

TITLE PAGE

**DEPARTMENTATION AS A CONTROL MEASURE IN MULTI NATIONAL COMPANIES
CASE STUDY: U.A.C.N;G.B.O MINNA AS A DIVISION**

WRITTEN BY

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CERTIFICATION

I, the undersigned certify that this research work was carried out by Mr. Idowu Dada Oyeyemi under my supervision.

I, therefore certify that the work is adequate both in scope and quality for partial fulfillment of the award of postgraduate Diploma in Business Management Technology (PGDBMT) of the Federal University of Technology, Minna.

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DEDICATION

This project work is dedicated to my dear wife Mrs. Modupe Oluranti Idowu and my parents Mr and Mrs J.k Idowu

ACKNOWLEDGEMENT

I thank almighty God for his blessing and inspiration throughout my academic pursuit of which this research work is part. I acknowledge the management and the entire staff of G.B Clivant Minna branch for their help towards this research work.

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My greatest gratitude goes to my wife Mrs. Modupe Oluranti Idowu for all her efforts to make me useful not only to the family but to the society in general. She provided me with all necessary support I needed to attain this academic status. I pray the almighty God reward you greatly.

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ABSTRACT

This study was conducted to identify departmentation as a control measure in multinational companies, Gilbert Braithwort Ollivant (G.B.O) Minna branch as a division of United Africa Company of Nigeria Ltd (U.A.C.N).

For any business to be successful it will depend largely on the type of people and the various types of work carried out by the people which means having the right people with the right skills in the right places or departments. To recruit, retain, place, train and develop offers an enterprise its most valuable competitive opportunity because of the present challenges in the world. As a result, no company or industry can afford to allow its operation not to be standardized and properly classified to aid the company in achieving the set goals and objectives of establishing such enterprises.

The primary goal of every business enterprise is to make profit and such could be achieved through departmentation in which maximum utilization of workers in various departments are put into the operation in pursuit of common goals. This research work introduces the reader to the topic which involves the definition and explanation of departmentation, statement of the problem, the research questions, statement of hypothesis which was later tested in chapter four, objectives and significance of the study was also stated which could also enlighten the reader.

The next chapter makes known to the reader, the historical background of U.A.C.N, G.B.O Minna branch, the concept of departmentation as a control measure and the methods of traditional departmentation was also analysed and various departmentation operated by the company.

The researcher dedicated time to analyse the various possible means by which the problems of departmentation could be minimized and possible recommendation was also highlighted to ensure effective operation of G.B. Ollivant Minna branch which could bring about the prospects of the company.

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CHAPTER ONE

1.0 BACKGROUND TO THE PROBLEM

1.1 INTRODUCTION

The management concept of the word "DEPARTMENTATION" means the manner in which the business activities should be divided and formed into specialized group or sections or departments, all working towards the achievements of common goals and objective of the organization.

Every subject matter has a structure, a pattern of arrangement, presentation and a set of performance results, through the division into different sections in an organization.

The purpose of departmentation is to specialize activities, simplify the tasks of managers and maintain control. One can also evaluate the economical and social benefits of departmentation as a control measure in an organization. Departmentation is helpful in both profit and non profit oriented organizations. There are so many different departments in an organization, depending on that organization and the nature of business activities that are carried out in such organization. The intellectual tools with which organization operates are highly indispensable; although not fixed or limited in scope.

The management of any department has always concerned with the structure and materials required by such organization and the methods and procedures used to achieve the goals of the firm.

In an organization where there are several divisions in which there are rules and well organized hierarchy, it cannot function like a machine. Although

the top managers can rely on the people they control in their respective departments down the line to carry out orders in most cases; from practical experience in an organisation, that is the problem of departmentation a control measure.

Control is necessary to ensure that every hand is on deck towards the achievement of the organisation's objective which is to be pursued by all the departments. It is certain that people are not like parts of machines designed for a particular or specific purpose and that only and that purpose only and they seldom so completely submissive that they will obey orders blindly. How they respond is affected by the extent to which they accept goals of different departments in the organisation, the way they interpret the instruction and their relationship with others in the organisation. These interactions are to a large extent of course influenced both by the authority structure and by the personalities and attitudes of the members of the organisation.

There are several control measures that are used in multinational companies among which is departmentation. Departmentation as a control measure involves the use of various departmental managers controlling different sections, unit or divisions where the activities of the organisation are grouped.

1.2 STATEMENT OF THE PROBLEM

Departmentation plays a substantial role in any company and it contributes immensely to the success of the company through the division of activities into different units. Management are faced and often confronted with numerous problems in getting the right person to hold a particular position or

head a particular department, which concerns the personnel department of any organisation, and also to get responsible personnel to do the right job at the right time.

The problems include:

1. To find out how managers of different departments delegates duties to their subordinates.
2. To investigate how personnel are been recruited.
3. To review how similar activities are been grouped together.
4. Also to study the managers' attitude towards the workers and workers' attitude toward managers.

1.3 RESEARCH QUESTIONS.

The following are the questions the researcher tries to study and provides responses for:

- i. Are there able and qualified managers to carry out their responsibilities in different departments of the organisation or companies?
- ii. Are the workers allowed to participate in the decision making of the department?
- iii. Are the workers dedicated to their duties?
- iv. What kind of relationship exists between the managers and the workers?
- v. Are there sufficient staff recruited to really carry out these sectionalized duties?

1.4 STATEMENT OF HYPOTHESIS

Hypothesis is a supposition put forward as a basis for reasoning which when subjected to test could be false or true. The following hypotheses are put forward to serve as guide to this study.

- (1) Effective managers/workers relationship enhances overall productivity.
- (2) Adequate subordinate's motivation enhances the effectiveness of departmentation.
- (3) Inadequate managerial capability is a problem of departmentation.
- (4) Lack of good communications system is a problem of departmentation as a control measure.

1.5 OBJECTIVE OF STUDY

This study is intended to provide useful information for the prospect of departmentation as a control measure in multinational companies. It also intends to investigate the problems of departmentation, their causes and also proffer solutions to them for multinational.

Also to what extent the management of multinational companies has gone in implementing formulated policies as per prospect and problems of departmentation as a control measure.

1.6 SIGNIFICANCE OF STUDY

This research work is based on both the consultation of primary and secondary data; it is designed to serve as a reference literature to multinational organizations.

The success of every enterprise starts with its efficient structure. It is the designs of an organisation that projects at a glance the distribution of both human and materials resources. The structure of the organisation of multinational company at any point shows a time picture of the positions of various departmental managers and their subordinates.

This research has made it possible to know how the contribution of each department helps to achieve the objectives of the business enterprises.

This project will be of great significance to the following:

- (1) Multinational companies who may want to use departmentation as a control measure.**
- (2) Multinational companies for reference purpose for making business decision.**
- (3) Student of commercial related field of study to promote them with more information to enable them to understand the working of departmentation as a control measure.**
- (4) The management of G. B Ollivant to know more about the problems they are likely to encounter in using departmentation as a control measure and its possible solutions or opportunities opened to them.**

- (5) And to others whom this project might be a great value and importance.

1.7 LIMITATION AND THE DELIMITATION OF THE STUDY

The research focuses on departmentation as a control measure in multinationals companies. Some of the problems encountered while carrying out this research include:

- Secrecy in revealing of adequate information needed for the work.
- The researcher also had the problem of finance, thus limiting the scope of study.
- The information gathered was necessarily limited to that made available by respondents that are the officials of G. B. Ollivant, management experts and analysts.

