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Monetization policy in Nigerian public service: The perspective and challenges

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The Monetization Policy introduced to the Nigerian Public Service in 2003 became the major landmark and the most dramatic departure from the past administrative reforms in Nigeria since independence in 1960. It has laudable and lofty set goals for both the government and its primary audience, (Public Servants). However, lots of questions, misconception, criticisms and cynicism have trailed its implementation. The foregoing has spurred this study. The study aimed at examining the thrust of the policy, its impact on the stakeholders and public service delivery; and its attendant challenges. The study employed primary and secondary sources of data collection. The findings showed that the realities on the ground were mock-modesty, not so much worthwhile as contemplated nation-wide, and have taken its tolls on the system. It was suggested by the study that an urgent review in the implementation strategy of the policy should take place in line with what obtains in the private sector or in some extra-ordinary parastatals in Nigeria, since it has come to stay.

Key words: Government, monetization, policy, fringe benefits, public service, public servants.

INTRODUCTION

Governments all over the world exist to provide goods and services (public goods) for its citizens with the primary aim of improving their living condition. The major vehicle of translating these laudable concerns into a reality rests squarely on public bureaucracy that is efficient, effective and result-oriented. This explains why increasing emphasis and focus have been on administrative reforms by governments the world-over, especially in the developing economies like Africa in order to meet challenges of growth and development.

Public sector reform is an attempt "to improve by change of form or removal of faults". It is informed by poor use of national resources or delay in national productivity drive. In other words, the public service may be over-bloated, over-extended by doing too much with few resources, it may be poorly organized, its decision-making may be weak; public programmes may be poorly designed; techniques may be outdated; and services poorly delivered. The public service reform is to fix these problems. Quite often, government tries to revise or even

change completely certain policies, and restructure the traditional framework for implementing them in order to meet economic challenges. Indeed, contemporary history teaches us one basic lesson in development, that a reformed and vibrant public service is a sine -qua -non or a desideratum for a vibrant economy of any nation, (Chapman and Greenway; 1980). Countries such as Malaysia, Singapore, Brazil, Japan or even nearby neighbour of Nigeria, Ghana say it all.

In the light of the above, the fourth democratic era in Nigeria in 1999, observed with concern that the focus of successive governments have been on administrative reforms with little or no result. Thus, with the inception of the Olusegun Obasanjo administration in 1999, his desire for a more proactive and result-oriented public service moved the regime to introduce and implement Monetization Policy on the Nigerian Public Service in 2003, which constitutes a major landmark in the configuration of the institution. It made a clean break from the previous reforms in the country with the anticipated

benefits of improved efficiency in resource allocation, minimizing waste, misuse and abuse of public facilities, and reducing maintenance and running costs among others.

The researcher observed that the Monetization Policy has come to stay, but a lot of questions, misconceptions, doubts, criticisms and cynicism have trailed its implementation. The researcher being a public servant noted the general feelings of bitterness and grieves. The public servants' optimism had been replaced with frustration as the implementation process unfolds, which was not in line with their conceived expectations and hope. In other words, the expectation of higher take home pay en-bloc has been substantially raised as it obtained in the private sector, or in some classified public institutions such as the Central Bank of Nigeria (CBN), Power Holding Company of Nigeria (PHCN), the Securities and Exchange Commission (SEC) etc, but became a contrary. Arising from the above, it has become increasingly difficult for the policy to secure maximum affection from the target population (Public Servants). The foregoing has spurred this study.

The objectives of the study are to examine the thrust of the policy; its impact on the stakeholders and public service delivery; and its attendant challenges. The study employed primary and secondary sources of data collection. Primary data were collected through informal random opinion survey of the stakeholders and beneficiaries of the policy while the secondary data made use of government extant circulars, publications and articles.

