MONETIZATION POLICY AND PRODUCTIVITY OF CIVIL SERVANTS IN NIGERIA FEDERAL MINISTRIES ABUJA

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Abstract
Against the background of government’s perceived waste on one hand, and continued dwindling economy occasioned by global economic downturn on the other hand, the Obasanjo administration in 2003 initiated the monetization policy as a panacea to reduce excessive government spending and cost of governance and reposition civil servants on the part of productivity and national development. This research work therefore sought to investigate the extent of implementation of the policy and its effects on workers productivity using civil servants in Abuja as a study platform. Questionnaire served as our major source of data collection assisted by various secondary sources. Research questions and hypotheses were formulated, tested and analyzed using frequencies, percentages and chi-square statistical tools. The findings indicate that the policy is still witnessing low implementation and its effect has not really been felt by civil servants in Abuja. The research found out that productivity of workers therefore has not been positively affected by the policy. The research recommended however that government as a matter of urgency should set up a special task force mandating them to kick start the implementation of the policy to enable civil servants feel its impact and translate same to high productivity at work.

Keywords: Monetization policy, Productivity, Implementation, Fringe benefits, Public Service, Civil Servants.

Introduction
There has been unprecedented growth of public service sector in developing countries including Nigeria in the last decade. This growth has brought with it higher government expenditures, inefficiencies and wastes. Governments have not stayed idly observing the situation without reactions. According to Bakare (2011) in Nigeria, the government has launched and implemented different public service reforms including structural adjustment programme in 1986. In furtherance of government’s attempt to better public service, increase productivity and eliminate waste, another reform which is the monetization of the fringe benefits of the public servants was initiated. As Bakare (2011:60) puts it “this reform took its root from the growth of public sector...
which put greater strain and stress on government budgets as the number of public officers who were entitled to fringe benefits escalated”. Monetization policy which is also referred to as “monetization of fringe benefits” is a new approach to the remuneration of public officers in Nigeria. Certain Political, Public and Judicial Office Holders Acts 2002 which provided the reference point for monetization of the salaries and allowances of all categories of federal public servants stipulated that the fringe benefits which were formally paid in kinds be converted to cash by the salary and wage commission (Bakare, 2011:60).

The Committee on the Monetization of Fringe Benefits in the Public Service of the Federation was set up by President Olusegun Obasanjo on November 11, 2002, under the Chairmanship of the Secretary to the Government of the Federation, Chief J. Ekaette, CFR, mni (Ayapere, 2015). The monetization policy is an integral part of government’s reform efforts aimed at achieving efficiency in resource allocation, eliminating waste and curbing the misuse and abuse of Government asset.

Monetization policy means converting into cash, the fringe benefits being enjoyed by civil servants as part of their remuneration package and conditions of service (Ayapere, 2015). The fringe benefits here referred to include leave grant, entertainment allowance, meal subsidy, furniture allowance, domestic servants allowance, duty tour allowance, residential accommodation, motor vehicles, drivers, medical, utility, fueling and maintenance of transport facilities. Through a government circular issued on the 27th of June 2003, under the title “Monetization of Fringe Benefits in the Federal Public Service”, the federal government of Nigeria formally introduced its monetization policy into Federal Civil Service. Both government and public officers supposedly have a lot to benefit from the monetization policy.

According to the opening paragraph of the circular introducing the policy, the initiatives became necessary because over the years, the cost of governance has continued to escalate, arising mostly, from the burden of providing basic amenities to public servants by the Government. These amenities include residential accommodation, transport facilities, medical services and utilities such as electricity, water and telephone (Ayapere, 2015:117).

The merits of monetization include efficiency in resource allocation, equity in the provision of amenities and encouragement of public servants to own personal houses. It also enables public servants to plan for a more comfortable post-service-life. Furthermore, it minimizes waste, misuse and abuse of public facilities. For these reasons, the concept of monetization has gained nationwide acceptance (Ayapere, 2015).

