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2018**

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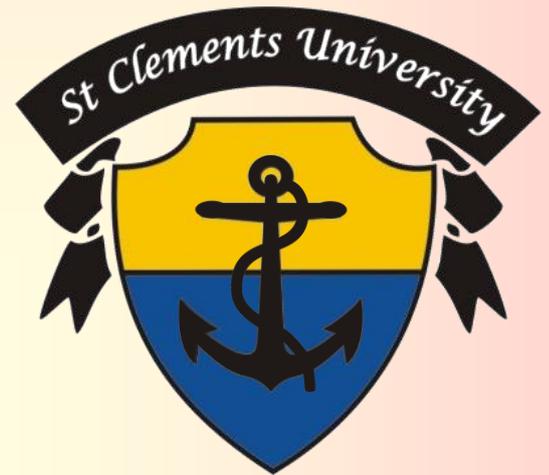
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**Veritas* is Latin for truth, reality.

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Tuvalu - The 4th Smallest Country in the World Source: <http://i.imgur.com/QQmjSTH.jpg>

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EDITORIAL: BEST ARTICLE FOR THE JOHN POTTER LITERACY AWARD 2018

Dr David Le Cornu*

President - St Clements Education Group

(DBA, DIPFM, MBA, FAICD)

A number of well written articles have been nominated for the 2018 John Potter Literacy Award. The best of the articles have now been chosen.

The **winner** of the 2018 John Potter Literacy Award is the article **“When Things Fall Apart: The Decline of Building Construction as a Symptom of Cultural Decay”** by Dr Kerry Bolton.

The **runner up** article was selected as **“Immigration Issues & Conflicts Faced by Latin America”** by Dr Kemal Yildirim.

A **highly commended mention** goes to the articles: **“21st-Century United Kingdom Universities - Time to Change”** by Professor Dr Bruce Duncan and **“The Reasons, Tendencies and Peculiarities of Nationalism in Belgium: Risks Associated with It”** by Dr Ali Nasier Alrkabi.

Articles **nominated** for the John Potter Literacy Award included the following: **“Role of Bank Rate in Stimulating Nigerian Economic Development”** by Dr Udeh Sabastine Onyemaechi and **“Group Processes: Are they Essential in Effective Groups?”** by Dr Oyat Christopher, Dr Mshilla Maghanga and Mr Mwosi Fabian.

Congratulations to **Dr Kerry Bolton** for his award-winning article and **Dr Kemal Yildirim** for his runner up article.

Professor Dr Bruce Duncan and **Dr Ali Nasier Alrkabi** will receive highly commended certificates for their well received articles.

Finally Dr Udeh Sabastine Onyemaechi and **Dr Oyat Christopher**, **Dr Mshilla Maghanga** and **Mr Mwosi Fabian** will receive nomination certificates for their important contributions.

If you wish to read any of these articles please email Dr David Le Cornu admin@stclements.edu and copies can be sent to you electronically. Alternatively, ‘Veritas’ publications are available on our website and can be accessed via our e-library at www.stclements.edu/library.html.



***Dr David Le Cornu**

President - St Clements Education Group

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DYNAMISM IN RECRUITMENT, SELECTION AND PLACEMENT PLAN (RSP) CONTRIBUTIONS TO EMPLOYEE RETENTION IN SAIPEM CONTRACTING NIGERIA

Dr Izuogu Sunday Anthony*

Abstract

This study examined how dynamism in recruitment, selection and placement plan implemented by Saipem Contracting Nigeria Limited as human resource management practice contribute to employee retention. Statement of the problems, objective of the study, research questions, hypotheses and scope covered in this work revolve within ascertain if dynamism in recruitment, selection and placement plan (RSP) has significant relationship with employee retention in Saipem Contracting Nigeria. Methodology comprised; the use of descriptive type of survey research design. This design helped in examining the relationship dynamism in recruitment, selection and placement plan (RSP) have with Employee retention of Saipem Contracting Nigeria Limited. Stratified random sampling technique was used to select respondents from the study area. Both primary and secondary sources were used in collecting data. Of 458 targeted respondents, 416 completed the survey questionnaire, a 90.82% response rate. In analysing the responses from the questionnaire, descriptive statistics were used (mean and standard deviation, frequency distribution and percentage). Single statistical tool of Chi Square χ^2 was used in test of the hypotheses to assess the level of acceptance or otherwise the null hypotheses. It was found that recruitment, selection and placement plan is important practice that enhanced employee retention. It is recommended that static salary grade of Saipem be reviewed and adopt flexibility in relation to experience and competency during recruitment and selection.

Keywords: Dynamism, Recruitment, Selection and Placement plan (RSP), Employee retention, Saipem Contracting Nigeria Limited

1.0 Introduction

Given the importance of dynamism in recruitment, selection and placement in significant relationship with employee retention in Saipem Contracting Nigeria, it could be observed that many employees continue to leave the organisation thereby leading to high rate of employee turn-over. While potential human resources abound, retaining them in the organisation which will enhance organisational growth eludes Saipem. This work focused on employees recruitment, selection and placement, and how fairness in this HRM practice bring about employees retention in Saipem.

1.1 Statement of the Problem

Over the years, recruitment and selection have been taking place in Saipem to enhance employee retention. Despite the presence of Nigerian Content Development and Monitoring Board (NCDMB) in place as law to regulate HRM practices in the industry, it still seems that there is inadequate progress in employee retention of Saipem since most employees leave the organisation. These no doubt arouse employees perception of organizational injustice which in turn affects employees retention. In response to these problems, this research investigated the significant relationship between dynamism in recruitment, selection and placement plan (RSP) and employee retention in Saipem Contracting Nigeria. This work will tremendously help Human Resource department of Saipem, recruitment agencies and HR consultants to see the effective methods in sourcing, recruiting, selecting and placing of right people to organisations

1.2 Objective of the Study

The study was conducted to investigate recruitment, selection and placement contributions to employee retention in Saipem.

2.0 Literature Review

2.1 Dynamism in Recruitment, Selection and Placement

Dynamism in recruitment, selection and placement is seen in this work as the innovative departure that give strength and effectiveness to recruitment, selection and placement in achieving employee retention. This comprised social context of recruitment, technical skills and abilities related to HR management, individuals who appear to be sociable, dynamic and appealing. It is assumed that candidate's overall appearance and personality are central to the recruitment process, both of which are assessed through characteristics and traits associated with personal charisma.

2.2 Employees' Recruitment, Selection, and Placement

Recruitment is the process of generating a pool of capable people to apply for employment to an

organisation. Selection is the process by which managers and others use specific instruments to choose from a pool of applicants a person or persons more likely to succeed in the job(s), given management goals and legal requirements (Storey 2014). Recruitment can be defined as the process of identifying the sources for prospective candidates and to stimulate them to apply for the jobs.

In other words, recruitment is the generating of applications or applicants for specific positions. It is the process of attracting potential employees to the company. Agrell (2008) explains recruitment as “announcing job opportunities to the public in such a way that a good number of suitable people will apply for them.” That is, it is the process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organisation. Ratnam (2012) opined that recruitment is a two-fold function; (i) to discover the sources of manpower to match job requirements and specification, and (ii) to attract an adequate number of prospective employees to permit meaningful selection of the required personnel.

Recruitment Process:

Recruitment is an important function in human resource planning. The recruitment process consists of the following steps:

- 1) Recruitment process begins when the HR department receives requisition for recruitment from any department of the company. The personnel requisitions contain details about the position to be filled, number of persons to be recruited, the qualifications and duties of persons, terms and conditions of employment.
- 2) The next step is assessment of personnel requirements through job descriptions and job specifications.
- 3) Locating and developing the sources of required number and type of employees.
- 4) Identifying the prospective employee with particular combinations of skill, experience, education and other personal attributes.
- 5) Communicating the information about the organisation, the job, the terms and conditions of service, and the applicable laws and regulations.
- 6) Encouraging the identified candidates to apply for jobs in the organisation.
Candidates should not be discouraged to apply for a position because of their sex, race, age or other traits, unless such characteristics are related to job performance.
- 7) Evaluating the effectiveness of recruitment process (Armstrong 2011)

2.3 Sources of employees recruitment in the Oil and Gas study area:

Basically, there are two sources of recruitment in Saipem.

- Internal Recruitment and External Recruitment
- Internal Recruitment

The best employees can be found from within the organisation itself. Internal sources refer to the present working force of an organisation. The internal sources of recruitment are: (i) transfer, (ii) promotion, and (iii) re-employment.

(i) Transfer of Employees

Transfer’ is the shifting of an employee from one job to another without special reference to a change of responsibilities or compensation (Storey 2014).

(ii) Promotion of Employees

Promotion’ is defined as a movement to a position which responsibilities and presumably, prestige is increased. Vacant posts at higher level are filled up by the promotion of employees. This promotion may be based upon both seniority and merit. In a good promotion policy employees should know what will be their contribution to the new position in terms of seniority and merit in their promotion. The employee has the privilege of working in the real situation of the business, so he does not feel any difficulty in case of promotion.

(iii) Re-employment

Re-employment of ex-employees is one of the internal sources of recruitment in Saipem which employees can be invited and appointed to fill vacancies in the company. It also saves time, money and efforts. In Saipem, employees who were placed on redundancy are called back for re-employment when openings come. This is done in order to retain their skilled manpower.

Saipem Nigeria offer high scope for transfer, promotion and re-employment. In this company of study, employees can move from unskilled to semi-skilled to skilled, then from junior staff to senior staff and senior staff to intermediate management staff then to manager as the case may be. There is much opportunity for vertical movement for a worker in Saipem. However, these movement is not associated with one’s academic qualifications nor certifications but by numbers of years input in the job or by management discretion.

Internal recruitment keeps the employees contented and in the good morale, it creates a sense of security among employees when they are assured that they would be preferred in filling up vacancies. Suitability of existing employees can be judged better as record of their performance is kept in the HR department. It promotes loyalty and commitment among employees due to sense of job security and opportunities for advancement. There is no need for advertising vacancies, or arranging tests or interviews. It encourages self-development among the employees and stability from continuity of employment.

➤ External Recruitment

External sources of recruitment have to be solicited from outside the organisation. The sources are external to the organisation. The sources include the following:

(i) Advertisement: It is an external source which has got an important place in recruitment procedure. Salaman, Storey, and Billsberry (2005) have it that the biggest advantage of advertisement is that it covers a wide area of market and scattered applicants can get information from advertisements. Medium used is Newspapers, Television, Internet/online and Professional journals. Advertising in various media is a widely used method of attracting persons for available positions in Saipem. It is frequently used for skilled workers and Senior Staff positions. Junior Staff and unskilled/semi-skilled employees in Saipem are sourced from the catchment areas. Cost per person is very low. The details of work and the types of persons required are given in the advertisement.

(ii) Employees' Referral and Recommendations: Present employees of a company may also recommend friends or relatives for jobs. Employees take care to recommend a good candidate because such a recommendation reflects on the recommender. The recommender often gives the applicant more realistic information about the job. Here, an organisation receives a qualified candidate without cost and recruiting search.

(iii) Gate Recruitment (Gate Crashing): Certain workers present themselves at the company's gate every day for employment. Generally workers gather at company's gate or they are called through notice. This method is applied to meet the casual needs of employees. This recruitment can be made by interview or written test or both. This source is used for unskilled and semi-skilled labour, but today in Nigeria graduates with good results are still gate crashing in most companies in search of employment.

(iv) Labour Contractor (Labour suppliers): these are the specialist people who supply manpower to the companies or oil and gas industries in Nigeria today. Through these contractors, workers are appointed on contract basis (that is for a particular time period). Under conditions when these contractors leave the organisation, such people who are appointed have to also leave the organisation. Thus, most of the contractors are retired employees of the companies. Sometimes, manual workers may be recruited through contractors who maintain close links with the sources of such workers. The contractors bring the workers at the place where they are required. They get commission for the number of persons supplied by them. This system has gone into the recruitment of qualified and competent employees in the oil and gas construction industries in Nigeria such as Saipem. Most senior staff positions now are given out to labour suppliers to provide.

(v) Employment Agency (HR Consultants): In Nigeria there are certain professional organisations which look towards recruitment and employment of people, that is, these private agencies run by private individuals supply required manpower to needy companies.

(vi) Online Recruitment (internet recruitment): This type of external recruitment deals with the placement of advert/vacant positions on the internet/intra-net where potential applicant can log-on to the company's website and submit their applications with credentials attached. Internet recruiting is an emerging field in Saipem today. They are successfully attracting a high proportion on-line resumes, even for non-technical position, because increasing numbers of job seekers are turning to the internet. Internet recruiting is cheaper due to: (1) reduced direct costs of newspaper advertisement, job fairs and head hunter fees; (2) reduced mailing costs; (3) reduced workload for the HR department. Saipem been involved in active Internet recruiting believing that it helps them to attract better quality applicants, given that internet users tend to be better educated and obviously more computer literate than non-users. Recruitment through external sources gives a wide choice to select personnel from among a large number of applicants, expertise and experience from other organisations can be brought. It is more useful when suitable people from within are not available, when the organisation is diversifying its activities or when the concern is new (Purcell 2005).

2.4 Selection

Organisations have always been interested in selecting the "right" person for a particular job. Selection is a part of the recruitment function. It starts immediately after recruitment. Selection is the process of choosing people by obtaining and assessing information about the applicants with a view to matching these with the job requirements.

(Kline, 2013) It involves a careful screening and testing of candidates who have put in their applications for any job in the organisation. Cushway, (2014:57) informs "It is the process of choosing the most suitable persons out of all the applicants". It is a process of eliminating those candidates who appear unpromising. Stephen (2008) posits that selection consists of a series of steps. It is a series of successive hurdles or barriers which an applicant must cross. The candidate will be selected after he clears all the steps laid down in selection process. A wrong selection means a heavy cost to an organisation in terms of money, time and efforts wasted. Therefore, a well-planned selection procedure is of utmost importance for every firm. Yorder (1975:61) has it that "selection is the process by which candidates for employment are divided into two classes – those who will be offered employment and those who will not". Jucius (2007:82) has it that "the selection procedure is the system of functions and devices adopted in a given

company for the purpose of ascertaining whether or not candidates possess the qualifications called for by a specific job or for progression through a series of jobs.” Davis (2010:39) maintains that “selection is the process by which an organisation chooses from a list of screened applicants, the person or persons who best meet the selection criteria for the position available.”

There is no standards selection procedure to be used in all organisations or for all jobs. The complexity of selection procedures increases with the level and responsibility of the position to be filled (Wiley 2010). Therefore, the strategy and method used for selecting employees in Nigeria varies from company to company and from one job to another. For instance in Saipem, the recruitment and selection conducted in this oil and gas company is quite different from those done by non-oil and gas organisations in term of procedures and general process, as most if not all of employment process in Saipem are controlled by the company’s HR department as stipulated in the recruitment and selection procedure of the company.

2.4.1 Selection Methods and Procedures

➤ Preliminary Interview (Screening Applications)

Initial screening is done to weed out totally undesirable/unqualified candidates at the outset. It is essentially a sorting process which prospective candidates are given the necessary information about the nature of the job and the organisation, at the same time, the necessary information is also elicited from the candidates about their education, skills, experience, salary expected and the like. It helps to determine whether it is worthwhile for a candidate to fill up the application form.

➤ Application Form

Application form is a traditional and widely used device for collecting information from candidates. It should provide all the information relevant to selection, where reference for religion, place of birth, may be avoided as it may be regarded an evidence of discrimination. However, in respect to Nigerian perspective, the use of application forms is mostly used by the oil and gas companies and especially Multi-national companies such as Saipem.

➤ Employment/Selection Test

A test is a sample measurement of an individual’s job related abilities and skills. It provides a basis for comparing the behaviour, performance and attitudes, of two or more persons. Tests are based on the assumption that persons differ in intelligence, knowledge, skill and motivation. There are various types of tests used in Saipem for personnel selection like, intelligence tests, aptitude tests and knowledge tests.

Tests are useful when the number of applicants is large, as at best it reveals that the candidates who scored above the predetermined cut-off points are likely to be more successful than those scoring below the cut-off point Collin (2001:89).

According to Jossey-Bass (2009) Tests can be broadly classified into four and they are: -

Aptitude Test: These tests measure the latent ability or potential of a candidate to learn a new job or skills.

Achievement Test: These tests measure what a person can do. These determine the skill or knowledge already acquired through training and on the job experience.

Personality Test: These are pen and paper tests used to judge the psychological make-up of a person. These prove the deeply to discover clues to an individual’s value system, emotional reactions and maturity and his characteristic mood.

Interest Test: These tests are inventories of the candidate’s likes and dislike in relation to work. These are generally used for vocational guidance.

➤ Job/Employment Interview

Lingham, Richley and Rezanian (2006) state that interview is the most widely used single method of selection. It is an essential element of selection and no selection procedure is complete without one or more personal interviews, where the information collected through application letter or application forms and tests can be cross-checked in the interview, where candidates demonstrates their capabilities and strength in relevant to their academic credentials. It is a method of seeking information from job applicants. It is face-to-face, oral, observational and personal appraisal method. ‘Interview’ is the most delicate aspect of the selection procedure. According to Tiemo and Arubayi (2012:2-4) the purpose of employment interview is “to determine the suitability of the applicant for the job and of the job for the applicant.” According to Hilsop (2009) selection serves three purposes:

- a. Obtaining information about the background, education, training, work history and interests of candidate
- b. Giving information to candidates about the company, the specific job and human resource policies, and
- c. Establishing a friendly relationship between the employer and the candidate so as to motivate the successful applicant to work for the organisation.

➤ Medical Examination

Applicants who have crossed the above stages are sent for a physical examination either to the company's hospital or to a hospital approved for the purpose. Such examination serves the following purposes:-

- ❖ It determines whether the candidate is physically fit to perform the job, where those who are physically unfit are rejected.
- ❖ It reveals existing disabilities and provides a record of the employee's health at the time of selection. This record will help in settling company's liability under the workmen compensation Act for claim for any injury.
- ❖ It prevents the employment of people suffering from contagious diseases.
- ❖ It identifies candidates who are otherwise suitable but require specific jobs due to physical handicaps and allergies.

➤ Employment/Placement

Employment is offered in the form of an appointment letter mentioning the position, the rank/grade level, the salary grade, date the candidate is expected to join the company and other terms and conditions in brief. In some organisations, a contract of service is signed by both the candidate and the representative of the organisation (mostly the HR Manager as in the case of Saipem). It is at this point where a selected applicant is given a letter of offer for a job, the initial offer of a job needs special care, particularly as regards the following points:-

- ❖ The wage or salary offered must not only be appropriate to the job and attractive to the candidate but consistent with the earnings of present employees.
- ❖ The job must be named and any special conditions stated, for instance, the first year employee will be under training at the head office, and then it will be transferred to up-country branches.
- ❖ The candidate must know the essential conditions of employment, such as hours of work, holidays, bonuses and fringe benefits.
- ❖ Any provision must be clearly stated, for example, the employment will be subject to satisfactory references and medical examinations.

3.1 Methodology

This work adopts descriptive type of survey research design. The relationship between HRM practices variables, here observed as composite independent variables as against a composite of organisational growth variables in Saipem. It is an observation of the present happenings in Saipem. This design helps in seeing how the HRM Variables (independent variables) significantly affect organisational growth (dependent variables) of Saipem in terms of employees retention.

It helped in gathering quantifiable information on the study that is used for statistical inference on the target population through data analysis.

