Public Administration: Public Enterprises and Civil Service

Ozy B. Orluwene, JP

Available at: https://works.bepress.com/ozyb_orluwene/21/
Chapter 19:
PUBLIC ADMINISTRATION: Public Enterprises and the Civil Service.

B. Ozyoma Orluwene

Introduction

Public Administration like other discipline is fraught with the problem of generally acceptable definition. However, According to Waldo, public administration could be defined as:-

i. The organization and management of men and materials (i.e. human and material resources) to achieve the purposes of government and

ii. The art and science of management as applied to the affairs of the state and

The second definition directs our attention to the traditional dispute in the definition of public administration, and a related source of frequent confusion in the use of the term administration. However, a fertile source of confusion and error closely related to the science-art controversy is the fact that the word administration has two usages. It is used to designate and delineate both:

Nature, Content and Scope of Public Administration

1) An area of intellectual inquiry, i.e. an academic discipline or a field of study and

2) A process or activity, i.e. that of administering public or private affairs.

While the two meanings are of course closely related, they are nevertheless different; it is a difference similar to that between biology as the study of organisms and the organisms themselves. If we accept the above distinction between administration as a field of study and administration as an
activity, then it is quickly apparent that it is easier to make the case for science for the systematic study of administration, and the case for art for the practice of administration.

Furthermore, we can view public administration as a branch of the generic social concept, administration, i.e. a rational action designed to realize given desired goals with minimum cost. In this sense, public administration is a rational action designed to maximize the realization of publicly defined goals. In this connection, Adamalekun (1986), has defined administration as "the principles, practice and rationalized techniques employed in achieving the objectives or aims of an organization". Since the aims of the public organization are significantly different from those of a business organization, those differences in aims have consequences for the principles, practices and techniques of administration in public and business organizations. Accordingly, it becomes necessary to draw a distinction between public and business administration.

Typically, the aims of business organization are broadly summed up as profit making and those of a public organization as public service. Although there are some public agencies i.e. State-owned companies that are usually expected to make profit, and there are also some business organizations that engage in activities that could be subsumed under the term of "social responsibility" (e.g. charitable donations and contributions to the socioeconomic developments of their immediate environments), the above distinction is important. In contrast to the objective of profit making, which is both specific and largely quantifiable or measurable, the objective of public service often lacks specificity and includes certain unquantifiable and intangible dimensions.

Secondly, a given business organization is usually owned by a limited number of persons (i.e. the shareholders) and its activities are of a limited range such as the sale of goods and services or the manufacture and sale of specific commodities. These characteristics contrast with those of the
governmental administration of a state, which are not only more comprehensive in scope, but some of the activities are critical to the physical survival of all the citizens, i.e. the maintenance of law or order, and the promotion of socioeconomic development.

Thirdly, to ensure that those who have the responsibility, which are relatively emphasized in business organizations. In this connection, the term "public" is generally taken to mean that the business of government is open to the public for scrutiny and review and not a closed affair of those who carry it out. This question of how best to ensure that public servants as their names indicate are accountable to the generality of the citizens is widely recognized as an important aspect of public administration and will accordingly be duly emphasized in our systematic study of the Nigerian administrative system.

Fourthly, arising from the above differences, the internal structure and methods of operation of business organizations also differ in some respects from those of public organization. However, these differences must not be exaggerated. For one, the extension of governmental functions into fields traditionally reserved for private enterprise and professional management posits the need to adapt and apply modern business management techniques to the public sector, and to equip public service personnel with the various competencies required in the efficient management of economic, industrial and commercial undertakings. What is needed is a conscious and careful choice, bearing in mind the consequences of the major differences highlighted above (i.e., specificity of objectives, small number of owners, and limited clientele of business organizations).

Finally, in most definitions of administration, administration and management are usually regarded as synonyms. Management is the process by which individual and group effort is co-ordinated toward group goals. This concept
includes not only the scope of the field, but also its importance. The latter is based upon the fact that modern society has developed through the creation of specialized institutions and organizations, which provide the goods and services it needs. Moreover, these institutions and organizations are guided and directed by the decisions of one or more persons who are designated "managers" or "administrators". It is they who help to allocate scarce resources to alternative and competing ends and their skill and competence determine the means-ends relationships.

The concept of management also directs our attention to the scope of the field, specifically to the behavior, feelings arising from the nature of group activities. In other words, the management process is required whenever two or more persons combine efforts and resources to accomplish a goal, which neither can accomplish by acting alone. The necessity for co-ordination follows from the fact that the actions of group participants constitute parts of a total task. If one person acts alone to accomplish a task, no managerial action is required. But once that person allocates a part of the task to a second or third person, the individual efforts must be co-ordinated in some manner.