In more specific terms, monetization of facilities, such as housing, furniture and vehicles will reduce capital cost, maintenance and running costs. According to proponents of the policy, it is hoped that rent will come down, as public servants who make up over 80% of the tenants, especially in Abuja, will have little money to offer to landlords. It will also promote the observance of maintenance culture and discipline in the use of public utilities since the individuals will now have to pay for such services, which hitherto were paid for by government. In addition, the monetization of medical treatment will go a long way in curbing submission of spurious bills and delays in processing refund of medical bills. Finally, it was believed that savings made from monetization would enable government to prosecute more projects. (Ayapere, 2015:117). It was also believed that the policy would encourage more people to access the National Housing Fund and thus strengthen the mortgage business in the country.

The following were the areas at which fringe benefits of civil servants have been monetized as captured in Fayomi (2013:109):
1. Accommodation: (B/w 50%, 60% & 75% of annual basic salary)
2. Transport: (25% of annual basic salary)
3. Meal Subsidy: (B/w N2,500 & N10,300)
4. Utility: (15% & 20% of annual basic salary)
5. Domestic Servant: (Only applicable to levels 15 – 17)
6. Leave Grant: (10% of annual basic salary)
7. Medical: (10% of annual basic salary)
8. Furniture: (Only levels 7 – 17 – 40% per annum)
9. Vehicle Loan: (100%, 150% & 200% of annual basic salary)
10. Driver: (Only applicable to level 17).

The above analysis shows that government will monetize government houses, cars, etc. As Fayomi (2013) suggested, the officers are 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 loose out. By this, Fayomi (2013:110) opined that 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. It was expected therefore that monetization policy would improve productivity of civil servants involved.

**Problem Statement**

Maslow in Rabi’u (2013) postulated that meeting workers’ basic needs is a prerequisite for efficient performance and productivity. The productivity of civil service employees are known to be relatively low compared with that of their counterparts in the private sector, (Odo, 1992; Okoli & Onah, 2002). In a bid to ameliorate that, government of Nigeria started investing in its public service but the investments have taken enormous take on the economy of the nation. Government has tried to provide accommodation to its officials and at reserved, exclusive areas, to provision of official cars that were chauffeur driven, provision of cooks, stewards and gardeners (to highest echelon of civil servants) which they did not have to pay for from their salaries (Iyida, 2015). However, the cost of providing and maintaining these services were enormous (Kirk-Green in Iyida, 2015). For instance according to Iyida (2015:14) “government expended N186,512,385.98 on renovation of government houses in 2003. This indicates that substantial amount of money is being drained on maintenance of residential quarters just for the comfort of few Nigerians”.

Ekaette (2013) noted succinctly that the expenditure profile for the past four (4) years of 1999 to 2002 show that recurrent expenditure was higher than capital expenditure. He explained that between 1999 and 2002, the increase in recurrent expenditure rose sharply from N449.67billion (1999); N461.61b (2000); N579.33b (2001); and N696.78b (2002) while capital expenditure was N498.02b (1999); N239.45b (2000); N438.7b (2001); and N321.39b (2002). This implies according to Ekaette (2003) that the percentage of recurrent over capital expenditure was 47.46% in 1999; 65.84% in 2000; 56.91% in 2001; and 64.44% in 2002. Ekaette (2003) 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 workforce that is less than 1% of its population, leaving very insignificant accrued revenue for national developmental projects or infrastructures.

As a way out of this quagmire, monetization policy was introduced by the federal government of Nigeria. Monetization policy which is also referred to as monetization of fringe benefits is an
approach to the remuneration of public officers in Nigeria which was given effect through the passage of *Certain Political and Judicial Office Holders Acts 2002* which provided the reference point for monetization of the salaries and allowances of all categories of Federal public servants. It stipulated that the fringe benefits which were formerly paid in kinds be converted to cash by the salary and wage commission (Bakare, 2011:61).

Under the scheme, the government houses, cars, furniture, etc which were for the use of bureaucrats and other political office holders were to be converted into private property (Bakare, 2011). It is intended that the scheme will encourage private initiatives and facilitate creativity and motivation and most importantly, improve the quality of service delivery, promote patriotism and efficiency among civil servants. Another added advantage of the policy is that the scheme may act as an incentive to the employees to work harder. The policy if well implemented will upgrade the living standard of the public workers, minimize poverty, inflation, wastage, slow economic growth, unemployment and above all increase productivity (Bakare, 2011).