Descriptive/diagnostic studies summarised data such as measures of central tendency including the deviance from the mean, variation, percentage, and regression between variables.

The population size comprised Management and staff of Saipem contracting Nigeria. The population size of Saipem is 4,580 (Sources: Saipem Sustainability Magazine, 2016. Sampling is done by choosing 10% of the total Saipem population of 4,580. In this study, a total of 458 employees were selected with the objective of gaining completion of at least 400 to 450 copies of the questionnaire.

The sampling technique that was used in this research is the probability sampling technique. The probability sampling technique used is limited to only Proportionate Stratified Random Sampling. This type of sampling technique is used because it enables the researcher to include the sub-strata of workers in the area of study. It gave ample opportunity to every worker in Saipem of being selected in the study. The workers were grouped into management and Inter-mediate management strata. Similarly, the other employees were grouped into the various skill categories ranging from senior staff, Junior Staff, Pipe welders, pipe fitters, Grinder, Steel carpenters, Scaffolders, Erectors, Millwright, Wood Carpenters, Iron Benders, Auto Mechanics, Auto Electricians, Crane operators, Forklift operators, Car Drivers, Gardeners and Cleaners. A sample frame was made for each stratum from where the researcher used the table of random numbers and selected the target sample for the study.

3.2 Primary Sources and Secondary sources of data collection

The researcher used both primary and secondary sources to collect data.

Primary Sources

The primary sources of data collection here comprised: Questionnaire, semi-structured interviews and Focus Group Discussion (FGD).

Questionnaire

Structured questions were used in the questionnaire to determine the construct of the research by asking general questions like age, gender, and occupation. Multiple choice questions were employed with Likert scales so respondents could indicate the 'intensity' of their knowledge towards each aspect of their job, HRM Practices and how the HR variables could significantly contribute to organisational growth of Saipem in terms of Employees' retention.

4.0 Methods of Data analysis

In analysing the responses from the questionnaire, descriptive statistics was used (frequency

distribution and percentage methods). Packages for Social Sciences (SPSS) software Version 22 was used to run tests on collated data. The data analyses involve the following: Measures of central tendency-frequency distribution and percentages was used to analyze responses from the questionnaire such as socio-demographic data. Chi-square was used to analyse questions on recruitment and selection.

5.0 Conclusion

In conclusion, HRM practices have enhanced organisational growth of Saipem in the areas of employees retention. The study has shown that dynamism in recruitment, selection and placement plan (RSP) positively affect employee retention in Saipem Contracting Nigeria. The interesting thing about this study is that it has established that there is a significant relationship between dynamism in recruitment, selection and placement plan (RSP) and employee retention in Saipem Contracting Nigeria.

6.0 Recommendations

Firstly, It is seen from the findings that there is a significant relationship between recruitment, selection and placement and employees' retention as organizational growth of Saipem. It is of note that employees who are retained today can change their mind to leave the organisation tomorrow if what keep them in the organisation is no longer seen and practiced. It is therefore recommended that employees retention as seen from fairness in recruitment and selection practice by Saipem be sustained.

Secondly, it is seen from the findings that Saipem weakness in the areas of recruitment, selection, and placement are from the procedure. Although there is a formal recruitment procedure in Saipem, the procedure has a fix salary grade for each level such as SS1 level 1 as the case may be. This suggests that even if the recruitment specialists think that a higher salary is deserved by an employee, they cannot change the salary prescribed by the company. It is therefore recommended that static salary grade of Saipem be reviewed and adopt flexibility in relation to experience and competency.

Thirdly, it was also seen that formal recruitment procedure in Saipem is in the form of applicants' interview with the HR Manager and completion of documentation. However, there are no concrete selection criteria, and the committee overseeing the selection process bases their selection on head of department requirement not on HR criteria. It is therefore recommended that Saipem have effective written criteria by which to select employees' for a particular position.

The main suggestion is for other researchers to explore the factors that may affect organisational practices which causes retained employees to decide to leave the organisation tomorrow.

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TUVALU - THE SMALLEST PACIFIC NATION IN DIPLOMACY AND DIPLOMATIC PRACTICES

Professor Dr Kemal Yildirim*

Abstract

Tuvalu, one of the world's smallest independent nations, comprises nine low-lying coral atolls with a total surface area of 26 square kilometres dispersed over 1.3 million square kilometres of the central Pacific.

On 1st September 2000, **Tuvalu** became a full member of the Commonwealth of Nations. Since its independence in 1978, **Tuvalu** had been a special member of the Commonwealth, but without having any voting rights in the organisation that brings together 54 countries that are mostly former colonies of Great **Britain**.

This research paper will investigate foreign relations of Tuvalu with other major World governments and I would like to indicate how important it is to build diplomacy for actor states such as Australia, New Zealand, UK and France as well as US with Tuvalu as one of the smallest nations in Pacific region.

Keynotes; Diplomacy, Tuvalu, Fanafuti, Pacific

Introduction

Tuvalu was once known as the Ellis Islands, Ellice Islands, as part of the Gilbert and Ellice Group. Following a 1976 referendum, it separated from the Gilbert Islands (now Kiribati) and became known as Tuvalu. In 1978 Tuvalu declared independence from Great Britain.

Country Information

Population	11,097 (2016)
Age under 25 years	49%
Average life expectancy	68/64
Exports	AU\$20m (2016)
Remittances	11.9% of GDP (2016)
Foreign Aid	89.2% of GNI (2015)
GDP	US\$34.2m (2016)
GDP per capita	US\$3,084 (2016)
GDP growth	2.7% (2016)

Tuvalu has got the independent from the United Kingdom in October 1978. Tuvalu is known as one of the smallest Pacific nations with a constitutional monarchy and with a 15-member unicameral parliament elected every four years. Cabinet consists of the Prime Minister, elected by a majority of the members of parliament, and several ministers. The Prime Minister is the head of government. There are no organised political parties and members usually align with informal groupings. Members of Parliament have very close links with their island constituencies.

Her Majesty Queen Elizabeth II is the Head of State and is represented in Tuvalu by a Governor-General, currently the Hon Sir Iakoba Taeaia Italei.

Enele Sopoaga became Prime Minister in August 2013 following a parliamentary motion of no confidence in the previous government, led by Willy Telavi. He was re-elected in March 2015 when Tuvalu last held national elections. The next national elections are scheduled for March 2019.

The Tuvalu Trust Fund

In 1987, the Tuvalu Government established a publicly owned investment fund to provide a safety net against fluctuations in government income. The earnings of the Tuvalu Trust Fund are used to help the government finance the gap between its annual budgeted revenue and expenditure.

The Governments of Australia, New Zealand and the UK have made major contributions to the Tuvalu Trust Fund, with smaller grants coming from Japan and the Republic of Korea. Australia is a member of the Trust Fund Board. Revenue from the Trust Fund has enabled the government to undertake development programs, including upgrading outer island schools and fisheries centres.

Political Structure of Tuvalu

Government Leadership and Political Officials

The written constitution established a Westminster-style system. The British monarch is nominally head of state and represented locally by a governor-general, whose role is largely honorific. Each island elects one or two members of a twelve-member parliament (apart from Niulakita residents, who vote for a Niutao delegate). The leader of a parliamentary majority

becomes prime minister and selects a cabinet from elected members.

Achievement of national leadership positions follows quasi-traditional principles. It requires personal charisma, evidence of divine protection (e.g., educational achievement and fluency in English), enough wealth or income to allow generosity, and favourable kinship connections (including large numbers of voting relatives). As in Western parliamentary practice, compromises and informal deals occupy a central role in Tuvaluan politics. Political parties with agendas and policies do not exist at either local or national levels. Political alignment is best understood as loosely structured and potentially unstable factionalism, configured by local-level kinship ties. Politicians receive the same deference as other high-status persons (positive politeness, some avoidance, etc.), although these patterns are highly informal in comparison to larger Polynesian polities, as befits the relatively egalitarian ethos of Tuvaluan society, traditional and modern.

Social Problems and Control & Social Welfare and Change Programs

A small police force maintains order on each island, where magistrate courts regularly sit to deal with drunken and disorderly conduct, breaking and entering, unpaid debts, and failure to keep pigs confined. More serious crimes, such as rape and embezzlement, are sent to the high court on Funafuti. Informal mechanisms such as gossip, shaming, and public admonition are effective. Tuvaluans place high value on the maintenance of harmonious interpersonal relations, and have long taken pride in presenting themselves as a peaceful and law-abiding society. This image began to come into question in the late twentieth century with rising crime rates, particularly in the capital, said to stem from increasing contact with the outside world, the greater availability of liquor, the decreasing power of traditional forms of social control, and the presence of returned seamen.

Kinship groups and island communities continue to take primary responsibility for welfare and social services. Tuvalu has a strong tradition of volunteerism, whereby persons and families present food, services, and money to the community on occasions such as a child's educational achievement or a wedding. Feeding the entire island is also a common way of asking for communal forgiveness for a transgression (e.g., causing a serious fight). Competitive fund-raising and other forms of resource pooling occur frequently. The product of these efforts may be destined for a third party, such as a neighbouring island in need or the island's pastor, or may be redistributed among the members of the group. Individuals, groups, and communities can gain considerable prestige from generous contributions to such efforts. Conversely, the system can place less fortunate individuals under substantial strain.

Non-governmental Organizations and Other Associations

Many types of organizations form and reform around specific identities and purposes: women's groups, dancing groups, religious groups, "development" groups. Their purpose is often to raise funds or pool resources. Some, such as village sides and choir groups, are more enduring than others. Individuals may belong to many different groups simultaneously or consecutively, and may thus negotiate their allegiances strategically.

While most groups are confined to particular island communities, some are part of national organizations with links to international bodies (e.g., the Tuvalu Christian Church and the Tuvalu Red Cross Society). A few international organizations, such as the Save the Children Federation and overseas volunteer agencies, have played a notable role in development.

Tuvalu and UK Relations

Tuvalu, the former Ellice Islands, first came under formal British administration as a constituent part of the Gilbert and Ellice Islands Protectorate in 1892, an imposition of colonial rule subsequently revamped in the form of a colony (the GEIC) in 1916 (Macdonald 1982: 114). After more than 80 years of relatively amicable co-existence, the mainly Polynesian Ellice Islands separated from the mainly Micronesian Gilbert Islands (now Kiribati) in 1975, and gained independence from Britain in 1978. At first glance, there is little to contradict a widespread perception that the Ellice Islands did not suffer, and perhaps even benefited more than their Micronesian compatriots, from the eight decades of colonialism. There is some historical support for such a view. The Ellice Islanders were often favourably contrasted to the Gilbertese in colonial discourse (Goldsmith 1989: 72-78). As Queen of Tuvalu, Her Majesty has a unique relationship with this cluster of islands: home to one of the world's smallest democracies. In all of her duties relating to the country, The Queen speaks and acts Queen of Tuvalu, not as Queen of the UK. She keeps up-to-date with local affairs via her Governor-General and Government ministers, and maintains an important symbolic role in Tuvalu, appearing on stamps and coins. Visits throughout Her Majesty's reign have also helped strengthen ties between the Royal Family and the people of Tuvalu.

Tuvalu has what is known as a 'constitutional monarchy' with The Queen as Sovereign. This means that Her Majesty is not involved in the day-to-day business of Tuvalu's Government, but she continues to play important ceremonial and symbolic roles in the life of the nation.

The country celebrates The Queen's Official Birthday on the second Saturday in June, often coinciding with celebrations in the UK, and also

has a public holiday in November to celebrate the Prince of Wales's birthday on Heir to the Throne Day.

Her Majesty is represented in Tuvalu by a Governor-General who is appointed on the advice of the Prime Minister and is entirely independent of the British Government. The Queen acts entirely on the advice of her Government ministers in Tuvalu.

The Queen's Royal style and title in Tuvalu is Elizabeth the Second, by the Grace of God, Queen of Tuvalu and Her other Realms and Territories, Head of the Commonwealth.¹

France and Tuvalu's bilateral relationship is based on the geographical proximity with Wallis and Futuna and is also apparent in the event of natural disasters (emergency assistance sent following catastrophic flooding caused by cyclone Pam in March 2015).

Climate issues have also brought France and Tuvalu closer together. Prime Minister Enele Sopoaga visited Paris for the Fourth France-Oceania Summit in late 2015 and Nouméa for the high-level dialogue on climate change chaired by the French President at the headquarters of the Pacific Community. He returned in May 2018 for the second high-level dialogue, which was held in the presence of the French President.

A delegation from the Senate friendship group with the Pacific islands, led by the group's chair, Ms Catherine Procaccia, visited Tuvalu from 13 to 15 September 2016.

Greece's Bilateral Relations with Tuvalu

The two countries cooperate within the framework of international organizations, particularly in the area of mutual support of candidacies.

Greece grants development assistance to Tuvalu bilaterally and within the framework of the UN Action Programme for Sustainable Development of Small Island Developing States (SIDS).

Tuvalu as an Instrument Tool of Diplomacy for Emerging States

Tuvalu - one more tiny country joined the small number of those states that 'recognize' independence of Abkhazia. Up till now the Georgian people accepts the process of recognition by exotic countries with mockery, but isn't there a threat that this process may become irreversible even at the expense of financial incentives and odious rulers of Russia? L.P. – Recognition of Abkhazia by Tuvalu can be assessed as failure of Georgian diplomacy because not long ago our Ministry of Foreign Affairs informed us about the establishment of diplomatic relations with this country. Several months after this we see that

¹ <https://www.royal.uk/tuvalu>

Tuvalu, having diplomatic relations with Georgia at the same time recognizes the territories occupied by Russia as independent states.

President Tsai Ing-wen of the Republic of China last month concluded official visits to Marshall Islands, Solomon Islands and Tuvalu, three diplomatic allies of Taiwan in the South Pacific. No surprises occurred during her South Pacific trip, which was based on Tsai's 'steadfast diplomacy' programs – although there was an intriguing announcement during a transit stop in Hawaii.²

Taiwan has forged a special bond with these countries over some 20 or 30 years of friendship. This was demonstrated in 2009 after Typhoon Morakot killed more than 700 people in Taiwan and Tuvalu made a donation to the recovery of US\$210,000 – then around 1% of Tuvalu's GDP. In another moving gesture at the time, a village in Solomon Islands raised a sum equivalent to approximately US\$126 and made a 24-hour journey to deliver the donation directly to Taiwan's agricultural mission in Honiara. So Tsai makes transit stops and what she says en route, instead prioritising the continuation of Taiwan's aid programs. But the potential [appeal to engage](#) with mainland China's Belt and Road Initiative for developing allies demonstrates how Beijing can complicate Taiwan's attempts to maintain diplomatic ties in the region.

China and Taiwan have been locked for decades in a war of check book diplomacy to win the support of small pacific nations. Tuvalu also as one of the Island states has scant resources or revenue but look to be a probable expert at trading off. Tensions exist between China and Taiwan and more recently Russia and Georgia.

Australia and Tuvalu Relations

In the 2018 Budget the Government [announced](#) that Australia would open a High Commission in Funafuti, Tuvalu. The new High Commission will strengthen relations with this important partner and key member of the Pacific Islands Forum. It will also help maximise the impact of our aid investments in Tuvalu so Australia has an enduring interest in the stability and prosperity of Tuvalu. Australia is one of the largest bilateral donors to Tuvalu and are establishing a diplomatic mission in the capital, Funafuti, in 2018. Australian's aid aligns with Tuvalu's development priorities and the Sustainable Development Goals to:

- strengthen economic and financial management systems;
- improve basic service delivery, particularly in the education and health sectors; and

² [Kwei-Bo Huang](#) Taiwan and its South Pacific allies

- build climate change adaptation and disaster preparedness and response. Across all our investments, Australia seeks to support Tuvalu's capacity to improve gender equality and disability inclusiveness. In 2018, Australia will support 58 Tuvaluan students to study at institutions in Australia and the region. Five Australian Volunteers were also deployed to Tuvalu in 2017-18.

Program Highlight of Australia with Tuvalu

Australia is assisting Tuvalu to construct 12 new classrooms to reduce overcrowding and provide a conducive learning environment for school children.

Australia has supported the Government of Tuvalu to undertake significant economic reforms in fiscal sustainability and public financial management. These reforms have increased the transparency and accountability of government services.³ And Australia has been helping Tuvalu under such a highlight to develop relations on a better position to help towards development of young generation living on the Island so Australia is helping Tuvalu to build a skilled workforce by providing scholarships to students to further their education. And every year the Australia Awards provide opportunities for around 15 Tuvaluan students to study at tertiary institutions in Australia and the Pacific. The awards enable students to gain the skills and knowledge needed to contribute to their country's development.

Australia Awards focus on areas of importance to Tuvalu's development, including economic and public sector management, commerce, law, education, health, engineering, climate change and the environment.

Tuvalu and New Zealand Relations

New Zealand and Tuvalu share common interests around issues in the Pacific, and work together on regional and international issues including climate change, renewable energy, fisheries, labour and employment. Tuvaluans are eligible to apply for New Zealand residency under the Pacific Access Category (as well as through general immigration categories). There are approximately 3,500 Tuvaluans living in New Zealand.

Tuvalu U.S. Relations

During World War II, several thousand U.S. troops were stationed in Tuvalu (then known as the Ellice Islands). Beginning in 1942, U.S. forces built airbases on the islands of Funafuti, Nanumea, and Nukufetau. The airstrip in the capital of Funafuti, originally built by the U.S. during the war, is still in use, as is the "American Passage" that was blasted through Nanumea's reef by SeaBees assisted by local divers.

³ Department of Foreign affairs and Trade Australian Government

Tuvalu became fully independent from the United Kingdom in 1978, and in 1979 it signed a treaty of friendship with the United States, which recognized Tuvalu's possession of four islets formerly claimed by the United States. The two countries have worked as partners on regional and global issues promoting peace and strengthening democracy and security. The partnership looks to curb the effects of climate change, reinforce maritime security, and bolster the countries' economic development programs.

U.S. Assistance to Tuvalu

USAID funds regional projects assisting communities in accessing financing, building institutional capacity, and adapting to climate change. With the Pacific Community (SPC), the Institutional Strengthening in Pacific Island Countries to Adapt to Climate Change project (ISACC, 2015-2020) is assisting Tuvalu to gain accreditation for climate funds and supporting scale up of successful multi-sectoral projects. The Pacific American Climate Fund (PACAM, 2013-2019) builds the capacity of small local grantees while supporting their efforts to integrate indigenous knowledge into health systems to respond to climate change. The United States is also a major financial contributor to international and regional organizations that assist Tuvalu, including the Asian Development Bank (ADB), World Bank, UN Children's Fund, World Health Organization, and UN Fund for Population Activities. The United States also has a ship-rider agreement under the under Oceania Maritime Security Initiative (OMSI) with Tuvalu to provide security and support ship-rider missions which allow Tuvaluan law enforcement officials to ride aboard U.S. Navy and U.S. Coast Guard vessels. The United States also contributes U.S. Coast Guard and U.S. Navy air assets to regional Forum Fisheries Agency (FFA) operations that help Tuvalu protect earnings from fishing licenses in the country's exclusive economic zone (EEZ). Additionally, Tuvalu participates in U.S. Pacific Command sponsored workshops on topics including humanitarian assistance/disaster relief and maritime security.