1.8 DEFINITIONS OF TERMS

- (1) **DEPARTMENTATION:-** is the manner in which activities should be divided and formed into specialized group without duplication of activity which simplify the tasks of managers and maintain control.
- (2) **CONTROL:-** according to Henry Fayol who note control as follows:
"The control of an undertaking consists of serving that everything is being carried out in accordance with the plan which has been adopted, the orders which have been given, and the principles which have been laid down. Its object is to point out mistakes in order that they may be rectified and prevented form occurring again"

- (3) **U.A.C.N. LTD:** - United African Company of Nigerian Limited.
- (4) **PROBLEMS:** - a serious difficulty that needs attention, thought and consideration for which an answer is needed and provided.
- (5) **ORGANISATION:** - an organisation is a collection of people who with consciously coordinated effort pursue and contribute to the attainment of a common purpose.
- (6) **G.B.O.:-** Gilbert Braithworth Ollivant
- (7) **MULTINATIONAL COMPANIES:** - they are companies that do business in many different countries.

CHAPTER TWO

2.0 REVIEW OF LITERATURE

This chapter deals with the relationship that exists between the project and the past data that are pertinent to it in one way or the other. It serves two purposes, to get the theoretical base and to set the current research into perspective. It surveys the research previously done on the topic and evaluates what they accomplished.

2.1 HISTORICAL BACKGROUND OF UNITED AFRICAN COMPANY OF NIGERIA [U.A.C.N.]

United African Company was incorporated in Nigeria on 22nd April, 1931 as Nigerian Motors Limited with an authorized share capital of N200 (Two hundred naira only) divided into 100 ordinary shares of N2 each all which were issued and paid up. At incorporation United African Company was wholly owned subsidiary of the United African Company Limited, England. In 1974, the company became a Public Limited Liability Company and was quoted on the Nigerian Stock Exchange. The company adopted its present name in the year 1991 and it became a wholly owned Nigerian Company in 1994.

At incorporation U.A.C acted as a Nigerian distributor for number of products to international manufacturers and suppliers. Today United African Company is a widely diversified company with operations in manufacturing, processing, technical sales, services and agro-allied industries. The divisions of the company are: Gilbert Braithworth Ollivant GBO/MDS, U.A.C foods, U.A.C.

seeds, African Timber and Plywood, Bord Pak Premier Packaging, Group textiles, Palm line, Peral Beam, and U.A.C afro.

Also United African Company in addition to its several divisions operates a number of subsidiaries in diverse business areas like Grand Cereals and Oil Mills Limited, G. M. Limited, Spring Waters Nigerian Limited and Tractor and Equipment Nigeria Limited. These subsidiaries which have all become part of the U.A.C group in the last few years, form part of the group's long-term strategy to evolve eventually into a holding company with interests in several autonomous business units. With each major business running on its own as a separate entity, U.A.C. was able to avail itself more readily of technical expertise in the various companies through joint ventures, technical/management service agreements and other agreements. U.A.C. strongly believes that these will lead to greater efficiency in managing its diverse operation, and therefore to will enhance returns to its shareholders through the company's participation in such subsidiaries and associated companies. In this view, the transfer of the bulk of property portfolio to a dedicated subsidiary should allow greater flexibility and freedom to manage the property portfolio for maximum returns.

2.2 BACKGROUND HISTORY OF GILBERT BRAITWORTH OLLIVANT GBO MINNA AS A DIVISION OF U.A.C.N. AMONG MULTINATIONALS.

The G.B Ollivant is multinational company, which has similar characteristics with other big multinationals. These characteristics can be seen as follows:-

- (1) Possession of a large amount of capital marketing experience, influence and volume.
- (2) Availability of a ready line of credit with their financiers and suppliers.
- (3) Multiple chains of stores within and outside the country.
- (4) Centralized system of administration, that is regional branches operating with instructions from the headquarters.

The Bilbert Braithworth Olivant is a division of U.A.C of Nigeria Limited has its branch in Minna situated along Shiroro Hotels Road Minna, Niger State.

The month of October 1983, marked yet another great industrial mile stone in the history of the commercial life of Minna, the capital of Niger State. It was so because the marketing firm was formally declared open for operation. The authority for its establishment came right from its headquarters in Lagos and could only materialize after its acceptance by the Niger State Government. The initial financial backings, equipment, goods, staff, including the Branch Manager were sent down to Minna from Lagos. It took off initial with good worth about (N200, 000.00) two hundred thousand naira excluding furniture, fittings and equipment. At its inception, the company premises has been a big hall and it still remains where it was and different activities are carried out there.

It engaged on such activities which could be carried out by twenty two (22) persons who formed the staff strength. As a result of that it could operate with only a few departments which included personnel, marketing and maintenance.

Gradually, the firm started to combine survival with growth. At present, it is one of the firms clearly attests to the fact that there are still some astute and

shrew business men in this country who direct business acumen to areas that genuinely meet consumer demand at home levels as well as contribute their own quota to the Federal Government's policy to conserve our foreign exchange. It has by far increased the volume of home made goods within it fold. This includes both industrial and ultimate consumer goods. The wave of rapid industrial development has manifested itself in this country's march towards economic development and independence, the branch of G.B. Ollivant has shown itself a part oriented activities. The company premises has passed through a lot of stages of construction and re-construction work. Many new blocks and department have been built and created as the number of staff increases. Managers of various calibers and technical experts are in the employment of the company as heads of various departments.

Its stock goods has increased by many hundreds of thousands in both volume and variety such items as office equipments, pharmaceutical products, soft and juice drinks, refrigerators, air conditioners, books and host of other goods are seen carried out in the company premises in thousands by the ever-increasing customers of the company.

An over view of its gigantic aggregate of marketing operations portray the company's dependence on both foreign and indigenous producers.

G.B. Ollivant, being a branch of UAC of Nigerian Limited, is a Public Corporation which is financed by shareholders, bond holders, credit facilities, loans, debentures and re-investment of a part of its profit where the issue of shares is the sole responsibility of the headquarters in Lagos.

2.3 THE CONCEPT OF DEPARTMENTATION AS A CONTROL MEASURE

In order to decide upon the method of grouping or division of work in an organisation, the main objectives of the business must be considered.

The manner in which activities should be divided and formed into specialized group is usually referred to as 'DEPARTMENTATION'.

The purpose of departmentation is to specialize activities, simplify the tasks of managers and maintain control.

Departmentation could be geographical, functional, by customer, by process or equipment, by product or by professional skills often different types are used at different levels of organisation structure.

STEP IN PLANNING DEPARTMENTATION

The following serves as a guide to the organisation planner. That is, what to do when planning departments;

1. Similar activities may be grouped together, based on the similarity of qualifications or common purpose e.g. medical and dental personnel.
2. An activity may be grouped with other activities with which it is used e.g. safety and production.
3. Functions may be assigned to that executive who is most interested in performing them well.
4. Activities may be grouped to encourage competition or to avoid friction among departments.

5. If it is difficult to make definite distributions between two activities they may be grouped together.
6. Certain functions that required close coordination would increase problems of higher managers if they were separated; so such functions should be grouped together.
7. All activities related to the completion of project can be grouped together.

CONTROLLING AS A MEASURE

Controlling is the activity that measures performance and guides actions towards some predetermined target according to Henry Fayol he noted as follows; "The control of an undertaking consists of seeing that everything is being carried out in accordance with the plan which has been adopted, the orders which have been given, and the principles which have been laid down. Its objectives is to point out mistake in order that they may be rectified and prevented from occurring again".