LITERATURE REVIEW

Monetization conceptualization

Like any other concepts, there is no one single universal definition of monetization. But attempt shall however be made to give some definitions of the term, so as to get concise meaning of it. The Chambers Dictionary defines monetization as "something that gives the character of money to an economic policy" while various scholars conceive monetization as a systematic replacement of work benefits with cash payment; monetization as the process of converting or establishing something into legal tender. He stressed further that monetized public servants receive cash in lieu of fringe benefits, that is, take home in one pay packet all their entitlements. The Office of the Secretary to the Government of the Federation, (OSGF, 2006) in its May 2006 Vol.1, No.3 defines monetization "as the quantification in money terms of those fringe benefits which Government used to provide for its workers as part of their conditions of service". Such benefits include residential accommodation, chauffeur-driven cars, residential furniture, utility services, etc. Adekeye, (2003) sees it as a "withdrawal of direct funding of the basic amenities of

the public servants by the government".

The introduction of the monetization policy by President Obasanjo was informed by the startling revelation that at the end of 2001, over 85 percent of public sector expenditure went to overhead costs. It has been asserted that, one strategy of ensuring good governance is to adopt public policy that is capable of minimizing fraud, preventing wasteful use of public funds and facilities as well as checking abuse of power by public officials.

The Obasanjo regime reasoned that there was an urgent need to take a hard look at these incredible fringe benefits and allowances in order to check the spiraling cost of providing them; which have been gulping enormous resources that could have been otherwise used for social capital projects for the generality of Nigerians. The policy on Monetization was therefore adopted by the government to stem the ever-rising annual expenditure outlay on the benefits provided for public servants, so as to reduce waste. For instance, it costs government a lot of funds to construct, purchase or rent residential accommodation for public servants. Furthermore, large amounts of resources are occasionally spent on renovation, maintenance and furnishing of these residential accommodations as well as on the purchase, fuelling and maintenance of official vehicles for public servants. It was also evident that some public officers maintain many official vehicles in a variety of brands which were liable to various forms of abuse apart from the high maintenance costs.

Tied up with the above, telephone, electricity and other utility services in the official quarters of public servants maintained by government were similarly open to various forms of abuse and misuse. As Mr. President, stated in his inaugural address that, "the cost of running government at all the various levels currently gulps a disproportionate amount of our revenue". It is clear that the structure of government will have to be thoroughly re-examined in order to get a reasonable balance between overheads and recurrent expenditure and capital spending". Thus, the main consideration underlying the implementation of the Monetization Policy is the desire of the government to reduce the pressure on public resources arising from government involvement in the physical provision of fringe benefits for the public servants.

For instance, looking at the Federal Government Recurrent and Capital Expenditure profile for 1999 - 2002, Ekaette (2003) noted that the expenditure profile for those past Four (4) years had shown recurrent expenditure rising at the expense of capital expenditure. He explained that between 1999 and 2002, the increase in recurrent expenditure rose sharply from N449.67 billion (1999); N461.61 billion (2000), N579.33 billion (2001); and N696.78 billion (2002) while capital expenditure was N498.02 billion (1999), N239.45 billion (2000); N438.7 billion (2001); and N321.39 billion (2002). This implies that the percentage of Recurrent over Total Expenditure

was 47.45% in 1999; 65.84% in 2002; 56.91% in 2001, and 68.44% in 2002. He asserted that such an unpleasant trend could not be encouraged, stressing that no sensible government should be devoting over 60% of its revenue to sustain a public work force that is less than 1% of its population, leaving very insignificant accrued revenue for national developmental projects or infrastructures.

The monetization Policy has far reaching impact on government planning, budgeting and fiscal discipline, and would positively impact on the national value systems and ethics. Thus, the policy has the following benefits (FMI & No, 2003):

