

Pluralism and Effective Decision Making in Nigeria Public Enterprise: A Compatibility Assessment

EDET, HAYFORD SOLOMON
National Productivity Center
Cross River State Office, Calabar

Abstract

This is an expository essay explaining impact of pluralism on effective decision making in public enterprises. The paper focuses on Nigeria public enterprises decision making process as embedded in a pluralistic environment. It looks at federal character principle and staffing, public enterprises as instrument of solving ethnic agitation etc. Data for the preparation of the paper were sourced from textbooks, journals and other archival materials. It concluded that pluralism negatively influenced public enterprises decision making processes in Nigeria, leading to the discontinuity and decay of many of such enterprises. It recommended privatization as a veritable approach in bringing back public enterprises to life.

Keywords: Pluralism, Public enterprises, Effective decision making

INTRODUCTION

Pluralism and effective decision-making in public enterprise are very important variables, considering their implications for public enterprise management in Nigeria is very appropriate at this point in time.

The Oxford Dictionary defined pluralism as a form of society embracing many minority groups and cultural traditions. This definition is further categorized by Sartori (1976) into cultural, societal and political pluralism. Pluralism focused more on the organic elements of group and inter-group

dynamics. Cultural pluralism denotes diversity of cultural groups in a given society. Political pluralism refers to different political orientation (ideology or party line) among people within the society. Society pluralism denotes diversity in social pattern of relationship, groups, and interest within the society.

Decision according to Adamolekun (1986:142) is "a conscious choice between two or more choices". Decision is often used interchangeably with policy, which is defined as "a course setting involving decisions of the widest ramifications and longest time perspective in the life of an organization (Adamolekun, 1986). Decision making entails: premising; identifying alternatives; the evaluation of alternatives in terms of the goals sought; and choosing of an alternative (Koontz, O'Donnell and Weihrich, 1980: 238). They also defined effective decision making as the application of rationality in the selection of a course of action (alternative). Accordingly, Koontz explained that there are certain conditions that must be made before a decision is said to be rational. These are:

1. They must attempt to reach some goal that could not be attained without positive action.
2. They must have a clear understanding of alternative courses by which a goal could be reached under existing circumstances and limitations.
3. They must have the information and the ability to analyze and evaluate alternatives in the light of the goal sought.
4. Finally, they must have a desire to come to the best solution by selecting the alternative that best satisfies goal achievement.

In evaluating decision in order to examine if it is effective, the goal set by such decision must have been achieved. The decision making process as expressed by Adebayo (1986:30) include: formulation, implementation, feedback and evaluation process. A decision is effective when it has passed through all the three

processes listed above to achieve the goal. The achievement of goal alone makes the decision effective, but a decision is efficient if the goal is achieved with minimum input or cost in comparison to output. The concern of this paper is with effective decision making.

A clear cut definition of public enterprise is difficult to attain. State-owned enterprises have different meanings for different people. To avoid the confusion associated with the definition of public enterprise, its usage in this paper refers to all enterprises which shares the underlisted characteristics as itemized by Ademolekun (1986:49).

1. It is state-owned
2. It is created by a specific government statute which defines its relations with other government institutions.
3. It is not subject to company law; only its statute applies.
4. It has a legal personality of its own. It can sue and be sued, make contracts and acquire and dispose of property,
5. It is financed differently from other government ministries and departments; it has its own revenue and can raise loans.
6. Its accounts are not subject to government audit; the audit is like that of a private company.
7. Its employees are not civil servants; they are recruited and remunerated under terms and conditions determined by the corporation.
8. It is usually administered by a board.

Public enterprise management according to Adamolekun (1988:48) centred round these characteristic issues. As noted earlier, Management of public enterprises in Nigeria include: staffing; Boards of enterprises; finance; finally striking balance between control and autonomy.

It is in the light of this conceptual analysis that compatibility between "pluralism and effective decision-making in public enterprise" and its implications for public enterprise

management in Nigeria is considered, which Bassey, Abang and Iji (2017) noted as a major challenge facing policy investigation.