Bilateral Economic Relations

The United States has no significant trade or investment with Tuvalu. Tuvalu is a party to the U.S.-Pacific Islands Multilateral Tuna Fisheries Treaty, which provides access to U.S. fishing vessels in exchange for a license fee from the U.S. industry. Under a separate Economic Assistance Agreement associated with the Treaty, the United States government currently provides \$21 million per year to Pacific Island parties.⁴

⁴ <https://www.state.gov/>

Tuvalu's Membership in International Organizations

Tuvalu and the United States belong to a number of the same international organizations, including the United Nations, the International Monetary Fund, the World Bank, the Pacific Community, and the Secretariat of the Regional Environmental Programme. Tuvalu also belongs to the Pacific Islands Forum, of which the United States is a Dialogue Partner.

Conclusion

Taiwan builds an Embassy in Tuvalu and most other countries in regards to their relations with Government of Tuvalu handle them through their embassies in Fiji Australia or New Zealand Tuvalu has an honorary consul in Japan and Tuvalu is represented in a number of countries on honorary consulship positions.

As the issues surrounding the separation and independence of Tuvalu achieved their various resolutions, however, another set of grievances have come to dominate the country's sense of nationhood and its self-image in the world. Increasingly, Tuvalu has attained the status of an internationally recognised symbol of the devastating consequences of global warming produced by the emission of greenhouse gases in the industrial economies of the world (both developed and developing).

From other hand Tuvalu was probably settled as part of the backwash by which the outliers were populated after the main eastward historical wave of Polynesian migration. Prehistoric Samoan cultural influence was undoubtedly strong, as the linguistic affiliation suggests, but this influence also may have been retrospectively enhanced by religious and administrative links in the modern era. Precontact history is difficult to reconstruct, since there has been very little archaeological investigation. Moreover, local traditions, while essential for a proper historical understanding, often contradict each other as political charters for descent groups within local status hierarchies. Different island communities claim different founding ancestors, some autochthonous and some hailing from Samoa, Tonga, East Uvea, and/or Kiribati. Funafuti is also cited as the immediate homeland of some of the other islands. Evidence from material culture, comparative linguistics, and culture history all indicate relatively recent settlement dates from the fourteenth to the eighteenth centuries. Skeletal remains from Vaitupu, however, may point to a slightly longer time scale of 500 to 800 years. The first sighting of a Tuvaluan island (Nui) by a Westerner (*ppaalagi*) was probably made by the Spanish explorer Mendaña, in 1568, but it was not until the early nineteenth century that real contact began. Explorers, traders, and whalers charted the group and, as the century wore on, White traders and beachcombers settled on some of the islands. The most intensive phase of contact began in 1865 with the arrival of (mainly) Samoan teachers and pastors sent by the London Missionary Society. Their

version of evangelical and congregationalist Protestantism continues to be a major sociocultural influence to the present day, though the Tuvalu church is now autonomous. Other churches and religions have obtained footholds but remain minorities in a society that emphasizes individual conformity with communal ideology.

In 1892, Great Britain declared a protectorate over what were then called the Ellice Islands, which was administered jointly with the Gilbert Islands (as a colony after 1916) until 1975. While the Gilberts were occupied by Japanese troops during World War II, Tuvalu became a forward base for U.S. forces. It largely escaped the direct effects of battle but the presence of large numbers of servicemen on Nanumea, Nukufatau, and Funafuti had a substantial impact. As Great Britain moved to divest itself of its Pacific possessions in the 1960s, Tuvaluans decided against remaining tied to the Gilbertese (who were culturally different, negatively stereotyped, and much more numerous). They seceded in 1975 and became fully independent in 1978, retaining ties to Great Britain through membership in the Commonwealth⁵.

During the American occupation of the Ellice Islands in the Second World War, it is fair to say that the British colonial regime was found wanting in comparison by many locals (Koch 1978). Despite a tradition of mutual loyalty between the Crown and its colonial subjects, this disparity provided fertile ground for the eventual resentment sparked by British insensitivities in the process of decolonisation. Yet, within ten years of Independence, Britain collaborated with Australia and New Zealand to set up a trust fund that was born, I have argued, out of a perceived need to redress the inequities created at Independence. Almost from that time forward, Tuvaluan ethno nationalism entered a new phase, in which Australia and the United States have been marked as those most responsible for Tuvalu's current state of grievance. It is, of course, impossible to predict how the story will develop next. My guess is that it will increasingly engage with the ambivalent relationship between Tuvalu and New Zealand, which is where most expatriate Tuvaluans now live and where any future large-scale resettlement is most likely to take place. How that scenario plays out will depend on how well the political leaders of both countries frame the debates over historical responsibility—and whether they do so in unison.⁶

The author Michael Goldsmith attempt to show that, while colonialism itself may have been regarded as either neutral or relatively benign by most Ellice Islanders, when they became independent Tuvaluans they did develop a sense of postcolonial grievance; or, to be more precise, they developed a set of grievances

⁵ <https://www.everyculture.com/Oceania/Tuvalu-History-and-Cultural-Relations.html#ixzz5UrUZE113>

⁶ Michael Goldsmith 'The Colonial and Postcolonial Roots of Ethnonationalism in Tuvalu'

that arose from the process of decolonisation (can one say “de-colonial grievances”?). To quote John Kelly and Martha Kaplan (2001: 432) in support of my argument: “... critical scholarship on the nation-state could focus very productively on the era of decolonization... as the horizon for many real, present departures and initiatives.” Moreover, as seems to be the way of these things, many of the difficulties generated by decolonisation have gained weight and retrospective justification from selected features of the colonial situation and the ongoing revision of interpretations of events from the colonial past.

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THE NEW FACE OF BANKING IN NIGERIA

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In the author's early days of training as a banker, lessons were learnt that banking was about financial intermediation, i.e. getting funds from what was generally referred to as "surplus" units to channel same to "deficit" units in aid of proper utilization. Then, banking was adjudged an easy profession; all one needed was gentility, a suit with tie and nice pair of shoes. Focus was management of people's money (a.k.a arm-chair banking). As days passed by, the author began to gain greater insight into the dynamics of banking profession. This development created a sense of inquisition, leading to interrogation of the context of "surplus" and "deficit" units. For a better appreciation of the subject matter, the author sought clarification as to whether, in fact, people that lodge money with banks actually have surplus? Put differently, do people who take loans from banks actually do so because they suffer fund deficits? Faithful answers to these posers will assist unravel the mystery associated with the conceptualization of banking context, which might expand boundaries of the extant limited scope of banking business.

To suggest answers to the above posers, it is imperative to examine the surplus versus deficit theory more critically and review the concept of banking as presently constituted using Nigeria, as case study. In the light of the above, the rest of the paper is organized into definition of banking business within the context of Nigeria (Section one), deposit vs. credit creation (section two), bank credit (section three), new role of banks in economic development as section four, summary and conclusion as section five.

Definitional Issues

Arising from the contradictory economic view of banking definition, financial analysts seek to predicate ostensible banking definition on perspectives that reflect realities on ground. For instance, the Chartered Institute of Bankers of Nigeria's definition of a banker necessarily differs from that of members of the general public. The former would rather sustain the argument that a banker is one trained professionally in the art of banking education and practice. This suggests that for one to work as a professional banker, one has to undergo training in the art. Conversely, members of the public misconstrue any person working in a bank for a banker; a fluidity that tends to create mystery as to who a banker really is.

Statutory View of a Banker

Two statutes hold a general indication of who a banker is, and they include the Bill of Exchange Act of 1882 and the Stamp Duty Act of 1891. Both statutes, being of general application in Nigeria, defined a banker similarly. Section 2 of the Bill of Exchange Act (BEA), 1882, defined a banker as "a body of persons whether incorporated or not who carry on business of banking". United Kingdom (UK) Banking Act of 1979 introduced the concept of "recognized" banks; suggesting a financial institution needed Bank of England (BoE)'s recognition to claim banking status. Ambiguity of the evolving definition informed BoE's subjective criteria (of size, capital base, branch network) to accord a financial institution the recognition. The search for a working definition of a "banker" sustained until in 1966, when the judiciary delivered a catalytic and insightful judgment that provided definition of what banking business is, in the case of *United Dominion Trust Limited (UTD) vs. Kirkwood*. Facts of the case are summarized that UDT gave credit to "K" who refused to pay back on a technical reason that UDT was an unlicensed money lender and not a bank; the transaction was void. The court examined the features of UDT and concluded it was a bank. The court then set criteria to expand characteristics of a bank to include a person (s) who: credits money and cheques collected on a customers' behalf, to his accounts; debits customer's account by paying cheques and orders drawn by him on the account; and keeps accounts such as current, which could be used to make credits or debits on customer's behalf. At this stage, credit creation was not in contention. The above principles were built upon in subsequent cases and practice overtime established operational duties of a bank.

In Nigeria, section 2 (1) of Banks and Other Financial Institutions Act (BOFIA) 1991, as amended, stipulates that "no person shall carry on banking business in Nigeria, except: it is a company; duly incorporated in Nigeria; holds a valid banking license issued under the Act by Governor of Central Bank of Nigeria. Banking business is described (not defined) in section 66 (formerly 61) of BOFIA, 1991 as: receiving deposits on current account, savings account or other similar accounts; paying or collecting cheques drawn or paid in by customers; provision of finance or such other business as Governor of CBN may, by order published in the gazette, designate as banking business.

Section 66 of BOFIA, 1991, as amended to date, states that Governor of CBN may, by order published in the gazette, designate any “other business” as banking business. Again, analysts have issues with what they have referred to as these “sweeping” powers. Some schools of thoughts are of the review that “*any other business*” as stated in the Act could be misconstrued for limitless powers. They express fears that situations might arise where a non-rationale person could leverage the provision to encroach on fiscal or even non-financial matters in the economy. Such development could trigger systemic crisis, thereby, undermining the confidence building role of the Central Bank. The school suggests a replacement of the omnibus provision or its review with “*any other financial business*”. Similarly, the term “*provision of finance*” under Section 66 of the Act, does not sufficiently compel banks to extend credit notwithstanding the importance of the latter to the economy. The inherent laxity in the provision leaves much wiggle room for banks to limit credit extension to mere overdrafts; while channeling a bulk of its resources to other rent-seeking investment avenues contrary to the general belief that banks exist for fund intermediation. The school suggests that the provision should read, thus: “*Grant significant amount of credit from deposit or other liabilities the bank considers appropriate without compromising its liquidity or solvency status*”. According to the school, such provision will compel banks to carry out intermediation role more effectively.

Deposit Liability vs. Credit Creation

Is deposit liability truly a source of credit creation? Before attempting a response to this poser, we need to first establish what a bank’s deposit account is. Bank deposit is generally believed to be an amount a bank customer keeps at a bank. Bank customers do this for different reasons (transaction, savings or safe keeping purposes). This contrasts sharply with economists’ view that deposit is a “surplus” fund by a depositor (surplus vs. deficit theory). There are basically three basic types of deposits; current, savings and deposit accounts. In some jurisdictions; Nigeria inclusive, domiciliary account deposit may add up to the pool of deposit liabilities at a bank’s disposal, notwithstanding its content as foreign currencies. Domiciliary account deposit may fall into any of the three broad categories highlighted earlier. The purpose of having a bank account defines nature of deposit. For instance, money kept for transaction purposes goes to a *current account*; that for savings mobilization goes to *savings account* as the name implies, while money kept for interest earnings goes into a *term deposit accounts*. One may be tempted to suggest here that term-deposit money is actually surplus money from depositor’s resources. However, the alternative (counter) argument will be that someone with surplus money would not be looking for interest income. Current account is used, mainly, by business people for transaction purposes. Its tenor is short, though banks generate significant income from it through commissions and other

charges. Savings account is for lower income customers who seek to cultivate a banking habit. It is characterized by little balances of a large pool of accounts. A key feature of savings account is its relative stability that tends to enhance credit creation role of banks. Deposit accounts, on the other hand, are similar to savings with exception that the former is of longer duration and higher amounts. This makes them attract considerably higher interest cost than savings. Deposit liabilities (whether current, savings or term deposits accounts) are reliable sources of funding for a banking enterprise.

Bank Credit

According to financial analysts, credit is a commercial term describing a financial grant (benefit) to one party in exchange for “trust” from the benefiting party regarding repayment of the amount so granted (principal) and interest (income) at an agreed future period, Udendeh (2016). Elements of this working definition suggest that a credit has two sides to it; creditor/debtor or applicant/grantor. Credit is sought after for a business undertaking and not for mere consumption or for fun of it. Credit has implicit payback intent, not being a free lunch and repayment includes interest. A typical bank balance sheet shows aggregate deposit as highest liability item and credit as highest earnings asset item, which tend to give one an impression that deposit and credit are mutually inclusive. In reality, such assertions are conjectural assumptions, for instance, no Nigerian banking law requires banks to create credit from deposit liabilities. The extant banking law (BOFIA, 1991) as amended, requires a bank to, among other things, provide finance. The source from where this will occur is not defined; though the banking regulators relate credit to deposit liabilities by setting a threshold of credit to deposit ratio.

In his analysis of liquidity management Koch (1992) traced evolution of treasury activities from commercial loan theory, shift-ability theory, anticipated income theory and liability management theory. In Koch’s opinion, the four theories add up to treasury management. Historically, said Koch, a bank’s liquidity was predicated on ability of its short-term loans to meet short-term deposit liabilities; suggesting that credit was only relevant to the extent of liquidity management. Overtime, banks discovered that other liquid asset than cash deposit, could as well serve the liquidity needs of banks. This led to a shift in focus to other liquid assets - short-term instruments with secondary market (hence called shift-ability theory). In the 1950s, focus moved further to borrowers expected income, signifying reliance on cash flow from loan services other than deposit; hence loans were granted against perceived customer ability to service such loans. Presently, the focus is on liability management, denoted as liability management theory. This suggests that banks can satisfy their funding needs through borrowings; hence credit creation does not, necessarily, have to relate to deposit. Proceeds of borrowing can, as

well, create credit. There are, however, fears associated with this line of thought. First, agencies set up to protect depositors (main objective of supervision) such as deposit insurers will go out of job if a bank ends up not having deposit liabilities in its books to carry out operations but borrowings. Secondly, the prudential ratio of credit to deposit, considered a key gauge for level of operations in banking, will disappear from the regulators books. Thirdly, and perhaps, more fundamental is the fact that banks may use the borrowed money to go into high-risk ventures in view of yield attraction, as opposed to credit creation. This might sound commercially sensible but economically harmful in the long-run. Credit underpins financial intermediation; while the latter involves moving funds from available to needed (scarcity) units within an economy to optimize resource allocation.

Elevation of Payment System over Traditional Role of Banks

The discussion in the last couple of chapters centres on role of bank in deposit mobilization to (capital formation) and credit creation to galvanize economic activities. We further observe the evolvement of alternative sources to deposit liabilities at creating credits. We even contested the mind-set that views fund intermediation as movement of funds from “surplus to deficit” units. Our contention was premised, largely, on empirical findings that different depositors maintain bank accounts for reasons other than “surplus” fund. In the same vein, users of funds (loans) do so not because they have deficit in funding but more so for quest to deploy such funds more optimally. The author agrees with various studies that established a nexus between credit access and growth in economies, including those conducted by Agu and Chukwu (2008); Zhang, et al (2012); Emmanuel and Adegboyega (2014) and Balago, Garba (2014) (cited by Udendeh, 2016) but observes that development in payment technology has now altered bank’s role of capital formation to payment and settlement facilitator. Given that one could only pay what one has accumulated, there is significant room for concern over this new role of banks to the economy.

Payment System Role

Bank for International Settlements (BIS) defines payment and settlement system as use of specific instruments, procedures and inter-face between banks to aid circulation of money (CBN, 2014). Central Bank of Nigeria (CBN) sees payment and settlement system as an entire arrangement of instruments, procedures, regulation and laws governing institutions, interconnectivity of hard and soft wares through technology to facilitate transfer of monetary value between transacting parties (CBN, 2014). In other words, payment and settlement system is an arrangement for fast-tracking transfer of monetary value among the transacting parties. Payment and settlement system plays three key roles of monetary policy, financial stability and overall economic mantra

of wealth distribution.

In Nigeria payment and settlement system evolved from traditional instruments (notes & cheques) to the current electronic platform. The turn of 20th century accentuated the payment revolution climaxed by electronic payment. Nigeria embraced e-payment much earlier but banking consolidation of 2004/5 escalated the development. By 2006, financial authorities had set up committees to prepare a template to take its financial system to the next level against year 2020. The agenda was code-named *financial system strategy (FSS) 2020*. The committees outlined 400 initiatives to achieve the mandate; among them is a virile payment system (FSS 2020, 2007). At its infancy stage cards, as new instruments of payment, became susceptible to fraud and forgery due to their inadequate control features. This led to migration from magnetic stripe to chip plus PIN technology, otherwise, known as EMV. Although, cases of fraud and forgery in electronic payments still persist, efforts are on-going to contain them.

The Nigeria Inter-Bank Settlement System (NIBSS) Company, owned by all licensed banks and CBN, was incorporated in 1993 to midwife e-payment by building a modern payment infrastructure. This led to emergence of automated teller machines (ATMs), point of sale devices (PoS), e-wallets/purses, e-banking and GSM-laden and other frontiers of banking services. The rapid development in financial technology in Nigeria has attracted telecommunication companies and other ICT-related outfits; culminating in issuance of the first operating license by CBN to the maiden payment system bank in October 2018. Already, MTN, the largest telecom company in Nigeria (NCC, 2014), has signified its interest to apply for one by early 2019. Benefit of hindsight from Kenya informed Nigeria’s election to make its payment system bank-led as opposed to telecom-led being observed in Kenya (World Bankers’ Institutes Conference, Kenya, 2013). The decision was premised on challenges of regulation. The enabling environment has elicited tremendous interest leading to emergence of financial technology companies. According to Wikipedia, *financial technology company (fintech)* is a technological approach to service delivery in the financial services. It is an innovation that gives competitive edge in service delivery. Fintech companies consist of start-ups, established financial and technology companies working in concert to enhance service delivery.

Impact on Capital Formation Role of Banks

A review of the development seems to suggest that modern payment system has replaced the intermediation role of banks. Before now, banks were agents for deposit mobilization through deposit to create credit and other forms of financial investments to support economic activities. The deposit structure was divided into current, savings and term to cater for every member of the society. Given that savings and term deposits were considered the most suitable for

supporting long-term credit, financial regulators implemented policies that encouraged the banking public to keep such accounts. In Nigeria, for instance, *Guide to Bank Charges (2013)*, as amended, required banks to pay savings account holder interest equivalent to a minimum of 40 per cent of extant monetary policy rate. For term-deposit, interest earned was exempted from withholding tax (VAT). Migration to modern payment system using electronic cards has placed more emphasis on ease of access to accumulated funds as opposed to savings mobilization. Armed with electronic card or handset, one could access his/her account 24/7/12, as opposed to traditional banking hours. This hinders savings mobilization. Nigerian banking environment has “criminalized” use of cash in the economy by implementing farcical policies to penalize depositors. For instance, banks confine customers under the scorching sun in the latter’s effort to access their own money through poorly funded ATMs. Worse still, these ATMs are sparsely spread, available only in big cities. Their substitutes, point-of-sale (P.o.S) that industry players are now upgrading to pseudo-ATMs malfunction at will, due to poor connectivity. Currency notes stuffed in Nigerian ATMs are of the highest denominations (N1,000) and rarely (N500) notes. This suggests that (N5, N20, N50, N100 & N200) notes have become endangered species; thus, rendering payment system quite challenging to an average Nigerian trader who operate mainly in informal economy. The economic recession Nigeria entered into in 2016 to 2017 was partly attributed to the dysfunctional and elitist payment system. This complexity has rendered Nigerian payment system costly, uncomfortable and inefficient. Another downside of the modern payment system is that it has destroyed the culture of savings.