Be that as it may, monetization policy has its own inherent problems. In housing sector for instance, only 50% of the workers’ basic annual salary is given for accommodation. In view of the fact that a decent three bedroom accommodation goes for ₦800,000 or more in Abuja depending on the area, the monetization at 50% of basic salary is inadequate and cannot fetch a decent accommodation in the city. Even those whose houses have been monetized and sold to them are expected to pay ₦500,000 yearly for such accommodation and this coming from their 50% basic salary.

It is generally believed therefore that this situation will lead to reduction of the quality of service provided by civil servants and induce corruption and other vices if they have to maintain their pre-monetization living standards. It is against this backdrop of the emerging unintended consequences of the monetization policy and their effects on the morale and productivity of civil servants that this study seeks answers to the following questions:

1. To what extent has monetization policy been implemented among civil servants in Abuja?
2. To what extent has monetization policy affected the productivity of civil servants in Abuja?

**Hypotheses**

This thesis is guided by the following hypotheses:

- **H₀**: Monetary policy has not been fully implemented among civil servants in Abuja.
- **H₁**: Monetary policy has been fully implemented among civil servants in Abuja.
- **H₀**: Monetary policy has not significantly affected the productivity of civil servants in Abuja.
- **H₁**: Monetary policy has significantly affected the productivity of civil servants in Abuja.

**Literature Review**

**The Genesis of Monetization Policy**

Most colonial countries adopted the political and administrative systems of their erstwhile colonial Lords (Kibria, 2000). In that vein, the Nigerian Civil Service can be traced to the administration of Lord Lugard the then Governor General of the amalgamated administration of the Northern and Southern Nigeria with the guided policy of indirect political system (Omoleke, 2003). The present nature of remuneration in the civil service is also traceable to same colonial policy.

According to Ayapere (2015, p. 107), the colonial administration “provided their expatriate staff – the “White” civil service administrators – with free housing, free transportation free house helpers, etc. Residential Quarters were provided, furnished and maintained by government”. Ayapere (2015) continued that colonial government foot other bills including electricity, water and
telephone services, facilitated procurement of vehicles to its officers at generous rates that could be conveniently deducted from their salaries. All these were for administrative convenience and was the genesis of monetization policy.

The policy gained more ground with the second coming of Olusegun Obasanjo in 1999 as the political head of Nigeria. Fayomi (2013) was of the opinion that Obasanjo’s desire for a more proactive and result-oriented public service moved the regime to introduce and implement monetization policy on the Nigeria public service in 2003.

Monetization policy in the real sense of the word is a policy adopted to stem the spiraling government expenditure especially on recurrent over capital projects. Fayomi (2013) revealed that at the end of 2001, over 85 percent of government expenditure went to recurrent costs. These costs include constructing, purchasing or renting of residential accommodations for public servants; renovation, maintenance and furnishing of these residential accommodations; fuelling and maintenance of official vehicles of public servants; paying of medical bills of public servants and their families, etc.

As Fayomi (2013, p. 106) puts it “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”. In that regard, instead of government providing residential accommodation to its workers, the workers themselves shall provide their accommodations with allowances given to them by government to that effect. Ayapere (2015) opined that these workers shall receive between 50 percent and 75 percent of their annual basic salary as accommodation allowance, depending on seniority level. On furniture, 300% of Annual Basic Salary to be defrayed in four years at the yearly cost of 75% of the basic annual salary was recommended and implemented. On domestic servants, only senior civil and public servants at GL 15 and above and political office holders are entitled to monetary benefits in lieu of domestic servants. Furthermore, vehicles, medical, meal and entertainment benefits were all monetized according to grade levels. In the final analysis, monetization policy has its root in the colonial administration but was made more potent and enhanced by the Obasanjo administration.

**Effects of Monetization Policy**

Monetization policy has become a reform meant to downsize government’s expenses and excesses. In more specific terms according to Ayapere (2015, p. 110), “monetization of facilities, such as housing, furniture and vehicles will reduce capital cost, maintenance and running costs”.

