

RECRUITMENT AND SELECTION REQUIREMENTS AND PERFORMANCE OF SELECTED PUBLIC ENTERPRISES IN RIVERS STATE

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ABSTRACT

This study is titled "Recruitment and Selection Requirements and Performance of selected Public Enterprises (PEs) in Rivers State". The broad objective of the study is to investigate the relationship between recruitment and selection requirements and staff performance in PEs in Rivers State. Specifically, Resource-Based Theory developed by Wernetfelt (1984) and Barney (1991) was used as the theoretical framework of analysis. Paper revealed among others that: there is nrelationship between quota system-based recruitment and competency of workers in the selected public enterprises in Rivers state; lack of financial profitability among PEs in Rivers state is associated with the neglect of experience-based recruitment and selection requirements for sourcing applicants into the public enterprises; poor service delivery of public enterprises in Rivers State is related to making selection decisions without adherence to aptitude test performance and capacity of job applicants to perform among others. The researcher therefore, recommended that in order to improve the competency of staff of PEs in Rivers State, there is need to uphold merit rather than quota system in recruitment and selection of candidates into public enterprises in Rivers State; experienced candidates with relevant skills should be employed in order to gain financial profitability and return on investment by PEs in Rivers state; in order to improve the quality of service delivery of public enterprises in Rivers state, there is urgent need to always conduct aptitude test to make selections based on performance before job offer among others. The implication of the study is that public enterprises have failed to fulfill the roles to which they were created hence the need to revive the entire enterprises in the study area.

Keywords: Recruitment, Selection, Performance, Quata, Aptitude Test, Experience, Education

INTRODUCTION

Scholars and research students alike have continued relentlessly in the study of recruitment and selection based on the fact that efficient and qualified human resource is inevitable if organizations and in particular, public enterprises must perform up to the acceptable standard. The essence of recruitment and selection requirements, criteria or policies is to make sure that the right steps and procedures are taken to equip the organization with the right caliber of persons towards the attainment of the stated goals and objectives. This is why Igbokwe, Chinyeaka, and Agbodike (2015) in Odor, et al, (2019) established that there is a significant relationship between recruitment policies and practices and employees performance in Nigeria civil service.

However, instead of strict adherence to such issues as human resource plan, job analysis, descriptions, competence, experience, aptitude test, educational qualifications among others, which constitute recruitment and selection requirements, the opposite appears to be the case in the recruitment and selection of persons into public enterprises in Rivers State. Unfortunately, in practice considerations such as political affiliation, ethnicity, executive order, religious balance, and quota system seem to characterize recruitment and filling of positions of authority in public enterprises in Nigeria and Rivers State in particular. Political influence in pursuance of the quota system more often than not increases the chances of filling superior positions with less qualified persons and appointment without identifying vacant positions especially in the management of public enterprises

in Rivers State. In a bid to accommodate multi-cultural and multi-tribal components of Rivers State in recruitment of persons into the state owned enterprises, merit is often undermined at the expense of quota considerations.

Public enterprises in Rivers State appear moribund. Huge resources are expended in the establishment of such enterprises, yet most of them do not last long. Year in year out, net returns on investment of most state-owned enterprises stand at zero or negative threshold whereas output in social service provision remains invisible. It was therefore for this pitiable performance that Anyebe (2018) lamented that from the stand-point of return on investment, there is sufficient evidence that in the main, state-owned enterprises in Nigeria and Rivers State in particular have proved a huge failure in comparison with results from similar investments in the private sector. He lamented that, in terms of their social objectives, including the provision of employment opportunities and the modernization factor, their general ineffectiveness has made it near unfeasible to achieve any meaningful result. One thus finds scattered across the country the skeletons of defunct or moribund state-owned enterprises whose establishments were marked with high expectations and fun-fare several years past. Some barely outlast the life span of the government administrations that establish them. There is always a question of sustainability of those enterprises. Yet these enterprises are run and operated by individuals. Could it be that the right kind of people were not used for running them? Omoleke & Adeopo (2005) document that appointments in Nigeria are often made based on political inclination not necessary on merit. This seems to hinder appointment of qualified persons in most public enterprises in Rivers State and manifests in the productivity level of those enterprises. In Rivers State PEs, Technocrats usually appear to be kept aside while unqualified politically well connected persons are given appointments based on federal character criterion at both federal and state levels. Given the fact that the success or failure of enterprises is dependent on the quality of the workforce of that enterprise, human resources needed for effective performance of those enterprises may not be adequately and effectively recruited through neglect of standard recruitment requirements and processes.

