



NATIONAL OPEN UNIVERSITY OF NIGERIA

COURSE CODE :POL 226

**COURSE TITLE:
ORGANISATION AND ADMINISTRATIVE THEORIES**

**COURSE
GUIDE****POL 226
ORGANISATION AND ADMINISTRATIVE THEORIES**

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Introduction

Welcome to POL 226: Organisation and Administrative Theories.

This course is a three-credit-unit course for undergraduate students in Political Science. The material has been developed with the Nigerian

context in view. This Course Guide gives you an overview of the course. It also provides you with information on the organisation and requirements of the course.

Course Aims

The aims are to help you understand the role of the organisation and administrative theories in the society; how organisation has helped mankind to achieve a desired end. The course specifically aims at:

- Introducing you to organisation and administrative theories, and its basic principles
- Demonstrating how these principles can be applied
- Acquainting you with its broad concept, meaning and characteristics

Course Objectives

To achieve the aims set out above, POL 226 has overall objectives. (In addition, each unit also has specific objectives. The unit objectives are at the beginning of each unit. I advise that you read them before you start working through the units. You may want to refer to them during your study of the units to check your progress).

Here are the wider objectives for the course as a whole. By meeting the objectives, you count yourself as having met the aims of the course. On successful completion of the course, you should be able to:

- know the meaning of organisation
- the characteristics of organisation
- the basic concept of organisation
- theories of Organisation
- the meaning and functions of different agencies
- that efficiency and economy are the essence of these agencies
- the reasons for departmental organisation
- what a public enterprise stands for
- what public relations are
- recruitment of personnel organisation, training and promotion
- why corruption in the society, and how to indicate it etc.

Working through this Course

To complete the course, you are required to read the study units and other related materials. The exercises are to aid you in understanding the basic concept being presented. At the end of each unit, you will be required to submit written assignments for assessment purposes. At the end of the course, you will sit for a final examination.

Course Material

The major materials you will need for this course are:

1. Course Guide
2. Study unit
3. Assignments file
4. Relevant textbooks including the ones listed under each unit

Study Units

There are 29 units (of 6 modules) in this course. These are listed below:

Module 1

Unit 1	The Meaning of Organisation
Unit 2	Conceptions of Organisation
Unit 3	Theories of Organisation
Unit 4	Bases and Principles of Organisation
Unit 5	Staff, Line and Auxiliary Agencies

Module 2

Unit 1	Organization of Departments
Unit 2	Bureau and Board/ Commission
Unit 3	Field Establishment
Unit 4	Public Enterprises
Unit 5	Public Corporations

Module 3

Unit 1	Problems of Personnel Organization
Unit 2	Max Weber's Theory of Bureaucracy
Unit 3	Recruitment of Personnel
Unit 4	Training
Unit 5	Promotion

Module 4

Unit 1	Public Relations
Unit 2	Public Employees Organisation
Unit 3	Generalist vs Specialist
Unit 4	Administrative Procedure
Unit 5	Organisation and Method (O&M)

Module 5

Unit 1	Administrative Law
Unit 2	Delegated Legislation
Unit 3	Administrative Adjudication
Unit 4	Administration and Finance
Unit 5	The Budget

Module 6

Unit 1	Morale, Conduct and Discipline
Unit 2	Civil Service System
Unit 3	Where Do Nigerian Civil Service Go From Here?
Unit 4	Corruption in Public Service

Set Textbooks

Certain books have been recommended for this course. You may wish to purchase them for further reading.

Assessment File

As assessment file and a marking scheme will be made available to you. In the assessment file, you find details of the works you must submit to your tutor for marking. There are two aspects of the assessment of this course, the tutor-marked and the written examinations. The marks you obtain in these two areas will make up your final marks. The assignment must be submitted to your tutor based on the deadlines stated in the presentation schedule and the assignment file. The work you submit to your tutor for assessment will count for 30% of your total score.

Tutor-Marked Assignment (TMAs)

You will have to submit a specified number of the TMAs. Every unit in this course has a tutor-marked assignment. You will be assessed on four of them but the best three performances from the TMAs will be used for your 30% grading. When you have completed each assignment, send it together with a Tutor-Marked Assignment form to your tutor. Make sure each assignment reaches your tutor on or before the deadline for

submission. If for any reason, you cannot complete your work on time, contact your tutor for a discussion on the possibility of an extension. Extension will not be granted after the due date unless under exceptional circumstances.

Final Examination and Grading

The final examination will be a test of three hours. All areas of the course will be examined. Find time to read the unit all over before your examination. The final examination will attract 70% of the total course grade. The examination will consist of questions which reflect the kind of self assessment exercises and tutor-marked assignment you have previously encountered. And all aspects of the course will be assessed. You should use the time between completing the last unit and taking the examination to revise the entire course.

Course Marking Scheme

The following table lays out how the actual course mark allocation is broken down.

Assessment	Marks
Assignments (Best three assignments out of four marked)	30%
Final Examination	70%
Total	100%

Presentation Schedule

The dates for submission of all assignments will be communicated to you. You will also be told the date of completing the study units and dates for examinations.

Course Overview and Presentation Schedule

Units	Title of work	Weeks Activity	Assignments
Course Guide Module 1			

1	The Meaning of Organisation	Week 1	Assignment 1
2	Conceptions of Organisation	Week 2	Assignment 2
3	Theories of Organisation	Week 2	Assignment 3
4	Bases and Principles of Organisation	Week 2	Assignment 4
5.	Staff, Line and Auxiliary Agencies		Assignment 5
Module 2			
1	Organisation of Departments	Week 3	Assignment 1
2	Field Establishment	Week 4	Assignment 2
3	General Aspects of Administration	Week 4	Assignment 3
4	Public Enterprises	Week 4	Assignment 4
5	Public Corporations		Assignment 5
Module 3			
1	Problems of Personnel Organization	Week 5	Assignment 1
2	Max Weber's Theory of Bureaucracy	Week 6	7Assignment 2
3	Recruitment of Personnel	Week 7	Assignment 3
4	Training	Week 8	Assignment 4
5	Promotion		
Module 4			
1	Public Relations	Week 9	Assignment 1
2	Public Employees Organisation	Week 9	Assignment 2
3	Generalist vs Specialist	Week 10	Assignment 3
4	Administrative Procedure	Week 10	Assignment 4
5	Organization & Method (O & M)	Week 11	Assignment 5
Module 5			
1	Administrative Law	Week 11	Assignment 1
2	Delegated Legislation	Week 11	Assignment 2
3	Administrative Adjudication	Week 12	Assignment 3
4	Administration & Finance	Week 12	Assignment 4
5	The Budget		
Module 6			
1	Moral, Conduct & Discipline	Week 12	Assignment 1
2	Civil Service System	Week 13	Assignment 2
3	Where does Nigerian Civil Service go from here ?	Week 13	Assignment 3
4	Corruption in Public Service	Week 14	Assignment 4
	Revision	1	
	Examination	1	

	Total	17	
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How to Get the Most from This Course

In distance learning, the study units replace the university lecture. This is one of the great advantages of distance learning; you can read and work through specially designed study materials at your own pace, and at a time and place that suit you best. Think of it as reading the lecture instead of listening to the lecturer. In the same way a lecturer might give you some reading to do, the study units tell you where to read, and which are your text materials or text books. You are provided exercises to do at appropriate points, just as a lecturer might give you an in-class exercise. Each of the study units follows a common format. The first item is an introduction to the subject matter of the unit, and how a particular unit is integrated with the other units and the course as a whole. Next to this is a set of learning objectives. These objectives let you know what you should be able to do by the time you have completed the unit. These learning objectives are meant to guide your study. The moment a unit is finished, you must go back and check whether you have achieved the objectives. If this is made a habit, then you will significantly improve your chances of passing the course. The main body of the unit guides you through the required reading from other sources. This will usually be either from your text books or from a reading section. The following are the practical strategy for working through the course. If you run into any trouble, telephone your tutor. Remember that your tutor's job is to help you. When you need assistance, do not hesitate to call and ask your tutor to provide it.

1. Read this course guide thoroughly, it is your first assignment.
2. Organise a study schedule. Design a "Course Overview" to guide you through the course. Note the time you are expected to spend on each unit and how the assignments relate to the units. Whatever method you choose to use, you should decide on, and write in your own dates and schedule of work for each unit.
3. Once you have created your own study schedule, do everything to stay faithful to it. The major reason students fail is that they get behind with their course work. If you get into difficulties with your schedule, please, let your tutor know before it is too late to help.
4. Turn to Unit 1, and read the introduction and the objectives for the unit.
5. Assemble the study materials. You will need your text books and the unit you are studying at any point in time. As you work through the unit, you will know what sources to consult for further information.
6. Keep in touch with your study centre. Up-to-date course information will be continuously available there.

7. Well before the relevant due dates (about 4 weeks before due dates), keep in mind that you will learn a lot by doing the assignment carefully. They have been designed to help you meet the objectives of the course and, therefore, will help you pass the examination. Submit all assignments not later than the due date.
8. Review the objectives for each study unit to confirm that you have achieved them. If you feel unsure about any of the objectives, review the study materials or consult your tutor.
9. When you are confident that you have achieved a unit's objectives, you can start on the next unit. Proceed unit by unit through the course and try to pace your study so that you keep yourself on schedule.
10. When you have submitted an assignment to your tutor for marking, do not wait for its return before starting on the next unit. Keep to your schedule. When the assignment is returned, pay particular attention to your tutor's comments, both on the tutor-marked assignment form and also the written comments on the ordinary assignments.
11. After completing the last unit, review the course and prepare yourself for the final examination. Check that you have achieved the unit objectives (listed at the beginning of each unit) and the course objectives (listed in the course guide).

Tutors and Tutorials

Information relating to the tutorials will be provided at the appropriate time. Your tutor will mark and comment on your assignments, keep a close watch on your progress and on any difficulties you might encounter, and provide assistance to you during the course. You must take your tutor-marked assignments to the study centre well before the due date (at least two working days are required). They will be marked by your tutor and returned to you as soon as possible.

Do not hesitate to contact your tutor if you need help. Contact your tutor if:

- You do not understand any part of the study units or the assigned readings
- You have difficulty with the exercises
- You have a question or problem with an assignment or with your tutor's comments on an assignment or with the grading of an assignment.

You should try your best to attend the tutorials. This is the only chance to have face-to-face contact with your tutor and ask questions which are answered instantly. You can raise any problem encountered in the course of your study. To gain the maximum benefit from course

tutorials, prepare a question list before attending them. You will learn a lot from participating in discussions actively.

Summary

The course guide gives you an overview of what to expect in the course of this study. The course teaches you the basic concepts, theories, bases and principles of organisation. It will also acquaint you with the Problems of Training and Promotion in Organisation. Most importantly, information regarding Public Relations, Administrative Law and Adjudication etc, are also contained in this course.

We wish you success with the course and hope that you will find it both interesting and useful.

**MAIN
COURSE**

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MODULE 1

Unit 1	The Meaning of Organisation
Unit 2	Conceptions of Organisation
Unit 3	Theories of Organisation
Unit 4	Bases and Principles of Organisation
Unit 5	Staff, Line and Auxiliary Agencies

UNIT 1 THE MEANING OF ORGANISATION

CONTENTS

1.0	Introduction
2.0	Objectives
3.0	Main Content
3.1	The Meaning of Organisation
3.2	Characteristics of Organisation
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
7.0	References/Further Reading

1.0 INTRODUCTION

Administration involves co-operative efforts by a number of people to achieve certain objectives. It is obvious that these people must be organised so as to achieve the desired end. They should work in co-operation with each other and all their co-operative energy should be directed towards the same end. This is possible with the existence of an organisational structure wherein their energies are channeled towards a common goal. So, organisation is prior to every administrative action; for no administrative action can be implemented without an organisation.

However, since organisation is a very broad concept, our focus in this unit, would be on its meaning and characteristics.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define an organisation
- list characteristics of an organisation
- organisations are social entities - explain
- that organisation by itself does nothing but the staff making up the organisation who do the work – elucidate.

3.0 MAIN CONTENT

3.1 The Meaning of Organisation

Organisation, according to the dictionary, “is the work of connecting inter-dependent parts so that each has a special function, act, office or relation to the whole.” According to J.M. Gans, “Organisation is the arrangement of personnel for facilitating the accomplishment of some agreed purpose through the allocation of functions and responsibilities. It is the relating of efforts and capacities of individuals and groups engaged upon a common task in a way as to secure the desired objective with the least friction and the most satisfaction to those for whom the task is done and those engaged in the enterprise.”

In the words of money, “Organisation is the formation of every human association for the attainment of a common purpose.” For many writers on administration and management, organisation is the act of putting things in working order. Critically speaking, however, the term organisation is used in at least three different senses. Organisation in this regards connotes the following:

- The act of designing the administrative structure
- Designing as well as building the administrative structure
- The resultant administration itself

Some other definitions of organisation are as follows:

- **L.D. White** - Organisation is the arrangement of personnel for facilitating the accomplishment of some agreed purposes through the allocation of functions and responsibilities.
- **Milward** - Organisation structure is a pattern of inter-related posts connected by line of delegated authority.
- **Ptiffner**- Organisation consists of the relationship of individuals to individuals and of groups to groups which are so related as to bring about an orderly division of labour.
- **Mark M.**-Organisation refers to the structure developed for carrying out the tasks entrusted to the chief executive and his administrative subordinates in government.
- **Gullick Luther**- Organisation is the formal structure of authority through which work sub-divisions are arranged, defined and coordinated for the defined objective.
- **Schulze William** -An organisation is a combination of the necessary human beings, materials, tools, equipment, working space and appurtenances brought together in systematic and effective coordination to accomplish some desired objectives.

- **Gladden**-Organisation is concerned with the pattern of relationships between persons in an enterprise, so constructed as to fulfill the enterprise, so constructed as to fulfill the enterpriser's functions.
- **Simon** - By organisation, we mean a planned system of co-operative efforts in which each participant has a recognized role to play and duties and tasks to perform.

As already mentioned, the term organisation is generally used with at least three different meanings:

- (i) The act of designing the administrative structure
 - (ii) Both designing and building the structure, and
 - (iii) The structure itself. However, some thinkers believe that organisation is simply designing the structure and nothing more.
- **Urwick** - for example, restricts the meaning of organisation only to the designing of the administrative machine. He defines organisation as "determining what activities are necessary to any purpose and arranging them in groups which may be assigned to individuals". His approach is called structural or traditional approach.

Others do not accept his structural or engineering approach to the concept of organisation. They believe that organisation is essentially a network of human relationships and this fact should not be lost in the study of an organisation.

- **Dwight Waldo** - says, "In many ways the classical theory was crude, presumptions, incomplete, wrong in some of its conclusion, naïve in its scientific methodology, parochial in its outlook. In many ways, it was the End of a Movement not the foundation for a science."
- **Milward** - has said, "Organisation by itself does nothing, it is the staff making up the organisation who do the work."
- **Gaus** - similarly, highlights the importance of human element in an organisation when he defines organisation as the "relating of efforts and capacities of individuals and groups engaged upon a common task in such a way as to secure the desired objective with the least friction and the satisfaction for whom the task is done and those engaged in the enterprise."

There is no denying the fact that organisation is not merely a structural framework, it is both a structure and a network of social relationships, and as such, any organisational theory must be basically human. This fact is vividly brought out by the following observation of the learned thinkers: "Organisation is the systematic bringing together of the inter-dependent parts to form a unified whole through which authority,

coordination and control may be directed to achieve given purposes. Because the interdependent parts are made up also of people who must be directed and motivated and whose work must be co-ordinated in order to achieve the objectives of the enterprise, organisation is both structure and human beings. To try to deal with organisation merely as framework without its service would be wholly unrealistic.”

In the words of L.D. White, “an organisation is an aggregate of positions and incumbents” and its primary elements are (i) persons (ii) combined efforts, and (iii) a common purpose.

3.2 Characteristics of Organisation

In olden days, organisations were simple because human society was in its primitive stage. This of course does not mean that there were never large-scale organisations of the type we find today. It only means that the relationship pattern in the old simple organisations was different from what it is today. Giving an account of the pre-industrial scale organisations, Pfiffner and Sherwood write:

- “They were massively simple groups put together to perform a tremendous job that was simply the endless repetition of a simple one. Obedient to the principle that the organisation is conditioned by the circumstances that give it rise, these groups were structurally nothing but the innumerable repetition of but one human relationship - the one-way authoritarian relation which in its pure form is that between master and slave.”

However, today, the old master-slave relationship is a far cry. There have been many factors at work which have served to complicate the entire fabric of society. They include- the liberation of individuals in our social philosophy and policies, the development of new understandings of the nature of human co-operation, the broadening range of organisation goals, and the movement toward task specialization.

Most organisations possess certain basic characteristics. According to Spiers, there are five basic characteristics of an organisation. These are:

i Membership

Most organisations comprise of group of persons. Spiers writes that in the case of organisations, knowledge of belonging is a necessary criterion, and membership is nearly always voluntary, in that people are free to withdraw. He mentions certain

exceptions, e.g. the state, or enforced membership of a military organisation.

ii **Organisations are consciously purposeful**

Organisations are there to do something positive for their members, for society, or for both. Political parties contest elections and try to get control of government, business organisations produce goods, religious organisations save souls, and minister to persons' spiritual needs, etc.

iii. **Formal structure**

A very prominent feature of organisational life is the phenomenon of formal structure. Formal structure means the definition of functions in an organisation and their arrangement into a total pattern. According to Spiers, the essence of formation is that functions are defined primarily in relation to one another and persons are considered as fulfilling these functions.

iv **Value system or ideology**

Spiers argues that all organisational life implies some reasonable coherent value system. The existence of such ideologies is equally observable in administrative and political sphere. These ideologies affect the life and structure of organisation.

v **Corporate status**

Organisations almost always have some legal status by which they can be treated as social and legal entities, irrespective of the persons who might be said to inhabit them.

Therefore, it is important characteristically to recognise that organisations are social entities and as such, they are subject to the same kinds of influences, pressures, prejudices, and biases as any of the social organisms. It is, however, essential that they must be viewed in their total, multi-dimensional control, rather than from a narrow, mechanical point of view.

4.0 CONCLUSION

Let us agree that there is no denying the fact that organisation is not merely a structural framework, it is both a structure and a network of

social relationships, and as such any organisational structure thereby must be basically human.

5.0 SUMMARY

Organisation means more than the frame of the edifice. It refers to the complete body, with its correlated functions. It refers to those functions as they appear in action, the very pulse and heartbeats, the circulation, and respiration, the vital movement, so to speak, of the organised unity. Finally, it refers to the co-ordination of all these factors as they co-operate for the common purpose.

6.0 TUTOR-MARKED ASSIGNMENT

1. Give a detailed definition of organisation
2. What are the characteristics of an organisation?

7.0 REFERENCES/FURTHER READING

- Augustus Adebayo. (2004). *Principles and Practice of Public Administration in Nigeria*. Abuja: Spectrum Books Ltd.
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- Nicolas Henry. (2006). *Public Administration and Public Affairs*. New Delhi: Prentice-Hall (P) Ltd.

UNIT 2 CONCEPTIONS OF ORGANISATION

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- 1.0 Introduction

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3.1	The Mechanic Conception of Organisation
3.2	The Humanistic Conception of Organisation
3.3	Organisations as Needs and Responses
3.4	Organisation as Societies
3.5	Organisation and Individual Persons
3.6	Organisation and the Technological Core
3.7	Organisation and Culture
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
7.0	References/Further Reading

1.0 INTRODUCTION

Urwick and his associates conceptualise organisation as a formal design or group of people so related that their efforts duly contribute to the accomplishment of agreed goals or objectives. Established usage employs the term organisation in more than one sense. This leads to the important question of mechanistic and humanistic conceptions of organisation.

Therefore, there is a large number of literatures in the field of organisational analysis. Here, we shall simply describe certain ways of looking at organisations and the significant consequences of conceptions of organisation.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning of organisation
- the views of the different writers/thinkers on the mechanistic and the humanistic conception of organisation
- the goals or purposes of individuals, groups within an organisation.

3.0 MAIN CONTENT

3.1 The Mechanic Conception of Organisation

Many writers, particularly the early writers on public administration, viewed organisation from technical or mechanical perspective. For these

writers, organisation was the splitting up of a large task into parts, and integrating these parts in a systematic form so that authority, co-ordination and control can easily and effectively be exercised. The mechanistic conception of organisation portrays organisation basically as a design of the administrative structure which can be drawn up by experts in accordance with well understood principles, just like the plan of a building can be prepared in advance by an architect.

Thus, the basic concept of organisations assumes that organisational behaviour can be likened to a machine. That is to say, the organisation is considered to be most usefully described in terms of machines. According to Spiers, if one supposes that organisations can, in some sense, be perceived as machines, then the following consequences should ensue:

- First, the conception of organisation as a system of inter-related parts predisposes one to think that co-ordination is a primary task in the evaluation of organisational behaviour.
- Second, this necessitates the definition of functions in relation to work to be done, both for separate parts of the organisation, and for inter-related parts.
- Third, behaviour activities viewed primarily in terms of their work co-ordination.
- Fourth, unsatisfactory circumstances are viewed in the same mechanical sense, i.e. as functional problems rather than in any other way.

3.2 The Humanistic Conception of Organisation

In contrast to the mechanistic conception of organisation which emphasizes the formal design of the administrative structure, writers who conceive organisation from the humanistic perspective contend that organisation is essentially a human phenomenon. According to them, organisation is a team or a group of people whose efforts are so related that they all fruitfully contribute to the achievement of set objectives or goals. They argue that the organisation's engineer or expert may not be able to get the human material according to the specification of the pre-conceived plan. It may not also be possible to change the human element to meet the requirements of the plan that easily. The organisation's engineer or expert, on his drawing board, may come out with a design that requires a number of personnel with engineering and legal background to ensure that set objectives are achieved efficiently and effectively.

The primacy of the human element in organisation was succinctly conveyed by Henri Fayol when he stated that "if we could eliminate the

human factor, it would be easy enough to build an organisation, one would do it if they have some idea of the current practice and had the necessary capital. But we cannot build up an effective organisation simply by dividing one into groups and giving them functions, we must know how to adapt the organisation to the requirement of the case and how to find the necessary ones and put each one in the place where he can be of most service.”

One question which arises from our discussion so far obviously centres on which of the conceptions of organisation, i.e. mechanistic or humanity is more in tune with reality.

3.3 Organisations as Needs and Responses

There are certain thinkers who give more emphasis to structure and function in the interpretation of organisational behaviour. The functionalist approach mainly concentrates on needs and responses to needs. He defines needs in terms of the goals or purposes (a) individuals (b) groups within organisation (c) organisation as a whole (d) a group wider than the organisation but less than society and (e) society itself.

3.4 Organisation as Societies

This analysis closely resembles the functionalist approach. It views organisation as a miniature society. The functionalists believe that the current problem for society as a whole is the reconciliation of varying needs and interests of its members. The social functionalising as it may be called, points out the prior necessity of a shared value system in order that such reconciliation may take place. The broad administrative consequence of this kind of approach is that as a system of relatively discrete and interrelated parts but as a community of people. The structure of this community is analogous to the structure of society at large. This conception aids in understanding the internal life of an organisation.

3.5 Organisation and Individual Persons

Instead of seeing organisations as elements in society-wide systems, this approach concentrates on the experience of the individual member. This human relations approach stresses the need for organisations to make

provision for the adjustment in individual psychological needs as expressed through small group relationships, to the wider needs of an organisation's behaviour.

3.6 Organisation and the Technological Core

There are some theories which give importance to the concept of socio-technical system. This means that in any organisation, there is always a kind of technological core. In administration, the work processes of routine information systems could be regarded as the technological core. They state that the consideration of internal technology must have certain important consequences for administrative section. First, attention is shifted to the physical environment of the work process, second, the conception of the person and his physical environment leads to much more flexible possibilities to see that changing technology or even the technical expression of changing economic circumstances may have psychological effects because of its impact on the system.

3.7 Organisation and Culture

This theory states that the activities of persons in organisations cannot be understood apart from meanings given to them by the persons themselves, colleagues, supervisors and officials, goods which chiefly condition their actions and relationships. The main impact of this culture approach is that individuals and groups are seen as constrained, not by formal structures or even beliefs, but by roles and expectations, personally conceived, which in turn determine norms in an essentially relative fashion. Second, it is assumed that the organisational change and possibilities for change have taken account of these roles and expectations. Next, it diverts attention towards the exploration of internal substructure and subtle cultural factors which determine norms and attitudes to work, authority, and commitment. Lastly, it leads to developing a cross-cultural approach to the study of organisation.

4.0 CONCLUSION

While the need to harmoniously blend the entire conceptions of organisations is the dire heed of the hour, the human factor is of critical importance in the process of blending. The human element is manifested

in terms of drawing up the organisational design and staffing; also the day-to-day running of the organisation. It is how the human elements conduct themselves in the organisation that determines the achievement or non-achievement of organisational objectives.

5.0 SUMMARY

We find that Urwick and his associates conceptualise organisation as a formal design or group of people so related that their efforts duly contribute to the accomplishing agreed goals or objectives. Thus, for the writers who conceive organisation from the mechanical perspective, organisation is a design that is characterised by impersonality, rationality, formation, division of work, hierarchy, flexibility and efficiency.

6.0 TUTOR-MARKED ASSIGNMENT

1. Differentiate between the mechanistic and humanistic conception of an organisation.

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UNIT 3 THEORIES OF ORGANISATION

CONTENTS

- 1.0 Introduction
- 2.0 Objectives

- 3.0 Main Content
 - 3.1 Structural (Mechanistic) or functional (Classical) Theory
 - 3.2 Social Psychological Theory (Human Relations Theory)
 - 3.3 Difference between Formal and Informal Organisation
- 4.0 Conclusion
- 5.0 Summary
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1.0 INTRODUCTION

There has been a heavy flow of current literature on the theories of organisation. They include theories like behavioural theory, group theory, concept of informal organisation, motivational approach, quasi-mathematical approach, human relations approach, etc. but none among them can be said to be entirely satisfactory. It is, perhaps, on the account of the fact that the study of organisation is still in its infancy. On the whole, studies of administrative organisation have tended to cluster at one or the other of two roles. At one end is the traditional, mechanistic, engineering approach to the problem and at the other end is the human behavioural orientation, in which sociologists, psychologists, and anthropologists have been most prominent. These two theories are quite opposite to each other and their contrast involves the value systems of each position. Social scientists, at the opposite role, talk more about the humanistic attitude towards the actors in organisation, regarding authority for example, as coming from within the group rather than from the top down. Let us study these two theories in details.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- explain mechanistic and behavioural theories as being opposite to each other
- explain why efforts have been made to explain administrative organisation in terms of psychology, politics, history, and anthropology, mathematics, economics, sociology and biology
- discuss the essence of the humanistic theory is in its dominant emphasis on people, on human motivation and informal group functioning.

3.0 MAIN CONTENT

3.1 Structural or Functional Theory

This theory is also known as traditional or mechanistic theory of

organisation and a classical theory of organisation. According to this theory, organisation is a formal structure of plan, amenable to creation in accordance with certain accepted principles in the same way as the plan of a building which can be prepared in advance by the architect according to some principles. In fact, there are organisation engineers in the United States, who have taken drawing of organisational charts as their profession. The whole concept of this theory is based on two assumptions:

First, the theory assumes that there are certain fundamental principles in accordance with which an organisation can be built up to meet the requirements of the contemplated or purposed activity, and

Second, that the job is independent of its incumbent. By now, it is obvious that this theory regards organisation as a machine wherein the human beings are made to fit like cogs. The scientific management movement which originated in the opening decades of the twentieth century under Frederick Winslow Taylor had as its principal objective, the division of work into its component parts. The movement ignored the human behaviours in its attempt to fix a fair day's work for the workers, and suffered as a consequence of it.

The traditional theory, according to Pfiffner and Sherwood, is “derived philosophically from a combination of absolutism, laissez-faire economics, and rationalism and in interpretation of human behaviour based upon the automation.” It originated in the pre-democratic climate of the nineteenth century industrial institutions and the validity of this observation is attested by its metamorphosis: command, control, direction, and communication through channels. It believes that personalities in the jobs do not count, people must adapt themselves to organisational needs and that those who are unable to meet job demands should be discarded. It further assumes that workers are always motivated by rational choice which makes them to behave like an economic man when faced with alternative choices.

In the words of L.D. White, organisation “is a formal declared pattern of relationships established in government by law and by top management. It is based on the nature and volume of work to be done and is dictated by the requirements of efficiency in the sense of securing the most effective use of men and materials and by the need for responsibility. This organisation is established and supported by authority and can be set out, although imperfectly, on a chart or diagram. It is normally the dominant set of work relationships.”

The underlying ideas of the traditional theory:

- It takes an administrative view of human relationship.
- It considers human behaviour to be completely rational and ignores the irrational or non-rational elements in human nature
- It considers the economic incentives to be the sole motivating factor in human life and does not take any note of the psychological factors.
- It assumes that individuals are immune from the control of groups and other social factors
- It takes a mechanistic view of organisation and ignores the dynamics of organisational behaviour.
- It takes into account only the formal relationships in an organisation and ignores the informal relationships.

This approval “bears the stamp of the engineer seeking scientific precision, logical structure, and the one best way of performing an end, and of relating the parts to a unified whole.”

Criticisms of the Mechanistic Theory

The mechanistic approach is faulty in more than one way. It ignores human elements in an organisation. As a matter of fact, we cannot understand the true character of the behaviour pattern of employees. The importance of human elements in organisation has been stated by Fayol in these words:

- If we could eliminate these human factors, it would be easy enough to build up an organisation; any one could do if he has some ideas of the current practice and the necessary capital. But we cannot build up an effective organisation simply by dividing men into groups and allocating functions to them. In other words, we must know how to adopt the organisation to the place where they can be of most service.

Thus, human factor should never be ignored in any theory of organisation. As Dimock and Dimock say, the dependent parts should form a unified team while the interdependent parts are made up of people who must be directed and motivated, and whose work must be coordinated in order to achieve the objectives of the enterprise. Infact, any attempt to solve human problem without considering the human factors is bound to meet with failure.

3.2 Social Psychological Theory (Human Relations Theory)

The late 1930s marked the emergence of a revolt against traditionalism in organisational theory. This revolt came from a number of sources, movements and schools which were critical of the narrow and limited

concept of organisation held by the traditionalists. It was a revolt against the dehumanization of organisation and against the belief of regarding human beings as cogs in the machine.

Elements of the New Approach

The main elements of the new approach are:

- an explicit recognition of the place of values.
- emphasis on questions of methodology.
- a changed conception of jobs or positions.
- an acceptance of the fact that government employees are human beings who work as members of a group.
- an organisation is a social institution.

In the words of Etzion, “Organisation is a social unit (on human groupings) deliberately constructed and reconstructed to seek specific goals.

Herbert Simon blasted the so-called principles of organisation stating that they were merely proverbs which had never been scientifically tested.

The Era of Logical Revolution

The Hawthorne Experiments thus brought about ideological revolution in the organisational theory which was brought as a consequence of the Hawthorne experiment conducted in 1924 though the results of the principal researches were not published until a decade later. Elton Mayo and his colleagues who conducted the experiment made two significant contributions in organisational management. These were:

- a challenge to the physical or engineering approach to motivation
- the first real assault on the purely structural, hierarchical approach to organisation.

The Hawthorne Experiment

In 1924, Elton Mayo and Leta J. Roethlisberger began a series of studies (later known as the Hawthorne studies for the location of the plant) of working conditions and worker behavior at a Western Electric factory. Their experiment was predicated on the then-plausible Taylorian hypothesis that workers would respond like machines to changes in working conditions. To test this hypothesis, they intended to alter the intensity of light available to a group of randomly selected workers. The idea – that when the light became brighter, production

would increase, and when the light became dimmer, production would decrease – is all very commonsensible, of course. The workers were told they would be observed as an experimental group. The lights were turned up and production went up. The lights were turned down and production went up.

Mayo and Roethlisberger were disconcerted. They dimmed the lights to near darkness and production kept climbing. Among the explanations of this phenomenon that later came forth were:

- human workers probably are not entirely like machines
- the Western Electric workers were responding to some motivating variables other than light, or despite the lack of it.
- they likely kept producing more in spite of poor working conditions because they knew they were being watched.

Mayo and his colleagues were so impressed by these initial findings that they ultimately conducted six other inter-related experiments over an eight-year period. Partly because of the massive size of the undertaking, the Hawthorne studies were among the most influential empirical researches ever conducted by social scientists. Most notably they produced the famous term, “Hawthorne effect,” or the tendency of people to change their behaviour when they know that they are being observed. But even more important, the studies were interpreted by succeeding generations of management scientists as validating the idea that unquantifiable relationships (or human relations) between workers and managers, and among workers themselves, were significant determinants of workers’ efficiency.

Criticism of the Hawthorne Experiment

A reinterpretation of the Hawthorne data, using statistical techniques that were unavailable to Mayo and Roethlisberger, has undermined the original human relations interpretation. An important analysis of the data concluded that human relations were not the reasons behind workers efficiency, but rather such traditional motivators as managerial discipline, fear (in the form of repression), reduction of fatigue (the experimental groups were given rest periods), and money (the groups also were given group pay incentives) were the real reasons underlying increased productivity.

Significance of Hawthorne Experiment

However, the experiment proved that people do not respond in any predictable fashion when physical or environmental incentives are applied. In other words, motivation cannot be engineered. Organisation

is a social institution and the persons working therein are social beings. They can work most efficiently if they are provided with humane conditions of work. In the words of Roethlisberger, “Too often we try to solve human problems with non-human tools and in terms of non-human-data. It is my simple thesis that a human problem requires a human solution. A human problem to be brought to a human solution requires human data and human tools.”

As Henri Fayol admirably stated, “if we could eliminate the human factor, it would be easy enough to build up an organisation, any one could do it if they had some idea of the current practice and had the necessary capital. But we cannot build up an effective organisation simply by dividing men into groups and giving them functions, we must know how to adapt the organisation to the requirement of the case and how to find the necessary men and put each one in the place where he can be of most service.”

The essence of this theory lies in its dominant emphasis on people, on human motivation and on informal group functioning. The theory rejects institutionalization. It lays more emphasis on the day-to-day informal functioning of the structure. It considers it more important and indicative than the charts and maps. As such, for analysis and solution of the organized problem, it is imperative to comprehend the multi-dimensioned nature of man. Therefore, the Hawthorne studies marked the beginning of the study of human relations as we know it today.

3.3 Difference between Formal and Informal Organisation

The above analysis shows that the major difference between the formal and informal organisation is that the former has officially prescribed goals and relationship, whereas the latter does not follow this set pattern or relationship.

Argyris points out four major areas of difference between the two.

i. **Interpersonal Relations**

In the formal organisations, relationships are prescribed, but in informal organisations, relationships develop on their own according to needs and prevalent situations.

ii **Leadership**

The formal organisation designs its leadership structure, or in other words, leadership is assigned to a particular individual. However, in the informal organisation leaders emerge themselves or are chosen by the members of the organisation.

iii **Behavioural Control**

Behaviours of employees in a formal organisation are controlled by means of reward and punishment while informal groups control members by fulfillment of their needs.

iv **Dependency**

In the formal organisation, subordinates are more dependent on their leaders because of their capacity to reward and punish. This dependency is rather missing or less in informal groups.

Benefits of informal organisation. Keith Davis points out certain practical benefits that can be derived from the informal organisation:

- it blends with the formal organisation to make a workable system for getting the work done.
- it lightens the work-load of the formal manager and fills in some of the gaps of his abilities.
- it is a very useful channel of communication in the organisation.
- its pressure encourages a manager to place and act more carefully than he would do otherwise.

4.0 CONCLUSION

From the study of the above two theories, it is difficult to say which of them is complete and entirely satisfactory. In fact, both theories are inter-dependent in so far as the inaccuracies of the formal organisation theory can be corrected by the informal organisation theory. It would take time before we can work out a single theory of organisation. As Dimock and others have pointed out, “the problem of the student of organisation is to create a unity out of what would otherwise be a confusing duality. The obvious challenge to the present generation is to work out a single theory of organisations whereheretofore there have been two.”

5.0 SUMMARY

It may therefore be summed up that it is not easy to build up an organisation without having to face some very technical problems. As Roethlisberger rightly pointed out, “too often we try to solve human

problems with non-human tools and in terms of non-human data. It is my simple thesis that a human problem requires a human solution.” Hence, we must bear in mind that any attempt to solve human problems without considering the human factor might prove abortive. Afterall, an organisation is a group of people of different mind-sets and environments.

6.0 TUTOR-MARKED ASSIGNMENT

1. What were the significant contributions made by Elton Mayo and his colleagues in organisation and management?
2. Explain the Hawthorne Experiment
3. What is the effect of the Hawthorne experiment?
4. Hawthorne studies marked the beginning of the study of human relations as we know it. Elucidate.

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UNIT 4 BASES AND PRINCIPLES OF ORGANISATION

CONTENTS

1.0 Introduction

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1.0 INTRODUCTION

Before we build up an organisation, it is very essential to know the basis on which the work should be divided. Analyses of organisations reveal that they are normally organised on four principles:

- Function or purpose
- Process
- Clientele or community, and
- Area or place or geography.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- explain different bases of organisation
- list the principles of organisation
- the isolation of the principles would lead to disorganisation, inefficiency and waste in administration. Elaborate
- explain why no single basis is adequate.

3.0 MAIN CONTENT

3.1 Bases of Organisation

- **Function**

When an organization is built upon the basis of the nature of functions to perform, it is said to be modern. Governments should follow the functional principles because they are useful in rendering comprehensive service to the people in Nigeria. Many departments of the central government e.g. Health, education, defence, labour and employment etc. are organised based on this principle.

- **Process**

Process is a technique or primary skill of a specialised type. Engineering, Accounting, etc, are examples of process. When an organisation is built upon the nature of activity, more or less specialised, it is said to have been organised on process or professional principle. This principle is seldom looked with favour in organising administrative departments of national governments. We have certain departments of the Central Government which are organised according to this principle, such departments are, Ministry of Land, Works and Housing, Science and Technology, Information and Culture etc. It is important to remember that only the more important processes or professional skills constitute the basis of departments.

If the departments are organized on the basis of process, full use can be made of the machinery and costly equipment, division of labour and specialization of function can take full shape, activities of all persons performing similar work can be properly coordinated and lastly, the career service will be better established. On the debt side, the system will kill the objectives for which the administrative machinery is created and a rigid professionalism and routine will mar the efficiency of the administration.

- **The Clientele or Community Principle**

Where the administrative work is organized on the basis of the clientele, i.e the class or classes of people for whom it is meant, the department so organized is said to be based on the clientele principle. Clientele means the body of persons to be served. Hence, if a department is organized to deal with a class or community or communities, it is called department based on community principle. Example of such departments, are; Rehabilitation, Nomadic Education, Ecological departments, etc.

- **Geographic Principle**

Where the wings of the department are spread over a wide area and there is decentralisation in the conduct of its administrative business, it is said to be organised on geographical or area principle. Therefore, since the government cannot conduct the whole of its business from a single place, naturally, it has to decentralise many of its departments and locate them in different parts of the territory. Examples of such departments include the Ministry of Foreign Affairs, Nigerian Missions abroad, state offices of the National Directorate of Employment etc.

No single basis is adequate No single principle can be said to be complete in it and if we look at the structuring of various organisations, we will find that not one but almost all the four principles have been at work. Advising a committee of the U.S. Congress, the Brookings Institution said:-“No single factor can be utilized throughout an entire organisation. One factor may help us to decide at one point, elsewhere another factor may be balanced against another. For some functions and some agencies there may be one best course of action. A clause maybe, presented between alternatives, one as desirable as the other.

- **Basic Principles of Organisation**

In the process of organisation building and working, there are some important concepts or principles, as some writers prefer to refer to them, which no large scale organisation can afford to overlook. While writers are not unanimous on the exact number of these operational concepts or principles as well as the exact form in which they should be applied in organisations, there is no disagreement among writers as to their functioning. The important concepts or principles in this regard include hierarchy, unity of command and span of control.

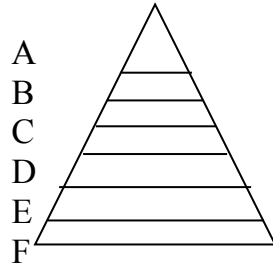
3.2 The Hierarchy or the Scalar Process

The literal meaning of hierarchy is the rule or control of the higher over the lower. Concretely, a hierarchy means a graded organisation of several successive steps or levels, in which each one of the lower levels is immediately subordinate to the next higher one and through it, to the other higher steps right up to the top. White remarks that, “Hierarchy consists in the universal application of the superior-subordinate relationship through a number of levels of responsibility reaching top-to-the-bottom of structure.” It is a method whereby the efforts of many different individuals are geared together. In every large-scale organisation, there are a few who command and there are others who are commanded. This results in the creation of superior-subordinate relationships through a number of levels of responsibility reaching from the top down to the bottom of an organisation.

A pyramidal type of structure is up while Mooney and Reily call it the “Scalar Process.” In the words of Mooney, “A scalar means a series of steps, something graded. In organisations it means the grading of duties, not according to different functions, but according to degrees of authority and corresponding responsibility. For convenience, this phenomenon of organisation is called the scalar chain. Whenever we find an organisation of the people related as superior and subordinate,

we have the scalar principle. This chain constitutes the universal process of coordination through which the supreme co-ordinating authority becomes effective throughout the entire structure.”

The structure and functioning of a hierarchical organisation is illustrated below in a simple diagram.



B is subordinate to A, C is subordinate B, but C is also subordinate to through B. If A has to order anything to C, it must come through B, and if C has to say anything to A that must go through B. In the same manner, D is subordinate to C, but he is also subordinate to B and A. Thus, like a chain, the line of authority runs upwards and downwards. As such, F cannot approach A directly. He will have to go through E,D, C and B and vice versa. In fact, all instructions or communications should go through “proper channel” that is, through the immediate superior to the top officer.

The need for the scalar system is felt for two reasons:

- the division of work into its most economic parts, that is, pursuant to the task which has been so central to managerial philosophy
- the patterns of integrating the voluminous behaviours and actions of the specializations into one combined effort.

The Basic Features of a Hierarchical Structure are:

- a person will have only one immediate superior from whom he will receive orders.
- a person will not receive orders from a person of lower status
- no intermediate level shall be skipped over in the dealings of the people at the top with those at the lower level or vice versa.
- a person who is given responsibility and task will have authority commensurate with his responsibility.

From the above features, it follows that in the scalar system, authority, command, and control descend from the top down to the bottom step by step. The secretary of a department will deal with the joint secretary who in turn shall deal with the deputy secretary, who further shall deal with the section officer who in turn shall deal with assistants, etc.

Similarly, the line of upward communication shall be exactly the same when section officer deals with the higher officers.

Functions of the Principle of Hierarchy

Regarding the functions of this principle, it is necessary to list out the functions as presented by White:

- it is the channel of command. It is the most important channel of communication, down and upward along which flow information, advice specific instructions, warnings, and commendations
- it is the channel for the Delegation of Authority. It shows a sequence of related centres for decision-making and that eliminates congestion in the dispatch of business by closing out much of it in the lower levels. It is the line of review of such decisions where appropriate, and the line of appeal by citizen against controversial decisions
- it is the channel of internal control of fiscal accountability of disbursing officers
- it is a means of clarifying responsibilities and work relations. In short, the linkage of civilian officers in a chain of command and responsibility is the main two-way high way along which public business travels endlessly in stream.

Merits and Demerits of Scalar Principle

The advantages of the scalar system need no emphasis. It is almost indispensable for every large-scale organisation. Mooney observed that “The supreme co-ordination authority must rest somewhere and in some form in every organisation. It is equally essential to the very idea and concept of organisation that there must be a process, formal in character, through which this co-ordinating authority operates from the top and throughout the entire structure of the organised body”:

- scalar system serves as an instrument of integration and coherence in an organisation. It binds together the various units and divisions into an integrated whole. It acts as a link which joins the various sections of an organisation most harmoniously. Since no organisation can function effectively or produce team work unless its various units are integrated into a coherent whole, the scalar principle is a universal necessity of all organisations.
- it enables us to fix up responsibility at each level and at each post in an organisation. Everybody knows what his position and responsibility are in the organisation and to whom he is to account for his work.

- it serves as a channel of communication, both upwards and downwards. It makes clear to every official with whom he is to deal. It gives effects to the proper channel and method of dealings. Everything has to move through proper channels. Through it, everyone in the organisation ought to know about the action proposed or action taken from the relevant quarters, duly and automatically.
- it simplifies the procedure of file movements.
- it helps to decentralize decision-making and prevent congestion of business at the top. Through decentralization and division of labour, it ensures greater precision and efficiency in administration.

Work is divided at the different levels of the hierarchy. Thus, important matters of policy and general direction are concentrated at the higher levels. Detailed supervision and control are delegated to the middle levels and the actual operations are left to the rank and file. It protects the chief executive and higher officers from being overwhelmed with details.

In the words of L.D. White, “It is the channel of command. It is the principal channel of communication downward and upward, along which flow information, advice, specific instructions, warnings and commendations. It is the channel for the delegation of authority. It establishes a sequence of related centres for decision-making and thus prevents congestion in the dispatch of business by closing out much of it in lower levels. In short, the linkage of civilian officers in the chain of command and responsibility is the main two-way highway along which public business travels in an endless stream”.

