



ISSN: 2230-9926

Available online at <http://www.journalijdr.com>

IJDR

**International Journal of
DEVELOPMENT RESEARCH**

International Journal of Development Research
Vol. 5, Issue, 06, pp. 4811-4818, June, 2015

Full Length Research Article

IMPROVING ORGANISATIONAL EFFECTIVENESS IN NIGERIA PUBLIC ENTERPRISE

¹Agu, Okoro Agu and ²Anichebe Nnaemeka Augustine

Management, University of Nigeria, Enugu Campus

ARTICLE INFO

Article History:

Received 16th March, 2015
Received in revised form
22nd April, 2015
Accepted 02nd May, 2015
Published online 28th June, 2015

Key words:

Organisational Effectiveness,
Public Enterprise,
Culture.

ABSTRACT

The purpose of the research work is to highlight ways of improving organisational effectiveness in Nigeria public enterprise. Specifically, the study aimed to pursue the following objectives: to determine the effect of organisational culture on organisational effectiveness in Nigeria public enterprise, to ascertain the nature of relationship between corporate ethic and organisational Effectiveness in Nigeria public enterprise, to determine the effect of strategic management on organisational effectiveness in Nigeria public enterprise. The Study had population size of 840, out of which a simple size of 270 was realised using taro Yamene formula at 5% error to tolerance and 95% level of confidence. Instrument used for data collection was primarily questionnaire and interview. The total numbers of 270 copies of the questionnaire were distributed while 204 copies were returned. The descriptive research design was adopted for the study. Three hypotheses were tested using linear regression and Pearson product moment correlation coefficient statistical tools. The findings indicate that improved financial performance and reduced operating cost are the positive significant effect of culture on organisational effectiveness. There is a positive relationship between corporate ethic and organizational effectiveness. Improved product quality and return on investment are the positive significant effect of strategic management on organisational effectiveness. The study concluded that every organization, regardless of industry or size, seeks to be more effective and achieve superior results and such can be achieved through application of strategic management, effective reward system, effective leadership and corporate ethic. The study recommends that Nigeria public enterprise managers should be trained in environmental scanning so that opportunities and threats could be identified timely and so that the necessary medium and tactical plans could be developed to implement the changes necessary to achieve long-term plans.

Copyright © 2015 Agu, Okoro Agu and Anichebe Nnaemeka Augustine. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

INTRODUCTION

All enterprises, whether they are in the private or public sector, continuously strive to achieve and sustain business success. For private enterprises, success at primary objective level is often expressed in terms of the maximisation of profitability, return on investment and shareholders' wealth, while success at the secondary objective level is expressed in terms of the maximisation of productivity and sales, organisational growth, socio-economic goals, etcetera (Bosch, Tait and Venter, 2006). While striving to achieve more or less similar objectives, public enterprises have the added responsibility to deliver various services to the public in the most effective and efficient manner (Bryan, Fraser, Oppenheim and Rall, 1999; World Bank Group, 2007).

Covey (2004) suggests that an enterprise that provides the required goods and services through the optimal utilisation of its resources is an effective organisation. One of the key resources in any enterprise, including public enterprises, is its employees, because without the mental and physical input of employees, production or service delivery cannot take place. The job performance of employees is therefore a key determinant of the effectiveness of organisations, including public enterprises. Job performance has been described as the extent to which an employee accomplishes assigned tasks (Cascio, 1992: 260). In the same vein Arnolds (1995) define organisational effectiveness as the intent to increase and maintain optimal job performance by individual employees and to decrease and maintain low turnover and absenteeism levels. To achieve effectiveness and efficiency, change in the public sector is needed. The bureaucratic and slow public enterprises need to change into fast, effective and efficient organisations. According to Flynn (2007), the Nigeria state

*Corresponding author: **Agu, Okoro Agu**
Management, University of Nigeria, Enugu Campus

enterprises are performing below expectations. The Nigerian public sector includes the government ministries, departments and public enterprises. The public enterprises are important to the Nigeria economy as they not only provide products and services to Nigerians, but they also offer employment to Nigerians. Many of the public enterprises that wished to expand were limited by their ability to raise venture capital.

