. In Kogi State Olamaboro Local Government is located
The settlers of Olamaboro Local Government Area are predominantly Igala, with some other tribes like Idoma, Igbos, Onugba and so on. It has the Area total of 1,132km² (437.1sqm1) with the population of 160,152 as at 2006 Census.

The Local Government was created to bring government nearer to the people and also to increase the wellbeings of the rural populace. The people of Olamaboro Local Government Area are predominantly farmers and with God’s gift of uninterrupted mass fertile land. It is in further realization of this gift of fertile land that the local government embarked on the popular Ejoka Farm and Ugbamaka Igah farm to boost production in the area.

Olamaboro local government area also falls within the palm belt area of Kogi State and the leading palm oil producer in the state. To this effect, the symbol of the local government is a man with a strong rope and a cutlass which goes to show the abundance of palm trees and the preparedness of the people to harness the palm resources in order to boost economic potential of the local government in particular.

The local government is divided into ten (10) wards for administrative convenience. Two (2) wards in Imane districts, three (3) wards in Okpo districts, three (3) wards in
Ogugu districts, Igah ward and Inele ward respectively. There is an uninterrupted water supply in Okpo, the headquarters of the local government, Imane district and a river across the whole Ogugu district.

2.6 AIMS AND OBJECTIVES OF OLAMABORO LOCAL GOVERNMENT

The aims and objectives of Olamaboro local government are the intentions or goal which they are expected to achieve in order to satisfy the aspiration or the general needs of the citizens within the area authority.

Prior to the 1975/76 local government reforms, the aim and objective of local government was not clearly spelt out – it was only in this reform, the structure, aims and objectives of local government were made known.

(a) Participatory democracy through the promotion of grassroots participation in the system of government by the local government.

(b) To serve as a two channel communication between the local populace and the government both state and federal.

(c) To mobilize human and material resources through the involvement of numbers of the public in their local government.

(d) Efficient delivery of local services by assigning appropriate levels or function which are best undertaken at the levels.

Government create local government through the combination of various aims like democracy, efficiency, of administration, delivery of local services, training of local political activities, mobilization, communication etc not through the consideration of
only one of them. The two (2) major aims above can however be the main area of consideration.

2.7 STRUCTURAL FORMATION

The 1976 local government reform wherefore brought a new lease of life into the local government in Nigeria as it introduced a unified system as well as recognizing local government as the third tier of government. Those issues of uniformly and recognition of local government are regarded as the Hallmarks in the Nigeria local government reforms since the colonial era. The synopsis of the reform include the increase in number of local government, adoption of a single tier system of which the council consist of the chairman and councilors, the secretary traditional council and four department namely education, health, agriculture and worker were presided over by portfolio councilors.

Apart from the 1987 reform, since the most significant among these reforms is the 1989 local government reform; it’s considered the most significant because of certain important changes that took place such as increase in allocation of revenue to local governments from 301 to 499 etc. Formally, allocation of revenue to local government was based on 10 percent but the 1989 raised it to 15 percent.

Prior to the latest reforms, the administration of the local government was run by a caretaker committee. In Olamaboro local government, the caretaker was made up of our (4) supervisors and a chairman appointed by the state government. However,
under the present dispensation and following clarifications made recently regarding to guidelines of the most recent reforms, the executive arm of government council shall comprise an executive chairman, a vice chairman and supervisors. Infuriately, it was silent on the position of the secretary to the local government, who understandable is a powerful member of the executive arm.

The executive arm is responsible to the legislature which is empowered to impeach the chairman where he commits an impeachable offense. The guidelines indicated the responsibilities of the local government legislature as follows:

(a) Law making
(b) Debating and passing local government legislation
(c) Debating, approving and possibly amending local government annual budget subjected to the chairman’s veto power, which could be overridden by two third \( \frac{2}{3} \) majority of the council.
(d) Voting and monitoring the implementation of projects and programmes in the local government annual budget.

On the other hand, the duties of the executive arm of the local government which are to be determined by the House of Assembly of Kogi State include rendering a monthly statement for security by the legislative arm. Thus, it is apparent from the foregoing that present system of local government in Nigeria is a two tier structure comprising the executive and the legislature.
Regarding the structure, the model structural chart of the local government in appendix 1 speak for itself. However, the chart depicts the executive arm of the local government only. The legislative arm on the other hand comprises the elected councilors and it is headed by the leader of the council where role is synonymous with that of the speaker of the house of Assembly.

If we look at the present dispensation following the structural chart, the chairman is at the head of affairs, followed by the secretary to the local government who is regarded as the head of service at the local government level. The information political and chieftaincy and internal audit units are directly responsible to the chairman. On the other hand, the legal unit and the council secretariat are accountable to the secretariat to the local government who in turn is responsible to the chairman even though all six departments are under him (The Secretary).