- a). Enables government to get the true picture of what it costs to maintain a political office holder or public servant in office, and therefore lead to a more realistic budgeting and budget implementation;
- b). Provides the most transparent avenue for disbursement of remuneration and fringe benefits from employers to employees;
- c). Curbs the excess of public officers. For example, unlike in the past, political office holders are now to drive to office and back in their personal cars with their personal drivers;
- d). Corrects the wrong public perception of government utilities such as telephone, electricity etc as limitless resources which hitherto were used without caution;
- e). Stops the practice where, in renovating official quarters and changing furniture items, the discarded items were in many cases not accounted for, giving room for abuse;
- f). Minimizes unauthorized journeys at government expense;
- g). Ensures equity in the allocation of scarce resources;
- h). Ensures that public officers develop and imbibe discipline culture of frugal use of public utilities;
- i). Encourages public officers to own their vehicles, houses, furniture and thereby assist them to plan better for their retirement;
- j). Enables the public servants to plan for a more comfortable post-service life; and
- k). Encourages increased productivity because of the euphoria of increased income.

By far, the most important advantage of the policy on the economy is the fact that the revenue realized from savings occasioned by Monetization would be invested in capital development to improve the well-being of the entire citizenry.

In spite of the lofty benefits offered by the policy, there are also a number of challenges that besetting the implementation of the reform. These include (FMI & No, 2003):

- i. The need to phase out certain cadres in the Civil Service who become redundant due to the policy, e.g.

Drivers attached to officers hitherto entitled to chauffeur-driven vehicles. Some drivers, notably those attached to car pools, convoy, CVU and staff buses, will still remain. The phasing out of the rest of this cadre has lot social and economic implications that would require careful management;

- ii. The mobilization of the sizeable amount of resources required to fund the terminal benefits and entitlements of the drivers that would be let go as a result of the monetization policy. In the immediate term, this can amount to quite a huge sum of money;
- iii. The need to re-train a number of other cadres, if they are to remain useful and relevant to the service. This also requires resources, time and resolve;
- iv. The need to develop equitable criteria for the disposal of the assets, for example, government-owned houses that would become available for sale as a result of the policy. There is the challenge of balancing the requirement to get market value on the affected public assets and the need to give some consideration to public servants, whose emoluments have not always been market-driven over the years; equal opportunity to bid for these assets;
- v. There is also the challenge of re-orientation, i.e. getting public officers to realize that it is "no longer business as usual" as far as the enjoyment of the benefits-in-kind that they were used to is concerned. The resultant "withdrawal syndrome" has to be managed. Just like the components of some other public reforms, the initiative of the policy cut across the following areas:

- i. Poverty reduction;
- ii. Strengthening and improving the delivery of basic services;
- iii. Control of public expenditure by reducing waste; and
- iv. Checking corruption and abuse of power.

He emphasized that most workers would have been able to acquire such essential property while in service, and thereby escape the trauma their predecessors experienced during post-service years.

Fringe benefits

At this juncture, it becomes apt to conceptualize the term "fringe benefits" which is the cardinal concept in the definition of monetization. In the Nigerian public sector, there are different forms of allowances or supplementary compensation for workers in Nigeria. These allowances have a variety of titles, depending on the type of public institutions or nature of work. According to Flippo (1993), Management scholars and practitioners tagged allowances differently and terms such as "service programmes" "employee sub-wages; "social charges", "extra-wages, "welfare benefits, while others labeled them as "hidden payroll", "pecuniary incentives", "wage supplements", or "non-wage payment. But generally

speaking, they have been most often referred to as “fringe benefits”. By conceptualization, fringe benefits, according to Flippo are payments made to employees in addition to their salaries and wages. In the broadest sense, “fringes” can be construed to include all expenditures designed to benefit employee over and above regular base pay and direct variable compensation related to output. The Glossary of Current Industrial Relations and Wage Terms (1968) defined fringe benefits as “supplement to wages received by workers at a cost to employers. The terms encompasses a number of benefits such as paid vacation, pension, health and insurance plans, etc which usually add up to something more than a “fringe” and is sometimes applied to a practice that may constitute a dubious benefits for workers”. Also, the International Labour Organization (1950) has defined it as “wages augmented by special cash benefits in kind that form part of the wages for expenditure on the goods and services. In addition, workers commonly receive such benefits as holidays with pay, low-cost meals, low-rent housing, etc.”