Their ownership structure demanded they obtain government approval for such expansion. Most potential investors were discouraged by rigidity in the decision-making process in the public sector, especially against the backdrop of an ever-changing market environment that demanded agility in order to remain relevant and competitive. According to the Minister of Public Service, a lot more remains to be done to improve service delivery, especially as far as rewarding excellent service on the part of public sector employees is concerned. The results based management approach and the implementation of performance related remuneration, which the government has adopted, are expected to change the operations of the public service (Nigeria Institute of Management, 2008: 10). Although a changing environment in itself necessitates changes, public sector organisations appear to have inherently less ability to act as freely as private sector organisations (Henry, 2001: 87).

Statement of the Problem

Every enterprise is established with clear business goals to be achieved. These business goals can only be achieved if the business succeeds in meeting the expectations of various stakeholders, including customers (goods and services), shareholders (return on investment), employees (employment) and the general public. In Nigeria public enterprise the quality of service rendered is very low which was tagged as due to inadequate accountability and responsibility, as well as poor governance.

Poor management of the public assets led to an almost total collapse of the system, decline in productivity and an increase in poverty. These had caused some public servants not attend to their duties diligently which result to absentism or presentism which make it possible for the members of the public to wait to be served while there was no one in the office. The poor service delivery is due to unclear direction and non-existent strategic plans. Where plans were present, there is no effective implementation and monitoring system. Thus pertinent to above the study seek to find a ways for improving organisational effectiveness in Nigeria public enterprise.

Objectives of the Study

The specific objectives of the study are

- To determine the effect of organisational culture on organisational effectiveness In Nigeria public enterprise.
- To ascertain the nature of relationship between corporate ethic and Organizational Effectiveness in Nigeria public enterprise.
- To determine the effect of strategic management on organisational effectiveness in Nigeria public enterprise.

Research Questions

This study will focus on answering the following research questions

- What are the effects of organisational culture on organisational effectiveness in Nigeria public enterprise?
- What is the nature of the relationship between corporate ethic and organisational Effectiveness in Nigeria public enterprise?
- What are the effects of strategic management on organisational effectiveness in Nigeria public enterprise?

Hypotheses

The following hypotheses will be tested for the purpose of the study;

1 Ho: Improved financial performance and reduced operating cost are not the effects of organisational culture on organisational effectiveness in Nigeria public enterprise.

Hi: Improved financial performance and reduced operating cost are the effects of organisational culture on organisational effectiveness in Nigeria public enterprise.

2 Ho: There is no positive relationship between corporate ethic and organisational effectiveness in Nigeria public enterprise.

Hi: There is positive relationship between corporate ethic and organisational effectiveness in Nigeria public enterprise.

3 Ho: Improved product quality and return on investment are not the effects of strategic management on organisational effectiveness in Nigeria public enterprise.

Hi: Improved product quality and return on investment are the effects of strategic management on organisational effectiveness in Nigeria public enterprise.

Review of Related Literature

There are diverse perspectives and definitions of what organizational effectiveness is. Broadly speaking, organisational effectiveness has been defined as the extent to which organisations achieve their mission through their core strategies (McCann, 2004: 1). More specifically, organizational effectiveness has been defined as the amount of physical output produced for each of the units of productive input (Miller, 2004). Finally, organisational effectiveness has also been defined as successful achievement of financial performances such as increased sales, profitability and market share. Profitability is a measure of the effectiveness of business as it indicates what profit the business has made from its sales or money invested in the firm (Harvey, 2007: 16). Profit maximisation, return on investment and shareholders' wealth are regarded as the primary objectives of businesses, while secondary objectives include productivity, business growth, sales maximisation, safety and security and socio-economic goals (Bosch, Tait and Venter, 2006).

The achievement of these objectives is therefore a measure of organisational effectiveness. The increase or decrease of the market share a firm controls is another important indicator of a firm's financial performance and therefore its organisational effectiveness (Shaw and Merrick, 2005: 39). Market share is a measure of how dominant a firm is in its industry and Porter (1990) argues that this gives a firm a competitive edge in the industry. Market share is often expressed as a firm's revenues for a specific product or service as a percentage of the industry's overall revenues for similar products or services. Some public enterprises are monopolies in their countries, a situation that provides them with the dominant market share. The extent to which these enterprises maintain and increase their market shares would be an indication and a determinant of their effectiveness. In the present study, organisational effectiveness will be measured by the perceived extent to which Nigeria public enterprises achieve various financial and market-related objectives such as sales with long-term profitability, innovative new products and services, increased market share, highest possible profit margins, servicing and retaining major clients