Demerits of the Scalar Principle

The main demerit of the scalar system is that it makes the administrative decisions a dilatory process. It adds circumlocution to the already cumbersome procedures of large scale organisation. A file must pass through proper channels however urgent the matter may be and however ignorant immediate officials may be about that matter. It is usually seen that the immediate officials pass on the files to the higher officials by simply initiating the forwarding letters and with the remarks “For others please” this results in undue delays in making decisions.

To eradicate this defect, management should adopt the file-jumping system. The file-jumping system would help to skip over the immediate levels in the hierarchy and to make the files reach the decision-making authority directly.

The principle of hierarchy is also being criticized on the grounds that it does not contribute to mutual relations, either in the inter-organisational relations or in the inter-personal relations in administration. This might even promote a class system in the bureaucratic set-up.

In order to do away with the first defect it is necessary that there should be short cuts. One is to throw a bridge across the formal lines of authority of the hierarchy so that subordinate officers in one department or section may have conflicts directly with their opposite numbers in another department. We can conclude with the words of Urwick, "Every organisation must have its scalar chain just as every house must have its drain but it is unnecessary to use this channel frequently as the sole means of communication, as it is unnecessary to pass one's time in the drains".

3.3 Span of Control

By span of control, we mean the number of subordinates which a superior officer can effectively supervise, direct and control. The problem of span of control is a natural out-flow of the principle of scalar system. As we studied earlier, scalar organisation involves a number of tiers or steps one above the other in an organisation, each step being headed by a single person. Now the question arises as to how many persons should work under his control and supervision at that particular level. This problem of fixing the number of subordinates is a problem of span of control, and is related to the psychological problem of span of attention. It goes without saying that none among us can attend to more than a certain number of things or a certain number of persons. In other words, we can say that our span of attention is limited. This limited control is partly a matter of the limits of knowledge and partly due to the units of time and energy.

Some Discrepancies

There are divergent views concerning the number of persons a supervisor can control. Sir Ian Hamilton fixed the limit at 3 to 4, Urwick at 5 to 6 at higher levels and 8 to 12 at lower levels. *Graicunas, who gave us the principle of span of control, felt that while the number of individuals/subordinates increases by arithmetical progression, the resultant increase in the network of relationships is by geometrical progression. Thus, if a superior adds a sixth to his five subordinates, the additional assistance he can obtain is only 23% but the increase in his

supervision may amount to over 100%. The reason is that the span of control he has, to be supervised is not only the individual subordinates, but also the numerous permutations and combinations of their mutual relationships. So, a span of control universally exists and it cannot be exceeded without the danger of a breakdown.

However, there is no universally applicable span of control. The span of control to be applied varies with individuals and circumstances. In fact, this problem is extremely elusive and it shall take years of research before we can find its exact solution. At the present, we can only discuss some of the factors which are determinants of the degree of span of control. These factors are: (i) Nature of work, (ii) Leadership (iii) Age of the Agency and (iv) Location of the organisation unit.

- **Nature of Work**

Where the nature of work is of routine, repetitive, measurable and homogenous character, the span of control is more than when the work is of heterogeneous character, for example, it is easier to supervise a large number of typists because of the measurable nature of their work but this will not be so if the nature of work is of intellectual type.

- **Leadership**

The span of control increases or decreases depending upon the qualities of the superior. If he is intelligent, shrewd and tactful, he can supervise a large group of persons but if he is weak and flippish, he may not be in a position to supervise even a few people effectively. It must also be pointed out that much depends on the competence and caliber of the subordinates also, if the latter are untrained and incompetent, they are liable to make mistakes and hence need closer supervision.

- **Age of the Agency**

Supervision is easier and the span of control increases if the organisation has been in existence for a long time. In long established organisations, precedents take firm roots and work goes on smoothly. In newer organisations, new problems emerge constantly which very often requires reference to the bosses.

- **Location of the Organisational Units**

Supervision becomes very easy if the subordinates work in the same building with the supervisor but if they work in different buildings or at a distance from the supervisor, supervision becomes difficult because he might not see them face-to-face constantly. Hence, lack of Hawthorne effect.

3.4 Unity of Command

Unity of command is the principle of organisation which stipulates that each employee in a subordinate level should be accountable to the next higher level and only to one superior. In other words, no employee should be subjected to the orders of more than one superior officer.

However, the term unity of command has three different interpretations:

- It means that all the units of an organisation should be integrated under the unity of one head, a president, a secretary or a body of officers.
- It means that there should be only one person and not a body of persons at the apex of an organisation, and all lines of authority should concentrate in his hand. This interpretation is somewhat allied to the military terminology where all communications go through the line of command, or through the proper channel.
- It refers to a situation whereby no individual subordinate should be answerable to more than one immediate superior.

An examination of the above three interpretations would reveal that it is the last interpretation which has been widely accepted. This is because the other two interpretations do not really bring out the meaning of the term- "Unity of Command."

If we take unity of command to mean what is said (a) above, it becomes incompatible with independent or autonomous units of organisations, like the Independent Regulatory Commissions, Civil Service Commission; Pilgrims Welfare Board, Pensions Board etc.

Unity of command, therefore, means that each individual employee shall have only one as his boss and shall receive orders only from him. If he gets orders from more than one officer, it may become difficult, nay impossible, for him to discharge his duties. He will be put in a very awkward position if he receives conflicting orders from his superiors. The superiors too can be put to hardship because the subordinate employee can easily play off one superior against the other. All these may result in confusion and chaos in administration. Responsibility can be fixed up only if we know where authority rests and this is impossible if the authority is divided.

On theoretical grounds, the principle of unity of command seems unassailable but, in practice, we find significant exceptions to this principle. It is usually seen that individual employee, particularly in the professional fields, is subject to a dual command. He gets orders not

only from the administrative side but also from his professional or technical side.

F.W. Fayol, the father of the Scientific Management movement, rejected the principle of the unity of command and substituted it by functional direction and supervision. He believed that each worker's productivity or efficiency increases if he gets specialized and expert supervision in respect of each function that he performs. According to his scheme of things, he recommended eight foremen or supervisors, for each individual worker.

Whom he called:

- the gang boss
- the speed boss
- the inspectors
- the repair boss
- the order of work and route clerk
- the instruction card clerk
- the firms and cost clerk, and
- the shop disciplinarian

The first four supervisors would personally help the men in their work, each supervisor helping in his own particular line or function, and the other four supervisors and instructions in writing. Taylor advocated this set-up for the industry but it has made its way in the public administration also. This is on account of the fact that the governments of today are taking to more economic and technical experts than general administrative supervision.

John D. Millet also has rejected the principle of unity of command.

The question now is, should we conclude that the principle of unity of command is broken down as far as public administration is concerned? This is certainly not so if we look a little deep into the issues and examine the situation carefully. Unity of command is not violated if an employee gets order from two supervisors in respect of different issues or aspects of issues under his charge. It is broken only if he gets orders from two different sources regarding one and the same issue. Even in the technical departments, the last word lies with the administrative chief who has the power and authority to overrule the technical experts.

4.0 CONCLUSION

For the student of public administration, the study of the formal organisation is as important as the study of the informal aspects of

organisation. This is evident from the fact that no organisation can be fully understood by only studying its formal aspect. A realistic picture of how organisation actually works can only become evident if both the formal and informal aspects of organisation are studied and properly comprehended. On the other hand, in the process of organisation building and working, there are some important concepts or principles to know. The important principles in this regard include hierarchy or scalar, span of control, and unity of command.

5.0 SUMMARY

No single factor can be decisive throughout the entire organisation. One factor may help us to decide at one point, elsewhere another factor may be more helpful. At every point, one determinant must be balanced against another. On the other hand, the violation of the principles of organisation would lead to disorganisation, inefficiency and waste in administration.

6.0 TUTOR-MARKED ASSIGNMENT

1. What are the bases of organization?
2. Define span of control, and explain some of the factors that determine the degree of span of control.

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UNIT 5 STAFF, LINE AND AUXILIARY AGENCIES

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Staff Agencies

3.2	Line Agencies
3.3	Auxiliary Agencies
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
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1.0 INTRODUCTION

The traditional pattern of organising the administrative branch of the government is the departmental system. In early days, each department was a self-contained unit which could carry on all the activities which were required for its maintenance. It assumed full responsibility for all its primary and secondary operations.

But, as time advanced, the affairs of each department grew in magnitude, and complexity and the age of specialisation was reached. In the interest of efficiency and economic development, it was considered desirable that the departmental organisation should be broken into two new directions. These new directions were staff agencies and auxiliary agencies as distinct from line agencies.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning and function of different agencies
- efficiency and economy as the essence of these agencies
- what constitutes the characteristic features of these respective agencies.

3.0 MAIN CONTENT

3.1 Staff Agencies

Definition: The term staff agency has been borrowed from military terminology and commonly used in contradistinction to the term. In common usage, staff means a stick carried for support or defence. But in public administration, staff refers to such activities in an organisation

which aid the head of department or the chief executive in discharging his duties. The staff aids the line by studying administrative problems, planning, communicating, advising and suggesting. It is, therefore, an expansion of the personality of the chief executive or head of department signifying “more eyes, more ears, and more hands to aid him in forming and carrying out his plans.” The staff agencies take care of the problems and plans before they actually come to the chief executive. They collect the necessary data to make a decision. Then it is for line agencies to carry out these programmes according to the order of the chief executive. Its distinct feature is that it cannot command. It has no operating responsibility.

The most common characteristic features of the staff agencies are:

- that they have no responsibility or authority for the actual performance of duties
- their function is exclusively of a research, consultative and advisory character
- they possess no power to give orders.

Functions of staff agencies

The main functions of the staff have been summarized by L.D. White as follows:

- to ensure that the chief executive (and other officials at the top) are adequately and correctly informed
- to assist him in foreseeing problems and planning future programmes
- to ensure that matters for his decision get to his desk promptly, in condition to be settled intelligently and without delay, and to protect him against hasty or ill-considered judgments
- to ensure that every matter can be settled elsewhere in the system
- to secure means of ensuring compliance by subordinates with established policy and executive direction.

According to Mooney, staff work has three aspects:

- Information
- Advisory and
- Supervisory

By informative, he means that the staff is to collect all the required and relevant information on which the chief executive has to make decision. This information should be shaped in such a manner that it can be used according to the situation and occasion.

By advice, he means the best possible advice which the staff can give to the executives on which he can make correct effective decisions. Then by supervision, he means that the staff is to see that the final decision made by the chief executive is delivered to the line staff and that it is also executed by it in the desired manner.

Some examples of staff agencies:

- In the United States, the office of Management and Budget has come to occupy an important place as a staff agency to the president. It advises the president on the preparation of the budget and matters related to it.
- In Great Britain, the British Treasury has been rightly called the “Department of Departments”. It is because of the fact that it is not only in charge of the important branch of government but also as supra department for setting standards and norms for the entire public services. It undertakes enquiries into the general departments and goes into staff questions in respect of each department.
- In Nigeria, the staff agencies at the federal level are:
 - a. The Presidency
 - b. The Federal Secretariat
 - c. The Planning Commission
 - d. Department of Budget and Planning

The activities of line agencies are primary, i.e, “those which they perform in order to accomplish the purpose for which they exist.”

The major line departments in the Government of Nigeria are those of Health, Defence, Labour and Productivity, Education, Information, Agriculture and Water Resources. Internal Affairs etc. For example, the primary activity of the permanent secretary of the Internal Affairs Ministry is to maintain law and order in the country. The general responsibility of the line is to execute the law.

3.2 Line Agencies

Functions of line agencies

In pursuance thereof, it has a number of generic functions which include:

- to make decisions
- to take responsibility
- to interpret and defend policy and operations
- to plan, and

- to maintain production, seeking economy and efficiency

These agencies are thus, concerned with the implementation or fulfillment of the primary objects of the government, and deal directly with the people, supply services to people, regulating their conduct, implementing programmes sanctioned by the legislature, collecting taxes etc.

Role of line agencies

The line agencies are not subject to command by staff position but they do not have authority over staff either. They must give consideration to suggestions made by the staff. However, in case of any conflict, the line manager has the right to make final operating decisions. The line is also considered as a chain of command and can also be regarded as a medium of communication line and staff agencies.

Points of difference between line and staff Agencies

The points of difference between the two are:

- whereas the line agencies are meant to accomplish the purpose for which organizations exist and as such, are an end in themselves, the staff agencies exist to help the line agencies and hence are a means to an end
- line agencies come in direct contact with the people whereas staff agencies remain behind the curtain
- line agencies are executing agencies, staff agencies are advisory and consultative agencies
- line agencies issue orders down the line whereas staff agencies have no power to send such orders. They merely contribute their specialized advice to those responsible for the main executive duties who, in turn, incorporate the advice in the form of orders, if they accept the advice.

In spite of the above points of distinction between the line and the staff agencies, they are inextricably intermingled in practice sometimes. It becomes extremely difficult, nay impossible, to draw a line of demarcation between the two. The reality is that the staff is not only advisory, but is also in the heart of the executive action. On same matters, the staff can command and exercise power.

3.3 Auxiliary Agencies

Auxiliary agencies are the agencies which serve the line agencies rather than the public. They perform functions common to all the departments.

A line agency, in order to perform the primary duties for which it exists, must provide itself with and maintain a plant, it must establish and operate a system for the recruitment of personnel, it must perform the work entailed in contracting, purchasing, storing and issue of supplies, it must contain a system for keeping of accounts. In the not too remote past, each department performed these functions separately, i.e., it kept its own account, handled its own funds, purchased its supplies and equipment and made its own contracts. But today, it has become desirable to organize these functions under separate agencies called Auxiliary Agencies.

However, auxiliary agencies have been described by Willoughby as “Institutional” or “Housekeeping” services. Gaus names them “auxiliary technical staff services.” A useful suggestion for the terminology of such administrative agencies has been given by White who called them “Auxiliary Services.”

Auxiliary agencies are the agencies which do not serve the public but the line agencies. They carry out functions common to all existing departments. A line agency, in performing its primary duties for which it exists, must provide for itself and maintain a plant, it has to establish and operate a system for the recruitment of its personnel, it must perform the work entailed in contracting, purchasing, storing and issuing supply.

Functions of Auxiliary Agencies

Auxiliary agencies perform various important functions such as:

- supply different types of equipment and arrange services for the departments/ministries
- render useful services to the departments by keeping records of these departments/ministries
- exercise financial control and collect revenue for the departments/ministries whose requirements they are supposed to meet
- recruit personnel for the services.

Advantages of Auxiliary Agencies

The organisation of these separate organisational units called auxiliary agencies has the following advantages.

1. the officers in line agencies who have the responsibility for the performance of primary activities are relieved of their duties not

- directly pertaining to the performance of such activities and thus will be in a position to devote themselves exclusively to their duties
2. this system ensures specialization of functions and it is, but desirable that if they are to be effectively performed, they should be put under the charge of those persons who are experts in those fields
 3. it secures economy in administration as it avoids duplicity of work. A single auxiliary agency does a particular work common to all the departments and thus saves time and money, e.g. the printing and stationery. It does all the printing works for all the departments
 4. the system secures the advantage of closer supervision of the auxiliary functions. Improved methods may be rapidly introduced as each agency is concerned with only one type of activity.
 5. it has the advantage of increased scope of operations and reduced unit costs, such as in large – scale purchasing.

Disadvantages of Auxiliary Agencies

Auxiliary agencies have been criticized on the following grounds:

1. the establishment of auxiliary agencies means tearing the department which tends to weaken the responsibility of the line agencies
2. the auxiliary agencies may make encroachments upon the responsibilities of the line agencies and thus conflict may ensue between them
3. the auxiliary agencies tend to consider their mission as superior to the objects sought by the line agencies and hence happen to subordinate questions of welfare to economy or regard them as symmetry.

Therefore, it may be remarked that the case for establishing an auxiliary agency regarding any matter should be adjudged on the exigencies of the situation. While the auxiliary agencies have ample justification under favourable circumstances, there is a point of marginal utility beyond which the unity and sense of full responsibility of the line department becomes the greater good. We should never forget that the nature of an auxiliary agency is primarily facilitating rather than controlling.

4.0 CONCLUSION

Let us remind ourselves that in this unit we have so far discussed the meaning and definitions of the various agencies; staff agency, line agencies and auxiliary agencies. We also discussed the whole gamut of their differences etc.

5.0 SUMMARY

In the interest of efficiency and economy, it was considered desirable that the departmental organisation should be broken into two new directions. These new directions were staff agencies and auxiliary agencies as distinct from line agencies. The two agencies are similar in one respect only i.e, both of them exists to facilitate and help the line agencies in their performance of the primary duties.

6.0 TUTOR-MARKED ASSIGNMENT

1. Define staff agencies and explain their functions
2. Auxiliary agencies are the agencies which serve the line agencies rather than the public” – Discuss.

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MODULE 2

Unit 1	Organisation of Department
Unit 2	The Bureau and Board/Commission
Unit 3	Field Establishments and Max Weber's Theory of Bureaucracy
Unit 4	Public Enterprises
Unit 5	Public Corporations

UNIT 1 ORGANISATION OF DEPARTMENT

CONTENTS

- 1.0 Introduction
- 2.0 Objectives

- 3.0 Main Content
 - 3.1 Types of Organisation
 - 3.2 Bases of Departmental Organisation
 - 3.3 Organisation of a Department in Nigeria
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

The solid foundations of administration lie within the departments. The staff and auxiliary agencies which we studied in Module I Unit 5 are one step removed from the front line, they serve the executives and line agencies, not the mass of citizens. It is the departments which do the substantive work. Here, it is that arm of the executive branch that reaches out to render services to the citizens. The endless flow of administrative operations is performed by the officials and employees of high and low category working in the departments. Therefore, the study of the department – its organisation and internal administration – is of great importance for the students of public administration.

Therefore, the traditional administrative organisation is the department. It is the first and the largest sub-division of the administrative structure in practically all the countries of the world. The department or the ministry, as it is called in some countries including Nigeria, is usually one step below the chief executive whether at the national, provincial, regional or state levels.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- state the reasons for departmental organisation
- list the chief characteristics of organisation of departments
- specify the process and principles to be followed
- state the need for organisation of departments.

3.0 MAIN CONTENT

3.1 Types of Organisation

1. Independent or uncorrelated system, and

2. Integrated or departmental system

- **Independent or uncorrelated system:** One of the two types of organisation is called independent or uncorrelated system. Under this system, each service is treated as an independent unit having no direct relations to other services. The line of authority here runs from the operating service direct to the chief executive or the legislature which created it and is directing and controlling it. In this system, each service is treated as an independent unit having little or no direct relation with other services. The American system of administration is characterized as independent, disintegrated or uncorrelated.

In America, there are at least five different kinds of independent establishments, namely:

- the regulatory
- the government corporations
- professional service agencies
- elected officials such as state treasurer and the attorney general and

there are also many other agencies such as Tennessee Valley Authority. Then there are numerous boards and commissions. All these establishments are not linked with one another. They do not come completely under the control of the chief executive. They are called 'Headless fourth branch of government'.

- **Integrated or departmental system:** Under this system, an attempt, "is made to group all services whose operations fall in the same general field and which should consequently maintain intimate working relations with each other, into departments presided over by officers having a general oversight of them all and entrusted with the duty of seeing that they work harmoniously towards the attainment of the common end".

In this system, the various services maintain their distinctive characters and perform work in their respective fields. The essential point is that by grouping them they are brought into close relationship with one another. They, in fact, become several parts of the same machine. The line of authority runs from the several services to the departments of which they are the units, and from these to the chief executive or to the legislature whose jurisdiction extends over all the departments. The integrated system, therefore, involves the abolition of the independent status of agencies like the independent regulatory commissions or

administrative bodies or official directly elected by the people and responsible to the people.

However, under this system, the agencies performing common services are grouped into various departments and the departments are linked together and placed under the authority of the chief executive directly. In Nigeria we have the Defence Ministry or Department, Education Department, Foreign Affairs Department, Internal Affairs Department etc.

Therefore, it may be remarked that there is no country in the world which has got a completely integrated administrative system. In Nigeria, there are government corporations, public service commissions, and auditor-general who are independent of the cabinet control.

3.2 Bases of Departmental Organisation

There are four different principles or bases on which a department is organized. These bases are:

1. the functional or purpose principle
2. the process or professional principle
3. the clientele or community principle and
4. the geographical principle

- **The Functional Principle**

Where the department is organised on the basis of the nature of function or purpose, it is said to have been organised on functional principle. Examples of such departments are: Health, human resource development, labour and employment, education, defence, commerce and industry, agriculture, broadcasting etc.

No absolute formula can be laid down as to which of the two systems should be adopted. With regard to the functional approach, it is argued that all the men engaged herein have the same objective in view on account of which they can work as a team and with interest because they have a common goal.

They are placed under one director who can make decisions and apply his discretion. All this will make the performance of the task efficient and economical. Second, the functional system is in harmony with democratic principles. Responsibility for failure can be fixed, for example, if there is no law and order in a state, the police department can be held responsible for it. Third, better discipline can be maintained because the personnel will be required to work as a unit under the direction and control of one

officer. It reduces the functional principle and helps to simplify the dealings of the citizens with the administration and also put them in a better position to assess results of various departments.

In contrast to the above, it is said that the functional system is opposed to the principle of division of labour. Second, it is not practicable to divide every activity into a major purpose. Third, subordinate type of work is neglected, e.g. in schools, the health of children are neglected. It may also lead to departmentalisation. The departments exaggerate the importance of their own work and are unable to see their department as a part of the larger whole.

- **The Process Principles**

The word 'process' means a technique or primary skill more or less specialised in nature, e.g. engineering, accounting, stenography, legal advice etc. Hence, where the department is organised on the basis of process or nature of the activity to be undertaken, it is said to be organised on process or professional principle.

If the departments are organised on the basis of process, full use can be made of the machinery and costly equipment, division of labour and specialisation of function can take full shape, activities of all persons performing similar work can be properly coordinated and, lastly, the career service will be better established. On the debit side, a rigid professionalism and routine will mar the efficiency of the administration.

- **The Clientele or Community Principle**

When an administrative department is organized on the basis of the body of persons or clientele to be served, then the persons or clientele principle of departmentalization may be said to have been adopted. Similarly, if a department is organized to deal with a class or community or communities, it is called department based on community principle. Examples of such departments are: Rehabilitation, nomadic education, ecological department etc.

- **Geographical Principle**

Where the wings of the department are spread over a wide area and there is decentralization in the conduct of its administrative business, it is said to be organized on geographical or area principle. Examples of such departments are: Foreign Affairs, Nigerian Missions abroad, state offices of the National Directorate of Employment.

3.3 Organisation of a Department in Nigeria

The central administration in Nigeria has been split up into about 21 or more ministries. A ministry consists of many departments each of which is further divided into divisions or units and sections. Some departments may have no divisions but only branches and sections. The minister; every department is headed by a political chief known as the minister. He lays down the broad policy of the department and is responsible to the president for the working of the department(s) under him. Since he is accountable to the president for the proper functioning of the department, he is vested with full control and authority over the department. In bigger departments, the minister is assisted by a minister of state. The minister is generally a layman selected on political basis. However, it is argued that the minister being a layman is able to view the departments as a whole. He is interested in the good of all concerned and not only of those people who are serving the departments. The minister is a leader and the legislature which consists of representatives of the people. Which principles are to be followed?

From the foregoing analysis of the merits and defects of the various bases of organisation, it is clear that none of them can be regarded as absolutely the best. The selection of the proper mode of division has to be guided by the circumstances as well as by the objectives to be achieved. If the aim is the provision of service to the people, functional principle is the best, if economy in the technical staff as the objective, process system should be invariably accepted, if the aim is to help or assist a particular class or classes of people, clientele method should be followed and if there are special regional problems to be tackled, area or geographical principle should be opted for.

In fact, if we look deep into the workings of the various ministries and departments, we will find that no single principle is followed in their organisation. However, since the main purpose of administration is the provision of certain services for the people as a whole, most of the departments are organised on the basis of function. It may, therefore, be said that at the departmental level, the functional basis should be the rule and exceptions are to be made only when specially justified by the circumstances of the case.

4.0 CONCLUSION

We may therefore, conclude that no department is wholly constructed from top to bottom on the basis of a single principle. At the departmental level, we may keep in view one basis, but as we descend to division and sections of the department, we may have to adopt other

bases for effective performance of the function. Thus, the various bases of organisation supplement each other. Wallace has rightly pointed out, “the advantages and disadvantages of each of the four bases of organisation must be weighed in connection with each addition to the departmental structure and as past experience and present practice clearly indicate, the result will be a departmental organisation in which one or at the most two of these concepts of departmentalization will predominate but in which all four methods of organisation will play a significant role”.

5.0 SUMMARY

To sum up, it is pertinent to remind ourselves that the bases of organising the department overlap each other. What appears to be a functional basis from one angle may appear to be clientele, process or area basis from another angle. Each function involves some process and is discharged for a certain section of people residing in a particular area or region. For example, the department of agriculture dealing with agriculture is evidently based on functional principle. Since the department benefits agriculturists, it can be categorized as a clientele principle department.

6.0 TUTOR-MARKED ASSIGNMENT

1. Explain any two of the following principles, by choosing either AB or CD
 - a. The functional or purpose principle
 - b. The process or professional principle
 - c. The clientele or community principle
 - d. The geographical principle
2. Which principles are to be adopted?

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UNIT 2 THE BUREAU AND BOARD/COMMISSION

CONTENTS

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- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Kinds of Boards
 - 3.2 Advantages and Disadvantages of Bureau and Board Types
- 4.0 Conclusion
- 5.0 Summary
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1.0 INTRODUCTION

Once the basis of organisation of departments has been decided upon, the next question that arises is about the leadership of the department, in other words, the location of responsibility for direction and control. The problem is, should the department have a single head or a plural head? If the leadership of the department lies in one single person, it is called Bureau type of organisation, but if the head of a department is a body of persons jointly responsible, it is called the board type of organisation.

In Nigeria, we have both the bureau and board types. The minister is usually the head of a number of departments like education, defence, foreign affairs, home, agriculture etc. But some of our departments are headed on the administrative side by boards or commissions e.g. the Board of Direct Taxes heads and controls the departments of customs, central excise, and income tax. In Britain, the departments of Inland Revenue, Customs and Excise, Trade, Industry and Transport are headed by boards. In the USA, also there are boards like school boards, public health boards etc. Thus, both types, (Bureau and Board) have been adopted by the countries in respect of departmental organisation.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- differentiate between bureau and board/commission
- list types of board
- identify merits and demerits of bureau and board types
- explain the underlying causes of bureaucracy.

3.0 MAIN CONTENT

3.1 Kinds of Board

The board is also sometimes known as a commission. The two terms (board and commission) are used interchangeably. Willoughby has, however, pointed out an important distinction between them. According to him, “A board, properly speaking, is a group of members who are required to act collectively upon all matters falling within their jurisdiction. It may be that the members act individually in the way of securing data, conducting preliminary hearing etc, but no action is taken by them except as a body. A commission is a group of members having the duty not only of acting collectively as a board, but also of serving individually as heads of organisation units that have been set up for the performance of administrative work that has to be done”. However, as said above, the two terms have been used interchangeably in administrative organisation.

The boards or commissions are of various types

- **The administrative board:** Where the board is the head of the department, it is known as administrative board, for example, the Railway Board, the Central Board of Revenue, Education Board etc.
- **Advisory board:** It is often attached to the head of the department for giving him advice on general or specific matters. The advice is not binding on the head. They stand outside the hierarchical organisation of the department and do not share the responsibility for doing the work of the department or for formulation of policy. These boards may also be called commissions. Central Advisory Board of Education, Railway Advisory Board, University Grants Commission, Public Service Commissions etc. Are some of the advisory boards?
- **Board tied into hierarchy:** Sometimes, a board or commission is found tied in the hierarchy or an intermediate level. It is not empowered to run the department, but performs quasi-legislative and quasi-judicial functions with regard to the specific field entrusted to it.
- **Regulatory commission:** In Nigeria, some commissions have been created to regulate and control private property, businesses and individuals in the interest of general well-being, for example, National Food and Drugs Administration and Control NAFDAC, Civil Defence Corps, AEPP etc are some of the regulatory commissions in Nigeria. However, these commissions have quasi-legislative and quasi-judicial functions.
- **Bi-partisan boards:** Sometimes boards are created consisting of representatives of the leading parties in order to eliminate party politics.

3.2 Advantages and Disadvantages of Bureau and Board Types

Advantages of Board Type

The board type is considered appropriate in the following case where:

1. where the duties are of a quasi-legislative or quasi-judicial character
2. where the duties call for the exercise of wide discretionary powers or are of a general control character
3. where it is desirable to have a number of different interests represented

4. where attempt is to be made to eliminate, or to reduce to a minimum, the factor of party politics in the conduct of the affairs of certain services
5. where the administration is required to be saved from any kind of external pressures, and
6. where the policies and techniques are not yet fully settled and deliberations are necessary to discover the right course of action.

Disadvantages of Board Type

The disadvantages of the board type are:

1. it leads to disintegration and lack of responsible directorship. When many persons head a department, there cannot be any unity of command
2. when many persons work collectively, individual responsibility cannot be fixed. Every body's responsibility is no body's responsibility
3. the board decisions are generally compromised decision among different interests. The compromised decisions are not always rational. It may be a compromise among the selfish interests of all the members
4. it leads to delay in action. It cannot act promptly. Time is lost in consultation and discussion
5. dissensions and lack of team spirit among the board members may lead to indiscipline in the organisation
6. the board is generally constituted of mediocre personnel.

Alexander Hamilton writes: "Boards partake of a part of the inconveniences of large assemblies. Their decisions are slower, their energy less, their responsibility more diffused. They will not have the same abilities and knowledge as an administration by a single man. Men of the first pretensions will not so readily engage in them, because they will be less conspicuous, of less importance, have less opportunity of distinguishing themselves and arrive to eminence because they have fewer motives to do it".

Advantages of the Bureau Type

John M. Pfiffner prefers single head of department under the following circumstances:

1. the single head is necessary in those activities which require discipline of a semi-military type
2. those activities which involve the exercise of practically no discretion, should be headed by a single officer

3. single head would do well where quick decisions and quick actions are essential
4. where confidence in well-developed technology is desirable
5. where work to be done is essentially of an administrative character
6. where loss of administration is to be taken into account
7. under bureau type , responsibility is clearly defined and easily located
8. in this system, there remains a unity of purpose in the organisation
9. it will leads to effective, efficient and quick administration.

Alexander Hamilton writes: A single man, in each department of the administration would be greatly preferable. It would give us a chance of more knowledge, more activity, more responsibility, and, more zeal and attention.

Disadvantages of Bureau Type

The bureau type runs the following risks:

- it may lead to one man's despotism
- it may introduce party politics
- the single head may be unable to resist political pressure
- he may be unable to cope with semi-legislative and quasi-judicial functions.

In view of the advantages and disadvantages of both the board and bureau types of organisation it is difficult to pass any general and final judgement on the desirability of the one as against the other type. Much depends on the conditions to be met. In a general way, it may be said that where the services are purely administrative work, there the bureau type of organisation should be adopted, but if they do purely semi-judicial work or semi-legislative work the board type would be better. In point of fact, however, the problem is not as simple as it appears to be because there are a number of branches of administration where the duties to be performed fall in both fields, for example, the Police, Education and Public Health Departments. These departments are concerned not only with purely administrative work but some authority to make rules and regulations is also delegated to them by the legislature. In such services, a mixture of bureau and board types should be followed. For example, in the Education Department, a Board of Education as well as a Director of Public Institution may be provided for. Here the problem that arises concerns mainly the relative jurisdiction of the two authorities and their relations to each other.

It is of great importance that the powers and duties of the two should be clearly indicated. The board should be granted no administrative

authority, all such authority should be vested in the director to the end that he may be held responsible for the actual conduct of affairs.

4.0 CONCLUSION

In this unit, we have defined the bureau and board. We also discussed the types or kinds of boards, distinguished their differences, their merits and demerits. However, as we have discussed earlier, the two terms have been used interchangeably in administrative organisation.

5.0 SUMMARY

It is somewhat very difficult to pass any general and final judgment on the desirability of the board against the bureau, in view of the advantages and disadvantages of both. Nevertheless, much depends on the conditions to be met. But where the services do exclusively administrative work, the bureau type of organisation should be followed, and the same condition is applicable to the Board as well.

6.0 TUTOR-MARKED ASSIGNMENT

1. Distinguish the Bureau from the Board.

7.0 REFERENCES/FURTHER READING

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UNIT 3 FIELD ESTABLISHMENTS AND MAX WEBER'S THEORY OF BUREAUCRACY

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Legal Status of Field-stations
 - 3.2 Grading and Classification of Field stations
 - 3.3 Centralization vs Decentralization
- 4.0 Conclusion
- 5.0 Summary
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1.0 INTRODUCTION

We have considered the organisation of the department as it functions at the seat of government. But the entire business of government is not

carried on in the capital of the state. The people whose needs the government and administration cater for are spread all over the country and the more important services have to be carried to their very door. It will not be appropriate, or rather, it will be inconceivable to have a single school at Lagos or Abuja in Nigeria and ask the parents to send their children to that school.

However, to serve the public, establishments are created throughout the length and breadth of the country called field establishment. Field establishment is defined as those who work in the field away from the headquarters. The headquarters may be defined as the central place of a given area, where its highest government or administrative authorities are located and from which administrative direction and control fan out the entire area.

The terms headquarters and field are relative to the area we have in mind. When we think of the whole of Nigeria, Abuja is the headquarters and the rest of the country is the field. It needs no emphasis that field services offer their own problems of organisation and procedure, the study of which is necessary for a student of public administration.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define of headquarters and field
- discuss the essence of creating field stations
- highlight problems of centralization vs decentralization.

3.0 MAIN CONTENT

3.1 Legal Status of Field-Stations

Field stations are created to satisfy the needs of the people locally and easily; for instance, if a person has to go to purchase a post card from Abuja, it is not only expensive for him but also greatly troublesome.

Therefore, to make available to the people the services of the government at their door steps, and to enable them make full use of the services of the government, it is desirable that post offices should be established at short distances. The field offices, their number, location and grade may be prescribed either by statutes or by administrative

orders. The question as to whether it is desirable that the legislature should itself by statute seek to fix the number and location of field offices and the boundaries of these offices or leave this matter to administrative determination, is one which cannot be answered in absolute terms. If established by the legislature, the field station will enjoy greater security and freedom than if established by the executive. Both of the systems seem to be extreme.

However, a better plan would be that the executive establishes the field stations but the legislature keeps control over the determination of their number, location and grade through the system of grants.

3.2 Grading and Classification of Field Stations

A matter which is of great importance is that of grading field stations according to their importance and of classifying them according to such grade into a hierarchy of offices constituting a single unified service. All the stations are not equal in importance and so they cannot be governed by one uniform standard. For example, railway stations, should be classified into various grades, say railway station of A, B and C classes.

3.3 Centralization vs Decentralization

The problem that confronts the field station is that of centralization vs decentralization. According to Charlesworth, “One of the important problems of organisation is to reconcile the administrators’ natural desire for control, uniformity and certainty with the people’s demand that government administration accommodates itself to local public sentiment”.

By decentralization we have the system where the field organisation:

- is left free to decide a large number of matters locally by itself without reference to the headquarters
- is not subject to minute rules and regulations
- has the final authority in relation to most of the cases and its decisions are not subject to appeal, and
- the sub-offices and subordinates have adequate initiatives and power of decision. It is not possible to make any general statement regarding which of the two systems should be adopted. The natural tendency of organisations, these days, is towards centralization.

Under a centralized system, the field stations work as mere executing agencies.

They have no power of control over their activities or even their internal administration such as purchase of stationery, transfer of employees etc. In a decentralized system, the field stations are granted general powers and are given authority to make their own decisions and have full control over their establishment.

The Meaning of a Centralized Organisation

A centralized organisation is therefore, one in which decision-making authority is vested in the top level of the organisation to which all matters pertaining to a particular problem have to be referred. In a centralized organisation, employees at lower levels are given specific jobs to do, but any problem arising in the course of performance of assigned tasks are reported to the appropriate higher level which is vested with the authority to take decisions on the problem. In effect, in a centralized organisation, subordinates are assigned jobs or tasks without decision-making authority. If in a banking or financial institution, for example, all applications for loans, whether for a very small or large amount, are sent to a particular level for sanction, the authority to sanction loans is said to be centralized. Thus, the term centralization refers to a system of governmental administration in which powers and functions are concentrated in a single central agency.

Advantages of a Centralized System

- it provides for maximum control
- it ensures that all the work is done in the same manner and in accordance with the same general policies and principles
- it makes administrative abuses difficult
- it achieves effective control over all organs of administration
- modern communication facilities render distance irrelevant to effective co-ordination of the work of administration.

Disadvantages of a Centralized System

- it lacks flexibility of approach
- it leads to delay in arriving at decisions
- it denies people's participation in decision-making
- it puts too much burden on the headquarters
- it takes decisions without any knowledge of local conditions and requirements.

De Tocqueville rightly points out that “indeed I cannot conceive that a nation can live and prosper without a powerful centralization of

government. But I am of the opinion that a centralized administration is fit only to enervate the nation in which it exists by incessantly diminishing their local spirit”.

Though the disadvantages of decentralization and vice versa are yet to make things clear and specific, we will state advantages and disadvantages of decentralization as well.

The Meaning of Decentralization

A decentralized organisation, on the other hand, is one in which decision making authority is granted to the lower levels in the organisation to decide on most of the matters which come up, while a few very important matters are reserved for the higher levels. In a decentralized organisation, decision making authority may be shared between superior and subordinate officers, between official and non-official elements in the organisation and also between the headquarters and the field officers of the organisation.

Thus, decentralization denotes dispersal of authority among a number of individuals or units.

Advantages

- it brings relief to the over-burdened centre and strengthens field agencies and grassroots units
- it reduces delay, curbs redtapism and encourages faster action. Thus it leads to increase in efficiency
- it boosts the moral ability of the subordinate administrators, develops their resourcefulness and self respect. They learn to take decisions and shoulder responsibility
- those immediately affected can avail the opportunity for adaptation and adjustment in the administrative programmes and operations brought closer to them
- it develops a sense of personal adequacy in the individual citizens

According to Charlesworth, “Decentralization has a more important justification than mere administrative efficiency. It bears directly upon the development of sense of personal adequacy in the individual citizens, it has spiritual connotations”.

Disadvantages

- excessive decentralization leads to anarchy. It makes coordination and integration of administrative operation difficult
- a complete decentralization in personnel, budgeting, tax collection, accounting, planning and programming is neither possible nor desirable.
- rapid means of transport and communication, the requirement of modern defence and the pressing need of economic planning disfavours decentralization
- decentralization of house keeping activities is neither economical nor efficient
- decentralization strikes at the root of common and uniform policies aiming at the economic amelioration of the common men, imparting of free and compulsory education and introduction of prohibition etc.

Some Analysis of the Two

After a comparative study of the advantages and disadvantages of the two, it may be said that everything depends upon the character of the work to be performed and special conditions to be met. A single system cannot be adopted in all the activities and in all the circumstances. If the decision affects a national activity which concerns either the social or the industrial economy of the entire nation, the decision should be made by a national office. If a decision applies only to a part of the country or to a section of the population, the decision will best be left to the officials in that area, who are familiar with the problem from first hand contact.

Further, it is as bad to decentralize too far as not far enough. The centralization and decentralization of authority within a department depends upon the following factors:

i. Management Philosophy

The character of top executives and their philosophy have an important influence on the extent to which authority is decentralized. If the top executives like to concentrate authority in their hands, it would result in centralization. On the other hand, some top executives see decentralization as a means to make a complex function efficiently. Such a philosophy would encourage decentralization in the organisation.

ii. History of Organisation

If the organisation has developed from the small structures to complex ones, it shows the sign of centralized features. On the other hand, organisations which are created due to amalgamation are bound to possess a decentralized tendency. For example,

World Health Organisation (WHO) is a decentralized organisation as it was born out of a number of regional organisations existing at that time.

iii. Availability of Competent Subordinate Managers

A real shortage of competent and qualified managers limits the extent of decentralization of authority since the transfer of decision-making requires the availability of trained managers at lower levels. Therefore, there is a need to train the managers before introducing decentralization.

iv. Cost of Decision

Perhaps the most important factor determining the extent of decentralization is in the aspects of policy-the criterion of cost. Decentralization operation should not be costly

v. Stability of Policies and Methods

Stability of policies and methods is fundamental to decentralization. Thus, decentralization should take place only when the policies and methods have been stabilized at the headquarters.

v. External Factors

Finally, external factors like the necessity of associating the citizen with the administration, convenience of citizens, adjustment of policy and programme to local conditions and adapting field activities to political pressure may compel most matters to be handled outside Abuja. Circumstances of magnitude and volume require settlement of bulk of business at the point where it arises.

Certainly, the delegation of authority means greater energy, a higher sense of responsibility and better moral ability among field agents. They do not want to be mere messengers and reporters eg to their Abuja superiors. Decentralization democratizes administration and brings it nearer to citizens.

The more the state takes to developmental and welfare activities, the more it will feel the need for decentralization. But in spite of all this, it must be pointed out that before decentralization is effected, the problem should be carefully studied by each service.

4.0 CONCLUSION

In this unit, it is worth reminding ourselves that we have discussed all about field establishment wherein we have learned that field establishments are created in order to serve the people. We also discussed the legal status of field-stations. We dealt at length on centralization and decentralization, merits and demerits of the two respectively. We carried out the comparative analysis of centralization as well as decentralization. In the realm of administrative thought, however, we have learned that neither centralization nor decentralization is an absolute pre-requisite or *sine qua non* for efficient and effective functioning of an organisation.

5.0 SUMMARY

It must be borne in mind that the other problem that confronts the field station is of centralization vs decentralization. According to Charlesworth, “One of the important problems of organisation is how to reconcile the administrators’ natural desire for complete control uniformity and certainty with the people’s demand that governmental administration accommodates itself to local public sentiments”. A point also worth mentioning is that the difference between centralization and decentralization from the practical standpoint is that of degree rather than of kind. This is evident from the fact that no organisation is completely centralized or decentralized.

6.0 TUTOR-MARKED ASSIGNMENT

1. Comment on centralization vs decentralization.
2. What are the factors responsible for the nature and degree of decentralization?

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UNIT 4 PUBLIC ENTERPRISES

CONTENTS

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 - 3.1 The Meaning of Public Enterprises
 - 3.2 Types of Public Enterprises
 - 3.3 Why public Enterprises
 - 3.4 Departmental Undertakings
 - 3.5 Government Companies
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1.0 INTRODUCTION

The laissez-faire view of state activity has in the present century given place to socialists' view leading to expansion of state functions in the economic and industrial fields. The state is no longer a law and order maintaining and revenue collecting organ, it is now more concerned with the economic welfare of its people. The newly independent state, in order to overcome their economic stagnation and the poor rate of growth during colonial rule, had to enter the field of industrial and commercial enterprises to ensure better utilization of available resources and build the essential infrastructure for national development. This led to the setting up of public enterprises and creation of a large sector. In Nigeria, both the central and state governments have set up a number of undertakings in the public sector.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define a public enterprise stands for
- list types of public enterprise
- describe government companies and the main characteristics etc.

3.0 MAIN CONTENT

3.1 The Meaning of Public Enterprises

Generally speaking, a public enterprise is an agency of the government through which the government manages its commercial and economic activities. According to S.S. Khera, "By state undertakings is meant the industrial, commercial and economic activity carried on by the central government or by a state government or jointly by the Central government and State and each either solely or in association with private enterprise so long as it is managed by a self-contained government".

According to a United Nations (UN) publication, "By public enterprise is meant economic undertaking especially industrial, agricultural or commercial concerns, which are owned (wholly or in part) and controlled by the state".

To A.H. Hanson, “Public enterprises mean state ownership and operation of industrial, agricultural, financial and commercial undertakings”.

Friedman defines public enterprise as “an institution operating a service of an economic or social character on behalf of the government, but as an independent legal entity, largely autonomous in its management, public accountability and subject to some directives by the government, equipped on the other hand with independent and separate funds of its own and the legal and commercial authorities of a commercial enterprise”.

In short, public enterprise is an activity of the government, central, state or local, involving manufacturing or production of goods. As a constituent of political and administrative structure, it possesses a sound blending of public purpose, public accountability, autonomous functioning and inherent right to manage and control the enterprise by the government.