The six departments are as follows:

1. Director of Personnel Management unit
2. Director of Finance and Accounting
3. Director of Social Services
4. Director of Agriculture and Natural Resources
5. Director of Primary Healthcare
6. Director of Works
Each of the above units is assigned to a separate committee that oversees its affairs and report to the chairman. These units are under the watchful eyes of the officer who is accountable to the secretary of the local government.

**OLAMOBORO**

**ORGANISATIONAL STRUCTURE OF LOCAL GOVERNMENT**

![Organizational Structure Diagram]

*Oyediran (ed) 1988: 2-16*
2.8 SALARIES AND WAGES ADMINISTRATION IN OLAMABORO LOCAL GOVERNMENT AREA

Salary administration in Olamaboro local government has become a major concern of the employees. This is due to the caliber of workers found in the area. This led to the emergence of setting up a committee to look into it.

However, no local government can hope to progress without the effective effort of her employees and wages and salaries contribute greatly towards these. On the other hand, workers cannot obtain financial reward and job satisfaction unless the local government achieves its objectives. Low pay rate reduce the effective performance of the workers in an organization.

Wages and salaries alone do not constitute pay but the combined value of the basis wages or salaries plus fringe benefits. The monetary value of the employee’s skills and contribution must be measured against these criteria. Consequently, they must necessarily be differential between the various job groups in the local government.

The council implements the report as follows:

1. Local government pay structure for the unskilled employees has recognized the fact that job in this categories offer limited opportunities to demonstrate individual skill. The opportunity for promotion is limited to the local government therefore decided to base her salary on length of service. The individual employee who does see promotion prospects for himself will derive some satisfaction. From the fact that his basic salary change from time to time.
2. The skilled employees demonstrate some elements of professional knowledge. It is they who diagnose the cause of machine breakdown and take corrective action. They perform a variety of complex jobs and generally feel more secured in their jobs than unskilled because they are in high demand, and can move from one organization to another for more pay and better fringe benefits. The local government council executive and recognized their skill pay structure to provide an income high energy to attract and hold most of the competent employees in the organization.

3. The management group especially executive higher salary and good fringe benefits are taken for granted.

However, the local government takes a measure as an individual effort, hence, salary increase for this group must be flexible status which is a major concern of the group and the fringe benefits of the best of them are to be retained in the local government.

These measures are taken to tackle effective salaries and wages administration in Olamaboro Local Government. In order to carry out this research effectively and efficiently, the research adopts Abraham Maslow hierarchy of needs theory (1965). Maslow was an American Psychologist who wrote on motivating power of man’s needs known as Maslow hierarchy of needs.

(1) Man’s need to be arranged in a hierarchy of relative propensity.
Each level of needs is dominant until its satisfied, only then does the next level of needs become a motivating factor.

A need which has been satisfied no longer motivates an individual’s behavior.

Maslow posits that human needs are graduated from the lowest to the highest and they operate in an ascending order. The first level of needs according to him is physiological life itself such as for food, water, clothing, shelter and sexual satisfaction. This is the most basic human needs.

The second is the hierarchy of needs he calls the safety needs. These are needs for safety of protection against danger, injury, threat, sickness, deprivation or loss of job, property etc.

The third is the needs for affiliation, since people are social beings, there is also need for belonging, acceptance, love, friendship and togetherness.

The fourth and fifth in the hierarchy are self esteem and self actualization needs respectively. Self esteem refers to needs for respect by others and oneself and
produces such satisfaction as power, prestige, status and self confidence. The last and highest order of need is self actualization. This is the need for achievement or the desire to become what one is capable of becoming with the limit of his potentials.

According to Maslow, man is a perpetual wanting animal. The satisfaction of the first order need, the physiological needs necessitate the desire for the next set of needs that is security or safety needs and in that order. He further argued that once a need is satisfied, it is no longer a motivation but it is supplemented by the next set of needs. This project work, analyzes salaries and wages as a method of motivating workers and also uses administration as a tool for employee’s performance in any organization.
CHAPTER THREE

RESEARCH METHODOLOGY

The aim of this chapter is to discuss the various methods that have been employed in this research work. The sample used method of collecting data, the various sources of data and method analyzing the data. The objective of this is to provide the authority base for the research.

According to Ozongrou (1992:35), methodology draws the map chart upon which the research project is executed. Methodology permits a successful replication of the work by other researchers.

3.1 RESEARCH DESIGN

This is concerned with the various methods to be employed in the collection of data necessary for the computation and successful completion of the research study. The research method and design used in any research is substantially determined by the nature of the research problems and the purpose of the study. Since this research is a fact finding study, descriptive research method was selected in order to appraise the role of salaries and wages administration as a tool for improving employees’ performance in an organization. The descriptive approach is based on answers to certain relevant research questions.

In the process of achieving the objective, the questionnaire and oral interview research techniques were employed.
3.2 AREA OF THE STUDY

This is a study of salaries and wages administration as a tool for improving performance of employees in an organization in Nigeria. For the purpose of this research anything that is affected in the cause of carrying out this research is automatically a member of the area of the study. But for time and distance, the researcher decided to limit the scope of organization in Olamaboro Local Government Area of Kogi State.