Controlling provide mean for consulting knowing what is going on. When departmentation is being used as a control measure in an organisation, people know what targets they are striving for, they know how they are doing in relation to those targets, and they know what changes, if any are needed to keep their performance at a satisfactory expected level.

Controlling is the function that continually tests leadership effectiveness in the departmentation of multinationals and their subsidiaries. When organizing

departments, due consideration should be giving to administrative ease and control.

Anything which needlessly increases the volume of reports, or which adds unnecessarily to the number of executives having direct access to the top official, impairs rather than improves business efficiency.

THE ROLES OF DEPARTMENTATIONS

Centralize control

The man at the top of organisation should hold the reins or else have them held executive under his direct supervision and control.

According to Col. Lyndall Urwick, a well known management consultant, "no superior can supervise directly the work of more than five or, at most six subordinates". However, colonel Urwick qualifies this statement by adding that if individuals under the chief's supervision have extremely specialized areas of activity which do not bear on one another in a highly locked way, the span may be considerably greater.

The control function, which will be enlarged upon in subsequent portions of these sections, is largely a matter of records and information flow (including interpretation) based on standard of performance. Devising such standards and providing for their proper use, is of major importance to top management.

Ensure Coordination

Co-operation and teamwork, both within and between departments are essential to the success of any organisation. These cannot be left to hit or miss efforts, but are the fruit of continuous and constant application of management

policy,. Communications and meetings are two dependable instruments but even the best of these will fail without positive backing from top management, which through its powers of delegation and control can co-ordinate activities. Coordination is increased when the organisation chart provides for executives with coordination powers.

To Exert Control

Control is the obverse side of delegation. The larger the organization and the more far flung its activities and personnel the greater is the need for formalized control, which is another name for being kept informed about all aspects of the business.

Organizationally, the control functions is related to that of the accounting, information and records which explains why in the larger companies, the controller is the chief accounting executive as well as the director of electronic data processing. In small and medium sized firms, the top executive may act as his own controller, guided by the reports and records prepared and submitted by the accounting department.

It may be interesting to note that in most companies today, even every large companies the computer is more related to the controlling function than any other activity. More typically than not the computer is utilised in applications such as payroll, sales analysis, inventory control, billing, shipping e.t.c.

In some companies computers also play a part in long range planning, but this role at present is limited.

Control, which might also be termed "evaluation". Because one, its major purpose is measuring results, gives management a reasonably automatic check on all aspects of the operation. Without adequate controls to keep him informed, the head of a business cannot effectively hold the reins on his organisation.

Defining Responsibilities

Similar illustrations can be drawn readily enough from the relationship between say the Administrative Manager is responsible for recruitment, training, welfare and similar procedures and a sale manager who carries full responsibilities for the distribution of a goods and services to the customers at a reasonable price. Schedules of responsibilities lay down in broad general terms the field that these individuals' managers or specialists are called upon to cover. In actual sense, the action of determining delegation sounds both complex and mysterious. Due to the fact that it works for the management of a give firm.

In trying to remodel an existing organisation, the problems become more complicated because some regard must be paid to the present framework. In this case, the formulation of executive responsibility can best be carried out with the active co-operation of the managers, supervisors and specialists themselves. Each can be asked to write down in broad out – line the various tasks and activities for which he regards himself responsible, and the lines along which he proceeds to fulfill them. He can also be asked to group them under certain headings, which are perhaps been broadly formulated in advance.

Someone who works as the "Company Secretary" would collect these detailed documents and after scrutiny, take up with the assistance of others

proceed to analyse the completed documents in order to obtain a comprehensive picture of how the total responsibilities of management are distributed to ascertain how they contribute to the fulfillment of policy, and to outline the instances of over – lapping and duplication; deficiency or omission. With the cooperation of the managers concerned, it becomes a simple fact to determine how responsibilities should best be delegated and what consequential into relationship should exist.

The subject of "Departmentation" has been of considerable interest due to the many deficiencies characterized by the structure of management in companies, leading invariably to inefficiency and high cost of operating and well as to many personnel experiences of conflicts and confusion. These problems reoccur due to the absence of definition of responsibility. There is of course, further difficulty of lack of agreed or authoritative principles of organisation structure, from which a chief executive could draw guidance when he want to set up sound structure, by defining the responsibilities and relationship of himself and his subordinates. Eventually, arriving at grouping of responsibilities, duties and relations will lead to systematic structure.

THE ORGANISAITON STRUCTURE

As soon as two or three managers and supervisors are brought into existence by organizational growth from the very small stage, the need for demarcation is nothing else but determination and definition of responsibilities and relationships, i.e. setting up an organisation structure. There is admittedly a broad common pattern of organisation to be found in both indigenous and foreign

Firms. The board of Directors represents the owners (shareholders) and carries of corporate responsibility for setting objectives, the policy and the over all progress of the company. Responsible to the Board is the Chief Executive (the Managing Director or General Manager) called on to translate policy into instructions for executives action, to initiate the whole process of management, and to answer to the Board for its effective operation throughout the enterprise. The responsibility is discharged by the process of delegation and it is reported back to the of board, through the medium of accounts, reports and statistics. Below the Managing Director come the hierarchy of senior intermediate and junior managers, smaller or greater in number according to the size of the enterprise and appropriately divided among varying lines according to the tasks to be undertaken. Some managers carry direct responsibilities for the immediate operations of the enterprises, others hold appointments of specialist (functional) character. In either case, the executives are sharing part of the total responsibility for the planning and regulation of the activities of the enterprise, according to the particular division of function allotted to them. To enable these executives or managers to carry out their responsibilities effectively they are assisted at the working level by "supervisors" whose responsibilities are less and may not be concerned with planning. It normally centers on the oversight of operation to ensure that plans are followed or deviations from the set plans are reported promptly to the responsible executive.

2.4 METHODS OF DEPARTMENTATION

In order to dictate upon the method of grouped or division of work, the main objectives of the business must be considered. The grouping of functions or tasks referred to as departmentation.

The main methods are as follows:

2.4.1 The process or equipment departmentation

The grouping of enterprise activities about a process or a type of equipment is often employed by manufacturing establishments. Such a basis of departmentation is illustrated in a point or electroplating process grouping or of the arrangement in one part area of punch presses or automatic screw machines. People and material are brought together in such a department in order to carry out a particular operation.

One of the common examples of equipment departmentation is the existence of electronic data processing departments. As such installation has become more expensive and complex with ever increasing capacities, they have tended to be organized in a separate department.

Computer stations connected to an enterprise's central computer or an outside one wider a time-sharing or leasing basis, mini computers and electronic desk computers have tended to slow the growth of centralized computer departments will unquestionably continue to exist and to be placed fairly high in the organisation structure.

The purpose of such departmentation is to achieve economic advantages, although it may be required by the nature of the equipment involved. For

example a large computer requires heavy specialized capital since it may not be possible to utilize economically small units of apparatus.

ADVANTAGES

1. Similar types of equipment and labour are brought together.
2. Departments are separated by clear cut technical considerations.

2.4.2 Departmentation by enterprise function

The groupings of activities in accordance with the functions of the enterprise are a widely accepted practice. It embodies what enterprises typically do. Since all undertakings involve the creation of utility and since this occurs in an exchange economy, the basic enterprise functions consist of production (creating utility or adding utility to a goods or service) selling (finding customers, patients, clients, students or communicants who will agree to accept the goods or service at a price) and financing (raising and collecting, safeguarding and expending the funds of the enterprise).