3.2 Types of Public Enterprises

Public enterprises are divided into four types based on the ownership, namely:

- central government enterprises, like the Nigerian Airways, Nigerian National Petroleum Corporation (NNPC), National Steel Company etc.
- state government enterprises like the State Transport Corporation etc.
- joint enterprises of both the central and state governments; William A. Robson divides them into seven categories on the basis of the nature of their activities. These are:
 - ❖ public utilities like water, electricity, gas, ports and harbours,
 - ❖ transport and communication like railways, airlines, shipping, telephones, posts and telegrams etc
 - ❖ banking, credit and insurance like the Central Bank of Nigeria, financial corporation
 - ❖ multipurpose projects like the Tennessee Valley Authority in USA etc.
 - ❖ basic industries like coal, mining, iron and steel and shipyard
 - ❖ new industries or services
 - ❖ cultural activities like the Film Corporation of Nigeria

3.3 Why Public Enterprises

Government intervention of a positive kind in the ownership, operation and regulation of public enterprises and public utility services has today

become all-comprehensive and varied. These undertakings have served as a powerful instrument for achieving social and economic development. Without basic infrastructural facilities like roads, dams, railways, energy and means of communication, economic growth would not have been possible. These activities are not undertaken by the private sectors as its sole concern is profit motive. The growth of public enterprises is influenced by various factors like needs of the nation, defence considerations, political and social philosophy and the state of economic development. In Nigeria, the following reasons justify government participation in economic activities.

- **Need for Sound Industrial Base**

Nigeria was economically backward during the colonial rule. After independence in 1960, the task of its economic reconstruction was vast. Huge capital investment was required to build dams, provide infrastructure for industrial growth and provide public utility services to the people; that could be done by the government only.

- **Modern Economy is a Planned Economy**

It is believed that the success of a planned economy depends on the growth of public enterprises. Planning is of particular significance for Nigeria where a lot has to be achieved with limited resources and within a limited time. Modern economy has to be a planned economy; the national responsibility of planning is something which cannot be discharged by any authority other than the government. According to A.H. Hanson, "Public enterprise without a plan can achieve something; a plan without public enterprise is likely to remain on paper."

- **Balanced Growth**

Since the private sector does not take any interest in the establishment of industrial base including development of key and basic industries and since it has no social interest in promoting balanced regional development (It sets up industry only in such areas where it is profitable to do so), the government has to take up the task of nation-building and ensure balanced regional growth of the country by providing infrastructure and facilities in the backward regions.

- **Commitment to Socialist Society**

The government is committed to build up a secular socialist society in Nigeria and therefore it is increasingly compelled to enter directly into industrial and commercial activities.

- **Need for Funds**

The government needs funds for its diverse welfare activities. By active participation in business, the state can get money in the form of profits which may be used by it to discharge the new and heavier burdens of a welfare state.

- **Socio-Politico-Factors**

A government committed to certain social and political philosophy may well decide to intervene in the economic activity. The political philosophy of socialism may lead a country to nationalize certain enterprises such as the banks, air transport and coal mines. The social purposes may include development of weaker sections of society, development of backward areas and child and women welfare.

In a survey undertaken by the United Nations, it was found that the factors determining a government's attitude towards public enterprises are in part ideological and in part pragmatism.

- **Organisation of Public Undertakings**

In general, there are three main forms of organisation of public undertakings, namely, departmental concerns, government companies and public corporations. In addition, there are other forms also which are being used for management of economic type of activities. Below, we briefly outline the characteristics of the three main forms of organisation.

3.4 Departmental Undertakings

Department is the traditional unit of public administration. In the field of public enterprises also, it is the oldest form of organisation. An enterprise may constitute a department itself or it may be organized as an integral part of a department similar in status to a division, bureau or section within a department. In a more specific sense, departmental undertakings are a part of the governmental organisation set up as different ministries/departments subject to the control of a minister. Thus, posts and telegraph, defence production, railways, ports, docks, mints, government printing press etc are departmental enterprises. At the state level, Dairy schemes, Road transport, irrigation etc are departmental undertakings.

The Main Characteristics of Departmental Enterprises Are:

- the enterprise is financed by annual appropriations from the consolidated fund and is a part of the annual budget
- the enterprise is subject to the budget accounting and audit controls applicable to other departmental activities

- the staff members of the enterprise are civil servants. Their service rules are guided by the civil service rules
- the enterprise is subject to direct control of the head of the department. He is fully accountable, through his minister, for the activities of the enterprise
- the enterprise can be sued only through the state. It is not a legal person
- it is created by an executive resolution. Its creation does not require any prior approval.

Aim and Objective

In order to facilitate the working of departmental enterprises, and lend an amount of flexibility in their functioning, a Board of inter-departmental committee is sometimes set up as the Railway Board, Posts and Telegraphs Board, Defence Production Board. The main objective behind its pattern is to give the responsibility of managing departmental enterprise to a plural executive rather than a singular one so that better and objective decisions may be taken.

The Main Advantages of Departmental Enterprises

The main advantage of departmental enterprises is that, it is directly under ministerial control and accountable to the parliament. Accountability to the parliament is its greatest advantage. Further, it follows a set of structural pattern and fixed procedure which leads to the regularized arrangement of its operations. Administrative planning becomes easier. But unfortunately, the disadvantages far exceed its advantages.

Disadvantages of Departmental Enterprises

- The departmental form of organisation leads to centralization of authority. For every activity or decision prior approval of the government is required. Thus, this system does not permit sufficient autonomy and flexibility so essential for the effective functioning of industrial and commercial activities. The strict and rigid financial and administrative controls make the administration of such enterprises non-flexible. By the time government approval is received, the market-situation changes. Rules are given precedence over urgency.
- It is strictly hierarchical in its structure and follows the principle of chain of command. Because of too much emphasis on hierarchical levels, the benefits and services to the consumer are adversely affected. The bureaucratic approach gives rise to red-tapism, delay

and nepotism. The initiative is killed and every individual within the organisation tends to look upwards for decision.

- The departmental undertakings are open to all sorts of political pressures and party interest. There is reckless expenditure in order to strengthen and stabilize the ruling party's position or to appease populism. There is much political interference in its day-to-day functioning. Even transfers of minor employees are dictated by the minister. The frequent changes in the ministry or change of the government does not enable the organisation to undertake a long term perspective. Often, a minister, on assuming charge of a departmental enterprise, changes its earlier projects even after much expenditure has been incurred on their implementation.

According to Earnest Benn, "the great departments of state are not organized for business administration". As a matter of fact, the problems of flexibility and autonomy are the basic problems of departmental enterprises. Although some attempts have been made to introduce flexible procedures and give autonomy to the managements by setting up Boards, this pattern should be adopted only after a judicious consideration of the various aspects involving an activity. It should be an exception rather than the rule.

3.5 Government Companies

Prof. A. H. Hanson in his book, entitled Public Enterprises and Economic developments has defined the term state company as 'an enterprise established under the ordinary company law of the country concerned in which the government has a controlling interest through its ownership of all or some of the shares'.

The main characteristics of a government company are as follows:

- it has most of the features of a private limited company
- The whole of the capital stock or 51 per cent or above is owned by the government
- all the directors, or a majority of them, are appointed by the government depending to the extent to which private capital is participating in the enterprise
- it is a corporate body under a general law, viz, companies act
- it can sue and be sued, enter into contract, and acquire property in its own name
- it is created by an executive action of the government without parliament's specific approval having been obtained and its articles

of association, though conforming to an act, are drawn up and are revisable by the government

- its funds are obtained from the government and in some cases from private shareholders, and through revenues derived from the sale of its goods and services
- it is generally exempted from the personnel, budget, accounting and audit laws and procedures applicable to government departments
- its employees, excluding the deputations, are not civil servants. The government company may be wholly-owned, partially-owned and joint-sector company. A wholly-owned company is one in which the entire share capital is invested by the government itself without any participation from the public. A partially-owned is one in which the government invests at least 51 per cent of the share capital, the remaining part coming from the public. A joint sector company is one in which both the public and private investments have taken place and where the state takes an active part in direction and control. It is a mixed enterprise of government and some other private entrepreneurs like Shell BP and Lever brothers. The government reserves the power to control and supervise while the private entrepreneur carries on with the work of production and management.

The Government May Adopt the Company Form of Organisation for Three Reasons:

- it may have to acquire shares of an existing enterprise in response to a financial or employment crisis or in order to maintain a nationally important production or service which has become unprofitable or insolvent under private enterprise
- the state may wish to launch an enterprise in association with certain other interests, national or foreign
- the government may wish to start an enterprise entirely as a public concern in order to put it on its feet, with the intention of disposing of all or part of it to the public, or to specific private interests as soon as possible.

Advantages

The Other Advantages of a Company Organisation Are:

Convenience in formation, flexibility and freedom in operation, less burden of capital on the state, cooperation from the private sector, better discipline than under a departmental organisation, professional management, suitability for commercial trading and other similar activities and opportunity to get foreign collaboration.

In view of the advantages, the company form of organisation is very popular with the government. However, it suffers from certain limitations or disadvantages.

Disadvantages of Government Company

The most conspicuous disadvantage is that it evades constitutional responsibility which a state-owned enterprise has to the parliament in a democratic country. It is created by an executive action and funds are provided from the consolidated fund without any prior parliamentary sanction and any accountability or control.

Professor Robson called it a device for avoiding public accountability and control.

Second, a government company remains under the control and influence of the minister for industries and is subject to the same political pressures, pulls and party interests as a departmental organisation. It does not enjoy any autonomy. In the words of Prof. V.V. Ramanaiah "It is apparent an autonomous agency, but the articles of association are so framed and the boards so constituted that government influence can be easy and extensive."

4.0 CONCLUSION

In this unit, we have dwelt extensively on public enterprises, the meaning, concepts, types and most importantly, the why for public enterprises. It is also pertinent to remind ourselves that various public undertakings were vividly discussed especially, their merits and demerits, their limitations, etc. In the next unit, however, we shall yet again be discussing public corporation, the traditional unit of administration a publicly-owned enterprise that has been chartered under Federal, State or local law for a particular business or financial purpose.

5.0 SUMMARY

Government involvement in public enterprises and utility services has today become all encompassing and varied, serving as they do, as a powerful instrument for achieving social economic development. However, public enterprises have both the merits and demerits; but nevertheless, the company form remains the most acceptable form of organisation of public enterprises, especially being favoured for its substantially commercial functions.

6.0 TUTOR-MARKED ASSIGNMENT

1. What is the motive behind private undertaking?
2. Justify government participation in economic activities.

7.0 REFERENCES/FURTHER READING

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UNIT 5 PUBLIC CORPORATIONS

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 - 3.2 The Main Characteristics of Public Corporation
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 - 3.7 Features of Public Corporation
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1.0 INTRODUCTION

Examination reveals, however, that there is another type of organisation (i.e. after Departmental undertakings and Governmental companies) called “Public Corporation” which may be said to have come into existence as a result of the entry of the state into the field of business and commercial enterprise. The social complexities ushered in by the industrial and urban civilization of the modern times made it necessary for the state not only to regulate business and industry but also to take up some of them directly in order to ensure for the common citizens, the supply of certain goods and services at reasonable rates. This is also evident in inflexibility in organisation and finance as well as procedural red-tapism characteristics of the traditional business or commercial concern. To do well in the field of economic enterprise, the state took steps to imbibe the virtues of private business management by setting up public corporation with considerable administrative and financial autonomy.

It has been described by Robson as “The most important innovation in political organisation and constitutional practice”. In Britain, the port of London Authority established in 1908 may be said to be the first business corporation in that country. In America, the first and oldest corporation is the Panama Railroad Company established in 1904. Thus, the system of corporation has now become a universal device for managing public enterprises.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- identify need for public corporation
- list main characteristics of public corporation
- discuss what differentiates public corporation from other departmental enterprises, and of course
- state the kinds and features of public corporation.

3.0 MAIN CONTENT

3.1 Meaning of Corporations

Public corporations have been defined in a variety of ways by different scholars such as Prof. M.E. Dimock who defines public corporation as, “a publicly owned enterprise that has been chartered under federal, state, or local law for a particular business or financial purpose.”

Prof. M.C. Shukla describes it as “a corporate body oriented by legislature, with defined power and functions, and financially

independent, having a clear-cut jurisdiction over a specified area or over a particular type of commercial activity.

Prof.J.M. Pfiffner says “a corporation is a body framed for the purpose of enabling a number of persons to act as a single person. The essential characteristics of a corporation is said to be its feature of several individuals who act as one. Thus, corporation is viewed as an artificial person, authorized by law to carry on particular activities and functions”.

William J. Grange sees it “as an artificial person, which is authorized by law to carry on particular activities and functions”.

Herold Seidman defines it as “government corporations organized to achieve a public purpose authorized by law”.

In other words, it may be said that a corporation is a corporate judicial person capable of entering into contracts acting in its name. The best way perhaps to place it is to imagine the whole field of activity as a triangle, one side of which represents the private enterprise and the other two sides representing the central and local governments respectively. It is usually set up under a status and enjoys a great deal of autonomy.

The essential characteristics of a corporation is said to be this feature of several individuals who act as one. Lets remind ourselves that it is a corporate body created by the legislature with defined powers and functions, and finally independent having clear-cut jurisdiction over a specific area or over a particular type of commercial activity. Examples of public corporation in Nigeria are NNPC, Nigeria Airways, Housing and Water Corporations etc.

3.2 The Main Characteristics of Public Corporation

The main characteristics of a corporation are:

- it is a legal person capable of suing and being sued, entering into contracts, acquiring and owning property in its own name.
- it is incorporated under a special status of the Parliament which lays down its purpose, powers and functions, etc.
- its functions are primarily of a business or industrial nature.
- it is run on business lines and not in accordance with the departmental procedures and practices. It is possessed of flexibility and initiative of a private enterprise. It has its own budget and finances separated from the national budget and finances. It holds funds in its own name and enjoys complete autonomy in the management of these funds.

- it enjoys complete administrative autonomy from the control of the Chief Executive.
- its personnel do not form a part of the civil services but are recruited independently.
- it is wholly owned by the state.
- public corporations are not basically meant for profit motive but are meant to render essentially social services.

3.3 Corporation vs Company

A public corporation resembles a joint stock company for the simple reason that in the eyes of the law, both are judicial persons acting in their names, owning property and carrying out some economic activities. But on a close examination, there seems to be some important points of difference between the two.

First, each corporation is constituted under a separate status of the legislature while each company is incorporated under a general Companies Act. Separate statuses are not passed for separate companies.

Second, public corporation is constituted for public benefit while the main motive of a company is private profit and not public benefit.

Third, a public corporation has no shareholders in the ordinary sense of the term. The private investors are only the creditors entitled to interest on their investment, but without the right of participation in or to control over the management of the corporation. There is nothing like the shareholders' meetings in cases of the corporation.

According to Hanson, "The State Company and the Public Corporation really do not differ very much from each other except of course in the legal status. In matters of operation, there seems to be very little difference. The company is entirely under state control in so far as state is its sole shareholder. Further, it is usually subject wholly to company laws but through Articles of Association or Terms of Agreement to special forms of governmental supervision which are not really very much different from those which are embodied in the legislative instruments which create public corporation".

3.4 Corporation vs Department

The public corporation system differs from the departmental system or organisation, the points of difference being:

- departmental system is generally applied for the state regulated activities whereas corporation system is favoured for business enterprises
- departmental system invariably follows the bureau system, i.e. it is headed by a single person who is called secretary of the department, whereas corporation adopts the board system, i.e. it is headed by a Board of Directors/Boards of Management etc
- corporation is a corporate body and hence can sue and be sued in the court of law. It has its own assets and liabilities but this is not the case with a department
- corporation is generally meant to produce revenue, whereas departments are mostly spending units of the government
- corporation enjoys both administrative and financial autonomy. The rigid and stringent rules of the government are not applicable to corporation but this is not the case with regard to department which works under the complete control of the Chief Executive. For instance, no hard and fast rules bind them regarding making of contracts, buying and selling. Tenders may not be asked for if better terms are possible by direct negotiation. In a departmental working, besides the result, rigid procedure also is insisted upon. In a corporation, procedural rigidities are not adhered to if the results accrued are to be fruitful. Thus, a good deal of discretion and flexibility are allowed by the managements in the matters of procedure
- corporation is created by an act of the legislature whereas a department can be created by an order of the Chief Executive in Nigeria
- the financial status, methods and procedures of the public corporation differ from those of the department. Besides the initial grant extended by the legislature, the corporation can raise its own capital funds, earn income, keep savings, borrow, build up reserves, frame its own budget, vary it from time to time and incur expenditure as it deems fit. Thus, a corporation is not subject to the legislature like that of a government department which cannot function till annual grants are made available to it.
- there is flexibility of procedure and policy in the working of corporation whereas the working of a department is characterized by red-tapism, routine, formalism and rigidity
- corporations are not subject to governmental audit but to commercial audit. The difference between the government and the commercial audit is that the former is mostly concerned with legality and the honesty of expenditure whereas the latter takes into consideration profit, loss, wasteful expenditure and financial soundness of the concern
- the legal liabilities of a corporation are not immune from actions in torts while the departments as participants in the sovereign power

are. The former can be sued for damages like ordinary business concerns. Thus they are more amenable to the court of laws than the departments

- the corporations are subject to less political pressure and influences than the departments
- the personnel procedures of public corporation are different from those of the civil service applying to the departments.

Thus, the corporation differs from the department both in its external relationship with the government and in its procedure with the government enterprises. In the words of Franklin D. Roosevelt, “It is clothed with the power of government but possessed of the flexibility of private enterprise”. However, it may be pointed out that the corporation is not totally immune from ministerial control and direction. It impairs, to some extent, on its autonomous character. According to a report, “Public Corporations do not function in a political vacuum. Removal from the so-called political power is being placed in the hands of a small unrepresentative and in extreme cases, possible even a self-perpetuating group controlling the public corporation”.

3.5 Kinds of Corporations

According to L.D. White, there are three types of corporation:

- First, there are corporations owned by the government either outright or in majority of interests and controlled by the government. These are appropriately known as government corporations.
- Second, there are corporations in which the government either has an investment or broad representation or both but in which control is rested in the hands of private parties. These are less than full-fledged government corporations, and are conveniently termed mixed enterprises.
- Third, there are corporations established by private parties under authority of law, and subject to some degree of supervision by the government. This class of corporations comprises essentially private bodies beyond the proper meaning of the term, Government Corporation, although they may be utilized as a matter of convenience to co-operate in governmental activities.

3.6 The Need for Public Corporation

In the words of Prof. W.A. Robson, corporation system is one of the “Most important innovations in political organisation and constitutional practice”. The question naturally arises: Why a corporation? It is not easy to discover a simple reason for its development. A number of advantages are said to accrue from the system.

First, it takes the purely business and technical services of the government outside of the domain of politics. It means that decision in respect of business activities would be made by a body selected on the basis of merit and not of politics. This will increase efficiency and result in economy.

Second, a public corporation will exercise its duties continuously and with a freedom of action that is not possible for the legislature. The legislature is in session only for a brief period and while it is in session, it can devote only a part of its time to the affairs of any service. Moreover, action, once taken by it, can be modified only by passing a fresh law after great labour and delay. Under the circumstances, quick action is not possible and the system becomes rigid. The public corporation, on the other hand, is in continuous session and can reach prompt decision. This adds flexibility to the system and actions which normally require years if legislature had to deal with them are secured in no time by the corporation. Furthermore, the corporation as it consists of expert and non-political men can take better decisions than the legislature – a body of political and lay men.

Third, the creation of public corporation for the revenue production services would relieve these services from the operations of administrative orders which prescribe in great details the procedure with regard to purchase, accounting, contracting etc. The corporation builds up its own administrative system which suits its own need.

Fourth, the corporation system will offer immediate relief to the legislature from the burden of considering the details of organisation, powers, functions, method of work, annual opportunities etc, of these services. Under the corporation system the greater part of this burden will be preformed by the board of directors of the several corporations. Each corporation would have a separate budget prepared by the directing administrative staff of the corporation and submitted to the board of directors. The latter will submit it to the legislature through the minister of finance.

Finally, under the corporation system, the employees of the service will have an incentive to economy and efficiency. They know that the benefits resulting from increased economy in expenditure and from increased revenue will come directly to the service instead of going to

the general treasury. This will promote the development of an interest in the employees.

On account of these advantages, the system of public corporations is gaining more and more ground in various countries. Estimating the value of this system, the American president's committee on administrative management had said in 1932, 'its peculiar value lies in freedom of operation, flexibility, business efficiency and opportunity for experimentation'.

3.7 Features of Public Corporation

Arising from what has already been said, the following main features may be deduced from the corporation system.

- **Suitable for Business Enterprises Only**

This system can be best used for business enterprises only. This is so because the success of business operation depends upon conformity to the conditions prevailing in the market. A public enterprise, in order to be completely useful under the market control, has to be freed from political control. If it is put under political control, it will become a pawn in the game of party politics, thereby killing the efficiency of the enterprise.

- **Financial Autonomy**

The corporation should have an independent finance and possess financial autonomy. The usual financial procedure of the government is not suitable for a business enterprise because business needs flexibility in methods, simplicity in procedure and promptness in dealings. The financial procedure of the government is usually rigid, dilatory and cumbersome. Therefore, it is essential that the corporation should enjoy financial autonomy and freedom from departmental interference in order to attain adequate flexibility in operation. Of course, in order to safeguard the interest of tax-payers, corporations are not exempted from audit control.

- **Administrative Autonomy**

The public corporation should enjoy autonomy not only in fiscal matters but also in administrative matters. This is essential because the corporation has to work on basic principles. They have to follow business standards rather than administrative adaptability to the changing conditions of the market. If the corporation has to seek every time prior to approval of the government before taking any step or entering the market, the market conditions by the time might change.

According to Herbert Morrison, “A large degree of independence for the boards in matters of current administration is vital to their efficiency as commercial undertakings’. The government should lay down the general policy of the corporation but leave its execution in the hands of the board of directors. Though the principle of ministerial responsibility may impel the minister to control more and more the working of the corporation, and though it is difficult to draw an exact line of demarcation between the general policy and day-to-day affairs, it cannot be denied that the corporation should have freedom to draw its own plans and programmes, to adopt its own methods and techniques, to employ its own administrative staff and supervise its own operations.

- **Judicial Character**

The corporation can only be established by an Act of the legislature. It is a juristic person, i.e. it can sue and be sued in its own name. It can hold proprietary rights, contract agreements and conduct all legal dealings. It does not, however, mean that all public enterprises should be managed by corporation system. Besides the corporation system, there are other forms of public enterprises organisations, i.e. departmental, joint stock Company and a mixed type. Which system should be adopted for which enterprise, largely depends upon the nature of the enterprise. No hard and fast rule can be laid down for it.

3.8 Problems of Public Corporation

It has been remarked that on account of numerous advantages, the public corporation system is gaining more and more grounds in various countries. But in spite of its advantages, the system has been presenting a number of vexed problems. These problems are:

5. legislative responsibility
6. protection and representation of consumers’ interests, and
7. labour welfare.

1. **The Problem of Legislative Responsibility**

As already described, Public Corporation is an autonomous body created by an act of the legislature. It enjoys freedom to an extent in both the financial and administrative matters. It draws its own plans and programmes and executes them in the way which it thinks appropriate. Therefore, the problem always remains how to safeguard national interest without encroaching upon the administrative independence of the corporation and usurping their managerial responsibility. Under the usual parliamentary

procedure, the legislature, as the representative of people's interest, exercises control over the administration through the minister who holds all the administrative agencies under his control. But this type of control is not available in the case of public corporation as it is not under the administrative control of the minister but an autonomous body in matters of administration, recruiting its own personnel and adopting its own methods of working. Matters of day-to-day administration of the public undertakings, as well as matters of major government policy in regard to them have, however, been excluded from the purview of the committee by its terms of reference.

2. Problem of Safeguarding Consumers' Interests

Public corporations are not an end in themselves but an extension of the government activities designed to promote public welfare. The question is how the interests of consumers can be safeguarded when corporations hold monopoly rights in their field. In England, the wireless broadcasting service has been taken over solely by the British Broadcasting Corporation. The Tennessee Valley Authority in America owes the sole responsibility for dealing with the resources clearly fixed in the regional agency involving seven states. In Nigeria, the Nigerian Television Authority (NTA), is also a case in point. Hence it is necessary that the interests of the consumers should be represented in matters of fixing up prices, and quality of goods.

Herbert Morrison suggested the creation of consumers' council appointed by the minister from among the interests concerned with the particular corporation to act as a forum for the expression of public grievances and advise the corporation on the people's reaction to its proposed action. Prof. Robson, however, is opposed to the creation of such councils. In his opinion, the main objection to consumers' council is 'that they are advisory or representative organs whose main purpose is related to the administrative operations of the nationalized industries. The main task of enquiring into individual complaints requires a tribunal of some kind to ensure a pain-staking investigation of facts, a concentration on the particular circumstances of the individual case, consideration of the situation in terms of the consumers' rights and the corporations' responsibilities towards them. The weakness of the machinery for safeguarding the interests of individual consumers is that it attempts to use advisory or executive organs for performing a function which requires the judicial process'. Therefore, Robson proposed the creation of the independent agencies of a judicial character to which aggrieved

consumers could bring their complaints and before which the corporations would be required to justify their price policy.

3. Problems of Safeguarding Labour Interest

The need for safeguarding the interests of the labourers is as important as those of the consumers. The best means so far devised is to give the labourers a share in management. Their representatives advise it in matters of fixing wages, hours of work, leave and holidays rules, amenities for life, insurance against casualties and other conditions of work. In addition to a share in management, labour tribunals are established to settle the disputes arising between the management and the labourers. The tribunals should include equal number of representatives of the labourers and management with a chairman appointed from among the judges of a High Court.

There has been a good deal of unrest among the workers in the public sector in Nigeria. This is certainly bad particularly in view of the fact that public sector enterprises have got to be model employers setting example for the private sector. With the setting up of the Joint Management Councils, industrial relations shall considerably improve.

4.0 CONCLUSION

Government corporations are destined to play a significant role in the changing world of the future. Due to lack of experience and also due to non-availability of technical staff, mistakes might have been made in the past by the Nigerian Corporations but that need not make us despair of the corporation. With lapse of time, the necessary experience will be acquired and the performance of the corporations will also improve. However, all this is possible if top management including political elite mends their ways and desists from interfering in day-to-day administration. Besides, full measure of accountability should not remain as a theoretical proposition. It must be operationalized with full sincerity so that Nigerian corporations could contribute their bit towards the attainment of national goals.

5.0 SUMMARY

The public sector has served as an important instrument in coping with such tasks as restructuring the economy on the basis of industrialization, exploiting natural resources in the national interests, construction of

hydrological installations and improvement of the living conditions of the peasantry.

6.0 TUTOR-MARKED ASSIGNMENT

1. Explain Public Corporation, and bring out its features.
2. What are the main characteristics of a public corporation?

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MODULE 3

Unit 1	Problems of Personnel Organisation
Unit 2	Max Webers' Theory of Bureaucracy
Unit 3	Recruitment of Personnel
Unit 4	Training
Unit 5	Promotion

UNIT 1 PROBLEMS OF PERSONNEL ORGANISATION

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Different Types of Personnel Systems
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

The problems of personnel organisation are the most important and the most complex ones which present a multitude of considerations and need a careful analysis and study. Other problems of public administration are easy and simple on account of the fact that they concern only the employer, but the personnel problem is concerned not only with the employer but equally with the employees and the public. The general public is concerned in the sense that it wants a system of personnel wherein all citizens will have an equal opportunity to enter the government service and rise to higher grades on the basis of talent and qualifications.

In this unit, we shall make an attempt to give an analysis of the problems of personnel organisation. Here is not to examine the specific problems of personnel in details but to lay the foundation for the more detailed consideration of these problems in the succeeding units.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- identify types of personnel systems
- list their respective characteristics and
- state the merits and demerits of the respective types of personnel systems

3.0 MAIN CONTENT

3.1 Different Types of Personnel Systems

The world over, single system of personnel has not been adopted. The different countries at different times have followed different systems. This is because of the fact that conditions differ in various countries and in the same country under different ages. Broadly speaking, there are three distinct types of personnel systems namely – Bureaucratic, Aristocratic and Democratic.

1. Bureaucratic System

Much misapprehension exists in regard to the time character of bureaucratic system. In a broader sense, the term is used “to describe any personnel system where the employees are classified in a system of administration composed of a hierarchy of sections, divisions, bureaus, departments and the like’. In this sense, there is nothing wrong with the system and the prejudices against it are unfortunate.

In a much more restricted sense, the term is used to denote ‘a body of public servants organised in a hierarchical system which stands outside the sphere of effective public control’. The Prussian Civil Service System is termed as bureaucratic from this stand point. It is from the latter point of view that characteristics of the bureaucratic system of Prussian type are discussed below. Bureaucracy as a form of administration is to be treated differently from bureaucratic personnel system. If the former is a necessary concomitant to a large scale organisation, the latter is a pure recruitment pattern adopted by the imperialistic governments of the past. As such, it may be used synonymously with autocratic personnel system.

Its Characteristics

- a. The services owe their appointment to the King and are responsible to him. The King recruits them and prescribes their conditions of service. They enjoy permanence of tenure as they can be dismissed only by the King. The people have no hand in the matter. The King makes his autocratic rule effective through these services. It constitutes a distinct career as those of military and naval establishments. Special provisions exist for their education, training and regular gradation of their positions. Prior to Nigeria’s independence, the Nigerian Civil Service and other services were organised on the basis of bureaucratic system because both their recruitment and dismissal were in the hands of King/Queen in Great Britain. As said above, Prussian Civil Service is another example of such a system.
- b. Being responsible to the King alone, the services regard themselves as superior to the people. In such circumstances, the relation between the services and the people is reduced to that of the master and the slave.
- c. According to this system, public services not only perform executive but also legislative and judicial functions. This is borne out of the fact that the public services in Nigeria in pre-independence days, who held memberships of the executive council of the Governor General and Governors, were nominated to the legislative assemblies and were also appointed on high judicial posts.

Advantages of this System

There are three advantages of this system:

- First, this system produces the highest degree of efficiency. It brings skilled mind to the solution of technical problems.
- Second, it serves well as an instrument of political suppression. The ruling country makes its will effective on the people through this system. The British ruled Nigeria because of civil services which were organised on bureaucratic principle.
- Third, it secures unity and concentration of power that are very essential for effective administration.

The Disadvantages of the System over Weigh its Advantages

- First, the system practically has no place under democratic set up because it exempts public services from popular control. The present trend is towards active participation of the people in the administration and as such, civil servants must carry people along with them. The public services have to be responsible to the public and responsive to their needs. This system is both irresponsible and unresponsive to public opinion.
- Second, it causes a wide gap between the public servants and other classes of the society. The officials become snobbish and develop an over bearing attitude towards the people. The Nigerian civil services in pre-independent era used to be given special training in mannerism and etiquettes in English Public Schools. Hence, they always suffered from a sort of superiority complex. This did not prove useful in the ultimate, both for the public and the government.
- Third, it contains within itself seeds of its own destruction. All the flaws of militarism are present in this system. It makes public officials not only unresponsive but also turns them hostile to the common man. Such a confrontation results in the end of this type of personnel.
- Fourth, concentration of too many powers with the public officials, and the head of the administration turn them into tyrants and induces them to make use of their powers for their personal ends.
- Lastly, history stands witness to the fact that this system has been used by the ambitious rulers like Roman Emperors or Bourbon kings or British imperialists to suppress individuals' liberties. The perpetuation of this system in the democratic age is out of date.

2. Aristocratic System

The word aristocracy means government by the nobles. The aristocratic system began and develops in England and was later adopted by other Western countries. Under this system, a distinction is made between different grades of personnel, and promotion from lower to the higher grade is strictly restricted. The appointment to the higher class like the post of secretaries is

not made through a competitive examination but depends upon the discretion of the Chief Executive. The officers hold by appointment, based upon the personal judgment of the appointing officers as to their capacities and selections can be made from persons who have never held public office. The theory is that the qualification required of this class is of personal character. It is not so much administrative experience as general administrative capacity which is more expected from these officers who have to co-operate with the minister. Hence, they are known as Administrative Chiefs. The relationship between them and the appointing authorities is personal in nature and the latter should have wide discretionary power in making their selections. Though they are usually appointed from amongst the administrative officials, they may be appointed from outside also. In Nigeria, they are called secretaries, joint secretaries and deputy secretaries. In England, they are termed permanent under-secretaries and assistant secretaries.

Advantages of the Aristocratic System

- First, it beautifully combines the principles of representative government with efficient government. The minister who is a political Chief Executive represents the popular feature of administration while the secretary who has acquired that position after long training and experience represents its expert character. This harmonious combination of popular sovereignty with expertness policy often results in efficiency and accuracy.
- ii. Second, the discretion given to the ministers in selecting their administrative personnel helps in maintaining harmonious relations between them and the officers who are men of broad vision, high creative intellect and general mental culture.

These qualities are more essential than the technical expertness for higher administrative posts. Technical expertness, it is claimed, develops a stereotyped mentality and myopic vision whereas the breadth of outlook and general mental culture enable the administrator to have a grasp on the administrative activities as a whole. It does not, however, mean that the system is hostile to expertness. It only emphasises the need for top management being manned by administrators having vision and creative intellect.

Disadvantages

- First, the system has been dubbed as highly undemocratic, as it creates class rather than a representative civil service. Administrative class is drawn from higher strategic society, executive from the middle and clerical and others from the lower middle classes.
- Second, it is pointed out that it creates a class of conservative-minded administrators who are not prepared to effect radical reforms in the country. Such officers are misfit under socialistic governments.
- Third, low age limit is the target of criticism. It is contended that low age limit debars people hailing from rural areas from opting for such services. The state should draw talent from all possible sources. Likewise, every individual should have equal opportunities of serving their nation if they have the talent.
- Fourth, it is remarked that the recruitment qualifications enable the state to recruit the services of laymen rather than the experts. It is not economical to train such raw recruits at the cost of state exchequer. Lastly the system is said to be undemocratic, as it debars the lower grade employees from getting promoted to higher administrative posts. Lack of incentive to promotion may impair efficiency as well.

However, most of these points of criticism are not wholly valid. The defects pointed out above can easily be minimised or avoided. The class correspondent between the civil service and the society may be obliterated if a wide variety of subjects in the competitive examination is provided. Likewise, inclusion of liberal scholarships students belonging to poor families to equip themselves with the requisite recruitment qualifications.

It is not essential that the civil services drawn from the aristocratic families would be opposed to radical reforms. Had it been so, nationalisation of iron and steel industries would have been successfully carried out by the British Civil Services, with the advent of Labour Government in U.K in 1945.

3. Democratic System

The U.S.A has opted for a new type of system. It is based upon democratic principle. “No one man has any more intrinsic right to official station than another”.

Its Main Features are:

- a. the system is immune from class division. An employee may join at the lowest rung of administrative hierarchical ladder and attain ultimately the highest position. Promotions are based on objective tests, viz, efficiency rating and rating scales. As such, there is no restriction for an individual from one class to another.
- b. the age requirements – 18 to 45 years – enable persons to enter public along their lives.
- c. educational qualifications at the initial start of the service are not of liberal and general nature. Instead, higher specialised qualifications are required for such jobs.
- d. public service is not a life-long career. Any person can enter government service at any stage and leave it whenever he likes.

Advantages

The Following Are Some of its Striking Advantages:

- a. it is based upon merit system rather than on birth or wealth. Thus it provides equal opportunities to all. Merit being the sole criterion for selection, it is based on justice and fair play
- b. it provides incentive to efficient work, as there is no limit to promotions. Through hard work any employee can reach the highest place. Comparatively the British system provides less incentive to the employees, as promotions in this system are either highly restricted or completely non-existent
- c. since age restriction is not there, the system provides a larger scope for selecting the talent, more capable and more mature persons may be appointed for higher jobs
- d. it not only suits the genius of the Americans but fits into the social and economic set-up of the American life. Private jobs in U.S.A is more lucrative, as such it is more alluring. Hence, employees cannot be compelled to stick to government jobs throughout their lives
- e. it is more economical, as the state saves the training cost. Ambitious employees will get training in the industries where they seek jobs. After equipping themselves with the requisite experience, they may fit into higher government jobs, having better prospects and higher remuneration.
- f. last, though not the least it appeals to the conscience of democracy-loving people, as it is based upon the democratic principle that every citizen is equally entitled to public office.

Disadvantages

This system also is not safe from the perennial shafts of the critics. Its main drawbacks are:

- (a) too much specialisation in public administrators develops stereotyped mentality and creates myopic vision. Administration with broader vision and general outlook are not procured in this system.

Thus, the President of U.S.A cannot get the assistance he necessitates at the hands of such highly specialised type of administrators. In the words of Dr. Finer, “The unfortunate crux of American administrative difficulties lies in the unfilled chasm between the political chiefs and the bureau chiefs and with the fact that the President needs help which the system still does not provide, and never can, until the day of drastic remedies.

In America, this void is filled by the political assistant secretaries who neither have requisite administrative training nor the experience. This results in administrative deadlocks between the secretaries and the political assistant secretaries. Thus, administration becomes chaotic.

- (b) Another defect of the system as it prevails in U.S.A. is that the top management is placed in the hands of amateurs who hold tenured posts. It amounts to over-burdening of the Bureau Chiefs, the highest permanent officers in the system. The latter cannot cope with the onerous duties as, on the one hand, they lack qualities of general administrators, on the other hand, their departmental and inter-departmental coordinative duties, their managerial activities and the help they have to render in the formulation of policies are too exacting. Their stereotype conception of administration makes the mess of the whole affair.

4.0 CONCLUSION

We dispassionately analyse the advantages and the disadvantages of the three systems. We found that from a purely technical efficiency standpoint, the autocratic or bureaucratic system is probably the best. However, from purely political standpoint, some of its features are so objectionable, as they more than counterbalance its advantages. As between the British aristocratic and the American democratic systems, it is believed that the technical efficiency consideration is the one to be preferred. The British system is advantageous in the sense that all positions of superior importance are held by men equipped with liberal education and who have chosen public service as a permanent career. However, the system is defective in the sense that it closes doors of advancement to employees in the lower ranks. Comparatively, in democratic systems, as prevailed in U.S.A. and Nigeria respectively, men enter the service at the lowest level and rise to the highest cadre.

The federal service abounds in examples of men entering the service at the bottom and rising to the higher administrative posts.

5.0 SUMMARY

Whether the British aristocratic system or the American democratic system, the general public is concerned just with a system of personnel wherein all citizens will have an equal opportunity to enter the government service and rise to higher grades on the basis of talent and qualifications. They just want an opportunity to develop their God-given potentials.

6.0 TUTOR-MARKED ASSIGNMENT

1. Compare the British aristocratic system with the American democratic system.

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UNIT 2 MAX WEBERS' THEORY OF BUREAUCRACY

CONTENTS

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 - 3.1 His Conception of Bureaucracy
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1.0 INTRODUCTION

Max Weber (1864-1920), an eminent German sociologist, gave a systematic analysis of bureaucracy. No study of bureaucracy was considered complete till Max Weber's views on bureaucracy are known.

He developed a typology of authority-traditional, charismatic and legal bureaucracies. To him, bureaucracy sustained and sanctified by the legal authority, is the most effective form of organisation. However, what Weber was concerned most with, was discovering the canons of social behaviour of bureaucracy. In this, he was led to depict and analyse an ideal type of bureaucracy. He never meant to suggest goodness or badness but to suggest a standard or model.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- explain why Weber was very much concerned about the social behaviour of bureaucracy?
- list the essential characteristics of his theory
- its evaluation
- state the meaning of classification, its standardisation and movement in the public service
- explain why spoils system was in vogue in U.S.A
- state the purpose of career service.

3.0 MAIN CONTENT

3.1 His Conception of Bureaucracy

When the word bureaucracy came into usage in the 18th century, it referred explicitly to political systems dominated by public officials. The word was conceptualised as a parallel to the traditional aristelian categories on monarchy, aristocracy and democracy. Like aristocracy, however, bureaucracy came to refer to a class rather than a system dominated by that class.

Max Weber, a highly perceptive observer first noticed the dynamics of bureaucracy in the emergent large organisation after the industrial revolution in 1900 and he made unequalled effort to analyse the concept and dynamics of bureaucracy so much so that he is regarded as the father of bureaucracy. In Weber's Essays in Sociology, he wrote by way of definition of bureaucracy that:

- “The fully developed bureaucratic mechanism compares with other organisations exactly as does the machine with the non-mechanical modes of production. Precision, speed, unambiguity, knowledge of the files, continuity discretion, unity, strict subordination, reduction of friction and material and personal cost-these are raised to the optimum point in the strictly bureaucratic administration. The more bureaucracy is dehumanised, the more completely it succeeds in

eliminating from official business, love, hatred, and all purely personal business and emotional elements which escapes calculation”.

This conception of his does not represent an average of the attributes of all the existing bureaucracies or other social structures. It is rather a pure type in itself derived from the most characteristic bureaucratic aspects of all the known organisations. Thus, Max Weber postulates an absolutely instrumental role of bureaucracy.

His Definition of Bureaucracy

He defined bureaucracy in terms of its structural characteristics. The above mentioned concept or attributes portray a kind of organisation which is impersonal, here authority is exercised by administrators only by virtue of the office they hold, and what is more in accordance with the clearly defined rules and regulations. In other words, bureaucracy emerges as uniquely impersonal, neutral, passive and instrumental. Its behavioural characteristics are objectivity, precision, and consistency.

3.2 Essential Characteristics

According to Weber, bureaucracy has the following essential characteristics:

- separation of office and its incumbent
- selection by merit
- fixed remuneration of officials
- official is subjected to discipline and control during the performance of his duties.
- hierarchy of offices
- allocation of activities of organisation necessitated to fulfill its objectives
- apportioning of authority needed to discharge these activities
- rigid adherence to rules.

In the words of Weber, “The purest type of exercise of legal authority is that which employs bureaucratic administrative staff. Only the supreme chief of the organisation occupies his position of authority by virtue of appropriation of election, or of having been designed for the succession. But even his authority consists in a sphere of legal competence. The whole administrative staff under the supreme authority there consists, in the purest type of individual officials, who are appointed and function according to certain criteria, such as:

- they enjoy personal freedom but subjected to authority regarding impersonal official obligations

- each office legally enjoys a clearly defined sphere of competence
- candidates are selected on the basis of technical qualifications. They are appointed, not elected
- the office is the sole or at least the primary occupation of the incumbent
- they are entitled to fixed salaries and adequate pension. The salary is graded according to ranks of the hierarchy. But in addition the responsibility of the position and the requirements of the incumbent's social status are taken into consideration
- the office constitutes the career. Promotion is according to seniority or achievement or both. Promotion depends on the judgement of the superior
- the official's work is separated from ownership of the means of administration and without appreciation of his position
- the official is strictly under the disciplinary control in the conduct of official work.

At one place, Weber portrays bureaucracy as a system of administration characterised by expertness, impartiality and the absence of humanity.

Evaluation

Weber's concept is not infallible. Impartiality expertness, hierarchical structure, career service and proper disciplinary checks though with honourable service conditions are some of the laudable points of Weber's theory. However, his characteristic of bureaucracy as absence of humanity is an exaggerated view. A modern bureaucrat is not supposed to be high browed, snobbish individual living in the ivory tower, dealing with human beings as if they were abstractions. He knows it for certain that he is dealing with the human beings who have their own aspirations. As such, he cannot ride roughshod over them. If he does so, the government becomes unpopular. No popular government would tolerate such an official who is responsible for its unpopularity that might result in darkening of its future prospects.

A bureaucrat is a civil servant. As such, he is required to serve the civilians well. Henderson rightly remarks, "Experience tends universally to show that purely bureaucratic type of administrative organisation if from a purely technical point of view capable of attaining the highest degree of efficiency and is in this sense formally the most rational known means of carrying out imperative control on human beings. It is superior to any other form in precision in stability, in the tangency of its discipline and in its reliability".

3.3 Foundations of Personnel System

Whatever type of personnel system may be adopted, certain features are common to all. They may be termed as foundations of the modern personnel system they are – (a) tenure system. (b) merit system, (c) public service as a life career, (d) system of position classification.

Tenure system

One of the most important problems of personnel organisation is that of tenure by which civil servants will hold office. As at present, there are three tenure systems, i.e.

- tenure at the will of appointing officer
- tenure for a fixed number of years, and
- tenure during good behavior or life tenure.

Tenure at the will of appointing officer

So far as the tenure at the will of appointing officer is concerned, it does not suit the administrative services. It is the system which is almost universally found in private undertakings where conditions differ radically from those obtained in government undertakings. In the former, the proprietors or the managers are not the representative of any outside interest. But their whole interest is in having the work done with utmost economy and efficiency while in the latter the managing heads are not directly interested in the financial results secured. This system would cause severe hardship to the employees by unjust dismissals and also create instability and inefficiency in administration. So that the officers might work with a high sense of independence and impartiality, it is essential that they must be guaranteed a permanent and sufficiently long tenure.

Tenure for a fixed term

The second system which is the tenure for a fixed number of years suits only the offices of political nature, but does not suit the administrative class because short terms, say four, five or seven years, can neither provide capable persons nor provide any opportunity for specialisation and experience. About the time officers and employees have thoroughly learned the duties of their positions and have acquired proficiency in their performance, they will drop out and their places will be taken by new and talented employees. Moreover, the system would make public office political spoils to be appropriated by the party victorious at the polls as it happens in U.S.A and in Nigeria respectively where many of

the officers and employees are appointed both by the national government and state governments for four-year term as corresponding with the term of office of the president with the result that every change in the presidency brings a change in officials and employees.

Tenure during good behavior or life time

Having discussed the first and second tenures, we found out that the third system i.e., tenure during good behavior should be applied to the administrative services. This system will secure efficiency in administration, and makes government service a permanent career, a profession which capable men would choose.