Organisational culture and organisational effectiveness

The conceptual model of the present study suggests that organisational culture is a key determinant of organisational effectiveness. Hill and Jones (2004: 417) define organisational culture as a collection of values and norms shared by people and groups in an organisation. Values are beliefs and ideas about what kinds of goals members of an organisation should pursue and about the appropriate kinds of standards of behaviour organisation members should use to achieve these goals. Managers enforce organisational culture through their projection of the vision, mission and codes of ethics of their businesses, as these documents should reflect the values of organisations (Greenberg and Baron, 2003: 31). Businesses with positive organisational cultures are more likely to survive in a competitive environment and should have higher performance than businesses with negative organisational cultures (Hill and Jones, 2004: 419; Plumeri, 2006:6). A well-planned organisational culture strategy leads to improved financial performance, reduced operating costs and enhanced corporate reputation (Greenberg and Baron, 2003: 31). A positive organisational culture also improves entrepreneurship, creativity, adaptability, dynamism and service quality (Richard and Ravi, 2006: 20).

Hellriegel et al. (2004) identified two types of organisational culture that have a profound impact on the performance of an enterprise, namely entrepreneurial and market culture. An entrepreneurial organisational culture is characterised by risk taking, dynamism and creativity, while a market culture is characterised by hard-driving competitiveness and profit orientation (Hellriegel et al., 2004). The present study investigates to what extent these culture types influence organisational effectiveness. Hamel (2006) argues that competitiveness is critical in the globalised business world and is dependent on the enterprise's capacity and ability to reinvent itself before it is forced to do so by change. Therefore, having an entrepreneurial culture is critical to maximise opportunities and to ensure an enterprise's long-term performance and survival (Kuratko and Welsch, 2004;

Vermaas, Van derMerwe and Jordaan, 2009). According to Kathrine (2010), an organisation that supports innovation, is willing to take risks and challenge the ways things have always been done and that is an entrepreneurial organisation, is rewarded by employees committed to and engaging in behaviours that further the goals of the organisation. In other words, an entrepreneurial organisational culture should have a positive influence on organisations as a whole as well as on the individual job performances of employees.

Corporate ethics and organisational effectiveness

Ethics refers to decisions on what is good or bad and encompasses values like honesty, integrity, fairness and commitment to the task at hand and absence of fear or favour in treatment (Chew and Gillan, 2007: 112; Prasad, 2006; Frederickson and Ghere, 2007). Ethics is therefore concerned with moral principles and how individuals should conduct themselves. Business or corporate ethics is the discipline that provides the value framework that guides moral decisions and behaviours in businesses (Goodall, 2008). The ethical value framework to which a business subscribes becomes part of the governance of the business. Governance on the other hand refers to how the organisation is governed, the decision-making process and how responsibilities are shared in an organisation (Goodall, 2008). For an organisation to be effective there has to be good governance as well as ethical practices in place. In recent times, there have been reports from all parts of the world on unethical behaviour that has resulted in the collapse of great corporations like Enron and WorldCom in the United States of America and loss of huge amounts in the respective countries through such scandals as the Morduch, the Goldenberg scandals (Einstein Law, 2008; Kenya Anti-Corruption Commission, 2010; DeLeon, 2007).

The fall of such enterprises has been attributed to poor governance and unethical practices, such as bribery, fraud, misrepresentation of financial results, tender corruption and theft (De Leon, 2007). The consequences of these unethical practices and negative governance issues have a detrimental impact on the organisation to the extent that an entire enterprise could collapse. In other words, these practices reduce organisational effectiveness, while, on the other hand, ethical behaviour helps to create shareholder value. Accordingly, business ethics and corporate governance should be investigated as determinants of organisation effectiveness in Nigeria public enterprises. The integrity of individuals is important in creating a culture of trust in organisations. According to O'Toole and Bennis (2009), no organisation can be honest with the public if it is not honest inside. People with honesty, transparency and integrity build trusting relationships with each other (O'Toole and Bennis, 2009). Integrity builds consensus through shared values and team spirit, which in turn results in personal effectiveness (Witimmer, 2007). Duggar (2009) reported that a culture of integrity creates a highly valued work environment and a foundation for long-term financial performance. Duggar (2009) further reported that an ethical work climate impacts the quality of corporate governance and provides a foundation for solid long-term performance and organisational effectiveness, as employees have high morale, their intent to resign declines and their

