

**MOTIVATION AS AN ESSENTIAL TOOL IN ATTAINING  
ORGANIZATIONAL GOALS AND OBJECTIVES (A CASE  
STUDY OF GWARAM LOCAL GOVERNMENT)**

**BY**

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ND/RAD/17/002M**

**AUGUST, 2019**

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**BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF PUBLIC  
ADMINISTRATION COLLEGE OF BUSINESS AND MANAGEMENT STUDIES,  
JIGAWA STATE POLYTECHNIC, DUTSE AS A PARTIAL FULFILMENT FOR THE  
REQUIREMENT FOR THE AWARD OF NATIONAL DIPLOMA IN PUBLIC  
ADMINISTRATION**

**AUGUST, 2019**



**APPROVAL PAGE**

This research has read and Approved as meeting the Requirement for the Award of National Diploma in the Department of Public Administration, College of Business and Management Studies, Jigawa State Polytechnic, Dutse.

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## DECLARATION

I hereby declared that beside the references made in this research work, the ideas contained are solely the product of my research efforts undertake under the supervision of Malam JUNAIDU MOHAMMED and that the work is not copied, neither has it ever been present here in Jigawa state polytechnic nor elsewhere for the award of a certificate. All source were duly a knowledge and to the best of my knowledge, all information herein is original.

Sign \_\_\_\_\_

Date \_\_\_\_\_

Ummu-Salma Yunus Sulaiman

ND/PAD/17/002M



### **CERTIFICATION**

This is to certify that the research work for this project has been conducted and prepared by Ummu-Salma Yunus Sulaiman ND/PAD/17/002M was carried out under my supervision.

\_\_\_\_\_  
Malam Junaidu Mohammed  
(Supervisor)

\_\_\_\_\_  
Date

## **DEDICATION**

I dedicate this project to my parents, Malam Yunus Sulaiman Musa and Hajiya Halima Muhammad.



## ACKNOWLEDGEMENT

All praise due to the creator of earth and heavens, the cherisher, nourishes, sustainer, provider and protector of one and all. Complete blessing and salutation be upon his prophet and his messenger Muhammad (S.A.W) his family, companions and all those who have followed him up to the last day.

My everlasting gratitude goes to my parent for their tireless support.

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I also wish to express my gratitude's to my friends, brother and sisters for their encouragement and advice.

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## ABSTRACT

*In the present study, authors have reviewed the intense literature to extract all possible dimensions of motivation, having direct and indirect impact on motivation techniques. This has examined the multidimensionality of motivation from the existing literature and present a conceptual framework based on it, and it is experienced that various motivation techniques discussed in this study are having a positive impact on both employee's satisfaction and the quality of performance in an organization. The study adopted hierarchy of need theory of motivation as the theoretical framework basic of analysis. On the course of this study, 50 questionnaire were administered and of which 42 questionnaire were successfully retrieved and were used for analysis. However, in order to study the various issues highlighted in this work related to employee motivation, a large body of literature have been incorporated. The novelty of this study lies in its theoretical framework where authors like Abraham Maslow, Douglas McGregor, Herzberg and McClelland and so on, made an attempt to come up with a construct having dimensions that directly or indirectly influences employee motivation. It is among the findings of the study the inadequacy of expert skills, inadequacy of remuneration and compensation packages, lack of conducive atmosphere for working poor promotion procedure, lack of modern skill of working and inadequacy of incentives. The study further to recommends from the research analysis that employees should be allowed to attend an induction courses organized by their organizations to enable them perform better. There should also be an adequate remuneration, incentive and compensation packages to motivated workers the welfares of the workers should also be ensure, so also promotion should be carried out as at when due.*



## CHAPTER ONE

### 1.0 INTRODUCTION

In all organizations whether they operate in private or public sector, there is an essential increasing awareness that employees are the most important assets towards the achievement of organizational goals and objectives to that, the ingredients of motivation lie within all and the internalized drive toward the dominant through of the moment (Robby 2001). Motivation directly links to individual performance and effectiveness that gain to organizational performance and as catalyze for all individual employers working for an organization to enhance their working attitude for performance or to complete task in much better way than they usually do organization panagiotakopoulos (2013) concluded that factors affecting staff motivation at a period where the financial rewards are kept to the least leads to stimulate employees performance so, management personnel responsibility to motivate their employees to work as per expectation to enhance the organization performance leading to the achievement of planned goals and objectives similarly, Dysvik and Kuvaas (2010) concluded that intrinsic motivation was the strongest predictor of turnover intention and relationship between mastery approach goals and turnover intention was only positive for employees, low in intrinsic motivation the only thing organizations needs to do is to give employees with ample resources and platform to do.

As per Kilo (2013) a successful organization must combine the strength and motivations of internal employees and respond to external changes and demands promptly to show the organization value. The research work has taken various techniques of motivation from existing literature, and managed to make flow of motivation from young age employees to old age employees from organization perspective managers need to understand the flow of motivation, it helps them to create a culture where employees always get motivated to do better. Barney and Steven Elias (2010) found that with extrinsic motivation there exist a significant interaction between job stress, flex time, and country residence. Leaders know that at the heart of every productive and successful business lies at having organization culture and hardworking people collaborate passionately to produce great result (Gigantic and palmer 2011). In the body of literature, various frameworks are used by the research work based on theories of motivation



## 1.1 BACKGROUND OF THE STUDY

The aim at priority of each and every organization, where her public or private lies on the journey of maximizing output and retaining a prospect development and growth which is sustainable in this regard, organization are concerned with how to motivate workers, make committed and ensure their job satisfaction in order to accomplish organizational goals and objectives.

Motivation means "to move" and it is derived from the Latin word mover. It is "the state of an individual perspective which represent the some particular behavior".

Gibson (1980) motivation as an internal force which stimulate, regulates and upholds a person's more important actions. Its existence and nature is deducted from observations and experience of behavior. By using motivation as a tool, a manager can effectively and efficiently blend both the organization and individuals goals

Terry and Franklin (1987) explained motivation as "the need or drives within an individual that drive him or her toward goal oriented action. Appleby (1981) defined motivation as the way urges, aspiration, derives and needs human being direct, control and explain their behaviors.

Motivation and job satisfaction are management principles used by managers in influencing their subordinates in order to be productive in their performance. While job satisfaction on the other hand refers to a feeling contentment experienced by someone whose performance has been recognized through performance appraisal as commensurate with what is expected of him. Therefore if an employee is well motivated by recognizing his or her performance, the employee will derive job satisfaction

Scientific management assumes that an employee is an emotional being and emphasizes the importance of encouraging cohesive work groups in which each worker, has sense of belonging. It is recognizes that people process; potential for development, capacity for assuming responsibility and readiness to direct behavior towards organizational goals. It is therefore, the basic function of a manager to create an enabling environment which helps people recognize and develop these human characteristic through motivation. At manager is required to comprehend

human behavior in order to utilize motivation as an essential instrument to increase organizational productivity.

Motivation is a general term applying to the entire class of drives, desires, needs, wishes and similar forces; to say, management or managers motivate their subordinates is to say they do things which they hope satisfy thus drives, desires and induce the subordinates to act in a desired manner

Also it is responsibility of the manager to provide an environment conducive to performance but staff motivation is the responsibility of the individual themselves (Wehrh and Koon 2003).

Individual behavior is determined by that motivates him. Their performance is a product of both ability level and motivation so if the manager must achieve the goals and objectives of his organization satisfactory he has motivate his subordinates and also he must attempt to know the need and expectations of his subordinates if he is to influence their behavior and performance at work.

According to Rebis Likert (1967) every aspect of organization activities is determine by competence motivation and the general effectiveness of its organization of all the task of management managing the human component is the central and most important task because all depends on how well it's done.

To cut its short in the logical reasoning from the above, is to ensure that employees if the organization are taken care of in such a way they give their best to the realization of accepted goals.

## 1.2 STATEMENT OF THE PROBLEM

Despite how virtual motivation is in attaining organizational goals and objectives, organization are not separated from the problems of poor performance, low level production, inefficiency and so on. And this effect the both side of employees and employers

Some employees are lazy to do what is towards expected of them and the geared always towards giving excuse to keep them away from doing the work, to that when they are met with lazy



employers probably the productivity of the organization will basically go down leading the organization not achieving the planned goals .

So also when they (lazy employees) met with hardworking, diligent, and functional employees, it's likely for the organization to loss favorable condition in carrying out the work, thereby creating unpleasant stations going along with oppression, threat, misunderstanding, conflict between employees and the employer, which at end may lead the employers to resign from their appointment or to be dismissed by the employer due to their failure to do what is expected of them

### **1.3 AIMS AND OBJECTIVES OF THE STUDY**

The research work intends to investigate in attaining as an imperative tool in attaining organizational goals and objectives.

Effective performance of staff in an organization cannot be achieved without adequate compensation package in incentives to motivate the staff. The research work also intends to ascertain how much the productivity output is when the staff are adequately motivated, so also in producing maximum output the managers of an organization should adopt motivational guns as their most effective tool in attaining sustainable development as well accomplishing their organizational goals and objectives.

The study also tries to explore on types of motivation on behaviors of individual, wants and need which differ from social aground to another, from one generation to another, from one environment to another and so on. Therefore, there is need for an organization to identify comprehensively on its staff in order to motivate them accordingly.

The study also categorizes workers into behaviors in order to differentiate between the incentives to be used in motivating the employees.

In a nutshell, the research work ascertain the emphasis on rewarding employees for better performance and output.



#### 1.4 RESEARCH PROPOSITIONS

A research proposition is an explored in nature that researcher use to concepts that may be judge as true or false. It consist of a short introduction, research questions and objectives, brief, literature review, methodology and time line. It tells the relevance of the study about performed and how the study will be.

Motivation as an essential tool in attaining organizational proving:

- Motivation is necessary machine used in driving out the achievement of an organization.
- workers efficiency is an organization is determined by the magnitude of motivation given by management
- The more good care is given through motivating workers, the more attention they give to the best performance.
- The ability of a management of an organization to motivate their workers, the more level of efficiency is increased as well job satisfaction

#### 1.5 SIGNIFICANCE OF THE STUDY

The concepts used by the researcher work are unambiguous they are quite cheap order to enable easy understanding and practical zing the written literature.

The research work all however, be useful to implemented accordingly

Moreover, the research work is at its simplest term to redressing problems itching whether managers or students about motivation as its clears the debris of confusion along the way of getting hold of workers in an organization in logical ways for managers as well impressing examines on the side of students and passing in flying colors.

In a shell, the research work is so much imperative to the development and increment of output which serves as a path to attaining organizational goals and objectives.

## 1.6 SCOPE AND LIMITATIONS OF THE STUDY

The study titled "motivation as an essential tool in attaining organizational goals and objectives" covers a stipulated area which is Gwaram local government area. Besides that, the study due to the factors effecting the selection of a research topic limits its study by taking Gwaram local government as a case study, the factors comprise;

- **AVAILABILITY OF DATA:** Obtaining data especially primary data (such as experiment, observation etc.)
- 2. **FINANCIAL PROBLEM:** Lack of enough at disposal also constraint the study, for materials are uneasy restricting the research work
- 3. **TIME:** Shortage of time contribute not in small quantity towards restricting the research work.
- 4. **LEVEL OF EXPERTIST:** The researcher's level of knowledge is a great limitation to the work due to the level of skill and experience, for the main work is done through the use of secondary data, because the primary source needs skill and experience all together with talented ness which require more knowledge.

## 1.7 HISTORICAL BAKGROUND OF THE STUDY

Gwaram is a local government area of Jigawa State, Nigeria its head quarter is located at town of Gwaram popularly known as TshohuwarGwaram.

The local government is made up of a number of towns and villages including Fagam, Farin Dutse , GalambinAja , kila , Maruta, Nasarawa , SabuwarGwaram, KafinFulani , kwandiko , Sara , or Nagogo, Yayari, Rabadi, Tsangarma, Gwani, Innakawa, and the rest .

### **Geography of Gwaram Local Government Area**

Gwaram local government area occupies a total area of 2,173 square kilo meters (2,173km<sup>2</sup>) ground distance define population of 272,582 at the 2006 census. It has an average temperature of thirty four degrees cent grade (34°C).

Its topography is generally Characterized by undulating land and also characterized by the presence of several hills of vary flying elevations.



It's also a revering area which host a number of rivers such as Kijin, Isakuwa, Dogo, etc. and tributaries. The average humidity level in Gwaram local government area is twenty five percent (25%).

Gwaram lies within the vegetation zone. The vegetation and climate is influenced by the equatorial maritime and tropical control air masses. The former is characterized by south westerly winds coming from gulf of guinea, while the later represent the dry northerly winds coming from Sahara desert, rainfall begins in April and end in October usually. The main annual rainfall is varies from 500mm to 600mm. The mean daily minimum temperature are 35°C and 19°C respectively, the maximum temperature has two occurring in April and October the lowest temperature are recorded during the month of December and January. At this point the temperature can fall as low 10°C lower at night the measure restive humidity can be as high as 80% in the month of august and as low as 15% in December.

#### **Population of Gwaram Local Government**

The population of Gwaram local government is 272,582 according to 2006 census out of which 120,28 (44.13%) are male while 260,554(55.13%) are female with kofal land of 2,173km<sup>2</sup>. statistics also showed that large of population ranged between 16-52years.

The population growth rate is about 2.5% where literacy was place at 22% of the total population seventy five (75%) percent of the household were self-employed with agriculture as their main occupation the average household size was about five or six person per household the local government area is considered to be semi-urban with greater local government has five district heads, seventy four village heads, eleven political wards, two state assembly constancies' and one federal constituency.

#### **Economy of Gwaram Local Government Area**

The main occupation of inhabitants of the area are farming, hunting, fishing, animal rearing, hand crafts, and trading. A number of crops such as rice, maize, millet, cassava, Benstead Dead palm, and so on. Are cultivated both during raining and dry season. Animal like rams, cows, goats, sheep, etc. are also reared in the local government area. the area also host a number



of markets such as Sara market , gwami market ,Gwaram market bisirka market , haya market , dingaya market, farindutse market and so on .

### **Natural Resources of Gwaram Local Government**

The local government is blessed with number of natural resources such as ; black clay , quartz , tin, gum Arabic, kaolin , honey, date palm, etc. the area has five grazing lands three dams, six rivers and seven hills . the nature of the land is loamy soil in which many varieties of crops are grown similarly the area has best human resources which is very active to provide workforce for any grateful venture

### **Ethno-Religious Setting of Gwaram Local Government**

The people of the area are predominantly Hausa and Fulani by tribe, with some bare-bari and few wangarawa and they are dominantly Muslims by religion (99.9%).

### **Political Setting of Gwaram Local Government**

The local government was created from birnin kudu local government in 1989. Since it got its independent to rule over its definite population of its defined territory

The local government is headed by an elected executive chairman deputized by deputy who is to be elected simultaneously with the chairman. The administrative function of the local government is chaired by the secretary to the local government followed by seven heads various department. The chairman is assisted by five advisers and supported by five supervisory councilors serving as ceremonial heads at the five respective department of the local government council.