3.4 Position-Classification

Among the various problems of personnel organisation, none exceeds in importance than that of affecting a systematic classification of all employees. Such a classification constitutes, indeed, the basis of the whole personnel structure. Without it, it is not possible to meet satisfactorily the many problems to which personnel administration imamate.

Definition of position

The basic unit of an administrative organisation is position which is different from its incumbent. The duties and responsibilities of a post are attached with the position and not with its occupant. Civil servants fit themselves in the positions; positions do not fit themselves to the caliber of the civil servants.

What is classification?

Classification means grouping together of persons or things on some common basis. In public administration, it means grouping together of posts into various classes on the basis of their respective duties and responsibilities.

According to Prof. Milton M. Mandell, "By classification is meant the grouping of positions on the basis of similarity of duties and qualifications requirements".

Marshall E. Dimock defines it “As the systematic sorting and ranking of positions in a hierarchical sequence according to comparative difficulty and responsibility”.

Dr. White defines classification thus, “In its final form, a classification plan consists of a number of classes adequate to enable a place to be found for each existing position, arranged in orderly fashion with respect to each other, and supplemented by a set of rules and regulations for its administration, interpretation and amendment”.

The committee on position classification in the public service and the Assembly of the United States and Canada in 1945.

Defined the term thus:

- “Reduced to its simplest terms, classification of positions means the process of finding out, by obtaining the facts and analysing them what different kinds of classes of positions, calling for different treatments in personnel processes, there are in the services. It further includes making a systematic record of the classes found and of the particular positions found to be of each class”

In a paper entitled “The classification and standardisation movement in the public service”. Mr. Fred Telford, Director of the Bureau of Public Personnel Administration, U.S., stated the requirements of classification system as follows:

- The collection of detailed facts with regard to the duties attached to each individual position which occurs, and with regard to the functions, organisation and administrative procedure of organisational units.
- On the basis of this information, a grouping of individual positions into classes.
- A written definition or description for each class of positions setting forth definitely the duties attached to the positions to be included in the class.
- A written statement of the minimum qualifications which an individual must possess in order to perform the duties of the position successfully.
- A title for each class of position suggestive as far as possible of duties attached to the position in the organisation’s units in which they occur.
- On the basis of the class definitions and definite knowledge of the duties attached to each position, the allocation to the proper class of every position classified

- The line of promotion, showing the lower classes of positions from which recruiting is normally done and the higher classes of positions to which employees are normally advanced when vacancies occur.
- The compensation schedules for each class giving maximum, minimum, and intermediate rates to be paid to employees holding positions in the class.
- To make the whole plan easily comprehensible.

3.5 Advantages and Disadvantages of Classification

Advantages

Its advantages may be briefly stated as follows:

The first great advantage of classification is that it systematises and simplifies personnel administration. With classification, the various posts, which run into hundreds of thousands, are fitted into a dozen classes or so. If these posts are not classified and the government deals with each post simply, the burden of personnel administration would be intolerable.

Second, classification facilitates the problem of personnel recruitment. It makes possible for the operating service to determine definitely its personnel needs and inform the recruiting agency accordingly. Recruiting agency prescribes the same kind of tests for the employees of a particular class and prepares a list of eligible applicants out of which the departments make appointments.

Third, classification acts as safeguard against arbitrariness and favoritism in the fixation of pay scales for particular classes. It ensures equal pay for equal work. The salary does not depend on the arbitrary will of the official. A direct relation between salary and work done is established.

Fourth, classification facilitates budget making by enabling those having the duty of training and acting upon the budget to scrutinise without intelligent estimates for personnel and to confine their attention to the number of employees in each class required without having at the same time, time to pass upon the difficult question of compensation that should be provided for.

Lastly, classification fosters the growth of corporate consciousness, pride, self respect and morale within each class.

Prof. Marshall E. Dimock summarises the use of this system in these words: 'Based on the principle of equal pay for equal work, position –

classification is designed to eliminate the injustice of different rates of compensation for the same work in different agencies of the government. It also provides a basis for determining recruitment procedures, examinations, salary schedules and promotions and hence has come to occupy a central position in personnel administration'. Thus, classification advances the interests of the employees, the management, the legislative body and the tax payers.

Disadvantages

There is only one objection to classification, namely, that it produces class-consciousness among the services. The higher classes develop a type of superiority complex and the lower class suffers from inferiority complex.

This danger is already visible among our public services. A sort of administrative casteism has swept our administration, thus upsetting harmonious relations between the higher and the lower classes in the services. But this is a defect which is inherent in hierarchical organisations and is unavoidable in administration. However, it can be minimised by providing a proper system of promotion from lower classes to the higher.

If classification is to be effective, it is imperative that it should be reviewed from time to time. Positions change their nature and character with every change in the functions of an organisation unit.

Therefore, classification must keep pace with the change in day-to-day administration.

3.6 Spoils versus Merit System

In order to have a personnel system based on sound principles, it is necessary that it should be based upon the merit system. The earlier substitutes for the merit system were three – **sale of offices, the patronage system and spoils system**. Writing about the history of French Personnel System, Prof. Herman Finer observes: 'In France, until the revolution, almost every office, central or local, except the dozen or so of the highest offices in the Kingdom, were attainable only by private purchase, gift or inheritance. All public offices were species of private property, and voluminous jurisprudence governed their transmission'.

It may seem odd today to sell public offices to the highest bidder, but it was defended in France in those days on the ground that it brought revenues to the state, enabled the common man to acquire posts and

took the public offices out of court favouritism and politics. The patronage system prevailed in England and most of the other countries. Under it, the appointing authority selected the candidates on the basis of personal favour or political grounds.

What is actually spoils system?

The spoils system prevailed in USA which was its ancestral home. It simply means that public office constitutes a spoil to be enjoyed by the political party victorious at the polls. When a new party comes into power it dismissed all the employees appointed by its predecessor and filled the vacancies with its own favourites. This system is also designated as 'hiring and firing' of public officials and employees. However, in USA, the system suffered an eclipse in 1881 when President Garfield was assassinated by a disgruntled employee who was removed by him from office. Therefore, to save the future presidents from such ghastly tragedies, Pendleton Act was passed by the Congress in 1883.

The Act gave the civil service permanency of tenure and its present character. The spoils system, to some extent, does persist even now. When President Eisenhower assumed the reins of government, he removed several officers from office. Many of the posts were still immune from the operation of civil service regulations. Appointments to these posts are made by the chief executive without consulting the civil service commission.

In Nigeria, some temporary or provisional appointments are made without consulting the civil service commission. Thus, the political party in power is in a position to appoint certain employees of its choice without consulting an expert body. People appointed on *ad hoc* basis gain experience and ultimately on the basis of long experience, get selected through the civil service commissions at a later stage. This amounts to perpetuation of the spoils system.

3.7 Defects of Spoil System

- First, the spoils system is a bane on efficient administration. Beautifully summing up its evil, Dr. Herman Finer said, 'sheer inefficiency was the first result, an increase in public costs.
- Second, the creation of a class of office-seeker.
- Third, political corruption.
- Fourth, it results into a standing battle between the president and Senate for the control of appointments and removals.
- Fifth, causes a terrible waste of time and labour on the part of the president and heads of departments, coupled with the real pain of refusal of applications for office.

- Sixth, he concludes that ‘never had a state been so debauched.

Second, the far reaching effect of this system is upon the political life of the country. It causes a profound degradation into the life of politicians and tends to place the contest of political parties on a materialistic plane of struggle for selfish advantage rather than one for the achievements of ends towards the public welfare. The spirit of public service is damped and its place is taken by selfish interests and political chicanery.

Third, the employees make an illegitimate use of their offices to promote the welfare of their political parties or that of political chieftains to whom they are indebted. Fourth, anything like development of a time spirit to service and the desire to excel is impossible as the further promotion of employees depends on the political influence that they can exert.

Fifth, frequent replacement of high administrative officials is detrimental in maintaining continuity of experience which is so very essential for efficient administration. It is on account of these evils that the system is being abandoned even in its home country. It is being increasingly realised that the perpetuation of this system brings politics and administration to the lowest ebb, and consequently makes the administrators face public ridicule.

3.8 The Merit System

In contrast to the spoils system, the merit system avoids all the above said anomalies. Merit system implies a system in which the appointment and conditions of service of an employee are determined solely at his own intrinsic merit which includes his educational and technical qualifications, personal capacities and physical fitness. Under this system, recruitment is made through open competitive examination held by a general personnel agency. No distinction is made between citizens on the basis of any party affiliation. Civil servants remain neutral in politics and promotions take place strictly on the basis of merit.

This system has, in fact, gained great popularity. In various democracies, civil service rules have been framed to apply the merit system to the selection and recruitment of public services. The following conditions are generally laid down by the modern civil service regulations:

- employees should neither be appointed nor removed on political considerations
- employees should not be forced to contribute money or service to party organisation

- an independent and impartial civil service commission should be set up to exercise control over civil services regarding their recruitment, promotion and other disciplinary matters
- the civil service positions be filled on the basis of written examinations or the other tests
- a special procedure may be adopted for protecting the employees against removal on political considerations.

3.9 Advantages and Disadvantages of The Merit System

The merit system is obviously superior to the spoils system on the following grounds:

1. First, it brings out public administration from the morass of political intrigues and personal caprices and accords it a place on scientific lines. This improves efficiency in administration and purifies political life
2. Second, right man is put at the right place and full justice is done by providing equal opportunities to all the citizens to compete for any office of the state. Thus the merit system gives practical effect to the democratic principle of the equality of opportunity and equality of treatment for all
3. Third, it frees the employees from economic worries. The adoption of equitable rates of remuneration and proper retirement benefits relieve them of economic worries. Thus, they are in a position to serve whole-heartedly any political party that comes to power.
4. Fourth, neutrality in politics is *sine qua non* or essential for efficient administration. That is possible only when the merit system is adopted.
5. Fifth, they will not have the temptation of making hay while the sun shines, as they are permanently in power and certain amounts are fixed for the retirement. They are not in the job on temporary basis which may tempt them to procure maximum gains.

Though the merit system has been widely adopted in the world, still it would be too much to say that patronage and spoils systems have completely disappeared or the merit system has been universally adopted. In USA, it is estimated that the number of posts excluded from the merit system will still be 50,000 to 100,000. In Nigeria, political appointments i.e. appointments to the posts of ministers, legislative secretaries, and ambassadors' *ad hoc* appointments are made by the heads of the departments. This seriously impairs the merit system.

Disadvantages

Despite the fact that the merit system has been universally acclaimed as a better alternative to the spoils system, it still has its pitfalls.

Since power of appointment is concentrated in the hands of civil service commissions, the principle of responsibility stands undermined. Second, it is felt that loyalists may not be recruited and there may be occasional conflicts between the political heads and the permanent services. However, this flaw can be easily removed if a proper balance is maintained between responsibility and efficiency.

In fact, the flaws of the merit system are not so glaring as those of the spoils system. Hence, there is a tendency to adjust the personnel system more and more fully to the requirements of the merit principle. Even the civil service associations and social reformers have strongly advocated the merit principle and vehemently opposed the patronage system which results from the spoils system. It appears that a time is fast approaching when a spoils man would no more ride.

4.0 CONCLUSION

Let us be reminded that in this unit, we have touched upon various topics ranging from Max Weber's famous and celebrated theory of bureaucracy, the foundations of personnel system in which we dealt upon different aspects of modern personnel system, we discussed position-classification wherein we came to know what classification is all about in administrative set up. Worth mentioning are spoils and merit systems respectively. In these topics, we saw how spoils system was an anomaly and an affront in what America stood for, and how this disgraceful practice was abolished in 1883, culminating in the birth of merit system which is the only universally accepted practice today. In order to protect the civil servants from arbitrary removal from office and so on, merit system has all the ingredients of civilised practice.

5.0 SUMMARY

All we have discussed in this unit boils down to one aspect and that is a system that offers equal opportunities to all citizens to enter government service, equal pay to all employees doing work requiring the same degree of intelligence and capacity, equal opportunities for advancement, equal favourable work conditions and equal participation in retirement allowances and makes equal work demands upon the employees. Thus, it appears that time is in the offing when spoils men would no longer ride; after all, the end game before an administrator is the welfare of the people and not pampering the political leaders.

6.0 TUTOR-MARKED ASSIGNMENT

1. What is classification in Public Administration?
2. What is spoils system all about and why was it abolished by the U.S.A. Congress in 1883?
3. Explain the merit system and bring out the conditions laid down by the modern civil service regulation for selecting and recruiting public servants.
4. Is the spoils system in existence yet anywhere in the modern world? Elucidate.

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UNIT 3 RECRUITMENT OF PERSONNEL

CONTENTS

- 1.0 Introduction
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- 3.0 Main Content
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1.0 INTRODUCTION

Having discussed the general problem of personnel organisation, the next question that engaged our attention is how to find suitable men and women to fill the various offices. This brings us to the problem of recruitment of personnel. In ancient days there was no problem of recruitment as the King himself selected and appointed his employees. The problem in fact arose with the expansion of Kingdoms into empires when to carry on large-scale administrations, employees were required in a greater number. It was essential to secure a capable team of

employees at less costs and in a short time to run the administration successfully. China is said to be the first country to develop scientific system of recruitment through competitive examinations as early as 2 B. C. In modern times, Prussia first introduced the system of competitive examinations.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define the concepts of Negative and Position Recruitment.
- define the location of the appointing power
- state the methods of recruitment.

3.0 MAIN CONTENT

3.1 The Concept of Recruitment (Negative and Positive)

If recruitment stands for eliminating the political or preventing favouritism or keeping the rascals out, it is termed as a negative concept of recruitment. In the initial stages, the merit system was substituted for the spoils system through the provision of the Civil Service Commission. Such a method of recruitment aimed at providing equality of opportunities to all to compete in open market public service. Recruitment methods did not strive to provide a competent body of public servants. They were more emphatic on openness than on competition. This negative approach resulted in recruitment of mediocrities. In the word of Kingsley, the result of this approach was that, “The rascals have been kept out perhaps, but so have many men of vision and ability”.

With the passage of time, the spoils system suffered an eclipse. Now the emphasis in recruitment shifted towards securing the best and the most competent persons for public services. Thus the concept of Positive Recruitment emerged. Positive Recruitment therefore means that the personnel agency will recruit the best, the most talented and competent personnel. Thus, in Positive Recruitment, new techniques will have to be employed to attract the most qualified personnel. In other words, recruitment programme will have to be so devised that only qualified applicants get a chance to compete.

3.2 Problems of Recruitment

Recruitment in the technical phraseology of administration means attracting the proper and suitable type of candidates for particular jobs. Government, it is to be remembered, is not the only employer in society but one of the many competitors in the open labour market. It offers certain terms and conditions of employment, so do the other employers like banks, industrialists, universities, etc. people join the service where they get better pay and other attractive conditions of service. It hardly needs an emphasis that if the government wants to secure and keep highly qualified personnel, it should tender better terms of employment. There are some people who on humanitarian grounds hold that every citizen should get equal opportunity to occupy public office. But the interests of administration require that only competent and deserving persons with keen intellect and skill should get the public office.

The securing of right and competent persons for administration gives rise to the following problems of:

- location of the appointing power
- methods of recruitment
- qualifications of employees
- methods of determining qualifications
- administrative machinery for determination of qualifications.

We shall discuss each problem separately.

(i) Location of the Appointing Power

The first question to be decided in respect to the selection of personnel is to which authority the selection of public officials shall be vested, i.e, whether the people will directly elect the public officer or they will be appointed by some officers or organs of the government proper. The first method called the democratic method is supported on the basis that democracy can have full effect and meaning only when all public officers are directly elected by the people. To provide for effective public control over the public employees this method is necessary. Such method is made use of when the service to which appointment is to be made, is purely of a policy – making nature, eg. Chief Executive or when the service is of a local or restricted nature.

If we study this method critically, we would find that it can be made use of only when the service, to which appointment is made, is purely of a policy-making nature or when the service is purely of a local and restricted nature. It is quite proper that the officers whose functions are of a political character, that has to do

with the formation of policies, should be selected by the people by ballot. But they should not be given the right to select the officers, whose duties are purely of an administrative, technical or special character, calling for experience and previous training. The reason is that sentiments and catchwords play an important part in elections. Technical competence can be secured only by appointment and not by election. The democratic principle therefore, under which voters elect directly by ballot, their officers, is far more applicable to directing than to administrative personnel.

The second method of locating the appointing authority is vesting the power of appointment formally in the Chief Executive but actually in a semi-judicial autonomous body-termed the Civil Service Commission while the latter functions as general personnel agency of the government. In the United State, however, the appointment of the more important executive or administrative officers by the Chief Executive does not become effective until approved by the Senate.

(ii) Methods of Recruitment

The next problem, which is no less important than the preceding one, is that of Recruitment from within and recruitment from without. As Levis Meyers has said, "Methods of selection are basically two in number - selection from without the service, or recruitment, and selection from within the service, embracing reassignment and promotion. The problem goes, however, much deeper than the more technical choice between detailed methods. It goes to the nature of the whole personnel system. Upon its answer, as much as upon any other factor, and perhaps more depends on the attractiveness of the service, ultimate caliber of the personnel recruited and trained and its morale. If compensation standards can be regarded as the foundation of the personnel system, the lines of promotion and the levels of recruitment constitute its framework".

Before we proceed further to examine the relative merits and demerits of the two systems, it may be pointed out that the problem really arises in the case of the higher middle positions only. It is obvious that the lowest post must be recruited from without for there is no lower class of personnel from which to promote, and it is also equally obvious that recruitment of fresh and inexperienced men from outside to the highest positions like those of heads of departments will not do.

3.3 Merits of Recruitment from Within (Promotions) and Defects

- it provides ample opportunities for advancement to the employees as such, it serves as a great incentive to the hard working and conscientious employees. This indirectly helps in effecting efficiency
- the very expectation of promotion as a reward for honest and intelligent workers lightens their morale
- the experience gained by the employees in the lower jobs helps them in undertaking jobs entailing higher responsibilities. The government can safely entrust to them jobs of higher responsibilities
- the examination system is not a real test of one's abilities. As such, the defect of the examination system is removed through recruitment from within or promotion. The employee's work is the best criterion to judge his work
- procuring of efficient employees through the system is easier than that of direct recruitment
- it is economical as cost of training is saved. The employees get practical training while serving in an office
- the burden of public service commission is lessened a great deal, as promotion to higher posts avoids the undergoing of process of advertisement, examination and interviews through it
- it is an essential element of career service. According to a report, a career cannot be said to exist if top positions are generally recruited from outside, from men who do not understand the work in such a way as to create an effective bar to advancement from the bottom to the top of the service itself
- it re-establishes the human factor in public administration which would have been lost if recruitment was to be made through external agencies like Civil Service Commissions. Personal contacts between the officer and the subordinates are apt to be established if on the report of the officers the promotion of the subordinates is to be effected.

Defects

- the obvious objection to consistent restriction of selection to those already in the service is that it so severely narrows the area of selection. Unquestionably where the restriction of selection for the highest posts to those already in the service is in force, it will not infrequently result in the selection of a less capable or brilliant officer than could have been found outside the service.
- it is arguable that, regardless of the relative efficiency of the personnel which may be recruited from without the service as against that which may be promoted from within, adherence to selection solely from within the service leads to stagnation and conservation. Occasional injection of new blood into a system, particularly at or near the top, is highly desirable.

- it undermines the principle of equality of opportunity as recruitment is confined to those who are already in service. It puts premium on experience and as such ignores the brilliant university trained youth. The mediocrities may go on getting higher position simply because of seniority i.e. of being in service. This is, however, condemned as an undemocratic system.

3.4 Merits of Recruitment from without (Direction Recruitment) and Defects

- i. it is claimed that it is in consonance with the principle of democracy in as much as all qualified persons get an equal opportunity for public office.
- ii. it widens the area of selection, and therefore, the best talent in the country may be found.
- iii. it brings in new blood into the service. By giving the young men and women an opportunity to enter the services, it keeps them continuously adapted to new ideas and outlook of society and prevents services from becoming the exclusive preserve of the experienced and conservative people.
- vi. in the absence of direct recruitment, the persons who are promoted to higher positions are promoted at an age when they have lost all initiative, quickness and vigour.
- v. in technical and professional fields, development of new techniques requires new entrants to provide leadership in the adoption of those techniques.
- vi. recruitment from without impels the employees already in service to keep abreast of new developments in their fields, and they might prove inferior in competition for higher posts when pitched against the young men abreast of new techniques and new methodology.

Defects

Direct recruitment has also been denounced by the critics on the grounds stated below:

- i. the system entails huge expenditure as a lot of money is to be spent on the training of the raw young men joining service for the first time.
- ii. it reduces incentive to good work as chances of promotion to higher services is bleak when posts of higher rank are filled through direct recruitment.
- iii. the system is apt to cause lot of heart burning and jealousy. The old, experienced people already in service will not tolerate young men, fresh from the colleges or universities to boss over them.
- iv. even if the people within service are given opportunity to compete with the young colleagues, they are likely to lag far behind, as they are not acquainted with the latest knowledge of the university subjects. Otherwise too, with the advanced age, their memory is not as sharp and power of comprehension is not as good as that of the young collegians.
- v. under this system, recourse is generally taken to examinations or tests or interviews, which are not the sure test of judging individuals' abilities. They cannot be considered as fool-proof methods for assessing the personal traits of the applicants.
- vi. public service commissions or other agencies of recruitment will be over-burdened if for all services recruitment is to be made from without.

4.0 CONCLUSION

Above, we have appraised the advantages and disadvantages of both systems of recruitment from within and recruitment from without. In practice, both systems are followed in most countries. It seems desirable that selection in the higher posts of administrative character should be mostly on the basis of promotion. For example, a deputy commissioner of a district should be promoted to a commissioner. In Nigeria, there is direct recruitment for all the higher services, but a certain proportion of posts, varying from service to service, is reserved for being filled up by promotion from below.

5.0 SUMMARY

It has been correctly remarked that an extensive outside in recruitment at the higher grades is a reflection of the ability and talent available with the service and undermines the career idea, while complete absence of direct recruitment for the higher positions is also a reflection of the service because it might be a symptom of self-complacency.

6.0 TUTOR-MARKED ASSIGNMENT

1. Define Recruitment and what are the merits of Recruitment?

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UNIT 4 TRAINING

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 The Meaning of Training
 - 3.2 Objectives of Training
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1.0 INTRODUCTION

Administrative activities are no longer simple. They have become so complex and specialised that mere common sense is not enough to carry them out. Besides, the nature of administrative activities is constantly changing. Hence, there arise the necessity of both in –service and post-entry training. However, training had not been given due importance till recently. In the words of Negro, “Even now it is still generally considered one of the lesser developed area of public personnel administration – one in which much remains to be done”.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- differentiate between education and training

- state the need for training
- list the types of training.

3.0 MAIN CONTENT

3.1 The Meaning of Training

William G. Torpey defines training as “the process of developing skills, habits, knowledge and attitudes in employees for the purpose of increasing the effectiveness of employees in their present government positions as well as preparing employee’s for future government position”. Its dictionary meaning is practical education in any profession, art or handicraft. In public administration, it means a ‘conscious effort made to improve or increase an employees’ skill, powers or intelligence and to develop his attitudes and schemes of values in desired direction”.

Difference between Education and Training

Training is to be distinguished from education. It has comparatively a narrow scope. Education can be explained as “the complete upbringing of the individual from the childhood, the formation of character and of habits, and manners and of mental and physical aptitude”.

No doubt both are closely related to each other and even overlap each other. Dr. White has clearly distinguished between the two. He remarks, pre-entry education is intended to enable an aspirant to pass an examination or otherwise to show fitness of mind which will make for subsequent success. By contrast, in-service training is directed towards individuals who are actually at work. Such training is a recognisable investment in long time service. The specific object in view is performance”.

3.2 Objectives of Training

Training plays a vital part in public administration. It is essential not only for effecting efficiency of administration but also for broadening the vision of the employees. It teaches him precision, makes himself reliant and independent and develops in his capacity to take decisions and arrive at judgments. Training has therefore been described as a continuous process. It enables an employee to adjust himself to the new situations and to comprehend the goals and values of the organisation in which he is to work.

The Main Aims of Training are:

- it endeavours to produce a civil servant whose precision and clarity in the transaction of business can be taken for granted
- it helps attaining the civil servant to the task he is called upon to perform in a changing world. In other words, helps him to adjust his outlook and methods to the changing needs of new times
- it saves the civil servant from becoming a robot – like mechanically perfect civil servant. He is made aware of his work and the service that he is required to render to his community
- it not only enables an individual to perform his current work more efficiently but also fits him for other duties. It develops his capacity for higher work and greater responsibilities
- it pays substantial regard to staff morale as the latter have to perform tasks of a routine character throughout their lives.

According to a Report, “Large numbers of people spend most of their working lives upon tasks of a routine character, and with this human problem ever in the background for training plans to be successful must pay substantial regard to staff morale.

- for the performance of certain peculiar activities pertaining to government, training plays a significant part. For instance, government must make provision for training policemen, firemen and food inspectors etc
- training helps the employees to become people-oriented and inculcates in them respect and regard for the general public. Even Assheton Committee had observed thus, ‘nothing could be more disastrous than that of the civil service and the public should think of themselves as in two separate camps. The inculcation of the right attitude towards the public and towards business should therefore be one of the principal aims of Civil Service Training”
- it broadens the vision and widens the outlook of the employees by explaining to them national objectives and expecting them to make substantial contribution towards their realisation. According to Negro, “the function of training is to help the employees grow, not only from the stand point of mechanical efficiency but also in terms of the broad outlook and perspective which public servant need”
- it is vital to a career service. It fits them for advancement which is assured to the employees when they join the government service at a young age
- it improves the tone and adds to the quality of organisations. Since it enhances the efficiency of the employees and develops their capacities, the efficiency and prestige of department goes up
- it fosters homogeneity of outlook and the spirit of co-operation in the employees.

Caldwell remarked that “effective administration requires effective training towards organisational goals because of the harm that may be expected when people are left to train themselves without effective guidance or support”.

3.3 Types of Training

Broadly speaking, training has two types – formal and informal:

- **Informal Training**

Informal training according to Mandell, “occurs in the day-to-day relationship of employees and superior, in conferences and staff meetings, in employee news papers and organisation publications, at meetings of professional associations and in the reading and study that the employees undertake at his own volition or at his supervisor’s suggestion. Because, such training is connected with the regular tasks of the employee, he can at best integrate with his own experience and thereby profit from it. Since there is no compulsion connected with it, his motivation is positive and its influence whether good or bad is profound”.

Evidently, informal training is training by doing the work, learning by trial and error, and acquiring administrative skill through practice. This type of training was adopted by the British in Nigeria. The real education of the civil servant consists in the responsibility that devolves on him at an early age which brings out whatever good there is in a man, the varied and attractive character of his duties and the example and precept of his superiors who regard him rather as a young brother than subordinate officials.

However, the success of this system depends upon certain factors, viz, experience and seniority of the superior officer, his interest in the new entrant, persistent effort on the part of the new entrant.

- **Formal Training**

Formal training is a training which is carefully conceived, prearranged and conducted under expert guidance. It is being increasingly realised that the old thinking ‘administration is to man as swimming is to dog’ stands falsified. Formal training is

imparted with a view to inculcating administrative skill by well defined courses at proper stages in the man's career.

In fact, training schemes are being multiplied through the institution of group discussions, conferences, seminars, lectures and workshops.

Formal training may be discussed under four headings:

- pre-entry training
- orientation training
- in-service training
- post-entry training

i. Pre-Entry Training

Pre-entry training, as its name implies, is training imparted to the aspirants to public service before they enter such a service. In this sense, education imparted in schools and colleges or universities is a sort of pre-entry training which fits the individuals to seek all sorts of jobs in government. In a stricter sense, pre-entry training may take the shape of vocational or professional training at technical schools or colleges. The products of such technical institutions can be given jobs immediately after their coming out of the portals of these institutions.

ii. Orientation Training

Orientation training aims at introducing an employee to the basic concept of his job, new work environments, organisation and its goals. In fact, the most important thing is the acceptance within the higher civil service of a re-orientation towards its role. The men at the top cadre must shift their attention from watching processes to measuring their impact, from getting things done to give each citizen his due, from the technology of administration to its effect upon the general public from utility to ethics. Orientation training is gaining importance gradually in Nigeria as well. This is with a view to keeping the rural bureaucracy atuned to the new tasks.

iii. In-Service Training

In service training, as its name indicates, is a sort of training which is imparted to the candidates on their selection to the public service. The objectives of in-service training were very well explained by the Assheton Committee (UK) in its report submitted in May 1944.

Briefly speaking, this type of training stimulates the employees to make the best efforts and to improve their performance. It boosts

their morale and makes them attuned to the new tasks of onerous nature, and these are:

- self interest will induce the new entrant to remove the stigma of that “Newclap” at the earliest
- his old colleagues will also like him to pick up the job as soon as possible so as to lighten their burden
- it will save the state Exchequer from unnecessary expenses to be incurred on the training of the employees.

However, the system has the following pitfalls:

- a. it may impair efficiency of administration
- b. a lot of risk is involved in expecting the employees to learn by the trial and error. The administrator has become more complex and fairly specialised. As such, an employee will not be in position to equip him or her with the requisite administrative skill.

It is therefore, desirable that a comprehensive system of in-service training may be adopted. In the words of Prof. Willoughby, ‘no matter how well grounded an employee may be in the general subject to which his work relates, there is much for him to learn in respect to the particular duties of his position.

iv. Post-Entry Training

Post-entry training is a training imparted to the employees during the course of his service. This type of training aims at:

- better performance of present work
- preparation for advancement (i.e. higher position)

This type of training can be given in two ways:

- through refresher courses
- self efforts

Administration being a complex affair, it is then better that through periodic refresher courses, an employee is acquainted with the latest administrative techniques. Government may hold seminars for the purpose, by inviting officials of different departments separately for a series of lectures to the employees working in their respective departments. The government may send them abroad to make on the spot appraisal of the different administrative systems.

Since training is not to be treated a state affair, the employee concerned also may, on his own, like to add to his qualifications in order to get promotion. He should be given all facilities to avail of them. For this purpose, the employee may be given study leave on full or half pay and extended liberal stipends or scholarships. Additional qualification so added to his credit may be entered in to his personal file and be given due weight at the time of effective promotion.

The importance of post-entry training is being realised even in developing democracies like Nigeria. Hence, the central government has since liberalised its policy of granting study leaves to its employees, or adding to their qualifications.

3.4 Training in Nigeria

It is time, but sadly enough to say, that we have failed hitherto in our training and staff development programme. The civil service training schools in the states are mainly geared towards training confidential secretaries and officials in the junior cadres. The institutes and faculties of administration in our universities are too academic in their offerings and make very little efforts to equip administrators with the tools of managerial performance. This is not surprising since the teachers have never worked in any large organisations, let alone run one. As for the only other institution – the Administrative Staff College of Nigeria in Badagry – the courses provided have become so diffused that they have lost all focus and depth.

Our various institutions for training managers in the public service require urgent attention to redesign the courses and to involve experienced managers and practitioners. It is not sufficient just to send an official for training only once in his career and leave him for the rest to his devices. Training, as a continuous process, according to Augustus Adebayo (2004), must be clearly recognised.

4.0 CONCLUSION

In this unit, we have discussed training in depth, ranging from its introduction in Nigeria. We learned the meaning of training, its objectives, types, the difference between education and training etc. therefore, it is apt to conclude, that general mental equipment is required even for imparting any specialised knowledge, otherwise it is apprehended that the youth might develop myopic vision and stereotyped conception.

5.0 SUMMARY

General education broadens the outlook and widens the mental horizon of young men. Men who distinguish themselves in their youth above their contemporaries almost always keep to the end of their lives the knowledge which they have gained. Public administration, however technical it may be, does require the services of men with wider outlook and broader vision.

6.0 TUTOR-MARKED ASSIGNMENT

1. What are the main aims of training?
2. Explain the following:
 - a. Pre-entry training
 - b. Orientation training
 - c. In-service training
3. Post-entry training

Throw some light on training in Nigeria.

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UNIT 5 PROMOTIONS

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1.0 INTRODUCTION

Of all the several features of the problem of handling personnel, the one that has to do with the promotion of employees ranks first in importance. No personnel system can, in fact, remain efficient, if ample opportunities are not provided to the employees to rise higher and higher. A sound and general promotion policy is indispensable to keep the employees efficient and contented.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- discuss the meaning and importance of promotion
- state the difference between promotion, advancement and transfer
- explain the principles of promotion
- highlight the promotion system in Nigeria.

3.0 MAIN CONTENT

3.1 Meaning of Promotion

Promotion, in the words of Dr. L.D. White, “Means an appointment from a given position to a more difficult type of work and greater responsibility, accompanied by change of title and usually an increase in pay”. It is to be noted that mere increase of pay is not promotion. Although in most cases, promotion implies larger salary too. Its essence is getting into a post of higher duties and responsibility. Real promotion means rising to a higher post carrying a higher essential characteristic of the promotion process. If a lecturer is appointed the Head of the Department in a college, it is promotion. Similarly if the Head of Department is appointed as a Principal, it is promotion because it has led to a change of duties and responsibility. Promotion generally leads to enhancement of salary but sometimes it may result in immediate financial advantage, for example, when a person getting ₦ 280 in the grade of ₦ 159-10-300 is promoted to the grade of ₦ 250-25-750.

3.2 Promotion – Advancement – Transfer

Promotion should be distinguished from advancement and increased compensation. Advancement or what is also called administrative promotion is defined by White as personnel whose pay is increased increment within a certain period and it also pertains “to an advance in pay to a given position”. The employee enters the service in a fixed grade and as he progresses in his service and gains more experience he is given higher pay scale. This increment, which is annual, is technically called advancement or administrative promotion.

It differs from promotion proper as it does not entail any change in status, duties or responsibilities. It is merely an increase of emoluments which is usually automatic. For example, a lecturer has a prescribed scale of pay which starts from ₦ 2200 per month and goes up to ₦ 4000. The annual increment is ₦75. When he has worked for a year, he earns an increment which means his compensation has been increased or he has received an advancement of pay or administrative promotion. But since it does not involve change in his duties, designation and responsibilities, it is not called promotion proper.

Promotion is not Transfer

Promotion must be distinguished from transfer. An employee is transferred from one place of work to another in the same grade and on the same position whereas promotion upgrades him and makes him share heavier and greater responsibilities.

Transfer is usually affected on account of the following grounds:

- i. **On the request of the employee:** When an employee makes a request to the head of the organisation that he may be transferred to a particular station because of certain conveniences he might enjoy at the proposed station, his request is acceded to, provided he can be adjusted and a vacancy exists at the station of his choice.
- ii. **Routine Transfers:** It is generally seen that organisations do not prefer very long stay of officials at a particular station. They believe that transfer provides an employee a change of working environment.

3.3 Importance of Promotion

- i. The existence of a proper promotion system is vital for attracting talented persons to public services and preventing them from migrating to private ones. Lack of promotion system, as Prof. Arthur W. Procter says, “has a marked retroactive effect on all the processes of personnel administration. It has a discouraging effect on recruitment. It tends to deter ambitions and capable worker from entering the public service.”
- ii. A good promotion system keeps the employees interested in the job and works as a continuously effective incentive to them. As Procter has put it, “to the employees promotion is of direct significance as a reward or possible reward, while the opportunity for promotion is nevertheless a matter of considerable significance”
- iii. The proper promotion system helps in retaining the services of the most capable amongst its employees and also in giving them an incentive to improve their capacities and qualifications. In the absence of promotion, ambitious, intelligent and capable persons leave their jobs. The employees remain discontented. It leads to the general impairment of morale. Dr. White has pointed out that “a badly planned promotion system harms an organisation not merely by pushing ahead unqualified persons but also by undermining the morale of the group”
- iv. The provision of promotion helps in procuring of best possible incumbents for the higher positions. The public interest is best secured when reasonable opportunities for promotion exist for all, when really superior civil servants are enabled to move as rapidly up the promotion ladder as their merits deserve and as vacancies occur. It does not, however, mean that all the higher posts be filled up by promotion. It will be an unhealthy practice if fresh blood is not injected at the higher levels of administration and

energy of denigration of seniority and extolling of merit results in unseemly rivalry in the civil service for procuring an excellent character role. It mars their healthy relations and develops suspicion and distrust of each other adversely affecting the set goals for common welfare.

3.4 Principles of Promotion

The need for principles of promotion arises because the opportunities for it are limited. Everybody entering service cannot go up the highest rung of the ladder in due course, as there are not enough of higher posts to permit the promotion of everybody. Hence, arises the underlying and irreconcilable conflict in any promotion system. A large number of employees, normally ambitious and intent on success in their vocation or profession, and under heavy economic pressure with the passing of the years, face a limited number of higher positions in which vacancies occur at relatively irregular and infrequent intervals. No form of promotion system can solve this dilemma.

A large number of civil servants, therefore, cannot get any promotion and retire from the same class in which they started their career. The employees who are not given promotion should be made to feel that their exclusion from promotion is not arbitrary and that they cannot be promoted in terms of some recognised principles. The morale of public service is apt to be destroyed if promotions are made capriciously without considering any principle. Hence, there arises the importance of principle of promotion.

A large number of civil servants, therefore, cannot get any promotion and retire from the same class in which they had started their career. The employees who are not given promotion should be made to feel that their exclusion from promotion is not arbitrary and that they cannot be promoted in terms of some recognised principles. The morale of public service is apt to be destroyed if promotions are made capriciously without considering any principle. Generally speaking, there are two main principles of promotion, namely, seniority and merit.

The Seniority Principle

Historically speaking, this is the oldest principle though it is still prevalent. This means that the length of service would determine the order of precedence in making promotion. According to this principle,

the employee who has longer service to his credit would be entitled to promotion. Determination of seniority is not, however, a simple affair. A public servant of a higher grade is senior to those who are in lower grade. Similarly an employee of a higher class though getting actually less pay is senior to an employee of a lower class getting at the time more pay.

Advantages

- it is an objective test; seniority is a matter of fact which is apt to be accepted
- senior man is more experienced. Hence, more experience; ordinarily should be enough qualification for promotion
- it is a fair and just basis of promotion as everybody gets an opportunity for promotion in turn
- interference by politicians can be avoided if this system of promotion is adopted
- it keeps the morale of employees boosted as they are sure of promotion at their turn
- better type of persons may be attracted to the jobs when they are certain of promotions
- the seniority basis of promotion leads to automatic promotion
- the old employees in particular stand for this system of promotion as they are not to be lorded over by the young chaps.

Therefore, it is held further, that the great certainty of promotion that is held out to the individual employee attracts a better class of men to the service and retains in the service many valuable employees who would otherwise leave it. The principle of seniority is so simple, clear and objective that there is no cause left for heart-burning or resentment among the employees. The employees naturally favour this principle of promotion.

Disadvantages

The principle of seniority has a number of drawbacks:

- First, it does not lead to the selection of the best among the eligible. There is no guarantee that the senior man will also be more competent than his junior one. An incompetent person may become the head of competent person and this may cause resentment among the employees thereby impairing the efficiency of administration.

- Second, the principle of seniority does not ensure the reaching of the higher positions by every officer and his holding it for a reasonable period.

As Gladden posits, 'all members of a grade are not fit for promotion, promotions, are usually few and far between, an abnormal rather than a normal process, while changes in personnel are most likely to be subject to irregular fluctuations'

- Third, if seniority alone is the basis of promotion, employees would not make any effort for self improvement.
- Fourth, seniority does not necessarily coincide with age especially in a grade which is partly recruited directly and partly by promotion and so a ludicrous position may result wherein young people may come to be placed over the older.

In the words of Prof. Pfiffner, 'a system of promotion by seniority will frequently result in raising to supervisory and directing positions persons who have "crank complexes". Seniority alone will tend to fill the higher places with in-competent persons. It will discourage the ambitions and remove those incentives which develop personality, courage, self-reliance and progressive outlook'.

In fact, the bulk of employees who hope to reach the highest positions enthusiastically support the principle of promotion on seniority basis on the plea that it alone assures equality of opportunity.

It is difficult to pass any final judgment on the merits and elements of the seniority principle. In its extreme form, the principle of seniority is a contention for the acceptance of length of service as the basis for promotion. In its mild form, it means that seniority should determine the order in which the officers should be considered for promotion but those found unfit may be passed over. This may be called "seniority-cum-fitness principle."

However, entrusting higher responsibilities to a person simply because he is senior is not justified. For higher administrative posts, seniority principle should be set at naught and merit principle be opted for. Routine kinds of job of lower classes may be governed by the merit principle alone.

Merit Principle

The principle of merit is just the opposite of the principle of seniority. It means that promotion would be made on the basis of qualifications and achievements of the employee irrespective of length of service. The most meritorious and best qualified person would be promoted. This

principle would provide due incentive to the efficient and hard working employees and thus help boost the morale of employees and increase the efficiency of the department. It would favourably affect the entire personnel system. Merit is, however, a complex concept. It is rather difficult to measure it objectively.

Generally speaking, there are three methods of judging the merits of the candidates, viz

- a. Personal judgment of the Head of Department
- b. Promotional Examination and
- c. Service Ratings (efficiency)

a. Personal Judgment of the Head of Department

It is a time-honoured system. The determination of merit for promotion may be left to the judgment of the head of department who has been in closest contact with the employees and thus is in the best position to appraise their qualities. Moreover he, being responsible for the discipline and morale of employees working in his department, must be directly concerned with the conferring of awards, as pronouncing of punishments. This system has the advantage of being both simple and comprehensive.

Defects

There are two serious defects in this system:

- it can work only in small organizations. In large organizations it is rather impossible for the head of department to be in closest touch with all the employees and make a personal judgment of the capacities of each one of them.
- this system is highly subjective and is susceptible to favouritism and extraneous considerations. As such, it may cause suspicion and resentment among the employees.

In order to remove these defects in the system, Mayers has suggested the placing of promotion of employees in the hands of a board organized in each service, on which the employees are duly represented.

b. Promotional Examination

Promotion may also be made on the basis of a written examination which may be an open competition, a limited competition, or merely a pass examination. In an open competition, anyone whether in the service or not, can compete

for the said post. Thus outsiders also not working in the department can compete for promotion tests. This system is justified on the grounds that it widens the range of selection without prejudicing the interests of the present employees since they are apt to benefit due to their special knowledge of government work. Under limited competition or system, examination is a limited competition among those who are already in the service. This is also known as “closed system”. This system is preferred by employees in the lower grades. The central government follows it in regard to the recruitment to the posts of section officers, assistants, stenographers etc. Besides examination, an equal weight is given to the confidential reports of the employees in deciding their overall merit.

Pass examination. The third type of promotional examination is the pass examination in which a candidate has just to pass the examination and give a proof of his minimum attainments. The employee will be promoted only if he has passed the examination.

A list of qualified candidates is maintained and they are promoted on the basis of the list on the occurrence of a vacancy.

c. Service/Efficiency Rating

The other system of judging the qualifications of employees for promotion is on the basis of service records which are also sometimes called efficiency rating or service file. It may be carefully noted that maintenance of service records of employees is not by itself efficiency rating. Such records only furnish the data on basis of which efficiency may be evaluated. Today, the size of government organisations is so large that no officer can possibly remember about the efficiency of individual employees working in his department. Therefore, a written record of the service of the employee and his performance is maintained which furnishes a valuable assistance in judging the merits of employees at the time of promotion.

3.5 Promotion System in Nigeria

The governing principles of promotion in Nigeria are: seniority, federal character and merit but they are not observed uniformly in all cases of promotion. In some administrative departments, seniority is given more weight and in others, merit. But seniority is the general rule.

Technically speaking, the promotion-making authority in our country is the government or the Head of the Department concerned, but promotions to higher posts are generally made in consultation with civil service commissions both at the central and in the states. It is provided in our constitution that the civil service commission may be consulted on the principles to be followed in making promotions, transfers from one service to another and on the suitability of candidates for such appointments, promotions and transfers. So far as promotions to other grades of service are concerned, there is no uniform procedure. In some cases, promotions are made by departmental heads themselves, in some cases the civil service commissions also have to be consulted and still in some others, the approval of Finance Department is also needed.

Promotions to the highest administrative posts, viz executive officer, accountant, administrative officer, legal officers, medical, health and auxiliary officers, engineers, secretarial secretaries and typists etc, are made from a pool which consists of such candidates as have been selected by a selection committee appointed by the government in consultation with the civil service commission. These candidates are selected after they have undergone interviews and their official records have been examined.

The system with regard to promotion to other posts in some departments is that, the selections are made by a departmental promotion committee or a board comprising a member of the civil service commission as chairman and senior officers of the ministry or department who have personal knowledge of the work, out of whom the selection has to be made. The recommendations of the promotion committee are sent to the civil service commission for ratification. The departmental head effects promotions according to the confirmed list and if he has to make any deviation from it, he has to appraise the civil service commission of the change and reasons thereof.

Thus, recruitment into the civil service at the entry grades should be based on a combination of merit and federal character, but for further progression thereafter, it should be based normally on merit.

