

CONDITION OF SERVICE: ANTECEDENT TO TERTIARY INSTITUTIONS' OPERATIONAL PERFORMANCE IN NIGERIA

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ABSTRACT

The study examined the condition of service as an antecedent to tertiary institution operational performance. Explanatory variables like working environment, compensation, training allowance, and job security were used to explain the predictive effect of condition of service on the performance. The adopted methods included structured questionnaires, heterogenous purposive sampling techniques, and multiple regressions. The results showed that the independent variables of work environment, compensation, job security and training allowance all have a significant positive influence on the tertiary institutions' operational performance. Further, compensation was found to have the highest significance, followed by training allowance, job security and lastly work environment. The study recommended that if management seeks a workforce capable of driving an organization's performance, efforts must be focused on determining what their competitors are currently paying for compensation.

Key words: *condition of service, working environment, compensation, training allowance, job security performance*

INTRODUCTION

It is the general consensus that the workforce is the most valuable asset of any organization. It is on which other resources ride to contribute to the creation of finished and semi-finished products that give satisfaction to the customers as a reflection of the success of the organizational performance. Obviously, the activities of man among factors of production are key to the success or otherwise of every organization. As such, the mindset of employees on the condition of service goes a long way to determine the success or otherwise of an organization. As such, management at organization strives to ensure that the good conditions of service are prioritized. To avoid unpleasant outcomes due to inadequate working conditions, it is imperative of management to pay close attention to what could enhance the staff wellbeing (Kabari, 2021). A sound perspective on

condition of service lies in the employment agreement that specifies the duties, responsibilities, hours of work with rest and recreations, remunerations and benefits, etc. According to Singh (in Itodo & Abang, 2018), performance means goods and services produced in a specified period of time in relation to the resources utilised. It also measures how well the group performs its required tasks to satisfy its customers inside and outside the organization (Cohen, Lucy, Huge, Thomson, & Edmond in Itodo & Abang 2018). While performance could be view from different perspectives as desired by individuals, groups, and organizations, it can only be achieved collectively via a committed and dedicated workforce. To achieve this, it is imperative that management pursues vigorously planning and actions pertaining to the condition of service with sincerity and professionalism.

This study is significant in the search for factors that could improve the performance of the workforce in Nigeria vital to increasing productivity at the company, industry and economy levels. Its focus is on these independent variables of condition of service: working environment, compensation, training allowance, and job security. The objectives are to determine whether and how each affects performance or productivity and which might have the strongest effect.

LITERATURE REVIEW

This study is anchored on the theoretical framework of decision theory. The theory deals with methods for determining the optimal course of action when a number of alternatives are available and their consequences cannot be forecast with certainty (Tryfos, 2001). The theory's pertinence is that any decision taken by management goes a long way to affect the overall goals and achievements of an organization. Every action taken by management is an outcome of a decision. This idea can easily apply to decision making regarding condition of service. When a decision taken favors what the terms condition of service should be, employees remain committed and satisfied, while exhibiting attitudes that can cumulatively best advance the performance of the firm. Inefficiency and ineffectiveness may decline, minimizing the turnover rate of the workforce and increasing the tenure of the talented workforce in the organization. The decision theory suggests that the condition of service is a function of decision taken by the management. It goes further that realization of goal(s) has strong connection with the final decision. Hence, it is advisable that management gives careful considerations before concluding on a decision and execute it. It equally shows that organization should uphold decisions that best gives the desired outcomes. Thus, the decision on what to prioritize should constitute the condition of service that best satisfies the players in the system.

Bakai and Saka (2023), investigated the relationship among leadership style, condition of service, human capital development and job performance among personnel in the ICT of 13 Public University libraries in North-central Nigeria. Their adopted method included survey design via structured questionnaires. Their results showed that there was a strong nexus between condition of service and job performance, followed by leadership style and human capital development. The study concluded that job performance was only possible by having a quality personnel management and effective condition of service.

Owota and Elliot (2022) investigated conditions of service and employees' job performance among civil servants in Bayelsa State, Nigeria. A cross-sectional survey design was adopted. Krejcie and Morgan's (1970) formula was used to determine the sample size. Using random sampling, a total of 393 respondents were surveyed. A descriptive analysis of the study found a significant positive relationship between employees' performance and job promotion, performance feedback, and training/development among employees of the civil service in Bayelsa

State. Based on these findings, the study recommended the need for effective employee monitoring and re-evaluation of promotion, performance feedback and training and development of staff to improve workforce performance.

In the same vein, Kabari (2021) examined condition of service and employees' attitude in Rivers State University using descriptive survey design. This research involved all non-teaching personnel at Rivers State University, out of which a sample of 324 individuals from staff of Rivers State University was used. Using questionnaire survey, the findings indicated that leave bonuses, training allowances, a positive work environment, and promotions all have significant impact on employee's attitudes at Rivers State University. The study concluded that personnel at Rivers State University should be promoted in accordance with established procedures as this enabled them to maintain a favourable attitude toward their careers.