Objectives of the study

The broad objective of the study is to determine the effects of recruitment and selection requirements on performance of selected public enterprises in Rivers State. Specific objectives are:

1. To ascertain the extent to which the practice of quota system in recruitment and selection has affected competency of workers in the selected public enterprises in Rivers State.
2. To investigate the effect of experience-based recruitment and selection on financial profitability of selected public enterprises in River State.
3. To find out the extent to which aptitude-based recruitment and selection has enhanced service delivery of selected public enterprises in Rivers State.
4. To determine the relationship between educational qualification-based recruitment and selection on effectiveness of selected public enterprises in Rivers State.

Concept of Public Enterprise

Public enterprises subject itself to so many shades of opinion, views and explanations by different scholars, practitioners and professionals in the field; and international organizations. Anyebe (2018) rightly asserts that in theory, a state-owned enterprise is less directly controlled by government than a department, given its separate legal character though it is still under larger government control than a private firm. One crucial distinction is that the government appoints the Chief Executive Officer (CEO), or appoints the board or body that then appoints the CEO. This usually means fifty percent (50%) or greater public ownership. A state enterprise might be a natural monopoly or a competitive manufacturing firm. It might be operating a command economy surrounded by other state-owned enterprises, or it may be one of a handful of state firms in a predominantly free market. To Ojeifo and Alegbeleye (2015), PEs or state-owned enterprises are

those institutions established through separate Acts of parliament. Hence, they are also regarded as statutory corporations. The functions and powers of the corporations are clearly defined in the Acts through which they were established. They are corporate bodies specially created by a legislative enactment with clearly defined powers and functions and enjoying considerable financial and administrative autonomy. In the words of Okereke, et al, (2016), the term public enterprise is used in the broadest sense to mean all industrial and commercial firms, mines, utilities, transport companies, and financial institutions owned by the government. They are distinguished from the rest of the government enterprises because they are expected to earn most of their revenue from the sale of goods and services, are self-accounting, and have a separate legal entity. This definition of state-owned enterprise also implies the concept of expected return on investment. In his own contribution, Ogohi (2014) in Abuh, et al, (2016) define public enterprises as legal entities apart from government ministries, department or agencies and they engaged in economic activities with the sole aim of providing essential goods and services for the citizens so as to meet their social, demographic, ecological, cultural and economic needs.

Jerome (2008) also in Abuh, et al, (2016) noted that public enterprises include corporations, authorities, boards or other agencies owned, run, financed and managed by board of directors appointed by government. Egwakhide and Terzungire (2012) note that public sector enterprises consist of government-owned enterprises whether at local, state or federal levels. The public sector as an economic agent is acting on behalf of everybody, with all its economic assets commonly owned and all its activities carried on, on behalf of everybody. In support of the foregoing conceptualization of public enterprises, Nwali, et al, (2019) maintain that public enterprises are business organizations entirely or partly established set up and controlled by the government through the state authority. Starr (1988) in Nwali, et al, (2019) observed that the concept of public enterprise implies an elaborate structure of rules through which the state exercises power over the society, with its operations openly visible accessible to all. This idea according to him is to establish an enterprise that equitably distributes essential welfare to the citizens that may be abused if left with the private operators. In a related development Cole, (2011) concludes that public enterprises mechanism is not only cost effective, socially responsible and more efficient for citizens but serves as the only instrument for propelling a developing economy towards meeting the need of its citizens both on the short, medium and long term basis. Abubakar argued that the reality of globalization and structural transformation of national economics have increased access to investment by private sectors through lowering of economic barriers by nations thereby leading to increasing competitiveness between the private sectors and corporate entities.

Concept of Performance

The fact remains that organizations including public enterprises, who fully realize the potential of their workforce, not only benefit from the reduced cost of recruiting new personnel, but also motivate their own workforce to maximize their potential (Tesfaye, 2016) in Osah, Ukoha & Alagah (2017) contend that employee performance constitutes the life line of any institute and as such there should be an adequacy of training, development motivation and maintenance of these employees. Performance is about aligning the organizational objectives with the employees agreed measures, skills, competency and results. Good organizational performance refers to the employee performance (Igbal, Ahmad, Haider, Batool & Ain, 2013). Armstrong (2001) in Osah, et al, (2017) sees performance as behaviour which shows the way in which teams and individual with an organization get work done. To mookey (2009) performance is not only related to result but it also relates with activities and behaviours of staff that they be used to achieve their growth goals. Ogah, et al, (2017: 71-72) document four approaches to

Theoretical Framework

The study adopted Resource-Based view theory developed by Wernerfelt (1984) and Barney (1991) as the theoretical framework of analysis. Resource –based theory assumes that sustainable competitive advantage is attainable when firms have a human resource pool which cannot be imitated or substituted by rivals. Taece, Pisano and Shuen (1997) in Ramon-Jeronimo, Florez-Lopez and Araujo-Pinzon (2019) view resources as stocks of knowledge, physical assets, human capital, and other tangible and intangible factors owned or controlled. Barney (1991) in Madhani (2010) also added that resources that are valuable, are rare, inimitable and non substitutable. Competitive advantage only occurs when there is a situation of resource heterogeneity and resource immobility.