Fayomi (2013, p. 107) gave more detailed effects of monetization policy as:

(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.

(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.

(k) Encourages increased productivity because of the euphoria of increased income (Fayomi, 2013, p. 107).

Theoretical Foundation of the Study
This study adopts motivation theory. It is a theory propounded by Abraham Maslow. This theory is anchored on satisfaction of human needs. Stoner et al (2005) noted that Abraham Maslow’s theory has received more attention from administrators than any other theory of motivation. The theory according to Izueke (2014) proposes that people are motivated by multiple needs and that these needs exist in a hierarchical order. According to Maslow (1962), individuals will be motivated to fulfill whichever need is proponent, or most powerful, for them at a given time. The prepotency of a need depends on the individual’s current situation. However, Maslow (1962) opined that the lower order needs are more basic than the higher order needs. Each lower order need must be satisfied before the individual desires to satisfy a need at the next higher level. The five levels of needs identified by Maslow are:

1. Physiological needs: These needs are also called survival needs. They include food, shelter, sex and clothing. They exert a stupendous influence on behaviour because they are necessary for man’s existence. Rao (2009) noted that physiological needs are dominant when all needs are unsatisfied.

2. Safety needs: These needs include physical, emotional and economic protection such as protection from accident, fire, ill-health, etc. They begin to manifest once the physiological needs are fairly met.

3. Social needs: They include love, status, sense of belonging, friendship, etc. They are regarded as higher order needs. They arise due to the gregarious nature of man. However, they tend to be stronger for some people than others, and are regarded as secondary because they are not essential to preserve human life. They represent the needs of the mind and spirit rather than of the physical body (Rao, 2009).

4. Esteem needs: They are self-confidence, achievement, self-respect, recognition and respect from others. They do not manifest until the lower level needs are fairly satisfied.

5. Self-Actualization: This is the desire for self-fulfillment-to become the best one is capable of becoming. It means one realizing one’s capacities and potentialities to the fullest extent possible.

Methodology
This study used survey research design as its methodology. Data for the study were collected from the staff of nine selected federal ministries in Abuja, Nigeria. The population of the study therefore was 18,000. This is invariably high for a research study. Taro Yamani statistical formula was applied to reduce the population to a researchable size of 208 staff. Simple random sampling technique was used in the selection of our sample size. This method was adopted because it gives all employees equal chance of being selected as a respondent or sample. Questionnaire which was our research instrument was shared to our sample population and all 208 respondents returned them making us have a 100% instrument return rate.
To ensure the validity of the research instrument, face validation was employed by consulting four experts, two each from departments of public administration and political science of Nnamdi Azikiwe University (NAU) Awka, Nigeria. They were requested to assess the suitability in terms of accuracy, adequacy, clarity and relevance of the items in addressing the research questions bearing in mind the objective of the study. Our questionnaire was corrected by these specialists and their comments and corrections were adopted by the researchers in the final draft of the instrument.

In this study also, the test-retest reliability process was used. This was to check the degree of consistency of our instrument. This was done by distributing copies of questionnaire on two different occasions to determine the level of consistency. The people given the questionnaire are those that share the same characteristics with the sample group of the main study. The result collected showed that all of them neared consistency and therefore were reliable. Data collected were analyzed using both the statistical techniques of frequency and percentage and chi-square ($x^2$).

**Analysis and Findings**
This section presents the results of the study which emanated from the analysis of the data collected through the use of questionnaire and the interpretations of such data to obtain answers to our two research questions. The data were analyzed using chi-square ($x^2$) statistical formula.

**Research Question One:** To what extent has monetization policy been implemented among civil servants in Abuja?

**Table 1:** Extent to which monetization policy has been implemented among civil servants in Abuja.

<table>
<thead>
<tr>
<th>Possible Options</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High Extent</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>High Extent</td>
<td>48</td>
<td>23</td>
</tr>
<tr>
<td>No Idea</td>
<td>69</td>
<td>33</td>
</tr>
<tr>
<td>Low Extent</td>
<td>57</td>
<td>27</td>
</tr>
<tr>
<td>Very Low Extent</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>208</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Source:** Research Report, 2015

The responses of civil servants in Abuja varies as 20 of them representing 10% of the total used respondents were of the opinion that monetization policy has been implemented to a very high extent. 48 respondents representing 23% of the sample population indicated that the policy to a high extent has been implemented. 69 respondents had no idea of the extent of implementation of the policy. However, 57 respondents representing 27% of the sampled population is of the opinion that monetization policy has witnessed low implementation while 14 respondents or 7% were more pessimistic by declaring that monetization policy has been implemented to a very low extent.