3.3 POPULATION OF THE STUDY

The public sector consists of very big institutional formulations and with several employees running into thousands. Ideally, the public service is the focus of the study, but for resources constraints and the fact that there is a specific case study area, this research is based specifically in Olamaboro Local Government Area of Kogi State.

For clarity 150 staff were the population of the study in Olamaboro Local Government Area of Kogi State.

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<th>Category</th>
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<tr>
<td>The Junior level officers</td>
<td>80</td>
</tr>
<tr>
<td>The middle level officers</td>
<td>50</td>
</tr>
<tr>
<td>The top management officers</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
</tr>
</tbody>
</table>
3.4 SAMPLE AND SAMPLING TECHNIQUE

A sample refers to a part of a whole group or population about which observation are made. Similarly, Ammes et al. (1984) on their part defined sample as a group of units selected from larger collection of units or universe for the purpose of drawing conclusion about the universe.

The sample size for the staff was determined by the use of statistical method. This statistical method is to identify individual cases and focuses instead on classes, averages, percentage, measure of dispersions and more sophisticated statistical procedure. The sampling method used in this research work was stratified random sampling and simple random sampling (probability sampling technique). This implies that the population is chosen at random and has a known non-zero chance of selection. Thus homogenous groups/class of staff were grouped together to form a strata, and the elements in each strata were sampled at random. Hence, giving all the element an equal chances of being selected.

3.5 INSTRUMENT FOR DATA COLLECTION

The instruments used in this research are personal interview, personal observation and the use of questionnaire.
(1) Observation Technique: This entails watching the various employees at work in the various departments and sections and the reaction of workers to the work assigned to them. Furthermore, it entails making observation on the nature of industrial relation that exist in that workplace etc.

(2) Personal Interview: The researcher interviewed various grades of employees of Olamaboro Local Government. The oral method ensures anonymity of the information and this undoubtedly makes for more accurate and reliable information.

(3) The Questionnaire: The questionnaire was designed to accommodate the sample of the population under study it has an open ended answers questions for respondent to agree or disagree. The open ended answers resulted from the need to seek out individual opinions.

In designing the questionnaire enough reading was made on the subject matter. Also care was taken to minimize errors. As much as possible all items of identification were excluded in the questionnaire to allay the fears of the employee who could feel that they might be victimized by their employers because of their response to the categories of staff sampled.

3.6 Validity of the Instrument

To ensure the validity of the instrument used about two people were approached for their comments. One person being from the top cadre, and the other person from the junior level. They were asked to examine the instrument with regard to its relevance to
the study, technicality and clarity of the items in describing the salaries and wages administration as a tool for employees’ performance improvement in an organization in Nigeria. The researcher amended the instrument in line with their comments. This ensured its validity.

3.7 RELIABILITY OF THE INSTRUMENT

In order to maximize the reliability of the instrument used for the research, the researcher ensured that questions were not ambiguously framed as to give the impression of different meaning. More also, questions were not constructed in a manner likely to communicate different meaning that could generate inaccurate responses when instrument is repeatedly used.

3.8 METHOD OF DATA COLLECTION

The researcher formally approached the Director of Personnel Management in Olamaboro Local Government on the cadres of officers. The copies of the questionnaire were distributed to the respondents. The fact that all the respondents are staff and employees of Olamaboro Local Government Area, and are under the same roof made it easier for the administration and collection of the questionnaires on the respondents as the method of data collection.

3.9 METHOD OF DATA ANALYSIS

The data collected were analyzed and converted into meaningful and acceptable information by the use of the following procedures.
(1) Simple percentages: This is the method used to analyze the collection data through the use of questionnaire. The number of responses of each of the several questions were analyzed and expressed in percentage (90) scores and presented in tabular format.

(2) Chi-square application: This method is to test the hypothesis. It is adequate because of its flexibilities and easy application. The hypotheses were based on the association of variables obtained from the analysis. Below is the formular for the chi-square.

\[ X^2 = \sum \frac{(o - e)^2}{e} \]

Where \( X^2 \) = Chi-Square

- \( o \) = Observed frequency
- \( e \) = expected frequency
CHAPTER FOUR
DATA PRESENTATION AND ANALYSIS

4.1 DISCUSSION OF FINDINGS

One of the most important steps in the research process is data analysis. This chapter seeks to present and analyse the data collected through the means of questionnaire and personal interview with a view to finding out answers to the research questions raised in the proposal. This chapter also seeks to test the ability of the hypotheses with questions to verify them. The accomplishing responses are evaluated in order to validate or reject the hypotheses. The researcher considers this order of presentation necessary for easy reading and understanding.