Bashir, Amir, Jawaad, and Hasan (2020) examined work conditions and job performance on the conditional effect of motivation at a telecom company in Lahore and Karachi, Pakistan. The study specifically focused on how healthy working conditions aided employee satisfaction. Partial Least Square-Structural Equation Modelling Model (PLS-SEM) was used to explain the relationship between work condition and job performance while survey design via questionnaire was used to elicit information from the respondents. The findings of the study showed that work conditions contribute positively to efficiency of performance. This study by Bashir *et al.* (2020) is important to the current study here because both focuses on service providers. Moreover, the conditions of service of both organisations studied are not the same in terms of mode of operation activities and expected performance. While Bashir *et al.* adopted PLS-SEM, the study here used multiple regressions. Job satisfaction has value and behaves as an encouraging force, but only for those who have a high level of motivation to work as they can fully benefit from favourable working circumstances to increase their productivity.

Itodo and Abang (2021), examined the impact of staff welfare on the performance of the officers and men of the Nigeria Police Academy in the town of Wudil, Nigeria. Methods adopted included Spearman's rho statistical tools for data analysis. The findings attested that significant relationship existed between the staff welfare and performance. Though the study did not directly link to condition of service, it is germane to the study here because of the attention given to worker's welfare. Noticeable differences between Itodo and Abang's and this study are the respondents, operational modes, and methods adopted.

Keston (2015) researched on impact of condition of service on the performance of academic staff in some tertiary institutions in the Kogi state of Nigeria by examining staff promotion, fringe benefit, retirement benefit, and salary on job performance. Regression analysis was adopted, while T-test was used to explain the stated hypotheses. While Keston's study and the Bakai and Saka study (2023) were carried out at different locations, and did not specifically mentioned they used Teaching and Non-teaching staff or not, their relevancy in this study cannot be ignored. This is because both focuses on tertiary institutions, used condition of service as a predictive variable.

The question, however, remains that since the condition of service was applicable to different individual institutions, what about tertiary institutions in other parts of Nigeria. For that reason, the study performed here can be considered as a replication of the earlier studies. The significance of this study can call into stronger focus on whether or not condition of service has a significant positive influence on job performance and productivity. While some past studies focused on either teaching or non-teaching staff of tertiary organizations, this study focused on both the teaching and non-teaching staff.

RESEARCH METHODS

This study is concerned with the higher education institutions in six states that make up the Nigerian Southwest: Ekiti State, Lagos State, Osun State, Ogun State, Oyo State and Ondo State. Of these, three—Ekiti State, Lagos State and Osun State—were picked for the sample because their higher education institutions provided a more general curriculum whereas the other three states offered more technology-based curriculum. Teaching and non-teaching staff of the universities from these states were selected from three state universities, three federal universities and three private universities. The total population was 20,264 (National Universities Commission, 2019) and Personnel records of each Institutions). Heterogeneous purposive sampling technique was adopted to select the universities and the respondents (academic and non-academic). A sample size of 392 teaching and non-teaching staff were chosen following the work of Yamane (in Ahmed and Nawaz, 2015). However, as any reduction in the actual sample size will bear serious implication on the data output, Israel (2013) suggested that 30% of the original sample size must be added to have a comprehensive analysis. Therefore, this brings the study total sample size to 510 respondents. To calculate each size of the stratum, the Kumaran (1976) Model was employed.

$$n = \frac{n_s N_i}{N}$$

where, n= number of respondents from each university; ns= total number of sample size Ni= number of stakeholders in each university; N=population of the study. The primary data via structured questionnaire was used while multiple regression was used to explain the predictive effect of condition of service on the tertiary institutions' performance.

The research has the following hypothesis: Condition of service would not influence the operational performance of the tertiary institutions in southwest Nigeria.

Model Specifications

The study adopted, with revision, the research model used by Das and Baruah (2013) and Dzogbede and Asimah (2020) because, in order to enhance performance, good condition of service is required. Some of the indices of condition of service are found in what Das and Baruah (2013) and Dzogbede and Asimah (2020). Their original model was specified as:

$J_s = f(Cmp, Rar, Pog, Pdm, Wlb, Wen, Tad, Lds, Jst)$, where:

- J_s = Job Satisfaction
- Cmp = Compensation
- Rar = Reward and Recognition
- Pog = Promotion and Opportunity for Growth
- Pdm = Participation in Decision Making
- Wlb = Work Life Balance
- Wen = Work Environment
- Tad = Training and Development
- Lds = Leadership
- Jst = Job Security

This study adopted and modified the above as follows:

$$\text{Orgper} = f'(\text{Cons}) \dots \dots \dots (3.1)$$

$$\text{Orper} = \beta_0 + \beta_1 \text{We} + \beta_2 \text{Cp} + \beta_3 \text{Ta} + \beta_4 \text{Js} + \mu \dots \dots \dots 3.2 \text{ where:}$$

- Orper = Organisational Performance
- We = Working Environment
- Cp = Compensation
- Ta = Training Allowance
- Js = Job Security
- μ = Stochastic or Error Term

RESULTS AND DISCUSSION

Respondents' Bio-data

A total of 510 copies of questionnaires were distributed. Even though only 460 of the questionnaires could be used, the response rate yielded a high 90% which should be adequate.