**Research Question Two**
To what extent has monetization policy affected the productivity of civil servants in Abuja?

**Table 2:** Extent to which monetization policy has affected the productivity of civil servants in Abuja.

<table>
<thead>
<tr>
<th>Possible Options</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High Extent</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>High Extent</td>
<td>56</td>
<td>27</td>
</tr>
<tr>
<td>No Idea</td>
<td>70</td>
<td>34</td>
</tr>
<tr>
<td>Low Extent</td>
<td>55</td>
<td>26</td>
</tr>
</tbody>
</table>
From table 4.2 above, 10 respondents or 5% of the sample size opined that monetization policy has affected productivity of civil servants in Abuja to a very high extent. 56 civil servants in Abuja or 27% indicated that to a high extent, monetization policy has affected productivity of civil servants. The analysis of this is that with more dogged and dedicated implementation, more benefits could come to civil servants and on time too and their productivity could be enhanced. 70 respondents did not have any idea as to the implications of monetization policy implementation on productivity. However, 55 respondents or 26% of the sample size and 17 respondents or 8% of the sample size were adamant that implementation of monetization policy has not enhanced productivity. They believe that it has rather to a low extent and very low extent respectively negatively affected productivity.

**Testing of Hypotheses**

The formulated hypotheses were tested using the chi-square statistical tool. According to the chi-square

\[ X^2 = \sum \frac{(O_i - E_i)^2}{E_i} \]

Where \( X^2 \) = Chi-square  
\( \sum \) = Summation sign  
\( O_i \) = Observed frequency  
\( E_i \) = Expected frequency

**Hypothesis One**

\( H_0: \) Monetization policy has not been fully implemented among civil servants in Abuja.  
\( H_1: \) Monetization policy has been fully implemented among civil servants in Abuja.

Hypothesis one was tested using table one above

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not fully implemented</td>
<td>71</td>
</tr>
<tr>
<td>Fully implemented</td>
<td>68</td>
</tr>
<tr>
<td>No idea</td>
<td>69</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>208</strong></td>
</tr>
</tbody>
</table>

Source: Field Survey, 2015

Constructing the test-statistics, we have

<table>
<thead>
<tr>
<th>Response</th>
<th>0i</th>
<th>Ei</th>
<th>0i – ei</th>
<th>(0i – ei)^2</th>
<th>( \frac{(0i – ei)^2}{Ei} )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not fully implemented</td>
<td>71</td>
<td>69.33</td>
<td>1.67</td>
<td>2.789</td>
<td>0.040</td>
</tr>
<tr>
<td>Fully implemented</td>
<td>68</td>
<td>69.33</td>
<td>-1.33</td>
<td>1.769</td>
<td>0.026</td>
</tr>
<tr>
<td>No idea</td>
<td>69</td>
<td>69.33</td>
<td>-1.33</td>
<td>0.109</td>
<td>0.0016</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>208</strong></td>
<td><strong>69.33</strong></td>
<td><strong>-1.33</strong></td>
<td><strong>0.0676</strong></td>
<td></td>
</tr>
</tbody>
</table>

The calculated value = 0.0676

The degree of freedom, \( n-1 = 3-1 = 2 \) degree of freedom. The level of significance = 0.05.

The expected frequency (\( E_i \)) = \( \frac{\text{Sum of observed frequency}}{\text{Number of variables}} \)

The critical value at 2 degree of freedom and 0.05 level of significance = 5.99
Decision Rule: Reject the null hypothesis, if the calculated value is greater than the critical value, otherwise accept the null hypothesis and reject the alternative hypothesis.