Maturity period for promotion of staff should be:

- G.L 01-06 - 2 Years
- G.L.07-14 - 3 Years
- G.L.15-17 - 4 Years

The pool system which was abolished by the 1988 Reforms was restored in respect of the following cadres, accounts, administrative officer, auditors (external), executive officers (Account and general duties),

information officers, legal officers, architects, surveyors, technicians, secretarial and typist cadres.

Government observed that the present 10 per cent of annual personal emoluments set aside for training appears grossly inadequate. Government therefore directed that adequate provision be made in each department's budget unit the training need of the civil service is well addressed. Government also accepted the recommendation that there should be no retirement of any civil servant without following all laid down procedures. This is to prevent indiscriminate and arbitrary retirement of civil servants.

4.0 CONCLUSION

The politicization of the top echelon of the civil service together with the demand that they must retire with the government which appointed them did a lot of havoc to the Nigerian civil service. Each ministry or department was to be largely responsible for the recruitment, promotion and discipline of its staff. The civil service commission which had been responsible for these functions before the reforms of 1988, was reduced to providing uniform guidelines and ensuring compliance with them. A senior management course was introduced for officers who were expected to attend it before entering the senior management category on G.L. 14. Study leave with pay was restored as a way of encouraging officers to improve them to render valuable service. Thus, the idea of a single uniform rating scale for all federal employees has been given up and each department and agency has been authorized to establish one or more rating scales for its own employees, subject to approval by the civil service commissioner.

5.0 SUMMARY

An analysis of all that we have discussed in this unit will make us to sum up that promotion should be based on merit particularly in high posts, and not federal character system. However, if merit is equal in certain cases, seniority should be the deciding factor. According to an India scholar, "Seniority is fact, merit a matter of opinion. It is not time that seniority and merit are dichotomous. As recruitment for public service is already made on the basis of merit, seniority is merit plus x years of service".

6.0 TUTOR-MARKED ASSIGNMENT

12. What is promotion? Differentiate it from advancement and transfer.
13. What are the principles of promotion?
14. Comment on the promotion system in Nigeria

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MODULE 4

Unit 1	Public Relations
Unit 2	Public Employees Organisation
Unit 3	Generalist vs Specialist
Unit 4	Administrative Procedure
Unit 5	Organisation and Method (O & M)

UNIT 1 PUBLIC RELATIONS

CONTENTS

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1.0 INTRODUCTION

The fundamental purpose of public relations is to establish a two-way flow of mutual understanding based on truth, knowledge and full information. Public Relations involve the deliberate, planned and sustained efforts to establish and maintain mutual understanding between an organisation and its public. Therefore, the importance of cultivating contacts between the citizens and the administrators need hardly any emphasis especially in the modern democratic states where the sovereign power rests with the people.

Under the old conception of public state the functions of the state were limited and confined and the relationship between the citizens and the administrators was only that of a servant and the master. The citizens were simply silent recipients of the orders and commands of the administrators and no human relations exist between the two.

The rise of democracy not only changed the old conception of a public state but replaced it by a newer conception of social welfare state. Almost all the states in the modern world, irrespective of the form of government they have, are busy building and sustaining that universal framework of social order within which the life of man moves freely and become fully developed. This has led to a wider range of state rights from the cradle to the grave and from dawn to dust.

This change in the conception as well as in the functions of the state has necessitated a change in the administrative set-up so as to conform and correlate it with the altered circumstances. This is perhaps the reason that well-organised public relations activity has come to be regarded as an important attribute of the present day leadership. A good and competent administrator can only prove a flop if he lost the human touch.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- state what public relations are
- discuss philosophy underlying public relations today
- identify elements of public relations
- discuss the importance of public relations and its obstacles.

3.0 MAIN CONTENT

3.1 What are Public Relations?

The *Encyclopedia Americana* defines Public Relations as “The art of analyzing, influencing and interpreting a person, idea, group of business so that he, or it will be recognized as serving the public interest, and will benefit from so doing”.

According to M.C. Camy, “Public Relations in government is the composite of all the primary and secondary contacts between the bureaucracy and the citizens and all the interactions of influences and attitudes established in these countries”.

Cutlip and Center (1971) defined the term “Public Relations as the deliberate, planned and sustained effort to establish and maintain mutual understanding between an organisation and its public”.

In the words of Appleby, “Whatever an organisation does that affects the opinions of its various public towards it, is public relation”.

According to Millet, “Public Relations is about what the public expect and explaining how administration is meeting these desires”. To him, public relations consist of two elements:

- learning about public desires and aspirations
- advising the public about what it should desire and do.

Aims of Public Relations

The main aims of Public Relations are to disseminate to the public information about the government’s policies and acts of the government. In other words, public relations embraces all activities designed to inform the public regarding the operations of the government and informing the government about what the public thinks and desires. The function of public relations is, thus, not only to inform the public and to know what the public wishes, but also to build up popular goodwill for the administrative agency. The good will for the agency is essential to get the cooperation and support of the people and it can be built up, as Dr. L.D. White says, by showing courtesy and sympathy to the people.

Therefore, public relations may be defined as those aspects of our personal and corporate behaviour which have a social rather than private and personal significance. It involves a flow of information and understanding not from the agency to the public, but from the public to the agency. From the above definitions of public relations, it may be concluded that the aim of public relations is not only to inform the public and to know what the public wants, but also to build up popular goodwill for the administrative machinery.

3.2 Distinction between Public Relations and Publicity, Public Relations and Propaganda

To have a clear and precise idea of Public relations, they should be distinguished from publicity and propaganda.

Public relations and publicity: The two terms public relations and publicity are very often confused with each other. Some governments designate their public relations officers as publicity officers. No doubt the two terms are so intimately intertwined that they are not two

different functions, but two aspects of the same thing. According to J.H. Brebuer, the difference between public relations and publicity lies in the technique of their approach. "Publicity has been defined as the art of dealing with the people *en masse*: while public relations deal with the individuals.

Thus, conveying information to the people is publicity and approaching the individuals is public relations. Many writers use the term public relations in the generic sense covering individuals as well as mass relations. Used in this sense, publicity becomes a branch of public relations.

Public relations and propaganda: One important part of public relations, as we have seen above, is publicity. Often, the term publicity is confused with propaganda. The important points of difference between the two are the following:

- the object of publicity is to disseminate information while the object of propaganda is to influence conduct
- the source of publicity is always known while the source of propaganda is often veiled
- public relation has no bad motive while propaganda seeks to serve its own selfish ends by giving wrong information and distorted facts.

The public relations officer cannot be allowed to indulge in propaganda. His job is publicity, and not propaganda. The people must be supplied with true facts. They should not be misled. However, in wartimes government also may indulge in propaganda to counteract enemy propaganda and create low morale among the people and soldiers.

Public relations may also be distinguished from general information activities, foreign information service of the government and internal communication. Governments collect a great deal of general information and publish it for public use, for example, decennial census reports, weather and crop reports, labour statistics and unemployment figures. This general information does not relate to the activities of the government or administration. It is simply information which is useful both for the government and people.

The purpose of internal communication is to keep the staff or employees of the organisation properly informed of the policies, objectives, and decisions of the organisation. The aim is not to reach the public outside but to achieve the understandings of the organisational objectives and policy within the organisation itself.

Therefore, it is to the citizens that the public relations of any agency have specially to address themselves. Generally, governmental organisations have to deal with particular publics- not general public. Each agency of the government has to direct its public relations to that part of the public with which it is directly concerned, for example, the agriculture department deals with farmers, the industries department with industrialists, the labour departments with labour.

3.3 Elements of Public Relations

According to Millet, public relations consist of four elements:

- learning about people's desires and aspirations
- advising the public
- cultivating the satisfactory contact between the public and officials
- informing the public about what government is doing

(i) Means of Knowing Public Opinion

Of the four constituent elements of public relations the first one is learning about the public desires, aspirations and opinions. Among the techniques of ascertaining public opinion, the following are the most common:

- (a) **Press:** The Press is a very important medium for the expression of views of the public. Newspapers and magazines contain various news items which reflect the reaction of the people towards the policies and programmes of the government. Letters conveying the appreciation or depreciation of a particular activity of government and sometimes containing popular grievances addressed to the Editors of newspapers are printed in the "Letter to the Editor" column. The "Editorials" written by the chief Editor of the paper also make comments on government activities and offer constructive suggestions to redress the grievances of the people. The officers of the Public Relations Department spot such items in the newspapers and inform the departments concerned about the trend of public opinion with regards to services run by them.
- (b) **Platform:** The platform speeches made by public men particularly the leaders of various political parties, associations and groups reflect the mind of the leaders on a particular subject. The conveying of public meetings is reported to government by the Security Agencies or Government Apparatus, or by the organizers of the meeting themselves by pressing a resolution of putting up a "Charter

of their demands”. The government is thus made to know about the feelings of the public on a particular question.

- (c) **Demonstrations and Agitations:** If the spoken words and the written words fail to move the administration, the public may adopt the means of agitations and demonstrations. Demonstration can be expressive both to the pleasure and displeasure of the people with regards to a particular policy of the government. The people will demonstrate to welcome a commendable programme or to condemn some steps calculated to injure their interests. The agitations may be peaceful or take a violent turn. Public opinion in general or that of particular section of people has tried to express itself through these methods everywhere.
- (d) **Legislature:** The floor of the parliamentary or the legislature is perhaps the best place where public opinion is best reflected in whatever their representatives speak on behalf of the electorate. The legislators get many opportunities to inform the government about their aspirations, desires, and grievances of their constituencies when they discuss the various bills or vote the grants. The role of the opposition in expressing the mind of the people is most laudable only if they make some constructive suggestions to get the legitimate hardship of the people removed from the hands of the government.
- (e) **Informal Conversation:** True public opinion can be best known through the medium of informal chats of the people in public places such as in a train, in a bus, in the market place, etc. In an informal talk, people speak things from the core of their hearts. There is hardly any exaggeration in what they utter. The best barometer of public opinion would therefore, be to hear people talk informally about government policies.
- (f) **Government Employees:** The officials of government constitute a very good agency to report about the public regarding any activity of the government. They have daily contacts with a large number of people from the various walks of life. They are, therefore, in a position to know what the public has to say about the government. If they are encouraged to talk freely, they can give a true report about the opinion of the public
- (g) **Moving Freely among the People:** According to Lord Bryce, “The best way in which the tendencies at work in any community can be discovered and estimated is by moving freely among all sorts and conditions of men is nothing are affected by the news or arguments brought from day-to-day to their knowledge”, knowing about them is really a very

valuable technique. It gives an unbiased impression of what the people think about the government and its administrators.

- (h) **Advisory Committees:** Government comes to know about the attitude of the people regarding a particular activity from the advisory committees also which consist of the representatives of special interests that are affected or are likely to be affected by the activities of a particular department. These Advisory committees interpret the feelings and the interests of the people concerned to the administration and advise them on the formulation of a particular policy.
- (i) **Public Opinion Polls:** Lastly, public opinion on certain matters can be discovered by referring those matters to the vote of the public or by the issuing of a questionnaire to them. The replies received thereto shall clearly reflect the public opinion whether it is in favour or against a particular problem. The opinion thus collected sometimes shall reflect the opinion of the public as a whole. Such public opinion polls are conducted in America, Britain, France etc by interested agencies and their results have been often found to be correct.
- (ii) **Advising the public:** The second element of public relations is advising the public about what it should think and do. It is one of the primary duties of the government to educate the people on the methods of performing ordinary civil duties. While advising the public about what they should do, the government might be accused of carrying on propaganda. It is incumbent on a government to advise the people about certain important matters like family planning, education, health, trade commerce, agriculture etc in a developing country like ours, people need to be advised about their duties in extending their cooperation to the government for making government's programmes successful. Advice should be kept clear of falsehood and political maneuvering.
- (iii) **Dealings with the public:** The third constituent element of public relations is the dealing of the officials with the public and the cultivation of satisfactory contact between the two. Public officials especially at lower levels, have to make daily contact with the people. Their dealings with the public can make or mar the reputation of the department to which they belong. The people judge an agency by the experience they have of its officials and its employees. It is therefore, essential that the officials should realize the importance of their contacts with the people. If they show courtesy and sympathy to the people, they shall be applauded and the organisation to which they belong would get public approval. But, on the other hand, if their

behaviour is rude and arrogant, the organisation would meet public condemnation.

- iv. **Informing the public:** The fourth element of public relations is informing the publicity about the activities of the government. The public is kept informed about the policy and acts of the government through the following media of publicity, press, government publications, platform, radio, films, exhibitions, and advertisements.

3.4 Public Relations Agencies in Nigeria

From what has been said so far, the importance of public relations in public administration is quite evident. Obviously, no system of public relations is developed by it. For developing good public relations, all the civilized countries have set up public relations agencies.

In England, it was not until the First World War that a positive system of public relations began to emerge when press or publicity officers were first appointed in the Defence Ministry. Thereafter, many other departments also introduced public relations division.

In Nigeria, there is the Ministry of Information and National Orientation. Its primary function is to inform the public about government activities.

Radio and Television are also important tools of publicity. Radio helps in establishing public relations. It gives essential information to the masses. In most advanced countries –like America and England, television is the most important medium for establishing Public Relations.

The publicity function of the Government of Nigeria has been given to the Ministry of Information and the National Orientation Agency. The Ministry does its job through the following important agencies:

- Radio Nigeria or Federal Radio Corporation of Nigeria
- The Press Information Bureau
- Publication Division
- Directorate of Advertising and Visual Publicity
- Film Censors Division
- National Orientation Agency.

3.5 Qualities of a Good Public Relations Official

- (i) Every big officer should provide a decent waiting room for the visitors with popular newspaper and magazines on the tables to keep them busy if they are required to wait for sometime.
- (ii) Every office should have a receptionist or an enquiry officer to help and guide visitors. The receptionists should be persons of pleasing personality and of amiable and cheerful disposition.
- (iii) Officers should fix hours for interview with the public. If the officer is unavoidably busy at that time, he should convey his regrets to the visitors and give them some other time preferably suiting their conveniences when he could be available.
- (iv) The public should be accommodated to the maximum extent possible. They should be supplied the information that they want to have, if the rules so permit, otherwise their request should be declined regretfully.
- (v) The people come in contact with administration more through paper correspondence than actual meeting with officials. Therefore, it is desirably that the letters from the public should be duly acknowledged, and reply should be couched in plain, simple and straightforward language.
- (vi) There should be a definite procedure to deal with public complaints. In every agency, there should be an official charged with the duty of receiving complaints or the public may be asked to record their complaints in a complaint book or drop them in a complaint box placed at a conspicuous place.
- (vii) Finally, the action to be taken which relates to the choice of media, the tools and the ways in which the public relations plan is to be effected hence, the choice of the media generally limited by the amount of money which is made available for the plan. In the light of the need and utility of public relations, the budget for public relations should be realistic.

Therefore, the officials come in contact with the people either in person or through correspondence. Every effort should be made to be sympathetic and courteous to the people in both forms of contacts. The official should realize that courtesy costs nothing but its absence may cost a great deal to the reputation of the officer as well as the agency. Sometimes, lack of courtesy may create an unpleasant scene leading to quarrel and abusive language. The officials should realize that they are public servants in the real sense of the term and they should in no case behave like a bureaucrat. A bureaucrat is usually blunt, curt, aloof and

even rude. An official in the modern democratic age should be kind, accommodating, sweet, sympathetic and easily accessible. The public should be in such a fine way as should convince them that it is their own government and the officials that are not hot-headed, stiff-necked, but their well-wishers, friends and guides.

3.6 Obstacles to Public Relations

The following obstacles are in the way of good public relations:

- (i) the complexity of modern management
- (ii) the usually indifferent attitude of the general public
- (iii) the lack of appreciation on the part of many public officials of the importance of their responsibility in the matter of public relations
- (iv) the lack of objective indices to measure the effectiveness of the method used
- (v) the limited funds available for public relations activities and the consequent necessity of foregoing professional and technical assistance
- (vi) the difficulty of maintaining impartiality
- (vii) the difficulty of persuading the public that public relations devices are not necessarily propaganda
- (viii) the tendency to interpret all government publicity as propaganda.

4.0 CONCLUSION

In order to adapt public relations to the needs of our nascent democracy it is necessary that the different media of public relations should be so perfect that all the purposes of public relations are achieved. Public relations should be used for education and not for propaganda. It should try to seek public co-operation and responsiveness. Let us remember the words of David. M. Cox who writes, “Where there are public relation problems, they are in his hands (employees). He is the key figure in the public relations situation. He is the conductor of public relations of the organisation by his actions with the custom. He is also the ear of the organisation, for he learns of the needs, wants, expectations, desires and satisfactions of the public served”.

5.0 SUMMARY

It is gratifying to note that public officials in Nigeria are gradually inculcating the qualities of a good public relations officer. To make them realize the value of such qualities, the government sometimes asks the different departments to observe courtesy weeks. It is unfortunate that the officials of the Police Department have not yet been able to cultivate good public relations and perhaps this is on account of the nature of duties they perform.

6.0 TUTOR-MARKED ASSIGNMENT

1. What is Public Relations? Explain the Elements of Public Relations.
2. What are the qualities of good a Public Relations Officer?

7.0 REFERENCES/FURTHER READING

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UNIT 2 PUBLIC EMPLOYEES ORGANISATION

CONTENTS

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- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Professional Association vs. Unions
 - 3.2 Public Employees Union
 - 3.3 Advantages of Unions
 - 3.4 Legal Rights of Employees
 - 3.5 Arguments against Strike
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- 5.0 Summary
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1.0 INTRODUCTION

It goes without saying that strength lies in the organisation. This is specifically true for those who earn their living by providing service under a private or state organisation. Employees' Union has become a vital part of personnel organisation. It is being increasingly realized that if the employees do not organise themselves into an association, it would be difficult for them to get better working conditions and improve their lot thereby.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- list objectives of association
- state the various legal rights of employees
- state the advantages of strike
- preffer arguments against Strikes etc.

3.0 MAIN CONTENT

3.1 Professional Association vs. Unions

Public employees' associations are of two types:

1. Professional Associations and
2. Trade Unions

- **Professional Associations**

These are those organisations which bring members of the same profession together for the exchange of information and experience and for the advancement of their profession. These associations are, broadly, speaking, formed by the higher categories of government employees such as administrative, executive, and professional officials and scientists. Some of these professionals in Nigeria are the Central Secretariat Association, Gazetted Employees' Association, Port Trust Association, Income Tax Officers Association, Nigerian Audit and Accounts Service Association, Teachers Association, etc.

- **Trade Unions/Labour Union Congress**

Trade Unions, on the other hand, are generally formed by the employees of subordinate public services. Their avowed object is to seek to improve the wages, and other conditions of service of their member. If their demands are not conceded to, they do not hesitate to resort to strikes. Nigerian Postal Union, Nigerian Railway Union, Nigerian Airways Association etc, these unions, as a matter of fact, are on par with the labour unions in private industries. But the real difference between the two types of Association is not one of mere name but of outlook and methods. The professional associations do not use trade union methods.

Objectives of Association

Their main objectives are:

- to promote personal acquaintance among individuals with common interests and problems
- to promote research in the profession by organizing periodic conferences for the exchange of ideas and experience so that the best ideas may be selected and applied in order to improve the efficiency of administration
- to give their suggestions for reform and improvement
- to issue literature for the spread of the latest information relating to their field
- to bring the employees nearer to those in whom they can confide for their failures and successes

- to raise the general tone of the profession, and effecting efficiency and boosting the morale of the employees.

In essence, these professional associations have made the employees feel that they have a voice in determining the conditions under which they have to labour. In the words of Dr. White, “The competence of public service is favourably affected, its capacity to some long-time programmes intelligently is increased, its prestige is elevated”.

3.2 Public Employees Union

The Origin

Trade unionism among employees is a recent development. Generally, lower ranks of employees both in the government departments and public enterprise opt for unions. These unions have sprung up due to rapid increase in the number and importance of public services, the accentuation of employer-employees conflicts in public service and the acute inflationary conditions of war and post-war periods.

Objectives of Employees’ Union

The following are the various objectives of the unions:

- to exert pressure on the authorities that the merit rule should be adopted and under no circumstances should the spoils system be a substitute for the merit principle. This indirectly helps in effecting efficiency and economy of administration
- to strive for the classification of service on the basis of the kind of work to be done by the incumbent of a particular office
- to emphasize that compensation for the work should be adjusted with the nature of the work
- to stress that the minimum law-wage should be strictly followed
- to see that the service records are properly maintained and the promotions are made mainly on that basis
- to insist on the adoption of a proper retirement plan so that the retired man does not feel frustrated after retirement
- to bring pressure to bear on the government for improvement of pay and conditions of service
- to provide a forum for the employees for exchange of ideas and experience
- to foster the growth of the spirit of co-operation and group consciousness among the members
- to heighten the morale of the employees
- to enhance the prestige of the members

- to give suggestions to the authorities for reforms and improvement of the service, and
- to formulate a code of ethics for the members to follow in their work and conduct.

Methods or Techniques for Achieving these Objectives

The following techniques or methods may be adopted by the unions to achieve their objectives:

- a. **Election of sympathetic Legislators:** Unions exhort their members to elect sympathetic legislators who can strongly advocate their cause on the floor of the legislature. The office bearers of the unions meet their favourite legislature in the lobby and persuade them to get favourable legislation passed
- b. **Deputations:** The union leaders meet the concerned ministers in deputations and attempt to convince them of the genuineness of their demands
- c. **Defence in suits or against litigation:** The unions defend their members in the courts of law if they are handed up by the management later for one reason or the other
- d. **Defence before Commissions:** The unions defend the employees before the Public Service Commissions, regarding case of promotion disciplinary action etc.
- e. **Journals:** The Unions published journals which expound the claims of the members and give concrete suggestions for improving the existing system of work with a view to effecting economy.
- f. **Strike:** If all these constitutional methods fail to yield fruits, they may resort to strike. However, strike is to be an occasional medicine and not a daily diet. It may be resorted to, only when doors of negotiations are completely closed and only when the unions are sure of their strength and unity.

3.3 Advantages of Unions

- (i) Unions create the spirit of co-operation in the service
- (ii) They build up the morale of the employees as they feel strengthened in a collective capacity.
- (iii) They prevent abuses on the part of government directing heads and safeguarding the merit system.
- (iv) They develop a sense of participation in the personnel management through the unions. They feel that their voice is being counted or heard.
- (v) They enable employees to get fair deal at the hands of the government. Unions keep management alert since slipshod administrative practices would be exposed quickly. They offer a

more efficient method for bringing some of the ideas of the employees to the attention of the head of the agency.

Finally, the participation of employees in management planning is desirable for any organisation. A union can indeed make continuing gains for its members.

3.4 Legal Rights of Employees

An appraisal of the legal rights of public employees in Nigeria and other democratic countries will enable us to discover as to whether or not right of forming associations and unions has also been provided and to what extent in actual practice the employees enjoy this right. The following are the legal rights of public employees in ours and in other democratic countries.

(i) Political Activity

The public employees are not free to indulge in political activity. The limitations on political activity by civil service employees are necessary to protect them against political pressure and to maintain the political neutral character of the public service. This doctrine of civil service neutrality is a relic of the past. It is a product of the British parliamentary practice. The civil servants are required to serve the government whole-heartedly no matter what its party complexion is. The former represents the current breeze of public opinion whereas the latter represents expertise, administrative skill and experience. In order to perpetuate harmony between the political and permanent heads, it is thought desirable to sterilize politically the latter. However, complete deprivation of a vast section of the population of their fundamental rights may be uncalled for and inconsistent with the requirements of public administration.

In U.S.A., government is more restrictive on the political activities of the government employees. However, they enjoy the right of vote and express opinions on all political subjects and candidates. They cannot indulge in campaigns or participate in any political management.

In U.K, a compromise between the two sovereign seemingly contradictory principles has been struck. Civil servants in Nigeria possess the right to vote in every election. They can neither seek the membership of any political party nor aid or assist in any other manner any political movement or activity. They cannot even canvass support for any candidate.

(ii) Right to Association

In all democratic countries, the right of public employees to associate has been recognized, as enshrined in their respective constitutions. The civil servants are allowed to form their own associations and are not allowed to join or form any political party. The associations may be formed for economic, cultural or professional purposes. As soon as an association is formed, a copy of its aims/ objectives and constitution is sent to the government for the necessary registration and recognition. In Nigeria, all employees except the military and the police (who have to deal with law and order and national security) are allowed to form unions. These unions come under general trade union legislation, according to the 1999 constitution, section 39 – (1) and 40 respectively.

(iii) Right to be Affiliated

So far as the right of affiliation is concerned different countries have different rules.

In Nigeria, there is no legal restriction on the public employees' associations or unions; it is a matter of affiliation to outside bodies, though the service rule penalizes disobedience to orders. The government has laid down the following instructions regarding the recognition of its employees' associations:

- government is prepared to accord recognition to associations of its employees which comply with the conditions set before the formation of associations
- it must consist of a distinct class of government employees
- every government employee of the same class must be eligible for membership of the association
- ordinarily, government will not object to persons who are not in the active service of government being office-holders of the association, but government reserves the right, in particular cases, to refuse recognition to associations which all the officers are not either in the active service of government or are honourably retired officers belonging to the same class of government employees as the association's representatives
- recognition is accorded for the purpose of enabling the employees of government to communicate their needs to government or to government officers, and it may be withdrawn by government if an association adopts other methods of ventilating their needs
- government may require the regular submission, for its information, of copies of the rules of association and the annual statement of its accounts and of lists of its members

- government may specify the channels through which representations from the association shall be submitted and the authority by which deputations may be received
- the office is empowered to grant leave to a government employee and will, so far as possible, grant casual leave to an employee who is a representative of recognized association to attend duly constituted meetings of the association. The granting of such leave will be subject to the exigencies of the service of which the officer in question shall be the sole judge.

Therefore, the 1999 constitution of the Federal Republic of Nigeria, 30-(1) and 40 respectively, guarantees the citizens of Nigeria the right to freedom of expression and the right to peaceful assembly and association. It says that, “Every person shall be entitled to assemble freely and associate with other persons and in particular, he may form or belong to any political party, trade union or any other association for the protection of his interest”.

3.5 Arguments against Strike

A great controversy that exists today regarding public employees relationship with the management is; can government employees be given the right to go on strike to further their objectives and get their demands fulfilled?. What should be the attitude of government towards industrial strike by its employees?

Let us see the practice in different countries. In the U.S.A., section 305 of the Taft-Hartley Labour Management Relations Act of 1947 has prohibited strikes in an outright and all-inclusive way. The section reads, “It shall be unlawful for any individual employed by the United States or any agency thereof including wholly owned government corporations to participate in any strike. Any individual employed by the United States or any such who goes on strike shall be discharged immediately from his employment, and shall forfeit his civil service status. If any, and shall not be eligible for re-employment for three years by the United States or any agency”. Thus, the position is quite clear regarding federal services in the United States.

In England, though strikes are not forbidden by statute, however, disciplinary action can be taken against an employee who has refused to perform his duties. In Japan, Switzerland and Australia, it is illegal for government employees to participate in a strike. In India as well, the strike by government employees of certain categories has been declared illegal. In Nigeria, however, there is `right to strike, nevertheless,

government does not seem to be comfortable about the threat of strike any way.

The practice in different countries thus shows that governments do not favour strikes by its employees. Why are most of the governments opposed to strikes?

The reasons most governments are opposed to strikes are not far to seek.

- a. Government performs those functions which are essential for the existence and well-being of the community as a whole. Strikes in essential services will paralyse the life of the whole community.
- b. Refusal to obey the orders of the sovereign state is tantamount to disloyalty to the state. Hence, in 1946, American Congress passed legislation specifying that, "Any person who engages in a strike against the government of the United States or who is a member of an organisation of government employees that asserts the right to strike against the government of the United States shall be guilty of felony."
- c. Public servants stand in a closer and confidential relation to the state. Hence, they cannot be permitted to belie the trust reposed in them.
- d. When the state assures its employees of a privileged position as compared with the general public and guarantees them special terms and conditions of service by legislation, it expects good behaviour from them.
- e. Strike demoralizes the employees if they fail. They bring misery and untold suffering to the employees in question. Keeping in view these drawbacks, Willoughby remarks, "It is highly undesirable for employees' organisation to make use of the strike as a weapon for enforcing their demands".

Advantages of Strikes

Though strikes seem to entail grave consequences and create administrative chaos, they have certain striking advantages:

- strikes compel government to consider the problems of management-employees relationship. Even threat to go on strike can sometimes bring round the government
- they provide food for thought. Hence government's attitude towards them has been gradually soft and moving from hostility to tolerance and then to encouragement
- strikes have made the government realize the usefulness of unions.

4.0 CONCLUSION

The right of all employees of the Federal Government to join and participate in activities of employees' organisations and to seek to improve working conditions and the resolution of grievances should be recognized by management officials at all levels in all departments and agencies. The participation of federal employees in the formulation and implementation of employee policies and procedures affecting them contributes to the effective conduct of public business. This participation should include consultation by responsible officials with the representatives of employees and federal employee's organisations.

5.0 SUMMARY

In both the socialist and in the industrial world, unionism has progressed at varying rates of speed with the result that today some branches of public service are almost wholly recognized while others are still completely untouched by union influence. Public attitudes vary as greatly in more jurisdictions. Public service unions are freely accepted, and in some, they are tolerated and in others, they are taboo.

6.0 TUTOR-MARKED ASSIGNMENT

1. Can government employees be given the right to go on strikes?
2. Why are most of the governments opposed to strike?
3. Explain some of the legal rights of employees.

7.0 REFERENCES/FURTHER READING

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UNIT 3 GENERALIST VS SPECIALIST

CONTENTS

1.0	Introduction
2.0	Objectives
3.0	Main Content
3.1	Meaning of the Terms Generalist and Specialist
3.2	Differences in their Approach
3.3	Arguments for Generalists
3.4	Arguments for Specialists
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
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1.0 INTRODUCTION

In the recent past, generalist versus specialist controversy has reached its climax. The specialists commonly termed as technocrats strongly feel that they are not being given due place in administration though on account of their expertise and technical qualifications, they happen to be superior to the so-called generalists. Hence, we find brain-drain. The technocrats prefer to take up assignments abroad. They do not relish being ridden roughshod over by bureaucrats who are non-specialists or technocrats (though they claim to be).

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define the terms generalist and specialist
- what are the different approaches to the terms?
- arguments put up for the terms etc.

3.0 MAIN CONTENT

3.1 The Meaning of the Terms Generalist and Specialist

Generalist and specialist are well understood terms in science and technology. Generalist is one who has a bird's eye-view knowledge of

science or technology. He takes a comprehensive view of the problem in science or technology and can render advice in general. He is in a position to provide the bridge between the various branches and sectors of science or technology as a whole.

In the words of Dr. White, a generalist is a career person within the executive branch who by the breadth of his experience and the quality of his mind is competent to deal effectively with complex problems of relationship among agencies or officials and to apply judgment of a high discriminating character to difficult and obstinate problems.

A generalist is not a policy-man as a rule but is concerned with the higher co-ordination and facilitation of operations. He is in a position to command and direct issues while avoiding responsibility for details. Generally, he functions in the higher levels of middle management or in the lower levels of top management. In Great Britain, such a class of service is called administrative class. In U.S.A, there is no special category of such officers though they are scattered through all the large departments. Occasionally, some of these administrative generalists may rise to political positions. Generally, they remain firmly anchored in the career service.

A specialist, on the other hand, is equipped with in-depth knowledge of science and technology in one particular branch or sector. He is not bothered about the place of his work in science or technology as a whole. In other words, the specialist by the nature of his work, is myopic. His interest lies only in a small sector of science or technology and he persistently probes into that sector in depth. He does not look at science and technology from a broad angle at all. He can see problems only from his limited angle. "The specialist has been described in somewhat derogatory terms as a man who knows more and more about less and less". Neither description would be appropriate, although each contains a kernel of truth.

3.2 Differences in Their Approach

The approach of the generalist, though in the expanding fields, he is in touch with a broad sector of the field, is always comprehensive. He goes down from the whole to the part. His training is in over-seeing and not in specialization. He has to see the interplay between several sectors that is to be developed to utilize the findings in any one of the sectors. Thus

the approach of the generalists is co-coordinative as against the intensive approach of the specialist. The generalist may occasionally take to the study in depth of some particular sectors of his field but that does not affect change in his normal approach.

The approach of the specialist, on the other hand, is intensive and not co-coordinative. Some of the specialists who possess an inborn attitude to keep abreast of the world around them may acquire co-coordinative approach of the generalist. However, this branch of specialists is a rarity

3.3 Arguments for Generalists

- a generalist is known for broad vision and capacity for leadership. He possesses imagination, drive, initiative and enterprise for quick decisions. As such, he alone can advise the minister-a layman of course-on political aspects of a plan, the technical aspects of which have already been taken care of at comparatively lower levels. On the other hand, an expert or a technocrat has myopic vision and a stereotyped mentality. Hence, his specialized knowledge may serve as a liability rather than an asset. This specialized knowledge may rob him of the proper perspective when envisaging a plan. At the higher level, general rather than technical knowledge is essential for getting things done.
- a generalist clears the mess created by the ministers, the legislators and the experts, and quells the mob fury which may ensue due to such a mess and which may prove detrimental to the country. They serve the community in the time sense. A politician makes a promise to the people but after his triumph in the elections he does exactly the opposite. It leads to agitation. The generalist bears the brunt of the mob fury. The generalist is again faced with a predicament. A technocrat builds a factory which fails to function well. The minister is put in the dock on that account at the hands of the parliamentarians. It is the generalist who comes to the rescue of the ministers by supplying him cogent and palatable answers.
- it is contended that a generalist is comparatively more suited for the secretariat and departmental posts in the states and at the centre, as he has to play the role of adviser to the elected government.
- it is stated by the protagonists of the generalists that only recruited civil servants suit our Federal structure. Federation stands for the welfare of the people. The states generally resent central policies, ignore the local difficulties and problems and not attend to area disparities. A Federation in a vast country like Nigeria is apt to be a failure if the adviser at the center is not aware of the conditions in the field in his portfolio, in any part of the country. A generalist who is supposed to work in any part of the country possesses a detailed knowledge of the field.

- the generalist alone is competent enough to hold management positions in public sector enterprises. He is more committed to the enterprise than a private sector entrant on a term contract.
- the generalist is apt to prove better than non-technical specialists as the field of the vision of the latter is narrower than the former.
- a generalist approach, even if it is portrayed as a layman's approach, is an asset to the administration, because it enables him to express proposals and decisions in a way which is easily carried out by the lower administrative machinery.
- the generalist suits a democratic set-up. He is open to convictions. As such, he will not have the tendency of aggrandizement. He will be more co-operative with the ministers and accept the superiority of the political boss reluctantly.

3.4 Arguments for Specialists

Administrative Reforms Commission of Nigeria and Fulton Committee of U.K were strongly of the view that in this age of technology and ever-developing science, the departments should be headed by the specialists rather than the generalists. The protagonists of technocrats also hold similar views on the grounds stated below:

- it is contended that appointing generalist as the secretary of a government concerned with technical subjects to assist a minister who himself is a layman is like the blind leading the blind
- it is wrong to presume that the generalist has a monopoly of good sense and he alone can evaluate and co-ordinate plans and projects and understand their economic and political implications
- it is further asserted that our public sector enterprises headed by the generalist have become breeding centres of gross mismanagement. It has resulted in heavy losses and consequently a big drain on the national exchequer
- the critics do not accept the view that only a generalist alone can look into the financial and political aspects of problems. The political aspects of the problem are the concern of administrative leadership, i.e. the ministers
- it is pointed out that due to emergence of concept of welfare state the role of administrators has undergone a change. He is no longer concerned simply with the maintenance of law and order, and supervising those working under him
- the adherents of cult specialists contend that the specialist who trains himself to deal with his specialization in-depth and has more interest in the art of analysis and synthesis should not be relegated to the position of comparative inferiority in the policy making hierarchy

- the critics are not prepared to accept the theory of generalists having comprehensive grasp of the entire field of administration. Such administrators are rarely born
- a specialist as an adviser to a lay politician may prove better. He may not be a suppliant tool and a mere yes-man.

4.0 CONCLUSION

Too great a reliance on the generalist is detrimental to the interest and efficiency of administration, and consequently insidious to the interests of the common man. There is a dire need for inducting the specialists and technical personnel in the government services. In fact, the administrative services must no longer remain the close preserve of a handful of generalists- the so called elite of the country. A maximum utilization of all available talents necessitates the abolition of the artificial discrimination between the generalists and the specialist for a position of precedence and parity. Therefore, the generalist has his place and an important one at that, in the scheme of things, so has the specialist, the scientist and the technologist.

5.0 SUMMARY

Inter-service co-operation is the crying need of the hour. Such a co-operation will prove much more fruitful and productive if it is based on mutual respect and profound regard for each other rather than a sense of superiority or inferiority. Mutual respect and reciprocity is possible if proper status is conferred upon the hitherto neglected man, and the latter does not create more crisis by resorting to agitation.

6.0 TUTOR-MARKED ASSIGNMENT

1. Differentiate Generalist from Specialist
2. Explain the controversy between the two professionals

7.0 REFERENCES/FURTHER READING

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UNIT 4 ADMINISTRATIVE PROCEDURE

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Definition of Procedure
 - 3.2 Types of Procedures
 - 3.3 What is Good Procedure?

3.4	Defects of Procedure System
3.5	Recent Reforms in Office Procedure
4.0	Conclusion
5.0	Summary
6.0	Tutor-Marked Assignment
7.0	References/Further Reading

1.0 INTRODUCTION

Administration today is not a matter of personal whims and prejudices. It is required to follow a definite set of rules and a specific procedure particularly when government has to be a government by laws and not by whims and caprices of a few individuals.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- state the meaning of Administrative procedure
- describe what constitutes good procedure
- list 3 reforms in office Procedure
- procedural reforms suggested etc.

3.0 MAIN CONTENT

3.1 Definition of Procedure

Professor Waldo defines procedure as “The prescribed or customary way of working together with the conduct of an organisation’s businesses. Evidently, procedure comprises three elements, namely:

- (i) repetition of transactions in a prescribed or customary fashion
- (ii) co-ordination of various efforts into a large whole
- (iii) keeping up organisation in operation and attaining its goal.

The rules of procedure may be construed as a body of standing orders of general application to a given set of cases. According to Waldo, “It is procedure that governs the routine internal and external relationships between one individual and another, one organisational unit and another, between one process and another, between one skill or technique and another, between the organisation and the public, and between all combinations and permutations of these”. The day-to-day work of the government is done through the procedure.

In public administration, procedure plays more vital role than in any other large-scale organisation as it is responsible to the people. For all their activities, public personnel are accountable to some superior and ultimately to the legislature and the public. As such all public acts have to be recorded and kept in files.

Procedures as Institutional Habit

Viewed internally, procedures constitute habits or models of conduct of the organisational unit. They are the repetitive acts that in large measures manifest and shape the personality and character of an organisation. Further, they ensure stability to the daily workings of the organisation's units. They make a substantial contribution to the achievement of immediate goals and release energies to deal with what is novel.

Procedures as Physiology of Organisation

Procedure may also be described as the physiology of organisation. It brings the structures of life. Procedure unites the highly developed professional or scientific skills with an organisation and its purposes. It does not, however, substantially affect or reach into the skills or techniques of professional and scientific personnel. Certain operations, viz, sorting, packing and loading are fully subjected to well-developed techniques of procedure analysis and improvement.

Procedures are Laws of Activity

An organisation's procedure may also be construed as a body of laws applying primarily to its members in varies degrees and manners depending upon the organisation's authority and activities-to persons outside. If the procedures are prescribed by the constitution, statutes and courts' decision, they can be described as laws in full legal sense. As such, they are enforceable. Many of the procedures are only models of conduct devised by the organisation with a view to regulate in the working relations of its members. These models of conduct must conform with the law. They cannot be categorized as laws in the technical sense.

Procedures may be written or unwritten. Large-scale organisations having specialized organisational units, for analysing and changing procedure, provide written procedural instructions, while small organisations depend upon unwritten customs. It has been rightly contended by Waldo that standard operating procedure may not be necessarily set forth in a manual.

3.2 Types of Procedures

Administrative procedures may be classified as written or unwritten, issued centrally or by field offices, i.e., institutional procedures and working procedures.

- **Institutional Procedures:** Institutional Procedures pertain to staff, house-keeping service or auxiliary functions. Such procedures are prescribed by statute though they vary considerably from agency to agency. The institutional procedures cover mail and communications, meeting and conferences, travel, internal reporting, preparation, issuance and distribution of documents, space, library service, files and records, clerical services, procurement, clearance, and review, budgetary and fiscal administration and all aspects of personnel administration.
- **Working Procedures:** Procedures meant for accomplishing an agency's particular objectives are of two types, viz, those publicly issued and those not publicly issued. Publicly issued procedures constitute a body of ground rules for the agency and any individual affected by the statute. They specify the agency's sense of the procedural requirements of the law and also its conception of what is contrary, fair and expedient where the law is not explicit. Ideally, they tell all persons what, where, when and how of things. For example, how to lodge a report with the police, get a student admitted to the school, make an appeal against tax-assessment, apply for a post under the government, file a suit in a law-court, submit a tender for a contract, apply for a licence or other concession, and so forth.

3.3 What is Good Procedure?

No simple answer is possible to this question. Good procedure is that which is well adapted to achieve desired ends, what are the desired ends and whether the procedure is well adapted to achieving them, pose big problems. The ends sought by administration are complex and intangible. Hence, it is often difficult to determine which of them is to be served by a procedure and in what proportions.

However, generally speaking, procedure should be simple and ensuring prompt decision. It should not be too rigid as to leave no discretion in exceptional cases. Its language should be unambiguous, clear and easily understandable by a common citizen. It should try to cut short of channels as far as possible. It should help rather than hinder the progress of the work. It should not be forgotten that procedure is a means to end and not an end in itself. Too much insistence on procedural rule leads to red-tapism and many other concomitant evils.

3.4 Defects of Procedure System

The following are the main defects of procedure system:

- **Red-Tapism:** The time required for answering letters is too long.
- **Outmoded:** The administrative procedures are many and most of them outmoded. All of them necessitate continuing security and some at least require vigorous overhauling
- **Unimaginative:** According to Dr. Appleby, “The Rules of Business, Secretariat Instructions, and office manuals seem to be generally confining, and unimaginative”
- **Over-emphasis on precedents:** Too much concern is shown for precedents. The laying of too much emphasis on the precedents prolongs the process of review and causes irritation to programme agencies. Regarding this concern for precedents, Appleby rightly observed, “It seems a strange thing that this basic concern for precedent has not been challenged by the present government. The primary function of political leadership – and notably by leadership in a revolutionary state – is to incite a departure from precedent for the sake of the achievement of new values”.
- **Too cumbersome and delaying:** The system of review is too cumbersome and delaying. In the words of Appleby, far too many proposed actions are reviewed and that the review is far too often in the useless and frustrating fashion”.

3.5 Recent Reforms in Office Procedure

In order to remove these defects, the Government, at the suggestion of Organisation and Methods (O and M) Division, affect the following reforms in the office procedure.

- a. **New Type Section:** In order to avoid red-tapism and cumbersomeness of procedure, a new type of section system has been set up in some ministries. In this system, the institution of noting by assistants has been abolished. It is rather done by the section officer who decides to which level of decision-making, the paper in question should go, and sends it directly to that level; thus avoiding the long journey of through paper channels.
- b. **Delegation of Section Officer:** With a view to bringing down the decision-to-decision making level, higher officers are induced to delegate more and more authority to section officers. For instance, under-secretaries and in certain cases even section officers have been empowered to sanction money for contingency expenditure up to a certain limit.
- c. **Inspections Introduced:** To enforce compliance with prescribed procedures and make people efficiency conscious, annual and

quarterly inspections of every section in the Federal Secretariat have been introduced. This work is done by the (O and M) officer of the ministry. Each ministry issues annual returns of inspections to the O and M Division.

- d. **Financial Control System Reformed:** The Financial officers linked with the administrative ministries have been re-designated as financial advisers and have been brought nearer to the secretary and other senior officers of the ministry to which they are accredited.

4.0 CONCLUSION

In this unit, we have discussed administrative procedure. Our discussion centres on the following themes: definition of administrative procedure, types of procedures, what is good procedure, the office procedure, defects of procedure system, and recent reforms in office procedure. It is therefore pertinent to say that certain procedural reforms have taken place and have provided adequate opportunities for self-development and self-fulfillment of each government official.

5.0 SUMMARY

In public administration, procedure plays more vital role than in any other large-scale organisation as it is responsible to the people. For all their activities, public personnel are accountable to some superior and ultimately to the legislature and the public. As such, all public acts have to be recorded and kept in files.

6.0 TUTOR-MARKED ASSIGNMENT

1. Explain administrative procedure and what you think good procedure is?

7.0 REFERENCES/FURTHER READING

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UNIT 5 ORGANISATION AND METHOD (O & M)

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Meaning of O and M
 - 3.2 Its Nature
 - 3.3 Functions of O and M
 - 3.4 Advantages and Disadvantages of O and M

- 3.5 Location of O and M Units.
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
- 7.0 References/Further Reading

1.0 INTRODUCTION

Organisation and Method (O & M) could be seen as magic devices to make administration efficient and economical. In fact, when the level of efficiency in administration sinks low, entailing public outcry, officers and commissions are appointed to examine the causes of deterioration of administration. On the basis of their recommendations, some improvements are effected. However, in course of time, the drift sets in again and efficiency seems to be at stake once more. Such a state of affairs induces the authorities in public administration to suggest the creation of a special unit which should have constant watch on the organisation and method of work of administrative machinery.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning of O and M
- the need for O and M
- its nature and
- functions.