Deduction from the various definitions above reveal the special features of fringe benefits as exposed by Gorden (1977) that they are known as fringes, but are not merely so as they are a substantial part of the expenditure incurred on wage and salary administration. According to him, fringe benefits are those payments or benefits which a worker enjoys in addition to the wages or salary he/she receives. The benefits are not given to workers for any specific jobs they have performed but are offered to them to stimulate their interest in their work and to make their job more attractive and productive. They boost the earnings of the employees, and put extra spending money in their hands and pockets. Another fact about the fringe benefits is that they are never a direct reward geared to the output, effort or merit of an employee. It is offered not on the basis of hard work or long hours of work put in by an employee but on the basis of length of service, his/her sickness, sex, the hazards of life encounters in the course of his work, etc. For example, maternity benefits are offered to female workers. And the longer an employee's period of service, the larger the fringe benefits he/she enjoys.

There are five categories of services and benefits that come under the term fringe benefits. According to the United States Chambers of Commerce (1977), they are:

1. Old age pension, survivor benefit, disability pension, health insurance, unemployment insurance, separation pay;
2. Group insurance and welfare payments,
3. Paid rest periods, waste-up time, lunch periods
4. Payment for time not worked-vacations and holidays, and
5. Christmas bonus or end of year bonus.

From the points above, fringe benefits are those benefits

which are supplied by an employer to or for the benefits of an employee, and which are not in the form of wages, salaries and time-rated payment.

Thus, fringe benefits are primarily a means in the direction of ensuring maintaining and increasing the income of the employee. It is a benefit which supplements a worker's ordinary wages and which is of value to them and their families (Cockman, 1975).

THEORETICAL FRAMEWORK

Taylor's scientific management theory

In introducing his principles, Taylor observed that the principal objective of management is to secure the maximum prosperity for the employer, coupled with the maximum prosperity for each employee.

The principles thus devised by Taylor as a solution to problems of management are briefly as follows:

- a. The development of a true science of work. All jobs are to be observed and analyzed in order to determine the best way of accompanying them. That is, developing the best or ideal method of doing a task and determines “scientifically a standard”;
- b. The scientific selection of workers, or the scientific selection and progressive development of workman. That is, a careful selection of employees and development of employees to enable them attain their optimum potentials. To select the best man for the task and train him in the best way to achieve the task;
- c. The scientific education and development of workers. The bringing together of the science of work and the scientifically selected and trained men. That is, combining the scientific method with the selected and trained men and to be followed by paying them on incentive basis;
- d. Intimate and friendly cooperation between the management and workers. The division of work and responsibility between management and workers. Management should recognize these in order to carry out their duties properly. That is, putting a manager in charge of planning, preparing, controlling and coordinating the organization's activities, as the workers only responsibility is for the actual job performance. In order words, the workers simply carry out the manager's directives.

Implications of the theory on organization

- i. Elimination of waste efforts;
- ii. More emphasis upon filing workers to particular tasks;
- iii. Greater care in training workers to the specific requirements of their jobs;
- iv. Greater attention on specialization of activities, and
- v. The establishment of standards for performance.

Relevance of Taylor's theory to the monetization policy

Using the Frederick W. Taylor's Theory to explain the link between it and the Monetization Policy, it should be noted

Table 1. The tabular or graphical sketch of the components of the monetization policy.

S/N	Type of allowance	Grade level	Rate per annum
1	Accommodation	01 – 06	50% of Annual Basic Salary
		07 – 14	60% of Annual Basic Salary
		15 & above	75% of Annual Basic Salary
2	Transportation	01 – 17	25% of Annual Basic Salary
3	Meal Subsidy	01 – 06	N6,000.00
		07 – 10	N8,400.00
		12 – 14	N9,600.00
		15 – 17	N10,800.00
		Permanent Secretary	N16,200.00
4	Utility	01 – 16	15% of Annual Basic Salary
		17 % Above	20% of Annual Basic Salary
5	Domestic Servant	15	1 Grade Level 3 Step 8
		16 – 17	2 Grade Level 3 Step 8
		Permanent Secretary & above	3 Grade Level 3 Step 8
6	Leave Grant	01 – 17	10% of Annual Basic Salary
7	Medical	01 – 17	10% of Annual Basic Salary To be paid to NHIS
8	Furniture Allowance	01 – 06	Nil
		07 - 16	40% of Annual Basic Salary
		17 and above	200% in 5 Years (i.e. 40% of per annum)
9	Vehicle Loan	01 – 05	100% of Annual Basic Salary
		06 – 07	150% of Annual Basic Salary
		08 and above	200% of Annual Basic Salary
10	Driver	17	1 Grade Level 3 Step 8

