

**THE IMPACT OF MANAGEMENT STYLE ON THE  
EFFICIENCY OF SELECTED GOVERNMENT OWNED  
COMPANIES**

**(A STUDY OF ENUGU METROPOLIS )**

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**AUGUST , 2013**

**TITLE PAGE**

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**A PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE AWARD OF BACHELOR OF  
SCIENCE (B.SC) DEGREE IN BUSINESS ADMINISTRATION  
FACULTY OF MANAGEMENT AND SOCIAL SCIENCES,**

**CARITAS UNNIVERSITY AMORJI NIKE ENUGU**

**AUGUST , 2013**

## CERTIFICATION

This research project entitle “The Impact of Management Style on The Efficiency of Selected Government Owned Companies (A study of Enugu metropolis) has been read and approved by the undersigned on behalf of the Department of Business Administration as meeting the requirement for the award of the degree of B.Sc in Business Administration of Caritas University Amorji-Nike Enugu.

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**Mr. Eziedo Kenneth N**  
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**Prof. G.U. Nwanguma**  
**Head of Department**

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**Date**

## DEDICATION

Bismillahi Rahmani Rahim. In the name of Allah, most Gracious, most merciful, from whom we come from and to whom we shall return. I dedicate this project to my God and creator. Allah SAW to whom I give all praise and thanks to

Also, I dedicate this to my dearest parents, Alhaji Yakubu Adamu and Hajiya Hadiza Adamu for their love, support and morals. I love you both. And also to my late Grand mother Hajiya Zainab (Iye Okaba) May Allah fill her grave with noor and grant her paradise (Amin).

## ACKNOWLEDGEMENT

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Firstly, I wish to express my profound gratitude and appreciation to God Almighty who has granted me the privilege to have come this far and for protecting me throughout my stay in the university. I also owe debt of appreciation and gratitude to my able supervisor, Mr Eziedo Kenneth N. I so much acknowledge his immense contribution in terms of suggestion, readiness to give a helping hand, giving advice and being a fatherly figure. Thank you for all work and support.

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## **ABSTRACT**

*The research titled “The Impact of Management Style on the Efficiency of Selected Government Owned Companies In Enugu State” started with the introduction, where the researcher discussed the background of the study including finding out the impact of management style on the efficiency of some government owned companies. To find out the management style adopted by the companies under study, to find out why there is poor attitude to work in those companies, to find out where there is poor performance and improper accountability in these companies and to ascertain the causes of the manager’s inefficiency and instability. The significance of the study include that the study will be immense help to the managers to understand the impact of management style on their companies. The companies covered where Enugu State Water Corporation, Enugu State Printing and Publishing Company and Sunrise Flour Mill. Under the literature review, the researcher discussed the theoretical framework of the study, the objective of governments in business, performance of government owned companies in Nigeria etc. The population was 700 and the sample size used was 128 employees from the three companies. The sample size was determined using the Yaro Yammani’s Formula. The major instrument of data collection is the questionnaire. The researcher presented the data in tables using frequencies and analyzed the data using inferential statistics, the hypothesis were tested using the Chi-Square formula. The summary of findings include that the management style adopted by these three companies were mainly permissive autocratic and directive democratic. The researcher concluded by saying the management style has a great impact on the efficiency of government owned companies. The accommodations included that the state government owned companies should be managed by people who have the necessary experience and training.*





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# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND OF THE STUDY

The problem of management in effectiveness and bad attitude to work among Nigerians is widespread in government owned companies. There has been growing concern among Nigerians on the poor organisational performance and managerial ineffectiveness recorded in these organisations. This concern perhaps is a result of the size of economic and social influence of these government institutions on Nigerian development. (Akpala, 1990:193).

In spite of the huge capital investments in these companies, the results have been extremely poor. As a result of government, as trustees for the ultimate owners of public enterprises have appointed tribunals, commissions and panels to find ways and means to improve the efficiency and effectiveness of the enterprises (CMD, 1985:5).

At the managerial and operative performance levels, the problem is also a general one. In an attempt to explain and subsequently in government owned companies, two schools of thought emerge. One is of the opinion that the problem is from ill implication of the known theories and

principles of management in government owned companies.

The other holds that the problem stems from not applying management philosophy that is based on Nigerian culture.

This takes us to the meaning of management. Management can be defined as the art or science of working in an organisation through being directed by and by directing and co-ordinating the activities of people to achieve one's personal goals in the context of the goals of one's organisation (Ejiofor,1985:3).

Management involves the performance of all the management functions which include planning, organizing, staffing, directing, controlling and co-ordinating of activities to attain optimum result with organisation resources. Management is concerned with the achievement of objectives, performances result, success, efficiency and effectiveness.

The survival of any company in realizing its objectives, depend among other things in proper management of its human and material resources.

No company or organisation can have its activities moving on without a manager. Managers and company goes hand in hand. The need for managers arises because companies exist. One cannot exist without the other.

Managers have to perform many roles in an organisation and how they handle various situations will depend on their style of management. A management style is an overall method of leadership used by a manager.

There are two sharply contrasting styles that will be broken down into smaller subsets later.

- (i) Autocratic
- (ii) Permissive

Each style has its own characteristics

- **Autocratic:** leaders make all decisions unilaterally.
- **Permissive:** leader permits subordinate to take part in decision making and also gives them a considerable degree of autonomy in completing routine work activities combining those categories with democratic (subordinates are allowed to participate in decision making) and directive (subordinates are told exactly how to do their jobs) styles gives us four distinctive ways to manage (IEBM, 1998:201).
- **Directive democrat:** makes decisions participatively i.e. closely supervises subordinates.
- **Directive autocratic:** makes decisions unilaterally; closely supervises subordinates.