4.2 ANALYSIS OF SELECTED QUESTIONNAIRE

Table 4.1.1 shows that out of the 150 respondents in Olamaboro 69 (47.59%) respondents were under the age bracket of 36 – 55 years while 46(31.75%) respondents are within the age bracket of 18 – 35 years while 30 representing (20.69%) respondents are within from the age bracket of 56 years and above. It might therefore be logical to summarize from the observation that workers in Olamaboro local government falls within the working age. This is because as managers, they must have undergone through some experience and educational training.
The table below shows the description above

<table>
<thead>
<tr>
<th>AGE GROUP (YEAR)</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 – 35</td>
<td>46</td>
<td>31.75</td>
</tr>
<tr>
<td>36- 55</td>
<td>69</td>
<td>47.59</td>
</tr>
<tr>
<td>56 and above</td>
<td>30</td>
<td>20.69</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Field Survey, 2012*

The frequency distribution of respondents by gender shows that there was a wide disparity in gender distribution of the 150 sample. Male respondents had much greater population of the total number of employees in the local government than the female respondents. 93 respondents representing 64.14% constituted the male while 52 (35.86%) respondents constitutes the female. The gap was wider in the case of unemployment. However, F.O.S (2001) has found that a large gap existed between male/female rate of employment and unemployment. Chiata (2002) also pointed out that “labour force participation was higher among male than the female due to inhibition that deter females active participation in the labour market.

The table below show or summarizes the sex distribution as described above
Table 4.1.2 Sex Distribution of Respondents

<table>
<thead>
<tr>
<th>SEX</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>93</td>
<td>64.14</td>
</tr>
<tr>
<td>Female</td>
<td>52</td>
<td>35.86</td>
</tr>
<tr>
<td>Total</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2012

The data shows that most of the respondents were married. The married respondents constituted 100 representing 68.97 while 40(27.58%) respondents are single and 5(3.45%) respondents are divorced which is the lowest. It is the general belief that married people are responsible human being. It can be deduced from the table that a majority of the respondents is responsible. However, the table below shows the detail data collected from the survey

Table 4.1.3 Marital Status of Respondents

<table>
<thead>
<tr>
<th>AGE GROUP</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>40</td>
<td>27.58</td>
</tr>
<tr>
<td>Married</td>
<td>100</td>
<td>68.97</td>
</tr>
<tr>
<td>Divorce</td>
<td>5</td>
<td>3.45</td>
</tr>
<tr>
<td>Total</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Survey 2012

The frequency of religion of respondents shows that about 132 (91.04%) respondents are Christians, 13(8.96) respondents are Muslims. There is no other religion in the local government. From the table below, the Christian are the majority in the local
government which means that the Muslims are just few in the religion distribution of respondents. The table below shows the tabular explanation of the above religion distribution in Olamaboro Local Government Area

**Table 4.1.4 Religion Distribution of Respondents**

<table>
<thead>
<tr>
<th>RELIGION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islam</td>
<td>13</td>
<td>8.96</td>
</tr>
<tr>
<td>Christian</td>
<td>132</td>
<td>91.04</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Field Survey 2012*

The income distribution shows that 20 respondents representing 26.21% earn between N100,000 – 200,000. 60 respondents representing 41.38% earning between N210,000 – N300,000 per annum. It also shows that 20(13.79%) respondents earned between N310,000 – 400,000 per annum while 17 (11.72%) respondents earned between N500,000 – N590,000 per annum and 10(6.90%) respondents earned N600,000 and above per annum. The breakdown shows that those who earn between N500,000 and N600,000 per annum constituted the minority while those that earn between N100,000 and N300,000 per annum constituted the majority.

**Table 4.1.5 Income Distribution of Respondents**

<table>
<thead>
<tr>
<th>INCOME PER ANNUM</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between N100,000 –</td>
<td>20</td>
<td>26.21</td>
</tr>
</tbody>
</table>
From the frequency, all employees completed at least secondary school. Cases of Stark illiteracy (i.e. inability to read, write or understand very simple English language) were not common among the local government employees. The workers had an impressive percentage of respondents who had certificate of tertiary education. But still, more works needs to be done to get the 40(27.58%) respondents to further their education.

### Table 4.1.6 Education Level Distribution of Respondents

<table>
<thead>
<tr>
<th>LEVEL OF EDUCATION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>WASSCE/GCE O. Level</td>
<td>40</td>
<td>27.58</td>
</tr>
<tr>
<td>OND/NCE</td>
<td>92</td>
<td>63.45</td>
</tr>
</tbody>
</table>
4.3 TEST OF HYPOTHESIS

To make a generalized conclusion on the study, the hypotheses hitherto mention in chapter one has been reviewed and tested in the light of all available evidence for acceptance or rejection. The hypotheses were tested at 5% level of significance. The statistical package used is chi-square.

RESTATEMENT OF HYPOTHESES

Ho: That salary administration has no significant relationship with workers productivity.

H1: That salary and wages administration has a significant relationship with workers productivity and their performances.

For the purpose of testing the hypotheses, table 13, table 14 and table 15 (questions, 8, 11 and 13) are used.