Source: Federal Ministry of Information and National Orientation.

that there is a strong linkage between them. In the first instance, the theory places strong emphasis on money or financial incentives which is primarily the thrust of the Monetization Policy. It is the strong belief of the theory that workers are primarily working to earn a living, seeing their works as means to an end, which also has a coincidence with the vision and mission of the monetization policy. In other words, the theory believes in the use of money as technique of motivation of workers, which is enshrined in the policy, the theory informed the policy as packaged by the government. The Federal Government believes that huge money as salary is capable to motive Nigerian workers for higher productivity or greater performance, as huge money reduces anxieties of workers to the barest minimum while the primary basis of Taylor's theory is to achieve higher productivity.

The major components of the policy that were carried out by the Obasanjo regime are also in line with the Scientific Management Principles. Examples are the concepts of "downsizing" "right-sizing", "outsourcing" etc which aimed at achieving higher efficiency, effectiveness, responsiveness and productivity drive in the Public Sector, which are in consonance with Taylor's Theory of the development of a true science of work; the scientific selection of workers; the scientific education and

development of works; and intimate and friendly cooperation between the management and workers.

The emphasis of the theory is that money answers all things for the workers. Today, the principles and approaches of the Scientific Management Theory have had strong and lasting influence on management thinking and practice in the global world. Though, the theory is being criticized by other scholars for its lack of humanitarian concept, and that the theory neglects organizational democratization in areas of problem solving and decision making as it makes such absolute management responsibility.

THE POLICY THRUST OR COMPONENTS

The main components of Monetization Policy as it affects the fringe benefits of the public servants according to the Policy Act 2002 include residential accommodation, furniture allowance, utility allowance, motor loan, transport allowance, medical allowance, leave grants, medical subsidy and entertainment allowances. The computations of these components are based on the percentage of the annual basic salaries of workers.

The major components of the Monetization Policy are highlighted in the Table 1 (FMI & NO 2003). Vehicle loan

is to be facilitated through the bank on a single digit interest rate subject to repayment capability in accordance with financial regulation.

FINANCIAL IMPLICATIONS AND STRATEGIES

In order to establish the financial implication of the monetization programme for the 996,744 Nigerian public workforces, it arrived at using salary grade level 5 step 8 of each worker. The calculation came to the estimation of N300 – N350 billion of Nigerian currency. One wonders how the Government could raise such a colossal amount to fund the policy. In order to overcome this great challenge, the government took the following steps to finance the programme:

- a. To spread the monetized benefits over the 12 calendar months of a year, instead of the earlier decision to pay it en-bloc to the workers.
- b. The transport loan of 350% of the annual basic salary of each worker in the monetization agenda was struck out, and directed that only worker who desire vehicle loan should arrange it with his/her bank while the interest payment is pegged at one digit number.
- c. UTILIZE revenue accruable from the outright sale of the government property like houses and vehicles which have been monetized for workers.
- d. Government parastatals that were self-financing or not drawing from the government annual budget were directed to service the payment of the monetization of benefits of their staff i.e. the National Maritime Authority (NMA), Nigerian National Petroleum Corporation (NNPC), Central Bank of Nigeria (CBN).
- e. MASS retrenchment of workers that are tagged as “outsourcing” that were lower cadre of salary Grade Levels 01 - 07 such as gardeners, cleaners, drivers, clerical assistants etc while other criteria were used to ease out other cadres of Grade Level 08 and above from the public service of Nigeria.”