- **Permissive democrat:** makes decisions participatively gives subordinates latitude in carrying out their work.
- **Permissive autocrat:** makes decisions unilaterally gives subordinates latitude in carrying out their work.

Managers must also adjust their styles according to the situation that they are presented with. Below are four quadrants of situational leadership that depend on the amount of support and guidance needed.

**Telling:** work best when employees are neither willing nor able to do the job (high need of support and high need of guidance).

**Delegating:** works best when the employees are willing to do the job and know how to get about it (low need of guidance and low need of support).

**Participating:** works best when employees have the ability to do the job, but need high amount of support (low need of guidance but high need of support).

**Selling:** works best when employees are willing to do the job, but don't know how to do it (low need of support but high need of guidance).

The different styles depend on the situation and the relationship behaviour (amount of support required and task behaviour (amount of guidance required)).

## **1.2 STATEMENT OF PROBLEM**

The effect of management style on the efficiency of government owned companies cannot be discussed without looking into the problems militating against these management styles. These upsetting difficulties and problems are:

- a) Poor attitude to work/poor performance
- b) No proper accountability
- c) Inefficiency
- d) Wrong management style
- e) Poor quality service (Norber M. Ile)

These problems have attracted incessant criticisms from people. Some managers lack good management capabilities.

It is all these that made the researcher to endeavour to determine the impact of the management style on the efficiency of government owned companies.

### **1.3 OBJECTIVES OF THE STUDY**

The purpose of the study is as follows:

1. To find out the impact of the management style on the efficiency of some government owned companies.
2. To find out the management style adopted by these companies.
3. To find out why there is poor attitude to work in these companies.
4. To find out why there is poor performance and improper accountability in these companies.
5. To ascertain the causes of manager's inefficiency and instability.
6. To make recommendations.

### **1.4 RESEARCH QUESTIONS**

1. What is the impact of management style on the efficiency of government owned companies?
2. What management style is adopted in Enugu State Water Corporation and Enugu State Star Printing and Publishing Company Limited?
3. Why is there poor attitude to work in these companies?



4. Why is there poor performance and improper accountability in these companies?
5. What are the causes of manager's inefficiency?

### **1.5 SIGNIFICANCE OF THE STUDY**

The important roles of government owned companies in our environment cannot be overlooked. This is because of the part they play in solving our social, political and economic problems. The study will be of immense help to managers, to understand the impact of the management style in their companies and the type to adopt for company efficiency and growth.

The study will be beneficial to the student who may find themselves as managers in government owned companies, after graduation. This researcher will definitely benefit from the study as the project is a condition for graduation. The study will also be beneficial to the university, in the sense that it will increase their data base.

Finally, the study will be beneficial to any person, who will further on this research work.

### **1.6 LIMITATION OF THE STUDY**

In a research project like this, it is always difficult to complete the work, without going through a number of factors which

constitute impediments. Some respondents to the questions were not on seat in most cases to give the required information. Some of the respondents were reluctant to air their views.

The unwillingness by some managers to release some vital information regarding the management and operations of the companies is one of the factors that did not allow the researcher gain access to vital and sufficient information. The time to move from one library to the other, from one cybercafé to the other and the time to type and distribute the questionnaires was another impediment. Finance was another constraint. A lot of money was needed for transport, typing etc.

The researcher was a nursing mother during this period. Despite all these, the researcher did her best.

## **1.7 SCOPE OF THE STUDY**

To extend the impact of management style on the efficiency of all the government owned companies in Enugu State, will be too much for the requirement of the work. The researcher will limit the scope to some selected government owned companies in Enugu State. It involves a survey of selected managers with the companies.





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## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2.1 THEORITICAL FRAMEWORK FOR THE STUDY**

A suitable theory for the study, “The Impact of Management Style on the Efficiency of some selected Government owned Companies in Enugu State” is Henri Fayol's administrative theory.

Henri Fayol (1841-1925) was born in Constantinople on the 29<sup>th</sup> of July 1841. He was trained as a mining Engineer and appointed Manager Commentary collieries in 1866. He became the general manager of the Compagnie Commentary, Fourchambault and Decazoille, 1888-1918. He was the author of many publications on mining engineer and administration. He was the adviser to the French Government on administration after 1918. He was the founder of centre d'Etudes Administrative, Paris 1920. He was a major formative influence on classical management thought. He died in Paris, November 1925.

Henry Fayol was one of the most influential management thinkers of the early twentieth century. His work completed that of F.W Taylor and represents one of the most important contributions to classical management theory. Fayol's work contained the first significant attempt to develop principles of top-level management, and his work

also represents one of the attempts to analyse the different activities that make up the managerial role.

### **The Central Theme of the Administrative Theory by Henry Fayol**

the fourteen principles are clearly prescriptive, but almost all are open to flexible interpretation, and this appear to have been Fayol's intention. They are as follows:

1. *Division of Work*: Fayol believed division of labour to be efficient, but subject to certain limits beyond which would bring diminishing returns.
2. *Authority*: Fayol believed official authority should be legitimised by personal authority and aligned with responsibility.
3. *Discipline*: this refers primarily to the honouring of agreements and rules.
4. *Unity of command*: employees should not be subject to orders from two different and potentially contradictory sources.
5. *Unity of Direction*: Fayol consistently uses the biological analogy, seeing the organisation as an organism which should not have two heads.
6. *Subordination of individual interest*: Fayol saw it as essential that the interests of one group should not be advanced at the expense of the others or of the organisation as a whole.