Expected frequency is

\[ \sum 0 = 1 + 2 + 3 + \ldots \]
Frequency table 13 responses on whether the methods of salary administration by management enhance productivity.

\[ Fe = \frac{\sum 0 \cdot 7 + 48 + 0}{3} \]

\[ Fe = \frac{145}{3} \]

\[ Fe = 48.33 \]

\[ X^2 = \]

<table>
<thead>
<tr>
<th>Fo</th>
<th>Fe</th>
<th>Fe-Fo</th>
<th>(Fo-fe)^2</th>
<th>(Fo-Fe)^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>97</td>
<td>48.33</td>
<td>48.67</td>
<td>23.69</td>
<td>49</td>
</tr>
<tr>
<td>48</td>
<td>48.33</td>
<td>0.33</td>
<td>0.1089</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>48.33</td>
<td>-43.33</td>
<td>23.36</td>
<td>48</td>
</tr>
</tbody>
</table>

\[ X^2 = 97 \]

\[ X^2 \text{ tab n-1 at } 5\% \text{ significance} \]

3-1 under 0.05

Therefore, \[ X^2 \text{ tab } = 5.99 \]

Under 0.05

\[ X^2 \text{ Cal } = -97 \]

**Comments:** From the tested hypothesis using table 13, and the table revealed that, the method of salary administration by the management enhance workers output. This means that bank payment stimulate employees in an organization to work. In order since the calculated (\( x^2 \)) chi-square is more than the \( X^2 \) table.
Frequency table 14 responses, on whether salary increment boosts their morale.

\[ Fe = \frac{\sum (00 + 37 + 8 \times \overline{3})}{3} \]

\[ Fe = \frac{145}{3} \]
\[ Fe = 48.33 \]

\[ X^2 = \frac{(e - Fe)^2}{Fe} \]
\[ X^2 = \]

Table 14

<table>
<thead>
<tr>
<th>Fo</th>
<th>Fe</th>
<th>Fe-Fe</th>
<th>(Fo-fe)^2</th>
<th>(Fo-Fe)^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>48.33</td>
<td>51.67</td>
<td>2670</td>
<td>51.67</td>
</tr>
<tr>
<td>37</td>
<td>48.33</td>
<td>-11.33</td>
<td>128</td>
<td>2.65</td>
</tr>
<tr>
<td>8</td>
<td>48.33</td>
<td>-40.33</td>
<td>1627</td>
<td>33.66</td>
</tr>
</tbody>
</table>

\[ X^2 \text{ tab n-1 at 5% significance} \]

3-1 under 0.05
2 Under 0.05

Therefore, \( X^2 \text{ tab} = 5.99 \)

**Comments:** From the tested hypothesis using table 11, it shows that salary increment boost employees morale and lead to high productivity in the local government since the \( X^2 \) calculated is greater than \( X^2 \) table, frequency table 18, responses on salary and motivation.
\[ Fe = \sum_0 \left( \frac{90 + 51 + 4}{3} \right) \]

\[ Fe = 48.33 \]

\[ X^2 = \frac{\sum (o - Fe)^2}{Fe} \]

\[ X^2 = \]

<table>
<thead>
<tr>
<th>Fo</th>
<th>Fe</th>
<th>Fo-Fe</th>
<th>(Fo-fe)^2</th>
<th>(Fo-Fe)^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>90</td>
<td>48.33</td>
<td>41.67</td>
<td>1736</td>
<td>35.92</td>
</tr>
<tr>
<td>51</td>
<td>48.33</td>
<td>2.67</td>
<td>7</td>
<td>0.14</td>
</tr>
<tr>
<td>5</td>
<td>48.33</td>
<td>44.33</td>
<td>1965</td>
<td>( X^2 = 76.72 )</td>
</tr>
<tr>
<td>4</td>
<td>48.33</td>
<td>48.33</td>
<td>1965</td>
<td>( X^2 - 7672 )</td>
</tr>
</tbody>
</table>

\( X^2 \) tab n-1 at 5% significance

4-1 under 0.05

Therefore, \( X^2 \) tab = 5.90

\( X^2 \) Cal = 76.72

**Comment:** From the hypothesis tested using table 8, it could be deduced that, the salary they earned motivate the employees to put more efforts which lead to higher performance and productivity with respect to the salary payment system in Olamaboro Local Government Area of Kogi State.

Table 4.1.6 below, it shows at glance that 55 representing 37.93% respondents have served between 16-20 years, 25(17.24%) respondents served between 20 years and
above while 23 respondents served between 6-10 years and 22 (15.17%) respondents served between 11-15 years while 20(13.79%) respondents served between 1-5 years constituting the lowest percentage. The breakdown of the analysis revealed that, those who served between 16-20 years constitute the majority of the sample size being studied.