NIGERIA PLURAL SOCIETY AS ECOLOGY OF PUBLIC ENTERPRISE

The operation of dynamics of a plural society in Nigeria is noted by Joseph (1991: 46) who viewed pluralism as an ideal type, with elements operating at varying dimensions in different societies. Nigeria is heterogeneous in terms of ethnic composition. There are many ethnic groups in Nigeria. The most predominant ethnic groups are Igbo, Yoruba and Hausa/Fulani, while other minority groups like Efiks, Ibibio, Ijaw, Zuru, Igala, Nupe, Edo, Urhobo, Ikwere, Ekoi and Yala also exist.

On the other hand, Nigerian society is also segmented into various distinct religious groups such as Christians, Muslims and traditional religion. These diversities raise high consciousness denoting allegiance of people to various groups they belong to either ethnic or religion and this patterned human relationship which influence every facet of our society, whether social, political or economic.

As clearly expounded by Pluralists, "overall authority in a plural society is manifested in the form of "domination by one of the cultural sections, invoking pressure on subordinate cultural sections to deny legitimacy to the imposed order and to reject not only specific laws and authority, but law, order and peaceful co-existence" (Joseph, 1991:40).

In Nigeria, the hegenomic control has been on the Hausa/Fulani group over the years, invoking conflict and rivalry from other groups. The Hausa/Fulani Moslems with the control of military institution in Nigeria control other sectors including the agencies of government. What are the implication of this relations pattern in effective decision making and management of Nigeria public enterprises?

Any organization including the public enterprise is embedded in an environment. The dynamics and organization processes influence and are being influenced by the environment. Effective decision making is one of the major dynamics of organizational

processes. The question can now be, how does the plural nature of Nigerian society as an administrative environment influence effective decision making in public enterprise? Bassey and Bassey (2018) study of effective decision making in public secondary school organisation libraries is a major pointer to this investigation in which a relationship was established between information feedback and decision making. In this case, does pluralism also influence effectiveness of decision?

THE QUESTIONS OF THE COMPATIBILITY OF PLURALISM AND EFFECTIVE DECISION-MAKING IN NIGERIA PUBLIC ENTERPRISE: A CRITIQUE

Adamolekun (1986:43) categorized public enterprises in Nigeria into three broad categories namely: Public utility; Development and finance; welfare and social services. These three according to him can be collectively referred to as statutory corporations. Other notable classifications are state-owned companies and mixed economy enterprises, the latter which is jointly owned by the state and private investors either local or foreign as joint venture partner, example of which include Nigerian Romanian Wood Industry. State-owned companies in Nigeria includes: Nigerian National Shipping Line Limited and New Nigeria Development Company Limited. Public utility corporations include: State Water Corporation, Defence Industrial Complex and Nigerian Railway Corporation, while Development and Finance includes: Central Bank of Nigeria and River Basin Development Authority. Finally, for welfare and social service there are Pilgrims Welfare Board, Federal Housing Authority, Hospital Management Board and Federal Radio Corporation (Adamolekun, 1986: 43, 45).

In any of this public enterprises mentioned above, decision making takes place in every level of organization activities. All management functions in any organization involve decision, such as planning, organizing, staffing, leading controlling, and budgeting. As noted by Koontz, (O'Donnell and Weihrich (1980) variables from the external environment act as constraints to organization performance of the functions stated above.

Public enterprises are bureaucratic in structure and management style; and following the British typology supposed to operate under clearly stated bureaucratic procedures, values, and set

standards. But the case is not so in Nigeria Public enterprises which sought to balance and accommodate group interests as found in the pluralistic nature of our society. Lijphart (1977) contended that:

Government has to comprise a grand coalition where all main segments of society are represented; that the decision-making process must be based on the mutual veto principle, that it must not only recognize but also respect segmental autonomy.

This is not yet achieved in Nigeria as Abubakar Amuwo et al (1998:202) explained that political contests are seen along lines of group interests, and individuals in government are perceived as representatives of their groups. In order to ensure stability of a plural society like Nigeria, Nigerians as member of group have to participate both in policy determination and in the distribution of values and or benefits.