RESULTS AND DISCUSSION

The implication of the Monetization Policy is that, under the old scheme, the government houses, cars etc which were held in trust and used by the bureaucrats. But under the new scheme of Monetization Policy, the houses and cars are withdrawn but the government monetizes same to the officers. It means, the officers were being paid for the loss of use of the facilities so that they could acquire their own, so that upon leaving the service, they would not face with any form of trauma. By this, monetization is not a reduction in pay and perquisites of office; but a consolidation of pay and perquisites to give greater benefits to workers, while at the same time unburdening the government. This situation, according to the Federal Government Circulars (December 9, 2003) “is a very ingenious way of catering for the welfare of workers even

when they retire”.

At this juncture, it must be pointed out that monetization is not a new phenomenon in Nigeria, when it was introduced on the mainstream of the Public Sector in 2003. It has its origin from the colonial period when the British colonized Nigeria. The British Colonial Government provided its expatriate staff in Nigeria with free housing, free transportation, free domestic staff etc. The staff did not have to pay for these benefits from their salaries. But when colonialist left, the organized indigenous private sector and a number of government agencies and parastatals such as the Central Bank of Nigeria (CBN); the Nigerian National Petroleum Corporation (NNPC); the Nigerian Telecommunications (NITEL); the Federal Mortgage Bank of Nigeria (FMBN) etc, adopted the monetization policy for quite sometimes and with positive results but it was discarded. Several countries in Africa including the government of Ghana and Cameroon have adopted the monetization policy for over a decade now.

The findings by the researcher showed that the monetization policy as announced by the federal government in 2003 was not absolutely new in Nigeria, as some extra-ordinary agencies of government had been enjoying the monetization benefits, though new to the government Ministries that is the mainstream Civil Service and some other agencies. Examples are the Central Bank of Nigeria (CBN), Nigerian National Petroleum Corporation (NNPC), and Nigerian Telecommunications (NITEL) etc; are some of the government extra-ordinary agencies/Departments that have been enjoying the policy before it were adopted as a general policy to all government workers in 2003. In spite of this, there exist differential payments depending on Agencies/Departments the workers belong to. The study showed that there is no distributive justice in the implementation of the policy. The government Agencies/Departments along with other “super” institutions are paying their workers super monetization while workers in the mainstream Civil Service and bodies are receiving lower payments despite the assurance by the government that it would use the policy to bridge salary gap among government workforce. This has created negative work attitude on the mainstream Civil Service that are majority of government workers.

The truth of the matter is that the monetization policy created more problems for workers than it intended to solve. The researcher observed in opinion survey conducted that all the workers interviewed are disgusted about the policy as they claimed it has worsened their living standard instead of improving it. The workers expected a bulk payment as initially conceived by government. It was the workers expectation that the monetization benefits with respect to housing rents, transport, leave grants, furniture, and utilities, medical allowances etc would be paid in lieu as it existed in the private sector or classified parastatals or Government

Agencies/Departments as earlier mentioned in the paragraph above. Instead, the government spread these allowances over the twelve (12) calendar months of a fiscal year. This made nonsense of the high hopes and enthusiasm attached to the policy.

The political propaganda that accompanied the introduction of the policy was watered down by its implementation. It induced high inflation of basic amenities, services, needs and especially house rents, which made mess of the purchasing power of the public servants. Though, the implementation was back-dated to July 2003, even the arrears of almost a year that the workers expected would be paid to them en-bloc were paid piece meals, that is, in installments, so at the end of the implementation, the policy left majority of the lower and middle cadres in the public service impoverished the more. This was against the high hopes of the workers on the policy. Their families and the public have the wrong impression that workers were going to be paid well, and this actually induced high inflation in Nigeria to date.