The area is also divided into two distinct state house constituencies which are; Gwaram and Fagam constituencies. At the level of local government administrative the area is divide into eleven legislature council. These are bisirka,dingaya, fagam, farindutse, Gwaram,kila, kondiko, maruta, Sara, tsangarma, and zabadamnagogo

Similarly, the local government has staff strength of 764 staff (as at 2016) in the seven operational department , planning and statistics , finance and supply, works and housing ,

agriculture and natural resources , social and community development , and primary health care (medical)

Similarly, Gwaram local government is currently headed by an executive chairman in person of honorable ABDULMALIK SHEHU elected during 2015 election

### 1.8 DEFINITION OF KEY CONCEPTS

The research study work comprises the following terms

- Motivation
- Essential
- Tool
- Attain
- Organization
- Goal
- Objective

- **Motivation:**

Wehrch and koontz (2005:359) "motivation is a grateful term applying to the entire class of drives , desires, needs, wishes, and similar forces"

According to Jones and George (2003), "motivation refers to those psychological forces that determine the direction of a person's behavior in an organization, a person's behavior in an organization, a person level of effort, and a person's level of persistence"

Motivation is therefore; a force in a human being which is sustained and goal direct towards making him forgetting his own interest and pursue the interest of the individual or organization motivating him.

It's also being seen as a feeling of enthusiasm or interest that makes a person determined to do something

- **Essential :**

According to Macmillan English dictionary (MED) at the beginning of 2002 the new edition essential means "the most basic and important aspect of a subject".

It refers to indispensable ingredient, component or part of something which help to make that thing so substantive and crucial.

- **Tool:**

According to the Macmillan English dictionary (MED) published at the beginning of 2002 new edition, tool is defined as something that you use in order to perform a job or to achieve an aim " this refers to a mechanical device intend to make a task easier in an organization or in doing something.

- **Attain:**

The Macmillan English dictionary (MED) published on 2002 defined "attain" as succeeding in achieving something especially after a lot of effort. In this, determination matters in accomplishing goals and objectives.

- **Organization :**

Macmillan English dictionary (MED) published 2002 refer organization as "a group of people who have a particular shared purpose or interest" refers to the coming together of individual whether formally or informally to form a union which will aid them in activating their goals and objectives .

- **Goal:**

The Macmillan English dictionary (MED) seen goal as something you hope to achieve. It is a result that one or organization attempting to achieve in a particular period of time which is long.



- **Objective:**

Macmillan English dictionary (MED) defined objective as "something that you plan to achieve , especially in business or work " it is a specific result that a person or organization aims to achieve within a short time frame with available resources that underlie all planning and tragic activities .

### **1.9 PLAN OF THE STUDY**

The research work is sequent divided into five chapters, chapter one and first chapter consists of the introduction, background of the study, statement of the problem, aims and objectives of the study, research prepositions, significance of the study, scope and limitations of the study, historical background of the study definition of key concepts, plan of the study as well as the references.

The chapter two of the research work contains the literature review and the theoretical frame work which comprises review of the related literatures of various and prominent scholars and writers. the chapter starts with an introduction , then an overview of motivation , motives for behavior motivation , motivation as an effect tool for managers , relationship between motivation, job performance and job satisfaction , theories of motivation , theoretical frame work and references.

Chapter three of the research deals with research methodology which discusses in details what the research work will do. like all other chapters it includes; the introduction as the first term research design, population of the study, sample size, sampling techniques , methods of data collection , research design, research instrument, methods of data analysis and last i.e. references.

Data presentation and analysis is the little of chapter four of the research work. As usually it starts with the introduction, followed by demographic data of the represents, presentation and analysis and references.

The summary, concluding, and recommending chapter comprises, summary, conclusion, recommendations, bibliography and appendix (questionnaire design)

## CHAPTER TWO

### LITERATURE REVIEW AND THEORETICAL FRAMEWORK

#### 2.1 INTRODUCTION

This chapter is hereby to clear you the debris of confusion according to the whims and comprises of the world knowledge through the critical review of different literatures and theories of famous scholars and writers. The chapter examines previous studies done by those scholars or writers on motivation as an essential tool in attaining organizational goals and objectives.

The chapter also adopts the thematic approach in order to move the work more organized and to make it easier and understandable to the readers.

#### 2.2 MOTIVATION: AN OVERVIEW

Historically, motivation comes from a Latin word "mover" meaning "to move" motivation is a process of arousing movement in individual to produce and regulate through the release of energy by multiple variable or factors with in the individuals in the environment.

Motivation is an energizing force that compels and maintain behavior. It is not an easy task to motivate human being because of the complexity nature of human being as a social animal, to that ,the success of any motivational effort depend largely in the extent to which a motivator, meets the needs of the employees for whom it is intended.

The general purpose of motivation theories is to predict behavior. Motivation is not the behavior itself and is not performance. Motivation concerns action and the internal and external forces which influence a person's choice of action [Mullins, 2005] and collectively the different theories of motivation provide a frame work with in which to direct attention to the problem of how best to motivate staff to work willingly and effectively [Mullins 2010].

Method for motivating employees, is an intrinsic and internal drive to put forth the necessary effort and actions towards work-related activities. Motivated employees are essential to the success of an organization as motivated employees are generally more productive at work place. Motivated employees become more engaged in their workplace. Employees' engagement is an imperative pent of an organization. Research has found that organization with engaged employees, have three time higher profit margins compered to organization with disengaged



employees. Shareholders returns, operating income, and revenue growth have also had higher financial performance in employee engaged organizations. In addition employee engaged organization. In addition, employee engagement led to lower absenteeism within an organization. Employees trying motivating their employees to on will likely see an increase in overall organizational performance.

Motivation has been variously described by authors such Robbins, Decenzo and Coulter, 2010, Daft, 2012, Micullagh, 2015, Riggio, 2013, Grobler et al 2011 and so on. All of these definitions do have "want" "wishes" "aim" "goals" "needs" and "incentives". Lathan [1998] defines motivation as an "a process that starts with a pay physiological deficiency or need that activates behavior or a drive that is aimed at a goal incentive" therefore, the key to understanding of and relationship among needs, drives, and incentives [Tella, Ayeni and popular, 2007.

Weibrich and koontz [2005:359] defined motivation as a general term applying to the entire class of drives, desires, needs, wishes, and similar force" according to see, and similar force". According to Jones and George [2003] "Motivation refers to those psychological force that determined the direction of a person's behavior in an organization, a person's level of effort, and a person's level of persistence". It is evident that all people have within themselves the potential of behaving in different ways Onwubulili, Amara chin [2014; 50] defined motivation in this way "motivation is that energizing force that induces or compels and maintain behavior " Motivation result in various strategies, which help to patterned behavior towards producing and reaching a particular goal.

Researchers have long concluded that predetermined organization goals cannot be achieved without the coordinating efforts of managers (at all levels). This conclusion thus reemphasizes the important role managers' play in any organization and the need to motivate them, in order for them (managers) to motivate and direct the efforts of their subordinates towards achievement of organizational goals and objectives. Motivation is a human psychological characteristics that contributes to a person degree of commitment (Stoke, cited in Tella et al, 2007) and it includes the factors that cause, channel, and sustain human behavior in a particular committed direction. Stoke posits that there are certain assumptions of motivation practices by managers which must be understood. Firstly, motivation is commonly assumed to be a good thing. One cannot feel very good about oneself if one is not motivated. Secondly, motivation is one of several factors



that go into a person performance. Factors such as ability, resources, and condition under which one performs are also important. Thirdly, managers and researchers, alike assumed that motivation is in short supply and in need of periodic replenishments. Fourthly, motivation is a tool with which managers can use in organization. If managers know what drives the people working for them, they can tailor job assignments and rewards to what people "tick" motivation can also be conserved of as whatever it take to encourage workers to perform by fulfilling or appealing to their needs. Mullins [2010] states that the underlying concept of motivation is some driving force within individuals by which they attempt to achieve some goals in order to fulfill some need or expectation. Individual employees come to organization with their personal goals which, in most cases are different from those of the organization it is therefore, the responsibility of management to redirect and align employees' goals with that of the organization in order to achieve set goals and objectives.

### 2.3 MOTIVES FOR BEHAVIOUR'S MOTIVATION'

Behaviors determine how an individual would be motivated, the following are basic motives for behaviors' motivations;

1. Drive
2. Need
3. Instinct

- **Drive:** Ishaq , Aisha Ismail (2014:18) summarizes drive as direction towards selected goal

Thus, drive could be defined as a factor of influencing behavior which deals with physical energy that release the body with that energy and finally leads to an activity. He started spiritually while its outcome physically.

Drive is motivating factor within the personality of selfishness in purpose, wish or interest.

Interest towards choice of course to study, choice of friend or marriage partner, wish to be polite or violently and so on.

- **Need:** Is a desire or which to get something it is requirement for something .it is requirement

It is also a motivate for motivating a behavior which is unlimited it comprises the physiological need, survival need, safety and so on

- **Instinct:** This factor motivating behavior refers to the fundamental behaviors inherited from family, community, or environment. They are mostly inherited rather than required. example of instinct are cultural beliefs and religious beliefs

A person grown up without instinct inherited it serves also as one source knowledge among the four sources of knowledge which is capable of shaping a person's personality in the grassroots. It is an important in behaviors motivation. In this factor, individual can be trained or motivated to be hardworking or lazy with outcome of making the organization he or she finds himself or herself achieve its objectives and goals or downgrade the organization on the other hands.

To raise after all, instinct is a complex inheritable tendencies common to all members of a species compelling each individual which includes; parenthood, self-assertions, curiosity and so on

## 2.4 MOTIVATIONAL TOOLS AND THEIR EFFECTIVENESS

The are some of motivational tools with their overall effect:

1. Remuneration and compensation packages
2. Security of job
3. Promotion
4. Participation
5. Punishment



- **Remuneration and compensation packages :**

This is achievable through the position of adequate wages and salaries. Remuneration and compensation packages should be promptly paid to employ. This motivating and employ to do what he or she supposed to do. the vice versa tends to develop un wanted behavior such as lack of punctuality truancy , lower performance , low productivity , corruption and other non-chalets attitude in an organization

- **Security of job**

Security is also a basic need of every employee. Both the physical security and psychological security should be guaranteed in an organization to make employees face achievement to be obtained by the organization. Good making condition should be provided to the employees in order to make environment an enabling one for them to work effectively and efficiently employees should not be oppressed and threatened with the light mistakes they make. They should not be easily terminated of the appoints, suspended, disengaged with their lives and other forms of maltreatment.

- **Promotion:**

Promotion refers to the entire set of activities that are subject to satisfying of valences. An employee is eager to see this happen to him or had in his or her organization. It is not only been in terms of money rather, in terms of recognition of an employee's service importance or performance.

This tool when considered with much care and practiced accordingly helps increase organization goals and objectives.

- **Participation :**

Another important tool in attaining organization goals and objectives is participation. People entered having problem and the ways of solving those problems. It is when there is participant new innovative and initiatives are realized and works are done effectively and efficiently. Right kind of participation yields motivation and knowledge valuable to organizational success.



Ajibola, kofo h, (2015:67) "participation does not respond to a number of basic motivators, it is a means of recognition it appeals to the need for affiliation and accomplishment. It should therefore, assure that all forms of participations are essential to make an organization attain its planed goals and objectives collectively.

- **Punishment :**

Some employees are motivated through promotion, good compensation package, positive reinforcement etc., but is possible for a person to find some employees in the organization with the vice interest of those employees at the same frame of time, with the same age. They can only be motivated through threat, oppression, and maltreatment and like. they only come to order through fear of loss of job demotion , loss of income, dismissal, reduction of allowances, penalties has been continues to be a strong motivator , yet is not admitted as the basic tool.

## 2.5 MOTIVATION AS AN EFFECTIVE TOOL FOR MANAGERS

Motivation as an essential tool attaining organizational goals and objectives is under managed by managers in today's context. Managers do motivate employees to inspire the spirit of hardworking and diligence in frame, in order to produce the best output for the organization efficiency and effectively. Since individual have different motivating forces. The research work is hereby to help managers to be more effective at creating an enabling motivational environment the managers can achieve this through the following:

- **Identifying motivating factors:**

The managers should first identify what really motivate associates. people do resolve at doing their best work when they find themselves in an enabling environment which makes them feel valued where they get a job well done a "thank you" , "a pat on the back" etc. . Through this simple countries, the managers could be able to achieve a grant impact on organization morale in motivation their employers which will in return end at improving the organizational work effectively and efficiently.

• **Identifying factors that are important for the employees:**

Through motivation, essential factors for motivating employees are not well recognized by the managers there tendency of it (motivating) or hinder productivity, on the other side when the important factors are will recognized and practiced, productivity at apex of the organization will be achievable, to that, motivation can be properly or improperly achieved. Managers should know that, they are dealing with human beings, not to do something because they want to do it. This common factor is not achievable without knowing what is important to associates.

Managers therefore, are required to use proper in countries in motivating their employees to do towards the desired goals and objectives of the desire.

To cut it short, if proper motivational environment is put in order, managers will be equipped with productive employees.

## **2.6 RELATIONSHIP BETWEEN MOTIVATION, JOB PERFORMANCE AND JOB SATISFACTION**

Motivation, job performance and job satisfaction interact with each other and functioned interdependently such that the process is circular rather than linear. When job satisfaction and performance is linked with group performance, the outcome revealed that higher job satisfaction leads to higher performance although it is not always the case. Working in team is the key in achieving desirable outcomes which means that employees should not be kept in isolation but should be encourage work together to effectively achieve the goals and objectives whether in group or the organization as whole.

Many organizations will use appropriate rewards systems to improve the inventories to improve employees job satisfaction (springs., 2011) igalens and Rousel (1999) that employees behavior and feedings are effected by motivation and job satisfaction according to (2005) the relationship between organizational and employees should not only focus on task only. Therefore organizational should put more emphasis on implementing the incentive system with a high level equity employees job satisfaction will increase. Person and broad bridge (2006) revealed that organizations in the development of in centric need consider the differences in nature of each



industry and background of each organization. Organization should also take in to develop an effective motivation system to increase employees' motivation towards their works. This in turn helps improving the efficiency and quality of work enabling organizations to meet their performance outcomes.

Urbanski (1986) used salary increments as a motivation tool, found that it effectively motivates employees and increase organization performance the flexibility in salary increments was also found to have positive effect. Bhatti et al. (2011) studied the effect of motivation on individual and how it contributes towards organizational performance with the conclusion that organizational should define clear strategy to link performance with rewards Aguinis et al (2013) established that monetary incentives were important factors of employee motivation and achievement which contributes significantly to organizational level performance returns.

Conclusively, important positive relationship on organizational performance which comprises financial performance, service performance and behavior performance.

## 2.7 THEORIES OF MOTIVATION

Many scholars wrote on what motivate individuals is an organization or personally under this unit the research work is discussing one of the motivational theories carried out by some prominent scholars . Among which the following are to be discussed:

- Maslow's theory of motivation (hierarchy of needs)
- Vroom's expectancy theory of motivation
- Fredrick Winslow Taylors theory of motivation (tylorism)
- McGregor's motivational theory x and y.