Summary and Conclusion

An assessment of the payment policy suggests that, except the government urgently re-organizes it, the policy has created more challenges than solve the problem. It is plagued by poor infrastructure, policy resistance, liquidity drought for young entrepreneurs. Other challenges are scarcity of lower denomination currency to fast-track pricing system for petty traders, ineffective P.o.S services due to poor connectivity, high cost of the system to Nigerians. Overall, policy makers have ended up stifling businesses, removing incentives to mobilize savings, created an elitist economy culminating in degeneration of poverty as business growth has been constrained by scarcity of funds in the system.

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RECORDS MANAGEMENT SYSTEM, HUMAN RESOURCE CAPACITY AND OFFICE EFFICIENCY IN PUBLIC SECTOR INSTITUTIONS IN NORTHERN UGANDA: A CASE STUDY OF GULU DISTRICT AND GULU MUNICIPAL COUNCIL LOCAL GOVERNMENTS

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ABSTRACT

This study investigated records management, human resource capacity and office efficiency in two public sector institutions in northern Uganda. The study was predominantly a case study, cross sectional, descriptive and explanatory in orientation. Correlation design was used to capture the extent of relations between certain major variables. Major indicators examined in the study included records creation, records storage and maintenance, records disposition, human resource capacity, public accountability, transparency and office efficiency. It was found out that records management and human resource capacity are directly linked to office efficiency. It is further revealed that sound records management is at the centre of increased accountability and transparency, and it is one of the best weapons in fighting corruption, advancing and protecting human rights and ensuring sound financial management in organizations. The study concluded by asserting that sound records management is not a choice but compulsory for formal and serious organizations interested in effective and efficient delivery of services. To this extent, a lot of resources should be injected in records management through human resource capacity building so that office effectiveness and efficiency may be guaranteed in such organizations.

Key words: *Records management, human resource capacity and office efficiency.*

INTRODUCTION AND BACKGROUND

Records Management System in the public sector refers to the practice of creating and maintaining records by an organization. Management of records as an integral part of government is associated with work flow. Managing records is one of the cornerstones for effective delivery of public services. A country without proper records and archives management fosters systematic corruption, uninformed decision making in critical areas of management and general operational failure. It is unfortunate that in a number of local governments in developing countries, records management is an aspect of work that managers often look down on until they need a vital record that is not within reach (Wakumoya, 2000).

Records management is also looked at as the practice of maintaining the records of an institution or organization, or a body from the time they are created to the time they are eventually disposed off. This includes classifying, storing, securing, and disposing by destruction, or in some cases archival preservation. Records management is not just about collecting and keeping records, but also concerns the knowledge of which records to keep, where they must be stored, for how long they should be kept and managed, and who should have access to the data (Corporate Storage Services, 2010). Records management does not only mean the classification and segregation of files, it involves how to take care of the documents.

Records and archives have been in existence since mankind acquired the ability to record information in writing. The earliest keeping of records and archives can be traced to the ancient civilizations when records of birth, property, law, money, tax and other official and private transactions began to be kept to facilitate the conduct of government businesses; and for education, religion and family purposes. The medium on which this information was recorded differ from society to society as well as from age to age, ranging from the clay tablets of the Assyrian and Babylonian empires of the third millennium, to the wooden tablets that found their way into Greece, the papyrus scrolls of Egypt and the parchment and vellum of medieval Europe (Ojedokun, 2008).

Uganda is one of the countries in Africa that have embraced the field of records and archives management at various levels. For this matter, it became important to start courses in this discipline. So in Uganda as a case in point, Makerere University began teaching the first lot of professional records and archives managers at undergraduate level in 2009 at East African School of Library and Information Science (Brendan 2012). Curall & Moss (2008) argue that governments must ensure the permanent keeping of its records since it needs to account to its citizens for its administrative actions. An effective keeping of records will enable compliance with transparency requirements. In this way, government will be able to prove her case in administrative process through the records preserved. This concern was further emphasized by Tafor (2003) in his citation from the International Council of Archives (ICA, 1997) that records provide “evidence of human activities and

transactions” to protect the right of both the public and government, and that this is good for democracy and good governance.

In order for records management to be effective, there is need for qualified records management staff to ensure that the organization’s records management system is carried out efficiently (Chinyemba & Ngulube, 2005). People need to be capacitated through training and education, with skills, knowledge and ability to establish the necessary records keeping infrastructure. This will ensure compliance with accountability and effective service delivery. The knowledge required should cover records and archival functions, as well as professional and contextual knowledge.

Institutions create records to support the activities they carry out. However, if these records are not managed properly, they will not provide the necessary support and information that might be needed thereby causing more problems for the institution. To provide an efficient and effective administration that ensures that institutions run smoothly, there should be proper management of records. International Organization for Standardization (ISO) 15489 (2001) explains that records management as the field of management responsible for the efficient and systematic control of the creation, receipt, maintenance, use and disposition of records including the processes for capturing and maintaining evidence of an information about business activities and transactions in the form of records.

An effective records management system should capture all records management processes and ensure that there are policies, procedures and skilled manpower in charge of ensuring that all procedures, policies and standards are adhered to, which includes the processes such as: records creation, records storage, records maintenance and eventually records disposition.

When it comes to Human Resource Capacity, Egwunyenga (2009) confirmed that African record keepers generally lack the fundamental skills and competences for handling records and archives in the public sector. There is a serious problem of technophobia in most public offices in Africa, especially among the older employees. Due to inadequate skills in information technology, many traditional librarians, records officers and archivists are very conservative, and generally have phobia for computers. This may be due to generation gaps between the new and old professionals which led to analogue information managers to perceive computers as threats to their status as experts. Ezeani (2010) in her studies observed that younger librarians are faster in capturing the use of ICTs, than older librarians because older librarians are finding it difficult to cope with the requirements of the digital age. Also, Ojedokun (2008) noted that older librarians are too reluctant to jettison the old practices for new ones.

Successful application of information handling technologies in the management of electronic records in developing countries requires an ability to overcome such staff and personal resistance in the face of modern developments.

Records Management System and Human Resources Capacity cannot be divorced from the notion of Office Efficiency. According to Sanderson (2003), the importance of records management is increasingly being recognized in organizations. It is the responsibility of records managers to ensure that they gain the attention of decision makers in their organizations. Gaining attention and recognition is all about convincing management of the role of records management as a vital enabling unit in a formal organization. Blake (2005) argued that properly managed records can help to reduce operating expenses, enhance customer service, and ensures that an organization is in compliance with attendant laws and regulations obtaining in a given environment. Without records, no assessment can be meaningfully made in respect to as to whether individual private or public organizations have actually carried out the action and transaction that they are expected to execute; or whether they ensure that these actions and transactions meet the criteria of efficiency, legitimacy, or the principles of good governance; and as to whether they had done things which they were not supposed to do. Mutula & Wamukoya (2009) emphasized that institutions and individuals create records in the conduct of their current business to support administration, to ensure accountability, and for cultural purposes to meet the needs of society for collective memory and the preservation of individual and community identity and history. Shepherd (2010) notes that records can be used to ensure accountability to make people and businesses account for their actions and obligations, and when there is need to prove that organizations have complied with legal or regulatory requirements, or recognized best practice expected. Records enable institutions to meet legal, regulatory and financial requirements, and to protect their assets and rights.

PURPOSE OF THE STUDY

To establish the significance of records management system, human resource capacity and office efficiency in selected public institutions in Northern Uganda.

METHODS OF STUDY

The study population included heads of department, middle level officers, records officers, and secretaries of Gulu District Local Government and Gulu Municipal Council Local Government. The total sample size was 88 (eighty eight) selected from a study population of 98. The sample size was purposively selected from the study population.

Table 1: Showing the different categories of respondents

S/No	CATEGORY	POPULATION	SAMPLE	SAMPLING METHOD
1	Heads of department	15	13	Purposive random sampling.
2	Sector Heads	28	26	Purposive random sampling.
3	Middle level officers	31	29	Purposive random sampling.
4	Records Officers	10	9	Purposive random sampling.
5	Secretaries	14	11	Purposive random sampling.
	Total of Respondents	98	88	

Source: Gulu District Local Government and Gulu Municipal Council, 2016.

Data was collected from the respondents using self administered questionnaires, focusing on the following operational indicators for examination: records recreation, records maintenance, retention, disposition, public accountability, Transparency, efficiency, and human resource capacity.

RESULTS

The use of Analysis of Variance (ANOVA) in this study was meant to test variation of responses on a given item, between defined groups of respondents in terms of the offices they hold, and how they responded to issues such as records management system, human resource capacity, public accountability, transparency and office efficiency. The level of significance test was set at 0.05. From the analysis and interpretation of data, it was noted that the variation in responses were only significant for public accountability (p=0.30) and transparency (p=0.003) among the respondents category. However, the differences in responses among the different categories of staff in other areas under study were not statistically significant. These specifically included records management system (p=0.18), human resource capacity (p=0.918) and office efficiency (p=0.080).

On records management system, the mean from all the categories of staff was 3.47. This means that the categories combined were happier with records management system in the District and Municipal Council. The best response was from Middle level Officers (mean=3.66), followed by Sector Heads (3.58), Heads of Department (3.38) and Records Officers (3.33). However, Secretaries had the lowest mean (2.91), meaning that they were not happy with the records management system in place. It was also noted that the Secretaries had the highest variation in responses (standard deviation of 0.831).

- ✓ On Human Resource Capacity, the mean from all categories put together was 2.74. This means that all the categories of staff were not happy with human

resource capacity in the District and Municipal Council governments. The results also show that no individual category of staff in the governments studied was happy with human resource capacity and competence level.

- ✓ Regarding Office Efficiency, the mean from all the categories of staff was 3.42. This means that the categories of personnel combined were happy with the level of Office Efficiency in the governments. The best response was from Heads of Department (mean=3.69), followed by Records Officers (3.67), Sector Heads (3.44) and Middle level Officers (3.43). However, Secretaries had the lowest mean (2.82) meaning that they were not happy with the level of transparency in the governments under study. It is also worth noting that they had the highest level of variation in responses (with standard deviation at 1.168).
- ✓ Test of correlations were conducted between variables. This is specifically in respect to Pearson’s correlation test which helped to examine the direction of the relationship between the variables. From the analysis, the study realized that transparency had the best relationship with Office Efficiency (r=0.634**; p<0.01). This means that in a transparency system where, for example, management always gives feed back to the staff: on audit reports; on grant utilization from Central Government of Uganda; and on how community projects for funding are considered based on certain principles/criteria approved – there will always be trust, confidence and office efficiency in the governance system.
- ✓ This was followed by testing the relationship between Records Management and Transparency (r=0.582**; p<0.01). The analysis demonstrated that with proper management systems in place, with Senior Record Officers recruited to manage records departments, and where records are easily retrieved to execute certain duties, with information regarding opening bidding always made available to the public among others – there will always be office efficiency realized in the general functioning of the organization. In a nutshell,

the study revealed and implied that there was transparency with both Gulu District Local Government and Gulu Municipal Local Government management.

- ✓ The relationship between Records Management and Office Efficiency stood at $r=0.492^{**}$; $p<0.01$ meaning that available records enabled management to consult previous records before; and information regarding office administration were always provided in a timely manner; the governments do have an internal audit properly instituted and functional for purposes of checks and balances in both governments studied. All these lead to the realization of quick decision making process, and hence office efficiency.
- ✓ Additionally, it was observed that there was positive significant relationship between records management and public accountability ($r=0.425^{**}$; $p<0.01$). This was true in that in situations where there was proper records management system, records were available, and records have been properly stored to provide adequate evidence as to how funds are channeled and utilized. This level of transparency has contributed in building trust and confidence in the minds of donor officials thereby helping in the due process of easy accessing of more funds from donors.
- ✓ The study observed that there was a positive significant relationship between Human Resource Capacity and Transparency ($r=0.418^{**}$; $p<0.01$). Human Resource Capacity was an important area of concern to both organizations. So, this implies that in a situation where an organization has effective and efficient human resource capacity, there will always be transparency in the activities of that organization.
- ✓ Finally, the study revealed that there was a positive relationship between public accountability and transparency ($r=0.392^{**}$; $p<0.01$) meaning that, as transparency improved, accountability also improved in the same direction. On the other hand, it was demonstrated that the relationship between Office Efficiency and Public accountability stood at $r=0.385^{**}$; $p<0.01$, meaning that as Public Accountability improved, Office Efficiency also improved in the same direction.

DISCUSSION

The study revealed that Gulu District Local Government and Gulu Municipality had generally proper records management systems in place. The finding is in agreement with International Organization for Standardization (ISO) 1548 principle which looks at records management as a field of management responsible for the efficient and systematic control of the creation, receipt, maintenance, use and disposition of records including the processes for capturing and maintaining evidence of information about business activities and transactions in form of records.

The study further discovered that as far as records management is concerned, there are specific individuals who are in charge within the departments. This is in line with Kanzi (2010) who pointed out that for sound records management practices to take place, heads of institutions should designate or appoint a staff member (Records Officer) at senior management level to whom they can delegate the responsibility of ensuring that sound records management practices are implemented and maintained.

The study also established that Gulu District Local Government and Gulu Municipality records pass through four scientific phases of management such as: from creation, use and maintenance to the ultimate disposal of records as a matter of life cycle management. Again it was revealed that the Local Governments have policies and procedures for creating and storing records in both paper and electronic forms. However, the level of awareness throughout the governments by staff members about the policies and procedures is still low. More has to be done in this regard.

The study revealed that there was a positive significant relationship between records management and office efficiency in the local governments. This is in agreement with the findings of Shepherd (2010) who expressed that institutions and individuals create records in the conduct of their current business to support administration, to ensure accountability, and for cultural purposes to meet the needs of society for collective memory, and for the preservation of individual and community identity and history; meaning that in this regard the Local Governments information regarding office administration are always provided in a timely manner, and the Local Governments do have internal audit departments instituted and functional for purposes of providing checks and balances.

The investigation revealed that there was a positive significant relationship between Human Resource Capacity and Office Efficiency. This is in agreement with Brendan argument (2012) who opined that in Africa as well as in many developing countries, governments are looking forward to computerizing their core functions to use ICTs in their public services by adopting e-government frameworks to offer services. Blake (2005) further agrees with the notion that Office Efficiency leads and helps in reducing operating expenses, enhances customer service and ensures that a company or an organization is in compliance with set of rules and regulations obtaining. Without records, no assessment can be made of as to whether individuals, private or public organizations have actually carried out the actions and transactions that they are expected to execute, or whether they ensure that these actions and transactions meet the criteria of efficiency, legitimacy or the principles of good governance; and as to whether they had done things which they were not supposed to do. This means that a positive and supportive change in Human

Resource Capacity would generally lead to a positive correlation and change in Office Efficiency. For example, attainment of formal records management training would lead to improvement in Office Efficiency.

Finally, the study revealed that there was a positive significant relationship between public accountability and transparency in the Local Governments studied. This is in agreement with Bhana (2008) on government accountability. He argues that government accountability is an initiative that needs to be supported by availability of reliable and accessible information. For example, the study revealed that top management always gives feedback on audit reports, display how the grants from the Central Government have been either utilized or unutilized. Unutilized funds are always returned to the central Government of Uganda's consolidated account. It is with proper, effective and efficient records management in the public sector that government establishments are able to adequately account for resources at their respective disposal (based on available and accessible records). This is because if records are properly managed, accessibility also becomes easy and on time for the accounting officers to prepare, and be ready to account for the resources used.

CONCLUSIONS

In this study, it can be deduced that the notion of Records Management System and Human Resource Capacity are directly linked to Office Efficiency. It also became clear that fraud cannot be proven, meaningful audits cannot be carried out, and government actions cannot be adequately open to review when records are not well managed. Records provide verifiable evidence of possible fraud, and can lead investigators to the root cause of corruption. Sound records management is therefore at the centre of increased accountability and transparency. It is one of the best weapons in fighting corruption and general mismanagement of resources; it plays a vital role in the advancement of human rights and contributes towards ensuring sound financial management in organizations. Records should therefore be managed and attended to in a similar manner that other organizational resources such as finance and staff are regarded and managed.

Furthermore, it is argued that sound records management is not a choice but compulsory for effective and efficient management of organizations. Ignorance on records management can have adverse effects to the level of organizational performance thereby draining financial resources, and ultimately affecting Office Efficiency.

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MODERN TIMES: CORRECTIONS AND OVER-CORRECTIONS IN THE SEARCH FOR KNOWLEDGE

Dr John Potter*

This paper reviews some epistemological trends in the modern era. The first section argues that diverse epistemological views are correlated with diverse understandings as to human ontology; and in demonstration of this, the epistemological accounts of René Descartes (1596-1650), David Hume (1711-1776), Immanuel Kant (1724-1804) and Friedrich Nietzsche (1844-1900) are reviewed. The second section notes current moves towards a more eclectic account embracing a greater pragmatism. It is suggested that this development might be helped by that provided by St Augustine. In particular, his methodology in which the epistemological and the ontological are combined into one account, seems to have utility in synthesising a more stable and unified system of knowledge.

ISSUES IN EPISTEMOLOGICAL THOUGHT: THE MODERN ERA

There seems little doubt that it was the Renaissance of classical literature and thought through Dante and Petrarch in the late thirteenth and fourteenth centuries that led the way for Descartes in the seventeenth century (Anscombe & Geach 1970). For his epistemological rejection of the external has strong links with antiquity, classical thinkers like Plato and Plotinus, in particular. Plotinus's notion that "the sensible and the multiple proceeded from the One by a fall, a scattering through time and space" (Tresmontant 1960, page 3) was specifically picked up by Hegel¹, but it was Descartes who opened, or to be more exact, re-opened the doors for him to do so. Implicit in all of this is a dualistic human ontological account in which the psyche is argued to be, not only distinct from, but superior to the body and those external objects in the corporeal world, which are seen to be composed of grosser matter.

In his search for a foundation of knowledge, Descartes began by disputing that sensations are true (First Meditation, Anscombe & Geach op cit, page 61), on grounds that he had "sometimes caught them deceiving him" (*him*' for Descartes, presumably being the psyche). Specifically, Descartes decided to reserve judgment on everything his senses told him, unless he could be sure absolutely that what he sensed was beyond dispute². Beyond that, he set the severe agenda that 'the discovery of some reason to doubt as regard each opinion will justify rejection of all' (ibid, page 61), and this encourages in him a psychosis which questions ordinary opinions and turns its back on that which is "highly probable and far more reasonably believed than denied" (ibid, page 65). His reasoning for this extreme position was his perceived need to counter

balance what he saw as his habitual prejudice of accepting what his senses told him. Specifically, he set himself the project of examining: (1) whether external objects, including human bodies, may be nothing but elusive dreams; and (2) whether God may be an evil spirit doing his best to deceive us. His first meditation reports him temporarily saved by sloth; the old nature preferring to sleep amongst old opinions rather than live in the "extricable darkness of the problems he has raised' (ibid, page 65).