Without overburdening this paper with history of representational equity in Nigeria, it is appropriate at this point to examine specific issues as constrains of pluralism on effective decision in public enterprises management process.

FEDERAL CHARACTER AND STAFFING

The federal character principle as stated by Ayoade in Amuwo, et al (1998:108) states that:

The composition of the federal government or any of its agencies and the conduct of their affairs shall be carried out in such manner as to recognize the federal character of Nigeria and the need to promote national unity and to command national loyalty. Accordingly, the predominance in that government or in its agencies of persons from a few states or from a few ethnic or other sectional groups shall be avoided.

In terms of other level of government, it is stated thus:

The composition of a government other than the federal government or any of the agencies of such government and the conduct of their affairs shall be carried out in such manner as to recognise the nature and character of the peoples within their area of authority and the need to promote a sense of belonging and loyalty among such peoples. One major function involving decision in public enterprise management is deciding who to hire. This provision of federal character as enshrined in the 1999 Constitution demanded equal representation of ethnic groups in public enterprises. Looking

critically at the Nigerian society, most of the public enterprises were dominated by people from geographical regions where their headquarters are located, or dominated by people from ethnic or other sectional groups from which the chief executive officer belongs. Looking critically at the Federal Character Commission outline on public enterprise staffing schedule, it is noted that 45% of Nigerian Telecommunication Limited (NITEL) employees are from the Yoruba ethnic group. The implication is that other citizens from other ethnic groups live in fear occasioned by their domination and insignificance in the organization. The resultant effect is alienation from work.

The federal character principle itself which supposed to act as a balance to remove the preponderance of one group over the other is highly critical because of the mode of its implementation resulting in the recruitment of unqualified personnel at the expense of well qualified personnel into public enterprises. This underscores the principle of merit and has very negative effect on the efficiency and effectiveness of public enterprise management.

PUBLIC ENTERPRISE AS INSTRUMENT OF SOLVING ETHNIC AGITATION

Effective decision making in public enterprise starts with the rationale for establishing such enterprise. In Nigeria, public enterprises are being established as panacea to ethnic agitation. Clear example of this in contemporary Nigeria includes: The creation of the Oil Minerals Producing Areas Development Commission (OMPADEC). This statutory development corporation was established in order to appease the Ogoni, Ijaw and other oil minerals producing communities that were agitating against government negligence over the years. In response to the creation of OMPADEC, the Petroleum Trust Fund (F.T.F.) was created to ameliorate the agitation and spread services to other non-oil producing communities. The decision to establish these enterprises was not rational as the implementation was not effective. Hence, the vast public criticism which led to the abolition of these two enterprises.

OTHER ISSUES INVOLVING DECISION MAKING IN PUBLIC ENTERPRISE

As earlier noted, all activities of any organization concern decision making; from the location of enterprises, provision of services, award

of contracts, social responsibilities and entirely of internal dynamics of enterprises.

In the face of pluralistic incompatibility, most public enterprise decision which attempt to contain with pluralism is most likely to result in ineffective decision.

In the case of contract awards by public enterprises in Nigeria to meet the pluralistic nature of our society, most indigenous contractors lack the technical and management skill to perform effectively the contract they secured from these enterprises. As a result of inability to perform the contract and achieve the goal which prompted the award of such contract, the effectiveness of enterprise decision process is in question. This condition is highly obtainable in the Nigerian National Petroleum Corporation awarding contract of refinery maintenance to indigenous firms which lack technical knowledge to carry out the contract resulting in the collapse of the refinery.

The issue of social responsibilities of public enterprises often circles ineffectiveness in decision making process. As enterprise to solve ethnic and other groups problems emanating from their operational environment neglect basic areas of national policy direction.

Pluralism and effective decision-making in public enterprises as seen in the foregoing discussion are totally incompatible. What is its implication for management of public enterprise in Nigeria?