- **Maslow's theory of motivation (hierarchy of needs )**

Abraham Maslow was born on April 1, 1908, in Brooklyn, New York, where he grew up the first of seven children born to his Jewish parents who emigrated from Russia. Maslow



later described his early childhood as unhappy and lonely and he spent much of his time in the library immersed in books.

Eventually, Maslow went on to study law at city college of new York (ccny) and married his first cousin bertha Goodman he later switched to the university of was cousin where he developed an interest in psychology and a mount in psychologist Harry Hallow who served as his doctoral advisor Maslow earned all three of his in psychology from the university of was cousin: a bachelor degree in 1930, a meters degree in 1931 and a doctorate in 1984

Abraham Maslow began teaching at Brooklyn College in 1937 and continued to work as a member of the school's faculty until 1951 during this time, he was heavenly influenced by Gestalt psychological max Waterier and anthropologist Ruth Benedict. Maslow believed that they are such exceptional people that he began to analyze and take notes on their behavior.

During the 1950s, Maslow became one of the founders and driving forces behind the school of thought known as humanistic psychology. His theories including the hierarchy of needs, self-actualization and peak experienced become fundamental subjects in the humanist movement.

At a time when most psychological aspects of human nature that were considered abnormal, Abraham Maslow shifted focus to look at the positive sides of mental health. His interest in human potential, seeking peak experiences improving mental health by seeking personal growth had a lasting influence on psychological.

Maslow died in California on June 8, 1970, due to a heart attack.

In 1943, Dr. Abraham H. Maslow formulated a framework of motivating human based on clinical with individuals (as a psychologist). From his work, May managers and modern leaders' find ways of motivating employees and work force management.

Maslow's motivational theory presented that human beings are motivated by unsatisfied needs, and fulfilling the needs, it has to be followed sequent i.e. the lower needs must be fulfilled before the higher needs

In essence, the believed that once a given need is a satisfied, it no longer serves to motivate the next higher need.

According to him (i.e. Maslow) before a person can act unselfishly there are general types of need that must be satisfied those needs are five in number as identified by him and they are as follows

- Psychological needs
- Safety needs
- love and belonged needs
- Esteem needs
- Self-actualization needs

- **Psychological needs**

The primary and fundamental hierarchy is the psychological needs. they are unlearned basic need the psychological needs includes the basic needs that man needs for survival of his body which food, clothing, air, shelter, and the domestic processes such as excretion the people who are willing to do whatever it takes to feed their families are good representatives of those who are in this level; they would risk their of their survival their freedom (such as in committing criminal acts) just to say could have food and their dinner once the psychological needs are satisfied a person could move once to the next level which is the need for safety.

- **Safety needs**

Once the needs for body's maintenance has been secured, the need to feel safe takes precedence. Safety need take place forms such as personal safety which is the one need to feel free from physical harm such as war and domestic violence.

Since individuals became safety serving mechanism, there should be a provision of safe working environment through job security and provision of freedom from all forms of threat such as oppression, torture, embarrassment, robbery attack etc. comfortable



working condition, security and freedom from fear molestation and other human treatments should be ensured.

• **Love and belongings needs:**

The need for love and belonged is very essential since human beings cannot live separately, rather in the company of one another, it is through this togetherness various organization and association are established, and by so doing sharing of ideas become enormous. through love and belonged need families are for need which serves as agents motivating behavior through intuition, because the members spend time with each other, which gives them the ability of communicate with each other and share ideas, facts and so on, which will return make the members to have sense of belonging to have sense of belonging and acceptance in the family.

One a person feels, safe he or she will need to feel loved and acceptance by others. This take forms in to two ways; sexual and non-sexual.

This can be shown by people who perform at below optional levels when they feel ostracized from friends or by people who are love loan. In this need these are common love and affection, affiliation, belonged, acceptance since interaction is present.

The need does not solely lies on family rather to make it clear to the reader.

When a person has already received love and belonging, they feel much better and more motivated which is now next level i.e. esteem needs.

• **Esteem needs:**

This is now the point where people seek self-respect and esteem rather than just love and belonging. It can be done through seeking fame and glory, which Maslow describes as lower version. The higher version is the one which is more internally oriented which is the need for strength, self-mastery, and self-respect. It is higher need humans. The need to insert influence (i.e. power) arises here, so also to achieve planned goals and get a recognized status. Individuals are competing towards need over the world. it differs from person to person, generation, organizations to organizations as it is shown by the



struggles. The struggles might be a peaceful one i.e. the one without bloodshed or violent one i.e. the one with bloodshed the needs of esteem comprises the need for power, need of achievement, status, recognition etc.

### • **Self-Actualization Needs**

These four are the "deprivation needs" that needed to be satisfied in the five levels of Maslow's hierarchy of needs. they are called as such because it is satisfied by the absence of its lacking and once of a person no longer lack these four, a person now is ready to satisfy the highest level, "Growth need", which is satisfied actualization or the need to become what one is capable of being, whatever it may be.

This is the lofty part of the pyramid that Maslow determined as the level of his human motivation theory. the hierarchy of needs where you can strive to be what we can be fulfilling ones potential, it may be some like panting a picture that is sold at a gallery for a hard some price, a learning a new language, playing violin to a component level of a passing a degree in bio chemistry.

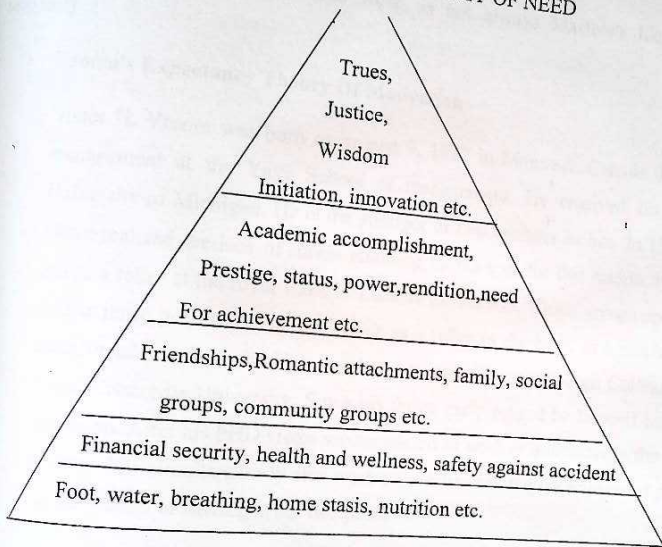
The needs are never satisfied fully, unlike the lower need, because as one grows psychological there are always new opportunities to continue to grow this is the what economics referred to as "unlimited human wants" it is the stage where a person want to learn all their potential and the and transform perception into reality.

Maslow decelerated that to fulfill self-actualization we must first conquer the steps in the lower levels of the pyramid. So we have our psychological needs all ticking over and we feel safe, secure and master our social standing. We must also master our level of esteem [both of them] and this leaves us to utilize and develop our abilities, follow our dream [that we must first create] and aspire to grow and become successful.

Self-actualized individuals have frequent occurrences of peak experiences, which serves as an energized moments to profound harmony and happiness. These are few individuals which reach this stage of self-actualization those individuals have motivators such as: truth, justice, wisdom, initiation, innovation and so on.

Maslow made minor change in his model he agreed that there is a higher level of development what he called "self transcendence". Offering ourselves to something well behind our own self. Becoming altruistic or spiritual. This level goes beyond the top of Maslow pyramid. It is probably one of the most sought after questions the human race has ever asked. Why are we here? Is infinity such a thing? What becomes of our spiritual after we die?

### ILLUSTRATION OF MASLOW HIERARCHY OF NEED



#### REVIEW:

Maslow's theory of need stated that the lower of need are satisfied before the higher i.e. from psychological to self-actualization but to the research work, classification of Maslow's hierarchy of needs is not universal and might vary across cultures, religious belief as a result of resources in a geographical location and individual differences. it might also vary across age groups, as it can be observed that children had higher physical need scores than the other age groups, while love need emerged from childhood to young adulthood, likewise the esteem need is the highest among the adolescent group of age, young adults had the highest self-actualization level, and old



age had the highest level of security. So by considering this, the age classification affect the sequential order of Maslow's hierarchy.

The hierarchy of Maslow's could also be affected during the war time. Insecurity or insurgency must change the sequence order of his work, it is very possible during war time people could not eat, drink as a result of fear and all what they need is security which will redress them from danger.

Therefore, according to the research work, is not always Maslow's hierarchy is followed sequently.

#### • **Vroom's Expectancy Theory Of Motivation**

Victor H. Vroom was born on august 9, 1932 in Montreal, Canada. He is professor of management at the Yaye School of management. He received his doctorate at the University of Michigan. He is the younger of two brothers he has. In 1949, victor vroom father realized the lack of future planning by his son, for this reason, his father found a job as a teller at the royal Bank of Canada for his son. Victor vroom soon identified that he has more potential than only work as a teller in the bank as a result of former bank member advice from the blue knights, he applied to sir George College, which is now called Concordia University. Since his father early retired he himself had to finance his education. After his PHD victor vroom started to work as a director in the survey research Centre while simultaneously also work as a lecturer in the department of psychological at the University of Michigan for two years.

He got offered to work for the University of Denny vain where he taught introductory psychology, social psychology, and industrial psychology. In that time, victor vroom authorized work and motivation. When his employment contract ended, victor vroom decided to teach at carnage Mellon university in that time top ranked universities were not focus on psychological but more centered on business or management in his class he felt a strong intellectual association with two students, in particularly Edward deci with who he authorized " management and motivation".

In 1972, Victor Vroom left Carnegie Mellon University and started to work for Yale University, and within a few weeks, he was appointed to chair.

However, five years later Victor Vroom was diagnosed thought to be diagnosed with lung cancer, but afterwards it seemed to be sarcoidosis, an inflammatory disease that can affect multiple areas of the body including the lungs, eyes, skin, and heart. Fortunately the disease was treatable and he is out of danger.

Victor Vroom currently still teach psychology and he is director at the chief executive leadership institute, both at Yale University. He lives together with his wife Julia Francis in Guilford in the United Kingdom. They have two sons, named Tristan and Trevor. During his spare time, Victor Vroom loves sailing, which he does since 1978.

He wrote many books among which are the role of the situation in leadership, on the origins of expectancy theory, leadership and the decision making process etc.

Victor Vroom proposed an expectancy model of motivation, the theory does not help explain factors that motivate people to work, rather to understand how individual thought process may be organized or connected.

Behavior is seemed to be function of interaction between values, needs, expertise, demands.

Vroom's theory of motivation is based on three basic concept which are:

- Valence
- Expectancy
- Force

• **Valence:**

This explains that human strength as a result of the desire for something and is related to the outcome of alternation course of action. The outcome of the course of action may be positive or negative therefore a person's desire for something is based on upon the



anticipation satisfaction and dissatisfaction associated with the outcomes to which they are expected to lead for instance, a person desire to perform his job, effectively because of the possible outcome that he may be promoted. This help him to develop the positive valences which serves as instruments or tools in achieving his outcome.

- **Expectancy**

The effort or behavior of person is probably yielded at a particular outcome, this is about what employees expect from their own efforts and the relation to good performance. Part of his expectation is the level of difficulty he experiences. an organization can respond to that by finding out which factors can motivate the employee to deliver his best possible performance those factors can be facilities, training or support, from supervisor who builds his employees confidence. Victor vroom indicates that, in' general, more efforts leads to better performance. Employees can be stimulated to make an effort by offering them a juicy carrot if they complete their task properly and quickly. Of course it is also essential that they have resources at their disposal that the employees have necessary skills and that management provides the right level of support.

- **Force:**

According to vroom's expectancy theory, you can expect employees will increase their effort at the work when the reward has more personal value to them. They will be more aware of the fact that there is link between their effort and the results. It means that both the organization and the employees have to be aware of the following three processes:

- Increase efforts will improve work performance.
- Increased performance will led to bigger rewards.
- The offered reward will be appreciated by the employee.

If one of these condition is not met, it is hardly to motivate the employee. particularly the least part that can become an issue an organization therefore, has to find out together with its employees which reward individual employees valued i.e. which reward motivate them. Organization often consider financial bonuses to be the best way to motivate

employees, even though the expectancy theory shows that this is by no means always. The most important factor to employees. That is why there has to be a proper balance between offering a financial bonus and setting a clear performance standard, tailored to individual employees.

### • **Fredrick Wislow Tylors Theory of Motivation (Tylorism)**

Taylor was born on March 20, 1856 to Quaker family in Germantown, Philae Phial, Penny vamp tailors father, Franklin Taylor, a Princeton educated lawyer, built his wealth on mortgages. Tailors mother Emily Annette Taylor (nee Winslow), was an ardent abolitionist and a coworker with Lucretius Mott.

He was educated early by his mother Taylor studied for two years in France and Germany and travelled to Europe for 18month in 1872, he entered Philips Exeter academy in Exeter, New Hampshire, with the plan of eventually going to Harvard and becoming a lawyer like his father. In 1874, Taylor passed the Harvard entrance examination with honors.

Taylor was an American mechanical engineer who sought to improve industrial efficiency. He was one of the first management consults. Taylor was one of the intellectual leaders of the efficiency movement and his ideas, broadly conceived, were highly influential in the progress era (1890s-1920s). Taylor summed up his efficiency techniques in his book "The principles of scientific management" which in 2001, follows of the academy of management voted the most influential management book of the twentieth century. His pioneering work in applying engineering principles to the work done on the factory floor was instrument in the creation and development of the branch of engineering that is known as "Industrial engineering ". Taylor made his name, and was most proud of his work, in scientific management; however, he made his fortune patenting steel process improvement. Taylor was also an athlete who created nationally in tennis, and died at 50 i.e. march 21st, 1915.

Fredrick Winslow Taylor's theory of motivation also known as scientific management theory is a theory o management that analysis and synthesizes workflow. Its main objective is improving economic efficiency, especially labor productivity. It was one of the earliest attempts to apply



science to the engineering of processes and to management, scientific is also known as "Taylorism", named after its founder, Frederick Winslow Taylor.

Taylorism led to productivity increases, meaning fewer workers or working hours were needed to produce the same amount of goods. In the short term, productivity increases like those achieved by Taylor's efficiency techniques can cause consideration disruption. Labor relations often became contentious over whether the financial benefits will accrue to owners in the form of increased profits or workers in the form of increased wages.

Taylorism was one of the first attempts to systematically treat management and process improvement as a scientific problem, and Taylor is considered as founder of modern industrial engineering. Taylorism may have been the first "bottom-up," method and found a lineage of successors that have many elements in common. Later methods took a broader approach, measuring not only productivity but quality. With the advancement of statistical methods, quality assurance and quality control began in the 1920s and 1930s. During the 1940s and 1950s, the body of knowledge for doing scientific management evolved into operations management, operations research, and management cybernetics.