Similarly, management takes place within an organization. It consists of all ongoing activities (personal and impersonal, subjective and objective, formal and informal) undertaken by one or more persons to control and direct the activities of people in an organization. Consequently, while management is the physiology of administration, an organization is different from a mob. Organization is a structure which management is the functioning process. But each is dependent upon and inconceivable without the other in any existing administrative system, just as anatomy and physiology are intertwined and mutually dependent in any living organism. It is important to note, however that organization and management are merely convenient categories.
of analysis or two different ways of viewing the same phenomenon.

Organization

More precisely an organization may be defined as the structure of authority and habitual personal relations in an administrative system. In any actual administrative system, there is usually some discrepancy between the official theory or statement of authoritative inter-relations (i.e. the formal structure) and the actual, habitual exercise of authority as evidence by the actual giving and following of orders or directions (i.e. informal structure). Nevertheless, in any administrative system, there are usually more or less firm structures of personal inter-relationships which we designate organization.

Management

This is defined as action intended to achieve rational cooperation in an administrative system. However, there is often a distinction between actions intended to achieve rational cooperation and actions, which in fact do so. The reason for this is that in terms of given goals, actions intended to be rational may fail because not all the relevant facts and conditions are known or properly included in judgements and decisions. There is thus a distinction between intention and actuality.

The Evolution of Management

The practice of management is as old as man's history. Through time, man has joined with others to accomplish a goal, first in families, later in tribes and other political units. Consequently, the literature of management ranges over a wide variety of topics and has been produced by a wide variety of writers. The early writers were practitioners who described their own experiences, from which they generalized to broad principles. Other writers whose interest in management was
(and still is) solely scientific view the administration of human organization, public or private, as an important social phenomenon, whose very existence justifies its study through scientific inquiry. As scientists using scientific methods, they made no value judgements regarding good or bad administrative practice: rather, their primary objective is to understand and explain the subject of their analyses. Between the extremes of pragmatism and scientism, there are a great number of other writers who have contributed to the literature on management. Their professional identifications cover a wide spectrum of knowledge including engineering, sociology, anthropology, psychology, economics, law, accounting, mathematics, political science and philosophy. The different points of view represented by these writers have been the bases for numerous attempts to provide classification schemes or to identify various schools of administrative theorists.

- The scientific management school led by Fredrick W. Taylor and Max Weber
- The human relations school which came into existence following the Hawthorn studies and
- The decision-making school led by Herbert Simon.

**Conceptual Approaches to Administration**

The study of administrative organization had hardly progressed to the point where a definitive list can be constructed of the major areas for specialization and research. Besides, there is not a single, well-defined community of scholars that belong to any of the contemporary schools of organization theorists. Consequently, the various approaches to the study of administrative organization and behavior represent different ways of looking at the same problem. However, for the purpose of this paper, we shall identify three basic approaches or orientations to the analysis of complex organizations. These are:
The formal organization approach, the decision-making approach, and the human relations approach.

The first approach, often referred to as the traditional approach for the scientific management school, tends to view administrative organizations as if they exist in a vacuum. Taking technical efficiency as the main objective, this class of organization theorists view administration as a technical problem concerned basically with the division of labour and the specialization of functions. As Jannenbaum has observed:

Many who take this view (of administration) see administrative organizations as essentially economic and technological entities but not importantly as social organizations. To them, people are not unique human beings in unique social groups, but rather names on organization charts whose on-the-job behavior is primarily determined by job descriptions and the desire of their bosses.

The scientific-management movement was pioneered by an American engineer, Fredrick, W. Taylor, towards the close of the 19th century. Taylor, often referred to as the "father" of scientific — management, believed that sound scientific analysis of the various organization methods and procedures would lead to a discovery of the most efficient ones. As an engineer, Taylor was primarily concerned with the problems of technical efficiency. By assuming a separation of policy-making from administration, he and his disciples tried to arrive at the so-called "scientific" principles of administration. To him, the impersonal rationality of measurement is a third force, which would mediate between man and organization. Although what Taylor sought to accomplish, namely, the development of efficient work procedure and the elimination of waste, was (and still is) exceedingly important in neglecting the human element, he missed the clue which would have permitted him to make an even greater contribution to the efficiency and effectiveness of human organization. (Taylor, 1911)
Writing about the same time as Taylor was a German sociologist, Max Weber. It was Weber who contributed the first fully developed theory of complex organization or bureaucracy. For Weber, bureaucracy was a descriptive term—not an epithet for characterizing large-scale organizations. Two main influences on Weber probably contributed to his bureaucratic theory:

1) He was deeply impressed by the growth of industrial and military organization in his own country Germany and

2) He was concerned with human frailty and the general unreliability of his human judgement and passion. His answer then was to develop an apparatus of abstract depersonalization, a system that would rationally dispense solutions without the friction of subjective colouring and human error. Thus, while Taylor stressed the impersonal rationality of measurement, Weber emphasized the legal domination of "role" in a status hierarchy. As Blau (1955) has succinctly put it, bureaucratic form of organization as designed to induce an impersonal and rational orientation toward tasks which is conducive to efficient administration”.