7. *Remuneration*: Fayol argued that remuneration should be fair and should be enough to motivate but should not be excessive; he was sceptical of profit sharing as a means of solving conflict between capital and labour and believed instead in the need for judgement and experience in finding the right rate of pay.
8. *Centralisation*: although Fayol appears to see top management in the role of the brain of the organisation. He states clearly that employees are not cogs in a machine and that they affect the way decisions are put in practice. He appears to favour a pragmatic approach where an appropriate level exists for each type of decisions. There is less emphasis on the separation of concept and execution than in Taylor's thinking.
9. *Scalar Chain*: all personnel are to be arranged in a clear hierarchical structure. Fayol was aware of the problems of communication across the hierarchy and therefore advocated the use of lateral bridges where appropriate, although he appears to have preferred this to be agreed formally.
10. *Order*: everyone and everything must have its appointed place, although this may be seen as an idea rather than an injunction to organise every last detail.



11. *Equity*: all level should treat their staff equitably. Here Fayol is clearly thinking in terms of employee's perceptions rather than any hard and fast statutes.
12. *Stability and tenure of personnel*: this refers to the high costs of developing managers who know the organisations and those in it. Fayol goes so far as to state that mediocre managers who stay are better than outstanding managers who leave.
13. *Initiative*: allowing initiative is seen as a means of motivating staff, and managers are expected to allow this at the expense of their own vanity.
14. *Esprit de corps*: Fayol was an advocate of what might be termed an integrated culture. Interestingly for one often seen as the epitome of bureaucratic arrangement, Fayol argued against the culture of memo writing which he saw necessarily divisive.

Although a proponent of clear hierarchy divisions, Fayol nonetheless clearly states that "management is neither an exclusive privilege nor a particular responsibility of the head of the organisation. It is an activity spread across all members of the corporate (Fayol, 1984:13).

## **THE JUSTIFICATION OF THE THEORY**

1. Many people have studied and applied Fayol's observations and assertions and have found them still valid.
2. Fayol exhibited an understanding of the universality of the principles.
3. Even though Taylor also propounded some principles of scientific management, Fayol's greatest contributions was "To Codify" them into a conceptual scheme. A lot of our present management ideas have built on Fayol's idea and terminologies that we can see the uniqueness of the insight.
4. Since all enterprises required management, the formulation of principles and theory of management is necessary for its teaching.
5. Fayol's principles are management principles which apply not only to business organisations but also to political, religious, philanthropic, military and other organisations.
6. In a true classical fashion, Fayol emphasizing the structural nature of organisations references to principles such as division of labour, scalar chain, unity of command and centralization are descriptive of a formal organisation known as bureaucracy.

## **2.2 HISTORICAL BACKGROUND OF ENUGU WATER CORPORATION**

Enugu State Water Corporation is a government owned company charged with the responsibility of providing good and portable water to the rural and urban dwellers. The edict establishing corporation was enacted in 1978. Enugu state water corporation is a successor of many preceding water related organisations.

The general manager is the chief executive of the corporation. He is answerable to the board of governors. The structure of the organisation is designed to reflect a functional departmentation.

The departments are:

- (i) Planning and design
- (ii) Production
- (iii) Distribution
- (iv) Personnel
- (v) Accounts
- (vi) Commercial

Each department is headed by a manager who is equally a specialist. As a result of our depressionate economy, government could not continue playing her father Christmas

role. Consumers are now charged properly for whatever quantity of water they consumed. The profit is normally ploughed back or used for expansion purposes. Government can also borrow the profit to develop other areas.

## **HISTORICAL BACKGROUND OF SUN-RISE FLOUR MILLS LIMITED**

Sunrise flour mills limited was incorporated as a limited liability company in 1981. While R.C.C Nigeria Limited handle all the civil construction work, Bchler-Milaq of Switzer land/Italy did the installation of the flour milling machine. The factory went into commercial production in 1984. The machines were designed to process about 200 metric tones of wheat daily, the products are in every much demand in Nigeria market today.

The company was conceived by the defunct Anambra State civilian administration of 1978-1979. It was however commissioned by the military administrator on 20<sup>th</sup> December, 1984. It is 100% owned by the Enugu State government by board of directors. The result so far has proven Golden Penny Product as a leader in the Nigeria market.

Flour mills of Nigeria Plc were recently co-opted into the company after over 10years of closure and inactivity.

Following the ban of the importation of wheat in 1987, crown flour mills found the milling business uncomfortable and it withdrew from the company. That marks the turning point in the fortunes of the company. Attempts were made to produce maize flour but without success. During that time the machines were ideal, well maintained and protected. The ban on wheat importation was lifted in 1992. From that time the economy had gone sour. As a result of structural adjustment (SAP), there was little foreign exchange available against the enormous foreign exchange demanded in the country.

Between 1987 to 1995, the company has passed through many boards and managements that was between the exit crown flour mills of Nig. Plc.

The company has presently offered direct employment opportunities to over one hundred and twenty (120) persons.

The organisational set-up as it is currently constituted, falls into five broad areas namely – administration and personnel, finance, quality control, production and maintenance. All the five boards' areas are headed by the general manager.

## **HISTORICAL BACKGROUND OF ENUGU STATE STAR PRINTING AND PUBLISHING COMPANY LIMITED.**

The origin of the Enugu State Star Printing and Publishing Company (formerly) known as Eastern Nigeria outlook and Cameroon star) could be traced to the colonial era. Studies from their achievement showed that the existence of the corporation dates as far back as 1951. It was established by the Eastern Nigerian Law No. 15 of 1955, which established Eastern Nigeria information service (ENIS) as the corporation. It is later changed to "Nigeria Outlook" in 1959, but still under ENIS. In 1966-1970, the organisation was known as "Biafran Sun". In 1971, the ENIS was dissolved and incorporated as Reveille Printing and Publishing Company.