After a bad night's sleep Descartes reports finding himself in a sceptical position: "What is true? Perhaps only that nothing is certain" (ibid, page 66). He delivers himself from the paradox of skepticism³ by affirming that the proposition "I am" is necessarily true, but what is I as a metaphysical entity? Not a body, for that is denied; rather a conscious being, of "this only I cannot be deprived" (ibid, page 69). Descartes's final move is to hypothesise a disengaged rational self which becomes the centre and foundation of his project.

As to whether external objects are illusions, Descartes concludes that "sensation is nothing but an act of consciousness. . . (that) bodies are not properly perceived by the senses or by the imaginative faculty. . . (only) by being understood" (ibid, pages 71/75). This position he sees as allowing him to disregard the external; to continue his epistemological journey only inward, with himself alone. That this prescribes a closed reflexivity is evident; a position not conducive to learning according to Augustine (below). One can only wonder what sort of experiences drove Descartes to force himself to deny the external, to believe that his body was not as real as his mental faculty. And this wonderment is reinforced by a teleological hint in a statement in the second meditation: "I have thus got back to where I wanted" (ibid, page 76). Without specific commentary from him, such things remain a mystery.

The second part of Descartes's project was to see whether God is within and whether He is a deceiver. The necessity of God was precipitated for him by the perpetual state of uncertainty that he found within his rational self; doubting, asserting, denying, changing its opinion, understanding a few things while being ignorant of many and, crucially, being willing and unwilling. In pursuit of God within, Descartes focused ideas. These, he concludes "considered in themselves and not referred to something else cannot strictly speaking be false. . . because falsehood is not to be feared in the will or emotions" (ibid, page 79); rather it is only in judgment that precautions must be taken

against falsehood. This leads him to two important theses: (1) “ideas that manifest substances... have a greater amount of representative reality than those which merely represent states or accidents” (ibid, page 81); and (2) “the complete efficient cause must contain at least as much as the effect of the cause. . . (i.e.) something cannot be made of nothing, and what is more perfect, or contains within itself a greater amount of reality, cannot be made by what is, or has, less” (ibid, page 82/83). In consideration of the self being uncertain and his refusal of the notion that ideas are created by external objects, Descartes infers that either God (a substance more perfect than humans) exists or humans are incapable of certainty. Finding some certainty within and deducing that the perfection exists he concludes that he is ‘not alone’ (ibid, page 85).

That Descartes’s position shows a number of weaknesses is apparent, Firstly, with regard to the senses, he is willingly ignorant that all that can be known of the external world is what the senses tell us (see Hume below). Secondly, with regard to the senses ‘deceiving him’, while the senses have restricted abilities, there is nothing to say that they do not report reliably within their limitations. Thirdly, if humans are deluded by sensory information, why is this not attributable to an unreliable rationality?

Descartes provides no explicit ontological account of his disengaged rational self, although it is evidently metaphysical. He also gives no indication as to how he sees ‘the self’ engaging with the body on one hand, and God on the other. The problem for his whole account of God is that it derives from *cognito*: I think therefore I know. As, by his own account, the psyche is imperfect it is not clear how he makes the final jump to know with certainty that God exists. This choice is based on rational exclusions, not on concrete evidence, and is in exact contradiction to his reasoning in relation to the rejection of the external world. These contradictions being obvious, it is not surprising that a 100 years later, the Cartesian position came into sharp criticism from David Hume.

Hume is located within an 18th Century Enlightenment in which humans were bent on “exempting themselves from being God’s servant”; a project they felt forced upon them by the old moral forces which ordained the domination of the masses by the few. Important in this was the adoption of the Abbé de Simon’s positivist adoption of Baconian science. For it was this above all else that allowed the late nineteenth century final denial of God and the prescription of reductive/materialist accounts of humanness. What is interesting is that Hume, by his account, embraced strong atheistic-reductive/materialist tendencies, a hundred years before positivism became a substantial force. It needs no emphasis that his ontology was the antithesis of the Cartesian position and it is not surprising that he felt it necessary to provide an account of knowledge based on his positivist pre-suppositions.

In a frontal attack on Descartes, Hume asserts that, contrary to the idea that the external world is solely the product of the rational mind, all ideas originate from impressions, or at least the “more lively ones” (Mozer & van der Nat 1987, page 153). His reductive preference is evidenced in his prescription of impressions from both inner sensations (emotions, desires and will) and outer sensations: seeing, hearing, etc., (ibid, page 153). He takes the position, contrary to Descartes, that sensations are “strong and vivid. . . (that) it is not easy to fall into any error or mistake with regard to them” (ibid, page 155). He sees this reliability providing a foundation of knowledge, in that ideas may be checked against the impressions from which they derived. Hume’s atheism is evidenced in his insistence that the idea of God “arises from reflecting on the operations of our own mind, augmenting without limit those qualities of goodness and wisdom” found within (ibid, page 154). (What he means by ‘reflection’ and to what origin he attributes ‘goodness and wisdom’ remains uncertain).

On this foundation, Hume ‘corrects’ the notion that principles of connection, found in the human mind, derive from rationality. He highlights three principles of association in that regard: resemblance, contiguity and cause and effect. In line with Baconian inductivism he argues that each of these derive from the external. In particular, he argues, through his famous billiard ball example, that no-one can anticipate an effect prior to an empirical experience of it. That is, for him, knowledge of a (cause and effect) relation is “not obtained by reasoning a priori”, theorising comes after the event, not before. This is crucial for Hume, for he sees “All reasoning concerning matters of fact. . . founded on the relation of cause and effect” (ibid, page 156/7).

Hume’s next proposition concerns the powers by which causes and effects are inter-related. His thesis here is that all of these, e.g. the powers involved in elasticity, gravity and physical cohesion, are indeterminate; “totally shut up from human curiosity and enquiry” (ibid, page 158). To these physical phenomena he raises the problem of the body/mind connection and the authority of the will over other faculties. In each case, the connections appear to him incomprehensible “either in philosophical reasoning or in common life” (ibid, page 163). In the light of this, he argues that the best that can be done is to foresee the possibility on the basis of the empirical evidence, of the same force operating when circumstances are similar. Hume sees no reasoning involved here; and it is persuasive for his account that two hundred or so years later the essence of powers still remains outside the power of human observation and understanding.

If foreseeing is hypothesised to be more than intuitive, Hume insists that “there is required a medium which may enable the mind to draw such an inference... what that medium is passes understanding; it is incumbent on those (who promote such a view) to produce it” (ibid, page 159). In this he highlights both the

intransigence and the weakness of the empiricist argument. Its intransigence lies in its refusal to accept other than material evidence - it being impossible for the metaphysician to produce anything of a material kind to support the non-material. Its weakness lies in a closed reflexivity which renders it not open to alternative accounts, despite implicit claims to 'science' and academic freedom. In summary, the empiricist's position is a closed paradigm. From within its border, Hume brought a strong correction, some would argue an over-correction, to Descartes's exposed position. It was left to his contemporary Immanuel Kant to bring a balancing word.

Kant's commitment to a rational self as a metaphysical entity is apparent throughout his discourse. His immediate argument is not with Descartes, although he does not deny the external. Rather he begins his account by challenging Hume at his 'own game', i.e. in the realm of science. The gauntlet is down absolutely, in his prolegomena, when he declares scientific knowledge to be necessarily metaphysical, having at its basis neither external nor internal empirical experience but that which comes "from pure understanding and reason" (ibid, page 166).

In explanation of this, Kant assumes the possibility of *a priori* judgments; making the important distinction that these may be both analytic (explicative) and synthetic (expansive). Analytic judgments he defines as those in which the "predicate of the affirmative... is already contained in the concept of the subject; the crucial test being the law of contradictions which demands that the opposite be necessarily denied" (ibid, page 167). Synthetic judgments are, by exclusion, those not conforming to the law of contradiction. He sees two possibilities for these: *a priori* judgments (e.g. mathematical judgments) and *a posteriori* judgments (judgments in relation to causes and effects requiring empirical confirmation).

Kant's next move is to address the main requirement of his position: i.e. to demonstrate how knowledge from pure reason is possible. He recognises that metaphysics stands or falls on the resolution of this problem, but he sensibly bypasses Hume's empiricist's demand for a 'material' (above). Rather, he focuses the problem as the challenge of showing how synthetic propositions *a priori* could be possible (ibid, page 168). For Hume has asked "how is it possible to me; I can go beyond it and connect it to another which is not contained in it, in such a manner as if the latter necessarily belonged to the former? Nothing but experience can furnish us with such connections"⁴. Kant's project has the important side effect of bringing the correction to Descartes, that the external is there even if meaning is only given by *a priori* judgments originating in the rational self.

Taking intuition as his foundation, Kant's first step is to agree with Hume that intuition is always empirical, i.e. restricted to comprehending the way objects appear through the senses. And, this being so, there is no way that we can know what things are in themselves, i.e.

how they are constituted. But, crucially, this demonstrates for Kant that such properties as are defined for objects must be derived from *a priori* judgments⁵, it being impossible that they could "migrate into. . . (the) faculty of representation" (ibid, page 170) from outside (see Augustine below). He extends this argument further to establish that concepts of connection (causation in particular) can only be prescribed *a priori*, for these also, as noted by Hume, cannot be empirically observed. At this point, in case some should be tempted to move into a Cartesian 'idealism', Kant gives assurance that, as far as he is concerned, "things as objects of our senses existing outside us are not mere representations in us which exist nowhere but in our thoughts" (ibid, page 171). Thus, he brings the balance, distinguishing between but requiring both intuition through sensation and understanding whose "business is thinking" (ibid, page 174).

Kant defines thinking as the uniting of "representations in one consciousness" (ibid, page 174). He sees that this union may be either analytic (by identity) or synthetic (by the association of various phenomena), and this leads to his definition of experience as the synthetic connection of phenomena in consciousness. Here is a good place to anticipate that selectivity by which the senses are directed by the will to take note of certain objects of interest over others - see Pendlebury below. For behind thinking lies a capacity for agency operating through judgments.

Those judgments considered merely as conditions for union, Kant sees as rules, and insofar as they cannot be deduced from higher rules, principles (ibid, page 175). With regard to (e.g.) physical principles Kant sees one type in which all phenomena are subsumed under concepts of space, time and number (quantity) and another type subsuming strictly empirical experiences through sensation which focus degree (quality). He further proposes dynamical relationships for objects as appearances, in relation to substance, causes/effects and actions/reactions. These dynamical judgments he saw, deriving from the "real laws of nature" (ibid, page 176), providing possibilities for generalisations and methods of distinguishing truth from hypotheses. He maintained the distinction between *noumena* and *phenomena* by placing limits on *a priori* principles; pointing out that understanding contains nothing but the conditions of possible experience in general, not possessing in themselves the empirical quality realities like magnitude and degree. He goes further in his balancing word by declaring pure concepts seductive; imagination requiring the disruption of science (ibid, page 176/7).

The power of Kant's 'propositions' is evidenced by their survival into the late twentieth century, despite a serious attack from late nineteenth century positivism. This attack was not surprising because: (1) Kant's influence powerfully penetrated the positivists preferred domain (science); (2) Kant's apparent establishment of *a priori* synthetic judgments made a

strong claim for a metaphysical rational self and, beyond that, by Platonic and Cartesian inference, some cosmological Idea, i.e. God. That Kant's position posed special difficulties for positivists, Friedrich Nietzsche in particular, is evident. For not only did it threaten Nietzsche's radical adherence to a reductive materialist account of humanness (Nietzsche 1990b, page 46) but, by showing some alliance with Plato and Socrates, those 'symptoms of decay' (ibid, page 39) it slighted his beloved heroic Greece.

Nietzsche pin-points the danger in Kant's propositions for his materialist project. He cannot bludgeon Kant out of court in the way he deals with Socrates, so he simply dismisses out of hand the notion of synthetic judgments *a priori* as "unnecessary" (Nietzsche 1990a); he calls them "symptoms of a declining life" (Nietzsche 1990b, page 41ff). He is perceptive in seeing the implications of Kant's ontology, declaring him a "cunning Christian". In a general disparagement, he lumps Kant with other philosophers; calling them Egyptians, those who invent 'truth', reifying it and claiming to discover what they have invented (ibid, page 45). This appeals as a tactical error revealing a major contradiction in Nietzsche; for his admission that humans are capable of cunning and invention implies that they are more than 'nuts and bolts'. Nietzsche makes a positive contribution in declaring that the senses "do not lie... it is what we make of the evidence that introduces a lie into it... the lie of unity, the lie of materiality, of substance, of duration..." (ibid, page 46). The direct stand-off with Kant is here apparent.

More could be said about Nietzsche's account but that is not the project of this paper. It remains only to be said that, after Nietzsche, the possibility of resolution between those prescribing reductive accounts of human ontology and those holding to metaphysical accounts was totally denied. If any resolution was to be found for a coherent account of knowledge, it was to be found "not by altering the contents, but by refocussing the meaning of the whole" (Taylor 1989, page 452).

TOWARDS A MORE PRAGMATIC, UNIFIED EPISTEMOLOGY

The hundred years since Nietzsche has produced a diverse proliferation of variations on old themes. So much diversity that it might be agreed with Nietzsche that there is the possibility of not a little "boredom and mockery (developing) which can no longer endure the bric-a-brac of concepts of the most various origin such as so-called positivism (has brought to) the market today" (Nietzsche 1990a, page 40). Fortunately, in the midst of this growing pluralism, there has also appeared the budding of a possible consensus; for, as Michael Pendlebury⁶ encourages us, some externalists and internalists are coming together in a more fruitful debate⁷. What seems urgent is the development of an epistemological/ontological framework in which diversity may be located. In this regard, this section looks briefly at the pragmatic account of human ontology and epistemology originating in St Augustine;

for his account embraces all of Kant yet provides a more explicit ontology.

It has been asked: how can we know how we know if we don't know what we are, and how can we know what we are if we don't know how we know. Like Plato's Meno this paradox suffers from dissociation; for whether the Meno denies it or not, people do learn, and whether we understand ourselves or not, we do possess knowledge. However, it appears certain that the better the ontological account the better the account of knowledge, so resolution of the paradox is important. St Augustine brings that resolution by the expedient of conjoining his ontological and epistemological journeys. This is evidenced in a passage D'Arcy claims to be "all of Augustine" (D'Arcy 1957, page 159).

"By degrees I passed from external bodies to the soul, which through the senses perceives; and thence to the soul's inward faculty to which the bodily senses represent things external... and thence again to the reasoning faculty where what is received from the senses is referred to be judged. This faculty, finding itself to be in me a thing variable, raised itself up to its own understanding. . . that so it might find that light was whereby it was bedewed, when, without all out doubting it cried out, that the unchangeable was to be preferred to the changeable... and thus, with the flash of one trembling glance it arrived at That Which Is" (Augustine, "Confessions" VII 17).

Explicit in this statement is the Augustinian notion that sanity lies in 'starting where we are'. And, more particularly, the ontological presupposition that humanity is constituted by the fusion of a corporeal body and a rational self. Augustine saw the proposition of a disengaged self and a reductive materialist account equally denying humanness. For, it was self-evident to him that a body without a soul was dead and a soul without a body of 'no earthly use'. His working hypothesis was that, in the same way that God brought life to the psyche, so the psyche brought life to the body by penetration. He denied both a Platonic, neo-Platonic and Cartesian dualism and that Aristotelian/Thomist metaphysics in which 'body' is seen to be "not a physical concept but a metaphysical notion proceeding from an analysis of the metaphysical structure of reality" (Tresmontant 1960, page 87). Beyond that, it was self-evident for him that the psyche was constituted of a rational metaphysical substance with the capacity to relate to the spiritual, which is God. Within the one psyche he found four springs the *animus* (the principle of thinking), the *ratio* (that which distinguishes and inter-relates what is learned), the *mens* (the spring of agency) and the *intellectus* (that which may be enlightened by God and is, therefore, the seat of judgement), see Augustine "City of God" XI 23. Putting this together, it is seen that Augustine provides an ontological framework involving: bodies, the animus, the ratio, the *intellectus* and the Logos within; and beyond that the *mens* from which comes agency.

With regard to the external, Augustine had no doubts that it was there. But he did not see information from without being brought into the mind and stacked within. Rather, he deduced, objects to be intelligible only in the light of the intellect; and, because they are “experienced by us, thought about by us and have meaning for us” (Taylor 1989, page 135), he concluded that the real objects were his thought experiences, not the things external. Put another way, Augustine saw scientific empiricism as a “view from nowhere” (ibid, page 130). Despite that, like Nietzsche (strange bed fellows!) and against Descartes, Augustine found no reason to believe that his senses were deceiving him; rather he assumed them to be reporting faithfully within their limitations. That being so, he hypothesised errors in judgment must be attributable to an imperfectly enlightened intellect. He ascribed no dualist draw-bridge for the sensible to cross; the sensible for him was simply the sentinel of the mind.

Augustine’s account of the psyche draws near to Descartes, for he found a “soul present with itself”, even talking to itself, but “utterly failing to know itself. . . (even capable of) mistaking its own nature” (ibid, page 135). (That this latter point is true is amply demonstrated by the diverse opinions above). Searching further within himself he found an innate remembrance and at the root of this “constituting implicit understanding he found the Master Himself” (ibid, page 135). There is an important difference, though, between Descartes and Augustine at this point. Descartes began everything with *cognito* (I think therefore I know); Augustine was concerned with the contents of his thoughts and, like Kant, the possibilities of true judgment; he constituted a complex *cognitum* (I believe therefore I know), hence the claim that his account is pragmatic. Beyond that, Augustine was not concerned with elaborating a theory of knowledge for its own sake, i.e. “as a methodological propaedeutic to metaphysics” (Copleston 1950, page 66). Knowledge for him was a portion of that Truth (the Logos within) which leads to true beatitude; dependence on God being, for him, the soul’s proper orientation.

Coming to the current debate, Pendlebury provides a pragmatic account of knowledge. Working mostly at the sensory end of the ontological spectrum he brings the claim that sensory experiences may be taken as justified “simply because their being accepted suffices to establish that there is no good reason to question them” (Pendlebury 1992, page 12). There seems to be some theoretical agreement here between Pendlebury and Augustine. Certainly, Pendlebury’s account is empirically confirmed; for technologists, by his type of pragmatism, design and build computers, erect skyscrapers, and construct and fly inter-continental jet aircraft. Beyond that, in contemplating foundations Pendlebury argues that, because “the only two ways in which all of someone’s knowledge could be dependent turn out to be impossible”, there must be “some non-dependent or basic knowledge” (ibid, page 7). This being so, a ubiquitous regression is denied, and this not only allows us to turn our backs on scepticism but

encourages us to search more diligently for those *a priori* judgments so essential for the internal/external debate.

Pendlebury, against Hume and Nietzsche, seems not to promote a radical empiricist view; rather, he seems to bring the balance that “no amount of inner knowledge suffices to produce knowledge of the outer world” (ibid, page 9). His account of driving a vehicle emphasises what was noted above: the ability and preference of the human psyche to be selective in focusing its sensory experiences. The process is interesting. Do we perceive everything and discard what we do not want/need; or do we perceive, i.e. look at and think about, only those things we believe will reveal the knowledge that we want? Possibly we do both, with implications for education; for, by this account, knowledge must be deliberately constructed by the active agent. Augustine would probably have agreed with this, for he found within himself a natural introspection, “urged upon (him), by (his) being, as a primary duty” (Augustine, *Confessions* VIII). Beyond that Augustine saw the way opened for a ‘radical reflexivity’ (Taylor 1989, page 130) leading to self-knowledge (ontology) and self-love, both of which he claimed, in line with the general thesis of this paper, to be crucial in providing a way for humans to be at home, both with God and in the world.

