

The National Economic and Development Strategy (Needs): Its Implications for Human Resources Development and Management in Nigeria

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Abstract

This paper is a result of series of critical review of the Obasanjo's reform agenda with particular emphasis on the National Economic and Development Strategy (NEEDS). Its framework; and its attendant implications on human resources development in Nigeria. Among other things, the paper reveals that the various reform political of monetization, privatization, Labour Act etc which were evaluated with the vision and mission of NEEDS, have for reaching positive and negative implications on the Nigerian human resources development. It also reveals that its privatization policy was ill-conceived. Finally, a number of far reaching recommendations were advanced, to ensure adequate public policy analysis before any policy is adopted to ensure a progressive human resources development in Nigeria.

Keywords: National, Economic, Development Strategy, Human Resources, Development, Management

Introduction

The first term of the lease of democratic experiment by the former President Chief Olusegun Obasanjo which began on 29th May, 1999 has been described as a learning process. This was the argument of many whenever any social or political event called for the appraisal of his performance before the second term which started in May 29th, 2003. Since his swearing in for the second term arising from an election of high-wired disputation, the administration's image had been built on reforms. The word reform has been used to describe every conceivable policy initiative of the government. As a propaganda, it had helped the government to explain various decisions it has taken since 2003, whether good or dragoman. As a word, reform has a positive connotation. The new Webster's dictionary defines reform as "to improve by removing faults and weaknesses or strengthening good qualities". Going by this short but result oriented definition, the Obasanjo Administration could claim it was removing, faults and strengthening good qualities, and could easily escape the charges in some quarters that it is an incompetent government. In an attempt to chart a new course, he appointed some highly respected bureaucrats to midwife these reforms and therefore in charge of the economy in all ramifications. His core team paraded professionals like Dr. Ngozi Okono-Iweala Minister of Finance, professor Charles Chukwuma Soludo, Governor Central bank of Nigeria, and Mrs. Obiageli Ezekwesili Special Assistant to the former President on budget monitoring and project implementation etc and later Minister of Education. The above army of reformists took charge of the following reforms which included the due-process, national economic, Empowerment and Development Strategy (NEEDS), the new Partnership for Africa's Development (NEPAD). Among these plethora of reforms, this paper is fundamentally concerned with the National Economic Empowerment and Development Strategy (NEEDS) with a view to exploring its implications on human resources development and management in Nigeria.

The Needs Statement of Vision and Mission Against The Status Quoante

The civilian government of former President Olusegun Obasanjo and his presented in the NEEDS document that its vision for Nigeria development, derives from her history, endowments, experience and aspirations. The vision underscored the necessity and urgency to build a modern Nigeria that maximizes the potentials of every citizen, to become the largest and strongest African economy, and a force to be reckoned with before the mid 21st century. The mission of former president Obasanjo government was to use the instrumentality of the national Economic Empowerment and Development, Strategy (NEEDS) as a nationally co-coordinated framework of action in close collaboration with the State governments and other State holders to build a solid foundation for the attainment of Nigeria's long term vision. Over the medium term, the NEEDS will lay the foundation and achieve significant progress in the areas of wealth creation, employment generation and poverty reduction. NEEDS therefore was anchored on the imperatives to restore the fundamental values of Nigeria which have weakened over the years. Soludo (2004:62) Nigeria is a multi-ethnic society with a system that derives from the diversity of its human resources, religion and culture. The element of this value system include respect for elders, honesty and accountability, cooperation, industry, discipline, self-confidence and moral courage Obasanjo (2005:36).

Needs specific sectoral reforms and their implications on human resources development reforming government and institution.

The goal is to restructure, rightsize, repofessionalize and strengthen government and public institutions to deliver effective services to the people. It also aims to eliminate waste and inefficiency, and free up resources for investment in infrastructure and social service by government. A key aspect of this reform, is to fight corruption, ensure greater transparency, promotion of rule of law and stricter enforcement of contracts. The goal is to make formal, the public institutions serve the people to make government play a developmental role rather than a heaven for corruption and rent seeking. The major institution through which the government could actualize its above vision is the service; by adopting various reform strategies whose idea and implications, we have examined critically below.

Monetized Fringe Benefits

To monetize fringe benefits simply means to transform fringe benefits into money or monetary value or give the character of money to fringe benefits; Akpo (2004:4). The government idea of monetization is in pursuance of its fight against waste and over invoicing by top government functionaries in the maintenance of fringe benefits. The dictionary of Personnel and Human resources Management (1992:16) says that fringe benefits are “emoluments that are taxed but not as source under PAYE. Examples are living accommodation provided to employees and or their spouse, gifts vouchers, and luncheon vouchers. Thus, it is these benefits given to employees in addition to wages or salary. The major implication of this monetization policy is to put paid to the way and manner senior government workers use these emoluments as drain pipe into government coffers. This policy therefore provides for a fixed annual amount for an employee which the government expects him to economically manage to free resources for other government activities. This policy also make workers to be prudent in resource management which will translate into managing government resources more prudently.