The year 1975 saw new development in the system. During this period, the name was changed to Star Printing and Publishing Company Limited. The organisation inherited the assets and liabilities of the Reveille Printing and Publishing Limited. The Star Printing and publishing Limited cease to exist as a limited liability Company when Enugu State Government changed its name to Enugu State Printing and Publishing Company in the year 1991.

Prior to the enactment of Nigeria outlook in 1959, the services of the company were carried out as an undertaking of the government of the state. Its main objective as at that time of incorporation was:

- To operate news and feature services including press photograph
- To promote, encourage and stimulate interest in the study of journalism.
- To print, publish and sell newspapers, periodicals advertisement, devoted to news reports of outstanding general interest, well informed criticisms and features.
- Give probity to and encourage the art and sciences etc. for development of Enugu state.
- Provide facilities for training and advancing the skills of persons employed in its services.
- Explore and pursue vigorously the goal of making the corporation a profit making commercial venture. The Enugu State Star Printing and Publishing Corporation is corporation under the ministry of information with its board of directors appointed by the governor of Enugu State. The corporation is so far off the track that it has become a bad case only worth giving up. This no doubt is a sad development for one of the state major corporation. It is because of underfunding, under optimization, government undue interference in editorial policy of the corporation, out model

machine still in use. In addition to the above, there is lack of commitment to job by the few staff available and the facilities are not there in the corporation office.

### **2.3 CURRENT LITERATURE ON THE THEORIES POSTULATED ABOVE**

The effectiveness of individuals occupying leadership positions in organisations is of concern to the organisation, to subordinates and to the leader. Is the management helping or hindering the organisation in achieving its goal? Is it leading to subordinate satisfaction or to dissatisfaction, to group, department, or organisation in achieving its goal?

#### **Effects of Democratic/Permissive/and Authoritarian/Autocratic**

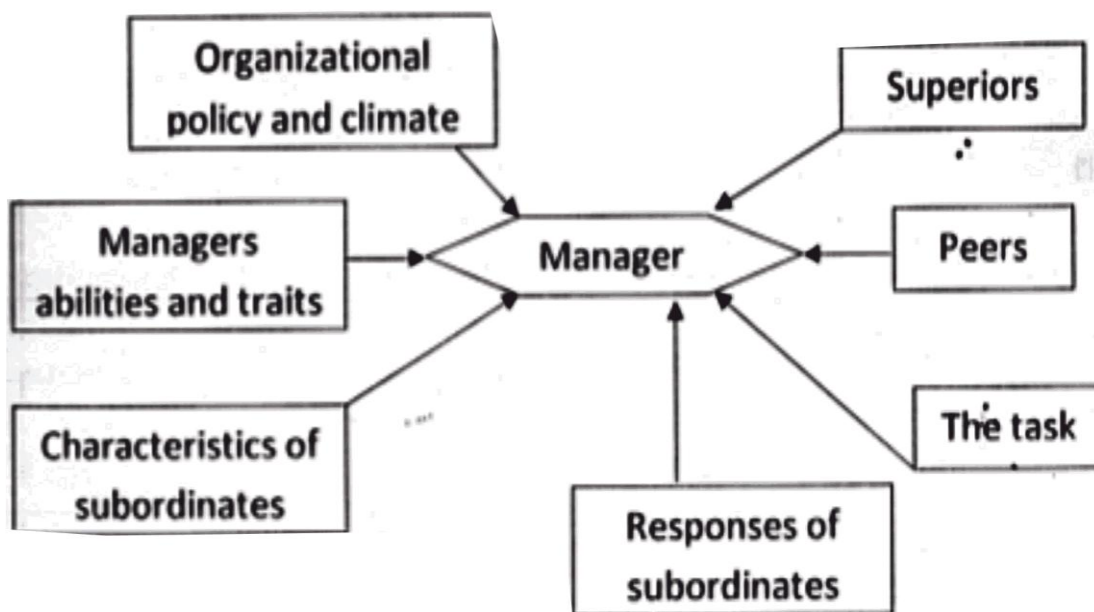
**Style:** because our culture has traditionally placed higher values on democratic, than on authoritarian leadership, certain biases can be detected in the research on the effects of these leadership styles. Much of the research appears to be designed to prove that democracy is superior to autocracy rather than to test that proposition. There is a good deal of evidence to support the contention that, most people in our culture, democracy is nice. Investigations in the non-going organisations, usually find that:

- (i) Subordinate have higher morale



- (ii) Stronger commitment
- (iii) Greater initiative
- (iv) More group cohesions under the democratic leadership than the autocratic leadership (Latona, 1972:20). In times, demanding speed and efficiency and especially crisis situations, authoritarian style can result in greater subordinate morale and more positive attitudes than democratic style.

Fig. 1 depicts the seven sources of influence on management behaviour. It is important to realise that these sources can exert conflicting pressures on a supervisor or manager.



Sources: field Survey 2013

Sources of pressure on a supervisor/Manager

Although a manager may face conflicting pressures from a variety of sources, he still retains the ability to influence many of these sources (Gibbs, 1973:263) ultimately, he can choose some management style within the constraints of the situation.

## **2.4 EVOLUTION OF GOVERNMENT IN BUSINESS**

The government participation in the operation of private sector business in Nigeria is of Historical Origin. The activities of the British colonial administrators who ruled Nigeria included the provision of public utilities – water, electricity, telecommunication, rail, road transport etc.