In his analysis of bureaucracy, Weber focused on official regulations and requirement and their significance of administrative efficiency. The major characteristics of his ideal type bureaucracy include specialization of functions, a hierarchy of authority, a system of rules and impersonality. Although he was aware of the fact that the behavior of the members of an organization does not always correspond precisely to its blue-print, he tended to ignore the informal regulations and unofficial patterns which usually develop in formal organizations. Consequently, his analysis tended to make an organization appear to function more smoothly than it actually does. In fact, the importance of informal aspects of organization has been stressed by the contemporary organization theorists. Selznick (1948:26-27), for instance
argued that “the formal structure is only one aspect of the act social structure and that organization members interact as whole persons and note merely in terms of the formal roles they occupy”. In a similar vein, Bernard (1938:123) has pointed out that “informal organizations are necessary to the operational protection of the integrity of the individual.” Perhaps, much more significant is the fact that these informal aspects of organizations far from being a mere deviation from the immutable formal structure, are one of the most important sources of change within many large organizations.

Criticisms of Weber’s ideal type bureaucracy are many and varied. First, Weber has been attacked for making his models a normative one, i.e. the characteristics of this model becomes desirable while problems become comparative studies. Second, despite the fact that the ideal-type model was intended as a guide in empirical research (not as a substitute for it), the ideal-type bureaucracy as a scientific construct cannot be refuted by empirical evidence. If for instance, an empirical study of concrete organizations were to find that strict hierarchical authority is not related to efficiency, this would not prove that no such relationship exists in the ideal-type model; it would only show that the concrete organizations are not fully bureaucratized. As such, Weber’s ideal-type construct has been denied a place in science. Finally, Weber has been accused of supplying a functional analysis of bureaucracy. Although he consistently addressed himself to the problem of how a given element contributes to the persistence and effectiveness of any organization, he failed both to isolate the “dysfunction” of these elements and to examine the conflicts that arise between the elements comprising the organization in an empirical question which should be empirically tested rather than assumed.

These criticisms notwithstanding, Weber’s pioneering analysis of bureaucracy has stimulated much further analysis and research on large-scale organization. Among other things,
these studies have made it possible to review and to refine some of his hypotheses and concepts.

Loosely speaking, classical organization theory developed mainly from the above two sources. It embodied such concepts as the "unity of command" "limited span of control" "superior-subordinate relationship", etc. in short, the traditional is characterized first, by the study of tasks and jobs, and second by a failure to recognize the people who filled those jobs as human beings with goals and values. Rather, man is viewed as passive, inert instrument performing the tasks assigned to him. The whole theory is welded to the single value system of productive efficiency and maximization of financial returns. In classical theory then, the conflict between man and organization is neatly settled in favor of organizations. The only road to efficiency and high productivity is to surrender man's needs to the service of the machine. Taylor and Weber's single-dimensional view of organization has thus all the limitations one might expect of any failure to see social systems in their total context.

The Decision-Making Approach

In contrast to the scientific management school with its emphasis on task analysis and authority relationship, the decision-making approach sees an administration in its total social and psychological context. This basic assumption is that administrative organizations are primarily decision-making structures. Effective administration, according to this school, requires rational decision-making, and decisions are rational when they select the best alternative for reaching a specific goal. In slightly different terms, administrative organization and behavior is derived from the characteristic of human problem-solving processes and rational human choice. Thus instead of viewing members of an organization as mere mechanical instrumentality, they should be regarded as individuals who have wants, motives and drives, and are
limited in their knowledge and in their capacities to learn and solve problems. An administrative organization is, in this sense, an extension of individuals making choice and behaving on the bases of their understanding of their environments and their needs.

Herbert Simon, one of the leading figures of this decisional school has indicated how significant the decision-making process is to a theory of administration. In the opening chapter of his “Administrative Behavior” Simon emphatically declares: a general theory of administration must include principles of organization that will ensure correct decision-making, just as it must include principles of organization that will ensure effective action. It is not surprising therefore, that Simon should devote the entire volume to the development of a theory of decision making. An actor—whether an individual or an organization makes decisions on the basis of certain beliefs or assumptions which Simon calls the “premises” of a decisions. If these premises are controlled, then one also controls the respective decisions based on them. For Simon then, an administrative theory is an exportation of what is required in order to control the premises of a decision.