productivity increases. A culture of integrity also positively affects the relationship with customers and all other stakeholders (Duggar, 2009). Codes of ethics and board charters usually form part of corporate governance. Rossouw (2005) found that when the board of directors and management work with shared values towards shared goals within a shared decision making framework, stakeholder interests are respected and attained. Economic success for the long-term sustainability of the firm/corporation is thereby enhanced (Rossouw, 2005). Conversely, poor ethics and governance results in high employee turnover rates, lack of trust (suspicion and paranoia), lack of transparency, unexpected financial events, pilferage and buck passing (Duggar, 2009; Rossouw, 2005).

Strategic management and organisational effectiveness

According to Thompson, Strickland and Gamble (2010), crafting and executing strategy are the heart and soul of managing business enterprises. The process involves setting the direction of the organisation as well as charting a strategic direction, setting targets and choosing a strategy capable of producing the desired outcomes which gives it a competitive advantage through a configuration of its resources. The right configuration of resources gives the organisation a competitive advantage within a changing environment, helps in meeting the needs of its markets and fulfils stakeholder expectations (Johnson and Scholes, 1999; Thompson et al., 2010). The two definitions raise key issues relating to the following:

- the direction the enterprise intends to take,
- the scope in terms of products/services and geographical outreach,
- the long-term nature of strategies and therefore the uncertainties that are in the future, and
- the advantage or competitive edge it achieves.

Accordingly, enterprises need effective strategic management to enhance their success. Organisations that are effectively aligned in terms of their external environment, overall strategy and organisational design always outperform the competition or are more effective than their competitors (Haid et al., 2009). The main elements of strategic management according to the Thompson, et al. (2010) model include a five-phase model as shown here below.

a) Developing a strategic vision

This provides a bird's eye view of where the enterprise is going, charts a strategic path and moulds the organization identity. The strategic vision provides managers with the direction and reference point for making strategic decisions that prepare the enterprise for the future. With the developing of the vision comes development of the mission. The mission is a statement of the products and scope and purpose of the business. The vision and mission also include the values that guide the business.

b) Setting objectives

This involves converting the strategic vision into specific measurable targets or outcomes that the management wishes to

achieve. For an organisation to perform at its full potential, the targets should be stretching in order to deliver the best possible results.

c) Crafting the strategic plan

This involves the formulation of strategies to answer the questions of how to grow the business, how to out-compete rivals and how to respond to the ever changing customer needs and business environment. These strategies are divided into corporate, business, functional and operating strategies. The process of crafting the strategic plan should involve staff at all levels in order to ensure their buying and their ownership of the strategic plan.

d) Executing the strategy

This phase is the test of managers' ability to direct organisational change, motivate employees and build competencies and competitive capacities. This is really where the proverbial rubber meets the road. This phase includes staffing, allocation of resources, motivating people to achieve higher results as well as creating a company culture and climate conducive to successful strategy implementation.

e) Evaluating performance and initiating corrective adjustments

This involves evaluating the external environment and the progress being made in the enterprise and deciding whether there is any need for adjustment or change of the vision, objectives, strategy execution methods, etcetera.

Challenges of Public Enterprises in Nigeria

Public enterprises in Nigeria face several challenges. These challenges revolve around, among others: employee productivity and job performance; performance management; the complexity of the external organisational environment; organisational control and decision making; and governance.

Employee productivity and job performance

Productivity is defined as the ratio between the output of a process and inputs of resources needed for that process (Kopelman, 1986: 3; Samuelson and Nordhaus, 2004). These inputs could include labour, land or capital. The two important variants are labour productivity which measures the amount of output per unit of labour, and total factor productivity, which measures output per unit of total inputs. Productivity grows when outputs are increased with the same or reduced levels of input. On the input side, Kenyan public enterprises face challenges in the areas of labour and capital. As far as labour is concerned, the challenges appear to be in governance, the fostering of innovation and the changing of employee attitudes towards effective service delivery (Minister of State for Public Service, 2010). On the capital input side, the embracing and the effective use of technology appear to be challenges (Minister of State for Public Service, 2010). The individual outputs of employees are dependent on their individual job performance. The job performance of an employee is viewed as involving various job behaviours and attitudes, such as

work quality, work quantity, learning ability, interpersonal relations, job interest, initiative, conduct, perseverance, attendance and appearance of employee (Tharenou, 1993: 274; Steers, 1997:50). An improvement in productivity at the individual employee's level will result in better productivity of the organisation itself (Carkhuff, 1986: 92; Arnolds, 1995).