Table 4.1.7 Length of Service Distribution of respondents

<table>
<thead>
<tr>
<th>LENGTH OF SERVICE</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 1-5 years</td>
<td>20</td>
<td>13.79</td>
</tr>
<tr>
<td>Between 6-10 years</td>
<td>23</td>
<td>15.87</td>
</tr>
<tr>
<td>Between 11-15 years</td>
<td>22</td>
<td>15.17</td>
</tr>
<tr>
<td>Between 16-20 years</td>
<td>55</td>
<td>37.93</td>
</tr>
<tr>
<td>Between 20 and above</td>
<td>25</td>
<td>17.24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Field Survey, 2012*

Table 4.1.7 below shows that 90 representing 62.07% accepted that the salary they earn motivates them to work harder. However, 51(35.17%) respondents are with a contrary view, while 4(2.76%) respondents says they did not know whether the salaries have a motivating effect on their work. It will therefore be deduced that since majority of the respondents have agreed to the view, we conclude that, what they earn increases their productivity and their performance.

Table 4.1.8 Respondents view on Salary and Motivation

<table>
<thead>
<tr>
<th>OPTION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPTION</td>
<td>FREQUENCY</td>
<td>PERCENTAGE</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>Yes</td>
<td>90</td>
<td>62.07</td>
</tr>
<tr>
<td>No</td>
<td>51</td>
<td>35.17</td>
</tr>
<tr>
<td>I don’t know</td>
<td>4</td>
<td>2.76</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Field Survey 2012

From the survey, 89 (61.38%) respondents says that they are satisfied with the way salary and wages matters are being handled by the council while 37 (25.52%) respondents are not satisfied and 17 (11.75%) respondents said the council handles salary and wages in a terrible manner which could be as a result of lack of prudence and accountability while 2 (1.36%) respondents said they did not know the management handle their salaries and wages.

The survey indicated that 68 (46.90%) of the respondents often get salary increment every year while 29 (20%) respondents get salary increment in every 2 and 5 years respectively while this means that something is responsible for lack of constant
increase in salary ranging from lack of promotion, corruption and misappropriation of funds or denying employees entitlement such as fringe benefits and bonus.

Table 4.1.10 respondents view on salary Increment

<table>
<thead>
<tr>
<th>OPTION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every year</td>
<td>68</td>
<td>46.90</td>
</tr>
<tr>
<td>Every 2 years</td>
<td>29</td>
<td>20</td>
</tr>
<tr>
<td>Every 5 years</td>
<td>29</td>
<td>20</td>
</tr>
<tr>
<td>Once in a while</td>
<td>19</td>
<td>13.10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Field Survey, 2012

The data reveals that 100(68.96%) respondents accepted that increase in salary boosts workers morals while 37 (25.52%) respondents disagreed with that opinion and 8(5.52%) respondents are not sure whether increase in salary boosts their morale. From the analysis, it could be deduced that if salary increases, it will also increase workers productivity and performance.

Table 4.1.11 Respondents’ views on whether salary increment boosts their morale

<table>
<thead>
<tr>
<th>OPTION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>100</td>
<td>68.96</td>
</tr>
<tr>
<td>No</td>
<td>37</td>
<td>25.52</td>
</tr>
<tr>
<td>Not certain</td>
<td>8</td>
<td>5.52</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
The table below shows that 73(50.34%) respondents agreed that bank payment is used by the local government while 40(27.59%) respondents also said that table payment is used and 12(8.28%) respondents said they did not know because sometimes the council uses both table and bank payment just as responded by the 20 respondents.

Table 4.1.12 Respondents’ views on salary payment method

<table>
<thead>
<tr>
<th>OPTION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table Payment</td>
<td>40</td>
<td>27.59</td>
</tr>
<tr>
<td>Via Bank</td>
<td>73</td>
<td>50.34</td>
</tr>
<tr>
<td>I don’t know</td>
<td>12</td>
<td>8.28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The data shows that 97(66.89%) respondents agreed that the method of salary administration is a motivating factor for the enhancement of productivity while 48(33.11%) respondents disagreed with the view. From the below table we can deduce that the method of salary administration increase productivity. The table below shows clear description made above.
Table 4.1.13 Respondents view on whether the method of salary administration by management enhance productivity

<table>
<thead>
<tr>
<th>OPTION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>97</td>
<td>66.89</td>
</tr>
<tr>
<td>No</td>
<td>48</td>
<td>33.11</td>
</tr>
<tr>
<td>Not Certain</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Field Survey 2012*

The data show that 59 (40.69%) respondents are satisfied with the promotion policy in Olamaboro Local Government. 39 (26.89%) are unsatisfied with the policy. 34 (23.45%) respondents are fairly satisfied while 13 (8.97%) respondents don’t know.

Table 4.1.14  Respondents view on Promotion Policy

<table>
<thead>
<tr>
<th>OPTION</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfactory</td>
<td>59</td>
<td>40.69</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>39</td>
<td>26.89</td>
</tr>
<tr>
<td>Fair</td>
<td>34</td>
<td>23.45</td>
</tr>
<tr>
<td>I don’t know</td>
<td>13</td>
<td>8.97</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Field Survey 2012*
The data shows that 99 (66.28%) respondents accepted that they have done one professional training or the other whereas 33 (22.76%) respondents said they have never.