Simon not only rejects the notion of rational economic man but he also regards game theory and statistical decision theory as fundamentally “wrongheaded” in their approach to the problem of human choice. Simon’s administrative man then is a social man. Unlike economic man, to whom an organization is always purely instrumental, administrative man finds at least some of his satisfactions in organizational life itself. Furthermore, unlike economic man and his cousins in game and statistical decision theories, administration man is not completely rational, his rationality is bounded, but it is by no means absent. Besides, administrative man is not a true maximizer. He is to use Simon’s term a “satisfier”. He does not strive for optimal solution. On the contrary, he looks for a course of action that is satisfactory or good enough. Simon’s
administrative man is thus between the rational economic, game and statistical decision theory man on the one hand, and Freud's irrational man on the other.

Since administrative man's rationality is bounded, the critical factor in an administrative decision-making process then is the availability of both the information and the computational capacity to deal with the information. In other words, the key to the decision-making approach is the identification of both the decision center and the channels by which communications are carried. The decision-making model is thus based on the idea that human beings with all their bounded rationalities, are continually being cast into problem-solving situations where decisions are made. To understand administrative organization and behavior, one has to know those who make important decisions, and the basis of information from which decision "premises" are drawn.

In the study of the organization of an accounting department in a large business firm, Simon and his colleagues first utilized his decision-making model. In that study, the underlying research question was: "How should a company's accounting department be organized in order that the data it assembles will be of the greatest usefulness to the operating executives of the business in making decisions and solving problems? To answer this question, it was necessary to determine what important types of decisions were made by operating executives, how accounting data might be useful in making such decisions, and at what point in the decision-making process the data could most usefully be effected. In addition, communication content and flow was carefully examined. In another study, William Gore, focusing on decision-making in federal field offices, attempted to locate and analyze thirty-three case histories of important policy decisions among eighteen federal field offices in the state of Washington. Gore concluded that the following states characterized
decision-making process, perception, interpretation, struggle for power and formalization.

Today, the study of administrative decisions is proceeding in so many directions that one can lose sight of the basic administrative process, which Simon and his colleagues were trying to describe. Indeed, a review of administrative decision-making studies will indicate that the decision-making model has captured the imagination of many and diverse scholars. Using such new kinds of analytical models as game theory, linear programming and statistical decision theory. Decision-making theorists can now formulate rules and principles for making decisions about inventory levels, producing scheduling and long-range resource allocations. Thus, the works of mathematicians and statisticians, despite their normative intent have had considerable impact on the development of theories of administration. Despite this widespread recognition of the desirability of utilizing a decision-making model for the purpose of explaining administrative behavior, we are still far from developing a comprehensive theory that can describe, explain and predict administrative decisions. As William Gore has observed, administrative decision-making is a facet of organizations about which little is known. In the first place, much ambiguity still remains as to what an administrative decision is and how it can be described. The conflicting classification schemes that dominate organization literature is clear evidence of this confusion. Secondly, administrative decision-making is very often subject to so many peculiar and changing conditions that the research findings and generalizations became so limited in scope as to impair their usefulness. Besides, the smaller number of completed empirical studies of decision-making in complex organizations makes us unnecessarily cautious in our generalizations about administrative decisions. Further, research is thus needed to enable students of administration to identify the various dimensions of administrative decisions and
theorists on the importance of human resources to administrative efficiency, few at the same time will agree with them that we have reached a point at which measurement of these human factors can be adequately done. Thus, although the various works of human relations theorists have tended to increase our knowledge of the psychology of administration, it is difficult to derive from such data a general theory of administration.

Summary and Conclusion

Much of the past literature on administration has been devoted to ideological and uncompromising dispute over the merits and demerits of one conceptual approach or the other, this polemical argument has tended to obscure the more relevant need for theory building and conceptual refinement. Consequently, empirical research in the field of administration has not been guided by any consistent conceptualization about the nature of administrative organization and behavior. The diverse analytic units of administrative studies as well as the conflicting classification schemes developed by various organization theorists highlight this lack of direction and consensus concerning the social reality to which the concept of administration refers.

This polemical taking-past-each-other often seeking justify one conceptual approach or the other must stop. Instead, there should be a serious move not only towards a more rigorous conceptualization but also towards the formulation of a more comprehensive approach based on some kind of synthesis of the various approaches to administration, in slightly different terms, what we need very badly in the area of administration.

Public Enterprises

State intervention in economic activities is a vast movement of worldwide dimension. In developing countries of Africa, Asia
In Latin America, such intervention has become a necessity as the only practical means of achieving rapid economic development (Zayyad 1986).

Accordingly, the definition of public Enterprises given by the (Public Service Review Commission main report of 1984 paragraph 419; Presidential Commission on Parastatals 1981). It encompasses "all Corporations, Authorities, Boards, Council and Limited Companies in which government has full or majority interest and they are usually set up outside the civil service. And are established to discharge functions and attain objectives more readily achievable outside the civil services structure and procedure.