NOTES

¹Hegel proposed “nature as an alienation from the Spirit, an exile in which the *shekinah* is imprisoned in matter”, (Tresmontant 1960, page 4).

²Compare Pendlebury (1991) who accepts what his senses tell him unless it can be proved that he is deluding himself.

³Skeptics seem not to notice the contradiction of being dogmatic in claiming that nothing is certain when this is surely to claim something for certain.

⁴Kant’s confrontation with Hume is explicit; see Moser & van der Nat (1987), p. 169.

⁵Kant provides a Table of judgments; some Logical, some Transcendental, some Pure Universal Principles of the Science of Nature - see Moser & van der Nat (1987), p. 174.

⁶Private Communication

⁷There is a growing tendency for positivist sciences like psychology to move away from that position. This is not necessarily easy, for as Tolman (1991) notes: “anti-positivist psychological theorising is frequently found reproducing distinctly positivist assumptions”. However, the will is there to move away from “Hobbesian materialism” (Taylor, 1979, p. 179).

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MANAGEMENT AND THE GIG ECONOMY

Professor Dr Bruce R. Duncan*

As it was in the beginning - the chaotic 21st-Century is still the world without end and the need to change – especially in the realm of commerce and industry where service and products keep the economy turning! Corruption and contractual chicanery pave the way for many greedy and unethical business moguls and titans who, regardless of fairness, glibly smile all the way to the bank. So, what about the state of their involvement with the GIG employment economy¹? What about fairness and democratic choice when the going gets tough for those everyday people who are not at the top of the financial pile? Where and why did the recent western version of the “chaotic economy originate?”

1914 – 1945 - the American Dream/Nightmare

World War 1, followed by the Great Depression had shattered social structures, disrupted national and personal security, and destabilised businesses and commercial operations during the first half of the 20th Century. The subsequent outcomes of the American-hosted boom and financial disaster known as the Great Depression had also rippled destructively across continents (Crafts and Fearon, 2010). The much-desired American dream had morphed into a globally shared nightmare, and writers like John Steinbeck² had graphically portrayed life in the harsh agricultural “dustbowl” of an already declining economic slump.

1945 onwards - a business model

However, the tail end of the past millennium featured a positive, creeping change infiltrating the business world. People had begun to enjoy the relative security of possible lifetime employment that would include, a pension, medical insurance and holiday benefits — their personal Nirvana (Gapper. 2018).

However, business volatility also resulting from the intrusion of technology, soon began to shake the marketplace of commercial and industrial enterprise – another nightmare was to burst across the globe and negatively impact on financial markets and, by default, the economic well-being of citizens.

Alarmingly, the explosive Financial Crisis (2017) caused (again) by the tottering American economy sent an economically destructive tsunami across the world – a *deja vu* experience! Redundancies, bankruptcies,

mass unemployment and suicides added to the decline of the one-job-for-life business model.

The crisis was the result of human action and inaction, not of Mother Nature or computer models gone haywire. The captains of finance and the public stewards of our financial system ignored warnings and failed to question, understand, and manage revolving risks within a system essential to the well-being of the American public. There was a big miss, not a stumble. While the business cycle cannot be repealed, a crisis of this magnitude need not have occurred. To paraphrase Shakespeare, the fault lies not in the stars, but in us. (FCIC, 2011)

So, the “jobs for life” blankets had passed their shelf life and became submerged in the rubble of mismanaged enterprise as businesses crumbled, and fashionable storefronts disappeared.

In his seminal 1897 work, *Le Suicide*, Durkheim proposed that macroeconomic changes may increase suicides. Since then associations have been found between economic instability and both mental ill health and death, with past financial crises, such as the collapse of the Soviet Union and the Southeast Asian economic crisis in the late 1990s, associated with increases in suicides.

“The current global financial crisis is widely regarded as the worst since the Great Depression of the 1930s ...” (Ibid, Lopez Bernal et al. 2013). As a result, post-WWII’s many traditional business models crumbled as they were gently nudged away from the centre of the struggling market by the intrusive arrival of the determined and ingenious new kids on the block viz. e-commerce and internet shopping. The 21st Century would, during its teenage years, introduce a new kind of worker who would abandon the not-anymore-secure-job-for-a-lifetime blanket but rise again in a new way – the GIG economy.

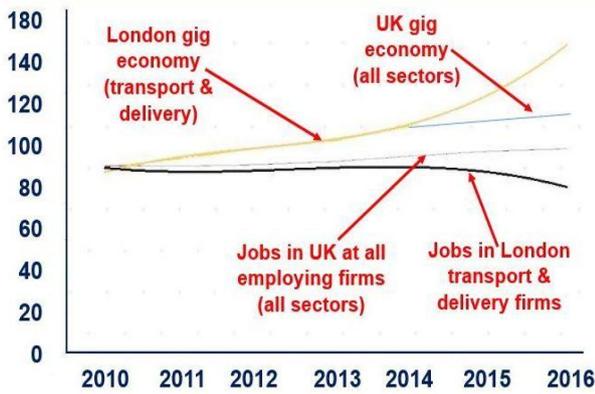
However, private enterprise had rolled away the gravestone of the inertia-covered status quo to resurrect the 1920s GIG economy³. The survival needs of many individuals had led them to GIG (work) in several part-time jobs, as and when they could. According to the New Economics Foundation think tank (cited in MBN, 2018), London’s GIG economy has, since 2010, expanded by 72 per cent – an increase of 28 per cent on 2010’s figures.

¹ A labour market characterized by the prevalence of short-term contracts or freelance work as opposed to permanent jobs. Working in the gig economy means constantly being subjected to last-minute scheduling.

² *Of Mice and Men* by John Steinbeck

³ Previously, the 1920s musicians had carried the label, “GIG WORKERS” and had no healthcare, pensions or paid holiday provisions from their employers (FT, 2018).

Nonemploying Firms vs. Other Jobs



(Source: MBN 2018)

In general, however, many “shady” management structures have remained true to their creed of “meeting the needs and wants of the business” at the expense of the rights, needs and wants of the gig workers! Consider, for example, the glaring injustices evident in much of management’s pecuniary greed and lack of fairness vis-à-vis the UK’s employment law.

Table 1. Greed? Rights? Fairness?

Legal Elements	Employee	Part-time Worker	GIG, self-employed
National Minimum Wage	Yes	Yes	No
Working time regulation (1998)	Yes	Yes	No
Protection from unlawful wage deduction	Yes	Yes	No
Paid annual leave	Yes	Yes	No
Pension contributions	Yes	Yes	No
Wrongful dismissal protection	Yes	Yes	No
Unfair dismissal protection	Yes	No	No

So, the needs and wants of individuals in the United Kingdom and other westernised countries because of a “we the people” movement - that had abandoned the hegemony of established commerce and industry at the height of the 2009 financial crisis - engaged in positive

initiatives to address the unemployment debacle – voila, the GIG economy! David had taken on the megabucks of the avaricious Goliath.

Crerar, P (2018) notes that an estimated 1.1 million people are working in Britain’s gig economy that includes 28% in accountancy, legal work or another consultancy, 18% in plumbing, building and other skilled manual work, 17% in cleaning and other household services and 9% in delivery and courier services.

However and concerningly, those who now use the input of the GIG workers have not changed their inner models of administration but knowingly abused the rights of many by cynically pedantic ways that define GIG individuals as “self-employed” and not “employees” or “part-time” workers – thereby escaping from some statutory responsibilities applicable only to employees and part-timers.

This arrangement also feeds the greedy pecuniary appetite of many hardnosed employers does it not. Nonetheless, some could argue, the employer carries the high risk of losing the services of the GIG worker at the drop of a hat and, they, like the GIG worker, also live from day-to-day! That might be true, but fairness requires that “the new world of work must chart a course between the twin dangers of corporate conformism and worker exploitation” Gapper (2018). Furthermore, there are ethical concerns about using a legal loophole to escape being fair and just (Salehi et al. 2012).

One example of this inequality within the UK’s warp and woof of the post-WW II business model appears in the well-publicised accounts of the controversial UBER initiative. Its GIG drivers now carry home less cash in their pockets compared with the net income paid to London’s private hire drivers (MBN, 2018).

Ah, that well-travelled gravy train remains well populated, does it not. However, biased contracts will soon have to bow to the challenges of the rather late but soon to be enacted changes in Employment Law.

Because employers (like, for example, UBER and PIMLICO PLUMBERS), were legally exempt from paying Unemployment Insurance, contributing to a GIG worker’s in-house pension fund, paying holiday pay and forking out redundancy money if necessary, individual GIG workers resorted to legal counsel and action, and happily, on this occasion, the law was not an ass (Chapman, 1654)⁴.

The “I am the boss, just do your job, mate” attitude of PIMLICO PLUMBERS for example (Grierson and Davies, 2018, cited in the Guardian report, 2018) led to

⁴ A play published by the English dramatist George Chapman and used by Charles Dickens in *Oliver Twist* some 200 years later.

the Supreme Court upholding the rights of a GIG (self-employed) worker - the outcome established that GIG workers have bargaining rights in what is still an unequal employment arena. The recent UK judgement will affect Britain's GIG sector and those who espouse the "lifetime career" view (Gapper, 2018).

The UK's top court has shifted the rights of the self-employed GIG workers into the realm of the essential and now legal compliance of the employer. Management needs to consider that businesses whose models rely on extensive GIG self-employment may see employment status successfully challenged. The materialistic and selfish employers trip to the bank might continue but without the smile and licking lips!

In another Employment Tribunal, Judge David Richardson concluded: "... the [UBER] drivers were workers by virtue of an overarching contract ... [and] in any event that they were workers when they logged on because they were then undertaking to do work or perform services" (MBN, 2018). The company must now pay the national minimum wage and holiday pay. Viva, fairness, viva!

Stefan Martin, the employment partner at Hogan Lovells, commented that the decision was indicative of the direction of travel in some cases brought before the UK courts recently (MBN, 2018).

Martin said: "It is a reminder that, regardless of the legalese used in contractual documentation, the courts will look at the substance of a relationship to determine whether or not a person is entitled to workers' rights" (MBN, 2018). Viva, justice, viva!

The associate director at Croner, Paul Holcroft, agreed that employment status cases are won and lost "based on the reality of how the working relationship operates in practice". He then added that other factors needing attention: whether someone can work for other employers, how they fit into the company, who carries the financial risk of a poorly done job and whether an individual could negotiate pay. Viva, progress, viva!

Understandably, the ubiquitous presence of trade unions will continue to shed the light of fairness into the practices of what they call "bogus self-employment" (MBN, 2018). Yes, there are times when Trade Unions are necessary!

The GIG economy – pros and cons

The traditional business models evolved due to the contributions of renowned theorists across many centuries, and their collective insights helped to establish the 21st-Century business models. Now, with the re-emergence of the GIG economy, change must again take place. However, as readers may know, any adjustments to the status quo are not usually welcomed in all occupations! The moguls and titans cling like desperate limpets to their kingdoms and status quo. It is important to bear this in mind as we insert another

piece – the GIG economy - to the traditional, business jigsaw because the established aura of business culture contains many dependent alliances that reflect the adage "this is the way things are done here" – a topic for another article!

Nonetheless, opportunity cost plays a vital role in an individual's decision to plump for the GIG alternative rather than the established employee or part-time contractual arrangement. Therefore, the GIG brigade might hear the refrain, "having made your bed, you must lie in it!". Well, this sounds like a pragmatic way forward, but in a westernised country where individual choices, freedom, human rights and responsibilities hang on every lamppost it would be hypocrisy to allow unfairness to legally sanction any unjust business model in a democratically modelled country. Surely, the United Kingdom, for example, the country that gave the world the unique game of cricket and from which the idiom, "it is just not cricket" emanates, needs to practise what it preaches.

Yes, some may argue that it is convenient for work-seekers to cherry pick jobs at will – a common and justified option. However, why must the open market be contaminated with businesses touting bad, shadily crafted contracts that deliberately avoid providing the justified remuneration to individuals within a mutually just and fair environment?

Interestingly, the leftist Labour Party has just woken up to the plight of GIG workers and said, at a Trades Union Congress that GIG workers would get the same rights as full employees under a Labour government (Mc Donnell, 2018).

The Liberal Democrats are also beginning to tinker around the edges of GIG employment issues and hinted at action in their Manifesto (Bowden, 2017).

Ah! Politicians and winning votes promises are one thing but how many politicians are business owners who mercilessly ride the unfair practices wagon? Indeed, "it is just not cricket!"

Self-employed individuals who choose to be under the GIG umbrella have full control over their work times, lifestyle choices, freedom and the opportunity to enjoy a variety of jobs and working environments and, thus the employer will keep a healthy bottom line. On the flip side, they could decide on whether or not to contribute to a private pension fund or opt for private medical insurance and submit their tax returns. However, what about holiday pay and protection rights?

However, there are also a variety of cons that include the responsibility always to source their jobs and balance the needs and interests of their sources against each other – sadly, money does not fall like the manna that reportedly fed the Hebrews as they meandered to their Promised Land!

As the GIG market becomes more crowded, the opportunity cost increases its risk factors. So, there are downsides to GIG-connected self-employment are they not. All trade-offs involve the risk that relates to the costs and benefits of decisions – on a regular basis.

- There is no guarantee that enough jobs will be available as the GIG economy develops
- Getting mortgages or applying for loans is much more difficult for GIG economy workers
- Arguably, GIG workers must spend more time looking for new jobs because of the changes in work demand. Therefore, they have time for themselves and their families.
- Many gig workers say they have to work non-standard days or times to finish a job.

The GIG economy – a possible handshake

In the United Kingdom, the beleaguered-divided-over-Brexit-and-Tory leadership struggles have started to address the anomalies in the GIG economy – and smelt the aroma of freshly brewed coffee.

While the traditional and jaundiced view of the Tory Party conjures up a rigid capitalist, Dickensian attitude to business, there has been a change of heart amongst the blue-banded lawmakers. According to Crerar (2018), the Deputy Political Editor of the Guardian, the 2011 Taylor Review has moved the blue brigade to detail “a new series of proposed actions to protect the rights of workers [Aha! Not just employees] in the UK – including legislation clarifying worker status, agency workers’ rights and a proposed pilot for a national minimum wage and national living wage pay premium” (citing Burt, 2018). Some extracts under consideration are:

- Workers could soon request either a provisional or a fixed-hours contract after 12-months
- The issues around notice periods and cancelled shifts are under the spotlight
- Tax and employment laws will align with the GIG economy and, for example, UBER, and DELIVEROO models would have the benefit of worker protection legislation
- The right to name and shame employers who fail to pay out after a ruling by an employment tribunal is now on the cards
- A change in state law will require companies to give paid holiday entitlements to workers
- New powers to fine companies that disobey the legal requirements

There has been a government backlash against the Taylor Review recommendation to reduce the difference between the national insurance contributions of employees, and the self-employed. However, this rejection indicates the risk factor involved both in the process of change and the GIG concept.

The GIG economy and ethics and “We, the people”.

Addison (2018) ponders if UBER and DELIVEROO would they have jumped into the UK market if GIG workers had enjoyed tighter legally enforceable GIG worker rights? If they did because they saw the gap in the law, then we need to consider the place of employment ethics and also replace the elected or/and employed lawmakers who are not up to their jobs.

On the other hand, Addison (2018) argues that there are “many organisations taking advantage of liberal employment laws are not making a fortune at the expense of the workers. They are trying to make a living in a very competitive world and, at the same time, providing a service. Life is not just tough for the workers!”. Yes, true but ...

Perhaps, the stage is set for further research to establish the place of “management, employment law, ethics and the marketplace”.

So, we must never cease to struggle for the fairness and equity that dovetail with stakeholders’ mutual rights and responsibilities. Sadly, the feudal overlords’ influence still bedevils our chances of a genuinely realistic Nirvana but, hope springs eternal does it not. We must and will overcome!

However, the ink is not dry – yet! “As it was in the beginning ...”.

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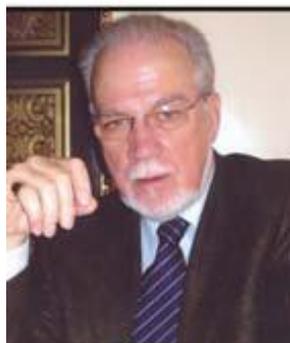
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THE CONTROL OF EMOTION AND THOUGHT WITH BREATHING PROVIDES A QUALITY LIFE

Dr Fazil Tuylu*

(This is a Translated Document)

ABSTRACT

People who are trying to live in a very fast developing and changing age, move away from awareness and fall under the control of their mind. It is not possible to create physical, emotional and mental health with a mind full of complex and contradictory ideas. In this case, the mind should be controlled by raising awareness. Otherwise, a mind that is left to itself creates problems and tries to solve the problems it has created. It solves problems and creates new problems. If it is not controlled, it becomes such that; it may be difficult to solve the problem. Human breathing and the polarized thoughts on the mind can increase the performance by increasing the level of analogical thinking. The main purpose of the breath is to regulate the complex mind alongside the continuation of life. When the breath is controlled by awareness, it can be controlled automatically in all emotions and thoughts. Thus, a quality life can be reached.

Key words: Breath, Brain Waves

INTRODUCTION

There is a direct relationship between the working pattern of the mind and the breathing. In the case of a complex and irregular mind, an inadequate breathing of the upper part of the lungs is performed. When the lungs are taken from the diaphragm and the lungs are used with full capacity, the mind can start working regularly, harmonious and balanced by providing a healthy working environment. Thus, peace of mind using breathing techniques can be a means of eternal peace, which forms the basis of the desired performance.

Breath is a bridge between the mind and the physical body as known, the nervous system; central nervous system and autonomic nervous system. It transmits mind orders in a volatile manner using the central nervous system. The work of vital importance (such as heart rate, vascular pressure, digestion, excretion, sweating) autonomic nervous system self-performs. Breathing is performed using both nervous systems. Namely; breathing can be supervised, expedited, slowed, even held or held unaware. When we are not aware and breathing in sleep is carried out perfectly by the autonomic nervous system. Therefore, breathing, while using both systems on the one hand provides the only connection between the two systems. Thus we can

conclude that the breathing is a bridge between the mind and the physique body. For example, athletes can observe the muscle groups that they want to loosen while they are breathing, while the muscles are breathing and breathing when they release.

The effect of breathing on physical body and performance can be achieved by the balance between the sympathetic and parasympathetic nervous system of the autonomic nervous system. In addition, acid and base electrolyte balance, which are inevitable in order to maintain a healthy life, are also breathable. The balance and harmony between the two hemispheres of the brain, the communication and balance between the hormones and the nervous system, the attention and relaxation, the delta, theta, alpha, beta and gamma waves, the balance of love and hatred, sleep and wakefulness It can be realized.

THINKING WAVES

As the brain structures of humans are different, changes in electrical current in the brain are also different. Even different electrical currents can occur in different time zones in the same brain. There are no problems in the electrical current changes at normal levels. However, if these changes hang from the normal, problems may be encountered. There is a problem here if you can rest carefully for 20-25 minutes in a seminar or a course. If the attention of some people in the same environment in 5-6 minutes, there is a problem here. This problem is caused by physiological changes in the brain.