According to (Nwabuzor, 1990:13) “thegovernment have always had a virtual monopoly on these activities”. Another factor that influenced the involvement of the government in business is the need to be economically independence on the 1<sup>st</sup> October 1960, but at that time, the factors of production were totally under the control of foreigners to control the means of production, will make non-sense the newly acquired political independence. According to (Nwabuzor, 1990:14)“government saw a clear need to involve Nigerians more generally in the nations economy and also to ensure that certain sensitive investments were under the direct control of government

itself". Government also went into direct investment in businesses because of the failure of the National development plans.

## **2.5 OBJECTIVES OF GOVERNMENT IN BUSSINESS**

The specific objectives for government involvement in business can be isolated.

- 1. To make profit:** government, like the private individuals set up business enterprise to generate profit. This will help in expanding the revenue generating base of the government in order to have enough funds to fulfil its multiple responsibilities.
- 2. To facilitate the exploitation of the nation's natural resources:** Nigeria, is blessed with large deposits of natural resources such as coal, crude oil, tin etc. government cannot leave the exploitation of these minerals in the hands of private entrepreneur to avoid undermining the economic well-being of the nation.
- 3. To create job opportunities:** government went into business to create more employment opportunities. Thus (Okeke, 1993:40) had state profit motive may be ignored when considering such projects.
- 4. To ensure the supply of essential commodities:** according to Nwabuzor (1990:14) "government went into business to ensure adequate supply of highly demanded products".

5. **To invest excess reserve:** example during the era of oil boom, government went wild investing in all sorts of business.
6. **For security reasons:** to protect the society from exploitation, government takes over the operation of business regarded as monopolies.

## **2.6 PERFORMANCE OF GOVERNMENT-OWNED BUSINESS IN NIGERIA**

According to Nwabuzor (1990:15) virtually all Nigerians will agree that the state-owned enterprises over the years have performed frustrating poorly. According to Ukiwe (1985) the federal government invested over ₦23 billion in all its parastatals between 1980 and 1985. During the same period, the total recorded dividend received by the government was ₦954 million. By comparing the profit to the investment, no one will be in doubt that the profit level was poor.

At the state government levels, the situation is not different, Nwabuzor (1990:16) noted that only Bendel Steel Structures Limited Warri paid dividend to the state government out of twenty five (25) industrial ventures.

## **2.7 PROBLEMS OF GOVERNMENT**

1. Poor capitalisation
2. Poor operational environment
3. Poor organizational and management structure
4. Conflict of objectives
5. Absence of modern management techniques.

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## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

In this chapter, the following issues were described namely, research design source of data, the population of the study, sample design and determination of sample size, method of data collection and method of data presentation and analysis.

#### **3.1 Research Design**

The research was design to study the impact of the management style on the efficiency of some selected government owned companies in Enugu State. Three government - owned companies were selected

a Sunrise flour mill

b Enugu state Water Corporation

c Enugu State Printing and Publishing Company

as a case study.

The research made use of a variety of data gathering techniques such as questionnaires, observations and interviews. The study was a survey research.

## **3.2 SOURCE OF DATA**

In carrying out the study, the data were mainly collected from two major sources. These sources are the primary and secondary sources.

### **3.2.1 PRIMARY SOURCES OF DATA**

All the primary sources of the research were obtained through Oral interviews and questionnaires distributed among the staff of the selected government owned companies in Enugu State. The questionnaires were designed to obtain original information.

### **3.2.2 SECONDARY SOURCE OF DATA**

The secondary source of data was obtained from textbooks, newspapers, magazines, journals and seminars. Symposium papers and related issues were discussed. Official documents that provided information related to the impact of management style on the efficiency of some selected government owned companies in Enugu state were equally helpful.

## **3.3 THE POPULATION OF THE STUDY**

Since the study was concerned with the impact of management style on the efficiency of some selected government owned companies in



Enugu state. The staff of the selected government owned owned companies serves as the population of the study.

COMPANY	NUMBER OF EMPLOYEES
Sunrise flourmills	180
Enugu State Water Corporation	300
Enugu State Printing and Publishing Company	220
Total	700

Sources: Company Handbook 2011.

Thus, the seven (700) employees of the above stated government owned companies in Enugu State, constitute the population of the study.

### **3.4.1 SAMPLE SIZE AND DETERMINATION**

Because of the limitation of time and money necessary to cover the whole population, some firm of sampling became necessary.

In calculating the sample size, the researcher applied the statistical formular for selecting from a finite population as formulated by Yaro Yamani. The formular is stated thus

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

Where n= the desired sample size

N= the population under the study

e = co-efficient of confidence or margin of error or allowable error

According to Yamani, the margin of error is mean to determine and get a reasonable and workable sample size from a finite population.

The researcher is of the view that 8% or 0.08 is an appropriate margin of error for the study. Therefore, since N = 700 and e=0.08, n can be calculated as follows:

$$n = 700$$

$$1 + 700 (0.08)^2$$

$$700$$

$$5.48$$

$$= 127.7$$

$$= 128 \text{ employees}$$

### 3.4.2 SAMPLING TECHNIQUE

There are so many sampling techniques such are:

- (i) Cluster method sampling techniques
- (ii) Systematic sampling technique
- (iii) Stratified sampling technique
- (iv) Simple random sampling technique

The researcher adopted the simple random sampling techniques which gives every member of the population or universe equal chance of being selected.