The criticism against the policy by the respondents showed that though the policy was lofty but badly implemented. It therefore invariably did not add much value as envisaged or initially made known to the workers. Some of the objectives of the policy were that it would enhance the living standard of the workers by not only enhancing their pays, but also made them property owners in terms of houses, land or cars. Though, the policy enhanced the personal emoluments of the workers, the attendant high inflation accompanied the propaganda made nonsense of their purchasing power. For a good example, the housing rents in the nation's capital, the Federal Capital Territory (FCT), Abuja; all the state capitals of the Federation; and their satellite towns witnessed geometrical inflation of about 350%. The bitter truth is that these innocent workers could not afford the rents from the so called monetization policy as they have to access rent payment year in year out from the commercial, micro-finance banks or co-operative (thrift) societies. This is being paid back by deductions from their salary accounts in the banks. This high inflation cuts across all other basic amenities, goods and services, hence the policy has impoverished the workers. Today, poverty is easily perceived in the lives of many Nigerian workers on their countenance, what they wear, eat, the houses they live in, the condition of their cars, how they talk, the way they walk, and even the type of prayers they offer.

Tied up to the inclement situation of the Nigerian workers highlighted above, as revealed from the study is that, those of them that own cars have turned the cars into "kabukabu" (private cars turning into commercial). Many of the workers could not afford to rent apartment alone. It was revealed that two or three workers would contribute money together to rent a house and share the rooms among themselves. This situation highlighted above were isolated cases before the introduction of the

monetization policy in 2003, but now a common occurrence in Nigeria.

One critical thrust of the policy was the government's resolve to dispose the government houses being occupied by workers before the policy to the occupants of such houses. Unexpectedly, these residential houses were offered to workers at outrageous cost beyond their reach. Initially, they were asked to pay 10% of the cost of such houses for commitment while subsequent payments would be directly deducted from the workers' salaries for between 10 to 15 years period. Against this expectation, the government directed the house occupiers to private Finance Houses for mortgage loans. The Finance houses and mortgage banks paid en-bloc the costs of the houses to the Government. The fate of the workers are now left in the hands of the Finance Houses who are now paying through their noses because of high interest rate, administrative cost and other charges. They have also been mandated to move their salary accounts from the conventional banks to the various finance and mortgage banks. The respondents claimed that at the end of each month, they are only left with pitiable stipends for the survival with their families.

The researcher also discovered that as a result of this unpleasant situation, many workers have personally disposed their houses to offset their loans, and used the remaining amount to build small apartments in satellite towns or villages, far from their working place, which incidentally also affects their punctuality and performance at their work places. The workers who did not benefit from the government houses confessed that the monetization policy has hiked up the rent rates, especially in the FCT, which is the seat of government. This is contrary to the expectation of the workers as assured by government that the policy would crash down house rents, making it to be cheaper. The policy as initially conceived wanted to pay the monetization benefits en-bloc every year like it obtains in the private sector or the classified government parastatals, against its being spread to twelve (12) calendar months now. As a result of this, the workers lacked huge liquidity cash to buy houses or build their own.

It was revealed that poor productivity culture which is prevalent in the Nigerian public service is a function of many interwoven variables that are both intrinsic and extrinsic in nature. The haphazard implementation of the monetization policy significantly heightened the poor productivity drive in the public sector. The policy dashed the hope and high expectation of improved living standard.

The policy document on monetization expected that the policy would reduce waste, cost of government and corruption in the public administration. Findings showed that instead of these, the cost of governance and corruption is still on the high side; hence the government has set up the Oronsanya Committee which has submitted its report recently on how the cost of

governance could be reduced. Corrupt practices in different nature are still prevalent in the public sector which has been the bane of national development in Nigeria. Thus, the policy has not achieved its objectives in this direction. The savings the government were expected in the implementation of the policy to prosecute more capital or developmental projects in the country were not forthcoming since the cost of governance and corruption have not abated, but rather on the increase.