3.0 MAIN CONTENT

3.1 Meaning of O and M

The term O and M is used in two senses. In the broader sense, it means organisation and management. As such, it includes the study of the entire process of management, viz, planning, organizing, coordinating, motivating, directing, and controlling. In American phraseology, O and M is used in this sense.

In the restricted sense, it means Organisation and Methods. In this sense, it deals with the organisation of public bodies and their office procedures in order to effect efficiency and improvement in both. Efficiency in the context of O and M work signifies elimination of duplication, waste and delay by reshaping the organisation and by simplification and acceleration of procedures.

In the words of Milward, 'the usual functions of O and M are the examination of the structure of the organisation under review and the studying of administrative and clerical methods, office mechanization and equipment, office layout and working conditions'.

No doubt one of the most important tasks of O and M work is to conduct reviews of an organisation for streamlining it. However, O and M is concerned only with the improvement of the internal structure of the unit concerned. Traditionally, reorganisation of the structure at a higher level does not fall within the purview of O and M unit. Such work is entrusted to high powered bodies, viz, Government Organisation Committee in U.K., the Hoover Commission in the USA etc.

Regarding 'Methods', the O and M units deal with the reviews of procedures and system of transacting work in order to improve them. In this limited sense, O and M falls in the category of techniques like work study, operations research and automation aiming at improvement of administration.

3.2 Its Nature

O and M is not a substitute for all round management. O and M unit alone is not responsible for effecting improvement in administration. Its work is only a part of the entire government's effort at improvement.

The O and M functions should be construed as a service to governmental ministries and offices and not as an imposition from above. O and M is a service function. As such, its duty is to provide better facts to secretaries for decision making on organisational and administrative issues. It should be the endeavour of the O and M group to increase its ability, to provide the service that it may be called upon to perform.

The O and M units have to play advisory role. They have to play staff and not line agency. As such, it serves to establish a relationship with departmental heads so that they achieve their purposes. In no case, it is to force an issue and impose an improvement on a department against its will.

The O and M work should be considered as a work improvement study and not a fault-finding mission. The O and M man should therefore be a friend and an ally, always prepared to help solving the problems and not a critic.

O and M function should neither seem too technical nor too mysterious beyond the comprehension of a layman. O and M function is to be seen for a common human endeavour to discern better ways of doing things.

3.3 Functions of O and M

As already said, the O and M office stands for assisting line officials for effecting improvement in organisational management. The following are its main functions:

- **Research:** O and M office (central) stands for developing and considering new ideas for administrative systems. Such ideas relate to organizing, staffing, budgeting, accounting, delegation, coordination, supervision etc.
- **Investigation:** The central office is concerned with the carrying out of investigations necessitating a broader and more specialized knowledge than can be provided locally. Through such investigations, procedures and methods of the various administrative agencies are thoroughly analyzed.
- **Training:** O and M central imparts training to O and M staff. Such a qualified well trained staff feeds the O and M units. Besides, training helps in promoting interest in O and M programmes. It tones up the administrative organisation.
- **Information:** It serves as a clearing house of information regarding the O and M work transacted at all levels of government. It collects relevant information, builds up a library and makes available information to those who require it.
- **Publication:** It publishes guides, manuals, research material, hand books, bulletins, periodicals and literature concerning both the theory and practice of O and M.
- **Coordination:** In order to prevent overlapping, avoid conflict and remove contradictions, O and M central plays the role of a coordinator. It stimulates interest in the programme and assists line officials in planning and implementing their O and M efforts.

The functions of O and M unit can be summed up as comprehensive reviews of departments, research in O and M techniques, training of O and M officials, coordination, investigating and helping in solving particular problems, analyzing organisation methods and procedures, publishing guidelines for the supervisors and managers, and serving as reservoir of information regarding O and M work.

It may again be emphasized that the role of O and M units is essentially advisory. It is a staff function. It is to be seen as a service to ministries/departments/office. It is primarily a service; rendering service that may be called upon to perform. If a particular department avoids taking its advice or does not abide by it, the O and M unit is not to force the issue. Further, O and M is not a substitute for all round management improvement.

3.4 Advantages and Disadvantages of O and M

O and M is an endeavour to find out better ways of doing things. It may be described as organized commonsense. But since common sense is not common, efficiency experts will be required to organize it.

The main advantages of O and M are the following:

(a) A device to improve administration

O and M provides machinery to improve administration, as it critically reviews the organisation of its various branches and methods of work followed therein. Such a review is of dire necessity even in the best organized offices.

(b) Structure of government office and its procedure made adaptable

Since it makes provision for a machinery to review government organisation and method, it keeps the structure of government office and procedure adopted by it up-to-date. Government organisation can hardly remain static for a long time. It must adjust itself with the changing times for the sake of its own survival.

(c) Reservoir of experience

As the O and M units function as centres of management research, experience is accumulated. This wealth of experience proves conducive to offices and institutions with regard to problems pertaining to organisation and methods. Moreover, it proves useful for devising places for new organisation undertaking fresh activities.

Disadvantages of O and M

Though O and M is of immense use, it is not safe from the perennial shafts of the critics.

The following are its disadvantages:

a. O and M becomes a fault-finder

It is contended that the system degenerates into a sort of internal policing. If the O and M experts behave as critics and fault-finders, rather than acting as staff agencies to the line agency, the very purpose of the organisation stands defeated.

b. Usurpers of line functions

The O and M outstay their role as advisers. They encroach upon the powers of administrators and managers. Instead of winning confidence of the head of the department, they pose as his potential rival. They try to impose an idea upon operational heads. They fail to convince the operational heads regarding the justifiability of their view point.

c. Aura of technicality not avoided

The O and M men do not avoid aura of technicality, because the more technical their work becomes, the farther they drift from the operational heads. The farther they go away from the management and supervision, the less useful they remain in actual practice.

3.5 Location of O and M Units

Since the O and M performs important functions and comes into contact with different departments, the ruling consideration is that it should be located in some ministry or other organisation which can command ready influence and respect with the various department and offices. In the UK and USA, O and M units have been placed under the control of the British Treasury and the Bureau of Budget respectively. In Nigeria, O and M can be located in the presidency. In Canada and Australia, O and M units are placed under the Public Service Commission. In India, the O and M division was earlier located in the cabinet secretariat but it is now a part of the Department of Personnel, Training and Administrative Reforms.

4.0 CONCLUSION

In this unit, we have discussed organisation and method (O and M). However, our discussion was primarily on the meaning of O and M, its nature, functions, merits and demerits, and location of O and M. Thus, we could aptly conclude that O and M is aimed at creating a common fund of knowledge and information, which will be collected by cooperative efforts. Competent and experienced persons are supposed to cooperate in this collection. O and M thus work with the main objective of providing information, knowledge, leadership and drive.

5.0 SUMMARY

The authorities in public administration are of the view that O and M unit/division is working quite satisfactorily. However, there is always a scope for further improvement

6.0 TUTOR-MARKED ASSIGNMENT

1. Give the definition of O and M and explain its nature.
2. What are the advantages and disadvantages of O and M?

7.0 REFERENCES/FURTHER READING

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MODULE 5

Unit 1	Administrative law
Unit 2	Delegated Legislation
Unit 3	Administrative Adjudication
Unit 4	Administration and Finance
Unit 5	The Budget

UNIT 1 PUBLIC RELATIONS

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Meaning of Administrative Law
 - 3.2 Comments on Definition
 - 3.3 Rule of Law vs Administrative Law
 - 3.4 Criticism of Dicey's View
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 - 3.6 Universality of Administrative Law
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 - 3.8 Reasons for the Phenomenal Growth of Administrative Law in Recent Times
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- 6.0 Tutor-Marked Assignment
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1.0 INTRODUCTION

Administrative law is an important branch of public law as well as public administration. However, with the ever-growing complexity of administrative tasks, the administrative technique to achieve them also is becoming more and more exacting. No doubt, achievement of some objectives is possible through persuasion or constant watch and periodical inspections. Yet some of the objectives can be achieved only through the control of human behavior by applicability of set rules and orders

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- state the meaning of administrative law
- differentiate between rule of law and administrative law
- describe dicey's views on administrative law
- list major sources of administrative law, scope etc

3.0 MAIN CONTENT

3.1 Meaning of Administrative Law

There is divergence of views on the existing literature in the sphere of administrative law with regard to the meaning of administrative law. Many writers have attempted to define or conceptualize the sphere of administrative law. Some of these definitions are as follows:

- **Ivor Jennings:** “Administrative law is the law relating to administration. It determines the organisation, powers and duties of administrative authorities and indicates to the individual remedies for the violation of his right”
- **F. J. Goodnow:** Administrative law is “that part of the public law which fixes the organisation and determines the competence of the administrative authorities and indicates to the individual remedies for the violation of his right”
- **W.B. Munro:** Defines it “as a system of jurisprudence which on the one hand relieves public official from amenability to the ordinary courts for acts performed in their official capacity and, on the other hand, setup a special jurisdiction to hold them accountable”
- **C.F. Strong:** Defines it as “the body of rules which regulates the relationship of the administrative authority towards private citizens and determines the position of state officials, the rights and liabilities of private citizens in their dealing with this official as representatives of the state and the procedure by which these rights and liabilities are enforced.
- **E. C. S. Wade and Bradley:** Administrative law is a branch of public law which is concerned with the composition, powers, duties, right and liabilities of the several institutions of government which are engaged in administration”.
- **B. Schwartz:** Content’s that, “Broadly speaking, administrative law may be defined as the branch of the law that controls the administrative separations of government. It sets forth the powers that may be exercised by administrative agencies, keys down the principles governing the exercise of those powers, and provides legal remedies to those aggrieved by administrative action”.

3.2 Comments on Definition

An analysis of the views of these writers reveals that the system of administrative law has divergence of opinions. However, two distinct perspectives can be deduced from the definitions presented above. These are the narrow and broad perspectives. In the broad sense, administrative law covers all the statutes, charters, resolutions, rules, regulations, judicial decisions and orders which have a bearing upon the structure of administrative authorities, the distribution of functions among them,

their powers and procedures, their personnel and finances and their responsibilities.

From the narrow perspective, administrative law is the law of official powers and responsibilities, or the law which determines the amount of discretion permitted to administrative officers and agencies. In the books on the public administration and administrative law literatures, the subject is usually dealt with in this sense, the topics covered including the legal basis of administration, administrative discretion and its limit, various kinds of official responsibilities.

3.3 Rule of Law vs Administrative Law

(a) **Rule of Law:** As prevalent in U.K., rule of law has three distinguishing feature namely:

- (i) the absolute supremacy of the ordinary law of the land, permitting no arbitrary power of discretion to administrative authorities. Under it no person is punishable till he has actually violated the law of the land as proved before the ordinary court of law
- (ii) equality before the law for both the officials and non-officials
- (iii) the primacy of the right of the individuals which constitute the source of constitutional law instead of the administrative law being the source of the former.

Thus, the rule of law is a constitutional doctrine which emphasizes the supremacy of the law administered by the law courts.

Administrative Law

Dicey, a celebrated English writer, in his famous work, Law of the Constitution, identified administrative law with part of the French Droit Administrative, according to which actions by the citizens against officials for wrongful acts committed in the official capacity, are tried, not by ordinary courts of law but by special administrative courts manned by civil servants. Since such a system of courts did not exist in England in those days, Dicey described administrative law as contrary to the rule of law a cardinal feature of the British constitution. He referred to three distinguishing features of administrative Law:

- the ordinary courts do not have jurisdiction in cases in which the state or state officials in their official capacity constitute a party
- the rights of the states officials are determined by a special body of law and rules, which are not applicable to citizens
- as an influence from these arrangements, a special protection was accorded officials in France for wrongful acts done in their official capacity.

3.4 Criticism of Dicey's Views

Some of the eminent writers like Ivor Jennings, J.H Morgan, W.A Robson and F.G Goodnow do not accept Dicey's contention. They opine that Dicey's appraisal of the nature and effects of Droit administrative in France identifying a particular aspect of it with the concept of administrative law, and his non-acceptance of the existence of administrative law did exist in U.K in Dicey's own time. Hence, he himself contended that "Rule of laws is expose to new peril". The sporadic growth of administrative courts in U.K made him say "The old veneration for the rule has waned".

No doubt, administrative law has not existed in the sense in which it is understood and practised in France and other European countries. However, its existence in U.K cannot be denied.

The following are the main points of criticism against Dicey's interpretation of administrative law:

(a) No special protection of officers

Dicey's contention that administrative law accorded special protection to officials and the state, in their dealings with the citizens and their rights, and claims drawn from the official composition of the administrative courts was wrong.

The administrative courts came into existence during the French Revolution under the influence of Montesquieu's theory of separation of powers and the practical needs of the situation. During their process of evolution, these courts developed a jurisprudence which, far from being a menace to the individual liberty, proved its bulwark. Morgan has correctly contended that Droit administration was not to shield the officials but to extend that liability to cases in which he would be immune in the U.K. Dr. Garner while referring to France so remarked that, "There is no other country in which the rights of the private individuals are so well protected against administrative abuses and the people are so sure of receiving reparation for injuries sustained as in France".

(b) **Separate administrative courts existed in U.K**

Dicey was not quite clear about the nature and effect of rule of law in England. It was wrong to assume that the citizens in U.K were being governed by the same ordinary law of the land and that the state had no discretionary powers. Robson is correct in holding that a special body of laws applicable to the activities of administrative authorities always exists in U.K. such a type of law extended to authorities, special rights and bestowed upon them special powers.

The officers in England did discretionary powers to which Dicey was allergic. For instance, the prerogative powers of the Crown were nothing but discretionary and the entire field of governmental activity was carried on within its scope.

(c) **No equality before law**

Dicey's contention that under the rule of law, the officials and the private citizens enjoy equality before the law and the former did not possess special privileges is not based on facts. Until the passage of Crown Proceedings Act 1947, the Crown enjoyed immunity from liability. The Executive still enjoys a number of other privileges before the courts.

(d) **Rights do not emanate from courts**

Dicey's contention that in rule of law countries, individuals rights hold primary over the state rights and that constitutional law is the outcome of the rights emanated from the decisions of the courts is wrong. Only a minor part of the English Constitutional law has emanated from the individuals. A vast part of it is the outcome of conventions, common law and statutes passed by the Parliament from time to time.

3.5 An Appraisal of Dice's Concept of Rule of Law

An appraisal of the proceeding points reveals that Administrative Law is not contrary to the Rule of Law. It has always existed and still exists in more or less degree in all countries including U.K. It has become a universal phenomenon and is recognized in the same way as the constitutional law of a country. Administrative Law, as regulating the constitution, functions, procedures and powers of administrative authorities, has been universally accepted. It has become a part of the public law of country, and is responsible for creating a pattern of relationship between the public authorities and the citizens which differs radically from the pattern of legal relationship between citizens and citizens.

However, it must be conceded that while the jurisprudence of Driot Administrative was not being abused in France at the time Dicey made his submission, this does not mean that Dicey's fears were unfounded and untenable. His fears are tenable to the extent that the theory of separation of powers presupposes the fact that legislative, executive and judiciary powers should not be concentrated in the hands of one man or a group of persons. This is why checks and balances mechanism is recommended as a corollary of separation of powers. This is to checkmate the abuse and gross pervasion of power. Thus, that the fusion of powers in France was not abused does not obliterate its potential of being abused. It will be an error of judgment if we do not share Dicey's apprehension.

3.6 Universality of Administrative Law

From the above discussion of Dicey's views on Driot administrative and the rule of law, the conclusion emerges that irrespective of its recognition as a separate body of law distinct from the ordinary law of the land, and irrespective of the fact whether claims of citizens against the state and its officials are decided by a special system of court or not, there is a system of administrative law in every country in the same way as there is a system of constitutional law. Where there is public administration, there must also be administrative law. In some countries, legal study and analysis may not have advanced sufficiently far to differentiate it from the rest of prevailing law, but that can scarcely be a ground for denying its existence. Administrative law, as regulating the constitution, functions, procedure, and powers of administrative authorities, is a universal phenomenon. This law is part of the public law of the country and creates a pattern of relationship between the public authorities and the citizens which is different in many ways from the pattern of legal relationship between citizens and citizens.

3.7 Sources of Administrative Law

As already stated, administrative law comprises a large number of statutes, charters, rules, regulations and procedures as also those resolutions, orders, decisions, etc, which are meant for running smooth administration. In reality, administration is both the child and the parent of administrative law. There are rules and regulations which govern it and there are orders by which it is ruled.

The chief sources of Administrative Law are:

- the constitution of the country
- the statutes and the resolutions passed by the legislature of a country

- charters, local Body Acts granted and enacted by the legislature
- ordinances, rules, regulations, resolutions, orders, directions and decisions etc. issued by the administrative authorities
- judicial decision of the courts
- customs and conventions

Administrative law is thus to be recognized by its substance rather by its form. That substance takes public administration as its focal point.

Scope of Administrative Law

In its wider sense, administrative law covers the whole of public administration. In reality, in continental countries, public administration is studied under the name of Administrative Law. In the U.S.A, a committee on public administration of the Social Research Council (1938) stated the following outlines as the scope of administrative law:

- problems of public personnel
- problems of financial administration
- legal conditions of administrative discretion
- administrative law and administrative courts
- administrative regulation
- administrative examination
- government contracts
- claims against government
- remedies against administrative action
- law relating to the status and recognition of professional associations
- legal rules as applicable to the action of plural-headed administrative bodies

However, James Hart divides the field of administrative law into the law of internal administration and law of external administration. The law of internal administration expounds the nature of public office or elucidates official relations as deemed by Goodnow. It comprises such topics as:

- Legal qualifications for officers, legal disqualifications for officers, legal aspects of appointment, tenure and conditions of service etc.

However, a more systematic outline would be to divide the subject of administrative law into the law of official powers and the administrative responsibilities.

3.8 Reasons for the Phenomenal Growth of Administrative Law in Recent Times

The question arises why administrative law had such a phenomenal growth? The reasons are not farfetched:

(a) Impact of Urbanization and Industrialization

Due to the impact of fast urbanization and rapid industrialization, the philosophy of individualism which was prevalent in the 18th and the 19th centuries suffered an eclipse. The old Laissez-Faire doctrine of state functions could be tolerated so long as even distribution of means of production and economic power among the masses persisted. In the course of time, the Industrial Revolution led to a concentration of production in the hands of a comparatively small number of capital owners. This resulted in the abject helplessness and virtual starvation of the working masses who the industrialists gave only a pittance which could hardly sustain them.

Urbanization which appeared in the wake of industrial revolution posed another problem. Housing accommodation got scarce. Water supply was inadequate. Open air and sunshine became the privilege of the few. Under such adverse circumstances, the individual lost the capacity of self-help. Free initiative to individuals seemed to be inimical to common good.

Thus, the state had to appear as the custodian of the welfare of the exploited. This could be possible only through appropriately regulating and restricting the latter's rights and freedom. This resulted in the emergence of special types of laws known as administrative laws which subordinated the common law rights of personal freedom and private property to the conception of common good. To procure the latter, it placed necessary limitations on the former. It emphasized the social interest as against the individual's freedom.

(b) Flexibility of standards was the need of the hour

Administrative law does not stand for the enforcement of individual rights. Instead, it stands for the furthering of policies of social improvement. As such, it lays down certain flexible standards to be applied to cases instead of cut and dried legal rules or precepts to be followed.

(c) Discretion to public officials found helpful

The administrative law allows official discretion and freedom for the efficient management of public services. Though administrative law was under the fire of criticism at the hands of critics like Lord Hewart, to secure public interest, the modern state, is no longer a police state. It has become a welfare state.

Hence, it manages the business which was previously the monopoly of a few individuals. This necessitates freedom of action. Hence, discretionary powers to the state officials equip them with the required freedom of action without which the government is apt to fail in the fulfillment of its newly sprung up functions.

(d) Suitable standards to deal with technical matters necessitated

Matters of a highly technical nature necessitated the laying down of certain standards. The interpretation and applicability of these standards to individual cases is entrusted to administrative courts which are composed of suitable subject-matter experts. The ordinary courts manned by judges having legal acumen can hardly be the best judges of such standards. For example, the judges of the ordinary courts can hardly comprehend whether neither railway rate structures nor traffic restrictions placed on the use of a bridge to ensure its safety are or not reasonable or whether a certain practice in the field of insurance is or is not fair.

Experimental stage

Regulatory standards suiting new and hitherto undiscovered fields are being discovered by administrative law. Hence, it is said to be in an experimental and dynamic condition. Evidently, the indispensableness of regulatory standards does necessitate dynamism in law which is discernible in administrative law alone.

4.0 CONCLUSION

In this unit, we have discussed administrative law in its totality. For instance, our discussion centered on the following themes, the meaning of administrative law, comments on definition, Rule of Law Vs administrative law, criticism of Dicey's view, universality of administrative law, sources of administrative law, the scope, and the reasons for the phenomenal growth of administrative law in the recent times. Thus, in the words of Frankfurter, "We are dealing with law in the making. Administrative law is groping, it is necessarily still crude and empirical. It is dealing with new problems calling for new social inventions or fresh adaptation of old experience. In a field as vast and unruly, we must be wary against premature generalization and merely formal system"

5.0 SUMMARY

It is being increasingly realized that administrative law is an answer to the ever-increasing needs of the present-day changing society which demands a great degree a progressive attitude and an adaptation of policies to meet different complex situations.

Administrators are not expected to play a positive role of formulating policy to develop administrative techniques and to work out new methods of adjusting controversies, to check and modify their standards in their ordinary frictions of everyday life and to adapt their decisions and attitudes accordingly.

6.0 TUTOR-MARKED ASSIGNMENT

1. What is administrative law? Explain the difference between administrative law and rule of law.
2. What are the main points of criticism advanced against Dicey's views on administrative law?
3. Explain the universality of administrative law.

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UNIT 2 DELEGATED LEGISLATION

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Meaning
 - 3.2 Causes or Need for Delegated Legislation
 - 3.3 Advantages and Disadvantages
 - 3.4 Safeguards in Delegated Legislation
- 4.0 Conclusion
- 5.0 Summary
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1.0 INTRODUCTION

Delegated legislation or rule-making power is one of the most important topics in the realm of Administrative Law. It has close bearings with parliamentary government and power of the executive in general. Thus, delegated legislation has become indispensable in the modern welfare states which have undertaken multifarious duties in order to ameliorate the lot of the common masses.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning of delegated legislation
- the need for delegated legislation
- its universality
- merits and demerits, and
- its safeguards.

3.0 MAIN CONTENT

3.1 The Meaning of delegated legislation

Delegated legislation refers to the law-making power vested with the Executive by the Legislature itself. This term is known as Executive Legislation. Since the law – making power given to the Executive is not its original power, it is called “Subordinate legislation”. It is deemed void if it violates the parent Act or transgresses its power.

Thus, we may conclude that delegated legislation means the exercise by a subordinate authority such as a Minister utilizing the legislative power delegated to him by the parliament. Parliament passes the bill in general terms and delegates the authority of rule – making under the Act to the Minister concerned.

Since this authority of rule-making is in pursuance of statutory authority and not an original power of the Executive in its own right, delegated legislation is therefore, subservient to the statute under which it is made. If the rule is not consistent with the statute, it is null and void.

The term delegated legislation is used in two senses:

- it refers to the powers delegated to the executive to make rules
- it means the out-put of the exercise of that power, viz, rules, regulations order. etc.

3.2 Causes or Need for Delegated Legislation

The inevitability of delegated legislation, particularly in a welfare state, is not in dispute. The needs for it are as follows:

(a) Impact of science and technology

Due to the impact of science and technology, the functions of the modern state have got multiplied to such an extent that it is virtually controlling the management of the life of the community as a whole. Evidently, this has led to the growth of powers of the modern legislature to an extent that they cannot cope with ensued responsibilities. The pressure of work and lack of time caused the legislature to delegate legislative authority to the executive.

(b) Average legislator – a layman

The average legislator is a layman. He is not competent enough to deal with matters of complexity and complication. Hence, he lays down only general principles and leaves the technical details to be filled up by the departmental heads. For instance, the parliament may place restrictions on the sale of poisonous substances but may leave the compilation of poisonous substances to the experts in the Medical and Health Department.

(c) Need to secure flexibility

Law may require amendments, or modifications with the change of times. Parliament is not always in session. Hence, it cannot adapt the law to changing conditions. Delegation of this power to the executive enables it to make alterations in the law whenever deemed essential.

(d) To provide for unforeseen contingencies

Emergencies like war, famine, pestilence, and economic crisis, require prompt action. It is not desirable to wait for the session of parliaments to meet such eventualities. Hence, such a power need be vested with the executive which is always prepared to take action. Carr has correctly remarked that it is during global wars that governmental regulation becomes most intrusive. This is natural enough to secure survival from these uncomfortable experiences, legislative power must be delegated in the widest terms to meet unforeseeable as well as patent dangers.

(e) Legislature cannot foresee

It is not possible for the legislature to foresee and include in the law all the contingencies which may arise in case of large and complex matters. Hence, they are left to the departments to be regulated as and when the opportunities arise.

(f) Consultation with affected interests

Administrative agencies can make better consultation with those whose interests were affected than the legislature which cannot conveniently arrange for such consultations.

(g) New Standards to be setup

Growth of delegated legislation can also be attributed to the need for setting up of new standards in the social interest of the society. This is to ensure the national minimum of health, education, housing, and sanitation standards to everybody for which expert and experienced knowledge is required. For instance, the question whether a local authority is justified in restricting traffic in excess of a certain weight from crossing a particular bridge is an engineering problem which can hardly be solved by the law of the legislature. A right decision on such questions necessitates the application of rules which only engineers of long experience can comprehend

(h) Rules to be lenient in the initial stages

Government is entering into a new phase especially of trade and commerce. As such, it must elicit the co-operation of a large section of the people. Such co-operation is mutual. The rules of the government must also be lenient and innocuous.

(i) Proper drafting of rules

Since rule – making is done in keeping with the circumstances; drafting of rules is apt to be more perfect than the legislation through the Parliament. Hence it is preferred.

Thus, all these factors have led to the continuous increase in the volume of delegated legislation. A rapidly changing economic and social order demands that any scheme of governmental control and regulation be flexible. Administrative agencies offer the services of the expert and are better equipped for experimentation than the legislature.

3.3 Advantages and Disadvantages of Delegated Legislation

Advantages

The question arises as to why delegated legislation has attained remarkable popularity both in the parliamentary and presidential democracies particularly when the parliamentary type believes in the sovereignty of parliament and the presidential system in the theory of separation of powers. This popularity can be safely attributed to its stated advantages which are as follows:

(a) Time of parliament saved

Delegated legislation enables the parliament to save time. As already said, the activities of the government have multiplied. The volume of legislation has thus become manifold. The legislature has neither the time nor the capacity to make laws. Hence it delegates some of its law-making powers to the executive, freeing itself from the burden of details. Time, thus saved, can be more fruitfully utilized by the legislature on important issues of policy.

(b) Flexibility of rules

It is conducive to flexibility. Laws passed by the legislatures are comparatively rigid. Rigorous procedures of amendment may have to be followed to effect amendments in certain laws. Otherwise too, repealing, rescinding or amending an ordinary law necessitate following up a certain specific procedure, sometimes making prompt adaptability to changing circumstance a bit difficult.

(c) Interests affected consulted

Delegated legislation makes prior consultation with the affected interests possible. Such consultation will make legislation more effective. In the words of White, "The drafting of the rule may and often does permit conferences between the government and the parties of interest and consequently a broad agreement which tends towards voluntary compliance"

(d) Expert knowledge utilized

Parliament is composed of lay men who may be able to lay down broad principles and objectives but are certainly not competent to determine the minor details. The details should be worked out by the experts. Delegated legislation helps in making use of expert knowledge and working out details.

(e) Experimentation in new fields possible

Making of experiments in such fields as to planning is possible through delegated legislation. In entering new fields, administrative rules may be relatively innocuous with gradual stiffening until the full intent of the statute is achieved.

(f) Unforeseen contingencies adequately met

Parliament is not omniscient. It can hardly foresee all sorts of contingencies which may arise. Administrative officials must be equipped with discretionary powers to deal with such type of situations by issuing rules and regulations.

(g) Avoidance of litigation

Administrative legislation permits a definite statement of policy; thus avoiding the possibility of litigation or compulsion. According to White, “the avoidance of litigation as far as possible is a definite gain”.

(h) Prompt action in emergencies

Parliament is in session for a few months in a year. If emergencies crop up during its interval, they cannot be tackled promptly till the executive is empowered to meet them through its power of issuing rules and regulations.

(i) Proper drafting of rules

Since rule-making power is exercised, keeping in view actual situation, by the experts deputed for the purpose by the executive, drafting of rules is apt to be more perfect.

Therefore, delegated legislature is a suitable answer to the rapidly increasing needs of the present day changing society which necessitates a progressive attitude and an adaptation of policies for the changing circumstances

Disadvantages

Despite its marked popularity, the system has been vehemently criticized by critics like Lord Hewart and C.K. Allen. Hewart describes it as triumph of bureaucracy. Dicey, 30 years after writing on rule of law, remarked in 1915 that rule of law is exposed to new peril due to the growth of delegated legislation.

The following are the main points of criticism advanced against it:

(a) Individual liberties at stake

It is apprehended that vesting of discretionary powers with the officials turns democracy into despotism. Concentration of legislative power on the executive results in jeopardizing the liberties of the individuals.

(b) Delegation of unlimited powers

Once this process of legislative powers commences, it is apprehended that unlimited powers may be delegated to the executive. In effect, in the words of Kemp “When the charter is so indefinite, the courts certainly cannot control it, and parliament can do so only by revoking it altogether”.

(c) Jurisdiction of courts ousted

Delegated legislation often seeks to oust the jurisdiction of the courts. This results in depriving the citizens of judicial protection. The enabling Act may clearly specify that the rules made there under shall not be called in question in any court of law. In the words of Lord Hewart, "It is the abuse of the system that calls for criticism and perhaps the greatest abuse and the one most likely to lead to arbitrary and unreasonable legislation is the ousting of the jurisdiction of the court.

(d) Interest of the people ignored

It is generally contended by the critics that it may serve interests of the influential parties or the interested groups, thus ignoring the interests of the general masses. The Enabling Acts always require the rule-making authority to consult the interested parties before framing the rules. This may consequently result in ignoring the common or public interests.

(e) Judicial remedy costly

Judicial remedy, though constitutionally provided to the citizens, is generally costly and fairly cumbersome. In Nigeria, as it is elsewhere, prior approval of the government has to be secured before any administrative authority can be sued in the court.

(f) Poor publicity of these rules

The people generally suffer because the rules are not brought home to them. Though the enabling Act provides that government would give proper publicity to the rules and regulations, in general, proper publicity to such rules is not given. This adversely affects the interest of the people.

(g) Democratic principle undermined

Generally, taxation power is also delegated. Such a delegation undermines a famous democratic principle which says "No taxation without representation".

(h) Privileged position of the state

The critics opine that even if judicial remedies are available, the citizens cannot expect a fair hearing from the courts especially when they are pitched against the state. In Nigeria, so to say, the state enjoys an envious position.

(i) Retrospective effect unfair

It is opined that these sub-laws are sometimes applied with retrospective effect. This is rather unfair. Even the British Selected Committee on Statutory Instruments observed that rules

“Should not purport to have retrospective operation unless parliament has expressly so provided”.

(j) Inadequate scrutiny

Inadequate scrutiny of the rules and regulations by parliament makes delegated legislation develop into despotism. Though parliament's main function is to control the executive, parliamentary scrutiny of delegated legislation was inadequate and not very critical. As such, it has failed to keep the executive on the rails.

(k) Confusion and chaos

It is contended that too much flexibility leads to confusion and causes chaos. Hence, it affects the administration very adversely.

Though these points of criticism have some weight in them, delegated legislation cannot be avoided. It is in fact a necessary evil. It is necessary because Parliament lacks time to enact detailed legislation on all kinds of subjects on which laws have to be made. It is also an evil because it gives to Caesar what does not, in fact, belong to Caesar.

3.4 Safeguards in Delegated Legislation

As already said above, delegated legislation is a necessary evil and is as such ever on the increase rather than diminish, the need for safeguards cannot be overemphasized. Hence, the following safeguards should be provided to avoid its pitfalls:

- the enabling Acts should specifically define the powers delegated. The use of vague terms as in “common interest”, “reasonable variation” may be avoided as they give vast discretionary powers to the executive.
- the jurisdiction of the courts should not be ousted or curtailed. Thus, the power of judicial review should be vested with the courts. That will check the excesses of delegated legislation.
- the executive should take in confidence the outside interests directly affected by the proposed exercise of rule-making powers.
- explanatory notes should be added to all the regulations so that the layman is fully acquainted with the necessity of a particular regulation.
- rules and regulations should be published and given publicity.
- parliamentary control over delegated legislation is a proper safeguard against abuse of these powers by the executive.
- rule-making authority should be delegated to a trustworthy authority approved by the Parliament.

In Nigeria, where the doctrine of supremacy of constitution prevails, the legislature cannot delegate its law-making power to any extent. Knowing the inevitability of delegated legislation, it may be suggested that the safeguards enumerated in the preceding paragraphs should be given due weight without which the executive might become despotic, and the liberty of the people may be at stake.

4.0 CONCLUSION

Delegated legislation is inevitable, more so in societies like ours which is engaged in transforming itself. It is, there, argued that greater use should be made of advisory committees representing the severally affected interests in grinding out administrative details.

5.0 SUMMARY

The system of delegated legislation is both legitimate and constitutionally desirable for certain purposes within certain limits and under certain safeguards.

6.0 TUTOR-MARKED ASSIGNMENT

1. Define delegated legislation, and bring out its advantages and disadvantages.
2. Why is delegated legislation inevitable especially in a society like ours?
3. What are the safeguards against abuse of delegated legislation?

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UNIT 3 ADMINISTRATIVE ADJUDICATION

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 The meaning of Administrative Adjudication
 - 3.2 Difference between Administrative Tribunals and Ordinary Courts
 - 3.3 Kinds of Administrative Adjudication
 - 3.4 Causes of the Growth of Administrative Adjudication
 - 3.5 Advantages and Disadvantages of Administrative Adjudication
 - 3.6 Safeguards in Administrative Adjudication
- 4.0 Conclusion
- 5.0 Summary

- 6.0 Tutor-Marked Assignment
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1.0 INTRODUCTION

Modern public administration has taken a leaf not only from the legislature's book but also from the judiciary. Administrative adjudication is the latest addition to the administrative techniques. Administrative adjudication means the determination of questions of a judicial or quasi-judicial nature by an administrative department or agency. Like a regular court, administrative bodies hear the parties, sift evidence, pronounce a decision in cases where legal rights or duties are involved.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define administrative adjudication
- state the points of difference between administrative adjudication and administrative of justice
- list the kinds of administrative adjudication
- state why administrative adjudication has grown rapidly so soon, etc.

3.0 MAIN CONTENT

3.1 The Meaning of Administrative Adjudication

In the words of Prof. White:

- “Administrative Adjudication means the investigation and settling of a dispute involving a private party on the basis of a law and by an administrative agency”.

Prof. Dimock defines:

- “Administrative Adjudication as the process by which administrative agencies settle issues arising in the course of their work when legal rights are in question”.

Blarchy and Oatman describe it as:

- “Authorities outside the ordinary court system which interpret and apply the laws when acts of public administration are attacked in formal suits or by other established methods”.

The agencies of administrative adjudication may comprise:

- the Minister
- the Head of the department (Permanent Secretary)
- a ministerial tribunal
- a special committee or commission like Independence Regulatory Commissions
- specialized courts of law
- a single member tribunal
- a composite tribunal.

Dr. Robson has thus remarked that, ‘one of the most striking developments in the British constitution during the past half century has been the acquisition of judicial power by the great departments of the state and by various other bodies and persons outside the courts of law’.

3.2 Difference between Administrative Tribunals and Ordinary Courts

Administrative Court	Courts of Law
Administrative justice is administered by administrative agencies instead of regular courts	Court of law is excluded
The administrative courts follow the principles of natural justice and common good	The courts of law follow the settled principles of law and evidence
The administrative courts are manned by officers belonging to the executive branch	The judges are the members of judiciary independent of executive control
The elaborate requirements of judicial proof with the appeal to the higher courts and expenses may be avoided.	Court proceedings are quite expensive, with long drawn out processes.

3.3 Kinds of Administrative Adjudication

Administrative adjudication may take the following forms:

- advisory administrative adjudication, which means that the power of final decision is vested in the head of the department or other authority
- administrative adjudication may constitute a part of the regular functions of an administrative officer
- administrative adjudication may be combined with a legislative administrative process
- regular suits may be filed against administrative decision
- administrative adjudication sometimes applies to licensing activities
- administrative adjudication may be adopted for the settlement of claims
- administrative adjudication may sometimes serve as a condition precedent to the performance of an administrative act.

3.4 Causes of the Growth of Administrative Adjudication

The following factors have led to the growth of administrative adjudication:

a. A by-product of the welfare state

The administrative tribunals rendering administrative justice constitute a by-product of the welfare state. In the 18th and 19th centuries when *Laissez faire* theory held sway, law courts protected the rights of the citizens at the cost of state authority. But with the emergence of welfare state, social interest began to be given precedence over individual rights. The existing judiciary failed to uphold the new system. In brief, the new system of administrative adjudication suited new social ends espoused by a welfare state. It proved a potential instrument for enforcing social policy and legislation.

b. Suitable to industrialized and urbanized society

Administrative adjudication suits modern industrialized and urbanized society as well. The latter necessitates positive and prompt action which is possible if the problems arising out of the new order are not left at the mercy of ordinary courts.

In the words of Prof. Robson, “parliament did not overlook the courts of law but they found the possibility of setting up new organs of adjudication which would do the work rapidly, more cheaply and more efficiently than the ordinary courts, which would possess greater technical knowledge and few prejudices against government, which would give greater weight to the

social interests involved and show less solicitude for private property rights which would decide with a conscious effort at furthering the social policy embodied in the legislature”.

c Ordinary law courts not competent

- Law courts, on account of their elaborate procedures, legalistic forms and attitudes can hardly render justice to the parties concerned, in technical cases. Ordinary judges brought up in the traditions of law and jurisprudence are not capable enough to understand technical problems judiciously.
- The expedient adopted by the courts is to examine the experts of the subject. The expert witnesses are only too often lured assassins of the truth.

d. Standard of conduct to be devised

Besides the points suggested above, the main business of the ordinary courts is to settle disputes and not to set standards of human behaviour. It is for the legislature to set such standards. The legislature is not in a position to prescribe in exact details of pattern of conduct. This power is delegated by legislature to the administration and the disputes arising out of the enforcement of these standards can be properly tackled by administrative courts alone. For instance, the factory rules provide certain safety measures. A worker working in the factory gets injured. Has he been injured due to bad workmanship or non-compliance with the safety measures by the management? All these can be decided only by administrative experts rather than an ordinary judge.

The sporadic rise of administrative adjudication was, however, widely denounced by the freedom-loving people of the democratic countries. In England, parliament was compelled to appoint a committee on ministers' power in 1931 to go into the question. The committee was, however, of the view that the system of administrative adjudication was not inconsistent with the rule of law.

3.5 Advantages and Disadvantages of Administrative Adjudication

Advantages

The following are the advantages of administrative adjudication:

- Cheaper:** Administrative justice is comparatively cheaper. In suits, lawyers may or may not appear. No court fees are to be paid, no

solicitors are to be instructed, no counsel is to be briefed, no pleadings are to be printed and no affidavits are to be sworn. Robson opines that it is also cheaper from the point of view of the state, if the relative salaries of the official members of the administrative tribunals and the judges are taken into consideration.

- b. **Speedy justice:** Justice by the administrative tribunals is speedy. Oral learning are dispensed with. Intricate trial procedures are abandoned. Vexation rules of evidence are conspicuously absent.
- c. **Adequate justice:** In the fast changing world of today, administrative tribunals provide the most effective means of rendering fair justice to the individuals. Lawyer steeped in the old traditions and philosophy of law and environed by procedural dialectics generally discernible in the ordinary courts of laws, can hardly appraise the needs of the modern welfare society. Hence, administrative courts alone can render adequate justice.
- d. **Burden of courts lessened:** The system provides the much needed relief to the ordinary courts of laws which are overburdened with varied types of ordinary suits. Many of the disputes coming before the ordinary tribunals are of ordinary nature and do not warrant the attention of highly paid judges or the necessity of elaborate procedures and rules of evidence. Such case can easily be referred to these tribunals.
- e. **Useful in developing democracies:** The developing democracies with experiment with new social and economic programme, ordinary courts would be complete misfits. All the disputes arising out of such programmes will get struck out, thus giving a setback to the programme itself unless we switch over to the administrative courts.
- f. **Fixing of standards:** The disputes which come for adjudication before the administrative tribunals are not concerned with the proprietary or other claims of the disputants but with the fixation of public standards of performance. Such standards of performance can be determined only by these administrative tribunals and not ordinary courts. For example, a dispute concerning an injured employees claim of enforcing standards of safety in the factory than a mere dispute of rights between the employer and the employees. Obviously, ordinary courts are not capable of understanding such work.
- g. **Flexibility:** The legalistic approach to problems is static, unprogressive and individualistic. An ordinary court intervenes only when a conflict arises. It moves in the direction of controversy alone. It is not concerned with the problems arising from the decisions, the complications following such decisions and the other inter-relations involved. The fast changing society necessitates a progressive attitude and an adaptation of policies to meet changing conditions. Administrators formulate policy, develop administrative techniques, work out new methods of adjusting controversies, check and modify

their standards in the ordinary functions and difficulties confronting everyday life and adjust their decisions and attitudes. Thus, conditions fostering controversies are removed through such a type of flexibility.

Disadvantages

Though the advantages of administrative courts are quite impressive, they have been target of criticism at the hands of certain critics like Dicey, Lord Hewart, Allen and K. M. Memshi etc. The following are the main defects of administrative adjudication:

a. Violation of rule of law

It violates the rule of law which is the cornerstone of democracy. Rule of law stands for equality before the law, supremacy of law and due procedure of law over governmental arbitrariness. Administrative tribunals, with their separate law and procedure often made by them, seriously circumvent the celebrated principle of rule of law.

b. Principle of natural justice undermined

Administrative adjudication violates the principles of natural justice. Viz, no man should be a judge in his own case, no party ought to be condemned unheard, and party concerned should know the reason for the decision. The administrative courts do not often give the reason for a decision. The quality of investigation is also poor. Free from the trammels of judicial procedure, administrative courts depend on un-sworn written statements, unsupported by verbal testimony given on oath and subjected to cross-examination. Witnesses are compelled to amend. Thus, justice remains at stake.

c. Limited right to appeal

The right to appeal from the decisions of these courts is either very limited or is non-existing. The opportunity for judicial review is restricted. This is apt to lead to miscarriage of justice.

d. Lack of publicity

The rules of procedure of administrative courts do not provide for the publicity of proceedings. Provision of oral hearing may not be there or if it is there, it may not be open to the public and the press. Reports of the cases so decided may not be publicized.

e. Tribunals do not act judicially

Tribunals are not manned by judicial luminaries. As such, they do not have the impartial outlook. They become the limbs of the executive, and dance to its tune and cease to act judicially.

f. Prediction of future decision not possible

The administrative courts' summary trials and do not take into consideration precedents. Hence, it is rather impossible to predict the course of future decisions. It is contended by the critics that administrative law today is a medley of confusion practically in all those countries where rule of law prevails. It is neither written nor definite, nor known.

g. Uniform procedures non-existing

The administrative courts do not observe uniform procedures which lead to inconsistent and arbitrary decisions. Fixed standards of conduct are conspicuously absent. Hence, justice is negated. Lord Hewart correctly remarked, 'justice should not only be done but should undoubtedly and manifestly be seen to be done'. Though these defects seem to be quite alarming they are not inherent defects. There is a necessity for providing proper safeguards to eliminate these defects. In reality, there is a need for striking a proper balance between cheapness and promptness of justice and the liberty of individuals.

3.6 Safeguards in Administrative Adjudication

There are three types of safeguards which if provided; administrative adjudication would be an asset to democracy. The safeguards are:

- organisational
- procedural, and
- judicial

a. Organisational safeguards

- The adjudicator of disputes should be a person different from the one who is involved in a dispute against the individual or group of individuals. He may be drawn from the same service responsible for administration of the functions of the agency.
- An adjudication board or tribunal rather than a single officer should be empowered to adjudicate. This is in consonance with a well established rule of fair justice.
- The appointment of the members, and particularly of the chairman, should not rest solely with the minister concerned. The Franks Committee in UK had recommended that to insulate the Tribunal from departmental influence, the

chairman of all such tribunals should be appointed by the Lord Chancellor. It further suggests that the members of such tribunals should be appointed by council on tribunals.

b. Procedural safeguards

Purely from procedural point of view, administrative tribunals, in countries following the Anglo-Saxon system of law, present a picture of complete disharmony and utter confusion. The Committee on Ministers' Powers appointed in UK reported in 1932 that administrative tribunals should follow the principles of natural justice. It suggested that:

- no man should be a judge in his own case
- no man should be condemned unheard
- party concerned should know the reasons for the decision.