Performance management

There is a general perception across the world that the public sector is lethargic in its performance as compared with the private sector (Henry, 2001). It has been reported that one of the main reasons for this lethargy is the absence of effective performance management systems (Halligan, 2008). In recognition of the importance of performance management the Kenyan government has introduced the Balanced Score Card [BSC] performance measurement tool (Republic of Kenya, 2004). In accordance with the BSC, employees enter into performance contracts with their managers. This tool both measures the individual performances of employees as well as the performances of the public enterprises. The results from this performance scoring tool are used to rank the government ministries and the public enterprises on how they scored over a specified reporting period.

Complexity of external environment

According to Henry (2001), unlike the private or corporate world, the public sector operates under a different external environment that affects its performance. Henry (2001) claims that, unlike the private organisations whose external environment amounts to little more than the market place itself, public enterprises must endure "an environment comprised of far more complex, aggressive and intrusive forces among them politics, culture, law, economics and organization inter-dependences not present in the corporate world" (Henry, 2001:66-67).

Controls and decision making

Public enterprises are also characterised by more control and bureaucracy than private corporations. This is so because private corporations have the bottom line or profitability as the measure of performance, while most public enterprises do not have a profit motive but a social one. Public enterprises therefore have to institute internal rules and controls for spending, compliance, monitoring and producing of reports. This in turn calls for more layers of staff making the public enterprises more bureaucratic (Henry, 2001).

MATERIALS AND METHODS

The study adopted survey method. The population of the study is made up of employees of the three selected public enterprises in Enugu State which include: NIPOST, PHCN and NRC. The sources of data were both primary and secondary. The primary data were collected through questionnaire administration supported with personal interview while secondary data were obtained from journals, textbooks and internet. The questionnaire was designed in a 5- point Likert scale format. A sample size of 270 was obtained from the population of 840 at 5% error tolerance and 95% degree of freedom using

yamane's statistical formula. Two hundred and seventy copies of the questionnaire were administered. 204 copies were duly completed and returned while 66 copies were not duly completed and returned. The data collected from the field were presented and analyzed with descriptive statistics while the corresponding hypotheses were tested with Pearson's Correlation and linear regression at 0.05 alpha level with the aid of computer through the application of Statistical Package for Social Science (SPSS 15.0 version).

RESULTS AND DISCUSSION

The data obtained from the field were presented and analyzed with descriptive statistics to provide answers for the research questions while the corresponding hypotheses were tested with Pearson's Correlation and linear regression at 0.05 alpha level.

What are the effects of organisational culture on organisational effectiveness in Nigeria public enterprise

According to table (1) based on aggregate response 806(88%) indicated strongly agree, 74(8) indicated disagree while 32 (4%) indicated undecided. This implies that Improved financial performance and reduced operating cost are the effects of organisational culture on organisational effectiveness

Ho₁: Improved financial performance and reduced operating cost are not the effects of organisational culture on organisational effectiveness in Nigeria public enterprise

The result indicate that improved financial performance and reduced operating cost are the positive significant effect of organisational culture on organisational effectiveness as $t = 10.614$ and which is above the rule of thumb positivity of 2 and the coefficient of organisational culture is (0.096). the variations from the model is explained by the model as indicated from the coefficient of the determination (r^2) value of 59.8%. Also the result indicates that there is a positive relationship between organisational culture and organisational effectiveness as indicated by r value of 0.598 which is positive as shown by beta value of 0.598.

What is the nature of the relationship between corporate ethic and organisational effectiveness in Nigeria public enterprise

According to table (3) based on aggregate response 364(89%) indicated strongly agree, 34(8) indicated disagree while 11 (3%) indicated undecided. This implies that there is positive relationship between corporate ethic and organisational effectiveness in Nigeria public enterprise.