Cheema (1979) opines many reasons for establishment of public enterprises within the context of developing countries. These he divided unto three categories. One set of his reasons is ideological. Even in some non-socialist countries the private sectors is accused of consisting of cartels and monopolies and capitalist branded for their failure to understand and by sympathize with people’s aspirations. Therefore, in order to eliminate mass poverty the government may find it imperative to control the private sectors through at least partial Ownership.

The second type of reason can be referred to as social and political; this includes:

1. the reduction of ethnic and regional economic imbalances
2. The desire of the political party in power to control the economy and thereby, maintain the desired balance of political powers,
3. The reduction of the rural-urban, imbalances,
4. The provision of basic services such as water, power, transportation and communication, and
5. The reduction of dependence on foreign capital and management by purchasing foreign enterprises.
And the third set of reasons can be referred to as situational necessities. These include:

(a) Lack of private entrepreneurship in the country.
(b) Reluctance on the part of private investors to risk their capital in heavy projects such as shipyard, heavy chemical industries and steel manufacturing,
(c) The need for choosing an appropriate technology, a task, which can be more effectively undertaken by the government.
(d) The need to control certain types of enterprises, defense-oriented industries for example, which cannot be left entirely to the private sector for strategic reasons and
(e) To provide a needed service which may be unprofitable under private operations.

Both federal and state governments in Nigeria establish public enterprises. And they vary widely in terms of their functions, types of organization and nature of operation. By 1981 the number of public enterprises established by the Federal Government was put at 168 and the figure for the states are not available but the total may not be less than the figure of the Federal (Presidential Commission on parastatals, 1981)

**Administration of Public Enterprises**

The United Nations (1961:73) offers four forms or methods for the administration of public enterprises. The first and oldest form is that of normal government department staffed by career government personnel. It is generally used for the administration of national services of monopolies, such as railway and postal services.

The second form may be referred to as a public corporation in which the administrative authority to conduct a specific enterprises corporation in which the administrative authority to conduct a specific enterprises or group of enterprises is given usually by status to a corporate body...
appointed by the government, employing on its own staff and with complete or nearly complete freedom from governmental control in its day to day operations.

The third form is that of state company established under the ordinary concerned, in which the government has controlling interest through its ownership of all or some of its shares.

The fourth method of running a public enterprises is that of an “operating contract” under this device, the government enters into a contract with an established private company for the management of an enterprises. The contractor is compensated for its services and cost and may even be allowed to invest a substantial amount of capital in the enterprises. Each of these forms is designed to achieve a different balance between the goals of operational autonomy and governmental control while the first form maximizes operational flexibility, the third and fourth forms do the opposite. The second form attempts to achieve a balance between the two apparently conflicting goals.

Management of Public Enterprises

Hanson (1974:351), aptly stated that in both federal and state owned public enterprises or companies in Nigeria and Malaysia among other developing countries, the board of directors are at the top of the organization as the policy making body. The membership of the board ranges from 3 to 16 and in some cases the membership of the board of directors is specified in the incorporation legislation. As the membership, it must consist of a chairman and a managing director or General manager, representatives of the federal or state treasury, a supervising organization and shareholders, political appointees, and members appointed for their competence in a particular field.

However, Okoro (1986) opines that appointments to these boards are made on the basis of three factors:
1. To ensure control, by appointing representatives of supervising organizations.
2. To ensure competence, by appointing a general manager and people with specialized knowledge, and
3. To ensure representation by appointing shareholders and politicians.

Below the board are either the managing director or general manager or director general and departmental heads. He states further that theoretically, the General manager or managing Director is appointed by the board. And in practice however, this is subject to approach by the minister concerned as well as the prime minister or presidency.

In the same vein, Hanson (1974) stated further that the relationship between the chairman of the board, members, and the general manager depends largely upon the managerial organization of the public enterprises. In certain cases the chairman of the board occupies a full-time appointment. In others, the general manager is not a member of the board.

Therefore, as Thillainathan (1976:96) points out that:

- Most boards may turn out to be policy boards whose members do not exercise any functional responsibilities within the enterprise and
- Real authority (or such authority as is delegated by the Minister) is likely to gravitate into the hands of the general manager who has a full-time appointment vis-a-vis the board.

**Financing Public Enterprises**

Balogun (1987) identifies five major sources of finance for public enterprises in developing countries like Nigeria. The first of such sources is through provision of grants, loans or share participation. The administrative costs of Public Corporation such as National Agricultural Land Development Authority (NALDA) are met by Federal Government grant. Government loans are provided to finance the 'development
costs’ of various projects and schemes undertaken by enterprises.

The government loan may be interest bearing and repayable or interest bearing but not repayable or non-interest bearing but repayable. Accordingly, government provides finance by buying shares in the Enterprises. For example, in Nigerian National Petroleum Corporation (NNPC) the federal government is the sole shareholder while in other enterprises, such as National Fertilizer Company of Nigeria (NAFCON), Government is the major shareholder with the rest of the shares belonging to the NNPC among others.