The centre of attention and concentration is in the front part of our brain. The electric current in this region either works regularly or runs regularly. Attention and concentration deficiencies occur during regular work together. Can this condition be continuously maintained? The answer to the question is Yes.

The above problem can be solved if the respiratory system, which is one of the physiological systems in human organism, is used correctly and efficiently. As we know, our organs are autonomous so they work on their own. However, it is possible to control these organs and systems partially or completely with various training and techniques. The first step in these efforts is to control the respiratory system. Because breathing, when we want to breathe, when we want to hold our breath is an activity we direct. On the other

hand, respiration is a completely autonomous activity by a centre in the brainstem, depending on the oxygen and carbon dioxide balance in the blood. In addition, breathing techniques are the easiest and cheapest techniques used in daily life.

The brain receives and emits electric waves like a radio. These waves are generated by our brain from bioelectrical respiration. Brain waves of different frequencies in the brain are measured by EEG (Electroencephalogram). These waves can be examined in four main wavelength distinctions: Delta (0-4 Hz), Theta (4-8 Hz), Alpha (8-12 Hz), and Beta (13-30 Hz).

1. Brain Delta Wave Size

Delta is a wavelength of 0-4 cps. The lowest frequencies are in the delta. It is the dominant rhythm in infants up to one year and is found in the 3rd and 4th stages of sleep. It is the size of the deep sleep and the external world and can be measured in deep sleep. It is a wave dimension belonging to the time period in which the brain operates at least, but it reflects an unconscious state of peace. It supports the body's healing and immune system. Growth hormone secretion is increased in this size. The increase in this outbreak allows physical growth in children to remain vigorous in adults.

Research shows that delta wavelength helps us focus right into our brains and reveals positive thinking. The most active period of these waves is the period of awakening from sleep. Therefore, the process of waking from sleep is the most useful period in terms of creativity. Descartes tells the new ideas that after most of the sleep; he can sleep in bed, sleepy and half asleep.

To reduce our awareness of the physical world, we increase the delta waves. On the contrary, high focus and high performance can be achieved by reducing delta waves. In short, unsuitable delta waves can seriously affect focus and attention.

Respiratory at this wavelength is completely silent, deep, comprehensive and very slow. When breathing from the outside is thought to breathe eight breaths per minute takes place under the breath.

2. Brain Theta Wavelength

Theta (4-7 cps) is a wavelength whose frequencies range from 4 to 8, where there is no stress and we are in our deep inner world. We live at this wavelength before moving on to the higher dimension of learning and represent the state of our perceptions that we opened while awakening from deep sleep. This dimension is also called the darker dark dimension, which means dark before the enlightenment.

Theta occurs when the consciousness decreases and its frequency is low. Creativity, intuition, imagination,

memories, emotions and excitement arouses. These waves are strong in introspective focusing, meditation and holistic awareness. It reflects the situation between awake and sleep. It is about the subconscious. Theta can produce anxiety, cobweb, restlessness and timidity. It promotes complex behaviours such as learning and memory. In unusual emotional states, it can cause abnormal behaviour by creating an imbalance in three large transmitters, such as stress or disease.

Breathing at this wavelength is deep, thorough and slow. Rhythm is regular. The number of breaths per minute is on average eight. Respiratory is performed using diaphragm.

3. Brain Wave Length

Alpha waves are between 7-14 cps. These waves can be defined as the waves of comfort, awareness, calm and peaceful understanding, early stages of sleep. There is calmness and serenity at the alpha wavelength, never drowsiness, the most suitable vibrations in perceiving the world and the realities are the same size as the measured frequency of our world.

Healthy alpha production increases mental ability and sense of relaxation. In this case, we can act quickly and effectively to achieve any work we have. People in this wavelength feel comfortable and calm. Alpha wavelength serves as a bridge between consciousness and subconscious. It is a rhythm that is seen in relaxed and relaxed people. It is more active in most of our lives especially after 13 years of age. Alpha is active when the person is awake. It is at the back of the head and in the frontal cortex. It also provides alpha extroversion, creativity and mind activity.

In the normal limits of our alpha wave, in a good mood we look more positive to the world and feel calmer. Alpha is one of the most important frequencies of the brain in terms of knowledge, learning and use. It allows us to easily move from one topic to another. By closing our eyes or taking a deep breath, we can increase the alpha level and decrease the speed of breathing.

Respiratory, upper and lower respiration at this wavelength is about 12-15 breaths per minute. In addition, breathing, comprehensive, rhythmic and regular.

4. Brain Beta Wavelength

Beta (13-30 cps) is a fast, serial and rolling wave with a frequency of 14 and above. This wavelength comes into play when we're too busy. It reflects non-synchronous active brain tissue. When our excitement increases or we are warned by external factors, we begin to spread beta waves. For example, a teacher who speaks a lecture or a teacher explains these waves.

Beta waves are usually in normal rhythm. It is active during our eyes, listening, thinking, solving an analytical problem, decision making or judging, processing information that goes on around us. The beta band is a fairly broad band. Low, medium and high are divided into three;

- In the case of low beta (12-15 Hz), an average of 2 breaths is taken for 2 minutes. Inadequate upper breathing in which ribs are activated is performed quickly and irregularly.
- In the case of mid-beta (15-18 Hz), approximately 30 irregular breaths per minute with upper respiration are performed.
- In the case of high beta (above 18 Hz), the rhythmic breathing in 20 breaths per minute at the upper breathing circuit.

By using our respiratory system correctly, we can strengthen our diaphragm muscle, become easily irritable when we dominate the brain waves, become over-excited and extend the process of mind creativity. We can run the brainwaves and activate it in the direction we want, as it drives muscle strength. Thus, by creating awareness, we can maximize our attention and concentration in every environment and location.

APPLICATION

- Regularizing breathing on the back.
- Breathing through the nose and giving relatively longer mouth (about 10 minutes) to create relief on the body of thought and physique.
- Breathing at the same intensity and in the same rhythm, regularly for 2-3 minutes, with the eyes closed, to move away from the external factors.
- Using the diaphragm, take 3 breaths, hold 3 numbers, give 3 numbers and hold 3 breaths for about two minutes.
- Breathe 5 breaths as fast as you can to breathe, keep 5 numbers, give 5 numbers, keep 5 breaths.
- In the last step, 5 breaths, 10 counts, 5 numbers and 10 numbers of breaths are taken into account.

RESULT

All emotions manifest themselves using breath. Emotions are a breathing rhythm and model. If breathing is changed with awareness, many feelings can be changed. Those who observe their breath can be happy, joyful, cheerful, angry, jealous and excited when they realize that difference in breathing. When he is angry and cheerful, he is not breathing in the same way because emotions are caused by different hormone secretion. For example, fear cannot be breathed deeply, for fear creates a short, rhythmic and shallow breath.

Breathing is closely related to mental state. Therefore, breathing can be changed in mental state when exchanges are changed. Conversely, when you change your mental state, your breathing will change. It is often not easy to change the thought. But the breath is easy to change. When the state of mind control is

determined, it is possible to control the breathing immediately and the emotional and intellectual situation can be changed in the desired direction. For example, when a footballer with a red card recognizes that he / she is getting aggressive, he / she can calm down by taking three deep breaths. If the breathing is taken quickly due to the conditions taken here, the anger may increase. Even if the oral breathing is rapidly given through the nose, aggression continues to increase. What is needed is to allow the breathing through the nose to be delivered by mouth. Thus, both calming and energy are controlled.

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HANDLING AND MEDIATING CHURCH CONFLICTS

Dr Lau Hok Wan*

The complete version of this summarised article is available at:
<http://www.stclements.edu/Articles/Handling-and-Mediating-Church-Conflicts.pdf>

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Preface

The church is a special group where believers do not have practical benefits in the group. People fail to benefit from a group. There should be no conflict because the conflict arises from chasing reputation and money. There are frictions caused by different irregularities in people or groups, and friction causes conflict. When the church dealt with and reconciled conflict, it is understood that the formation of conflict was due to different factors such as personal, church, cultural, and interpersonal relationships. The church is a group of love. In facing conflict, people must be reconciled, respond to “conflicts” with love, reduce injuries, and even smooth out injuries. The church is the shadow of society. Believers have different interactions. Interpersonal relationships are products of communication. There is no way for believers to avoid contact. From time to time, different levels of violations occur, resulting in different types of conflicts. There are different degrees of normative behavior between churches and believers or believers and believers, and conflicts arise when the normative acts are provoked. The church regards “love” as the core element of solving the problem, so that life can grow and can win a victory.

The direction of the church conflict counseling

The concept of group dynamics emphasizes that behavioral performance is the result of individual and environmental interactions. The school is a group and the teacher and the students form a learning and teaching group. In a good group atmosphere, there will be effective learning and healthy growth. Different churches set up different groups or fellowships, it is similar to schools and students. The effect of group healing power is created in communication and dialogue. A social group is specially designed or controlled by group therapy. The interaction between members helps individuals to solve problems and promote growth and development. “Client -centered group therapy” is a method of counseling for Christian groups. There is no decisive attitude in group counseling, everything is respected, and there is no superior attitude that will certainly help people move forward. The “Client -centered group therapy” is very suitable for school use. Since schools and churches are

similar. Christians join in groups or fellowships to deal with church conflicts. The church’s group is to allow Christians to discuss the perplexities of Christian life, to encourage each other to grow, this coincide with the “Client -centered group therapy” of group therapy. The group or fellowship has value and utility in dealing with and reconciling the conflict in the church with “Client -centered group therapy”. The “Client -centered group therapy” believes that people can solve difficulties by themselves and promote growth and maturity. People can understand themselves and have the ability to help themselves. There is no clear goal for the “Client -centered group therapy”. Some people think that if the treatment team lacks goals, it is difficult to see the effectiveness of the group's direction or treatment; on the contrary, a clear goal will have an adverse effect on the group. There is no real goal in the “church group or fellowship”, they are leading the group by the “Holy spirit”. Even, the existence of goal is also very flexible and can be changed at any time.

The “Client -centered group therapy” sincerely respects and share feelings with each other so that all members of the group can get the ability to solve difficulties and self-help and initiate changes in behavior. In a successful “Client -centered group therapy”, they accept each other and will become a turning point in one's life. During the “church group or fellowship”, the Holy Spirit provides opportunities for reflection and acceptance. Through the dialogue leading by the Holy Spirit, it leads to different levels of reflection and motivation, and can optimize and strengthen the healing function. The “Client -centered group therapy” advocates unconditional active attention and acceptance. Active attention means unconditional sharing of team members' feelings and ideas without any criticism. When team members feel “sincere” and “concerned”, team members can effectively promote their own development. The “church group or fellowship” is a “home” entity. Family members are always infinitely tolerant and accepting each other. Inclusion and acceptance is a portrayal of “enthusiastic attention”. The “Client -centered group therapy focuses on “empathy”. “Empathy” must be understood and felt by others from the perspective of others, excluding any form of evaluation and criticism. The “empathy” advocated by the church has long appeared in “church groups or fellowships”. In the Bible, John wrote that the Scribes and Pharisees brought a sinful woman before Jesus. Jesus said that if they did not have sin, they could beat this woman with stones. Jesus demonstrated the strongest “empathy” in life. When

“church groups or fellowships” are able to follow and follow Christian teachings correctly, they will be able to maximize their “empathy”. The “church Group or fellowship” was similar to the development of the “Client -centered group therapy” at the time, except that the “Client -centered group therapy” had a time of ending and stopped operating. “Church group or fellowship” is a timeless rule. The function of healing should be continuous circulation and deepening. “Church groups or fellowships” function to listen, accept, understand, respect, reflect, clarify, and outline. In order to strengthen the handling of church conflicts and mediate the healing function, other counseling skills can be added to the process to help the team members deepen their awareness and growth.

“Rational emotive behavior treatment” believes that people are valuable and possess rational and irrational ideas. Due to ideological orientation, behavior, thoughts and emotions are affected. When irrational thoughts are chosen, they will only step into emotional struggles, cannot extricate themselves, and fail to have a happy life. Because people can think, they can create or build new ideas to replace old value systems. The establishment of a new value system can improve yourself and make you better. The technique of treatment of sympathetic behavior is to point out directly the irrational ideas of the parties. The parties need to perceive personal “irrational ideas” and give up “irrational ideas”. Understand and point out “irrational thinking” and raise the issue of trouble caused by thoughts. Christians should live according to the Bible. Human sinful nature established “thought stronghold” in thoughts. These different types of “thought stronghold” make people live in unrest or suffering, causing dilemmas in life. The characteristics of these “thought stronghold” are similar to those of “irrational thoughts”. Ideas are “grabbed” by some beliefs. The pace of life must depend on these beliefs. The Christians emphasizing on “Reading the Bible” enriches the relationship between individuals and God. The Bible’s teaching can replace the individual’s original “thought stronghold” and construct a “renewed thought” to establish a beautiful and constructive “new belief”. The “new belief” is applied to life to create a beautiful life style. The direction of Christian life is to live in the moment and the future, not in the past. We should work hard to deal with the “thought stronghold” and seek alternatives.

Conclusion

The church was hurt in the event of a conflict. Different believers have different opinions on the church, although they are all based on progress and growth. Conflict is sometimes difficult to avoid. Reconciliation is the most important ending point. In dealing with conflict incidents, the church unconsciously preconceives its priorities and was not clear about conflict. In fact, they need to learn to listen and accept each other, that is, listen carefully to each other’s words in order to avoid misunderstandings.

Because people have limited knowledge about the reality, due to lack of understanding, it is easy to have mistrust and misunderstanding. If you can understand each other, you can observe things from different angles. The results may be different. The communication between “church groups or fellowships” must be based on sincerity and friendliness, learning from each other and being “submissive” without expert judgment and criticism. The communication and communication mode of the church group or fellowship influences each team member unconsciously. Most behaviors of the individual are formed through the imitation of the social learning process. Through observing and learning, they acquire the behaviors of “people around them”. Learn from each other to replace “thought stronghold” with “truth thinking”. The prevention of “conflict” can be managed by organizing different activities so that believers can learn the correct behavior or knowledge, thus changing the way individuals do things and avoiding the appearance of “conflict” in the future. The church’s affirmation of human values comes from God. Every human being has its own efficacy and value. Conflict is the difficulties in life. To deal with conflict, we need to believe in God’s power in addition to reconciliation. The Holy Spirit works in our hearts and empowers us so that we can overcome the conflict. Life is illuminated by God’s light and can be renewed and changed.

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THE DEVELOPMENT OF NGOS AND OTHER CHARITIES TO HELP DISABLED PEOPLE IN MALAWI

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The complete version of this summarised article is available at:

<http://www.stclements.edu/Articles/NGOs.pdf>

This is a summary from the paper written for the St Clements University Doctor of Letters degree program.

In this write up I wish to try and summarize the paper on the development of Non-Governmental Organizations that help with the provision of services to people with disabilities in Malawi.

First it was noted that Non-Governmental Organizations are organizations which register with a country as independent from Government. These have a mission for their formation and therefore have to go to the NGO Board to seek permission to register their intended activity. The NGO Board is mandated to look into the requirements of a country and see if there is need for the NGO applying for registration to be granted a license to operate. Once it is established that there is need the NGO is then given a license. It is for this reason that there are a number of NGOs operating in the country.

Having noted that there are many people with various disabilities in Malawi and knowing that the government of Malawi cannot help them all on its own, NGOs seeking to help people with disabilities both local and International started to show up and register. We have studied the existence of known Malawi NGOs that help disabled people in Malawi. These are NGOs like Malawi Against Physical Disabilities, Federation of Disability Organizations in Malawi, Sue Ryder Foundation, Feed the Children, Cheshire Homes, Malawi National Association for the Deaf (MANAD) Malawi Council for the Handicapped, Malawi Union for the Blind and very many others.

Inside this we have noted that there are other International Organizations that have been in the forefront of helping people with disabilities in the country over some time. These are organizations like Christoffel Blinden Mission, Royal Commonwealth Society for the Blind, Rotary International, The Save the Children Fund, Handicap International etc. We looked at all of these. These are organizations and agencies that have been in Malawi over a long period of time.

The existence of these long standing NGOs in Malawi has drawn other NGOs to come and help people with disabilities in the country. These are organizations like the Norwegian Association for the Disabled. From

Norway Feet First from United Kingdom providing repairs to malformed feet, Operation Smile for repairing torn or damaged lips and bringing smiles to those who were unable to smile, Cure International for Repairing malformation in the limbs especially legs of children and adults who have need for replacement of hip bones and knees. This is helping children who would otherwise not have been able to walk normally or at all. The children's legs are so bent that Cure International Surgeons have to cut them and put them together in the right shape and position enabling the children to walk normally.

Other NGOs then came into help in the disability and rehabilitation services. These are organizations like Motivation International which has developed a new type of wheelchair which is said to be adapted to rural setting replacing the normal European type of wheelchairs that are not good or ideal for the bad terrain in the rural communities of Malawi, World Vision International assisting with the provision of wheelchairs for both adults and children, providing play toys for children with disabilities.

Apart from these organizations came charities or charitable organizations to assist with the welfare of people with disabilities. Some chose disabled children's welfare, others chose disabled women's welfare while others chose the welfare of people with disabilities in general.

All of them registered in the country with the aim of helping people with disabilities. Because of this opening, there came opportunistic organizations pretending to be in the country to help people with disabilities when in actual fact they come looking for opportunities for their compatriots. Some come looking for mining opportunities in the areas they are operating, some come looking for places to establish their own initiatives which have nothing to do with disabilities. Others come to establish the organization in order to create employment for people from their countries. In such cases, it is found that the organization come with a full staff which they say has come to set up the organization and later start to recruit local personnel as a cosmetic move and when they have finally got what they wanted, they disappear. Even purchasing equipment is done in the country of origin of the NGO.

Then there are small brief case organizations purporting to help people with disabilities. These are born when somebody sees a window for funding of disability issues and just jumps in but because they have clearly made a case for their organization which exists only in name only and the funders like the presentation. They give the money only to find that in no time it is gone and so is the organization. Attempts have been made to stop this malpractice by demanding registration certificates for the applicant NGO and possibly letters from chiefs or other local authorities to vouch for the organization. Organization but that is the simplest thing for people to get One just needs five thousand Malawi Kwacha to get a document certifying that you are operating in that particular are.

Some NGOs joined in trying to cash in into the disability field by creating companies that import disability or mobility assistive devices like wheelchairs and crutches. These are items that come into the country free of duty but get sold to those in need both individuals and hospitals. Others have opened companies, for the manufacture of wheelchairs which in turn are sold to those who need them. There is nothing wrong with these because the only supplier of these disability assistive devices is Malawi Against Physical Disabilities and this organization cannot satisfy the needs of all people who need them. Instead of waiting for MAP to find some for them, those who can afford go to the commercial operators to purchase them.

Similarly there are those organizations that have registered themselves as providers of rehabilitation services but are providing the services on a commercial basis. They charge for their services. The operation may be a sole trader or a partnership and they may charge exorbitantly but because there are very few service providers, those in need have no choice but to accept the charges. To the country, this is a service required and if the people in need make use of it then there is no problem. The consumers are the ultimate decision makers on the matter and some actually want to go into very exclusive places where the charges are beyond the reach of the common person. This is done because the people don't want to be seen as mixing with common people who have nothing to their name. Such service providers are welcome just to fill the gap of those who want high-class treatment at a very high cost when they can get the same treatment freely. This happened one time when a person working in one of the banks brought her brother into the rehabilitation Centre operated by MAP. She asked if there were any special rooms where her brother could be admitted. When she was told that there were no such rooms she took her brother away. Now the rehabilitation Centre has put in special rooms with refrigerators, cooling fans, television sets and special food. This is just done to meet the demands of a special few who are prepared to pay for the rooms and their services while getting the same treatment like anybody else. We have only put five rooms and should there be need, this number will be increased.