Peter Drucker saw Frederick Taylor as the creator of knowledge management, because the aim of scientific management was to produce knowledge about how to improve work processes. Although the typical application of scientific management was in manufacturing, Taylor himself advocated scientific management for all sorts of work, including the management of universities and government. For example, Taylor believed scientific management could be extended to "the work of our salesmen".

Today's militaries employ all of the major goals and tactics of scientific management, if not under that name. Of the key points all but wage incentives are used by modern military organizations. Wage incentives rather appear in the form of skill bonuses for enlistments.

Modern human resource management can be seen to have begun in the scientific management era, practices descended from scientific management are currently used in office and in medicine (e.g. managed care). Likewise in countries with a post-industrial economy, manufacturing employs a relatively few, with most workers in the service sector. One approach to efficiency in

information work is called "digital Taylorism, which used software to monitor the performance of employees who use computers all day.

### **Mcgregor Motivation Theory X and Y**

Douglas Murray McGregor was born in 1906 and raised in Detroit, Michigan State, United States of America. He was an American philosopher who earned B.C (mechanical) from Ramapo institution of technology and B.A from Wayne University in 1932, and completed his M.A and P.H.D in psychology from Harvard University in 1933 and 1935 respectively. He was a professor at the Harvard School of Management who taught also at Indian Institute of Management at Calcutta.

He was popular for his theory X and Y as presented in his book "The Human Side of Enterprise" (1960) which he proposed that manager's individual assumptions about his man nature and behavior determine how individual managers treat their employees. He contributed towards the development of management and motivational theory and also a contemporary of Abraham Maslow.

The way managers go about motivating people at work depends largely on their attitudes towards workers. Noted that managers have radically different beliefs about what motivates people to work. Hence managers' behavior remains generally which are entirely different managerial assumptions which McGregor named as "theory X and theory Y" McGregor believes that there are two basic kinds of managers. One type of manager "theory X" has a negative view of employees assuming that they are lazy and incapable of assuming responsibility. The other manager "theory Y" reverses the assumption of the "theory X" in which he assumes that employees are truth working and capable of assuming responsibility having high levels of motivation.

To clear confusion, the assumptions of McGregor theory X and Y are clearly explained below

#### **Assumption of theory 'X'**

Employees are less ambitious and lazy, to which they give excuses to make their way from job.

The average person dislikes work and is geared towards the reasons if possible to avoid the job. Therefore employees must be forced, controlled and directed to get them in order to do what is expected of them to achieve the organizational goals.



The primary motivation are fear and theory.

### **Assumption of Theory "Y"**

This assumption is the reverse of the theory "x" and entirely different from it. It state that most people like work as they consider it as natural rest. They tend to do the work even within their rest time. They can also finish a given job and seek for additional. These people are motivated with variety of rewards as they are self-directed any self-controlled in the service of objective to which they are committed. Therefore, external control and threat of punishment are not only means of bringing effort towards organizational goal and objectives rather, each worker is stimulated by a reward unique to that workers (time, money, recognition, and promotion etc.)

People are capable of putting much imagination, creativity, initiation to solve problems, and goal depends on the perceived rewards for achieving them. Most people work naturally towards goal to which they are committed and not only accept but also seek responsibility.

McGregor never conclude which theory is more appropriator or more important, instead, has believed that beta the two theories are workable, but not for the same people.

Conclusively, theory x management works with employees who are motivated by basic needs, while, theory y management works with employees who are Leigh and are motivated by higher needs. But nature of a job with the management may also affect whether theory x or theory y approach is going to be used. Though your assumption about what motivated your employees as a manger will likely have the biggest impact on which of these two approaches you take, your choice con also be shaped by several other factors. These include management structure (tiered or flat) the type of work that is carried out (repetitive or challenging) and their skill level i.e. employees (amateur or experienced).

## **2.8 THEORETICAL FRAMEWORK**

The theoretical framework is the structure that can hold or support a theory of a research study. The theoretical framework introduces and describes the theory that explains why the research problem study exists. In this concerning problem human relation theory is to be discussed in this unit.

## **Human Relation Theory**

The human relation approach says a happy worker is an efficient worker that means if an organization can keep its work force happy it would bring more productivity and more profit because if a worker is happy with the emoluments and all the benefit that he deserves and organization provides, he will have a sense of belong ness towards the organization and would do utmost efforts to lift the organization up in the market.

According to human relation approach, management is the study of behavior of people at work. This approach had its origin in a series of experiments conducted by Professor Elton Mayo and his associated at the Harvard school of business at the western electric company Hawthorne worker, near Chicago.

The studied bought out for the first time the important relationship between social factors and productively. Before it productivity of the employees was considered to be work and money wages pend to them. Per the first time, it was realized that productivity depend largely upon the satisfaction of the employees in the work situation.

### **Emergency of Human Relation Theory**

Human relation theory came into being as a result of a reaction to the classical approach, which stressed on formal structure. The classical school neglected the human side and under emphasized on the socio-psychological aspect of organization. George Elton Mayo was in charge of certain experiment on human behavior carried out at the Hawthorne works of the general electric company in Chicago between 1924 and 1927. His research findings have contributed to organization development in terms of human relations and motivation theory. What he found however was that work satisfaction depended to a large extent on the informal social pattern of the work group. Where norms of cooperation and higher output were established because of a feeling of importance, physical conditions or financial incentives had little motivational value. People will form work groups and this can be used by management to benefit the organization.

### **Gorge Elton Mayo Experiment**

- Illumination experiment: - in this experiment mayo changed the physiological aspect related to word but the productivity showed no direct relationship. This experiment



proved that productivity is not only the function of physiological aspects but is also influenced by the social and psychological factors.

- Relay assembly test room experiment: - in this experiment Mayo tried to analyze the relationship between working conditions and morale. In this experiment Mayo made changes with respect to the incentive, rest periods, work conditions etc. but such changes caused no improvement in productivity.
- Mass interviewing program: - a large number of workers were interviewed to know their perception and orientation on the working life. The result, again confirmed the importance of informal relations, social and psychological needs and their impact on the behavior of the workers.
- Bank Wiring experiment: - this experiment highlighted the social cohesion among the employees. Findings with respect to human relations in the school are highlighted in "Management and Worker" of Roethlisberger and Dickson.

#### **Conclusion of the Hawthorne Experiment**

A factory is not only a techno-economic unit but a psycho-social organization also. The norms and values of such a group have significant influence on the behavior and performance of the workers.

Physical conditions of work have some influence on the workers' morale and productivity. But their interpersonal relations, attitude of the supervisors and other social and psychological factors have an influence.

Usually the workers act or react not as individuals, but as the members of a group.

The workers are not mere economic men motivated by money alone. They respond to the total work situation including recognition, participation etc.

The informal leaders play a vital role in setting and enforcing group norms and managers should understand and recognize the interpersonal and group relations of the job.

### Limitation of Human Relation Theory

- It lacks scientific volatility
- Behavior of the workers during the experiment was not natural. It was actually the Hawthorne effect which gives their best when observed.
- It is pro-management and anti-union
- It give little attention the formal relation while putting greater emphasis on the informal relations.
- The theory is not aware of economic dimension and neglected the nature of work.
- It could not explore the multidimensional phenomenon of human motivation.
- Marxists says that it is a new technique to exploit workers as it de-emphasized economic factors
- It is over concerned with happiness
- It does not recognize the conflict
- It ignored the environmental factors of workers attitudes

Conclusively those who stick to the human relations school of thought are of the view that the effeteness of any organization depends on the quality of relationships among the people working in the organization. Therefore according to them, the managers must concern themselves with an analysis of organizational behavior that is interaction of people with the organization. The basic assumption is this school still remains that the goals and objectives of the organization are attain through and with people.



## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 INTRODUCTION

The chapter want to make the reader know the assumption made and the criteria used by the research work in interpreting data.

The aims of this work is to describing and analyzing research methods, throwing light on their limitation and resources, and classifying their presupposition and consequences. Therefore, the basic pimpls, assumption of inquiry and approaches that underpin the work are clearly explained in this chapter.

#### 3.2 RESEARCH DESIGN

The research design to be used by the research work in order to demonstrate how the variables will be observed, controlled or manipulated to generate necessary primary data for the study is survey design. The work is interested in observing what is happening to sample variables.

#### 3.3 POPULATION OF THE STUDY

100 will be used as subset which is derived from the total population of 272582 to determine the sample size.

#### 3.4 SAMPLE SIZE

The sample size of this study constitutes of fifty respondents out of 272,582 population of the Gwaram local government.

Sample size determination

The sample size of this research study consists of the mathematical calculation where by the taro Yemen (1967) formula is applied. The formula is

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

Where n=the sample size

N=the population under study

E= the margin error (it could be 0.10, 0.5 or 0.01)

$$N = 100$$

$$1+100(0.10)^2$$

$$N=100$$

$$1+100(0.01)$$

$$N=100$$

$$1+1=2$$

$$N=100$$

$$2=50$$

### 3.5 SAMPLING TECHNIQUES

For it is not an easy task to study the whole population, the study will use sample size of 50 respondents from the total population of 272,582. The research work used stratified random sampling.

### 3.6 METHODS OF DATA COLLECTION

The study focuses on the two known methods of collection data for research purposes. They include:

**Primary Data:** the research work intended to collect information never collected before on the topic under the study from the sample size of the population of Gwaramlocal government. The information to be collected will firsthand information or primary information by the use of questionnaire.

**Secondary Data:** the research work also do collects data from already other printed materials, Internet, books and so on. The research work used primary through which survey method of data collection is used.

### 3.7 RESEARCH INSTRUMENT

The basic instrument to be used by the study to obtain data is "questionnaire". It is a data collection instrument comprising of questions designed and printed out for the respondent to answer.

### 3.8 METHOD OF DATA ANALYSIS

The research work will use frequency tabulation and will present the fact in percentage to ease understanding



## CHAPTER FOUR DATA PRESENTATION AND ANALYSIS

### 4.0 INTRODUCTION

This chapter is extremely essential to this study for it deals with presentation and analysis and also interpretation of the collected data through the use of the appropriate analytical tools already specified and adopted in chapter three under methodology.

However, the presentation, analysis and interpretation will solely focus on the information sourced from the research survey by distributing questionnaire were 50, while the appropriately filled and returned were 42.

**TABLE: 4.1.1 QUESTIONNAIRE DISTRIBUTED**

s/n	Responses	Respondents	Percentage (%)
1	Administered questionnaire	50	54.3%
2	Returned questionnaire	42	45.7%
3	Unreturned questionnaire	8	16%
	Total	100	100%

### 4.1 DEMOGRAPHIC DATA OF THE RESPONDENTS

**Table 4.1. 2: Distribution of Respondents by Sex.**

Sex Distribution	No. of Responses	Percentage (%)
Male	29	69.0%
Female	13	31.0%
Total	42	100%

Source: Research Survey, 2019

Table 4.1. Shows that the sex distribution of the respondents which indicates 29(69.0%) male respondents, while 13(31.0%) female respondents out of the aggregate number of 42 respondents.

**Table 4.1.3 Distribution of Respondents by Marital Status.**

Marital Status	No. of Respondents	Percentage (%)
Single	16	38.1%
Married	26	61.9%
Widow	0	0%
Divorce	0	0%
<b>Total</b>	42	100%

Source: Research Survey, 2019

Above table shows that the highest respondent were married with (61.9%) and the widow and divorce were the lowest respondents with (0%).

**Table 4.1.4: Distribution of Respondents by Age.**

Age	No. of Respondents	Percentage (%)
21-30	24	57.1%
31-40	14	33.3%
41-50	4	9.5%
51-60	0	0%
<b>Total</b>	42	100%

Source: Research Survey, 2019

The above table illustrates that the respondents within the age of 21-30 have the highest percentage (i.e. 57.1%) whereas the respondents within the age distribution of 51-60 has the lowest proportion with (0%) out of the aggregate number of 42.



**Table 4.1.5: Distribution of Respondent by Educational Qualification.**

Educational Qualification	No. of Respondents	Percentage (%)
OND/NCE	20	47.6%
DIPLOMA/ND	12	28.6%
HND/DEGREE	10	23.8%
BSC/MSC	0	0%
<b>Total</b>	42	100%

Source: Research Survey, 2019

Table shows that the highest numbers of the respondent with 47.6% were from OND/NCE educational qualification while the lowest with 0% is the BSC/MSC group.

**Table 4.1.6: Distribution of Respondents by Religion.**

Religion	No. of Respondents	Percentage (%)
Islam	41	97.6%
Christianity	1	2.4%
Other	0	0%
<b>Total</b>	42	100%

Source: Research Survey, 2019

From the above illustration we can see that number of the Muslim respondents the highest percentage 97.6% while others took the lowest percentage 0% out of the aggregate number 42.

**Table 4.1.7 Respondents Distribution by Tribe**

Tribe	No. of Respondents	Percentage (%)
Hausa	35	83.3%
Fulani	6	14.3%
Others	1	2.4%
<b>Total</b>	42	100%

Source: Research Survey, 2019

The table shows that the highest number of 35 were Hausa with (83.3%) and 1 respondent with the lowest percentage of 2.4% is neither Hausa nor Fulani.

**Table 4.1.8: Respondents Distribution by Working Experience**

Working experience	No. of Respondents	Percentage (%)
1-10 years	15	35.7%
11-20 years	22	52.4%
21-30 years	5	11.9%
31-40 years	0	0%
<b>Total</b>	42	100%

Source: Research Survey, 2019

From above table indicates that respondent with 22 have range of 11-20 years which took the highest portion with (52.4%) while the lowest which has on respondent is between the range of 31-40 which has 0% portion

**4.2: RESPONSES PRESENTATION AND ANALYSIS O MOTIVATION AS AN ESSENTIAL TOOL IN ATTACHING ORGANIZATIONAL GOALS AND OBJECTIVE STATEMENT:** Motivation has significantly relation with organizations profitability.

**Table 4.2.1**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	27	64.3%
Agreed	14	33.3%
Undecided	1	2.4%
Strongly disagreed	0	0%
Disagreed	0	0%
<b>Total</b>		100%

Source: Research Survey, 2019



The above table shows that the highest proportion of 27(64.3%) strongly agreed that motivation has signification relation with organization profitability 14(33.3%) agreed and 1 (2.4%) undecided on the responses to give. The other responses i.e. strongly disagreed and disagreed have not taken any portion as they all 0%.

**STATEMENT:** Adequate remuneration and compensation packages ensure effective and efficient production.

**Table 4.2.2**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	22	52.3%
Agreed	16	38.1%
Undecided	2	4.8%
Strongly disagreed	0	0%
Disagreed	2	4.8%
Total	42	100% <sup>1</sup>

Source: Research Survey, 2019

From the above table we can that 22 respondent with 52.3% have strongly agreed that adequate remuneration and compensation packages ensure effective and efficient production it respondent agreed with 38.1% disagreed with the statement were 2 per each phrase and strongly disagreed took no portion s it is 0%.

STATEMENT: Motivation enhances the quality of product produced in an organization.