According to the resource-based view, firms should constantly evaluate their workforce to ensure that they have the right people with the right skills in the right places to ensure sustained competitive advantage and when this is not the case, firms should make up for the shortfall by employing appropriate recruitment and selection criteria.

The resource-based perspective has an intra-organizational focus and argues that performance is as a result of firm's possession of specific resources and capabilities (Barney, 1991, Wernerfelt, 1984). These capabilities are inherent in human resources. Resource-based theory addresses the question of an organization's identity and it is principally concerned with the source and nature of strategy i.e. capabilities. Lacity and Will (2008) in Mweru and Muya (2016) in support of resource-based view maintained that the resources possessed by a firm are the primary determinants of its performance, and may contribute to a sustainable competitive advantage of the firm.

CONCLUSION

Recruitment and selection taking as one process that centres on employee resourcing is a critical and very crucial human resource management function. Organizations can replace other resources such as money, materials, machines, among other things easily, but it is very difficult to replace skills, experience, professionalism and all other attributes that distinctively differentiate and set parallel lines between human resources and other resources of the organization. This is why scholars and authorities have continuously canvassed the inevitability of sound recruitment and selection to accomplishment of job-related tasks and overall performance of the organization.

The promoters of resource based view argued that if all the firms were equal in terms of resources, there would be no probability differences among them because any strategy could be implemented by any firm in the same industry. On the other hand, the human capital development view recognizes the fact that investment in human capital will have ripple effects on other parts of the organizations life. Therefore, it is the human resource an organization possesses that is its strength for competitive advantage; and performance results are a consequence of firm –specific resources and capabilities that are costly to copy by other competitors. Fatiregun(1992) in Onah (2015) summed it up in his argument that: "if we can have a reliable and eternally valid selection process, training and personnel development efforts would appear superfluous". Even though training and re-training are inevitable in an increasingly modern organization's dynamic environment, no doubt, organizations that undermine the importance of recruitment and selection requirements will run into cost in trying to make up for the employees in unnecessary training programmes which abinitio ought to have been taking care of during the recruitment exercise.

The above buttresses the importance of recruitment and selection requirements to the performance of PEs generally and Rivers State in particular. By the provisions of chapter two (fundamental objectives and directive principles of state policy), sub-section 16 (1&2), Nigeria is a mixed economy state and state participation in the ownership of enterprises is justified and not a misnomer. This informed the decision of Rivers State government to establish enterprises. These enterprises are to provide services in special areas ranging from information, to road maintenance,

fire service, commerce, etc. However, the performance of public enterprises in Nigeria and Rivers state in particular over the years is not commendable. This, the study has linked this to non-adherence to recruitment and selection requirements, in the course of employing people to man the affairs of these establishments. Some of the major requirements which are often undermined include, competence, experience, educational qualifications and aptitude test. In practice what is found to be given much consideration in the appointment of persons into public enterprises is federal character principle, quota system, executive order, ethnicity, political patronage and connections, etc. These vices combine to hinder efficient service delivery, financial profitability and the overall performance of public enterprises in Rivers state. The general impression of this is that unless these sharp and unconventional practices are tackled, public enterprises in Nigeria, especially in Rivers state will not cease from performing below the expected level. The policy of privatization and commercialization of moribund state-owned enterprises needs to be re-enforced and properly monitored while the critical enterprises to the nation's economy managed by the government should be strengthened through policy measures.

RECOMMENDATIONS

Based on the findings of the study, the following recommendations were made.

1. In order to improve the competency of staff of PEs in Rivers State, there is need to uphold merit rather than quota system. Although the federal character is meant to accommodate diverse interests, its application sacrifices qualification on the altar of mediocrity, hence the continuous appointment of incompetent job applicants in the name of adherence to the tenets of federal character principle. It is therefore, recommended that federal character principle should be abolished. All acts by political office holders which disenfranchise people from gaining employments in government establishments should be discouraged.
2. Experienced people with relevant skills should be employed in order to gain financial profitability and return on investment by PEs in Rivers state. This can be achieved by adhering to recruitment and selection requirements each time there is job openings that needed to be filled. This can start from genuine advertisement of the vacant positions among others.
3. In order to improve the quality of service delivery of public enterprises in Rivers state, there is urgent need to always conduct aptitude test before job offer. Tests are increasingly becoming an integral part of the selection process because of its obvious advantages-ability and aptitude tests measure specific skill sets and the resultant score gives an indication of existing ability or potential to learn skills required for the job.
4. Educational qualifications should be given due attention if effective performance of task must be achieved. A situation whereby people are appointed to head sensitive board positions without taking cognizance of their educational qualifications, experience and professional knowledge should be discouraged. This has been the bane of public enterprises performance in Nigeria and Rivers State in particular.

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