Therefore 128 employees will constitute the sample size for the study. Proportional allocation of among the three companies selected. According to their size or population using bowler's proportional allocation formular. We have

$$n_1 = \frac{n_1(n)}{N}$$

N

When applied we have

$$\text{Sunrise flour mills } n_1 = \frac{180(128)}{700} = 32.91 = 33$$

700

$$\text{Enugu state water corporation } n_2 = \frac{300(128)}{700}$$

700

$$= 54.85=55$$

Enugu State Printing and publishing n3 =  $\frac{220}{700}$  (180)

700

$$= 40$$

### **3.5 METHOD OF DATA COLLECTION/ADMINISTRATION**

The questionnaires were administered personally by the researcher and collected after the respondents have given their answers.

#### **3.5.1 QUESTIONNAIRES DESIGN DISTRIBUTION AND COLLECTION OF RESPONSES.**

The questionnaires' were designed based on the five (5) research questions formulated by the researcher for the study.

A total of 15 questionnaire items were developed all structured and analysed sequentially one hundred and twenty eight. (128) copies of the questionnaires were produced and distributed personally by the researcher to the employees of the selected government owned companies in Enugu State.

COMPANY SELECTED	NO. OF EMPLOYEES	PERCENTAGE OF POPULATION	NO OF EMPLOYEES SELECTED AND GIVEN QUESTIONS	NO OF QUESTIONNAIRE COLLECTED
Sunrise Flour mill	180	25.71	33	33
Enugu State Water Corporation	300	42.86	55	40
Enugu State Printing and Publishing Company	220	31.43	40	40
Total	700	100	128	128

Source: Field Survey 2013.

The above table showed the distribution and collection of the questionnaires by the researcher. The table implied that the entire questionnaire distributed was returned completely thereby having 100% rate of return.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS**

This chapter discussed the presentation, Analysis and discussion of findings based on the research study.

#### **4.1 DATA PRESENTATION**

The data presented in this study, were from the respondents. The researcher used questionnaires in the collection of data from the respondents. Out of 33 copies of questionnaires distributed to the employees of sunrise flour mill 33 copies were collected. Out of a total of 55 copies of questionnaires distributed to Enugu State Water Corporation, 55 copies were collected. Out of a total of 40 copies distributed to Enugu state printing and publishing company (Government press), 40 copies were collected. This gave us a total of one hundred and twenty eight(128) copies of questionnaires, given us 100% rate of collection.

#### 4.1.1 DISTRIBUTION OF RESPONDENT'S GENDER

SEX	SUNRISE FLOUR MILL	ENUGU WATER CORPORATION	ENUGU PRINTING & PUBLISHING	TOTAL
MALE	25	49	25	90
FEMALE	08	06	15	29
TOTAL	33	55	40	128

Source: Field Survey 2013

From table 4.1.1 above, 25 respondent from sunrise flourmill are males while 8 respondents are females. 49 respondents from Enugu State water corporation are males while 6 respondents are females. 25 respondents from Enugu State Printing and Publishing Company are males while 15 are females. This gives us a total of 128 respondents with 99 being males while 29 are females.

#### 4.1.2 ;DISTRIBUTION OF RESPONDENTS AGE

<b>AGE</b>	<b>SUNRISE FLOUR MILL</b>	<b>ENUGU WATER CORPORATION</b>	<b>ENUGU PRINTING AND PUBLISHING</b>	<b>TOTAL</b>
<b>21- 30YRS</b>	<b>15</b>	<b>11</b>	<b>07</b>	<b>33</b>
<b>31- 40YRS</b>	<b>08</b>	<b>23</b>	<b>13</b>	<b>44</b>
<b>41YRS &amp; ABOVE</b>	<b>10</b>	<b>21</b>	<b>20</b>	<b>51</b>
<b>TOTAL</b>	<b>33</b>	<b>55</b>	<b>40</b>	<b>128</b>

Source: Field Survey 2013

From table 4.1.2 above, 15 respondents from sunrise flour mill are between 21-30 years. 8 respondents from sunrise flour mill are 41 years and above. 11 respondents from Enugu state Water Corporation are between 21-30years, 23 respondents from the same organisation are between 31-40 years and above. Respondents from Enugu State Printing and Publishing Company



are between the ages of 21-30years while 20 respondents are 41 years and above. This gives us a total of 128 respondents.

#### 4.1.3 DISTRIBUTION OF RESPONDENT QUALIFICATION

QUALIFICATION	SUNRISE FLOURMILL	ENUGU WATER CORPORATION	ENUGU PRINTING AND PUBLISHING	TOTAL
FSLC	12	20	13	45
GCE/SSCE/OND	10	18	15	43
HND/B.SC AND ABOVE	11	17	12	40
TOTAL	33	55	40	128

SOURCE: FIELD SURVEY 2013

From table 4.1.3 above, 12 respondents, 10 respondents and 11 respondents have FSLC/GCE/SSCE/OND/HND, BSc and above respectively, from sunrise flourmill. 20 respondents, 18 respondents, and 17 respondents have FSLC/GCE/SSCE/OND and HND/B.Sc and above respectively from Enugu state water

Corporation. From Enugu State Printing and Publishing Company, 13 respondents, 15 respondents and 12 respondents have FLSC/GCE/SSCE/OND and HND/B.Sc and above respectively.

#### 4.1.4 DISTRIBUTION OF RESPONDENTS DURATION IN THE ORGANISATION.

DURATION	SUNRISE FLOUR	ENUGU WATER CORPORATION	ENUGU PRINTING & PUBLISHING	TOTAL
LESS THAN 5YRS	06	08	08	22
5-10 YEARS	09	19	13	41
ABOVE 10 YEARS	18	28	19	64
TOTAL	33	55	40	128

Source: field Survey 2013

From table 4.1.4 above, six respondents from Sun Rise Flour Mill are less than five years in the organisation. 9 respondents have worked for more than 10 years. 8 respondents have worked for

more than 10 years. 8 respondents, 19 respondents and 28 respondents have worked for less than 5 years, 5-10 years and above 10 years in Enugu State water Corporation while 8 respondents have worked for less than 5 years in the Enugu State Printing and Publishing Company. 13 respondents have worked between 5-10 years while 19 respondents have worked above 10 years.