Often this particular terms do not appear in the organisation's chart of a companies first, there is no generally accepted terminology manufacturing enterprises employ the term "production", "sales", "finance", a wholesaler is concerned with such activities as "buying", "selling" and "finance". And a railroad is involved with "operations", "traffic", and "finance".

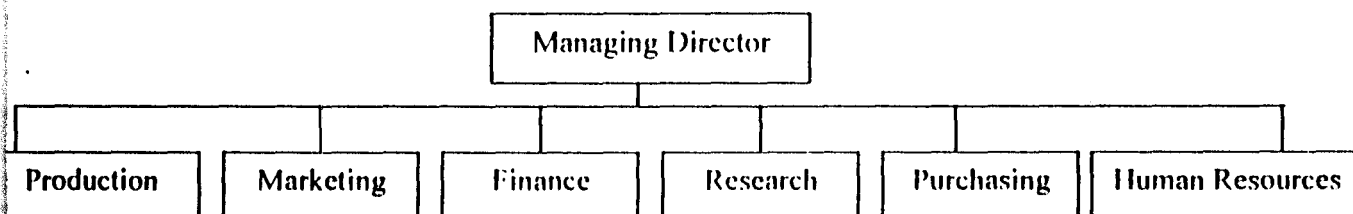
Second reason for variance of terms is that basic activities often differ in importance, hospital have no selling departments' churches have no production

departments. This does not mean that these activities are not undertaken but merely that they are unspecialized or of such minor importance that they are combined with other activities.

The third reason for the absence of sales, production or finance department on many organisation charts is that other methods of departmentation may have been deliberately selected, the functional basis being, after all, merely one way to organize. Those responsible for the enterprise may decide upon a product, customer, and territorial or marketing channel basis.

The characteristics of selling, production and finance functions of enterprise are so widely reorganized and thoroughly understood that they are the basis not only of departmental organisation but also most often of primary departmentation. The primary level is the first level in the organisation structure below the Chief Executives. The designation is made without consideration of the major and minor nature of the departments or the basis for grouping enterprise activities. Whenever activities are grouped into major functional departments they will naturally be located in the organisation structure at the primary level, while minor or derivative, functional departments may be found almost below the first echelon.

E.g. Department in a manufacturing company



Advantages of functional departmentation

- (i) it is a logical reflection of functions and time proven method.
- (ii) It follows principle of occupational specialization
- (iii) Maintains power and prestige of major functions.
- (iv) Simplifies training
- (v) It is the means of tight control at the top level.

Disadvantages

- (i) Responsibility for profits at the top only
- (ii) Over specialisation and narrows view points of key personnel
- (iii) Limits development of general managers
- (iv) Reduces co-ordination between functions
- (v) Makes economics growth of company as a system difficult.

2.4.3 Departmentation by territory or geographic

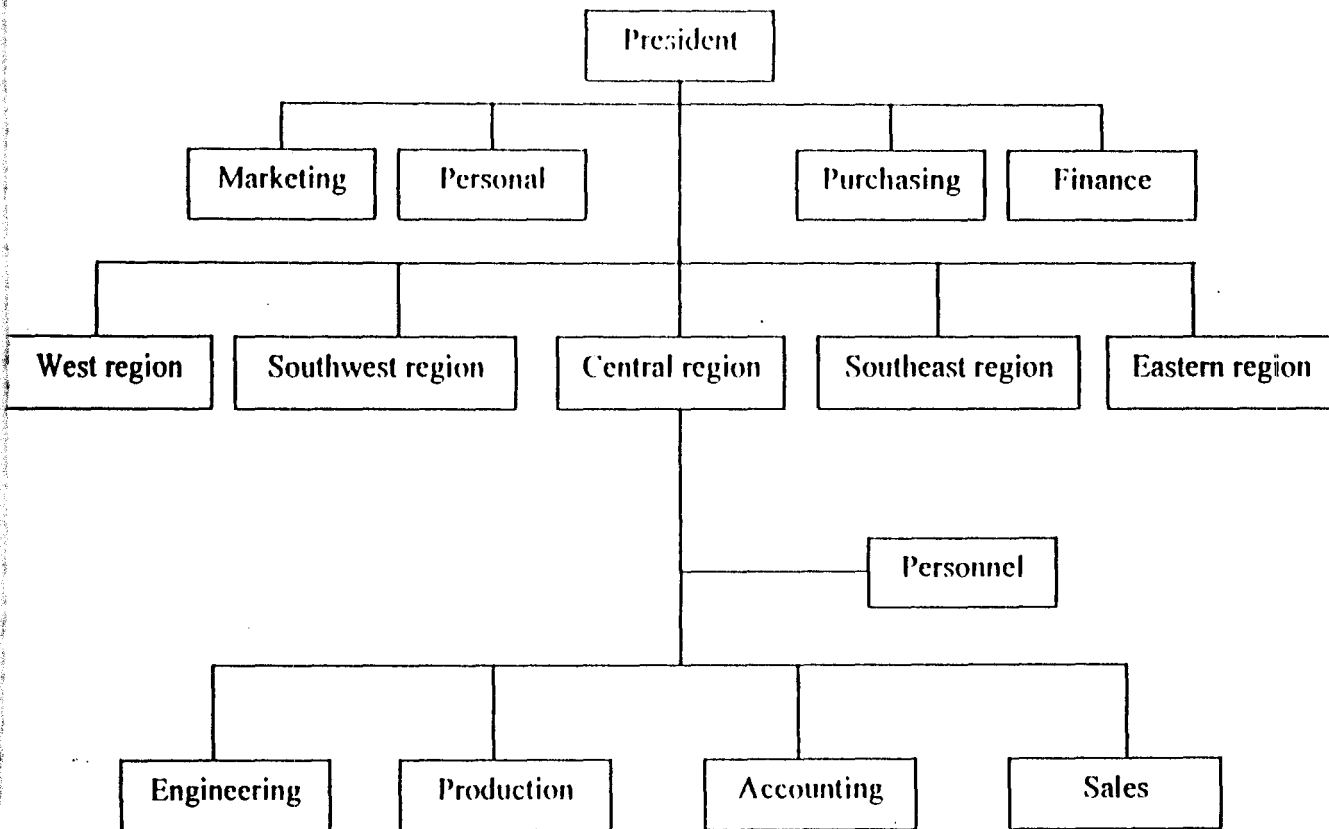
Departmentation based on geographic area is a rather common method for physically dispersed enterprises.

As companies grow and are widely spread over the country, it may be found desirable to divide some activities among branches away from the main centers of operations. The principle is that all activities in a given area or territory should be grouped and assigned to a manager.

EXTENT OF USE

Territorial departmentation is especially attractive to large-scale firms resort on other enterprises whose activities are physically or geographically spread. Business firms resort to this method when similar operations are undertaken in different geographical areas, as in automobile assembly, chain retailing and wholesaling, and oil refining. Many government agencies – the Internal Revenue Services, the Federal Reserve Board, the Federal Courts and the Postal Service for example adopt this basis of organisation in their efforts to provide services simultaneously across the nation.

TYPICAL TERRITORIAL ORGANISATION GROUPING OF A MANUFACTURING COMPANY.



Advantages

- (i) Lower cost of operation
- (ii) Knowledge of local circumstance helps decision making and aids the creation of customer good will.
- (iii) Places responsibility at a lower level.
- (iv) Places emphasis on local markets and problems
- (v) Improves co-ordination in a region

- (vi) Furnishes measurable training ground for general managers.
- (vii) Takes advantage of economics of local operations.