Rightsizing; and Professionalizing the Civil Service

The Nigeria civil service has been as a blotted one which is counter productive. This policy of government is in perfect tandem with the universal objectives of human or manpower planning in any organization. According to (HPM), Human Resources Management or planning is the systematic and continuing process of analyzing an organization’s human resources needs under changing conditions; and developing personnel policies appropriate to the long term effectiveness of the organization. From the foregoing definition, Okoh (1998:69) tend to argue in favour of these extant strategies of rightsizing and professionalizing the civil service when he wrote that “A well prepared manpower plan will contain jobs which will appear, disappear, or change the extent to which redeployment or retraining is possible. A well planned civil service implies that appropriate and adequate placement is done, appropriate training requirements are met, effectiveness and efficiency are upheld. The fundamental implication is an improved performance arising from a well developed manpower pool in the society. This will translate into higher professionalism appropriate to job schedules which will maximize output and eliminate loss. The totality of the benefit of these strategies of government is to have a developed manpower that is productive, professionalized to deliver effective service to the people. It also aims to eliminate waste and inefficiency, and free up resources for infrastructure and social services by government.

The Pension Act 2003;

This is a presidential initiative on pension reforms. The status – quo before this reform initiative is that retirees in almost all sectors of the Nigeria economy would have preferred to remain and die in service instead of retiring into penury. Over the years, retirement benefits are hardly paid and if paid at all, they are owned years and months in arrears. The crux of the new pension policy is that an approved percentage will be contributory both employees and employers into an account to be managed by a commissioned consultant. Upon the retirement of any employee, he immediately receives his gratuity and pension. This will enable him rely on himself after retirement. The history of the Nigerian Civil Service has been synonymous with corruption which researchers have shown to have been induced by fear of retirement. In other words, public office holders corners and illicitly divert government funds into private purse, believing that, if retirement benefits delays, they will fall back on the acquired wealth (Egonmwam 2004:84). The fundamental implication of this extant pension Act, is that, it has boosted the morals of the Nigerian worker to heave a sigh of relief. A worker who is pessimistic about his future in an organization, particularly, when it relates to his final benefits at his disengagement from service is a demotivated worker, and hence add little or nothing to the strategic effort at meeting the overall objectives of the organization. Interesting and hopeful, this act may seem to the Nigerian worker, there are some gray areas. (Oshiomole 2004:33) argued that rather than being a contractual agreements, this Act was made by an executive who had the control of the national Assembly. So, we have a law which arose without the consent of the contractual parties as the employers and employees did not sit down to agree on the addressed by the Act. However, whether there are gray areas or not as identified by labour, the fact still remains that this particular Act

is a major leeway to develop and motivate the Nigerian worker. Although, the Act also did not initially accommodate strategies to pay the pensioners of the retired school teachers, railway workers and military personnel before its introduction, in concrete terms, the federal government has now made provision for retirees from 2004-2009, and whose funds be kept with the Central Bank of Nigeria (Ahmed 2007:64).

Growing the Private Sector

NEEDS is a development strategy anchored on the private sector as the engine of growth for wealth creation, employment generation and poverty reduction. The government is the enabler, the private sector is the executor, the direct investor and manager of business (Onosode 2005:16). The key element of this strategy include the renewed privatization, deregulation and liberalization programme; to shrink the domain of the public sector and bough up the private sector. NEEDS thrust of growing the private sector is a welcome idea especially now that the world economic order is anchored on driving the economics of nations by the private sector. This is the crux of the implication of the efforts of government in ensuring provisions of employment, efficiency and effectiveness. Thus, reducing the function domain of government and enlarging that of the private sector. The cardinal objective of any government among other things is to develop the people, therefore, all reforms embarked upon by any administration whether economic, social or political, the people are at its center (Obasanjo 2006:18). The above assertions of the President is driven by the fact that a well developed and enlarged private sector driven economy is the putting in place of a sustainable, adequate and appropriate infrastructure. Government has not demonstrated genuine intention in the areas of road construction and maintenance as well as power (energy) supply. In spite of the poor institutionalization of infrastructure which is the bedrock of any economy that pursues creation of employment, the Nigerian government went ahead with the privatization of its major corporations, with its attendant implications of retrenchment, redundancy and loss of job thereby increasing the pool of the unemployed (Ikelegbe 2005:39). However, the privatization policy has its positive implications emanating from the liberalization and deregulation of the telecommunication industry. Private operators have been allowed to develop and expand the sector, and this has translated in the creation of employment to the teeming youth of the country. The privatization policy of the government has also impacted on the aspect of efficiency and prudence in resources management. Public or civil servants see government work as nobody's work and hence it is not done with the deserved attention. The discouraging attitudes of public servants and their value towards government jobs provides an open avenue for ineffectiveness, inefficiency and wanton waste in the service. The administration of efficiency is better done when these corporations are owned and controlled by the private investors who manage their resources like we manage individual resources for better result (Imhanlahimhin 1999:52). This reform would promote the training of human resources in Nigeria on ethnics of prudent management which is the hall mark of profit making and overall development.