A second possible source of finance for the public enterprises is through borrowing from local and foreign private sector financial institutions. The prior approval of the minister of finance is needed for such borrowing. NALDA is one of the examples of enterprises in Nigeria, which have in the past obtained part of their financing through borrowed funds. The third source of finance is the public issue of shares. This too requires the approval of the treasury. Banks like United Bank of Africa (UBA) among others in Nigeria raises and increases part of the equity capital through this sources.

And the fourth possible source is the ‘ploughing back’ of profits. Though most public enterprises in Nigeria are meant to be self-financing, some such as NNPC earns profits, which are ploughed back. The need for self-financing, is increasingly being emphasized. From the foregoing, not all public enterprises can finance their program and activities from all the aforementioned sources. Rather it depends upon the type of public enterprises.

According to Balogun (1987), as a general rule, public enterprises to certain extent are dependent upon government grants and loans. All these entail some degree of financial control.
Personnel Administration in Public Enterprises

In some Government enterprises, civil service procedures are followed in personnel matters. Conversely, government or public enterprises have maximal flexibility in this regard since the boards of directors and management are authorized to formulate their own policies dealing with personnel. These public or government companies follow the practice of private enterprises and have their own policies for recruitment, remuneration, grading, classification, promotion and discipline. In actual practice, however, public enterprises normally follow the practices of government department since:-

(1) The enterprises personnel policies have to be approved by the appropriate minister who in turn often refers the matter to public/civil service commission, and

(2) Many top level officer in the enterprises are seconded from the civil service and tend therefore to suggest that government policies be followed.

Coordination of Public Enterprises

The major areas in which coordination between public enterprises is considered necessary include general policy, investment, pricing policies, use of surpluses, performance criteria, personnel policies and public relation and information. A United Nation (UN) study points out five factors as the rationale for the coordination of public enterprises. First, in order to make the most efficient use of limited resources and to avoid wastage, it is essential to examine the policy implications of public enterprises in a coordinated manner at the national level.

Secondly, due to the rapid proliferation of public enterprise, it is likely that their activities may conflict or that they may follow conflicting policies.

Thirdly, in some cases more than one enterprise with overlapping objectives and functions may be established. In
order to avoid duplication and conflicting policies in such enterprises, mechanisms for coordination are essential.

Fourthly, to achieve the specified social and political policies as well as pricing policies for goods produced by these enterprises.

Finally, coordination is necessary to enable various public enterprises to assist one another by establishing effective linkage and thereby to deal with international situation in cooperation with each other.

Control of Public Enterprises

According to Sadique (1976:34-38), and closely related to the issue of coordination are those of control. The distinction between coordination and control is that while the former does not necessarily involve the direct power of sanction, the latter requires mechanisms of direct supervision. The distinction between the two concepts is perhaps arbitrary since without some power of sanction, coordination may be difficult to achieve. The two concepts should nevertheless be separated since not all issues involved in and reason for the two are identical.

Equally, at United Nations UN) Study points out the following reasons for exercising public control over public enterprises:

1. to ensure the achievement of specified goals;
2. to protect the government interest as an investor in the public enterprises;
3. to ensure that public enterprises do not incur losses;
4. the strategic importance of some public enterprises for the politic-bureaucratic system;
5. the refusal of public enterprises executives to accept responsibility for or to make decision on matters within their jurisdiction and
6. the lack of specificity regarding an enterprises objectives.
Theoretically, Thillainathan (1976) states that public enterprises are under the scrutiny and control of the legislature. In actual practice, however, the accountability of public enterprises to the legislature is curtailed by many factors. First, the opposition is ineffective and does not have access to all the information. Secondly, there is considerable ministerial intervention in the decision of the board or management of various enterprises. According to him, the ministers are not accountable to the legislature for such decision since these are matters concerning the enterprises internal management. Thirdly, some public enterprises do not come under the scrutiny of parliament since they are responsible only to their shareholders.

In conclusion, over the years, a number of problems have emerged in the functioning of public enterprises in developing countries like Nigeria. Some of these can be summarized as follows: first, is coordination – despite the existence of elaborate machinery, both at the planning and implementation stage, the coordination of public enterprises has been complex and difficult to achieve. This explains why in the last two decades, considerable changes in the mechanisms for coordination have been made.