Besides the above, the following procedural improvements can also be helpful.

1. All the evidence and documents on the basis of which a decision is to be taken should be disclosed. No one should be taken by surprise.
2. The concerned should be entitled to represent his case either by himself or through a legal expert.
3. The accused should be entitled to cross-examine the evidence and challenge the evidence produced against him.
4. The accused should not only be given an opportunity to examine the evidence produced against him but should also have an opportunity to call evidence, oral and documentary.
5. He should be given the right to full judgment which should reveal the reasons for the order and not merely the order.
6. He should possess the right to appeal for further and higher judgment.

c. Judicial

The system of judicial review over judicial and semi-judicial actions of the administrators and tribunals can prove a very adequate safeguard. In France and Germany, supreme administrative court has been provided to supervise all administrative tribunals and authorities. In the rule of law countries, the jurisdiction of the supreme and the high courts

should not be curtailed. The right to judicial review on points of law should remain unimpaired. Though these safeguards will help in removing the lacunae of the functioning of the administrative courts, it is advisable that indiscriminate recourse to administrative courts must be avoided. The democratic super-structure is likely to be undermined if administrative adjudication is used as an alternative to the ordinary court system.

4.0 CONCLUSION

In this unit, we have discussed administrative adjudication and our discussion was very much on the meaning of administrative adjudication, kinds of administrative adjudication, the difference between administrative tribunals and ordinary courts, causes of the growth of administrative adjudication, merits and demerits, and finally its safeguards. Thus, it is apt to conclude by saying that administrative courts not only relieve the ordinary courts of a great bulk of work, but also serve purposes foreign to the latter.

5.0 SUMMARY

To us who have been brought up on the tradition of the Anglo-Saxon system of jurisprudence and nurtured on the basic ideals of the rule of law, the idea of administrative tribunals appears to be odious. But we have to adjust ourselves to the needs of modern times.

6.0 TUTOR-MARKED ASSIGNMENT

1. What do you understand by the term administrative law in all its totality?
2. What are the merits and demerits of administrative tribunals?
3. "No man should be a judge in his own case". Vividly explain this in respect to safeguards in administrative adjudication.

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UNIT 4 ADMINISTRATION AND FINANCE

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Importance of Finance
 - 3.2 Management of Finance – What is it?
 - 3.3 Agencies of Financial Administration
- 4.0 Conclusion
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1.0 INTRODUCTION

Every administrative act has its financial implications, either creating a charge on the treasury or making a contribution to it. Nothing can be done without the expenditure of money, at the very minimum for the payment of the salary or wages of the officials or employees who act. Available financial resources set a maximum unit on administrative activity as a whole and on each of its separate parts. The management of finance is therefore one of the first and one of the inescapable responsibilities of administrators.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- why Public financial management is important
- what it implies
- agencies of financial administration
- why financial management is a dynamic process involving a continuous chain of operations.

3.0 MAIN CONTENT

3.1 Importance of Finance

Finance occupies a very prominent place in the study of public administration. Of the several factors that enter into the problem of efficient administration, none is of greater importance than that of financial administration. Finance, in fact, is the fuel for the engine of public administration. It is the life blood of a government. It keeps the administrative machinery on its wheels. No administration functions without finance.

In Nigeria, lack of adequate finance is a major cause of the failure of the government to improve the standard of living of the people and implement the various welfare projects.

Public finance is, in fact, an integral part of administration. No act of government can be performed without money. Mr. Lloyd George once remarked that government is finance. This is quite correct because the governmental machinery will come to a halt unless funds are available to pay the personnel and purchase the equipment and materials required.

3.2 Management of Finance – What is it?

Management of finance is one of the first and one of the inescapable responsibilities of administrators. As a matter of fact, financial administration and public administration are closely intertwined.

1. Most administrative acts have their financial implications. They either spend money from the public exchequer or bring money to it.
2. Financial operations may be designed to develop and promote particular public policies, e.g. tariff may be so imposed as to bring economic equality.
3. Financial administration raises important issues of administrative organisation and relationship, e.g. what machinery of financial administration that should be, or what should be the relationship between financial machinery and administrative machinery, or

what should be the proper sphere of jurisdiction of the financial officers and the administrative officers. It is not going too far to say that the government which has worked out and is employing a satisfactory system of financial administration has gone a long way towards putting the administration of its affairs upon an efficient basis. And the one which has failed to do so cannot possibly give to its citizens what they are entitled to. Accountability is the hallmark of financial administration first because one who controls the strings, calls the tune and second because in democracy officers should not only be honest but should also appear to be so. Democracy is apt to devise all sorts of mechanical and human means to protect public money from susceptibility of its officials.

Besides, a sound fiscal management is the very basis of the effective financial administration which is indispensable not only to keep the state at an even keel but also to determine the pace, direction and pattern of socio-economic development of a democratic nation.

A sound fiscal management involves a chain of operations viz:

- preparation of budget
- legislation of the budget
- execution of the budget and audit
- treasury management i.e. safe custody of the funds raised, and due arrangement for the necessary payments to meet the liabilities, and
- expending of the accounts by the executive and the audit of these accounts.

Thus, public financial management consists of all those operations the object of which is to make funds available for government activities, and to ensure the lawful and efficient utilization of these funds. In every democratic country, it is the legislature that controls the purse strings of the nation by exercising its power to approve, reject or modify the budget presented to it by the executive and also putting in place appropriate control system to ensure that public funds are lawfully and efficiently utilized. A case in point was the recent problem of the Nigeria parliament in rectifying the 2008 budget and the reluctance of the executive (president) to accept any modification in the budget by the parliament.

3.3 Agencies of Financial Administration

The term financial administration is used in a broad sense to include all the processes involved in collecting, budgeting, appropriating and expending public money, crediting income and expenditures and receipts and disbursements, accounting of assets and liabilities and the financial transactions of the government and reporting upon income and expenditures. This may vary from country to country.

Generally, the machinery or agencies of financial administration are carried out by:

- the central department or departments concerned mainly with financial administration
- the legislature
- the principal financial officers in the administrative departments
- the audit organisation and
- the committee and the public accounts committee

A brief discussion of the above are as follows:

- **The executive:** The chief executive is responsible for the formulation of the financial policy of the government and preparation of the estimates of expenditure and revenue for the ensuing financial year. He is assisted in this job by a central department. In Britain, the department is called the Treasury and in India, Nigeria and the Commonwealth countries, it is the Ministry of Finance. The budget estimates originate from the operating agencies as they alone know their sources of revenue and needs. The estimates prepared by the disbursing officers are reviewed by the head of the department. These are then forwarded to the financial department which gives to these estimates final shape and put them in the budget.
- **The legislature:** According to democratic principle, no tax can be levied or collected and no expenditure can be made by the government except with the previous consent of the parliament. The executive makes the demands and the legislature grants them. The power of authorizing expenditure and collection of the taxes is usually vested in the upper or lower chamber of the legislature, for example, in the House of Commons in England, and the Lok Sabha (lower chamber) in India. The Upper Houses in both these countries do not have much say in the matter but of making suggestions. In the USA, however, the Senate (upper house) has equal financial power with the House of Representatives (lower house), except that revenue bills can originate only in the lower house.

In Nigeria also, both houses of the National Assembly, namely the House of Representatives and the Senate during the Second Republic

were saddled with the responsibility of scrutinizing and approving the country's budgets. For instance, the recent 2008 country's budget was not approved by both houses until some modifications were made on it. This culminated in the president's protracted refusal to honour it before he could oblige to assent to it due to pressure. The budget must be passed by both Houses, although it is first considered and approved by the lower house, i.e. the House of Representatives before it is sent to the Senate.

In France and Switzerland too, the legislatures enjoy similar freedom. The National Assembly during the Second Republic in Nigeria was also very powerful in budgetary matters in that it could make variations in the budgetary proposals presented by the president.

- **Heads of the departments:** As soon as the budget is passed by the legislature, the various political heads of the ministries assisted by their Director-General have authority to incur expenditure within the terms of the budget and are responsible for control of expenditure within the terms of the budget departmentally to a great extent. The Director of Budget in the Presidency also exercises control over principal officers involved in budget preparation and execution. In England, the head of a department is nominated as the Account Officer by the Treasury.
- **Audit:** A very important agency of financial administration is the Audit department. In Nigeria, sections 85 and 86 of the 1999 Constitution provide that the public accounts of the federation and of all offices and courts of the federation shall be audited by the Auditor-General who shall submit his report to the National Assembly and for that purpose, the Auditor General or any person authorized by him in that behalf shall have access to all books, records, returns and steer document relating to these accounts. The Accountant-General is responsible for account keeping functions.
- **Parliamentary committees:** Finally, two committees of the legislature known as **the Estimate Committee and the Public Account Committee** exercise financial control on behalf of the legislature. Section 62, subsection 3 of the Federal Republic of Nigeria's Constitution of 1999 provides for the appointment of a joint committee on finance consisting of an equal number of persons appointed by each house and may appoint any other joint committee under the provisions of this section. However, the Estimate Committee is intended to suggest economies in the estimates of the spending departments, while the Public Accounts Committee (PAC) examines the appropriation accounts in the light of the audited accounts in Nigeria as the case in other Commonwealth countries.

4.0 CONCLUSION

In this unit, we have discussed the importance of finance, what is management of finance and agencies of financial administration. However, while finance may be to government, what air is to man, finance or money, unlike air, is not unlimited in supply. So, no nation can be prosperous if it does not generate funds or use the available resources maximally. There is no doubt that the need for good management of available funds on the part of government is a *sine-qua-non*.

5.0 SUMMARY

Public money is a trust and it should be spent cautiously. But accountability does not end with proper maintenance of accounts and strict adherence to financial rules, it also involves the principles of wisdom, faithfulness and economy. It goes farther than custody and stewardship to enlist the dynamic policy determining qualities of management. Financial administration thus involves the management of finance in such a way as to accomplish the targets with the minimum expense of money and energy within the specified time limits.

6.0 TUTOR-MARKED ASSIGNMENT

1. What is financial management?
2. What are the agencies of financial administration?

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UNIT 5 THE BUDGET

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
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 - 3.1 The Meaning of Budget/Definitions
 - 3.2 Types of Budget
 - 3.3 Budget as a Tool of Administration
 - 3.4 Budget as an Instrument of Social and Economic Policy
 - 3.5 Budgetary Principles
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1.0 INTRODUCTION

Budgets are beyond money. They are choices, policies and philosophies and the ways in which budgets are made reflect the choices, policies and philosophies of governments. The Budget is the life blood of governments in the same way people budget time, money, food – almost everything. The ordinary man on the street, the rich, small and big organisations, private and public organisations, local, state and the federal governments, the United Nations Organisation (UNO), all budget. Thus, budget is a very important tool of financial administration.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning of budget
- types of budget
- why budget is an instrument of social and economic policy
- performance budgeting
- elements of a budget.

3.0 MAIN CONTENT

3.1 The Meaning of Budget/Definitions

The word 'budget' is derived from a French word, *Bougette*, meaning leather bag or wallet. The term was used for the first time in 1733 in a satire entitled 'Opened the Budget' pointed against Walpole's (then Chancellor of the Exchequer). The Chancellor of the Exchequer in England used to carry a leather bag containing papers on the financial plans for the country to the House of Commons. So when he set off to place his financial plans before the house, he used to open his budget, that is the bag, and it is because of this association of the financial plan with the bag that the financial statement of a country has come to be known a budget.

The term budget in modern times, therefore, denotes that document which contains estimates of revenue and expenditure of a country, usually for the fixed period of one year.

Some definitions of budget

Some social scientists had tried to define budget in different ways, and these are:

- **Dimock:** 'A budget is a financial plan summarizing the financial experience of the past stating a current plan and projecting it over a specified period of time in future'.
- **Munro:** 'Budget is a plan of financing for the incoming fiscal year. This involves an itemized estimate of all revenues on the one hand and all expenditure on the other'.
- **Taylor:** 'Budget is a financial plan of government for a definite period'.

Elements of Budget

From the above definitions of budget we conclude that the following are the elements of budgets

- it is a statement of expected revenue and proposed expenditure,
- it requires some authority to sanction it,
- it is for a limited period, generally it is annual,
- it also sets forth the procedure and manner in which the collection of revenue and the administration of expenditures is to be executed.

The budget is the nucleus around which the financial activities of the state oscillate. It is both the scale and the limit of all the financial operations.

3.2 Types of Budget

Budgets can be classified on the basis of these various types:

- **Annual or long term budgets**

Generally, government budgets are annual i.e. they are prepared for one year. Nigeria, as in England and most of the commonwealth countries used to span its budget from 1st April to 31st March before it was changed to 1st January to 31st December in 1980. Also, in USA, Australia, Sweden and Italy the dates are 1st of January and 31st December. Some countries have adopted the policy of planned economy and to meet the needs of long term planning they have resorted to long term budgeting, i.e. preparing the budget for three or more years. Such budgets are in fact long term planning rather than long term budgets because what is provided for is financial planning, over a period of years to finance the plan. The countries approve the estimated planned expenditure over a number of years. The legislature approves the plan along with its estimated expenditure, but that does not amount to actual voting of appropriations for the entire period. Every year the national budget will include the expenditure on the plan for that year which will be approved by the legislature.

- **Single or plural budget**

When the estimates of all the government undertakings find place in one budget, it is known as simple budget. The advantage of single budget is that it reveals the overall financial position of the government, as a whole. But if there are separate departmental budgets which are passed separately by the legislature, it is called plural budgeting. In most countries of the world, there is the tradition of having a single budget incorporating the financial estimates of income and expenditure of all the departments.

These are some of the countries with plural budgets, France, Switzerland, Germany and India. In India for instance, two separate budgets are presented to parliament annually. One budget takes care of all the sectors in the country except the Railway sector. The second budget is the Railway budget, a practice that dates back to 1921

- **Surplus, deficit or balanced budget**

A budget is surplus if the estimated revenues are in excess of the estimated expenditure. But if the anticipated revenues fall short of the anticipated expenditure, it is a deficit budget.

According to economists, a deficit budget is a sign of the country's making progress. A balanced budget is one wherein the anticipated revenues equal the anticipated expenditure. Budgets are generally deficit budgets.

- **Cash or Revenue budget**

A cash budget is one wherein the estimates of the various items of income and expenditure include the amounts actually to be received or spent in one year. In revenue budget, the revenue and expenditure, accruing in one financial year, are budgeted in that financial year irrespective of the fact whether the revenues are realized or the expenditure is incurred in that financial year.

- **Departmental or performance budget**

The present practice is to have departmental budgets i.e. the revenues and expenditure of one department are grouped under it. It does not give any information as to the activity or performance for which money is budgeted.

The performance budget is one where the total expenditure of a particular project is grouped under the head of the particular programme. It is prepared in terms of functions, programmes, activities and projects, for example, in the case of education (a function), it will be divided into programmes like those of primary, secondary and higher education. Each programme will be divided into activities, for instance, training of teachers is an activity. Project is the last unit of functional classification. It signifies such an activity as is of a capital nature, such as, construction of a school building.

However, the concept of performance budgeting has assumed significance in the recent past, as it constitutes an integral part of the process of reform in financial administration. This budget radically differs from the traditional budget term, 'line-item budget'. The performance budget undertakes allocation of expenditure by reference to particular objectives and functions. In other words, a clear shift from itemized expenditure to functions or activities is described in this type of budgeting.

3.3 Budget as a Tool of Administrative

Budget today has become one of the primary tools of financial administration. It is the master financial plan of the government. It brings together estimates of anticipated revenues and proposed expenditures implying the schedule of activities to be undertaken and the means of financing these activities. Budget is the very core of democratic government and in the words of Harold Smith, 'the objectives of the budget should be to implement democracy and provide a tool which will be helpful in the efficient execution of the functions and services of government. The budget is a device for consolidating the various interests, objectives, desires and needs of our citizens into a programme whereby they may jointly provide for their safety, convenience and comfort. It is the most important single current document relating the social and economic affairs of the people'.

It lays emphasis on the need for state programmes to be executed as efficiently as possible so that maximum results are obtained for the money spent on them.

In one sense, the entire budgetary process can be said to have as a single objective, the attainment of economy and efficiency, i.e. the determination of how the country's scarce resources can best be served by the diversion of scarce resources through taxation and other methods from private to public use and by the allocation of those resources among various government uses. Such a determination covers both questions of what programmes should be undertaken and how they should be executed.

3.4 Budget as an Instrument of Social and Economic Policy

Apart from budget being a tool of administration and the basis of an orderly finance, it has now become a very powerful instrument of social and economic policy. The modern states are welfare states and as such budget is used as a means for the promotion of welfare objectives.

This aspect of the budget has assumed all the more importance with the adoption of a socialistic pattern of society by government.

Besides realizing the plans for higher production in various sectors, the government aims at correcting the inequalities in the distribution of wealth by higher taxation of the rich and proportionately lower taxation and sometimes even exemption for the poorer section of community through the instrumentality of budget.

In the days of *laissez faire*, budget was a simple statement of estimated income and expenditure, but now in the modern social welfare state, it has become an instrument of promoting the social and economic welfare of the people.

The budget is awaited anxiously by the people. It has wide ramifications. It plays a vital role in the economy of a state. Every citizen is interested in it. From the budget, the citizens can know what benefits they are going to derive and how much is the price to pay for those benefits. After all, rights and duties are coins with the same sides. The taxation policy of government in the budget may lead to narrowing down of the class distinctions and inequalities. The production policy, as reflected in the budget, may help in removing poverty, eradicating unemployment and avoiding mal-distribution of wealth.

It can check inflation and enable the citizens to lead their lives safely and with comfort and happiness. Precisely speaking, budget has tremendous social and economic implications in modern states. It is much more than a mere national balance sheet.

Lloyd George, the then prime minister of Britain in his people's budget of 1909, utilized for the first time, the potentialities of the fiscal instrument for social welfare. In his budget speech, he said, 'four specters hunt the poor, old age, accident, sickness and unemployment. We are going to exercise them. We are going to drive hunger from the heart. We mean to banish the workhouse from the horizon of every man in the land'.

By taxing the rich on a progressive scale and utilizing the proceeds in providing social amenities, such as better housing, educational and medical facilities, etc, for the poorer classes have come to be accepted as one of the most important objectives of budget. Governments are alive to this aspect of budget as a means for the establishment of a socialistic pattern of society.

3.5 Budgetary Principles

Budget, as shown above, is an effective instrument of economic and social changes. It is the basis without which there can be no lasting social progress. It is desirable that it should conform to certain budgetary principles.

The most important principles of budget making are the following:

1. Budget should be a balanced one

Budget should be a balanced one, meaning that the estimated expenditure should not exceed revenue or income. When the amounts of expenditure and revenue in a budget are equal or nearly so, it is called a balanced budget. If the expenditure is less than the anticipated revenue, it is a surplus budget and if the expenditure is more than the anticipated revenue, it is called a deficit budget.

The balancing of the budget is the first requisite of financial stability, and occupies the same place in financial administration. On the other hand, un-balanced budgets are bound, sooner or later, to weaken the faith of investors and lead to monetary inflation, which if uncontrolled will terminate in national disaster.

An occasional deficit budget, however, need not cause worry. The newer trends of economic thought consider deficit budget in certain circumstances not only excusable, but also necessary. According to them, a deficit budget can cure the ills from which the modern capitalist economy suffers. Deficit budget has now become a common phenomenon of the developing countries. It is not safe to indulge in deficit budget beyond a certain point.

2. Budget formulation is the responsibility of the executive

Section 81 (1) of 1999 Constitution of the Federal Republic of Nigeria says, ‘the president shall cause to be prepared and laid before each house of the national assembly at any time in each financial year estimates of the revenues and expenditure of the federation for the next following financial year’.

As the chief executive is responsible for running the administration, he is in the best position to say what funds are required for it. It should, therefore, be the duty of the chief executive to formulate the budget. But since the budget framing is a stupendous task, he must therefore, be aided and advised by a body of specialists.

In Nigeria and India respectively, the Ministry of Finance, in England the Treasury and in USA, the Bureau of the Budget, help their respective chief executives in budget planning.

3. Estimates should be on a cash basis

The principle of the cash basis of the budget means that it should be prepared on the basis of actual receipts and expenditure expected during the year and not on the basis of receipts which

are to be realized in some other years or the expenditure which is ordered in that year but is likely to be incurred in the next financial year, e.g. if certain sums on account of arrears of tax relating to the year 2006 – 2007 are realized in the year 2007 – 2008, they should be shown in the receipts estimates of the latter year and not of the former. Similarly, if the habit for any payments was incurred in the former (2006 – 2007) year but was actually met in the latter (2007 – 2008) year, it should be shown in the expenditure of the latter year only.

4. Budget should be done on the basis of gross and not net income

Budget should present a clear cut picture of the gross and not the net income of the country. Both the receipts and expenditure should be fully shown in the budget and not merely the resultant net position. For example, if there is a department with an estimated expenditure of N45 million and receipts of N35million, it should show in the budget both the expenditure and receipts and not merely N10 million only. If the department prepares the estimates on the net basis, it would mean that it would approach legislature for granting of N10 million only and hence deprive the legislature of its control over the expenditure of N45 million, which it met out of its receipts. Gross budgeting is, therefore, essential to ensure complete financial control of the legislature.

5. Estimates should be, as far as possible, exact

Estimates provided in the budget should as far as possible, exact. They should not be over-estimated or under-estimated. While money should be provided for all necessary expenditure, the amount provided for should be the absolute minimum. If there is over-estimation of expenditure, people are unnecessarily heavily taxed and if there is under-estimation, the whole budget may be thrown out of gear when it comes to execution. It is a tendency on the part of the departments in Nigeria to under-estimate their income and over-estimates their expenditure although there are instructions to the heads of all the ministries that they should try to achieve economy and avoid waste as far as possible.

6. Annularity of the budget

The principle of annularity is one of the most important principles of budgeting. It means that the budget should be prepared on annual basis. In other words, it means that the legislature should grant money to the executive for one year. A year is a reasonable period of time for which the legislature can

afford to give financial authority to the executive. It is also the minimum period which is necessary to execute financial programme.

However, annularity of budget does not mean that there should be no long- term planning. All those countries which have adopted the policy of planned development do have long-term budgeting, but these long-term plans do not involve actual using of appropriations for the entire period of the plan by the legislature though it may be called to approve the plan in principles and broad outlines as it is done in the case of a five-year plan.

7. Rule of lapse

The annularity principle of budgeting also implies that money left unspent during the year for which it was sanctioned must lapse to the public treasury and the government cannot spend it unless re-sanctioned in the next budget. This rule of lapse is essential for effective financial control.

If the unspent balance of one year could be carried out for expenditure in future years, it would make the departments independent of the control of the legislature till the time their accumulated balances are spent. In 2008, President Yar Adua, when newly assumed office, had requested all the ministries and departments to account for all the un-spent appropriations sanctioned the previous year.

8. The form of estimate should correspond to the form of account

This principle means that the budgetary heads should be the same as those of accounts. This facilitates budget preparation, budgetary control and the keeping of accounts.

9. Revenue and capital parts of the budget should be kept distinct

This principle means that overall surplus or deficit may be found out by taking both into account.

The principles listed above when taken together provide a very effective guide to sound budget-making. However, these principles may vary in their application according to the peculiar circumstances of the countries concerned but there must be serious consequences should there be any neglect or ignoring completely of these principles.

3.6 Enactment of the Budget in Nigeria

After the preparation of the budget, the next stage in a democratic country is to get the budget enacted by the legislature or any other competent authority. The legislature is saddled with the responsibility of giving legal form to the budget prepared by the executive because as a body made up of the representatives of the people, they have control over the purse strings in every democratic country.

In Nigeria, under the constitution of 1999, the budget is expected to go through the following stages in the course of its passage in the National Assembly, viz

- i. Introduction
- ii. Scrutiny or committee stage
- iii. Passing of the financial bill

• Introduction of the budget

Under the 1999 Constitution, section 81 (1) of the Federal Republic of Nigeria, the president is required to present the budget to the National Assembly for enactment. In this regard, section 81 (1) of the 1999 Constitution specifically states thus:

- *The president shall cause to be prepared and laid before each house of the National Assembly at any time in each financial year, estimates of the revenues and expenditure of the federation for the next following financial year.*

After the presentation, the president's job is done for the moment and both Houses of the National Assembly would therefore convene later separately to look at the budget in details to discuss on it.

It is worthwhile to know that no discussion on the budget shall take place on the day on which the budget is presented to both Houses.

The Speaker, therefore, fixes a date on which general discussion on the budget is to take place.

• The committee stage

The detailed scrutiny of the budget presented by the president is done through the use of the various standing committees, like education, health, agriculture etc to look into various aspects.

Each of the Houses of the National Assembly scrutinizes the budget. However, once all the scrutiny is done, a report would be written to be laid before the entire House for discussion. During the second and third readings, all amendment (if any) to the committee's report are altered or effected by the House.

- **Passing of the financial bill**

The next stage is the passage of the annual appropriation bill into a statute or legal backing. Usually, the House of Representatives first passes the budget before the Senate does so. If both houses pass the budget, it is then sent to the president for his assent, and the bill embodying the budget becomes law.

An appropriation act embodies the authority given by the National Assembly with the assent of the president to the government to withdraw money from the public fund and spend it as authorized in the act. Without such an authority, the government cannot incur expenditure and the Auditor-General of Nigeria would hold a payment as unauthorized or illegal if it were made without authorization in the appropriation act. Thus, with the passage of the appropriation and finance bills, the enactment of the budget is complete.

4.0 CONCLUSION

In this unit, we have discussed the meaning of budget, and shown how some eminent writers had defined it. We did discuss, as well, the types, and the budget as a tool of administration. There was a discussion also on the social and economic importance of budgetary system. The principles of budget were thoroughly looked into. And finally, we even learnt how the budget in question, is prepared, and finally passed into a legal statute.

5.0 SUMMARY

The budget in a modern state is a forecast and an estimate of all public receipts and expenses, and for certain expenses and receipts, an authorization to incur them and collect them. It is the financial plan of government for a definite period.

6.0 TUTOR-MARKED ASSIGNMENT

1. "Budget is the very core of democratic government" – Explain.
2. Explain budget as tool of administration

3. Budget is a means for the establishment of a socialistic pattern of society – Explain.

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MODULE 5

Unit 1	Administrative law
Unit 2	Delegated Legislation
Unit 3	Administrative Adjudication
Unit 4	Administration and Finance
Unit 5	The Budget

UNIT 1 PUBLIC RELATIONS

CONTENTS

1.0	Introduction
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1.0 INTRODUCTION

Administrative law is an important branch of public law as well as public administration. However, with the ever-growing complexity of administrative tasks, the administrative technique to achieve them also is becoming more and more exacting. No doubt, achievement of some objectives is possible through persuasion or constant watch and periodical inspections. Yet some of the objectives can be achieved only through the control of human behavior by applicability of set rules and orders

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- state the meaning of administrative law
- differentiate between rule of law and administrative law
- describe Dicey's views on administrative law
- list major sources of administrative law, scope etc

3.0 MAIN CONTENT

3.1 Meaning of Administrative Law

There is divergence of views on the existing literature in the sphere of administrative law with regard to the meaning of administrative law. Many writers have attempted to define or conceptualize the sphere of administrative law. Some of these definitions are as follows:

- **Ivor Jennings:** "Administrative law is the law relating to administration. It determines the organisation, powers and duties of administrative authorities and indicates to the individual remedies for the violation of his right"
- **F. J. Goodnow:** Administrative law is "that part of the public law which fixes the organisation and determines the competence of the administrative authorities and indicates to the individual remedies for the violation of his right"
- **W.B. Munro:** Defines it "as a system of jurisprudence which on the one hand relieves public official from amenability to the ordinary courts for acts performed in their official capacity and, on the other hand, setup a special jurisdiction to hold them accountable"
- **C.F. Strong:** Defines it as "the body of rules which regulates the relationship of the administrative authority towards private citizens and determines the position of state officials, the rights and liabilities of private citizens in their dealing with this official as representatives of the state and the procedure by which these rights and liabilities are enforced."
- **E. C. S. Wade and Bradley:** Administrative law is a branch of public law which is concerned with the composition, powers, duties,

right and liabilities of the several institutions of government which are engaged in administration”.

- **B. Schwartz:** Content’s that, “Broadly speaking, administrative law may be defined as the branch of the law that controls the administrative separations of government. It sets forth the powers that may be exercised by administrative agencies, keys down the principles governing the exercise of those powers, and provides legal remedies to those aggrieved by administrative action”.

3.2 Comments on Definition

An analysis of the views of these writers reveals that the system of administrative law has divergence of opinions. However, two distinct perspectives can be deduced from the definitions presented above. These are the narrow and broad perspectives. In the broad sense, administrative law covers all the statutes, charters, resolutions, rules, regulations, judicial decisions and orders which have a bearing upon the structure of administrative authorities, the distribution of functions among them, their powers and procedures, their personnel and finances and their responsibilities.

From the narrow perspective, administrative law is the law of official powers and responsibilities, or the law which determines the amount of discretion permitted to administrative officers and agencies. In the books on the public administration and administrative law literatures, the subject is usually dealt with in this sense, the topics covered including the legal basis of administration, administrative discretion and its limit, various kinds of official responsibilities.

3.3 Rule of Law vs Administrative Law

- (a) **Rule of Law:** As prevalent in U.K., rule of law has three distinguishing feature namely:
 - (i) the absolute supremacy of the ordinary law of the land, permitting no arbitrary power of discretion to administrative authorities. Under it no person is punishable till he has actually violated the law of the land as proved before the ordinary court of law
 - (ii) equality before the law for both the officials and non-officials
 - (iii) the primacy of the right of the individuals which constitute the source of constitutional law instead of the administrative law being the source of the former.

Thus, the rule of law is a constitutional doctrine which emphasizes the supremacy of the law administered by the law courts.

Administrative Law

Dicey, a celebrated English writer, in his famous work, Law of the Constitution, identified administrative law with part of the French Droit Administrative, according to which actions by the citizens against officials for wrongful acts committed in the official capacity, are tried, not by ordinary courts of law but by special administrative courts manned by civil servants. Since such a system of courts did not exist in England in those days, Dicey described administrative law as contrary to the rule of law a cardinal feature of the British constitution. He referred to three distinguishing features of administrative Law:

- the ordinary courts do not have jurisdiction in cases in which the state or state officials in their official capacity constitute a party
- the rights of the states officials are determined by a special body of law and rules, which are not applicable to citizens
- as an influence from these arrangements, a special protection was accorded officials in France for wrongful acts done in their official capacity.

3.4 Criticism of Dicey's Views

Some of the eminent writers like Ivor Jennings, J.H Morgan, W.A Robson and F.G Goodnow do not accept Dicey's contention. They opine that Dicey's appraisal of the nature and effects of Droit administrative in France identifying a particular aspect of it with the concept of administrative law, and his non-acceptance of the existence of administrative law did exist in U.K in Dicey's own time. Hence, he himself contended that "Rule of laws is expose to new peril". The sporadic growth of administrative courts in U.K made him say "The old veneration for the rule has waned".

No doubt, administrative law has not existed in the sense in which it is understood and practised in France and other European countries. However, its existence in U.K cannot be denied.

The following are the main points of criticism against Dicey's interpretation of administrative law:

(a) No special protection of officers

Dicey's contention that administrative law accorded special protection to officials and the state, in their dealings with the citizens and their rights, and claims drawn from the official composition of the administrative courts was wrong.

The administrative courts came into existence during the French Revolution under the influence of Montesquieu's theory of separation of powers and the practical needs of the situation. During their process of evolution, these courts developed a jurisprudence which, far from being a menace to the individual liberty, proved its bulwark. Morgan has correctly contended that Droit administration was not to shield the officials but to extend that liability to cases in which he would be immune in the U.K. Dr. Garner while referring to France so remarked that, "There is no other country in which the rights of the private individuals are so well protected against administrative abuses and the people are so sure of receiving reparation for injuries sustained as in France".

(b) Separate administrative courts existed in U.K

Dicey was not quite clear about the nature and effect of rule of law in England. It was wrong to assume that the citizens in U.K were being governed by the same ordinary law of the land and that the state had no discretionary powers. Robson is correct in holding that a special body of laws applicable to the activities of administrative authorities always exists in U.K. such a type of law extended to authorities, special rights and bestowed upon them special powers.

The officers in England did discretionary powers to which Dicey was allergic. For instance, the prerogative powers of the Crown were nothing but discretionary and the entire field of governmental activity was carried on within its scope.

(c) No equality before law

Dicey's contention that under the rule of law, the officials and the private citizens enjoy equality before the law and the former did not possess special privileges is not based on facts. Until the passage of Crown Proceedings Act 1947, the Crown enjoyed immunity from liability. The Executive still enjoys a number of other privileges before the courts.

(d) Rights do not emanate from courts

Dicey's contention that in rule of law countries, individuals rights hold primary over the state rights and that constitutional law is the outcome of the rights emanated from the decisions of the

courts is wrong. Only a minor part of the English Constitutional law has emanated from the individuals. A vast part of it is the outcome of conventions, common law and statutes passed by the Parliament from time to time.

3.5 An Appraisal of Dice's Concept of Rule of Law

An appraisal of the proceeding points reveals that Administrative Law is not contrary to the Rule of Law. It has always existed and still exists in more or less degree in all countries including U.K. It has become a universal phenomenon and is recognized in the same way as the constitutional law of a country. Administrative Law, as regulating the constitution, functions, procedures and powers of administrative authorities, has been universally accepted. It has become a part of the public law of country, and is responsible for creating a pattern of relationship between the public authorities and the citizens which differs radically from the pattern of legal relationship between citizens and citizens.

However, it must be conceded that while the jurisprudence of Driot Administrative was not being abused in France at the time Dicey made his submission, this does not mean that Dicey's fears were unfounded and untenable. His fears are tenable to the extent that the theory of separation of powers presupposes the fact that legislative, executive and judiciary powers should not be concentrated in the hands of one man or a group of persons. This is why checks and balances mechanism is recommended as a corollary of separation of powers. This is to checkmate the abuse and gross pervasion of power. Thus, that the fusion of powers in France was not abused does not obliterate its potential of being abused. It will be an error of judgment if we do not share Dicey's apprehension.

3.6 Universality of Administrative Law

From the above discussion of Dicey's views on Driot administrative and the rule of law, the conclusion emerges that irrespective of its recognition as a separate body of law distinct from the ordinary law of the land, and irrespective of the fact whether claims of citizens against the state and its officials are decided by a special system of court or not, there is a system of administrative law in every country in the same way as there is a system of constitutional law. Where there is public administration, there must also be administrative law. In some countries, legal study and analysis may not have advanced sufficiently far to differentiate it from the rest of prevailing law, but that can scarcely be a ground for denying its existence. Administrative law, as regulating the constitution, functions, procedure, and powers of administrative

authorities, is a universal phenomenon. This law is part of the public law of the country and creates a pattern of relationship between the public authorities and the citizens which is different in many ways from the pattern of legal relationship between citizens and citizens.

3.7 Sources of Administrative Law

As already stated, administrative law comprises a large number of statutes, charters, rules, regulations and procedures as also those resolutions, orders, decisions, etc, which are meant for running smooth administration. In reality, administration is both the child and the parent of administrative law. There are rules and regulations which govern it and there are orders by which it is ruled.

The chief sources of Administrative Law are:

- the constitution of the country
- the statutes and the resolutions passed by the legislature of a country
- charters, local Body Acts granted and enacted by the legislature
- ordinances, rules, regulations, resolutions, orders, directions and decisions etc. issued by the administrative authorities
- judicial decision of the courts
- customs and conventions

Administrative law is thus to be recognized by its substance rather by its form. That substance takes public administration as its focal point.

Scope of Administrative Law

In its wider sense, administrative law covers the whole of public administration. In reality, in continental countries, public administration is studied under the name of Administrative Law. In the U.S.A, a committee on public administration of the Social Research Council (1938) stated the following outlines as the scope of administrative law:

- problems of public personnel
- problems of financial administration
- legal conditions of administrative discretion
- administrative law and administrative courts
- administrative regulation
- administrative examination
- government contracts
- claims against government
- remedies against administrative action
- law relating to the status and recognition of professional associations

- legal rules as applicable to the action of plural-headed administrative bodies

However, James Hart divides the field of administrative law into the law of internal administration and law of external administration. The law of internal administration expounds the nature of public office or elucidates official relations as deemed by Goodnow. It comprises such topics as:

- Legal qualifications for officers, legal disqualifications for officers, legal aspects of appointment, tenure and conditions of service etc.

However, a more systematic outline would be to divide the subject of administrative law into the law of official powers and the administrative responsibilities.

3.8 Reasons for the Phenomenal Growth of Administrative Law in Recent Times

The question arises why administrative law had such a phenomenal growth? The reasons are not farfetched:

(e) Impact of Urbanization and Industrialization

Due to the impact of fast urbanization and rapid industrialization, the philosophy of individualism which was prevalent in the 18th and the 19th centuries suffered an eclipse. The old Laissez-Faire doctrine of state functions could be tolerated so long as even distribution of means of production and economic power among the masses persisted. In the course of time, the Industrial Revolution led to a concentration of production in the hands of a comparatively small number of capital owners. This resulted in the abject helplessness and virtual starvation of the working masses who the industrialists gave only a pittance which could hardly sustain them.

Urbanization which appeared in the wake of industrial revolution posed another problem. Housing accommodation got scarce. Water supply was inadequate. Open air and sunshine became the privilege of the few. Under such adverse circumstances, the individual lost the capacity of self-help. Free initiative to individuals seemed to be inimical to common good.

Thus, the state had to appear as the custodian of the welfare of the exploited. This could be possible only through appropriately regulating and restricting the latter's rights and freedom. This resulted in the emergence of special types of laws known as administrative laws which subordinated the common law rights

of personal freedom and private property to the conception of common good. To procure the latter, it placed necessary limitations on the former. It emphasized the social interest as against the individual's freedom.

(f) Flexibility of standards was the need of the hour

Administrative law does not stand for the enforcement of individual rights. Instead, it stands for the furthering of policies of social improvement. As such, it lays down certain flexible standards to be applied to cases instead of cut and dried legal rules or precepts to be followed.

(g) Discretion to public officials found helpful

The administrative law allows official discretion and freedom for the efficient management of public services. Though administrative law was under the fire of criticism at the hands of critics like Lord Hewart, to secure public interest, the modern state, is no longer a police state. It has become a welfare state. Hence, it manages the business which was previously the monopoly of a few individuals. This necessitates freedom of action. Hence, discretionary powers to the state officials equip them with the required freedom of action without which the government is apt to fail in the fulfillment of its newly sprung up functions.

(h) Suitable standards to deal with technical matters necessitated

Matters of a highly technical nature necessitated the laying down of certain standards. The interpretation and applicability of these standards to individual cases is entrusted to administrative courts which are composed of suitable subject-matter experts. The ordinary courts manned by judges having legal acumen can hardly be the best judges of such standards. For example, the judges of the ordinary courts can hardly comprehend whether neither railway rate structures nor traffic restrictions placed on the use of a bridge to ensure its safety are or not reasonable or whether a certain practice in the field of insurance is or is not fair.

Experimental stage

Regulatory standards suiting new and hitherto undiscovered fields are being discovered by administrative law. Hence, it is said to be in an experimental and dynamic condition. Evidently, the indispensableness of regulatory standards does necessitate dynamism in law which is discernible in administrative law alone.

4.0 CONCLUSION

In this unit, we have discussed administrative law in its totality. For instance, our discussion centered on the following themes, the meaning of administrative law, comments on definition, Rule of Law Vs administrative law, criticism of Dicey's view, universality of administrative law, sources of administrative law, the scope, and the reasons for the phenomenal growth of administrative law in the recent times. Thus, in the words of Frankfurter, "We are dealing with law in the making. Administrative law is groping, it is necessarily still crude and empirical. It is dealing with new problems calling for new social inventions or fresh adaptation of old experience. In a field as vast and unruly, we must be wary against premature generalization and merely formal system"

5.0 SUMMARY

It is being increasingly realized that administrative law is an answer to the ever-increasing needs of the present-day changing society which demands a great degree a progressive attitude and an adaptation of policies to meet different complex situations.

Administrators are not expected to play a positive role of formulating policy to develop administrative techniques and to work out new methods of adjusting controversies, to check and modify their standards in their ordinary frictions of everyday life and to adapt their decisions and attitudes accordingly.

6.0 TUTOR-MARKED ASSIGNMENT

4. What is administrative law? Explain the difference between administrative law and rule of law.
5. What are the main points of criticism advanced against Dicey's views on administrative law?
6. Explain the universality of administrative law.

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UNIT 2 DELEGATED LEGISLATION

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Meaning
 - 3.2 Causes or Need for Delegated Legislation
 - 3.3 Advantages and Disadvantages
 - 3.4 Safeguards in Delegated Legislation
- 4.0 Conclusion
- 5.0 Summary
- 6.0 Tutor-Marked Assignment
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1.0 INTRODUCTION

Delegated legislation or rule-making power is one of the most important topics in the realm of Administrative Law. It has close bearings with parliamentary government and power of the executive in general. Thus, delegated legislation has become indispensable in the modern welfare states which have undertaken multifarious duties in order to ameliorate the lot of the common masses.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning of delegated legislation
- the need for delegated legislation
- its universality
- merits and demerits, and
- its safeguards.

3.0 MAIN CONTENT

3.1 The Meaning of delegated legislation

Delegated legislation refers to the law-making power vested with the Executive by the Legislature itself. This term is known as Executive Legislation. Since the law – making power given to the Executive is not its original power, it is called “Subordinate legislation”. It is deemed void if it violates the parent Act or transgresses its power.

Thus, we may conclude that delegated legislation means the exercise by a subordinate authority such as a Minister utilizing the legislative power delegated to him by the parliament. Parliament passes the bill in general terms and delegates the authority of rule – making under the Act to the Minister concerned.

Since this authority of rule-making is in pursuance of statutory authority and not an original power of the Executive in its own right, delegated legislation is therefore, subservient to the statute under which it is made. If the rule is not consistent with the statute, it is null and void.

The term delegated legislation is used in two senses:

- it refers to the powers delegated to the executive to make rules
- it means the out-put of the exercise of that power, viz, rules, regulations order. etc.

3.2 Causes or Need for Delegated Legislation

The inevitability of delegated legislation, particularly in a welfare state, is not in dispute. The needs for it are as follows:

(e) Impact of science and technology

Due to the impact of science and technology, the functions of the modern state have got multiplied to such an extent that it is virtually controlling the management of the life of the community as a whole. Evidently, this has led to the growth of powers of the modern legislature to an extent that they cannot cope with ensued responsibilities. The pressure of work and lack of time caused the legislature to delegate legislative authority to the executive.

(f) Average legislator – a layman

The average legislator is a layman. He is not competent enough to deal with matters of complexity and complication. Hence, he lays down only general principles and leaves the technical details to be filled up by the departmental heads. For instance, the parliament may place restrictions on the sale of poisonous substances but may leave the compilation of poisonous substances to the experts in the Medical and Health Department.

(g) Need to secure flexibility

Law may require amendments, or modifications with the change of times. Parliament is not always in session. Hence, it cannot adapt the law to changing conditions. Delegation of this power to the executive enables it to make alterations in the law whenever deemed essential.

(h) To provide for unforeseen contingencies

Emergencies like war, famine, pestilence, and economic crisis, require prompt action. It is not desirable to wait for the session of parliaments to meet such eventualities. Hence, such a power need be vested with the executive which is always prepared to take action. Carr has correctly remarked that it is during global wars that governmental regulation becomes most intrusive. This is natural enough to secure survival from these uncomfortable experiences, legislative power must be delegated in the widest terms to meet unforeseeable as well as patent dangers.

(e) Legislature cannot foresee

It is not possible for the legislature to foresee and include in the law all the contingencies which may arise in case of large and complex matters. Hence, they are left to the departments to be regulated as and when the opportunities arise.

(f) Consultation with affected interests

Administrative agencies can make better consultation with those whose interests were affected than the legislature which cannot conveniently arrange for such consultations.

(g) New Standards to be setup

Growth of delegated legislation can also be attributed to the need for setting up of new standards in the social interest of the society. This is to ensure the national minimum of health, education, housing, and sanitation standards to everybody for which expert and experienced knowledge is required. For instance, the question whether a local authority is justified in restricting traffic in excess of a certain weight from crossing a particular bridge is an engineering problem which can hardly be solved by the law of the legislature. A right decision on such questions necessitates the application of rules which only engineers of long experience can comprehend

(h) Rules to be lenient in the initial stages

Government is entering into a new phase especially of trade and commerce. As such, it must elicit the co-operation of a large section of the people. Such co-operation is mutual. The rules of the government must also be lenient and innocuous.

(j) Proper drafting of rules

Since rule – making is done in keeping with the circumstances; drafting of rules is apt to be more perfect than the legislation through the Parliament. Hence it is preferred.