Table 4.2.3

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	19	45.2%
Agreed	21	50%
Undecided	0	0%
Strongly disagreed	0	0%
Disagreed	2	4.8%
Total	42	100%

Source: Research Survey, 2019

From the above table it can be observed that 21 respondent agreed that motivation enhances the quality of product produced in an organization with 50 which took the highest portion of the aggregate number i.e. 42, 19 respondents strongly agreed with 45.2%, 2 respondent disagreed with 4.8% while the respondent that undecided and strongly disagreed had no portion with 0%.

STATEMENT: The success of an organization depends largely on how it pays attention towards motivation its workers

Table 4.2.4

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	18	42.8%
Agreed	23	54.8%
Undecided	0	0%
Strongly disagreed	1	2.4%
Disagreed	0	0%
Total	42	100%

Source: Research Survey, 2019



We can understand from the above table that the respondent that agreed to the statement above took the highest portion with 54.8%, 18(42.8%) agreed, 1 respondent strongly disagreed with the statement, while both the agreed phrase and undecided phrase took no any portion with 0% respondent.

**STATEMENT:** Motivation helps to curb the problem of absenteeism in an organization

**Table 4.2.5**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	17	40.5%
Agreed	18	42.9%
Undecided	3	7.1%
Strongly disagreed	1	2.4%
Disagreed	3	7.1%
Total	42	100%

Source: Research Survey, 2019

The above table depicts that the highest respondent with 42.9% agreed that motivation helps to curb the problem of absenteeism in an organization at the same time the lowest responses which is one responses strongly disagreed that motivation helps in curbing the problem of absenteeism in an organization.

**STATEMENT:** Innovative ideas and initiation as well as creativity of the workers are traced out through motivation.

**Table 4.2.6**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	15	35.7%
Agreed	21	50%

Undecided	3	7.1%
Strongly disagreed	0	0%
Disagreed	3	7.1%
Total	42	100%

Source: Research Survey, 2019

From the above table we can observe that the highest responses (50%) agreed that innovative ideas and initiation as well as creativity of the workers are traced through motivation.

**STATEMENT:** Your work satisfaction is very satisfactory

**Table 4.2.7**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	14	33.3%
Agreed	20	47.6%
Undecided	2	4.8%
Strongly disagreed	0	0%
Disagreed	6	14.3%
Total	42	100%

Source: Research Survey, 2019

The above table shows that the highest number of the respondent were satisfied with their work as they agreed upon, which is 20(47.6%). While the lowest percent which 0% strongly disagreed upon their work satisfaction.



**STATEMENT:** The relationship that exist between you and your immediate boss is very cordial.

**Table 4.2.8**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	17	40.4%
Agreed	22	52.4%
Undecided	1	2.4%
Strongly disagreed	0	0%
<b>Total</b>	<b>42</b>	<b>100%</b>

Source: Research Survey, 2019

From the above table the highest number of respondent i.e 22(52.4%) agreed that they the relationship that exist between them and their immediate bosses is very cordial. While the lowest percent which is 0% strongly disagreed.

**STATEMENT:** The more good care is given through motivating workers the more attention is given up to the best performance

**Table 4.2.9**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	15	35.7%
Agreed	27	64.3%
Undecided	0	0%
Strongly disagreed	0	0%
Disagreed	0	0%
<b>Total</b>	<b>42</b>	<b>100%</b>

Source: Research Survey, 2019

From the above table it could be understood that the highest respondent 27(64.3%) that the more good care is given up to the best performance, followed by 15 who strongly agreed with 35.7% and the remaining responses remained null as they were 0%.

**STATEMENT:** Motivation is a necessary machine which allows an organization to develop to a certain position of achieving the organizational goals and objectives.

**Table4.2.10**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	22	52.4%
Agreed	17	40.5%
Undecided	0	0%
Strongly disagreed	0	0%
Disagreed	3	7.1%
Total	42	100%

Source: Research Survey, 2019

It can be observed that the highest number of respondents which is 22(52.4%) strongly agreed that motivation is a necessary machine which allows an organization to develop to a certain position of achieving the organization goals and objectives. While undecided respondent and strongly agreed respondent took the lowest portion.

**STATEMENT:** You will put more effort toward your job, if you are given more incentives

**Table4.2.11**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	16	38.1%
Agreed	22	52.4%



Undecided	0	0%
Strongly disagreed	1	2.4%
Disagreed	3	7.1%
Total	42	100%

Source: Research Survey, 2019

The above table evaluated that the total number of respondents that took the highest portion is 22(52.4%) agreed with the statement above which means that they will put more effort towards their job when more incentives are given. While undecided took the lowest portion with null responses.

**STATEMENT:** You never attend any induction Course organized by your organization?

**Table4.2.12**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	4	9.5%
Agreed	15	35.7%
Undecided	6	14.3%
Strongly disagreed	5	11.9%
Disagreed	12	28.6%
Total	42	100%

Source: Research Survey, 2019

From the above table we can understand that the highest number of the respondent agreed that never attend any induction course organized by their organizations, while the lowest number of the respondent i.e. 5911.9%) strongly disagreed with the statement.

**STATEMENT:** Have you ever been promoted due to your proper performance?

**Table 4.2.13**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	11	26.2%
Agreed	20	47.6%
Undecided	6	14.3%
Strongly disagreed	1	2.4%
Disagreed	4	9.5%
Total	42	100%

Source: Research Survey, 2019

It can be seen from the above table nutrition that the highest number of respondents 20(47.6%) agreed that they have been promoted due to their proper performance, while 1 respondent with the lowest portion (2.4%) strongly disagreed.

**STATEMENT:** Motivation makes an organization to accomplish its goals and objective to the highest self-actualized stage.

**Table 4.2.14**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	19	45.2%
Agreed	22	52.4%
Undecided	0	0%
Strongly disagreed	1	2.4%
Disagreed	0	0%
Total	42	100%

Source: Research Survey, 2019



From the table above we can understand that the highest number of respondent i.e. with 52.4% agreed that motivation makes an organization to accomplish its goals and objectives then followed by 19 respondent who strongly agreed with 45.2% and 1 respondent who strongly disagreed. While the other two option remains null as they are with 0%

**STATEMENT:** Your organization provided you with good condition of service

**Table 4.2.15**

Responses (phrase)	No. of Respondents	Percentage (%)
Strongly agreed	13	31%
Agreed	24	57.1%
Undecided	0	0%
Strongly disagreed	1	2.4%
Disagreed	4	9.5%
Total	42	100%

Source: Research Survey, 2019

We can observed that the highest number of the respondents in the table above depicts the highest portion of the aggregate number of the study. While undecided takes no responses with 0% which is the lowest responses.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATION

#### INTRODUCTION

This chapter summarizes the entire work conclude it and recommend on the findings based on the research conducted. It given summary the detail of the whole work.

#### 5.1 SUMMARY

Motivation as an essential tool in attaining organization goals and objectives for it energizes the efficiency and effectiveness of an organization. Therefore for an organization to get hold of its worker, motive should be put under consideration with maximum care.

The methodology used by the research study was survey design which was the research design adopted by the research study the population of the study from which the sample size was drawn the sampling techniques, method of data collection which the research work adopted both the primary and secondary method of data collection, with which information was collected, interpreted, analyzed and come up with finding of the stud include, lack of expert skill due to lack of training, refresher courses seminars etc.it also finds out that finding to motivate workers of Gwaram local government is inadequate. There is also cordial relationship between the workers and their immediate bosses.

#### 5.2 CONCLUSION

The research showed that the imperative impact of motivation to the output of an organization remains a social tool in attending organizational goals and objective, it is seen as an essential force in the life of any organization and therefore could not be neglected what so ever by any serious organization.

It is paramount that any serious organization be it small or big private or public to improve the welfares of their employees for growth and development of that very organization. Motivation based on the findings of the study is not restricted to only salary increment, rather good human relation between management and employee's as well conducive environment for working so also training and retraining of the workers to not get them bored of the work should be put in a great



consideration for they have positive effects on employees, productivity in Gwaramlocal government.

From the finding of the study the following problem has been discovered,

1. Lock of expert skill. This is a result of lock of organization of induction course, seminars, refresher courses and also inadequate training and retraining.
2. Inadequate remuneration and compensation on packages due to inadequate funding.
3. Lack of conducive atmosphere for working which is also as result of inadequate funding.
4. the primitive procedure is very weak which is as a result of lack of expert knowledge.
5. Lack of modern skills of working to tack of retraining, seminars and refresher courses.
6. Inadequate incentives to the employees which is as a result of inadequate finance.

### 5.3 RECOMMENDATION

From the research the following are recommendation made by the study

1. The employees should be allowed to attend on induction course organized by their organization to enable them perform better.
2. Adequate remuneration and compensation packages should be ensured as it will helps in improving the effectiveness and efficiency of the employee's performance.
3. Poor and organization to succeed; more attention should be pared towards increasing the welfares of its employees.
4. The workers should be promoted promptly in other to motivate them so that they could work diligently
5. Training, fresher course should ensure to help the workers to cope with every current situation.
6. More incentive should be given for the employees for it will help them to put more effort towards their job.

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**APPENDIX (QUESTIONNAIRE)**  
**JIGAWA STATE POLYTECHNIC DUTSE**  
**COLLAGE OF BUSINESS AND MANAGEMENT STUDIES**  
**DEPARTMENT OF PUBLIC ADMINISTRATION**

Dear respondents

I am a final year student (National Diploma in Public Administration) from the above mentioned institution, conducting a research on "MOTIVATION AS AN ESSENTIAL TOOL IN ATTAINING ORGANIZATIONAL GOALS AND OBJECTIVES". This questionnaire is designed to elicit vital information for the study. The research is in partial fulfillment for the award of national diploma .to this end therefore, all your responses to the questions would be treated with absolute confidentiality. And you should put it at the back of your mind that none of your responses is going to be expressed to the public that is why your name is not needed. Your cooperation would be highly needed.

Thank you.

You're faithfully,

UMMU-SALMA YUNUS SULEIMAN

ND/PAD/17/002M

**SECTION A: BIO DATA**

Please you are required to tick appropriately in front of the best option that suit your feeling as provided in the box below:

1. Sex  
a. Male  b. Female
2. Age  
a. 21-30  b. 31-40  c. 41-50  d. 51-60
3. Religion  
a. Muslim  b. Christian  c. Others
4. Marital status  
a. Single  b. Married  c. Widow  d. Divorcee
5. Tribe  
a. Hausa  b. Fulani  c. Others
6. Educational Qualification

a. OND/NCE  b. Diploma/ND  c. HND/Degree  d. BSC/MSc

7. Working experience

a. 1-10  b. 11-20  c. 21-30  d. 31-40

**SECTION: B**

The following options are provided for you to select the most appropriate phrase. Please tick the most appropriate phrase that describes your feeling:

1. Motivation has significant relation with organization profitability
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
2. Adequate remuneration and compensation packages ensure effective and efficient production.
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
3. Motivation enhances the quality of product produced in an organization
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
4. The success of an organization depends largely on how it pays attention towards motivating its workers.
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
5. Motivation helps to curb the problem of absenteeism in an organization.
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
6. Innovation ideas and aviation as well creativity of the workers traced out through motivation.
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
7. Your work satisfaction is very satisfactory.
  - a. Strongly agreed
  - b. Agreed
  - c. Undecided
  - d. Strongly disagreed
  - e. Disagreed
8. The relationship that exists between you and your immediate boss is very cordial.



- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

9. The more good care is given through motivating workers, the more attention is given up to the best performance.

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

10. Motivation is a necessary machine which allows an organization to develop to a certain position of achieving the organizational goals and objectives.

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

11. You will put more effort towards your job, if you are given more incentives

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

12. You never attend any induction course organized by your organization.

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

13. Have ever been promoted due to your proper performance

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

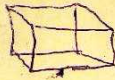
14. Motivation make an organization to accomplish its goals and objectives to the highest self-actualized stage.

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

15. Your organization provided you with good condition of service

- a. Strongly agreed  b. Agreed  c. Undecided   
d. Strongly disagreed  e. Disagreed

AUGUST, 2004



Lawan Mohammed Chola Kudai  
C.B.M.S. DUTSE/6819

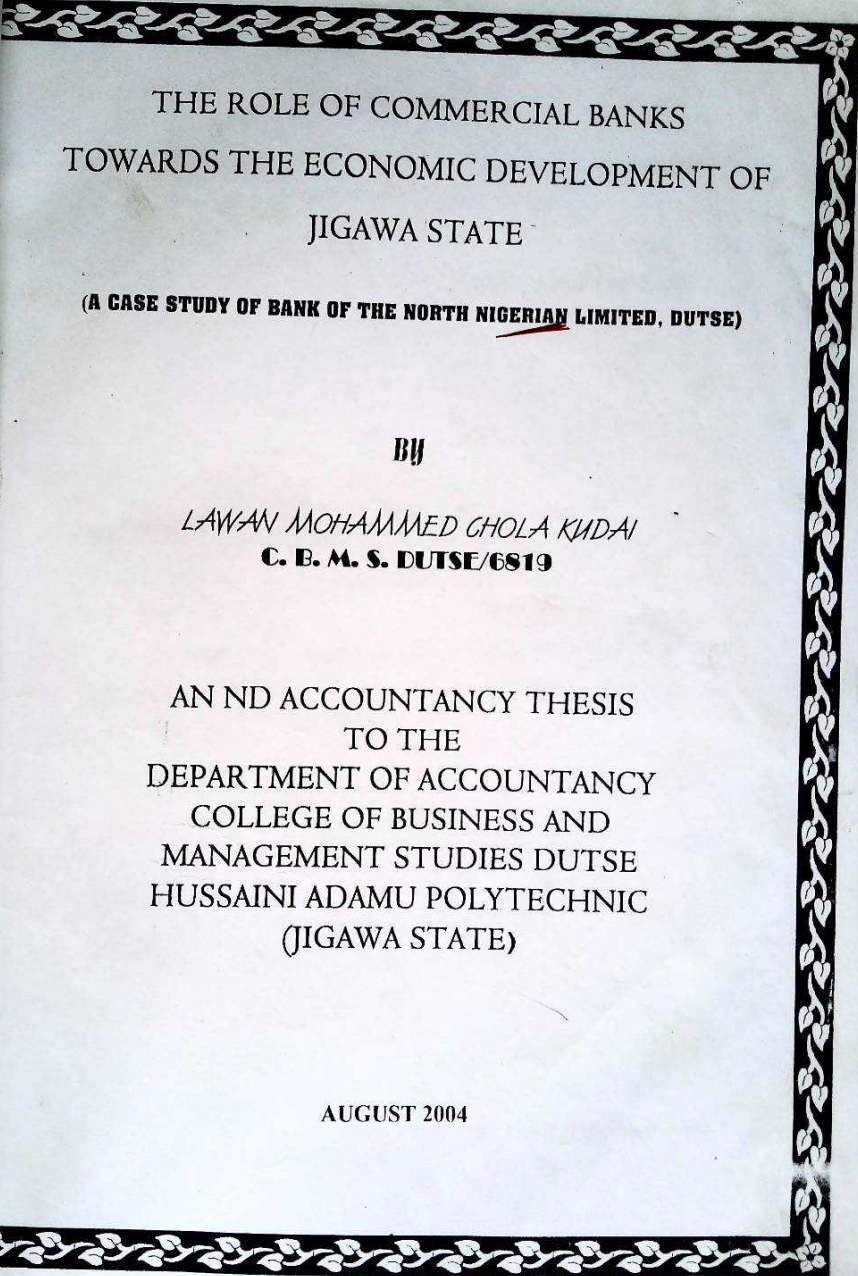
BY



The Role of Commercial Banks  
Towards the Economic Development  
of Jigawa State  
A Case Study of Bank of the North Nigerian  
Limited, Dutsse