The Nigeria Labour Act 2005: The history of labour unionism in Nigeria has been a chequered one. This is to because, it has been a case of either the government making laws to merge, ban or differentiate the collaborative efforts of the labour leaders to defend themselves against government (Okoh 1998:62). However, attention in this paper is deliberately directed from history of labour unionism in Nigeria, to critically dwell on the objectives and implications of the extant Labour Act of the federal government. The State, in order to promote peace and set the standard for the conduct of good industrial relations, formulates policies and make laws to regulate the behavior of the employers and employees. Thus, the federal government on realizing that the central labour union the Nigerian Labour Congress (NLC) commands the legitimate support of its affiliate unions in times of negotiations and trade disputes, which often lead to recurrent strike actions. Each time this happens, the nation's economy tiles toward paralysis which is anti-development. The government also is of the opinion that such declared strikes are indiscriminate because, the interest involved does not concern some affiliate unions, but once there is a stalemate, the NLC often call a sympathy strike. This has often been described as a disservice to the nation. Therefore, just as the government in 1978, through the labour union amendment decree recognized the trade union movement in the country and created one central union, the NLC, it had in 2005 passed an Act derecognizing the NLC as an umbrella and sole negotiating body of all Nigerian workers (Okoh 1998:222). Thus, the Act provides opportunity and recognizes all registered trade unions whose numbers interests is threatened by any government actions and inactions to negotiate independently with the government. Cogent as the government position about the new Labour Act seemed, labour (NLC) had pre-empted the purposes and intent of the Act as pervasive and against the noble interest of the Nigerian worker who is already impoverished by draconian government policies, and cannot be comparable to his counterpart elsewhere in the world (Oshiomole 2004:12). The views of the Nigerian workers which is summarized in the preceding reaction of the former NLC President over the extant Labour Act is that industrial democracy which underpins a democratic government will be soon sent on holiday in Nigeria. Therefore, the implication of this new Labour Act on human resources in Nigeria will be negative. Thus, the Nigerian worker will withdraw his allegiance to the NLC since it is no longer legally recognized to be an umbrella body for all workers. This will erode unity among workers even on issues

bothering on wider interests of workers e.g. increases on prices of petroleum products by the federal government cannot be handled by the NLC all alone. Secondly, these numerous but independent trade unions will be weaker in their negotiating power thereby translating into poorer conditions of service for the already poor Nigerian worker. Critics and scholars in the area of public policy analysis align considerably with the government in the passing of the Labour Act. This was because, the Nigerian workers represented by their union (NLC) has almost made nonsense of strike actions as negotiating tools. Such that it was politicized, thus, used to disrupt good government policies and programmes. It is the opinion of the writer that labour leaders should consider their incessant option of strike actions, because, its wrong use is a disservice to the nation.

Conclusion and Recommendations

The paper has attempted the definition of the word “reform” with specific and detailed recognition of the approach adopted by the Obasanjo Administration reforms agenda, as epitomized by the National Economic and Development Strategy (NEEDS). We have also espoused the NEEDS’ Statement of Vision and Mission where the status quo-ante of the Nigeria economy was discussed. Because of the comprehensiveness of the NEEDS approach to development, we identified some specific sectoral reforms and their implications on human resources development in Nigeria. These reforms revolves around the NEEDS objectives of reforming government and institutions. Thus, captured in the paper as the reforms in the civil service and the private sector with their attendant implications on human resources development and management in Nigeria. Among other things, we examined such reforms as the monetization of fringe benefits, rightsizing and professionalizing the civil service, and Pension Act 2003, the privatization policy and 2005 Labour Act. These various policies and reforms are critically examined along side their implications, both positive and negative on the human resources development in Nigeria. This paper will however, recommend that, much as reforms are required in a near collapsed economy like Nigeria, it will do a lot of good if such reforms are well thought out, putting the interest of all and sandry into consideration. Just as the critenry is required to support the government to arrive at a good policy and reforms that will be accepted by all, irrespective of its immediate pains, as the long term benefits of such reforms engender sustainable development. Therefore, as all these reforms centers on the human factor, it becomes difficult to deny the fact that the Obasanjo’s administration was genuine in its objective to develop the human resources who can take Nigeria towards meeting the target of the millennium goals recommendation by the United Nations Organization (UNO).

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