Inside our study we have also come upon those organizations which combine or tie their service to other things. There are organizations that want to provide educational facilities like schools in communities where there are people with disabilities. As this makes life easier for the disabled and it also accords the other children the opportunity of education close to their homes, nobody can deny such an NGO the authority to operate. There also those NGOs that wants to drill wells for the local communities but tie their work to the disabled. So they say if in a community they can find at least five people with disabilities, they will drill well in those areas. This is easy to find and is done without problems. The real benefit goes to the community, Instead of the people with disabilities benefitting from the communities, it is vice versa.

The biggest problem we found in our study of NGOs coming to Assist people with disabilities in Malawi is the question of the NGO Boards inability to ensure that each and every NGO is registered and its failure to get assurance of the NGOs sustainability. This is causing problems when the NGO is no longer able to keep running due to lack of financing. We noted that once a service has been introduced, it become very difficult to stop it because once started, a need gets established and must be continued at whatever cost.

Several well-meaning programs have come to an end due to lack of funds. Cheshire Homes in Malawi came to an end due to financial problems. The mothers and children with disabilities who were benefitting from its services are now suffering because there is no other organization that can provide the same service or anything close enough to it. The Malawi Council for the Handicapped Tie and Dye project collapsed and all the people that were benefitting from it are in dire straits.

The MACOHA Training and evaluation Estate for the Bind stopped functioning because it came from an organization called CEBEMO from the Netherlands. It also came with a Manager from the Netherlands. When he faced family problems in Malawi and left, the organization also stopped financing the project. Such type of organizations should not be allowed to start something if they are going to close it at the nearest excuse.

The important thing noted in this lesson is that the Non-Governmental Organization Registration Board should first vet all organizations wanting to start programs to help people with disabilities and make sure that they are not just pedestal projects without back up before registering them. Those that cannot satisfy the set conditions should register for short term services only.

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INVESTMENT CLIMATE IN NIGERIA: AN ASSESSMENT OF THE EFFECTIVENESS OF CENTRAL BANKS MONETARY POLICY COMMITTEE RATES

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Abstract

Every quarter, the monetary policy committee of the central bank of Nigeria meets to review the effectiveness of the prevailing monetary policy rate, with the intention to make necessary adjustments on the basis of prevailing or expected changes in the nation's economic indicators. This study made use of the annual average of such quarterly pronouncements for the period 2007 to 2017 to find out whether the rates over the years achieved the expectation of increasing both commercial banks credits to private sector and gross domestic investment. The work analysed eleven year figures of these variables using (OLS) regression results and concluded that the two independent variables, bank credit, and gross domestic investment does not respond positively to the changes in the dependent variable, central banks rates. The work concluded by recommending that the monetary authorities should reduce bank rate, tighten other sources of monetary leakages and improve ease of doing business for a vibrant private sector performance.

Definitions

1. MPR is the annual average re-discount rate of the central bank as determined by the monetary policy committee.
2. Domestic credit to private sector refers to financial resources provided to the private sector by financial institutions, especially commercial banks through loans, purchases of non equity securities, and trade credits and other accounts receivable that establish a claim for repayment.
3. Gross Domestic Investments refers to the total investments in the economy by both the private and public sector

Literature Review

According to Soyibo & Olayiwola (2000), the operations of central bank and commercial banks affect money supply. Onoh (2013) stated that Central bank controls monetary base (MB), which is the total of all currency in circulation through several tools, such as open market operations -purchase and sale of bonds, discount lending to banking system, reserve

requirements on deposits in the banking system and foreign currency market operations.

Discount rate is especially an important tool of influence on interest rates in the economy, since it not only influences the price of credit resources for the banks, but also contains information on level of interest rates in the economy to be followed by commercial rates.

In Nigeria, interest rate regulations have always been contained either in the Federal Governments annual budget document or the Monetary/Credit Policy Circulars of the Central Bank of Nigeria (CBN) issued periodically. (Jelilov, Gylych; Musa, Muhammad; 2016).

Interest rate was first used as an instrument of Monetary Policy in Nigeria in 1962 following the introduction of money market instruments. The interest rate then was made competitive to ensure repatriation-of funds kept aboard. During the period of high government borrowing for example interest rate was reduced to minimize cost of servicing public debt, as was the case in the 1960's. Interest rate in Nigeria over the years has therefore played a dominant role as one of the instruments used by the Federal Government in Managing Monetary Policy.

Methodology

Data obtained from Central bank of Nigeria annual statistical bulletin, International Monetary Fund, International Financial Statistics and data files, and World Bank and OECD GDP estimates for the period 2007 to 2017 on monetary policy rates, commercial bank credits and growth rate of domestic Investment, was examined using ordinary least square (OLS) regression analysis. The relationship is that changes in MPR will depend on the trends in commercial bank credits [BCr] and gross domestic investment [D-Invest] according to the following functional relationship:

$MPR = f(BCr + DInvest)$ or more empirically

$$MPR = a^0 + b^1 bcr + b^2 dInv + e$$

(Where e is a stochastic variable and a^0, b^1, b^2 are fixed coefficients)

The study proceeded on the premise that the monetary policy committee determines their choice of quarterly rates on the perceived trend of:

- a. Commercial Banks Loans to the Private Sector and
- b. Expected Gross Domestic Investment

Assumptions

On the basis of the above, it was assumed that as the rates determined by the monetary policy committee of the central bank improves over the years with experience, *ceteris paribus*:

1. Commercial Bank Credits will be rising
2. Gross Domestic Investment will also be rising

A Priori Expectation

The above assumptions indicate that if the rates are effective, the expected algebraic signs for the resultant regression equation shall be as follows:

Bank Loans +ve
 Gross Domestic Inv +ve {changes in both variables will positively affect MPR}

Hypothesis

1. Bank rate does not positively stimulate bank credits and domestic investment
2. Bank Rate does not stimulate bank credits to private sector
3. Bank Rate does not stimulate gross domestic investments

RESULTS OF DATA ANALYSIS

1. The results of multiple regressions

Regression Statistics	
Multiple R	0.284744
R Square	0.081079
Adjusted R Sq	-0.14865
Standard Error	2.633663
Observations	11

ANOVA					
	Df	SS	MS	F	Significance F
Regression	2	4.895992	2.447996	0.352931	0.713038
Residual	8	55.48946	6.936183		
Total	10	60.38545			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	20.40752	16.88923	1.208315	0.261428	-18.5391	59.35416	-18.5391	59.35416
B-LOANS	-0.02365	0.110152	-0.21474	0.83534	-0.27767	0.230357	-0.27767	0.230357
D-INVST	-0.39385	0.75	-0.52513	0.613729	-2.12335	1.335653	-2.12335	1.335653

- a. The regression equation is $MPR = 20.41 - 0.024 \text{ b-loans} - 0.39 \text{ dinvst}$
- b. Value of F-statistics is $= 0.07$
- c. Coefficient of determination r^2 is $= 0.08$

2. The results of partial regression MPR on Bank Credit

ANOVA								
	<i>Df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	1	2.983232	2.983232	0.467736	0.511254			
Residual	9	57.40222	6.378025					
Total	10	60.38545						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	11.58613	1.677808	6.905515	7.02E-05	7.790664	15.3816	7.790664	15.3816
B-LOANS	-0.05807	0.084903	-0.68391	0.511254	-0.25013	0.133998	-0.25013	0.133998

- a. Regression Equation is $MPR = 11.6 - 0.058b\text{-credit}$
 b. Value of F-stats = 0.51

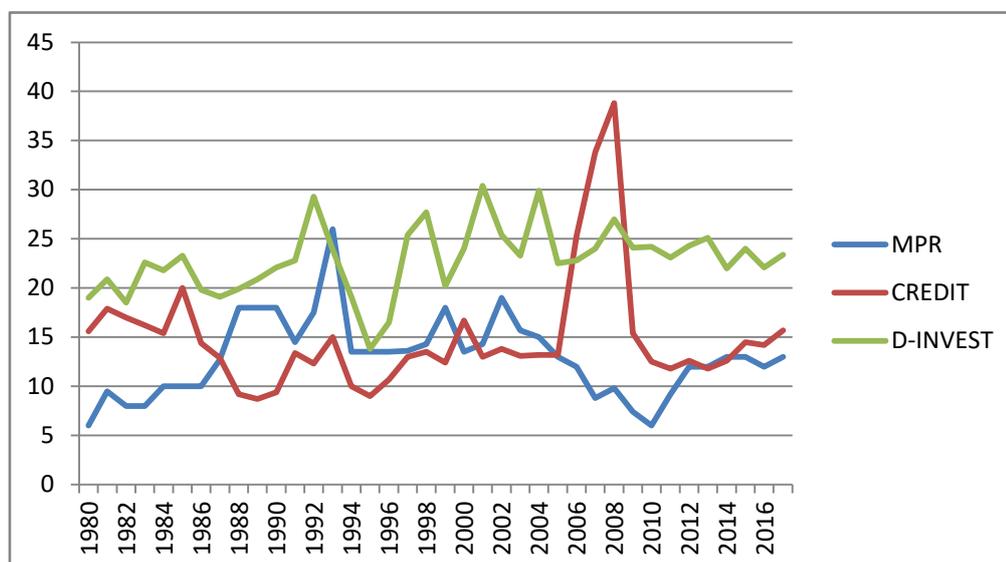
3. The results of partial regressions MPR on Domestic Investment

ANOVA								
	<i>Df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	1	4.57613	4.57613	0.737962	0.412609			
Residual	9	55.80932	6.201036					
Total	10	60.38545						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	22.28441	13.66456	1.630818	0.137366	-8.62698	53.19579	-8.62698	53.19579
D-INVST	-0.48966	0.570008	-0.85905	0.412609	-1.77911	0.799784	-1.77911	0.799784

- a. Regression Equation is $MPR = 22.3 - 0.49d\text{-invest}$
 b. Value of F-stats = 0.41

4. Results from Time Series Data

Diagram 1: Graph of 40 year relationship between MPR, private sector credits and Domestic Investment



Source: CBN Annual Bulletins

Discussions

1. The results from both the multiple and partial regressions indicates that our three hypothesis are not rejected, because in all, the calculated values are less than their table values. Therefore, we uphold our hypothesis that MPR has no effect on the movements of both private sector bank credits and gross domestic investment for the period under review.
2. This result was confirmed by the values of r^2 and the negative signs of the regression equation.
3. According to the time series data, given a period of forty years, starting from 1980 to 2017, the MPC who meets quarterly to decide central banks re –discount rates, was not able to discover unique rates that will give a steady stimulus to commercial banks lending and gross domestic investment. The outline of the two indicators showed characteristic wild swings, indicating that the various rates set by the apex bank has no influence on them. However, there seems to exist, a relationship according to diagram 1, showing that when interest rates are below 10% both indicators responds positively.

Recommendations

1. There is need to carry out a holistic investigation to unravel the various sources of financial leakages in the system. The existence of these leakages also may contribute to ensure that various monetary policies perform below target.
2. There is an urgent need for a downward review of central bank's monetary policy rates. Presently, commercial bank rates are high because the central bank rate is high.
3. Although investors favour low interest rates, a friendly environment where ease of doing business is high can even be an overriding factor.

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SUCCESSFUL WAYS OF ESTABLISHING A FRANCHISE BRAND IN CHINA

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This is an extract from a paper published for the St Clements University Doctor of Letters degree program.



Background of Culture and Markets

China is a country with a very long history, and the development of food culture with a rich history in terms of multi-ethnic, multi region, and pluralism, so that people in different regions of China has different cultures of taste, development of their unique taste is a very different way and has been a very long time generation pass to generation. Sweet and sour, bitter, spicy and so on, steam, boil, stew, braise, fry, deep fry, fire wok, and produce a variety of production processes, a lot of eating habits relate to local climate, such as the very humid weather in the south of China, the use of Ginger & chili, to reduce the impact of moisture of living environments; Also many places like Sinkiang their food culture related a lot of religion, where they have their own way to cook according to the Muslim habits. So during many kingdom of many dynasty the Chinese have emphasized in many literatures that "food is the god to people if a king wants a peaceful period of time him must can feed the people" in the pass. The Original phrase was "ming yi shi wei tian" in Chinese.

Because of the development of modern society, China has developed many abruptly rising cities. For example, Beijing, Shanghai, Shenzhen, Guangzhou, as the prime cities and Kuming, Dalian, Xiamen, Hefei, Foshan, Fuzhou, more than 50 of secondary cities so on. These new immigrant cities are full of opportunities with higher quality of life, incomes, and funs, making the floating population to the cities are growing increasingly on daily bases, for extreme example, the 2000 square kilometers of Shenzhen, the local populations are 12 million people, and the floating population of it is more than 33 million people all over Country with maybe contain overseas as well. It is their homesickness and eating habits that are a breakthrough in a new city.

In my scenario I picked traditional fruit tree charcoal BBQ as my product, one tradition stove can cook more than 12 SKU of product, also people from country side of China all miss charcoal cooking rather gas cooking

which is the only cooking way that primary city apartment allows.



How to choose the product

To choose a product line becomes the most important starting point for the establishment of this business. Commercial leasing in a first tier city is an expensive cost, often accounting for more than 30% of the total operating cost, and more likely to be more than 50% or more in the CBD area, so the product must be able to meet production or small processing space, short processing cycle, and production. High, diversified products, low labor demand and high gross profit. The larger space is left to the order takeaway area and the ample dining area to increase the overall output value.

Of course, if the product is extremely complex, I should set up the central kitchen as close as possible, and complete the product as far as possible to the last round of cooking. This round of cooking is best at ending up the cooking and packing up with no more than 5 minutes processing time, because if the processing time is too long, it will affect the guest's dining cycle time during the very hours that can for fill as much as possible to generates income, normally lunch time during 12:05-13:35 and 18:15-20:45 Monday to Friday, which will affect the total value of the rental area, income per square meter.

With my scenario BBQ in southern China is also very popular in night snack, there for my servicing hour can be extra longer to generate more cash flow and profits.



In a way to expand and pick the right shop with free resources

The location of the catering industry in China is very different, because first of all, it is necessary to confirm whether there is a "flue" in this position or not. If there isn't one, no matter how well the conditions are, it is impossible to obtain legal permit.

The second, is that each city will have multiple districts, each with the most concentrated 2-3 CBD, so there needs a plan to expand in terms of how, whether from the center of the whole city, or to open up at surrounding districts to the most center area to close up the web, that the chain can be reached.

It really depends on whether the center kitchen is needed or not. If it is required the development plan of chain stores should be from out around to inside, that will be more suitable, because of develop one shop at the most center of the city is much higher cost than develop a couple shop at the surrounding districts, that gives the center kitchen more work, and the central kitchen can be covering the all ones, rather just on shop. With the popularity, the better conditions can be obtained once your store brand becomes commonly well known with the big malls.

Finally, after setting up the strategy of how to make the chain, is finding the legal shop, I need to consider the passenger flow and rent of the pavement, and then consider the surface area and visual range of the pavement, and final re-check the competition between the same type of products or scale of the same industry. I think the best proportion is that the passenger flow is at least ten times greater than the rent and the competition as less as possible, and it has a huge facade as a brand building. The best spot is a first floor with a attic on top, so the high rent on the first floor will be shared by the low rent of the second floor, or some attic may consider as free from cost, and at least 6 meters high of the wall, so that the {6m-1.67[average matured male in high of China] *50m to (6m-1.67m) *200m} will be the visible range. There will a covering radius of 216-866 meters range of the area population was under covered. Sample size is equivalent to an increase of 30.5% {One side wall may only be visual from 180° or less as normal}. In accordance with the outdoor advertising 1000 person cost rate of 20 Yuan /1000 heads, you can allow the high rent to pay off extra additional costs for advertising.

In my first of my Shop, according to the average rent of the Shenzhen high class a shopping mall, the average rent is 1200 Yuan/m on first floor, from 300 Yuan/m on second floor, the passenger flow is 10 times the rent. If the shop is around 80 meter square, it is about 120,000 Yuan rent. You have the surplus advertising resources of 173W people and 34600 Yuan per month. That is the visual range around 60% contributed the free advertising wall on the doorway of your two floor rental area. Perhaps your advertising

expenses will be able to reach the a mouth free rent throughout the year, which also gives a very good brand demonstration in brand image at a location covering a lot of floating people who only works in CBD are and lived in surrounding district, where may influence him become a regular customer of the brand.



How to reduce costs

At last, I can use the central office to negotiate all the purchase demand. To decrease the purchase price, increase the total amount of the purchase to obtain the bargaining power, reduce the cost, and also have a long-term cooperation contract, increase extra time on period of payments, and get more efficient in liquidity in terms of the total cash flow.

The use of computer ERP systems to integrate into sales and storage, reduce the total amount of accounting, the store use more only system, in the point of order, inventory check, production process, reduce the process of human aging and increase efficiency and efficiency.

With our case computer system save average 2 person/staff and 2-3 bookkeeper, 2-3 buyers especially partnering with online delivery service has save more than 4 delivery staff per shop.



And use the location to organize more Promotions

Voucher

The use of coupons is very common in the catering industry, especially in the off-season. Coupons are usually free or sell products to consumers at a lower price. It is often used in combination with other promotional methods, such as winning prizes and giving discounts.

Trial Sample

When a restaurant develops a new food and beverage product and service, a sample can be given to some guests to know whether they like the product or whether the guest is patronized or purchased immediately. When the new products and services are recognized by the guests, the restaurant will be included in the menu. Large banquets often use the method of sample to attract guests. First, ask the master to taste the dishes on the banquet menu, so that the guests can not only obtain the approval of the guests, but also help the guests to feel relieved.

Set discount

When it is carefully designed to combine a number of dishes into a set meal, the restaurant can sell it at a lower price, that is, to attract new customers at a certain discount price and increase the overall income. A restaurant with a banquet venue and a restaurant that can conduct wedding are usually done.

Discount

Discount is a common form of preferential promotion. The restaurant can not only determine the discount according to the amount of the customers' consumption, but also in the low season and non business peak period of the food and beverage sales.

Joint promotion

Joint promotion refers to the promotion means of market communication and product promotion by two or more restaurants and restaurants and other enterprises, based on mutual interest, in a certain form and the means of operation. For example, the restaurant is working with wine producers to hold the "Wine Festival". During the promotion, the restaurant not only supplies favorable wine, but also discounts the price of the dishes, thus providing more benefits to the guests. This joint promotion strategy not only makes the winemakers get the opportunity to sell the products effectively to the target market, but also promotes the sales of other related products and services in the restaurant, and reduces the promotional cost that the restaurant should afford when it is promoted alone.

In my scenario I have using a combination of these skill over years, to give a excuse to our customers to keep u-buying our product for a reason, most international brand such as McDonald, Pizza Hut, and KFC are the same as well.

After promotion over long period of time the brand will build up a variety of sustainable customers, than the franchise has already on track on its own, which is also a good time to fulfill the whole city in chain; if the city has already maximize the market maybe it is time to research other cities which is also valuable to do further expansions.

References

All photos refer to www.baidu.com

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