Ho₂: There is no positive relationship between corporate ethic and organizational effectiveness in Nigeria public enterprise

Table 5 Correlations between corporate ethic and organizational effectiveness in Nigeria Table 4 shows the descriptive statistics of the relationship between corporate ethic and organizational effectiveness, with a mean response of 1.1373 and std. deviation of .39801 for corporate ethic and

Table 1. Coded Responses on organisational culture and organizational effectiveness

s/no	Questionnaire items	S. Agree /Agree		Disagree /S. Disagree		Undecided		Total (Freq)
		Freq	%	Freq	%	Freq	%	
1	A well-planned organisational culture improved financial performance and enhance corporate reputation?	192	98	3	1	5	1	204
2	Reduced operating cost and service quality are the bye product of organisational culture ?	200	98	2	1	2	1	204
	TOTAL	399		5		4		408

Source: fieldwork 2012

Table 2. SPSS result of the effect of organisational culture on organisational effectiveness

Particulars	R	R ²	Adj.R ²	DW	Standard Coefficients		F	Sig.
					Beta	T- Value		
enterprises	0.598 ^(a)	0.358	0.355	.198	0.598	10.614	112.648	0.000

SOURCE: SPSS

NOTE:

R = Correlation Coefficient or Beta
R² = Coefficient of Determination
Adj. R² = Adjusted Coefficient of Determination
DW = Durbin Watson (d) test statistic
T-value = Student t- test Statistic
F = F- test statistic
Model Equation CC = 0.096 + 1.159 CE

Table 3. Coded Responses on corporate ethic and organisational effectiveness

s/no	Questionnaire items	S. Agree /Agree		Disagree /S. Disagree		Undecided		Total (Freq)
		Freq	%	Freq	%	Freq	%	
1	ethical work climate impacts the quality of corporate governance and provides a foundation for solid long-term performance and organisational effectiveness ?	180	88	20	10	4	2	204
2	Integrity builds consensus through shared values and team spirit, which in turn results in organisational effectiveness?	183	90	14	7	7	3	204
3	TOTAL	363		34		11		408

Source: fieldwork 2012

Table 4. Descriptive Statistics of the relationship between corporate ethic and organizational effectiveness in Nigeria public enterprise

	Mean	Std. Deviation	N
corporate ethic	1.1373	.39801	204
organisational effectiveness	1.1373	.43355	204

Source: SPSSWIN15:00 version

Table 5. Correlations between corporate ethic and organizational effectiveness in Nigeria public enterprise

		corporate ethic	organisational effectiveness
corporate ethic	Pearson Correlation	1	.918(**)
	Sig. (2-tailed)		.000
	N	204	204
organisational effectiveness	Pearson Correlation	.918(**)	1
	Sig. (2-tailed)	.000	
	N	204	204

Source: SPSSWIN15:00 version

Table 6. Coded Responses on strategic management and organizational effectiveness

s/no	Questionnaire items	S. Agree /Agree		Disagree /S. Disagree		Undecided		Total (Freq)
		Freq	%	Freq	%	Freq	%	
1	Strategic management helps in improving product quality which promote organisational success?	179	88	15	7	10	5	204
2	Return on investment is enhance through strategic management in order to achieve organisational effectiveness ?	168	82	22	11	14	7	204
3	TOTAL	347		37		24		408

Source: fieldwork 2012

Table 7. SPSS result of the impact of promotion on organisational commitment

Particulars	R	R ²	Adj.R ²	DW	Standard Coefficients		F	Sig.
					Beta	T- Value		
enterprises	0.886 ^(a)	0.785	0.784	.298	0.886	27.196	739.616	0.000

SOURCE: SPSS

NOTE:

R = Correlation Coefficient or Beta
R² = Coefficient of Determination
Adj. R² = Adjusted Coefficient of Determination
DW = Durbin Watson (d) test statistic
T-value = Student t- test Statistic
F = F- test statistic
Model Equation ST = 0.233 + 0.751OE

a mean response of 1.1373 and std. deviation of .43355 for organisational effectiveness. By careful observation of standard deviation values, it can be said that there is about the same variability of data points amongst the dependent and independent variables. Table 5 is the Pearson correlation coefficient matrix of the relationship between corporate ethics and organizational effectiveness, showing the correlation coefficient, significant values and the number of cases. The correlation coefficient shows 0.918 this value indicates that correlation is significant at 0.05 level (2tailed) and implies that there is a positive relationship between corporate ethic and organizational effectiveness ($r = .918$). However, the computed correlations coefficient is greater than the table value of $r = .195$ with 202 degrees of freedom ($df = n-2$) at alpha level for a two-tailed test ($r = .918, p < .05$). This result indicates that there is a positive relationship between corporate ethic and organizational effectiveness. Therefore, the null hypothesis should be rejected. What are the effects of strategic management on organisational effectiveness in Nigeria public enterprise. According to table (6) based on aggregate response 347(85%) indicated strongly agree, 37(9) indicated disagree while 24 (6%) indicated undecided. This implies that improved product quality and return on investment are the effects of strategic management on organisational effectiveness.