Thus, all these factors have led to the continuous increase in the volume of delegated legislation. A rapidly changing economic and social order demands that any scheme of governmental control and regulation be flexible. Administrative agencies offer the services of the expert and are better equipped for experimentation than the legislature.

3.3 Advantages and Disadvantages of Delegated Legislation

Advantages

The question arises as to why delegated legislation has attained remarkable popularity both in the parliamentary and presidential democracies particularly when the parliamentary type believes in the sovereignty of parliament and the presidential system in the theory of separation of powers. This popularity can be safely attributed to its stated advantages which are as follows:

(l) Time of parliament saved

Delegated legislation enables the parliament to save time. As already said, the activities of the government have multiplied. The volume of legislation has thus become manifold. The legislature has neither the time nor the capacity to make laws. Hence it delegates some of its law-making powers to the executive, freeing itself from the burden of details. Time, thus saved, can be more fruitfully utilized by the legislature on important issues of policy.

(m) Flexibility of rules

It is conducive to flexibility. Laws passed by the legislatures are comparatively rigid. Rigorous procedures of amendment may have to be followed to effect amendments in certain laws. Otherwise too, repealing, rescinding or amending an ordinary law necessitate following up a certain specific procedure, sometimes making prompt adaptability to changing circumstance a bit difficult.

(c) Interests affected consulted

Delegated legislation makes prior consultation with the affected interests possible. Such consultation will make legislation more effective. In the words of White, "The drafting of the rule may and often does permit conferences between the government and the parties of interest and consequently a broad agreement which tends towards voluntary compliance"

(d) Expert knowledge utilized

Parliament is composed of lay men who may be able to lay down broad principles and objectives but are certainly not competent to determine the minor details. The details should be worked out by the experts. Delegated legislation helps in making use of expert knowledge and working out details.

(e) Experimentation in new fields possible

Making of experiments in such fields as to planning is possible through delegated legislation. In entering new fields, administrative rules may be relatively innocuous with gradual stiffening until the full intent of the statute is achieved.

(f) Unforeseen contingencies adequately met

Parliament is not omniscient. It can hardly foresee all sorts of contingencies which may arise. Administrative officials must be equipped with discretionary powers to deal with such type of situations by issuing rules and regulations.

(g) Avoidance of litigation

Administrative legislation permits a definite statement of policy; thus avoiding the possibility of litigation or compulsion. According to White, "the avoidance of litigation as far as possible is a definite gain".

(h) Prompt action in emergencies

Parliament is in session for a few months in a year. If emergencies crop up during its interval, they cannot be tackled promptly till the executive is empowered to meet them through its power of issuing rules and regulations.

(i) Proper drafting of rules

Since rule-making power is exercised, keeping in view actual situation, by the experts deputed for the purpose by the executive, drafting of rules is apt to be more perfect.

Therefore, delegated legislature is a suitable answer to the rapidly increasing needs of the present day changing society which necessitates a progressive attitude and an adaptation of policies for the changing circumstances

Disadvantages

Despite its marked popularity, the system has been vehemently criticized by critics like Lord Hewart and C.K. Allen. Hewart describes it as triumph of bureaucracy. Dicey, 30 years after writing on rule of

law, remarked in 1915 that rule of law is exposed to new peril due to the growth of delegated legislation.

The following are the main points of criticism advanced against it:

(b) Individual liberties at stake

It is apprehended that vesting of discretionary powers with the officials turns democracy into despotism. Concentration of legislative power on the executive results in jeopardizing the liberties of the individuals.

(b) Delegation of unlimited powers

Once this process of legislative powers commences, it is apprehended that unlimited powers may be delegated to the executive. In effect, in the words of Kemp “When the charter is so indefinite, the courts certainly cannot control it, and parliament can do so only by revoking it altogether”.

(n) Jurisdiction of courts ousted

Delegated legislation often seeks to oust the jurisdiction of the courts. This results in depriving the citizens of judicial protection. The enabling Act may clearly specify that the rules made there under shall not be called in question in any court of law. In the words of Lord Hewart, “It is the abuse of the system that calls for criticism and perhaps the greatest abuse and the one most likely to lead to arbitrary and unreasonable legislation is the ousting of the jurisdiction of the court.

(o) Interest of the people ignored

It is generally contended by the critics that it may serve interests of the influential parties or the interested groups, thus ignoring the interests of the general masses. The Enabling Acts always require the rule-making authority to consult the interested parties before framing the rules. This may consequently result in ignoring the common or public interests.

(p) Judicial remedy costly

Judicial remedy, though constitutionally provided to the citizens, is generally costly and fairly cumbersome. In Nigeria, as it is elsewhere, prior approval of the government has to be secured before any administrative authority can be sued in the court.

(q) Poor publicity of these rules

The people generally suffer because the rules are not brought home to them. Though the enabling Act provides that government would give proper publicity to the rules and

regulations, in general, proper publicity to such rules is not given. This adversely affects the interest of the people.

(r) **Democratic principle undermined**

Generally, taxation power is also delegated. Such a delegation undermines a famous democratic principle which says “No taxation without representation”.

(s) **Privileged position of the state**

The critics opine that even if judicial remedies are available, the citizens cannot expect a fair hearing from the courts especially when they are pitched against the state. In Nigeria, so to say, the state enjoys an envious position.

(t) **Retrospective effect unfair**

It is opined that these sub-laws are sometimes applied with retrospective effect. This is rather unfair. Even the British Selected Committee on Statutory Instruments observed that rules “Should not purport to have retrospective operation unless parliament has expressly so provided”.

(u) **Inadequate scrutiny**

Inadequate scrutiny of the rules and regulations by parliament makes delegated legislation develop into despotism. Though parliament’s main function is to control the executive, parliamentary scrutiny of delegated legislation was inadequate and not very critical. As such, it has failed to keep the executive on the rails.

(v) **Confusion and chaos**

It is contended that too much flexibility leads to confusion and causes chaos. Hence, it affects the administration very adversely.

Though these points of criticism have some weight in them, delegated legislation cannot be avoided. It is in fact a necessary evil. It is necessary because Parliament lacks time to enact detailed legislation on all kinds of subjects on which laws have to be made. It is also an evil because it gives to Caesar what does not, in fact, belong to Caesar.

3.4 Safeguards in Delegated Legislation

As already said above, delegated legislation is a necessary evil and is as such ever on the increase rather than diminish, the need for safeguards cannot be overemphasized. Hence, the following safeguards should be provided to avoid its pitfalls:

- the enabling Acts should specifically define the powers delegated. The use of vague terms as in “common interest”, “reasonable variation” may be avoided as they give vast discretionary powers to the executive.
- the jurisdiction of the courts should not be ousted or curtailed. Thus, the power of judicial review should be vested with the courts. That will check the excesses of delegated legislation.
- the executive should take in confidence the outside interests directly affected by the proposed exercise of rule-making powers.
- explanatory notes should be added to all the regulations so that the layman is fully acquainted with the necessity of a particular regulation.
- rules and regulations should be published and given publicity.
- parliamentary control over delegated legislation is a proper safeguard against abuse of these powers by the executive.
- rule-making authority should be delegated to a trustworthy authority approved by the Parliament.

In Nigeria, where the doctrine of supremacy of constitution prevails, the legislature cannot delegate its law-making power to any extent. Knowing the inevitability of delegated legislation, it may be suggested that the safeguards enumerated in the preceding paragraphs should be given due weight without which the executive might become despotic, and the liberty of the people may be at stake.

4.0 CONCLUSION

Delegated legislation is inevitable, more so in societies like ours which is engaged in transforming itself. It is, there, argued that greater use should be made of advisory committees representing the severally affected interests in grinding out administrative details.

5.0 SUMMARY

The system of delegated legislation is both legitimate and constitutionally desirable for certain purposes within certain limits and under certain safeguards.

6.0 TUTOR-MARKED ASSIGNMENT

4. Define delegated legislation, and bring out its advantages and disadvantages.
5. Why is delegated legislation inevitable especially in a society like ours?
6. What are the safeguards against abuse of delegated legislation?

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UNIT 3 ADMINISTRATIVE ADJUDICATION

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 The meaning of Administrative Adjudication
 - 3.2 Difference between Administrative Tribunals and Ordinary Courts
 - 3.3 Kinds of Administrative Adjudication
 - 3.4 Causes of the Growth of Administrative Adjudication
 - 3.5 Advantages and Disadvantages of Administrative Adjudication
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1.0 INTRODUCTION

Modern public administration has taken a leaf not only from the legislature's book but also from the judiciary. Administrative adjudication is the latest addition to the administrative techniques. Administrative adjudication means the determination of questions of a judicial or quasi-judicial nature by an administrative department or agency. Like a regular court, administrative bodies hear the parties, sift evidence, pronounce a decision in cases where legal rights or duties are involved.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- define administrative adjudication
- state the points of difference between administrative adjudication and administrative of justice
- list the kinds of administrative adjudication
- state why administrative adjudication has grown rapidly so soon, etc.

3.0 MAIN CONTENT

3.1 The Meaning of Administrative Adjudication

In the words of Prof. White:

- “Administrative Adjudication means the investigation and settling of a dispute involving a private party on the basis of a law and by an administrative agency”.

Prof. Dimock defines:

- “Administrative Adjudication as the process by which administrative agencies settle issues arising in the course of their work when legal rights are in question”.

Blarchy and Oatman describe it as:

- “Authorities outside the ordinary court system which interpret and apply the laws when acts of public administration are attacked in formal suits or by other established methods”.

The agencies of administrative adjudication may comprise:

- the Minister
- the Head of the department (Permanent Secretary)
- a ministerial tribunal
- a special committee or commission like Independence Regulatory Commissions
- specialized courts of law
- a single member tribunal
- a composite tribunal.

Dr. Robson has thus remarked that, ‘one of the most striking developments in the British constitution during the past half century has been the acquisition of judicial power by the great departments of the state and by various other bodies and persons outside the courts of law’.

3.2 Difference between Administrative Tribunals and Ordinary Courts

Administrative Court	Courts of Law
Administrative justice is administered by administrative agencies instead of regular courts	Court of law is excluded
The administrative courts follow the principles of natural justice and common good	The courts of law follow the settled principles of law and evidence
The administrative courts are manned by officers belonging to the executive branch	The judges are the members of judiciary independent of executive control
The elaborate requirements of judicial proof with the appeal to the higher courts and expenses may be avoided.	Court proceedings are quite expensive, with long drawn out processes.

3.3 Kinds of Administrative Adjudication

Administrative adjudication may take the following forms:

- advisory administrative adjudication, which means that the power of final decision is vested in the head of the department or other authority
- administrative adjudication may constitute a part of the regular functions of an administrative officer
- administrative adjudication may be combined with a legislative administrative process
- regular suits may be filed against administrative decision
- administrative adjudication sometimes applies to licensing activities
- administrative adjudication may be adopted for the settlement of claims
- administrative adjudication may sometimes serve as a condition precedent to the performance of an administrative act.

3.4 Causes of the Growth of Administrative Adjudication

The following factors have led to the growth of administrative adjudication:

d. A by-product of the welfare state

The administrative tribunals rendering administrative justice constitute a by-product of the welfare state. In the 18th and 19th centuries when *Laissez faire* theory held sway, law courts protected the rights of the citizens at the cost of state authority. But with the emergence of welfare state, social interest began to be given precedence over individual rights. The existing judiciary

failed to uphold the new system. In brief, the new system of administrative adjudication suited new social ends espoused by a welfare state. It proved a potential instrument for enforcing social policy and legislation.

e. Suitable to industrialized and urbanized society

Administrative adjudication suits modern industrialized and urbanized society as well. The latter necessitates positive and prompt action which is possible if the problems arising out of the new order are not left at the mercy of ordinary courts.

In the words of Prof. Robson, “parliament did not overlook the courts of law but they found the possibility of setting up new organs of adjudication which would do the work rapidly, more cheaply and more efficiently than the ordinary courts, which would possess greater technical knowledge and few prejudices against government, which would give greater weight to the social interests involved and show less solicitude for private property rights which would decide with a conscious effort at furthering the social policy embodied in the legislature”.

c Ordinary law courts not competent

- Law courts, on account of their elaborate procedures, legalistic forms and attitudes can hardly render justice to the parties concerned, in technical cases. Ordinary judges brought up in the traditions of law and jurisprudence are not capable enough to understand technical problems judiciously.
- The expedient adopted by the courts is to examine the experts of the subject. The expert witnesses are only too often lured assassins of the truth.

d. Standard of conduct to be devised

Besides the points suggested above, the main business of the ordinary courts is to settle disputes and not to set standards of human behaviour. It is for the legislature to set such standards. The legislature is not in a position to prescribe in exact details of pattern of conduct. This power is delegated by legislature to the administration and the disputes arising out of the enforcement of these standards can be properly tackled by administrative courts alone. For instance, the factory rules provide certain safety measures. A worker working in the factory gets injured. Has he been injured due to bad workmanship or non-compliance with the safety measures by the management? All these can be decided only by administrative experts rather than an ordinary judge.

The sporadic rise of administrative adjudication was, however, widely denounced by the freedom-loving people of the democratic countries. In England, parliament was compelled to appoint a committee on ministers' power in 1931 to go into the question. The committee was, however, of the view that the system of administrative adjudication was not inconsistent with the rule of law.

3.5 Advantages and Disadvantages of Administrative Adjudication

Advantages

The following are the advantages of administrative adjudication:

- h. **Cheaper:** Administrative justice is comparatively cheaper. In suits, lawyers may or may not appear. No court fees are to be paid, no solicitors are to be instructed, no counsel is to be briefed, no pleadings are to be printed and no affidavits are to be sworn. Robson opines that it is also cheaper from the point of view of the state, if the relative salaries of the official members of the administrative tribunals and the judges are taken into consideration.
- i. **Speedy justice:** Justice by the administrative tribunals is speedy. Oral learning are dispensed with. Intricate trial procedures are abandoned. Vexation rules of evidence are conspicuously absent.
- j. **Adequate justice:** In the fast changing world of today, administrative tribunals provide the most effective means of rendering fair justice to the individuals. Lawyer steeped in the old traditions and philosophy of law and environed by procedural dialectics generally discernible in the ordinary courts of laws, can hardly appraise the needs of the modern welfare society. Hence, administrative courts alone can render adequate justice.
- k. **Burden of courts lessened:** The system provides the much needed relief to the ordinary courts of laws which are overburdened with varied types of ordinary suits. Many of the disputes coming before the ordinary tribunals are of ordinary nature and do not warrant the attention of highly paid judges or the necessity of elaborate procedures and rules of evidence. Such case can easily be referred to these tribunals.
- l. **Useful in developing democracies:** The developing democracies with experiment with new social and economic programme, ordinary courts would be complete misfits. All the disputes arising out of such programmes will get struck out, thus giving a setback to the programme itself unless we switch over to the administrative courts.
- m. **Fixing of standards:** The disputes which come for adjudication before the administrative tribunals are not concerned with the

proprietary or other claims of the disputants but with the fixation of public standards of performance. Such standards of performance can be determined only by these administrative tribunals and not ordinary courts. For example, a dispute concerning an injured employees claim of enforcing standards of safety in the factory than a mere dispute of rights between the employer and the employees. Obviously, ordinary courts are not capable of understanding such work.

- n. **Flexibility:** The legalistic approach to problems is static, unprogressive and individualistic. An ordinary court intervenes only when a conflict arises. It moves in the direction of controversy alone. It is not concerned with the problems arising from the decisions, the complications following such decisions and the other inter-relations involved. The fast changing society necessitates a progressive attitude and an adaptation of policies to meet changing conditions. Administrators formulate policy, develop administrative techniques, work out new methods of adjusting controversies, check and modify their standards in the ordinary functions and difficulties confronting everyday life and adjust their decisions and attitudes. Thus, conditions fostering controversies are removed through such a type of flexibility.

Disadvantages

Though the advantages of administrative courts are quite impressive, they have been target of criticism at the hands of certain critics like Dicey, Lord Hewart, Allen and K. M. Memshi etc. The following are the main defects of administrative adjudication:

h. Violation of rule of law

It violates the rule of law which is the cornerstone of democracy. Rule of law stands for equality before the law, supremacy of law and due procedure of law over governmental arbitrariness. Administrative tribunals, with their separate law and procedure often made by them, seriously circumvent the celebrated principle of rule of law.

i. Principle of natural justice undermined

Administrative adjudication violates the principles of natural justice. Viz, no man should be a judge in his own case, no party ought to be condemned unheard, and party concerned should know the reason for the decision. The administrative courts do not often give the reason for a decision. The quality of investigation is also poor. Free from the trammels of judicial procedure, administrative courts depend on un-sworn written

statements, unsupported by verbal testimony given on oath and subjected to cross-examination. Witnesses are compelled to amend. Thus, justice remains at stake.

j. Limited right to appeal

The right to appeal from the decisions of these courts is either very limited or is non-existing. The opportunity for judicial review is restricted. This is apt to lead to miscarriage of justice.

k. Lack of publicity

The rules of procedure of administrative courts do not provide for the publicity of proceedings. Provision of oral hearing may not be there or if it is there, it may not be open to the public and the press. Reports of the cases so decided may not be publicized.

l. Tribunals do not act judicially

Tribunals are not manned by judicial luminaries. As such, they do not have the impartial outlook. They become the limbs of the executive, and dance to its tune and cease to act judicially.

m. Prediction of future decision not possible

The administrative courts' summary trials and do not take into consideration precedents. Hence, it is rather impossible to predict the course of future decisions. It is contended by the critics that administrative law today is a medley of confusion practically in all those countries where rule of law prevails. It is neither written nor definite, nor known.

n. Uniform procedures non-existing

The administrative courts do not observe uniform procedures which lead to inconsistent and arbitrary decisions. Fixed standards of conduct are conspicuously absent. Hence, justice is negated. Lord Hewart correctly remarked, 'justice should not only be done but should undoubtedly and manifestly be seen to be done'. Though these defects seem to be quite alarming they are not inherent defects. There is a necessity for providing proper safeguards to eliminate these defects. In reality, there is a need for striking a proper balance between cheapness and promptness of justice and the liberty of individuals.

3.6 Safeguards in Administrative Adjudication

There are three types of safeguards which if provided; administrative adjudication would be an asset to democracy. The safeguards are:

- organisational

- procedural, and
- judicial

a. Organisational safeguards

- The adjudicator of disputes should be a person different from the one who is involved in a dispute against the individual or group of individuals. He may be drawn from the same service responsible for administration of the functions of the agency.
- An adjudication board or tribunal rather than a single officer should be empowered to adjudicate. This is in consonance with a well established rule of fair justice.
- The appointment of the members, and particularly of the chairman, should not rest solely with the minister concerned. The Franks Committee in UK had recommended that to insulate the Tribunal from departmental influence, the chairman of all such tribunals should be appointed by the Lord Chancellor. It further suggests that the members of such tribunals should be appointed by council on tribunals.

c. Procedural safeguards

Purely from procedural point of view, administrative tribunals, in countries following the Anglo-Saxon system of law, present a picture of complete disharmony and utter confusion. The Committee on Ministers' Powers appointed in UK reported in 1932 that administrative tribunals should follow the principles of natural justice. It suggested that:

- no man should be a judge in his own case
- no man should be condemned unheard
- party concerned should know the reasons for the decision.

Besides the above, the following procedural improvements can also be helpful.

2. All the evidence and documents on the basis of which a decision is to be taken should be disclosed. No one should be taken by surprise.
2. The concerned should be entitled to represent his case either by himself or through a legal expert.
3. The accused should be entitled to cross-examine the evidence and challenge the evidence produced against him.

4. The accused should not only be given an opportunity to examine the evidence produced against him but should also have an opportunity to call evidence, oral and documentary.
5. He should be given the right to full judgment which should reveal the reasons for the order and not merely the order.
6. He should possess the right to appeal for further and higher judgment.

f. Judicial

The system of judicial review over judicial and semi-judicial actions of the administrators and tribunals can prove a very adequate safeguard. In France and Germany, supreme administrative court has been provided to supervise all administrative tribunals and authorities. In the rule of law countries, the jurisdiction of the supreme and the high courts should not be curtailed. The right to judicial review on points of law should remain unimpaired. Though these safeguards will help in removing the lacunae of the functioning of the administrative courts, it is advisable that indiscriminate recourse to administrative courts must be avoided. The democratic superstructure is likely to be undermined if administrative adjudication is used as an alternative to the ordinary court system.

4.0 CONCLUSION

In this unit, we have discussed administrative adjudication and our discussion was very much on the meaning of administrative adjudication, kinds of administrative adjudication, the difference between administrative tribunals and ordinary courts, causes of the growth of administrative adjudication, merits and demerits, and finally its safeguards. Thus, it is apt to conclude by saying that administrative courts not only relieve the ordinary courts of a great bulk of work, but also serve purposes foreign to the latter.

5.0 SUMMARY

To us who have been brought up on the tradition of the Anglo-Saxon system of jurisprudence and nurtured on the basic ideals of the rule of law, the idea of administrative tribunals appears to be odious. But we have to adjust ourselves to the needs of modern times.

6.0 TUTOR-MARKED ASSIGNMENT

4. What do you understand by the term administrative law in all its totality?
5. What are the merits and demerits of administrative tribunals?
6. “No man should be a judge in his own case”. Vividly explain this in respect to safeguards in administrative adjudication.

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UNIT 4 ADMINISTRATION AND FINANCE

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
- 3.0 Main Content
 - 3.1 Importance of Finance
 - 3.2 Management of Finance – What is it?
 - 3.3 Agencies of Financial Administration
- 4.0 Conclusion

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- 7.0 References/Further Reading

1.0 INTRODUCTION

Every administrative act has its financial implications, either creating a charge on the treasury or making a contribution to it. Nothing can be done without the expenditure of money, at the very minimum for the payment of the salary or wages of the officials or employees who act. Available financial resources set a maximum unit on administrative activity as a whole and on each of its separate parts. The management of finance is therefore one of the first and one of the inescapable responsibilities of administrators.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- why Public financial management is important
- what it implies
- agencies of financial administration
- why financial management is a dynamic process involving a continuous chain of operations.

3.0 MAIN CONTENT

3.1 Importance of Finance

Finance occupies a very prominent place in the study of public administration. Of the several factors that enter into the problem of efficient administration, none is of greater importance than that of financial administration. Finance, in fact, is the fuel for the engine of public administration. It is the life blood of a government. It keeps the administrative machinery on its wheels. No administration functions without finance.

In Nigeria, lack of adequate finance is a major cause of the failure of the government to improve the standard of living of the people and implement the various welfare projects.

Public finance is, in fact, an integral part of administration. No act of government can be performed without money. Mr. Lloyd George once remarked that government is finance. This is quite correct because the governmental machinery will come to a halt unless funds are available to pay the personnel and purchase the equipment and materials required.

3.2 Management of Finance – What is it?

Management of finance is one of the first and one of the inescapable responsibilities of administrators. As a matter of fact, financial administration and public administration are closely intertwined.

1. Most administrative acts have their financial implications. They either spend money from the public exchequer or bring money to it.
2. Financial operations may be designed to develop and promote particular public policies, e.g. tariff may be so imposed as to bring economic equality.
3. Financial administration raises important issues of administrative organisation and relationship, e.g. what machinery of financial administration that should be, or what should be the relationship between financial machinery and administrative machinery, or what should be the proper sphere of jurisdiction of the financial officers and the administrative officers. It is not going too far to say that the government which has worked out and is employing a satisfactory system of financial administration has gone a long way towards putting the administration of its affairs upon an efficient basis. And the one which has failed to do so cannot possibly give to its citizens what they are entitled to. Accountability is the hallmark of financial administration first because one who controls the strings, calls the tune and second because in democracy officers should not only be honest but should also appear to be so. Democracy is apt to devise all sorts of mechanical and human means to protect public money from susceptibility of its officials.

Besides, a sound fiscal management is the very basis of the effective financial administration which is indispensable not only to keep the state at an even keel but also to determine the pace, direction and pattern of socio-economic development of a democratic nation.

A sound fiscal management involves a chain of operations viz:

- preparation of budget
- legislation of the budget
- execution of the budget and audit
- treasury management i.e. safe custody of the funds raised, and due arrangement for the necessary payments to meet the liabilities, and

- expending of the accounts by the executive and the audit of these accounts.

Thus, public financial management consists of all those operations the object of which is to make funds available for government activities, and to ensure the lawful and efficient utilization of these funds. In every democratic country, it is the legislature that controls the purse strings of the nation by exercising its power to approve, reject or modify the budget presented to it by the executive and also putting in place appropriate control system to ensure that public funds are lawfully and efficiently utilized. A case in point was the recent problem of the Nigeria parliament in rectifying the 2008 budget and the reluctance of the executive (president) to accept any modification in the budget by the parliament.

3.3 Agencies of Financial Administration

The term financial administration is used in a broad sense to include all the processes involved in collecting, budgeting, appropriating and expending public money, crediting income and expenditures and receipts and disbursements, accounting of assets and liabilities and the financial transactions of the government and reporting upon income and expenditures. This may vary from country to country.

Generally, the machinery or agencies of financial administration are carried out by:

- the central department or departments concerned mainly with financial administration
- the legislature
- the principal financial officers in the administrative departments
- the audit organisation and
- the committee and the public accounts committee

A brief discussion of the above are as follows:

- **The executive:** The chief executive is responsible for the formulation of the financial policy of the government and preparation of the estimates of expenditure and revenue for the ensuing financial year. He is assisted in this job by a central department. In Britain, the department is called the Treasury and in India, Nigeria and the Commonwealth countries, it is the Ministry of Finance. The budget estimates originate from the operating agencies as they alone know their sources of revenue and needs. The estimates prepared by the disbursing officers are reviewed by the head of the department. These are then forwarded to the financial department

which gives to these estimates final shape and put them in the budget.

- **The legislature:** According to democratic principle, no tax can be levied or collected and no expenditure can be made by the government except with the previous consent of the parliament. The executive makes the demands and the legislature grants them. The power of authorizing expenditure and collection of the taxes is usually vested in the upper or lower chamber of the legislature, for example, in the House of Commons in England, and the Lok Sabha (lower chamber) in India. The Upper Houses in both these countries do not have much say in the matter but of making suggestions. In the USA, however, the Senate (upper house) has equal financial power with the House of Representatives (lower house), except that revenue bills can originate only in the lower house.

In Nigeria also, both houses of the National Assembly, namely the House of Representatives and the Senate during the Second Republic were saddled with the responsibility of scrutinizing and approving the country's budgets. For instance, the recent 2008 country's budget was not approved by both houses until some modifications were made on it. This culminated in the president's protracted refusal to honour it before he could oblige to assent to it due to pressure. The budget must be passed by both Houses, although it is first considered and approved by the lower house, i.e. the House of Representatives before it is sent to the Senate.

In France and Switzerland too, the legislatures enjoy similar freedom. The National Assembly during the Second Republic in Nigeria was also very powerful in budgetary matters in that it could make variations in the budgetary proposals presented by the president.

- **Heads of the departments:** As soon as the budget is passed by the legislature, the various political heads of the ministries assisted by their Director-General have authority to incur expenditure within the terms of the budget and are responsible for control of expenditure within the terms of the budget departmentally to a great extent. The Director of Budget in the Presidency also exercises control over principal officers involved in budget preparation and execution. In England, the head of a department is nominated as the Account Officer by the Treasury.
- **Audit:** A very important agency of financial administration is the Audit department. In Nigeria, sections 85 and 86 of the 1999 Constitution provide that the public accounts of the federation and of all offices and courts of the federation shall be audited by the Auditor-General who shall submit his report to the National

Assembly and for that purpose, the Auditor General or any person authorized by him in that behalf shall have access to all books, records, returns and steer document relating to these accounts. The Accountant-General is responsible for account keeping functions.

- **Parliamentary committees:** Finally, two committees of the legislature known as **the Estimate Committee and the Public Account Committee** exercise financial control on behalf of the legislature. Section 62, subsection 3 of the Federal Republic of Nigeria's Constitution of 1999 provides for the appointment of a joint committee on finance consisting of an equal number of persons appointed by each house and may appoint any other joint committee under the provisions of this section. However, the Estimate Committee is intended to suggest economies in the estimates of the spending departments, while the Public Accounts Committee (PAC) examines the appropriation accounts in the light of the audited accounts in Nigeria as the case in other Commonwealth countries.

4.0 CONCLUSION

In this unit, we have discussed the importance of finance, what is management of finance and agencies of financial administration. However, while finance may be to government, what air is to man, finance or money, unlike air, is not unlimited in supply. So, no nation can be prosperous if it does not generate funds or use the available resources maximally. There is no doubt that the need for good management of available funds on the part of government is a *sine-qua-non*.

5.0 SUMMARY

Public money is a trust and it should be spent cautiously. But accountability does not end with proper maintenance of accounts and strict adherence to financial rules, it also involves the principles of wisdom, faithfulness and economy. It goes farther than custody and stewardship to enlist the dynamic policy determining qualities of management. Financial administration thus involves the management of finance in such a way as to accomplish the targets with the minimum expense of money and energy within the specified time limits.

7.0 TUTOR-MARKED ASSIGNMENT

3. What is financial management?
4. What are the agencies of financial administration?

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UNIT 5 THE BUDGET

CONTENTS

- 1.0 Introduction
- 2.0 Objectives
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 - 3.1 The Meaning of Budget/Definitions
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1.0 INTRODUCTION

Budgets are beyond money. They are choices, policies and philosophies and the ways in which budgets are made reflect the choices, policies and philosophies of governments. The Budget is the life blood of governments in the same way people budget time, money, food – almost everything. The ordinary man on the street, the rich, small and big organisations, private and public organisations, local, state and the federal governments, the United Nations Organisation (UNO), all budget. Thus, budget is a very important tool of financial administration.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- the meaning of budget
- types of budget
- why budget is an instrument of social and economic policy
- performance budgeting
- elements of a budget.

3.0 MAIN CONTENT

3.1 The Meaning of Budget/Definitions

The word ‘budget’ is derived from a French word, *Bougette*, meaning leather bag or wallet. The term was used for the first time in 1733 in a satire entitled ‘Opened the Budget’ pointed against Walpole’s (then Chancellor of the Exchequer). The Chancellor of the Exchequer in England used to carry a leather bag containing papers on the financial plans for the country to the House of Commons. So when he set off to place his financial plans before the house, he used to open his budget, that is the bag, and it is because of this association of the financial plan with the bag that the financial statement of a country has come to be known a budget.

The term budget in modern times, therefore, denotes that document which contains estimates of revenue and expenditure of a country, usually for the fixed period of one year.

Some definitions of budget

Some social scientists had tried to define budget in different ways, and these are:

- **Dimock:** 'A budget is a financial plan summarizing the financial experience of the past stating a current plan and projecting it over a specified period of time in future'.
- **Munro:** 'Budget is a plan of financing for the incoming fiscal year. This involves an itemized estimate of all revenues on the one hand and all expenditure on the other'.
- **Taylor:** 'Budget is a financial plan of government for a definite period'.

Elements of Budget

From the above definitions of budget we conclude that the following are the elements of budgets

- it is a statement of expected revenue and proposed expenditure,
- it requires some authority to sanction it,
- it is for a limited period, generally it is annual,
- it also sets forth the procedure and manner in which the collection of revenue and the administration of expenditures is to be executed.

The budget is the nucleus around which the financial activities of the state oscillate. It is both the scale and the limit of all the financial operations.

3.2 Types of Budget

Budgets can be classified on the basis of these various types:

- **Annual or long term budgets**

Generally, government budgets are annual i.e. they are prepared for one year. Nigeria, as in England and most of the commonwealth countries used to span its budget from 1st April to 31st March before it was changed to 1st January to 31st December in 1980. Also, in USA, Australia, Sweden and Italy the dates are 1st of January and 31st December. Some countries have adopted the policy of planned economy and to meet the needs of long term planning they have resorted to long term budgeting, i.e. preparing the budget for three or more years. Such budgets are in

fact long term planning rather than long term budgets because what is provided for is financial planning, over a period of years to finance the plan. The countries approve the estimated planned expenditure over a number of years. The legislature approves the plan along with its estimated expenditure, but that does not amount to actual voting of appropriations for the entire period. Every year the national budget will include the expenditure on the plan for that year which will be approved by the legislature.

- **Single or plural budget**

When the estimates of all the government undertakings find place in one budget, it is known as simple budget. The advantage of single budget is that it reveals the overall financial position of the government, as a whole. But if there are separate departmental budgets which are passed separately by the legislature, it is called plural budgeting. In most countries of the world, there is the tradition of having a single budget incorporating the financial estimates of income and expenditure of all the departments.

These are some of the countries with plural budgets, France, Switzerland, Germany and India. In India for instance, two separate budgets are presented to parliament annually. One budget takes care of all the sectors in the country except the Railway sector. The second budget is the Railway budget, a practice that dates back to 1921

- **Surplus, deficit or balanced budget**

A budget is surplus if the estimated revenues are in excess of the estimated expenditure. But if the anticipated revenues fall short of the anticipated expenditure, it is a deficit budget.

According to economists, a deficit budget is a sign of the country's making progress. A balanced budget is one wherein the anticipated revenues equal the anticipated expenditure. Budgets are generally deficit budgets.

- **Cash or Revenue budget**

A cash budget is one wherein the estimates of the various items of income and expenditure include the amounts actually to be received or spent in one year. In revenue budget, the revenue and expenditure, accruing in one financial year, are budgeted in that financial year irrespective of the fact whether the revenues are realized or the expenditure is incurred in that financial year.

- **Departmental or performance budget**

The present practice is to have departmental budgets i.e. the revenues and expenditure of one department are grouped under it. It does not give any information as to the activity or performance for which money is budgeted.

The performance budget is one where the total expenditure of a particular project is grouped under the head of the particular

programme. It is prepared in terms of functions, programmes, activities and projects, for example, in the case of education (a function), it will be divided into programmes like those of primary, secondary and higher education. Each programme will be divided into activities, for instance, training of teachers is an activity. Project is the last unit of functional classification. It signifies such an activity as is of a capital nature, such as, construction of a school building.

However, the concept of performance budgeting has assumed significance in the recent past, as it constitutes an integral part of the process of reform in financial administration. This budget radically differs from the traditional budget term, 'line-item budget'. The performance budget undertakes allocation of expenditure by reference to particular objectives and functions. In other words, a clear shift from itemized expenditure to functions or activities is described in this type of budgeting.

3.3 Budget as a Tool of Administrative

Budget today has become one of the primary tools of financial administration. It is the master financial plan of the government. It brings together estimates of anticipated revenues and proposed expenditures implying the schedule of activities to be undertaken and the means of financing these activities. Budget is the very core of democratic government and in the words of Harold Smith, 'the objectives of the budget should be to implement democracy and provide a tool which will be helpful in the efficient execution of the functions and services of government. The budget is a device for consolidating the various interests, objectives, desires and needs of our citizens into a programme whereby they may jointly provide for their safety, convenience and comfort. It is the most important single current document relating the social and economic affairs of the people'.

It lays emphasis on the need for state programmes to be executed as efficiently as possible so that maximum results are obtained for the money spent on them.

In one sense, the entire budgetary process can be said to have as a single objective, the attainment of economy and efficiency, i.e. the determination of how the country's scarce resources can best be served by the diversion of scarce resources through taxation and other methods from private to public use and by the allocation of those resources among various government uses. Such a determination covers both questions of what programmes should be undertaken and how they should be executed.

3.4 Budget as an Instrument of Social and Economic Policy

Apart from budget being a tool of administration and the basis of an orderly finance, it has now become a very powerful instrument of social and economic policy. The modern states are welfare states and as such budget is used as a means for the promotion of welfare objectives.

This aspect of the budget has assumed all the more importance with the adoption of a socialistic pattern of society by government.

Besides realizing the plans for higher production in various sectors, the government aims at correcting the inequalities in the distribution of wealth by higher taxation of the rich and proportionately lower taxation and sometimes even exemption for the poorer section of community through the instrumentality of budget.

In the days of *laissez faire*, budget was a simple statement of estimated income and expenditure, but now in the modern social welfare state, it has become an instrument of promoting the social and economic welfare of the people.

The budget is awaited anxiously by the people. It has wide ramifications. It plays a vital role in the economy of a state. Every citizen is interested in it. From the budget, the citizens can know what benefits they are going to derive and how much is the price to pay for those benefits. After all, rights and duties are coins with the same sides. The taxation policy of government in the budget may lead to narrowing down of the class distinctions and inequalities. The production policy, as reflected in the budget, may help in removing poverty, eradicating unemployment and avoiding mal-distribution of wealth.

It can check inflation and enable the citizens to lead their lives safely and with comfort and happiness. Precisely speaking, budget has tremendous social and economic implications in modern states. It is much more than a mere national balance sheet.

Lloyd George, the then prime minister of Britain in his people's budget of 1909, utilized for the first time, the potentialities of the fiscal instrument for social welfare. In his budget speech, he said, 'four specters hunt the poor, old age, accident, sickness and unemployment. We are going to exercise them. We are going to drive hunger from the heart. We mean to banish the workhouse from the horizon of every man in the land'.

By taxing the rich on a progressive scale and utilizing the proceeds in providing social amenities, such as better housing, educational and medical facilities, etc, for the poorer classes have come to be accepted as one of the most important objectives of budget. Governments are alive to this aspect of budget as a means for the establishment of a socialistic pattern of society.

3.5 Budgetary Principles

Budget, as shown above, is an effective instrument of economic and social changes. It is the basis without which there can be no lasting social progress. It is desirable that it should conform to certain budgetary principles.

The most important principles of budget making are the following:

10. Budget should be a balanced one

Budget should be a balanced one, meaning that the estimated expenditure should not exceed revenue or income. When the amounts of expenditure and revenue in a budget are equal or nearly so, it is called a balanced budget. If the expenditure is less than the anticipated revenue, it is a surplus budget and if the expenditure is more than the anticipated revenue, it is called a deficit budget.

The balancing of the budget is the first requisite of financial stability, and occupies the same place in financial administration. On the other hand, un-balanced budgets are bound, sooner or later, to weaken the faith of investors and lead to monetary inflation, which if uncontrolled will terminate in national disaster.

An occasional deficit budget, however, need not cause worry. The newer trends of economic thought consider deficit budget in certain circumstances not only excusable, but also necessary. According to them, a deficit budget can cure the ills from which the modern capitalist economy suffers. Deficit budget has now become a common phenomenon of the developing countries. It is not safe to indulge in deficit budget beyond a certain point.

11. Budget formulation is the responsibility of the executive

Section 81 (1) of 1999 Constitution of the Federal Republic of Nigeria says, ‘the president shall cause to be prepared and laid before each house of the national assembly at any time in each

financial year estimates of the revenues and expenditure of the federation for the next following financial year’.

As the chief executive is responsible for running the administration, he is in the best position to say what funds are required for it. It should, therefore, be the duty of the chief executive to formulate the budget. But since the budget framing is a stupendous task, he must therefore, be aided and advised by a body of specialists.

In Nigeria and India respectively, the Ministry of Finance, in England the Treasury and in USA, the Bureau of the Budget, help their respective chief executives in budget planning.

12. Estimates should be on a cash basis

The principle of the cash basis of the budget means that it should be prepared on the basis of actual receipts and expenditure expected during the year and not on the basis of receipts which are to be realized in some other years or the expenditure which is ordered in that year but is likely to be incurred in the next financial year, e.g. if certain sums on account of arrears of tax relating to the year 2006 – 2007 are realized in the year 2007 – 2008, they should be shown in the receipts estimates of the latter year and not of the former. Similarly, if the habit for any payments was incurred in the former (2006 – 2007) year but was actually met in the latter (2007 – 2008) year, it should be shown in the expenditure of the latter year only.

13. Budget should be done on the basis of gross and not net income

Budget should present a clear cut picture of the gross and not the net income of the country. Both the receipts and expenditure should be fully shown in the budget and not merely the resultant net position. For example, if there is a department with an estimated expenditure of N45 million and receipts of N35million, it should show in the budget both the expenditure and receipts and not merely N10 million only. If the department prepares the estimates on the net basis, it would mean that it would approach legislature for granting of N10 million only and hence deprive the legislature of its control over the expenditure of N45 million, which it met out of its receipts. Gross budgeting is, therefore, essential to ensure complete financial control of the legislature.

14. Estimates should be, as far as possible, exact

Estimates provided in the budget should as far as possible, exact. They should not be over-estimated or under-estimated. While money should be provided for all necessary expenditure, the amount provided for should be the absolute minimum. If there is over-estimation of expenditure, people are unnecessarily heavily taxed and if there is under-estimation, the whole budget may be thrown out of gear when it comes to execution. It is a tendency on the part of the departments in Nigeria to under-estimate their income and over-estimates their expenditure although there are instructions to the heads of all the ministries that they should try to achieve economy and avoid waste as far as possible.

15. Annularity of the budget

The principle of annularity is one of the most important principles of budgeting. It means that the budget should be prepared on annual basis. In other words, it means that the legislature should grant money to the executive for one year. A year is a reasonable period of time for which the legislature can afford to give financial authority to the executive. It is also the minimum period which is necessary to execute financial programme.

However, annularity of budget does not mean that there should be no long- term planning. All those countries which have adopted the policy of planned development do have long-term budgeting, but these long-term plans do not involve actual using of appropriations for the entire period of the plan by the legislature though it may be called to approve the plan in principles and broad outlines as it is done in the case of a five-year plan.

16. Rule of lapse

The annularity principle of budgeting also implies that money left unspent during the year for which it was sanctioned must lapse to the public treasury and the government cannot spend it unless re-sanctioned in the next budget. This rule of lapse is essential for effective financial control.

If the unspent balance of one year could be carried out for expenditure in future years, it would make the departments independent of the control of the legislature till the time their accumulated balances are spent. In 2008, President Yar Adua, when newly assumed office, had requested all the ministries and departments to account for all the un-spent appropriations sanctioned the previous year.

17. The form of estimate should correspond to the form of account

This principle means that the budgetary heads should be the same as those of accounts. This facilitates budget preparation, budgetary control and the keeping of accounts.

18. Revenue and capital parts of the budget should be kept distinct

This principle means that overall surplus or deficit may be found out by taking both into account.

The principles listed above when taken together provide a very effective guide to sound budget-making. However, these principles may vary in their application according to the peculiar circumstances of the countries concerned but there must be serious consequences should there be any neglect or ignoring completely of these principles.

3.6 Enactment of the Budget in Nigeria

After the preparation of the budget, the next stage in a democratic country is to get the budget enacted by the legislature or any other competent authority. The legislature is saddled with the responsibility of giving legal form to the budget prepared by the executive because as a body made up of the representatives of the people, they have control over the purse strings in every democratic country.

In Nigeria, under the constitution of 1999, the budget is expected to go through the following stages in the course of its passage in the National Assembly, viz

- i. Introduction
- ii. Scrutiny or committee stage
- iii. Passing of the financial bill

• Introduction of the budget

Under the 1999 Constitution, section 81 (1) of the Federal Republic of Nigeria, the president is required to present the budget to the National Assembly for enactment. In this regard, section 81 (1) of the 1999 Constitution specifically states thus:

- *The president shall cause to be prepared and laid before each house of the National Assembly at any time in each financial*

year, estimates of the revenues and expenditure of the federation for the next following financial year.

After the presentation, the president's job is done for the moment and both Houses of the National Assembly would therefore convene later separately to look at the budget in details to discuss on it.

It is worthwhile to know that no discussion on the budget shall take place on the day on which the budget is presented to both Houses.

The Speaker, therefore, fixes a date on which general discussion on the budget is to take place.

- **The committee stage**

The detailed scrutiny of the budget presented by the president is done through the use of the various standing committees, like education, health, agriculture etc to look into various aspects. Each of the Houses of the National Assembly scrutinizes the budget. However, once all the scrutiny is done, a report would be written to be laid before the entire House for discussion. During the second and third readings, all amendment (if any) to the committee's report are altered or effected by the House.

- **Passing of the financial bill**

The next stage is the passage of the annual appropriation bill into a statute or legal backing. Usually, the House of Representatives first passes the budget before the Senate does so. If both houses pass the budget, it is then sent to the president for his assent, and the bill embodying the budget becomes law.

An appropriation act embodies the authority given by the National Assembly with the assent of the president to the government to withdraw money from the public fund and spend it as authorized in the act. Without such an authority, the government cannot incur expenditure and the Auditor-General of Nigeria would hold a payment as unauthorized or illegal if it were made without authorization in the appropriation act. Thus, with the passage of the appropriation and finance bills, the enactment of the budget is complete.

4.0 CONCLUSION

In this unit, we have discussed the meaning of budget, and shown how some eminent writers had defined it. We did discuss, as well, the types, and the budget as a tool of administration. There was a discussion also on the social and economic importance of budgetary system. The principles of budget were thoroughly looked into. And finally, we even learnt how the budget in question, is prepared, and finally passed into a legal statute.

5.0 SUMMARY

The budget in a modern state is a forecast and an estimate of all public receipts and expenses, and for certain expenses and receipts, an authorization to incur them and collect them. It is the financial plan of government for a definite period.

6.0 TUTOR-MARKED ASSIGNMENT

4. “Budget is the very core of democratic government” – Explain.
5. Explain budget as tool of administration
6. Budget is a means for the establishment of a socialistic pattern of society – Explain.

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