Table 4.1.15 Respondents views on the way to manage salary and wage in the Council

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adequate Funding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditing/Prudence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accountability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workers be paid in bank</td>
<td>130</td>
<td>89.66</td>
</tr>
<tr>
<td>Avoid delay in payment of salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good Policy making</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undecided</td>
<td>15</td>
<td>10.34</td>
</tr>
<tr>
<td>Implementation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: Field Survey 2012*

**Summary of Findings**

Since the $X^2$ calculated is greater than $X^2$ table, then to we shall accept H1 (alternative hypothesis) and reject Ho (Null hypothesis), meaning that salary administration has a significance relationship with workers productivity. This is because, from the tested hypothesis, the researcher discovered that the method of payment was also revealed that salary increment boosts employee’s morals and lead to high productivity, and the salary they earned has a connection with motivation. The
employers of labour are aware of the fact that salary is also one way of improving workers’ performance in organization. It should be noted that if salaries are not adequately paid when due and when salary increment and the method of payment, promotion, the way salary issues are handled, training is unsatisfied, the multiplier effect as regard to workers, output will be negative. In a nutshell, the decision for the acceptance of Hi (alternative hypothesis) has been taken based on the hypothesis tested using three frequencies from the analysis.
CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, RECOMMENDATIONS,
IMPLEMENTATIONS AND LIMITATIONS

5.1 SUMMARY OF FINDINGS

The purpose of this work is to examine salary and wages administration as a tool for improving employees’ performance in an organization in Nigeria, A case study of Olamaboro Local Government Area of Kogi State.

In the course of this work, the objectives of the study raised research question on what salary and wages administration is all about. The study objective, questioned if the existence of salary and wags administration could lead to improvement of employee’s performance. The study was to ascertain whether the performance of employee’s is a product of salary and wages administration.

The study made an attempt to explore the role salary administration play in increasing productivity and performance in the development of public service. The study also investigated the contribution of salary administration with regard to increment, how the council handles salary and wages, how salary motivates workers on the enhancement of productivity and performance of economic growth in the Nigeria economy. This is because employees believe that the method of payment will also boost their purchasing power. The analysis of the data indicated that salary
administration has positive role to play and has been playing in fostering economic and administrative development in Nigeria.

5.2 DISCUSSION

The finding that salary and wages administration enhance employees’ performance and productivity corroborated the views of Mohammed (2005) who observed that the functions of salaries and wages administration are to attract capable, competent and qualified employees into the organization and to motivate workers into greater and effective performance, and to ensure continued dedication, commitment and retention of workers in an organization.

The findings of this study are also in accord with that of Akintoye (2000) who asserted that money remained the most significant motivational strategy for achieving employees’ greater performance and improved productivity in organizations.

5.3 CONCLUSION

The importance of human resources to any organization be it private or public cannot be overemphasized. Organization objectives cannot be accomplished without taking care of the interest of employees who co-ordinate the activities of the organization. To achieve effectiveness and efficiency of workers and to reduce wastage at the work place, employers of labour must take care of the interest of their workers. However, it is generally assumed that salaries and wages administrators should be a model who should establish terms and conditions for employers which set standard for employers.
to follow. The impact of salary administration on employees’ performances in this respect has not been encouraging in Nigeria. There has been a drastic reduction in the real salaries of workers both in private and public organizations which has not been possible for them to live on their grossly reduced salaries and wages. It is therefore inevitable that if such large reduction is real salaries and wages take place, they will service adverse effect on morale, productivity and the devoting which the employees give to their official duties.

It should also be noted that there will be strong pressure on them to take second job or engage in strong pressure to take other form of income generation which could have delicious effects on the provision of service to public. This will require that job objectives be produced so that there are some criteria against which to judge individual performance (output).

5.4 RECOMMENDATIONS
People are the most important of all the resources required for the attainment of organizational goal. As such, human resources have to be managed with the greatest care and skills in order to motivate staff and enhance productivity and performance of their organization. Boosting people’s morale is an extremely complex task, it involves provision of external rewards like pay rise and method of administration, promotions and praise compliments. It also involves the creation of conducive environment so that people can get self administered reward such as satisfaction from accomplishing
of challenging task. However, among the method of boosting employer’s morales is salary administration.

In view of the above, the following recommendations are made:

(1) That the salary administration policy for public officers be implemented across board so that all the level officers especially the junior cadre can have a sense of belonging. This will go a long way in improving their performance and hence lead to higher productivity.

(2) That salary increment should be rewarded as at when due from the analysis, it shows that if workers remuneration increases, it will improve employee performance. They should be no delay on the increment.

(3) Promotion policy in the public service especially in Olamaboro local government be improved and should be done on merit as when due to deserving officers.

(4) The researcher also advocates for good government. Adequate funding, constant auditing and accountability be strictly adhered to in handling salaries and wages matter in Olamaboro local government.