Disadvantages.

- (i) requires more persons with general manager abilities
- (ii) Tends to make the maintenance of economical central services difficult.
- (iii) Increases problem of top management control.

2.4.4 Departmentation by product

The grouping of activities on the basis of product or product lines has long been growing in importance in multi line, large-scale enterprises, it has been evolutionary process. Typically, the enterprises adopting this form were originally organized functionally. With the growth of the firm, production managers, sales and service managers, and engineering executive encountered problems of size. The managerial job became intolerably complex, and the span of management limited their ability to increase the number of immediate subordinate managers. At this point, reorganization on a product division basis was indicated. This strategy permits to management to delegate a division extensive authority over the production, sales, service and engineering functions that relate to a given product or product line and to exact a considerable degree of profits responsibility from each of these managers.

Advantages

- (i) Aids specialization on men and machines.
- (ii) Co-ordination is facilitated and customers are given better service.

- (iii) Places attention and effort on product line.
- (iv) Places responsibility for profits at the division level.
- (v) Permit growth and diversity of products and services.

2.4.5 Customer Departmentation

The grouping of activities to reflect a paramount interest in customers is commonly found in a variety of enterprises. Customers are the key to the way activities are grouped when the things enterprises does for them are managed by department head.

There are close decisions to be made in separating some types of customers departments from product department. A grouping such as sales, manufacturing, engineering and cost accounting, all of which are concerned with serving a single customer type such as public utilities would be likely to be called "functional departmentation" even though the special customer is identifiable.

REASONS FOR USE

The special and widely varied needs of customers for clearly define service prompt many suppliers to departmentalize on the basis. The manufacturer who sells to both wholesalers and industrial buyers frequently finds that the needs of the two outlets can be met by specialised departments.

Non business groups follow similar practices. The operations of a community chest drive are arranged on the basis of different "customer" classifications. And departments of the Federal Government are set up, care particularly for farmers business people, industrial workers, the elderly and others.

The advantage of this method is mainly that, it caters for customers of different needs and brings benefits of specialization.

2.5 THE ROLE OF DEPARTMENTS IN G.B. OLLIVANT MINNA, BRANCH

In a company, once the separate functions become clear and their relations with others clearly understood, it is possible to set up departments to handle particular functions. In addition to a minor functions, each may have one or more nature of minor functions. Where the volume and nature of an erstwhile minor function justify, it can be given departmental status. For example, in many larger companies like United African Company Headquarters, internal auditing has become a separate functions, no longer tied in with accounting the internal auditor who performs for the management what the certified public accountant does for the stockholders and directors usually reports directly to the president.

When organizing departments, due consideration should be given to administrative ease and control. Anything which needlessly increases the volume of reports or which adds unnecessarily to the number of executive having direct access to the top official impairs rather than improves business efficiency.

THE IMPACT OF THE ROLE

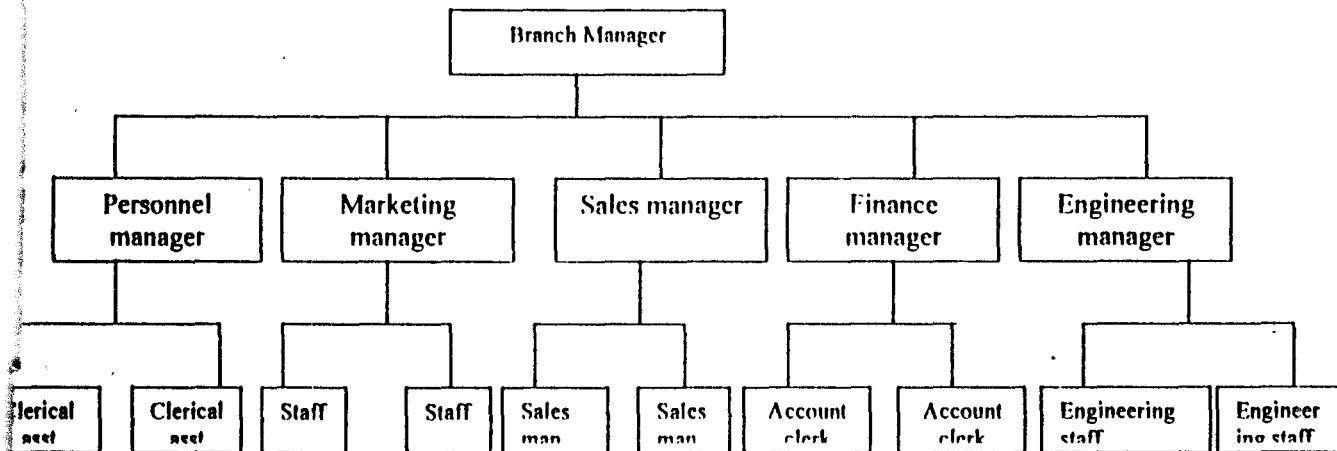
In the Minna branch of the G. B. Ollivant Nigerian Limited, the impact of the departmental role is felt through the relative successful performance of all the transactions involved.

Apart from stimulating the employees into maximum productivity, the organisation structure of this company, either directly or otherwise play multiple roles, some of which can be seen as follows:

- (a) **GROUP INCENTIVES:** - by making group incentives available, each member of the working group in this company receives a bonus based on the output of that group as a whole. This is quite unlike the individual piece work system, base on his or her individual output. Group incentives are so inter related that it is difficult to measure the contribution of any single employee to the total production. This encourages cooperation, since all the members of this group share in the same bonus, conflict is reduced between workers on "tight rates" and workers on "loose rates" in this arm of the G.B. Ollivant.
- (b) **SUGGESTIONS SYSTEM:** - in the company's typical suggestion system, the employees are allowed to write their ideas on a special form an drop them into a particular box. All such suggestions go through the branch manager to the committee where the practicability of each suggestion is the explored and evaluated. Such employees as the supervisors and foremen who might be affected are consulted. Where the suggestion is finally accepted. The maker is remunerated but if it fails, the reasons for its failure are mad known to him. In this company the employees practice this with absolute caution; in as much as one can easily suggest himself out of job.

- (c) **CONSULTATIVE COMMITTEE**:-the management of this company makes provision for the existence of a consultative committee. This committee has proved to be extremely useful in facilitating collective bargaining, on such matters as job evaluation, incentive rates and jobs transfers. It induces and accelerates systematic consideration of problems that would otherwise be handled with violent procedure. It makes sure that workers are allowed to gain satisfaction and share responsibilities.

ITS STRUCTURE AND MAJOR SUB-DIVISIONS.



After different periods of practical observation on the activities and documents of this company, one may find it difficult to exactly say the type of organisation pattern that is use within the company. The G.B. Ollivant, Minna branch as a marketing company has various departments which enables it's to

accelerate its making activities and allied functions. This branch is wider the control of a branch manager who serves as the intermediary between the firm and its headquarters in Lagos. The sub-divisions involved in this enterprise are so many that it would not be of much importance to represent them on the chart.

Among the most pronounced departments in the company are the following:

- a. Personnel department
- b. Marketing department
- c. Sales department
- d. Finance department
- e. Engineering department

From the much emphasis on the use of department one may begin to wonder why they are important. Their relative importance as observed can be seen as follows:

1. To facilitate the allocation of authority and responsibility. Each manager has a standard authority and responsibility, which he exercises on his department.
2. To have a maximum utilization of division of labour. Each worker within a department has a defined activity to perform.
3. To make control possible and easy. This affects all the factors being used in the firm; including labour, equipment, productivity, good etc.