#### 4.1.5 DISTRIBUTION OF MANAGEMENT STYLE OF RESPONDENTS

Management Style	Sunrise Flour Mill	Enugu Water Corporation	Enugu Printing And Publishing	Total
Directive Democrat	21	27	19	67
Directive Authocrat	04	05	06	15
Permissive Democrat	-	04	04	08
Permissive Autocrat	08	19	11	38
Total	33	55	40	128

Source: field Survey 2013

From table 4.1.5 above, 21 respondents, 4 respondents, non-respondents and respondents and respondents representing Sun Rise Flour Mill said their Organisation run the management style of directive autocrat, directive autocrat, and permissive autocrat, respectively. Enugu State Water Corporation, 27 respondents said their management style is permissive democrat, while 19 respondents said the management style is permissive autocrat, from Enugu State Printing and Publishing Company, 19 respondents said the management style is directive democrat.

6 respondents said directive autocrat, 4 respondents said permissive democrat while 11 respondents said permissive autocrats.

#### 4.1.6 DISTRIBUTION OF RESPONDENTS OPINION INTERMS OF THE COMPANY PERFORMING UP TO EXPECTATION.

RESPONSE OPTION	SUNRISE FLOUR MILL	ENUGU WATER CORPORATION	ENUGU PRINTING AND PUBLISHING	TOTAL
YES	08	32	07	47
NO	19	18	25	62
I DON'T KNOW	06	05	08	19
TOTAL	33	55	40	128

Source: field survey 2013

From the table 4.1.6 above, a total of 47 respondents from the three organisations said yes that the company performing up to expectation. A total of 62 respondents said no while a total of 19 respondents said they don't know.

#### 4.1.7 DISTRIBUTION OF RESPONDENTS ACCORDING TO PROPER ACCOUNTABILITY IN YOUR COMPANY

RESPONSE OPTION	SUNRISE FLOUR MILL	ENUGU WATER CORPORATION	ENUGU PRINTING AND PUBLISHING	TOTAL
YES	06	13	04	23
NO	22	31	26	79
I DON'T KNOW	05	11	10	26
TOTAL	33	55	40	126

Source: Field Survey 2013.

From table 4.1.7 above, 23 respondents from the three organisations said yes there is proper accountability in their company. 79 respondents said No while 26 respondents said they don't know, whether there is proper accountability in their company.

#### 4.1.8 DISTRIBUTIONS OF RESPONDENTS ACCORDING TO INVOLMENTS OF STAFF MEMBERS IN THE DECISION MAKING

RESPONSE OPTION	SUNRISE FLOUR MILL	ENUGU WATER CORPORATION	ENUGU PRINTING AND PUBLISHING	TOTAL
YES	04	06	05	65
NO	23	34	23	8
I DON'T KNOW	06	15	12	33
TOTAL	33	55	40	128

Source: Field Survey 2013.

From table 4.1.16 above, a total of 32 respondent said they hold meeting often. 72 respondents said they do not often hold meeting while 24 respondents said not at all.

#### 4.1.17 DISTRIBUTION OF RESPONDENTS' ATTITUDE TO WORK

RESPONSE OPTION	SUN RISE FLOUR MILL	ENUGU WATER CORPORATION	ENUGU PRINTING & PUBLISHING	TOTAL
Concerned	10	09	10	29
Not concerned	20	40	25	85
Fairly concerned	03	06	05	14
Total	33	55	40	128

Source: field survey 2013

From table 4.1.17 above, a total of 29 respondents from the three companies said they are concerned about their attitude to work. 85 respondents said they are not concerned, while 14 respondents said they are fairly concerned.



#### 4.1.18 DISTRIBUTION OF HOW SERIOUS THE EFFECT OF MANAGEMENT STYLE IS ON THE WORKERS.

RESPONSE OPTION	SUN RISE FLOUR MILL	ENUGU WATER CORPORATION	ENUGU PRINTING AND PUBLISHING	TOTAL
MORE SERIOUS	30	50	86	116
NOT SERIOUS	-	-	01	01
FAIRLY SERIOUS	03	05	03	11
TOTAL	32	55	40	128

Source: Field Survey 2013

Form table 4.1.18 above, a total of 116 respondent said the effect of management style of the company is more serious on the workers. One respondent said it is not serious while 11 respondents said it is fairly serious.

## 4.2 TESTING OF RESEARCH QUESTIONS

### RESEARCH QUESTION 1

WHAT IS THE IMPACT OF MANAGEMENT STYLE ON THE EFFICIENCY OF GOVERNMENT OWNED COMPANY?

From table 4.1.18 above, 116 respondents said that the effect of management style is more serious on the workers. This number is the highest among the three options therefore; management style has a huge impact on the efficiency of government owned company.

### RESEARCH QUESTION 2

WHAT MANAGEMENT STYLE IS ADOPTED BY THE ENUGU STATE WATER COPORATION, SUNRISE FLOUR MILL AND ENUGU STATE PRINTING AND PUBLISHING COMPANY?

From table 4.1.15 above the majority of the respondents mentioned above directive democrat and permissive autocrat style adopted by the company.

### RESEARCH QUESTION 3

WHY IS THERE POOR ATTITUDE TO WORK IN THESE COMPANIES?