Table 1: Respondent's Demographic Distribution

	Frequency	Percent
Sex Distribution		
Male	264	57.4
Female	196	42.6
Total	460	100.0
Marital Status		
Single	173	37.6
Married	270	58.7
Divorced	17	3.7
Total	460	100.0
Educational Background		
OND (Ordinary National Diploma) / NCE (Nigeria Certificate in Education)	140	30.4
HND (Higher National Diploma)/B.Sc	244	53.0
M.Sc	46	10.0
P.hD	30	6.5
Total	460	100.0
Employment Status		
Academic Staff	168	36.5
Non- Academic Staff	270	58.7
Technologist	22	4.8
Total	460	100.0
Years of Experience		
Below 1-5Years	97	21.1
6-10Years	109	23.7
11-15Years	75	16.3
16-20Years	105	22.8
21Above	74	16.1
Total	460	100.0

Source: Author's Field Survey 2024

As indicated in Table 1, 56% of the respondents were male, 58.7% were married, 30.4% had the lowest level of higher education OND/ NCE, and a little more than half the respondents (at 53%) had HND/MSc, at 53%, which was also the highest compared to groups with other levels of higher education. Among those employed, 23.7% were employed for 6 – 10 years (the highest among the other age groups), followed by 21.1% for 1 – 5 years, and 22.8% for 16 – 20 years. Finally, most employed were as non-academic staff at 58.7% versus academic staff at 36.5%.

Table 2 Condition of Service and Organizational Survival

Variable	Co-eff.	Std. Error	t-value	Sig.
Constant	5.076	0.422	12.043	.000
Working Environment	1.497	0.148	10.099	.000
Compensation	3.250	0.144	22.502	.000
Training Allowance	3.028	0.128	23.582	.000
Job Security	1.905	0.141	13.529	.000
R	0.903			
R Square	0.816			
Adj. R Square	0.814			
F Stat.	504.479(.000)			

Source: Author's Field Survey 2024

Hypothesis

The hypothesis—condition of service would not influence operational performance of the Tertiary Institutions in southwest Nigeria—is rejected.

From Table 2, the Regression Coefficient (R) gives a strong positive value of 0.9, demonstrating that there is a very strong and positive relationship between condition of service and tertiary institution operational performance. The R^2 of 0.816, which is a portion of the total variation in the dependent variable that is explained by the variation in the independent variables, also indicates a very strong predictive value. This affirms the fact that condition of service should not be taken lightly by management. This is further proven by the adjusted R^2 of 0.814 that shows the goodness of fit of the model with a value very close to the predictive R^2 , implying that when all errors are corrected and adjustments are made, the model can account for 81.4% by condition of services; while the remaining 18.6% are explained by the error term in the model as shown in Table 2.

The unstandardized beta co-efficient of work environment results showed that work environment has a positive effect on operational performance of tertiary institutions in Southwest Nigeria. It further explained that the performance of the organization could be negatively affected by unfriendly work environment condition. In the same vein, the unstandardized beta co-efficient of compensation results showed that compensation has a positive effect on operational performance of tertiary institutions in Southwest Nigeria. Meanwhile, the unstandardized beta co-efficient of training allowance results showed that training allowance has a positive effect on

operational performance of tertiary institutions in Southwest, Nigeria. It was deduced that to motivate employees for any organisational training, management should endeavor to attach competitive allowance as this would go a long way to prepare the mind of the trainees in order to meet the training needs. Furthermore, the unstandardized beta coefficient of job security results showed that job security has a positive effect on performance of tertiary institutions in Southwest Nigeria. It is not a gain say that every creature seeks to be secured. When employees are rest assured of their job security, it will boost their aspiration of providing their best to the organization of their employment. And when organization is consistently enjoying the full support of her workforce towards doing the right things, the overall positive performance is inevitable. Finally, it was found that compensation was found to have the highest significant influence on institutional performance, followed by training allowance, job security and work environment.

The findings resonate with the study of Owota and Elliot (2022), whose findings revealed a significant relationship between employee performance and condition of services among employees of civil service in Bayelsa State, Nigeria. Findings of this study also concurred with those performed by Bashir, Jawaad and Hasan (2020), and Bakai and Saka (2023).

CONCLUSION

In short, the results of this study clearly show that condition of service had a significant influence on performance of tertiary institutions, at 0.05 level. The research hypothesis is rejected. It is thus recommended that management should be serious in designing a competitive compensation strategy to satisfy employees according to their needs.

While the findings of this research very much affirm research findings of the past, more research of this nature should be performed on other employment sectors. Should similar findings be achieved in such future research, they should present a strong case to the policy makers in government and the private sector to actualize condition of service as a vital antecedent to high employee performance and national productivity.

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