**Decision:** Monetization policy has not been fully implemented among civil servants in Abuja.

**Hypothesis Two**

**H₀:** Monetization policy has not significantly affected the productivity of civil servants in Abuja.

**H₁:** Monetization policy has significantly affected the productivity of civil servants in Abuja.

Hypothesis two was tested using Table Two above.

Constructing the test statistics, we have

<table>
<thead>
<tr>
<th>Response</th>
<th>0i</th>
<th>ei</th>
<th>0i – ei</th>
<th>(0i – ei)²</th>
<th>(0i – ei)² / ei</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not significantly affected</td>
<td>72</td>
<td>69.33</td>
<td>2.67</td>
<td>7.13</td>
<td>0.103</td>
</tr>
<tr>
<td>Significantly affected</td>
<td>66</td>
<td>69.33</td>
<td>-3.33</td>
<td>11.09</td>
<td>0.160</td>
</tr>
<tr>
<td>No idea</td>
<td>70</td>
<td>69.33</td>
<td>0.67</td>
<td>0.45</td>
<td>0.007</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>208</td>
<td>69.33</td>
<td></td>
<td>0.0270</td>
<td></td>
</tr>
</tbody>
</table>

The calculated value = 0.270

The degree of freedom, n-1 = 3-1 = 2 degree of freedom. The level of significance = 0.05.

The critical value at 2 degree of freedom and 0.05 level of significance = 5.99. The calculated value (0.270) is less than the critical value (5.99). Therefore, we reject the alternative hypothesis and accept the null hypothesis.

**Decision:** Monetization policy has not significantly affected the productivity of civil servants in Abuja.

**Discussion of Findings**

Monetization policy is a welcome development to cut down government expenses. But its implementation has been a doubt. Many civil servants especially the low cadre ones believe that they will not benefit from the policy and has displayed apathy towards the policy. The interest rates on the mortgaged houses are high to the extent that the deductions from their monthly salaries to pay for their mortgage and interests accruing there from, wipes away their monthly emoluments. This has slowed implementation because of lack of cooperation from the majority of the civil servants. Majority of our respondents in that regard suggested through their questionnaire response that implementation of monetization policy has been low.

Monetization policy is meant to convert into cash, the fringe benefits of civil servants including housing, vehicle, furniture, etc. if well implemented; it has the benefit of boosting the productivity of workers. But our respondents are in agreement that the policy has not significantly enhanced productivity among civil servants in Abuja. This is a result of poor implementation of the policy which has left workers frustrated and disillusioned.

**Recommendations**

This paper recommends as follows:

1. That a special task force assigned specifically the task of implementing monetization policy should be set up. This task force should be under the presidency and should be given a clear and time bound mandate to effectively implement the monetization policy.
2. Administrative delays and bottlenecks should be completely eliminated if the policy is to record any success.
3. It has been agreed by Nigerians that the reasons why the state is nearly a failed state is corruption. This too has reared its ugly head in the implementation of monetization policy. Corruption should be avoided completely and anti-corruption agencies should be drafted to monitor the programme and act as its implementation policeman.

4. Government should ensure that some lowly placed civil servants that have lost their jobs as a result of this policy are recalled and job security assured henceforth. This will stop the apathy of workers and make them embrace and participate in the policy’s implementation.

Conclusion

Monetization policy of the federal government of Nigeria is a good intentioned policy that has succeeded in some other countries of the world. Civil servants in Nigeria welcomed the policy with open minds. However, after over a decade of implementation, our research has found out that workers in Abuja presently are having a mixed feeling over the policy. The implementation of the policy is low owing to delays and bottlenecks that have been the characteristics of civil service in Nigeria. Again, inflation is affecting the policy in the sense that after effecting monthly deductions from those whose fringe benefits have been monetized, what is left is of low value compared to the rising cost of goods and services in Abuja metropolis. This has made some civil servants in Abuja to be despondent as regards the policy and completely uncooperative with the implementation.

The productivity of civil servants thus has been affected as they are having low morale which is occasioned by the disappointment they are getting from the policy. No worker can perform well under an atmosphere of uncertainty and frustration.

However, if the recommendations of this research work is accepted and implemented by policy makers, the aspirations of government in initiating monetization policy will be realized.

References