(5) Staff training and development should be pursuing vigorously. Training should be organized by pursuing vigorous fields to improve employee’s capabilities in the execution of their responsibilities and their performance.
(6) There should be cordial relationship between the leader and the lead. There should be forum created where the top management officers interact and share ideas with their subordinates. This will give subordinate a sense of belonging and a psychological boost their morale which will enhance their productivity and their performance in an organization.

5.5 IMPLICATIONS

The research work has the intention of discovering and understanding the effect of salary and wages administration in organization as a tool for improving employee’s performance in an organization. The study revealed that most of the staff have full knowledge and experience of the topic of study, while some were enlightened through inter personnel interview. However, most staff expressed their satisfaction over the application of salary and wages administration as a tool for improving employee’s performance in an organization.

5.6 LIMITATIONS OF THE STUDY

The finding of this research work had its limitations in the following aspects:

(a) Time: The research lacked sufficient time. During this research work one of research was based on the fact that the research work was combined with the preparation of final year examination and this expected date of project submission was not shifted.
(b) Finance: The scope of these works was limited due to lack of fund. The fund available at the time of this research work was not enough for the researcher to execute all she intends to execute. This lack of fund limited some aspect of the research work.

(c) Distance: The barrier of space and distance was another factor that obstructed the accomplishment of the actual desire of the research. This is based on the fact that the case study for the research work was in Olamaboro local government in Kogi State while the researcher was resident in Emene and as a result, frequent movement was not possible all the time for the researcher.

5.7 SUGGESTIONS FOR FURTHER STUDY

Students are often faced with many constraints in the course of research work. These constraints however always limit their research work to certain degree. These limitations have in one way or the other given suggestion and direction on some other aspect that can be researched upon. As a result of this research work, I carefully suggest the following aspect for further research:

1. The effect of the abuse or neglect of salary and wages administration in organization.

2. Comprehensive analysis on the impact of salary and wages administration in an organization.


REQUEST FOR THE COMPLETION OF QUESTIONNAIRE

I am a final year student of the above mentioned Institution, conducting research on the topic “Salary and Wages administration as a tool for Improving Employee’s Performance in an Organisation” A Case Study of Olamaboro Local Government Area of Kogi State.

This study is part of the requirements for the award of Bachelor of Science degree (B.Sc.) of the Caritas University Amorji-Nike, Enugu.

This is to kindly request your help to provide me necessary information needed in the completion of my research work which is purely for academic purpose. I therefore request that you fill the attached questionnaire.

Whatever information given will be treated confidentially and used only for the research purpose.

Thanks for your anticipated co-operation.

Yours faithfully,

Imode Thelma
QUESTIONNAIRE

1. How old are you
   (a) 18 – 35 [  ] (b) 36 - 55 [  ] (c) 56 and above [  ]

2. Sex
   (a) Male [  ] (b) Female [  ]

3. What is your religion?
   (a) Islam [  ] (b) Christian [  ]

4. What is your Marital Status
   (a) Single [  ] (b) Married [  ] (c) Divorced [  ]

5. What is your educational qualification?
   (a) WASSCE/GCE O’Level [  ]
   (b) OND/NCE [  ]
   (c) B.Sc/BA/HND [  ]
   (d) M.Sc/MFA [  ]
   (e) Professional Certificate [  ]

6. How long have you been in Civil Service?
   (a) Between 1 – 5 years [  ]
   (b) Between 6 – 10 years [  ]
   (c) Between 11 – 15 years [  ]
   (d) Between 16 – 20 years [  ]
   (e) Above 20 years [  ]

7. What is the range of your annual salary?
   (a) N100,000 – N200,000 [  ]
   (b) N210,000 – N300,000 [  ]
   (c) N310,000 – N400,000 [  ]
(d) N500,000 – N590,000 [    ]
(e) N600,000 and above [    ]

8. Is the salary you earn enough to motivate you to work harder?
   (a) Yes [    ]     (b) No [    ]    (c) I don’t know [    ]

9. Are you satisfied the way the council handles salary and wages matters?
   (a) Yes [    ]     (b) No [    ]    (c) I don’t know [    ]

10. How often do you get salary Increment?
    (a) Every year [    ]     (b) Every Two years [    ]
    (c) Every five years [    ]     (d) Once in a while [    ]

11. Does this salary Increment boost your morale?
    (a) Yes [    ]     (b) No [    ]    (c) Not Certain [    ]

12. What type of salary mode of payment is being administered in the local government?
    (a) Table payment [    ]     (b) Via Bank [    ]
    (b) Both [    ]     (d) I don’t know [    ]

13. Do you agree that the mode of salary administration by the management would improve the performance of the employees?
    (a) Yes [    ]     (b) No [    ]    (c) Not Certain [    ]

14. How regular are you promoted?
    (a) Two years [    ]     (b) Three years [    ]
    (b) Four years and above [    ]

15. Are you satisfied with the promotion policy of the local government area?
    (a) Satisfied [    ]     (b) Unsatisfactory [    ]
    (b) Fair [    ]     (d) I don’t know [    ]