From table 4.1.13 above showed that the management incompetence and government policies and regulations are among the reasons for poor attitude to work in these companies

#### RESEARCH QUESTION 4

WHY IS THERE POOR PROPER ACCOUNTABILITY IN THIS COMPANY?

Table 4.1.7 above majority of these respondents said NO, there is no proper accountability in in their various companies.

#### RESEARCH QUESTION FIVE (5)

WHAT ARE THE CAUSES OF MANAGER INEFFICIENCY

TABLE 4.1.12 can be used to answer research question five.

Majority of the respondents said government have great influence on the respondents company and this causes manager inefficiency in these companies.

### **4.3 DISCUSSION OF FINDINGS**

From the analysis, we can agree that management style has great impact in the efficiency of government owned companies. The researcher also discovered that the management style adopted by the three companies is usually directive democrat and permissive autocrat. The reason for the poor attitude to work can be attributed to management's incompetence and government policies and regulations.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 SUMMARY OF FINDINGS**

1. The researcher finds out that the management style adopted in these companies are mainly permissive, autocratic and directive democrat.
2. The researcher found out that these companies are not performing up to expectations because of these management style
3. The researcher finds out that there is no proper accountability in these companies
4. The research found out that they staff members are not involved in the decision making of the companies
5. The researcher found out that these companies do not have set down performance goals.
6. The researcher founds out that the workers do not receive their salary as at when due and are not well remunerated.
7. The researcher found out that the government have great influence in the management of those companies.
8. The researcher found out that one of the reasons of the companies' unproductiveness is incompetent management.
9. The researcher found out that the workers support need for management change.

10. The researcher found out that the workers have no concerned attitude to work.

## **5.2 CONCLUSION**

In conclusion, the researcher states that the management style has a great impact on the efficiency of government owned companies. Government owned companies are controlled by the government. Most at homes, the management is headed by people who are not experienced. They do not have the necessary managerial experience hence they usually make the wrong decisions. Top government officials equally interfere with the management decisions. Their interference may boil down to pacify political Colleague and their interference affect the management style and the efficiency of these government styles and efficiency of these government owned companies.

## **5.3 RECOMMENDATIONS**

1. The researcher is recommending that state government owned companies should be managed by people who have the necessary experience and training in management.
2. The researcher is recommending a management style that will inculcate the opinion workers in the decision making process of the companies.
3. The researcher is recommending that a management team of government owned companies should be sent to seminars, symposia etc.

on the management of organisation, they should also be sent on training at interval.

4. The researcher is recommending that for government owned companies to be efficient, government officials should stop interfering with the activities of the management.
5. The researcher is recommending that government should also look into the funding of government owned companies.
6. The researcher is also recommending that the salaries of workers government owned companies should be paid as at when due.
7. The researcher is also recommending that the promotion of workers in government owned companies should be looked into. This is to motivate the workers.

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**APPENDIX 1**

Department of Business Administration  
Faculty of Management and Social Science.  
Caritas University Amorji-Nike  
Emene Enugu  
Nigeria.  
July 2013.

Dear Sir/Madam

**ACADEMIC RESEARCH QUESTIONNAIRE ON THE IMPACT OF  
MANAGEMENT STYLE ON INEFFICIENCY OF SELECTED  
GOVERNMENT OWNED COMPANIES (STUDY OF ENUGU  
METROPOLIS)**

The researcher is a final year student of Business Administration, conducting a research on the above topic. It is in partial fulfilment for the award of a B.Sc. in Business Administration of the above named University. I will be glad if you fill the attached questionnaire to enable me carry out this research successfully.

I assured that your response will be treated in confidence and use solely for this research.

Thanks for your anticipated Co-operation.

Yours faithfully,

Adamu Mariam Lemmy.



## QUESTIONNAIRE

**Instruction:** tick (✓) as appropriate in the option provided.

Sex: Male Female

Age: (a) 21-30  (b) 31-40  (c) 41 and above

Qualification

(a) FSLC

(b) GCE/SSCE/OND

(c) HND/B.Sc and above

1. For how long have you been in the employment

(a) Less than 5 Years

(b) 5-10 years

(c) Above 10 years

2. What type of management style do you have in your company?

(a) Directive democrat

(b) Directive Autocrat

(c) Permissive Democrat

(d) Permissive Autocrat

3. In your own opinion, do you think your company is performing up to expectation?

(a) Yes

(b) No

- (c) I don't know
4. In your own opinion do you think there is proper accountability in your company?
- (a) Yes
- (b) No
- (c) I don't know
5. Are the lower staff members or employee: involved in the decision making of the company?
- (a) Yes
- (b) No
- (c) I don't Know
6. Do you have set-down performance goals in your company?
- (a) Yes
- (b) No
- (c) I don't know
7. Do workers receive their salary as at when due?
- (a) Yes
- (b) No
- (c) I don't know
8. Do you think government have great influence in the management of your company?
- (a) Yes

- (b) No
- (c) I don't know
9. What do you think is the cause of your company's unproductiveness?
- (a) Incompetent management
- (b) Government policies and regulations
- (c) Problems of not conducting feasibility study
- (d) Lack of skilled man power
10. Will the workers support the need for management change.
- (a) Yes
- (b) No
- (c) I don't know
11. When there is a problem in the company, are they firmly and quickly attended to?
- (a) Yes
- (b) No
- (c) I don't know
12. How often do you had meetings in your company?
- (a) often
- (b) Not often
- (c) Not at all
13. What is the attitude of your worker?

(a) Concerned

(b) Not concerned

(c) Fairly concerned

14. What is the effect of the management style in your company on the worker?

(a) More serious

(b) Not serious

(c) Fairly serious