4. It minimizes the random movement of workers with movement reduced, this company saves time, reduces noise and unnecessary clashes, to increase efficiency and effectiveness in performances.
5. Information can easily be passed from one department to another. Similarly, the departmental managers can easily communicate with the limited number of workers under them.
6. It makes facilities available for effective supervision within each department.
7. The branch manager is a sole representation of the central administration in Lagos. It is through him the policy is made available and interpreted in this branch. He plays a major role to define the company's mission, objectives, and goods. Through him, the current events, instructions from the headquarters and the other branches are transmitted to the company. Occasionally, the departmental managers encounter certain problems, whereby it becomes appropriate decisions. Such matters are referred to the branch manager, whose duty is to give immediate and appropriate remedy to it. It is also through him that the central administration can exercise overall control on this branch. The branch manager reserves the right to employ the lower and middle levels of staff needed in the

enterprise. Example he can employ supervisors, personnel officers, clerks and other such employees.

Every meeting or conference held by the company provides a forum for transmitting information for discussion and debate, in most cases for decision making. Whenever such meetings are held, it is the branch manager who serves as the chairman. In the process, the departmental managers are opportune to highlight their problems from aspect of their duties, including the need for more funds and increase labour. The incidents which occur in both conferences and meetings for a part of the branch manager's report to the headquarters especially where they could not, reach a compromise.

COMMUNICATION: information transfer process in the G.B. Ollivant Nigerian Limited (Minna Branch). In the study of Business Administration and Management we read that this is that is an important "tool of management", but without question the most important "tool" is communication. It is however, a term liable to wide interpretation and is subject to as many definitions as there management text books available in the markets. One can rightly say that in our present society, there is poor communication and a sunder situation is experienced in the industries and firms.

No matter how widely or narrowly we interpret communication; it might be defined as the act of any natural or artificial means of conveying information or giving instruction.

The G. B. Ollivant, Minna Branch realizes the importance of good communication, hence it makes every needed effort to make it available when

and where it is needed. In this company the use of is sub divided into the internal and external communication.

INTERNAL COMMUNICATION: - this emphasis the communication which exists between the employers and the employees. It then means that form of information is used by the branch managers, the departmental managers, supervisors and all their workers of various categories.

In this process, the branch manager communicates all vital information from the headquarters to the staff in his branch, if need be. This information may include the need to intensity business operations as regards volume of sales, marketing activities and instructions on diversification of products. Through the use of internal communication, it is possible for the managers to obtain a feed back from the branch manager, on the reports, which they submitted to branch manager, he also transmits all decisions, plans etc of the company through the use of internal communication.

Within the department the internal communication is an essential organ with which the workers and their managers accomplish their functions. Throughout the operations, communication exists between workers and their managers communicate instructions, warning, his approval and disapproval on their activity network.

Internal communication exercises its influence on both clerical and non-clerical aspects of this company's activities. The personnel manager uses it to know the clerks in his department do their duties, using the available data and information. It is crystal clear that in this company no work can be done without

having it communicated to the worker who has to do it and how he will do it.. it then means that work itself measures the same as communication. The internal communication in use does not exist in only one form. It may exist in the face-to-face form, where a communicated language is used and in the same manner, the feed back goes to the sender from receiver. In this company the oral communication is the most popular form of communication used during work performance.

In this company occasions arise where written communication is given preference as a means of internal transfer of information. It may exist in form of official letters, public notice, written instructions, diagrammatic illustrations, compilation of data and information etc. This enables all the departments to work towards the company's target. Each written message provides a permanent record to which receivers can refer in the case of need. Also the relative formality of written communication gives the message greater weight than it would have, if it were delivered orally.

WRITTEN COMMUNICATION: - written communication as briefly discussed earlier can be specifically noted in the following aspects of the company's activities:

1. **AGENDA FORMS:** this is used in the company to inform those invited to or actually present at a meeting of the business to be dealt with and of the order in which the items of business will occur.

2. **ANNUAL REPORT:** - the company attaches much importance to the preparation of its annual reports. This is very necessary to know at a glance the stand of the company when viewed at a glance. It makes it possible to compare its previous year's progress and size with the current year's achievement. A copy is normally submitted to its central administration in Lagos.
3. **BULLETINS:** - all necessary information about this company in Minna are contained in some condition of its bulletins. It enables the employees to be aware of the company's development.
4. **CORRESPONDENCE:** - there is excess in and out flow of letters to maintain real life time of communication between the organisation and its customers.
5. **MEMORANDA:**-internal memoranda usually circulate within its officer giving information and instruction as part of the normal day to day administration.
6. **MINUTES:** - undoubtedly the company has samples of minutes previously held. It provides a written record of the business conducted and decisions reached at such meetings.
7. **ORGANISATION MANUAL:** - the employees use it as a source of information and instruction. It shows clearly the lay down standard rules and procedures.
8. **ORGANISATION SCHEDULES:** - in the company, this is used to inform those concerned of the nature and extent of their

responsibility and of their relationship with others in the organisation with which they are related.

9. **POLICY MANUALS:** - the company, due to the importance of this document makes a copy available to newly employed staff. It outline the broad general policy and the various sectional policies for the information of executives and those in the supervisory spades
10. **PROCEDURE MANUALS:** - the company separates this from its organisation manuals be relating it to specific performances in the various departments e.g. The accounting procedures, wage accounting, sales procedure, employment procedure etc.

The influence of external communication in this company is observable in the following areas;

1. **INCREASE PRESTIGE RESULT:-** The communication between a company and its customers, its suppliers and the general public inevitably increases the prestige of this company. This can be seen in such simple ways as ensuring that the public receives it well written letters that correspondence is handed promptly and that other documents such as involves, statements et.c. Are accurate and up to date.
2. **IMPORTED PUBLIC RELATIONS:** external communications in this enterprise exist in a variety of ways to keep its public informed of its

activities and also earn public understanding of itself and of its products.

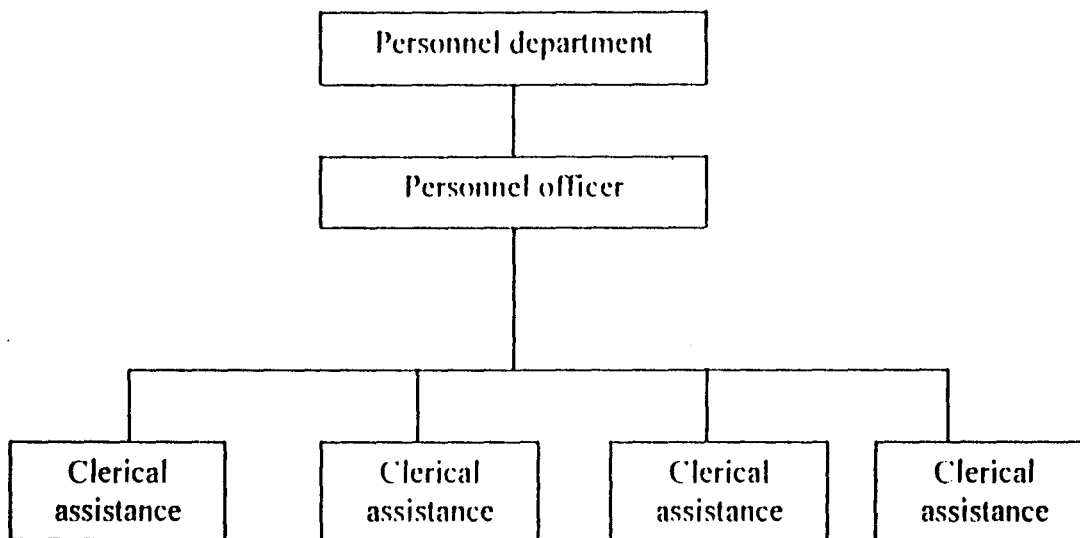
3. **BUSINESS IMPROVEMENT:** - its external communication yields a lot of returns to the company, even if it never deliberately aimed at achieving such results. This is relations observed in its advertising and public relations or the careful use everyday correspondence and the consequent increased prestige.
4. **EFFECT ON STAFFING:**-occasionally, the company fills its appointment vacancy through external advertisement. This enables it to communicate the existing posts to people far wide. The result is that the best prospective employees are made available for services to the firm.
5. **REPORTS FOR EXTERNAL USE:** - it is obligatory for this company to submit its periodical reports to the head office in Lagos; under specified conditions and on the specific areas. This serves as an important measure of control.