THE ROLE OF COMMERCIAL BANKS  
TOWARDS THE ECONOMIC DEVELOPMENT OF  
JIGAWA STATE

(A CASE STUDY OF BANK OF THE NORTH NIGERIAN LIMITED, DUTSE)

BY

LAWAN MOHAMMED CHOLA KUDAI  
C. B. M. S. DUTSE/6819

AN ND ACCOUNTANCY THESIS  
TO THE  
DEPARTMENT OF ACCOUNTANCY  
COLLEGE OF BUSINESS AND  
MANAGEMENT STUDIES DUTSE  
HUSSAINI ADAMU POLYTECHNIC  
(JIGAWA STATE)

AUGUST 2004

## CERTIFICATION

THE ROLE OF COMMERCIAL BANKS TOWARDS THE ECONOMIC  
DEVELOPMENT OF JIGAWA STATE

(A CASE STUDY OF BANK OF THE NORTH NIGERIAN LIMITED  
DUTSE)

BY

LAWAN MOHAMMED CHOLA KUDAI  
HAP/C.B.M.S. DUT/6819

It is hereby this thesis is acceptable in partial fulfilment of the requirements for the award of National Diploma in Accountancy at College of Business and Management Studies (C.B.M.S. Dutse)

	NAME	SIGN	DATE
1.	SUPERVISOR _____	_____	_____
2.	COORDINATOR _____	_____	_____
3.	H.O.D. _____	_____	_____



## DEDICATION

This piece of work is dedicated to my late father ALHAJI MUHAMMADU CHOLA KUDAI. Whose life style we will live to cherish and learn to adopt. May his soul rest in perfect peace Amen. And of cause it has also been dedicated to my lovely MUM, in person of HAJIYA KHADIJA Kudai.

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**ALHAMDU LILLAHI RABBIL ALAMEEN.**

## PREFACE

The aim of choosing this Topic "The Role of Commercial Banks Towards the development of Jigawa State with regards to Bank of the North Nigerian Limited, Dutse" is to ~~try~~ highlight some of the roles of which Commercial Banks played (with particular reference to the Bank of the North Nigerian Limited, Dutse). To understand this properly it is necessary to examine the financial system of the country before establishment of Commercial Bank in Nigerian.

The project is divided in to four chapters the first chapter deals with the Historical back ground of a particular Commercial Bank in Nigerian Banking system, the objectives of the case study and significance will also be considered in this chapter. In this chapter limitation of the study has been stated, problems, which were faced, includes financial and other factors by the researchers.

The second chapter of this project deals with the literature reviews, that is the researcher would look at the role of Commercial Banks in Nigerian Banking system, the structure of the Commercial Banking system in Nigeria would also be considered in this chapter.

Again in the chapter the banking structure and regulations can be considered. The related literature review of this chapter was also looked in to the banking structure and review of this chapter. The related literature review if this chapter was also looked into the banking structure and reform proposals, the function of Commercial Banks and commercial Banking system, operations and performance.

The third chapter, which is the second to the last chapter of this project, is concerned with the data presentation and analysis.



The fourth chapter which is the last and final chapter of this project consists of summary of the write up, condition and recommendation or suggested solution to the obstacle in the role of financial institution with reference to Commercial Banks in Nigerian Banking System,

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## CHAPTER ONE

### GENERAL INTRODUCTION

Commercial banking started in west Africa in 1894 with the setting up of the Bank of British west Africa Nigeria. It later became known as the ban of west Africa and in 1965 joined with chase Manhattan Bank which was to become the standard bank of Nigeria.

In Nigeria, Commercial banking dates back to 1894 as well when the established bank of British west Africa too over the African banking corporation, itself established two (2) years earlier in 1892. The main objectives then was to further the business interest of the shipping line, elder Dumpster and company which sponsored its establishment between then and 1929. The first recorded indigenous efforts to own and operate a bank was made with the establishment of the industrial and Conks. The International Bank for west African, (I.B.W.A.) and the bardays bank established in 1917 which constituted the Nigerian commercial banking sector.

However, between 1929 and 1959 the total of commercial bank registered in Nigeria was 33. But by 1959 only 8 banks, three expatriates and four indigenous with total of one hundred and sixty branches were operating. Most of the registered ban within the period of 1929 to 1959 or so failed because of financial constraints and some one to surrender their license for one reason or the other. Indeed Nigeria appears to be unique among colonial African Countries in having early experience of active indigenous commercial banking. This development was due to the indigenous Merchant that realised quite easily. The need for indigenous Merchant banking system scheme became the existing banks that



Even though, clearly defined roles have been enumerated to the banking system, it is doubtful if it has been playing these roles in the proper manner. It is the aim of this project to put a search light for the better understanding of the topic. The role of commercial bank with reference to bank of the North Limited, Dutse perhaps opens the y sometimes to ponder an ultimately shading more light on the merspective of commercial banking.

### Sta 3 THE SIGNIFICANCE OF THE STUDY

The significance of the study is the fundamental issue which determines almost every facet of the economy, it almost signifies the main aims to achieve and guide one directly to what is expected of him in conducting his research.

Another significance is that by conducting the research and more knowledge are sought about the subject matter. Another important factor is that it will help the commercial banks to improve their lots.

#### 1.4 STATEMENT OF PROBLEM

This is normally the statement of the problem that is guiding the researcher to know what he/she is exactly trying to find out or the exact data that is useful to the field.

Therefore, the problem that is said to be encountered by the commercial banks relating to bank of the North Ltd, and also Jigawa State Government as our case study. The statement of the problem which elaborate more on the topic of the study is normally stated in questionnaire form. Our statement of the problem in this study can be:-

1. Is manpower development in commercial bank another crucial area which need attention?

2. Is adequate provision of commercial banking facilities responsible for the growth in economic development?
3. How does the commercial banks (bank of the North Ltd.) helps in the economic development of Jigawa State?

### 1.5. LIMITATION OF THE STUDY

The subject matter which the researcher focus its attention is the role of commercial banks (bank of the North in the economic development with particular focus on the Jigawa State Government.

Due to some problems which includes lack of financial support, time limit and transportation, my research will be based on one particular commercial bank which is:-

Bank of the North Nigeria Limited, Dutse.

### 1.6 RESEARCH METHODOLOGY

In this research work, questionnaire interview and written records will be used; in respect questionnaire one hundred and twenty questionnaires (120) will be distributed to different respondent most especially staffs both senior and junior and some customers of the bank of the North Nigerian limited Dutse.

In the interview method, some senior and junior staffs and also customers of the banks of the North Nigeria limited will be interview.

In addition to the above, written records will be use such as magazines Booklets, Journals, document and Newspapers in order to get the required information.

### 1.7 QUESTIONNAIRE

This is th most common method of data collection. The first thing in designing a questionnaire is to define the problems to be investigated



by the survey and then decide on what question to be ask the question should be practicable. In considering a question it is wise to ask one self whether respondent are likely to possess the knowledge or have access to the information that will lead to correct answers.

Another important aspect of questionnaire design is the wording of the question. The question should be sufficiently specific in simple language, unembyous and avoid vague wards. A question may be pre-corded or open: A question is said to be pre-corded when all possible answers necessary for the question are stated and the respondent is supposed to mark the one he feel is the answer.

### **ALLOCATION OF QUESTIONNAIRE**

In allocating the questionnaire, the researcher has to divide the bank of the North Nigerian Ltd., Dutse into three (3) categories in which the researcher decided to classify them.

- ◆ 1<sup>st</sup> Category the Senior Staffs
- ◆ 2<sup>nd</sup> Category the Junior Staffs
- ◆ 3<sup>rd</sup> Category some of its customers.

12 questionnaire are printed and distributed to the (3) categories that is 40 questionnaires to each category.

### **1.8 HYPOTHESIS**

Hypothesis are being put forward for the researcher to study the information contained as samples for the thesis. Hence the following hypothesis are being put forward for the purpose of this research.

1. commercial bank should adopt system where by they should go out, find out, discover, potential enterprise and determine enterprise, adopt them finance the theory by providing advise and build them, into prosperous and loyal clients

2. Moreover adequate provision of commercial banking facilities and socially responsible leading policies on the part of the commercial bank are essential for the growth of any economic development.

3. Commercial banks are not properly administered as to engineer the upliftment of the economic system.

4. Commercial banks are properly administered as to engineer the upliftment of the economic system.

### 1.9 DEFINITION OF SOME BASIC TERMS:-

**BILL OF EXCHANGE:-** It is an unconditional order in writing addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain money to, or to the order of a specified person to the bearer.

**CHEQUE:-** It is a bill of exchange drawn on a banker payable on demand. (Except otherwise provide in this ordinance applicable to a bill of exchange payable on demand apply to cheque)

**COLLECTING BANKER:-** This is the bank that collect cheque and credit into the account of the customers but do not pay the money until payment is made by the paying banker. In short the cheque collected is not for the bank that collect it.

**PAYING BANKER:-** This is the bank that will payment on the cheque sent to it by the collecting banker. It means the cheque belong to it.

**CERTIFIED CHEQUE:-** This is a cheque issued by the bank to a customer on demand it has the word certified on the face with date, amount and signature of bank officials. This cheque is payable to the



payees accounts written on the face of the cheque and it is only payable within the state issued.

**DRAFT:-** A draft is an order in writing signed by one party (the drawer) requesting a second party (the drawer) to make payment in lawful money to third party (the payee). In-short draft is just like a certified cheque, on that draft is obtained when collection will be made outside the states.

**DOMANT ACCOUNT:-** An account which active or has not been operating to a period of three years is known domant account. When account is made domant no interest will be paid (in case of saving account) not until reaction

**OVER DRAFT:-** This is where a banker pays a customer who has no sufficient fund in his account. When this is created the account ceases to become a deposit liability but an asset.

The should not be considered as loan because the procedures of a loan are not followed.

**TRAVELLERS CHEQUE:-** This is a cheque designed for travelers no persons on vacation/trips. The cheque are printed in domination £20, £5 and £100. The person wishing to purchase travelers cheques must have an account with the bank and before they are delivered the customers must signed on their faces in front of the bank official.

The use of these cheques: protects the purchasers from loose, which might result from carrying large amount of money or currency like wise travelling.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 WHAT IS A COMMERCIAL BANK?

Banking is a trade because banks are set up as other business concerns; it has customers with defined as a transacts business. In short, a bank can be defined as a dealer in money and credits, holding itself out to receive from the public, deposit repayable on demand by cheque.

Commercial banks are not simply an example of pure commercial bank. They are the department stores of the financial industry not specially shops.

It is true that their lending activities are highly concentrated in short term loans to business financial institutions, Government and customers; and that in each area the bank have a major and frequently a dominant pot folios of marketable securities and engage in long term lending. We should make no mistake about it. From what ever advantage point one examines them. Sincere we can not hope to capture the full scope of their activities it is necessary to focus on a few essential features. The is no longer any other features more than the first content of this chapter slated above. For instance, in England, banking had its origin with the London goldsmiths, whose nature of work enable them to have facilities for keeping valuable goods or commodities, e.g. gold, silver, merchants who had money in those days and could not keep it usually put their money in the custody of the goldsmith. But when ever any money to the is kept with a gold smith, a receipt will be issued to the owner. They charged fees for keeping other peoples money. In order to make money, they



started to invite people to keep money with them for more money people keep with them..

The more money they were able to lend out, and the more profit they were able to make. In this process, banking system developed.

Commercial banks are by far the most common they provide a great variety of services to their customers which range from small individuals savers to giant industrial companies.

The function of commercial banks includes safe keeping of money, providing loans and overdrafts and transferring money. Other services Includes safe keeping of valuables, bill of exchange or discount and so on.

## **2.1. TRADITIONAL FUNCTION OF COMMERCIAL BANKS**

- i. USE OF CHEQUES:-** Banks make use of cheques possible. It eradicates the problems of carrying about large sums of money. Cheques do not face the possible danger to being stolen as money, the inconvenience which the carrying about of money involves is thus removed.
- ii. ACCEPTANCE OF DEPOSIT:-** Commercial banks accepts deposit from people. The bank opens an account in the name of the depositor and any amount deposited is credited to his account. The big traders and the individuals who have no place to keep their money are given the opportunity of safe keeping. There are two types of accounts:- The Current Account, which are withdrawal on demand and the deposit Account repayable on demand or after an agreed notice. By receiving deposit, banks act as "CLOCK ROOM" for the money and valuable of customers.

iii. **DISCOUNTING BILLS OF EXCHANGE:-** Commercial banks help customers to discount bills of exchange. This helps traders to have cash before the goods are sold.

iv. **AGENT OF PAYMENT:-** If an individual has money in a bank, he can instruct the bank to pay his creditors. For example, a bank at portharcourt can pay a seller of goods through another bank in Jigawa for the goods bought. Thus banks helps to settle debts. In this way banks act as agent of their customers they collect cheques, bill of exchange e.t.c. on behalf of their customers.

v. **PROVISION OF MANAGEMENT SERVICE TO INVESTORS:** Banks encourage and advice entrepreneurs on whether to invest in a project or not. They can help investors in the preparation of feasibility studies. They also include or rather provide financial advice to their customers consequently, the commercial banks play crucial role as intermediaries between the surplus units in the economy and deficit unit. The help therefore, to mobilize and channel surplus resources into productive investment opportunities and are prime moves behind the whole economic system.

## **2.2 THE STRUCTURE OF COMMERCIAL BANKING SYSTEM.**

Any modern monetary system contains a commercial banking sector that affect the monetary process mainly by the creation of demand deposit. The particular ways in which a given commercial banking system functions reflect the laws and institutional arrangement of the country in which it operates. In this chapter we will examine, the structural features of other nations commercial banking system will vary. But all commercial banking system have the common characteristics creating money in the form of demand deposits.



However, there are factors affecting the structure. Because commercial banking structure refers to the number, organization and relative size of banking firms operating within a given market or market, many factor can affect the structure of commercial banking. Some of in Nigeria are described bellow;

**i. THE DUAL BANKING SYSTEM:-** A distinguishing feature of commercial banking structure in Nigeria is the existence of a dual authority Governing the chartering of new commercial banks.

National (or Federal) charters for commercial bank have began with the passage of the National banking acts of the 1860's. The office of the controller of the currency which is part of the Nigerian States department in the treasury, administers provision of the of the Federal legislation relating to the chartering of the National banks.