Ho₃: Improved product quality and return on investment are the effects of strategic management on organisational effectiveness

The result indicate that improved product quality and return on investment are the positive significant effect of strategic management on organisational effectiveness as $t = 27.196$ and which is above the rule of thumb positivity of 2 and the coefficient of strategic management is (0.233). The variations from the model is explained by the model as indicated from the coefficient of the determination (r^2) value of 88.6%. Also the result indicates that there is a positive relationship between strategic management and organisational effectiveness as indicated by r value of 0.886 which is positive as shown by beta value of 0.886.

Summary of findings

The result based on the descriptive statistics reveals the following

- Improved financial performance and reduced operating cost are the positive significant effect of culture on organisational effectiveness as (r value of 0.598; $t = 10.614$; $SP < 0.05$)

- There is a positive relationship between corporate ethic and organizational effectiveness test ($r = .918, p < .05$).
- Improved product quality and return on investment are the positive significant effect of strategic management on organisational effectiveness as ($r = 0.886$; $t = 27.196$; $p < 0.05$)

Conclusion

Every organization, regardless of industry or size, seeks to be more effective and achieve superior results. A business policy is developed to achieve this. It amounts to nothing, though, if it remains on the drawing board and is never executed. Execution occurs when structure, roles, capability, leadership, systems, and culture are all pulling together and aligned with the strategy. One without the other will create misalignment and success will not be realized.

Recommendations

Based on these findings, the following recommendations were made. Enterprise should be rewarding of individual initiatives undertaken by both individual employees and departments and be adherence to rewarding for performance rather than social networks this would improve the achievement of financial goals, such as increased market share, profitability and return on investment in Nigeria public enterprises. Nigeria public enterprise managers should be trained in environmental scanning so that opportunities and threats could be identified timely and so that the necessary medium and tactical plans could be developed to implement the changes necessary to achieve long-term plans. managers should also be made aware of the role of new technologies and business models in the pursuit of new products and services. How to access information and feedback from customers (the public in this case) through research. Managers should guard against driving strategy implementation at all costs and in an unethical manner, in which there should be checks and balances against unethical (cutting corners) behaviours of employees in their pursuit of strategic objectives. This could be done through the promotion of integrity and the appointment of integrity officers.

REFERENCES

- Arnolds, C. A. 1995. Enhancing organisational effectiveness: A multi-foci study of employee commitment. *Master of Commerce dissertation*. Port Elizabeth, Vista University.