THE DEPARTMENTS IN G.B. OLLIVANT MINNA BRANCH

For easy distribution of resources and ramification of company mission, the G.B.O. Nigeria Limited, Minna Branch is organized in departmental form. This makes it possible to initiate and maintain social needs which are among the most powerful and compelling on the job motivation, people who make up the organisation behave as members of groups and that membership influences their

attitudes and behaviour towards the job and the organisation. The top management exercise control over the workers through the departments.

THE PERSONNEL DEPARTMENT



The personnel department of this company is headed by a personnel manager, who has a personnel officer as his immediate subordinate. As the name implies, it is the responsibility of the personnel of this company to maintain and co-ordinate all human relation activities. It also undertakes the maintenance of the physical, psychological and morale being of the entire staff in order to maximise production. The personnel manager through effective leadership ensures that personnel policies are maintained and also departmental activities are successfully carried out.

The personnel manager and personnel officer create close links between one department and the others so that one function cannot be entirely cut off

from the others. He makes reports on all through issues and submits to the branch manager administration in Lagos.

The personnel department is concerned with the relationship of the employees within the enterprise. It creates a workable communication system, where by each worker is aware of any recent development in the firm.

FUNCTIONS OF PERSONNEL DEPARTMENT

1. To prepare requisition for staff, outlining specific qualifications for the employment and also create possible conditions which can attract the applicants.
2. All interviews and selection of new staff are carried out within the personnel department of this company. It outlines and makes assessment of jobs, which will utilize the new employees most valuable skills to promote maximum production.
3. Follow up, develop and relate employee jobs performance, decide on promotion, transfer, lay off or change of old and new employees.
4. Develop source of qualified applicant from local labour markets. This requires careful planned public relations through speeches, advertisement and recruitment of staff.
5. The department gives new employees preliminary indoctrination about the company, benefits, plans, general safety, first aid, shift work hours e.t.c.

6. The company relies on its personnel department for diagnoses and decision on various employees to be sent to their training institution in Lagos.
7. In the company, the personnel department is hoped on for the daily coaching or periodical indoctrination of subordinates to meet job standards, judge job progress and suggest areas for improvement.
8. It assumes the responsibility to develop the potentials of staff within the organisation, through the evaluation of past training activities.

THE MARKETING DEPARTMENT

Marketing department of this company has element of management orientation which holds that the key task of the organisation is to determine the needs and wants of the target markets and to adapt the firm delivering the desired satisfaction more effectively and efficiently than its competitions.

Within the marketing department the following conditions are taken strictly:

- (1) The consumers are grouped differently in terms of size of goods they want, colour etc.
- (2) For each group they try their best to make goods available to satisfy them.
- (3) They embark on marketing research to find out the target markets and formulate programs to attract them.

All the activities in this department are carried out under the control of the marketing manager who also has a marketing supervisors.

The entire departments have many subdivisions each performs functions related to marketing. Some of those sections are:

- (a) The marketing research section
- (b) The advertising, sales promotion and selling section
- (c) The distribution section which includes supply follow-up and after sales services.

Each of these sections is controlled by a marketing supervisor who gets instructions from the marketing manager.

The firm markets both consumer and producer goods, which uses the most sophisticated strategies to make available to its customers. In addition, certain essential services are rendered the customers, especially on delivering and assembling purchased items. Much care is taken in executing its trade terms, which includes cash, credit and discount.

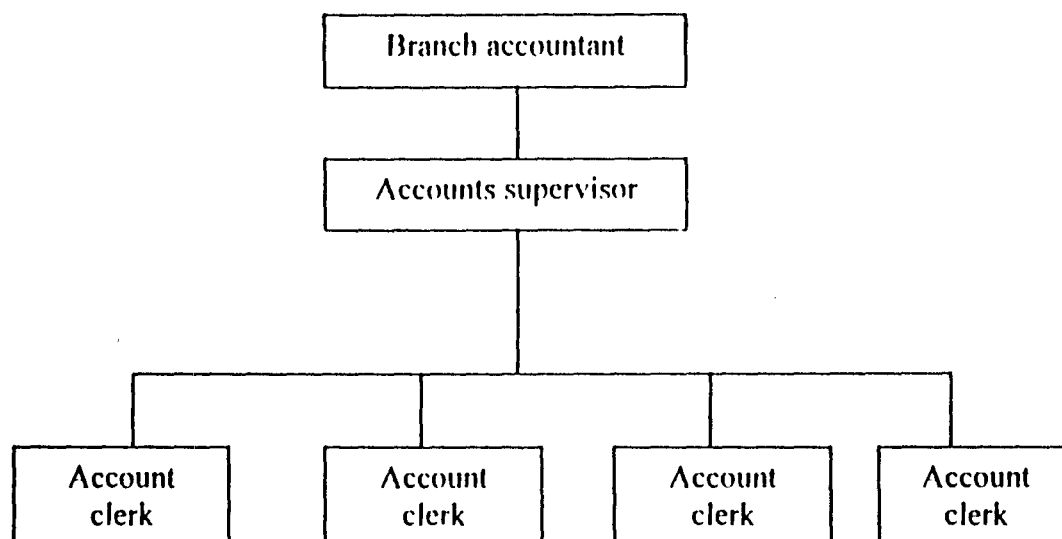
Under the user's goods, the enterprise has such items as refrigerators, air conditioners, beverages, electric cookers, television and a host of other goods used in homes or for consumption purposes. It producer goods include electric generators of various sizes and makes Photostatting machines, typewriters, and many other equipment for use in firms for production purposes.

Its marketing section uses official publications and a great deal of other public data to obtain information about a marker. Most time they do so through a detailed study of each product. The study incorporates its cost price, design probability of cost reduction and improvement, use of alternative materials for its production.

The advertising section which should form a department of its own is also incorporate into the marketing department. It carries out various functions but all centers on communication. The main purpose of its communication is to inform consumers available to them. In the process, they perform the following activities:

- (a) Branding and package of goods
- (b) Door-to-door canvassing
- (c) Exhibitions
- (d) Giving some free samples to the public
- (e) Pasting posters on walls, vehicles, sign posts etc.
- (f) Press, periodicals, magazines etc.
- (g) Television and radio programs.