Secondly, staffing, in the past, public enterprises have experienced a shortage of skilled and professional staff. Thereby negatively affecting their performance. Thirdly, in some cases, there is vagueness concerning the power of management, board of directors and the ministers concerned leading to ministerial intervention in the decision – making process which in-turn negatively affect, the operational flexibility of the public enterprises and furthermore, may substitute political criteria for economic ones. Fourthly, the rapid expansion of public enterprises in developing countries as an instrument for restructuring society has restricted the access of private capitalist in various activities such as land alienation, transport, trading etc.
Finally, the rapid increase in the number of public enterprises has led to overlapping and duplication of function in many areas in activity. In view of the government’s commitment to restructuring the economy by eliminating inter-ethnic income disparities, public enterprises will inevitably continue in the foreseeable future, to perform a vital role in the national economy. In order to facilitate the effective performance of public enterprises, and indeed the success of the government development strategy, various steps need to be undertaken. These include: giving greater operational flexibility to public enterprises in matters dealing with finance, personnel and program implementation; further clarifying the powers of management, the board of directors and ministers; reducing political intervention, in particular at the implementation stage; integrating those public enterprises, performing almost identical functions and empowering the Bureau of public enterprises to coordinate the activities of all public enterprises at the national level for privatization and commercialization.

Public/Civil Service
The term public/civil service has no precise or widely accepted definition. The problem of definition is compounded by the fact that civil/public service has become a fad word used promiscuously and often applied to a variety of acts of clumsy that are not strictly cumbersome and slow. Part V Section 318 (1) of the 1999 Constitution defines the public service of the Federation as “the service of the Federation in the capacity in respect of the Government of the Federation, and includes services as …”. It proceeds to list a number of offices: Clerk or other Staff of the National Assembly, Member or Staff of the Courts of Judicature of the Federation and States, Member or Staff of any Commission or Authority established for the Federation or State, Staff of any Company or Enterprise in which the Government or its agencies holds a controlling share
or interest, Members or the Armed Forces and the Police, Staff
of a Local Government Council, of a Statutory Corporation,
Educational Institutions established or principally financed by
Government, etc.

The fifth schedule, which prescribes a code of conduct for
"Public Officers" defines a public officer in section 21 as "a
person holding any of the offices specified in part II of this
schedule". The list in part II excludes from public office
chairman and members of ad hoc commissions tribunals,
committees; but it goes beyond the definitions of part V Section
318 (1) because it now includes elective as well as appointive
political public offices - the President (and the Vice-
President), Governors and their Deputies, Ministers and
Commissioners, Members and Staff of the Legislative Houses,
Chairmen, Directors of all Corporations, Companies in which
State has controlling interest.

The intention here is clear. The specified offices are
governed by the Code of Conduct and therefore should extend
the net wider than the regular meaning of public office holder.
The definitions in part V defined the public service for the
purpose of running the offices of State while the fifth schedule
refers to how these specified public officers should conduct
themselves in public and in private. The fifth schedule thus
provides a moral basis for judging the performance of the
public officers.

Part V Section 318 (1) also defines the civil service as
the service of the Federation (State) in a civil capacity as staff
of the office of the President, the Vice-president, a Ministry or
Department of the Government of the Federation (State)
assigned with the responsibility for any business of the
Government of the Federation (State). It is narrower than the
public service either as defined in the same part V or as defined
in the Fifth Schedule. It excludes Judicial officers, Board and
Officers of the Statutory Corporations or Companies in which
the Government has an interest however large, members of the
Armed Forces and the Police. It follows that civil servants are public servants but not all public servants are civil servants.

In the popular mind the separation is also often made between the civil service and the public service. Public servants, e.g., in the parastatals, etc, often refer to the civil service in a derogatory tone as the bureaucracy in an effort to distance themselves from the accusations in inefficiency and red tape associated with the civil services. Bureaucracy, however, exists everywhere in the civil and public services as well as in the large organized private sector. Derived from the French word "bureau," meaning a writing table or desk, the bureaucrat is the clerk or official that sits behind the desk or the writing table. It was indeed coined in the 19th Century by the French encyclopedists as a term of contempt. Today, it retains the pejorative flavor and is flung at the civil service to denote a slow, clumsy, inefficient and cumbersome machine that grinds down every decision obstructs action and perverts policy.

Civil service therefore, is the machinery made up of people organized into respective ministries with the responsibility of advising the government and executing its policies.

Structures of the Civil Service

Civil service in Nigeria is structured as follows:

Administrative Class: This is the highest service. It is the class that has the closest contact with the politician in advisory and policy making capacity in any ministry or extra ministerial departments of the civil service, the administration is headed by a permanent secretary who is the highest administrative officer who is followed by other departmental directors among other officers who provided needed services. The members of administrative class are university graduates with good honors degree who in addition passed the entrance examination and interviews by the civil service commission.
Executive Class: This class is responsible for the general day to day administration of the ministry. It is also its responsibility to implement orders or decision of the administrative and government generally as it affects these ministry. The requirement for recruiting into this class is all non-degree qualification. The progressive ones has the ability to move to administrative class upon passing in the respective and different competitive examination conducted by the civil service commission.

Clerical Class and Manipulative and Messenger Classes: The entry qualifications for these levels are lower. So are the salaries and benefits. These classes provided needed supporting services to both the administrative and executive classes.