- Bosch, J.K. *et al.* 2006. *Business Management – An entrepreneurial perspective*. Cape Town, Van Schaik
- Bryan, L. *et al.* 1999. *Race for the world: Strategies to build a great global firm*. Boston, Harvard Business School Press.
- Carkhuff, R.R. 1986. *Human processing and human productivity*. Amherst Massachusetts, Human Resource Development Press Inc
- Cascio, W.F. 1992. *Managing human resources: Productivity, quality of work life, profits*. 3rd edition. New York, McGraw-Hill
- Chew, D.H. and Gillan, S.L. 2007. *Corporate governance at the crossroads*. Tata McGraw-Hill, New Delhi.
- Chew, D.H. and Gillan, S.L. 2007. *Corporate governance at the crossroads*. Tata McGraw-Hill, New Delhi.
- Covey, S.R. 2004. *The 7 habits of highly effective people*. London, Simon and Schuster Ltd.
- De Leon, P. 2007. Cowboys and the new public management: Political corruption as a harbinger. Cited In Frederickson, H.G. H.G and Ghere, R.K.
- Duggar, J.W. 2009. *The role of integrity in individual and effective corporate leadership*. Holy Family University School of Business Administration. [Online] Available at: <http://www.aabri.com/manuscripts/1054.pdf>. [Accessed on 28th November 2010]
- Flynn, N. 2007. *Public Sector Management*. 5th edition. London, Sage
- Frederickson, H.G. and Ghere, R.K. 2007. *Ethics in Public Management*. New Delhi, Prentice Hall.
- Goodall, W. 2008. *Why Great men Fall*, Evengel, Nairobi.
- Greenberg, J. and Baron, R.A. 2003. *Behavior in Organizations*. 7th edition. New Jersey, Prentice-Hall
- Haid, M. *et al.* 2009. Organizational effectiveness: Discovering how to make it happen. *Right Management*. [Online] Available at: <http://www.right.com>. (Accessed 21 December 2010).
- Halligan, J. 2008. Performance management in government: International perspectives on the challenge. *Holly Grail or Achievable Quest*. KPMG International.
- Hamel, G. 2006. The why, what and how of management innovation. *Harvard Business Review*, Vol84(2), pp72-84.
- Harvey, A. 2007. *A training programme contributes to business success*. Saskatchewan, Sage.
- Hellriegel, *et al.* 2004. *Management*. 2nd edition. Cape Town, Oxford University Press.
- Henry, N. 2001. *Public administration and public affairs*. 6th edition. New Delhi, Prentice-Hall.
- Hill, C.W.L. and Jones, R.J. 2004. *Strategic Management: An integrated approach*. 7th edition. Boston, Houghton Mifflin.
- Johnson, G. and Scholes, K. 1999. *Exploring corporate strategy*. 5th edition. New Jersey, Prentice Hall.
- Kathrine, H. 2010. The Influence of the leadership practice: Challenging the process on perceived organisation support. *Proceedings of the ASBBS annual conference*, Vol 17(1), pp351-361
- Kenya Anti-Corruption Commission, 2010. *Various reports on corruption referred to in courts of law*. Nairobi, Kenya Anti-Corruption Commission
- Kenya Institute of Management, 2008. *Management*, July pp.9-10
- Kopelman, R.E. 1986. *Managing productivity in organisations: A practical, people-oriented perspective*. New York, McGraw-Hill
- Kuratko, D.F. and Welsch, H.P. 2004. *Strategic entrepreneurial growth*. 2nd edition. Fort Worth, Harcourt College Publishers
- McCann, J. 2004. Organisational effectiveness: Changing concepts for changing environment. *Human Resource Planning*, March pp42-50
- Miller, H. 2004. *Organisation effectiveness*. U.S.A Miller, H. Inc
- Minister of State for Public Service, 2010. Speech at the launch of the Public Innovator's Playbook, 1st March, Nairobi, Kenya
- Minister of State for Public Service, 2010. Speech at the launch of the Public Innovator's Playbook, 1st March, Nairobi, Kenya.
- O'Toole, J. and Bennis, W. 2009. What's needed next? A culture of candour. *Harvard Business Review*, June, pp 54-67
- Plumeri, J. 2006. *Flying the WILLIS Flag*. Business Insurance
- Porter, M.E. 1990. *Competitive advantage, creating and sustaining superior performance*. New York, Free Press
- Prasad, K. 2008. *Corporate Governance*. New Delhi, PHI Learning
- Richard, H. and Ravi, P. 2006. Is service quality and culture: An empirical investigation. *Journal of Computer Information System*. Fall 2008
- Roussouw, G J. 2005. Business ethics and corporate governance in Africa. *Business and Society*, Vol44 (1), pp94-106.
- Shaw, R. and Merrick, D. 2005. *Marketing payback: Is your marketing profitable?* New York, Financial Times.
- Steers, R.M. 1991. *Introduction to Organizational Behavior*. New York, Harper-Collins Publishers Inc.
- Tharenou, P. 1993. A test of reciprocal causality for absenteeism. *Journal of Organisational Behaviour*, Vol14, pp269-290.
- Thompson, A.A. *et al.* 2010. *Crafting and Executing Strategy: Text and Reading*. 17th edition. Boston, McGraw Hill Irwin
- Vermaas, C. *et al.* 2009. *The influence of human-related factors on intrapreneurship in large organizations*. A presentation in IBC, Zanzibar. pp 89-101
- Wittmer, D.P. 2007. Developing a behavioural model for ethical decision making in organisations: Conceptual and empirical research. In Frederickson H.G. and Ghere R.K. (ed), *Ethics in Public Management*, New York, Sharpe M.E Inc.
- World Bank Group, 2007. *Governance, growth for a prosperous Kenya: Country Assistance Strategy Progress Report -2004-2008*. Washington DC, World Bank.