According to the President of the Nigerian Civil Service Union, Comrade Fidel Edeh, said that the policy was politically motivated and the manner of its clumsy implementation has negative attendant effects on the zeal of the workers. For instance, the Director Cadre in the public service enjoyed the galaxy of monetization benefits in terms of the opportunity to their official cars, fueling of their cars and other allowances like that of their drivers, domestic maids, entertainments, medical, utilities etc that have been monetized for them. For instance, a government circular directed that the 306 and the 406 Peugeot prestige bought originally at about N3.5 and N4.2 million were monetized and sold to the officers using them at ridiculous amount while they were also to pay in installments at their pace. Thus, the policy instead of bridging the existing gaps along the high, middle and low cadres as it envisaged, ended up widening it arbitrarily to the advantage of the high cadre officers, which therefore has negative moral implications on the work attitudes of the public workforce.

There is also the implication of the human cost of the policy which respondents said it was discriminatory as thousands of workers between Grade Level Salary 01-07 (GL 06-GL07) became victims of the policy as they were eased out of the public service in a manner that is unconventional to the ethics of public administration. These groups of people that were regarded as outsourced staff were the drivers (except projects drivers), security guards, cleaners, assistant clerical staff etc lost their jobs. It affected their livelihood or survival on the long run. This development was observed by the Nigerian workers as a hidden agenda to carry out mass retrenchment in the public service, which was perceived as a high social injustice, not only to the system, but especially to this group of lower cadre. The human cost of the policy is in variance with the policy of government on poverty alleviation. Another area of injustice of this policy is that not all the public workforce benefited from the policy when it started in 2003. The researcher found out that the government started the implementation of the policy with the mainstream of public sector that is the Civil Service, which was treated as a sacred cow, while the workers in the Extra-Ministerial Departments/Agencies like Commissions or Parastatals were treated as sacrificial cows, as the policy did not commence with them until late 2005. The irony was that all of them were patronizing the same market for shopping of goods and services amidst the high inflation

in the country induced by the policy.

CONCLUSION AND RECOMMENDATIONS

Generally speaking, the monetization policy introduced on Nigerian public service in 2003 constituted a major landmark as it was the most dramatic and deliberate departure from the past common administrative reforms in Nigeria since independence in 1960. It has laudable set goals which were aimed at enriching the government and its primary target audience, that is, the Nigerian public servants. As lofty and laudable the policy was, a lot of questions, misconceptions, criticism and cynicism that trailed it showed that the policy was haphazardly and shoddily implemented, thereby caused sharp miscarriage of the policy.

However, it must be noted that the attendant adverse effects of the policy on the primary audience as highlighted in this paper might be as a result of interwoven factors in Nigeria. The bitter truth is that the inclement situations are in exclusive of the introduction of the policy as they are so coincidental with the post-monetization policy. One may not be too cautious as opined by this paper as that was the similar patterns and experience of the post-Udoji reform of 1974 that also had monetary incentive for workers as one of its elements. The fact is that the policy might have increased the monthly personal emoluments of the workers, but the bitter truth is that, it has not translated into expected improved living standard, as the majority of them are living on loans, credits and higher purchase, as their regular monthly salaries are now used as collateral security for such unavoidable ventures.

In Nigeria, today, most workers spend their monthly salaries ever before it were earned, while majority of them could be regarded as insolvent wage earners, and yet, still hoping about the future. Thus, one could best imagine what would be the emerging work attitudes of the Nigerian public servants, and no wonder, the war against bureaucratic corruption by the government has itself been consumed by corruption.

In the light of the findings of the research on the monetization policy in Nigeria, there is a need for government to ensure that the economy is put under control against challenges of inflation that is making nonsense of the purchasing power of workers it intended to empower. The government should also demonstrate the political will, since the policy has come to stay, to make the policy more meaningful to the public servants by reviewing its implementation framework to be at par with the private sector or in some classified parastatals that are operating the policy. That is, the monetization benefits to be paid in a swoop against been spread over the 12 calendar months of a fiscal year. It is when these workers are paid en-bloc every year that the objectives of the policy to make them property owners and enjoy enhanced living standard, during and after their service

years, could be realized.

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