Federal requirements are more exacting or stringent then those of the individual State Government. Recommendation for the establishment of more uniform bank chartering requirement, at the Federal and state levels unfortunately, remain unneeded. The divergence of standard partly reflect the question of state right in the area bank regulation. At the time the initial National banking act was passed by congress in 1863, informed observers anticipated that eventually all operation. Commercial banks would have national charters. Under the pressure of a 1percent Federal tax lived in 1965 on their outstanding note issue state banks ended their lending activities in the form of the issuance of state bank notes. At the same time, the rise of deposit banking sustained these existing state banks. To this day some two thirds, of all commercial banks in Nigeria carry states charters on the other hand, the remaining one third, those bank with national charters, account for the majority of commercial banking resources in Nigeria.

ii. **UNIT BANKING**:-The commercial banking structure of Nigeria reflect the dominance of unit banking firm operating single offices. In the post civil war period, although the number of commercial banking offices, reflecting the large growth in branch banking the sustained growth in branch banking keeps alive a continuing debate regarding the advantage and disadvantages associated with this form of banking organization. Many efficiency and safety in mobilizing funds especially by providing banking facilities in small towns, a branch banking system provide flexible mobilization of fund shifting excess reserves for lending among various officers of the system. In this ways branch offices can be established in localities, that generates a fairly unbalanced banking business. Also in initiating operation new branch often draws on the pool of experienced management personnel willing a large branch system.. A criticism frequently raised against branch banking is its adverse effects on banking competition and concentration. There is firm consensus existing on this issue but there is emerging skepticism regarding the unfavourable impact on banking competition of expanded branch banking. The view is reflected in the following excerpts for thinking need re-orienting about our banking structure. What kind of banking structure? What kind of banking system Can best serve the Nigerian economy as it is evolving the kind of banking structure we have now seems to be singularly in appropriate. It is time to put more emphasis on scale and services and lesson locally protected market areas currently, legal factors partly limit the extent of branch banking in Nigeria state branching laws (which are followed by the Federal authorities for national bank) vary and may be classified into three groups.

1. State permitting State wide branching



2. State permitting limited branching usually in head office
3. State that allow only unit banking.

### iii. MEMBERSHIP IN THE CENTRAL BANKING SYSTEM

All national chartered system commercial banks must hold membership in the central banking system (Federal reserve system) State chartered banks may joint. The Federal reserves system provide that certain requirement are met. Most state banks have not chosen to joint the Federal reserves particularly in light of the systems generally more straightment legal reserve and capital requirement. Although a minority of all commercial banks (a) Have Federal reserve membership, those member banks hold some 80 percent of all commercial banking deposits in Nigeria. Since Civil war, the Federal reserve has face a continuing problem relating to member. Some observes including commission on money and credit and the commission on financial structure and regulation, suggested a broadcasting of membership in the Federal reserves system through passage of Federal legislation in order to improve the span of monetary control it is unlikely that this change will be made of banks. That refers the existing arrangement in effect. These bankers favours the "escape hitch" provided by the voluntary nature of Federal reserve membership for state chartered banks.

iv. **BANK MERGE ACTIVITY**:- Bank merger activity is the major factor accounting for the deceive in the number of commercial banking firm during post Nigeria civil war. Although it is difficult to weight the specific factors operating in a particular bank merger. Some of the more important economic factors contributing to bank merger include:- (a) Attempt to offset the under valuation of bank shares and to argument financial prestige. The heightened merger activity linker with the absence of clear cut standard for appraising

act of 1960. This act stipulated among other things several criteria for evaluating bank merger and it provided for prior written approval by a Federal bank supervisory agency of all mergers involving banks insured by the federal Government. This legislation covers virtually all commercial banks, since less than 2% of all banks are not insured by the corporation. (b) Adjustment to the enhanced role of commercial lending which has prompted banks to merger so that they can contract logging growth in-deposit and business; expand stipulated loan limits and most rising forestall office shortages. (c) Adaptation to appreciable population shift into outlying sub urban areas through the acquisition of road-made banking facilities often more legally accessible than newly established offices (d) Moves by banks to strengthen market position through diversified operations particularly in the growing area of retail banking.

**v. BANK HOLDING COMPANIES:**

A further features of the banking structure is the prevalence of bank holding companies. Stated simply, bank holding companies. State simply, bank holding companies are companies that own or control directly or indirectly one or more commercial banks frequently the holding company relation arises through a corporation obtaining control of banks, whether by the direct purchase of stock or by the exchange of holding company stocks for that of individual independent banks. In general two types of bank holding companies can be distinguished; Multi bank and one bank companies. The bank holding company act of 1956 as amended in 1966 required registration with the board of Governors of the Federal reserve system of all multi bank companies holding 25% or more control in the stock of each two or more banks congress did not extend



passed in 1956 nor when the act was amended in 1966; because these holding companies when the original act was passed, small concerns controlling small banks, companies were typically, located largely in unit banking states. One bank holding company can be non-bank originated or bank originated. A bank-originated company sometime called a financial congeneric occurs when an operating bank forms a holding company in which the bank ultimately becomes a subsidiary.

In this case, the bank is the main part of the holding organization and the other part of the holding company engage financial or bank-related activities. Still others were sensitive to the need to maintain the traditional separation of commercial banking and commerce.

#### vi. CONCENTRATION IN BANKING:

As significant aspect of commercial banking structure is the degree of concentration existing in banking resources. Generally, the extent of banking concentration is measured by either the proportion of total deposit or total assets held by a glad number of the largest commercial banks within a specific market area. In local (Urban and metro-politant areas) banking markets the concentration is typically the proportion of total commercial bank deposit in the area accounted for by the biggest commercial banks. For state, concentration ratio frequently relate to the too. Bank for the nation as a whole, the coverage usually includes the largest to banks. These are certain limited in the use of concentration ratio for gauging market structure. Determination of number of bank to be used in computing the concentration ratio if highly arbitrary. A meaningful concentration ratio requires the determination of the boundaries of the relevant market. This involves many difficulties and assumption that are open

years. In addition concentration ratios computed on the basis of total magnitudes (Deposits or assets) ignore the explicit product line; for example demand deposit or business loans to be examined. The overall ratio may either differ marketing from the actual degree of concentration in a given product line.

Further more, the concentration line ratio does not allow for the number and size distribution of all banking firms in a given market. In assessing banking concentration failure to allow for the role of non-bank financial institution can over state the position of commercial bank in various markets. Beyond demand deposit services most of the product line offered by the commercial banks have close substitutes supplied by other financial institution for example, mutual serving banks, and loan association and credit union, all offer services similar to commercial banks time and saving deposits services

The difference in the concentration ratio reflect the facts that big central city bank in unit banking states cannot establish branches in the fast growing sub-Urban areas.

Thus banks prevent free attracting deposit from individual and small business who have moved to outing areas.

### 2.3 THE BANKING STRUCTURE AND REGULATIONS:- A

view of the major element affecting the banking structure emphasized the fact that commercial banking is heavily regulated and supervised industry because its operations affect the public interest and society deem it necessary partly to protect the industry from the affects of unrestricted competitions. Since demand deposits comprises the major part of the General public money



community beyond the loss occurring to the banks stock holders. In addition, commercial banks have liabilities that are very great to their capital (or owners) equity and thus there arise opportunity for highly speculations leading activity reckless bankers.

A sensitive reading of banking history reveals several incidents that tended to support Government intervention in the turbulent and condition during the period of free banking when newly enacted state laws granted open access of bank characters the many banking failure and the wide spread system of commercial bank regulation at the Federal and state level specific on lending and borrowing usury law, interest rate outing on time and saving deposits management requirement for establishing new banks, limitation on branching stimulating for periodic publication of financial condition, and bank examinations by supervisory groups.

At the same time that commercial banking is subject to many specific regulations, there is considerable lead way for banking firms to engage in various forms of price and non-price competition. For example banks have reasonable discretion regarding the choice of particular kinds of lending and interest rates charged. Non price competition affords eve more alternative for keeping old customers and attracting new ones.

In recent ears banking regulations has become concerned with promotion constructive roles for competition in banking. Here the emphasis is on improving efficiency, that is on achieving a banking system that provides the maximum in banking services to customers at the lowest possible cost. In effect the economic theory of competition provides a rough bench work for appraising

However, the competitive model offers limited operational guidance because it is difficult to quantify the various factors that bear on banking competition.

## **2.4 THE COMMERCIAL BANKING SYSTEM STRUCTURE**

### **AND REFORM PROPOSALS:**

In recent years, rising sentiment has emerged for more competitive features into the commercial banking structure as well as into the nations overall financial structure. Rejecting reliance on greater regulation and control in financial market, this view stresses the role of free market forces for improving the financial system's performance.

One of the major proposals would permit deposit institution (such as saving and loan associations and mutual saving banks to offer checking account services, provided are subject to the reserve requirement and other regulatory and tax burdens as commercial banks a relate proposals is to allow any depository institution covered its Federal charter to another type of depository institution; for example a saving and loans association could have its charter switched to that of a commercial bank.

Their changes would establish easier entry into financial markets, including commercial banking activity, and would tend to avoid overly protective chartering by only one chartering agency. Some observes maintained that free entry into banking markets would facilitate elimination of most bank holding company and merger restriction.



law no specific recommendation was made for a change in banking structure will be enacted in the immediate future given consideration to opposition in certain states and the generally slow pace of modifications of state banking laws.

## **2.5 THE COMMERCIAL BANKING SYSTEM OPERATION PERFORMANCE:-**

The review of the principles assets and liability account in the balance sheet of commercial banking underlines their importance to commercial banks conducting operations so as to provide adequate liquidity for contrived performance. Sufficient liquidity is needed to observe possible deposit withdrawal and to provide reasonable accommodation for customers demand for loans. At the same time consideration of liquidity must be termed by the opposing concern for adequate income to ensure the continued provision of productive resources in banking. In effect the liquidity objective conflict with the liquidity objective of profitability in the conduct of commercial banking operations.

Approaches for attaining sufficient liquidity in a profit oriented commercial banking system have varied greatly over the past several decades. One traditional view of the liquidity question widely held until the depression was the real bills doctrine or commercial loans, theory or credit this doctrine held that a balance approach to liquidity is achieved through commercial banks acquiring primary short term self liquidating earning assets stressed was the short term working capital loan secure by real goods in producing marketing or shipment sale of these goods would provide the means for repaying the loan. Understandably,

Generally, the real bill doctrine emphasize the need for balancing the maturity structure of assets against those of deposit liability. Deposit liabilities, payable on demand or on short notice, require lending of the short-term self-liquidating type, particularly in loans for the working capital purpose. The full adherence to the dictates of the real bill doctrine was virtually impossible because of the changing loan needs for customers e.g. Term loans capital purposed or for purchasing real estate; so in this regard, the theory guided banking practice until great depression wrecked its havoc.

In addition to these short coming inherent in the use of traditional ratios in appraising the liquidity of banking system, recognition must give to the dramatic changes in the banks management techniques. These new methods. Largely reflecting an innovation response by commercial banking to the restrictive monetary policies and suggested to needing for a cautious interpretation and analysis of simple liquidity ratios.

## **2.6 THE ROLE OF COMMERCIAL BANK IN NIGERIAN BANKING SYSTEM:**

The commercial bank in Nigeria played an important role in the country banking system. The commercial bank uses the saving of individual by challenging the saving into protective investment. Generally, the commercial bank in Nigeria plays a crucial role in the banking system as an intermediary between the surplus unit in the economy and the deficit unit.

The commercial banks helps to mobilize and channel surplus resource into productive investment opportunities and are the prime movers behind the whole system and economy. In



service with highly liquid unlivable attractive assets. While investors have in essence assets to a large pool of resources for investment finance open at lower cost and in most suitable form. The commercial bank in Nigeria will not perform their role effectively in the circular flow of income, this prevented the division of accumulated money capital into the agricultural and industry sectors, many reasons including under capitalization, poor management hostile and unfair competitions from earlier banks make the commercial bank to under take discrimination credit policies for quick profit making.

Generally the central bank is the government agents in operating its monetary policy and it's the link between the government and the commercial banks.

Development banks on the other hand are special purpose institutions located mainly to stimulated development in the widest sense of the term. They provided medium and long term investment funds for direct investment or for assisting private initiative to provide technical assistance and supporting services.

Commercial banks and merchant banks are the commercial type of banks while the operation of merchant banks can be classified into two:-

- a. Corporate bank and
- b. Corporate finance.

Corporate Banning includes checking accounts syndication term loan, advance, and leasing e.t.c. Corporate finance includes public

## 2.7 THE DIFFERENT BETWEEN MERCHANT BANK AND COMMERCIAL BANK IN NIGERIAN BANKING SYSTEM:

A merchant bank has been defined by PADOVON 1977 as a bank which operates almost in the following areas:-

- i. Corporate financial advice on new shares and bonds issues, capital reconstruction mergers and acquisition.
- ii. Taking deposits and money market operates and foreign exchange dealings.
- iii. Acceptance of credits and all forms and finance.
- iv. Concern with bills of exchange and payments in foreign trade.
- v. Fund management on behalf of clients most typically pensions funds etc.

However, the major difference between merchant banks and commercial bank in Nigeria banking system exist through the following bellow:-

1. Merchant bank provide mainly medium and long term finance but commercial banks are urged and encouraged by the central bank to give advances and short loans.
2. Merchant banks are whole sale bankers accepting deposit on larger amount, but commercial banks act 5 primarily as retail bankers mainly merchant bank are whole bankers accepting deposit on larger amount but commercial banks acts primarily as retail bankers, mainly merchant banks are operating with only a few being whole sale bankers. Mainly merchant bank are



branches; being whole sale bankers. While commercial banks, as retailers need a wide network of branches.

However, banks have and are still playing key roles in the Nigerian banking system. Commercial banks notably a part from providing Security for depositors fund in increasing the level of saving within the economy, through attractive interest rates.

The amount saved by the depositors is given out to prospective investors who are in need of funds thus helping in economic growth and provision of employment opportunities.

The cheques system also greatly helps and can transaction, especially those involving large sums of money. The role of commercial banks in Nigerian banking system is also to extend credits to rural dwellers. In term of financial difficulties also the government resorts to the commercial banks purchasing Government securities.

## CHAPTER THREE

### DATA PRESENTATION AND ANALYSIS:

3.0 As mentioned earlier, one hundred and twenty questionnaire were administered out of which ninety-five respondents were forthcoming. Hence the total response rate was 77% our analysis will therefore be based on 95 responses. Questionnaire distributions was to both Junior and Senior staff. The Junior Staff include Messengers, Clerks, Cleaners etc. While the Senior Staff include higher-ranking officer like supervisors as well as Managers.

### SEX GROUPING OF RESPONDENTS

Sixty out of the Ninety-five respondents are male respecting 63% of the total responses. While 37% of the responses are female, making 35 out of 95 respondent thus the majority of respondents are males.

A TABLE 1.

SEX	SCORE	PERCENTAGE
MALE	60	63
FEMALE	35	37
TOTAL	95	100



**AGE GROUPING TABLE 2.**

AGES	SCORE	PERCENTAGES
15-25	10	
26-35	45	11
36-45	20	47
46-55	10	20
55-ABOVE	10	11
TOTAL	95	11
		100

Majority of respondent falls within the age group of 26-45 years. They constitute 45 out of the 95 responses, making 47% age group 36-45 years are 20% out of the total respondents or 21% out of the Ninety-five (95) responses.