IMPLICATIONS FOR PUBLIC ENTERPRISES MANAGEMENT IN NIGERIA

As noted in the tendency of ethnic interest to lead to challenges to prevailing law, order and authority, it is easy to conclude that this is likely to bring violent resistance to public enterprise decisions and policy by both its internal and external environment.

In some Nigerian communities, youth and other groups destroy public enterprise installations as a result of sentiment of marginalization; a clear example is the destruction of the facilities of the Nigeria liquefied Natural gas company in Bayelsa State, because the company which is state owned failed to accommodate the interest of the community. The resultant effect was the company's inability to meet first export shipment decision dateline; hence, ineffective decision making. Attempt to solve problems of balancing ethnic

interest in terms of employment, appointment to boards of enterprises, awards of contract and the performance of social responsibilities have all resulted in failure to achieve the goal for which the decision was made.

From all indications, pluralism and effective decision are not compatible and its implication in management of public enterprises in Nigeria are ineffectiveness and gross inefficiency of management. Noting the fact that an ineffective organization is grossly inefficient (Koontz, O'Donnell and Weihrich, 1980).

CONCLUSION AND RECOMMENDATIONS

This paper examines the concepts of pluralism, decision and effective decision making, and public enterprise. The relationship existing between pluralism as ecology of administration and effective decision-making in Nigerian public enterprises was examined. Considering the pluralistic nature of Nigeria internal dynamics involving decision in public enterprise, staffing, appointment to Boards, social responsibilities, award of contracts and other contending issues were overviewed.

Finally it was concluded that pluralism and effective decision-making in public enterprises are incompatible, and its implications for the management in Nigeria are ineffectiveness and inefficiency.

In terms of recommendation, government through diversive have to privatize all public enterprise and concern itself by giving policy directive to ensure that the operating and activities of the private enterprises are in line with state development objectives.

REFERENCES

1. Adamolekun, Ladipo (1986). *Public Administration: A Nigerian and Comparative Perspective*. Lagos: Longman Nigeria Limited.
2. Adebayo, Augustus (1986). *Power in Politics*. Ibadan: Spectrum Books Limited.
3. Amuwo, Kunle et al (eds.) (1998). *Federalism and Political Restructuring in Nigeria*. Ibadan: Spectrum Books Limited.
4. Joseph, Richard (1991). *Democracy and Prebendal Politics in Nigeria: The Rise and Fall of the Second Republic*. Ibadan: Spectrum Books Limited.

5. Koontz, H., O'Donnell, G. and Weihrich, H. (1980). *Management*. (Seventh Edition), Tokyo: McGraw-Hill International Book Company.
6. Lijphart, Arend (1977). *Democracy in Plural Societies: A Comparative Exploration*. New Haven: Yale University Press.
7. Ogunniyi, Omotosho (1970). "Social Responsibility of Public Corporations in Nigeria". Paper at Conference on Public Enterprises at Ahmadu Bello University, Zaria.
8. Sartori, Giovanni (1976). *Parties and Party Systems: A Framework for Analysis*. Cambridge: Cambridge University Press.
9. Tokunbo, M. (1990). *Public Enterprises: The Nigerian Experience*. Lagos: Lantern Books Limited
10. United Nations, "Measures for Improving Performance of Public Enterprise in Developing Countries (United Nations Publication), New York, 1973.
11. Report of Onosode Presidential Commission on Parastatals, Federal Government Press, Lagos, 1981.
12. Bassey, Antigha Okon (2000). "Pluralism and Effective Decision-Making in Public Enterprises are not Compatible". Unpubnlshed Seminar Paper presented as a requirement of POS/MPA 5561 – Public Enterprises, Department of Political Science, University of Calabar, Calabar, Nigeria
13. Bassey, A. O., Abang, T. A. and Iji, M. E. (2017). "Challenges and prospects of applying scientific methods in sociological and policy investigations". *International Journal of Emerging Trends in Social Sciences*, 1(1), 9-15
14. Bassey, Umo A. and Bassey, Antigha O. 92018). "Information feedback and decision making in public secondary school organisations' libraries in Cross River State, Nigeria". *Worldwide Journal of Multidisciplinary Research and Development*, 4(11): 72-75