Important Features of the Public Service

Civil service in Nigeria are guided by the following features and principles:

Political Neutrality: The initial feature guiding the performance of the public service is political Neutrality. By this we mean that a public officer does not become involved in partisan politics. He services the government of the day with dedication. If another one replaces that government, he serves the new government with some degree of loyalty and dedication. He does not allow his personal views to interfere with his performance.

Impartiality: Similar to political neutrality, the civil servants serve all members of the public to the best of his ability. He does not favor anyone. He does not belong to any political party or faction at least, not openly.

Anonymity: In an effort to protect the neutrality and impartiality of civil servants, they are made to operate behind the glare of publicity. They advise their ministers and political executives but they do not make open or partisan speeches. That is why some joke that civil servants are to be seen and not heard. Anonymity extends to the actual operation of the
service. Decisions taken are regarded as the decision of all. Everybody is responsible for them. This is the principle of collective responsibility, which also ensures the neutrality of any particular individual.

**Permanence:** Government come and go but the civil service remains. Public officers are not changed each time there is a change in the politicians. As long as they do their work properly and do not commit any crime, their tenure of office is guaranteed.

**Merit and Achievement:** Another principle of the civil service is that recruitment into the service is based on merit. This means that certain standard and qualification are set, and only those who satisfy them are considered. This is different from one traditional officer where son succeeds father automatically.

Many of these principles have been violated in Nigeria because of the unstable political situations. If we take these features one by one, we shall see that they represent ideal situations. In many countries of Africa, civil servants are not allowed by the politicians to be neutral. The politicians want the support of the civil servants and those who support them enjoy accelerated promotion.

Under the various military governments civil servants played very active roles in policy formulation and implementation. In some cases, civil servants were sent out to speak on and defend government programs. They were therefore, not anonymous. According to the theory, civil servants have security of tenure. In Nigeria, government are in the habit of dismissing or retiring civil servants.

This position was worst under the military where every change in government also led to the removal of the most senior public servants. This violates the principle of permanence.

Finally, there have been distortions in the merit principles. Though qualifications are prescribed for entry, promotions at times are not based only on merit. Political
consideration and the person one knows may be very important in Nigeria; in order to reflect the federal character, highly qualified persons from some part of the country may not be selected while those who are not as qualified from other parts are chosen.

Civil Service Commission

This is the body appointed either by the president at federal level and the Governor at the state level respectively. The powers of both the president and Governors to appoint chairmen and members of the commission are derived from sections 153 and 197 of 1999 constitution of Federal Republic of Nigeria. At the federal level, the commission is made up of a chairman and not more than 15 other members while at the state level, it is made up of a chairman and not less than 2 but not more than 4 other members. Who shall in the opinion of the President and Governors respectively be persons of unquestionable integrity and sound political judgement who shall be insulated from political control as to appoint persons to offices in the civil service; to dismiss, disciplinary and exercise promotions control over persons holding such offices.

The constitution further stipulates in 3rd schedule part 1 section 11(2) and part 11 section 2(2) that:

The commission shall not exercise any of its powers under sub-paragraph (1) of this paragraph in respect of such offices of head of division of ministries or of department of the government of the federation/state as may from time to time be designated by an order made by the President/Governor respectively except after consultation with the Head of the civil service of the Federation/State.
consideration and the person one knows may be very important in Nigeria; in order to reflect the federal character, highly qualified persons from some part of the country may not be selected while those who are not as qualified from other parts are chosen.

Civil Service Commission

This is the body appointed either by the president at federal level and the Governor at the state level respectively. The powers of both the president and Governors to appoint chairmen and members of the commission are derived from sections 153 and 197 of 1999 constitution of Federal Republic of Nigeria. At the federal level, the commission is made up of a chairman and not more than 15 other members while at the state level, it is made up of a chairman and not less than 2 but not more than 4 other members. Who shall in the opinion of the President and Governors respectively be persons of unquestionable integrity and sound political judgement who shall be insulated from political control as to appoint persons to offices in the civil service; to dismiss, disciplinary and exercise promotions control over persons holding such offices.

The constitution further stipulates in 3rd schedule part 1 section 11(2) and part 11 section 2(2) that:

The commission shall not exercise any of its powers under sub-paragraph (1) of this paragraph in respect of such offices of head of division of ministries or of department of the government of the federation/state as may from time to time be designated by an order made by the President/Governor respectively except after consultation with the Head of the civil service of the Federation/State.
References

Adamalekun, L. (1986); Public Administration: A Nigerian Comparative Perspective. Ibadan: Longman Publishers
Blau, P.M. (1955); The Dynamic of Bureaucracy. Chicago University of Chicago Press.
Hanson, A. H. (1974); Public Enterprises and Economic Development. London: O.U.P
Ibobije, S.W.E. (2000); Elements of Public Administration Warri: Lindospat Ltd.