Next in line are the age grouping 15-25, 46-55 and 55 above respectively. Each takes 11% of total responses.

**MARITAL STATUS OF RESPONDENTS TABLE 3.**

STATUS	SCORE	PERCENTAGE
SINGLE	70	74
MARRIED	25	26
TOTAL	95	100

About 74% of the respondents are not married. They make 74 out of the 95 responses. Where as 26% of the total 95 respondents. Hence majority of the respondents are not married.

TABLE 4.

SEX	SCORE	PERCENTAGE
Managers	3	
Supervisors	27	3
Clerks	30	28
Messengers	20	32
Cleaner	15	21
TOTAL	95	16
		100

Majorities of the respondents are in the clerks they constitute 30 out of 95 responses making 32% then with supervisors with 27 out of the 95 responses making 28%. Next in line are messengers with 20 out of 95 responses having 21%, then 15 out of the 95 responses having 16% are cleaners. Then followed by managers with 3 out of the 95 responses with 3%.

### EDUCATIONAL BACK GROUND OF RESPONDENT

TABLE 5

RESPONES	SCORE	PERCENTAGE
Non formal education	Nil	63
First school learning certificate	10	37
Wasc/Grade II certificate	30	
Professional certificate	20	
University/Poly/certificate	35	
Other specified	Nil	
TOTAL	95	100

About 35 respondents out of the 95 are University graduate representing 37%, then followed by WASC/6CE/6R.II certificate constituting 30 out of 95 responses representing 32% 20 out of the 95



responses are first school leaving certificates having 11%.  
 representing 20%. 10 out of 95

**LONGEVITY IN SERVICE TABLE 6.**

RESPONSE	SCORE	PERCENTAGE
Less than 4 years	50	
Between 4-8 years	30	52.63
Between 9-10 years	5	31.58
Above 10 years	10	5.26
		10.53s
<b>TOTAL</b>	<b>95</b>	<b>100</b>

Majorities of respondent have been in the banks service for less than 4 years. The numbered 50 out of 95 responses. Constituting 52.63% followed by 30 out of 95 whose responses have been in service of between 4-8 years representing 31.58%. Five out of 95 responses have been in bank service for 9 to 10 years, represent 5.26% of the total responses. About 10 redspones have served the bank for upward to 10 years. These represent 10.53% of the total responses.

**SALARY RANGE PER ANNUM TABLE 7.**

RESPONSE	SCORE	PERCENTAGE
Less than N2,000	Nil	Nil
Between N2,000 - 4000	4	42
Between N5,000 - N8,000	18	19
Between N8,000 - N11,000	12	13
Above N11,000	25	26
<b>TOTAL</b>	<b>95</b>	<b>100</b>

Forty respondents earn between N2,000-N5,000. These make 42% of the total response. These in the bracket of between N5,000-N8,000:00 Number 18 representing 19% of the total responses while 12 respondents fall with the bracket of N8,000-N11,000:00 These make 13% of the total responses. About 26% of the respondents earn over N11,000:00 These number 25 out of the total 95 respondents.

**ADEQUACY OF TAKE-HOME PAY TABLE 8.**

RESPONSE	SCORE	PERCENTAGE
Adequate	60	63
Inadequate	35	37
TOTAL	95	100

Out of the total respondents, 60 consider, their salary adequate. However some among them concluded that due to the devaluation of Naira and structural adjustment programme. There are little bit have some difficulties pertaining the purchasing power of the take home pay. 35 respondent do not consider their salary adequate, 6 responses representing 63% while represent 37% the total responses respectively.

**DEPENDANT OF RESPONDENTS TABLE 9.**

RESPONSE	SCORE	PERCENTAGE
None	30	32
1-4	27	2
4-6	13	14
6-above	25	26
TOTAL	95	100



25 out of the respondent do not have dependants representing 32% of the responses 25 respondents have 6 and above dependants are representing 26% of the total responses. 27 respondents are between 1-4 making 28% of the total respondents.

These respondent having 4-6 dependants make up 14% of the total responses. They number 13 out of the 95 respondents.

**BASIC FOR PROMOTION TABLE 10**

RESPONSE	SCORES	PERCENTAGE
Educational Qualification	2	21
Staff performance	30	32
Experience due to long Period of service	45	47
Others	Nil	Nil
	Nil	Nil
<b>TOTAL</b>	95	100

Majority view of respondents is that the basis for promotion is through experience and long period of service. These number 45 out of the 95 total, and make up 47% of the responses rate of 32 of the respondents are of the view that promotion is purely done on the basis of staff performance, while 21% believe that it is done on the basis of educational qualification. These number 30 and 20 of the total responses respectively.

**COMMERCIAL BANKING SYSTEM TABLE 11. KNOWLEDGE ABOUT BANK OF THE**

RESPONSE	SCORE	PERCENTAGE
Through Television	20	21
Through radio	60	63
Through Newspaper	10	11
Others	5	5
<b>TOTAL</b>	<b>95</b>	<b>100</b>

Out of the total responses 60 came to know about the banks through radio representing 63 percent of the total responses. While 21% of the respondents know about the bank through the Television making 20 out of the total of 95 respondents. Some respondents numbering 10 or 11% of the responses. First know about the bank through Newspapers.

Where as 5 respondents or 5% of the respondents know about it through other means like friend acquaintance and so on.

**COMMERCIAL BANKS AND EFFICIENCY IN THE NIGERIAN BANKING SYSTEM TABLE 12.**

RESPONSE	SCORE	PERCENTAGE
Yes-they help	93	98
No-they do not	2	2
<b>TOTAL</b>	<b>95</b>	<b>100</b>

Majority view it that commercial banks contributes to the efficiency of the Nigerian banking system. This is effected in Table 12 where 98% of the right respondent were affirmative these make



95 responses have a contrary view points. The respondents numbering 2 out of the

**ADMINISTRATION OF COMMERCIAL BANK AND THE UPLIFTMENT OF SYSTEM TABLE 13.**

RESPONSE	SCORE	%
Yes-They are properly administration to uplift the economics system.		
No they are not	40	42
TOTAL	55	58
	95	100

55 out of the total responses do not agree that commercial banks are properly administered to uplift the economic system constituting 58% while 42% or 40 respondents are of the opinion that commercial bank are properly administered as to uplift the nations economic system.

**THE ROLE OF COMMERCIAL BANKS IN THE NIGERIAN BANKING SYSTEM TABLE 14.**

RESPONSE	SCORE	PERCENTAGE
Yes-They play an important role.	89	94
No-they do not	6	6
TOTAL	95	100

Majority of respondents shares the opinion that commercial banks play an important role in the Nigerian banking system and the economic development. These number 89 out of the total responses or 94% rate. However six respondents do not share this views. They

banking system. These measures up to only 6% of the responses.

## THE ROLE OF COMMERCIAL BANKS IN NIGERIAN BANKING AND BOOSTING THE COMMERCIAL ACTIVITIES OF THE COMMERCIAL ACTIVITIES IN JIGAWA STATE

TABLE 15.

RESPONSE	SCORE	PERCENTAGE
Yes	80	84
No	15	16
TOTAL	95	100

More again 84% of the total responses, numbering 80, respondents are of the opinion that commercial banks have been playing an important role in boosting the commercial activities in Jigawa State. 16% of the respondents However fell otherwise, that is the role played by commercial activities in the country. These number 15 out of the total as respondents.

### 3.1 HYPOTHESIS TESTING

Our first hypothesis states that commercial banks play an important role in the Nigerian banking system. Table 12 and 14 have clearly indicated this hypothesis in that majority of responses in the question pertaining to the role and contribution of commercial bank in Nigerian banking system especially towards the economic development of Jigawa State were affirmative. That is they, played an important role in the banking system and assist in its efficiency. Hence this hypothesis has been provide right.



commercial banks do not play an important role in the Nigerian banking system is proved wrong. This is our second hypothesis.

Looking at table 13, majority of the respondents feel that commercial banks are not properly administered as to uplift economic system. Thus, our third hypothesis which states that commercial banks are not properly administered to engineering the upliftment of the economy is also proved right, as well the alternative prove wrong, and therefore rejected.

HUSSAINI ADAMU POLYTECHNIC,  
COLLEGE OF BUSINESS AND  
MANAGEMENT STUDIES  
DUTSE,  
DEPARTMENT OF ACCOUNTANCY.  
10<sup>TH</sup> MAY, 2004.

Dear Sir/Madam,

**QUESTIONNAIRE ON THE ROLE OF COMMERCIAL  
BANKS TOWARDS THE ECONOMIC DEVELOPMENT OF  
JIGAWA STATE**  
(A CASE STUFY OF BANK OF THE NORTH NIGERIAN LIMITED, DUTSE)

I am a final year student at department of Accountancy, Hussaini  
Adamu Polytechnic College of Business and Management studies  
Dutse.

I am conducting a research on the above topic for an award of  
national Diploma in accountancy.

Your co-operation in completing this questionnaire will be  
used . Purely for Academic purpose and hence, will be treated with  
high confidentially.

Thanks You.

YOURS FAITHFULLY



LAWAL MOH'D CHOLA KUDAI



Below are the series of question gathered towards finding responses from the top management officials of Bank of the North Nigerian Limited, Dutse branch on the role of commercial banks towards the economic development of Jigawa State, with the aim of analyzing them. After each question are service of option, officials should tick the ones applicable or must appropriate. At the end of some question he/she is required to make his or her own precise.

## APPENDIX 2.

### QUESTIONNAIRE DIRECTED TO THE TOP MANAGEMENT OFFICIALS OF BANK OF THE NORTH NIGERIAN LIMITED DUTSE BRANCH.

1. Sex of respondent:

Male                      Female

2. Age

15-25              26-35              36-45              46-55              55and above

3. Marital Status:

married              Single              Divorce

4. Job designation: What is your position in the bank of the North Nigeria Limited, Dutse branch?

Manager              Accountant              Supervisor              Clerk  
Messenger or Cleaner

5. Education back ground:

Non formal education              GCE/WASC/GR.II/SSCE  
University/Polytechnic              Others (Specify)

6. Longevity in service: How long have you been in service ?

0-4 Years              4-8- Years              9-10- Years              10 Years & above

7. Remuneration: (salary range)

Less than N10,000:00

N15,000:00-N20,000:00

N25,000:00

N10,000:00-N15,000:00

N20,000:00-N25,000:00

Above

8. Dependants: do you have any dependants?

Non 1-4

4-6

6 and above

9. Basic for promotion (what is the basis for promotion in bank of the North Nigerian Limited, Dutse Branch). Educational qualification?

Staff performance

Experience

Long service

Others (Specify)

10. How did you come about bank of the North?

Television

Radio

Newspaper

Others

11 Do you think commercial banks are of any help toward the economic of Jigawa state?

Yes

No

12. Are Commercial Banks properly administered to the upliftment of the

economic system?

13. Do you think commercial banks play an important role in the Nigerian

banking system?

14. Would you say commercial bank in the Nigerian banking system

have

boost commercial or economic development of Jigawa State?



## CHAPTER FOUR

### 4.0 SUMMARY, CONCLUSION AND RECOMMENDATION

#### 4.1 SUMMARY

From the data that has collected compiled and analyzed the researcher has ascertained the following major findings, observation has been made that 90% of all respondents agreed with the roles played by commercial banks in the Nigerian banking system toward the economic development of Jigawa State.

In this regard commercial banks can significantly implement their roles through the saving of individuals and challenging it into productive investment. It is also highlighted that, the commercial banks are the prime movers behind the whole banking system and the Nigerian economic system.

Through commercial banks have boost commercial activities in the country they have been properly administered as to contribute their at most. The role of commercial banks helped greatly in the efficiency of the Nigerian banking system. Hence commercial banks play an important role in the Nigerian banking system.

A lot of people have come to know of bank of the North Nigerian Limited Dutse through the media. The bank also have been paying adequate remuneration in comparison to other rate in the industry.

Promotion at bank of the North is based on experience, long period of service as well as individuals performance.

#### 4.2 RECOMMENDATION

1. With regard to the analysis given on the role commercial banks in Nigerian towards the economic development of Jigawa State, particularly reference to which have been ascertained, the following suggestions and recommendation are prepared which will help in

problems and set backs, so that commercial banks could play an active role greatly in the Nigerian banking system.

2. New currency has to be supplied to customers to ease the problems of mutilated ones, and people of this country have to be enlightened on the importance of keeping our paper money clean. The recent Federal Government campaign the media in this regard is very appropriate move.

3. The new introduced coins of 1k, 5k, and N1,00 have to be received because they are too heavy as to carry a large amount about.

4. Again, it is necessary for commercial banks to increase establishment of local branches in this country, especially in the rural areas. Many people can not afford to come urban areas to save their money in the banks, Nigerian has been criticised by prominent industrialist for its under banks.

5. Commercial banks in Nigeria should also educate and enlighten our local people and farmers on its activities, through the mass media and film shows necessary

Educating them in how to secure loans, and adding farmers on areas such as Irrigation, seed distributions, research and extension services.

6. Training staffs is a function of personal management aimed at helping employees to acquire the necessary skills to meet the initial task required them, and enable them assume more complex responsibilities. It is my recommendation therefore that commercial banks should increase upward significantly, the training of their staff in and outside country.



7. Unfortunately, the problem of in most in adequate management has continued to take its role on the survival of most banks in this country.

8. Employing of staff based on political appointment other than on merit create problems in one way or the other.

### 4.3 CONCLUSION

This research has found out that 90% of those that give answer agreed that commercial banks played an important role in the Nigerian banking system, and helped in boosting commercial activities in the country.

The role has also helped largely in the efficiency of the Nigerian banking system.

In additions many people come to know about the bank through media and enough salary is being paid when compared with other companies. And it has also been observed that promotion is base on long period of services individuals performances as well as experience.

The study, has examine the General idea, origin and the reason that brought about the establishment of commercial banks which includes the uses of Cheques, accepting deposit of payment, and the provision of management services as well as the structure of commercial banking system have all been examined. Which includes among others thing as unit banking, the bank merger activity bank holding companies, the concentration tin banking and the dual banking system.

In the following chapter, much have been said about the banking structure and regulations, the commercial banking system, structure and reform proposals the operations, and performance.

The preceding chapter also talked about the roles played by the commercial banks in the Nigerian banking system.

In fact, they play a very crucial role as an intermediary between the surplus units in the economy and the deficit units. The mobilization and channeling of surplus resources into investment, opportunities.

The commercial banks in the Nigerian like other banks, discharge all the traditional function of a commercial bank. But because Nigerian is a developing economy, the commercial banks has had to emphasized the development roles of a commercial banks enumerate earlier, with other banks like co-operative banks. We have also seen the difference between the commercial banks merchant bank.

One can see that commercial banks have recorded a significant role in the economy, extended co-operation to the government and public alike and have been contributing a lot in the banking system in Nigeria.



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