THE ACCOUNT DEPARTMENT



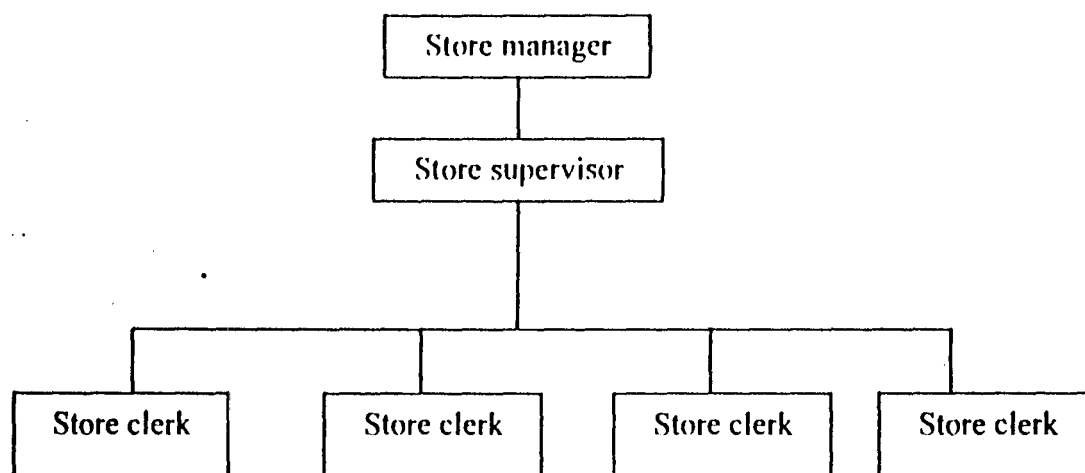
This department investigates and takes charge of all monetary affairs of the company. In the G.B. Ollivent, Minna Branch, this accounts department keeps

record of all actual cash paid out and also receipts from outside. It is the branch accountant who issues instructions to the accounts clerks, similar manner all reports flow from below up to him through supervisor.

The account clerk in the department performs various functions which include:

1. Preparation of monthly voucher for the payment of salaries and wages.
2. Keeping proper record of cash and credit purchases and sales.
3. costing of several projects and in effect given information to the management as to the most suitable alternative
4. Costing and reporting of all damages done to company assets.
5. Determination of profit and loss made as per time, for onward transmission to the headquarters in Lagos.
6. To warn on the possible dangers on the receipts and payment of money on all its business transactions.

THE G.B. OLLIVANT GENERAL STORES



The G.B. Ollivant Nigeria Limited Minna Branch has a general store which occupies a single block with so many departments. Within these apartments the supplies of goods from various indigenous and foreign companies are packed. The goods were displayed on the shelves in a special way. Each shelf had a "bin card" which denoted all the items within the shelf and the quantity already issued out to the departments. There were also documents showing their methods of placing orders and the re-order level of each product on sale.

Some of the goods seen in the general stores included photostating machines, packs of beverages, motor tyres, table fans and other items. The stores manager takes full control of this department with the co-operation of the stores supervisor.

The responsibility of this department is to place orders for the supplies of all goods, which the company deals on. To enable them accomplish this task, much attention is paid on the company's re-order level, economic order quantity. All orders received are carefully recorded in the appropriate books. It is from this general stores that the sales men, promoters and many other people who deal directly with goods collect goods either for sale or for other purpose.

Periodically a check is not conducted on the stores operation in order to ensure that no fraud had occurred within a given periods. This is normally done through the directives of the stores manager.

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CHAPTER THREE

3.0 RESEARCH METHODOLOGY

The success of any research work depends on the method or procedure the researcher uses. The aim of this chapter is to point out clearly the way and manner in which the information used for the work were collected.

3.1 THE STUDY POPULATION AND SAMPLE

This research work was carried out in the Cilbert Braithwort Ollivant (GBO) Minna branch Niger State. The research instrument was distributed to both the senior and junior staff of the company under consideration.

3.2 METHODS AND SOURCES OF DATA COLLECTION

The researcher in searching for data required for this research work employed the following:

(a) Questionnaire

Questionnaires were administered to G.B.O. Minna, staff. This served as a source of primary data collection for the researcher. In administering the questionnaire, the staff strength (i.e. senior and junior staff) of the company under study was considered. The company as at 19th November 2002 has staff strength of thirty-four (34).

(b) Library

Library source was also used by the research as a secondary source of data collection. The researcher consulted many text books; journal and other periodicals form both private and public libraries. The data collected were useful in the theoretical aspect of this research work.

3.3 VALIDATION AND RELIABILITY

The researcher ensured that the instruments used were valid using the following ways:

Questions were structured in simple and straight forward English, the questions was given to a lecturer at the Niger State college of Educations Minna for cross examination, questions relating to the current problems were asked while misleading questions were avoided.

The researcher also ensured that the instruments were reliable by ensuring the wording of each question has one interpretation of measuring to ensure uniform response. The structure of the instrument was tailored to aid researcher in achieving the research objective.

3.4 METHOD OF STATISTICAL ANALYSIS

Data collected for the research work were analysed and presented inform of tables as well as texture narrative to give quick and easy understanding of data analysed. Hypotheses were tested using simple percentage and average methods of data analysis.

CHAPTER FOUR

4.0

The data used in this project were collected through questionnaires and interviews. These were used to test the validity of the hypothesis postulated in chapter one.

The information gathered is presented based on the analysis of data collected from respondents. One set of questionnaires consisting of twenty-five questions was distributed to the workers of G.B. Ollivant, Minna.

4.1 DATA PRESENTATION AND ANALYSIS

The data are presented in tabular form and briefly discussed and analysed accordingly. However in the whole thirty-four (34) questionnaires were administered and twenty-five (25) were returned.

The responses from the G. B. Ollivant workers are hereby analysed and interpreted as follows:

TABLE 4.1.1 CATEGORY OF STAFF

	Senior staff		Junior staff		total	
Responses	No	%	NO	%	No	%
Senior staff	10	40			10	40
Junior staff			15	60	15	60
	10	40	15	60	25	100

Table 4.1.1 revealed that the number of senior staff that responded were ten (10) which represented 40%, while the number of junior staff that responded

were (15) fifteen, which also represented 60%. The table revealed what the proportion of junior staff that responded were more than the senior staff of the G.B. Ollivant.

TABLE 4.1.2 LEVEL OF EDUCATION

Responses	Senior staff		Junior staff		total	
	No	%	NO	%	No	%
First sch. Leaving cert.			2	8	2	8
Sec. School. Cert.			8	32	8	32
OND/NCE	3	12	5	20	8	32
HND/B.Sc and above	7	28			7	28
Total	10	40	15	60	25	100

Source: the researcher

From the above, it was revealed that two (2) junior staff which represented 8% had first school leaving certificate, 8 junior staff with 32% has secondary school certificate, 5 junior staff which represented 20% has OND/NCE certificate while 7 seven senior staff which represented 28% had HND/BSC. and above. This showed that most managers are highly qualified while most of the junior staff had below OND/NCE certificate.

TABLE 4.1.3 DURATION OF SERVICE

	Senior staff		Junior staff		total	
Responses	No	%	NO	%	No	%
Below 5 years			5	20	5	20
Between 5 – 10 year	4	16	10	40	14	56
Above 10 years	6	24			6	24
Total	10	40	15	60	25	100

Source: the researcher

Table 4.1.3 showed that the number of junior staff that have worked below years are 5(20%), 10 junior staff which represented 40% that have worked between 5-10 years, also 4 senior staff with 10% that have worked for 5 –10 years while 6 senior among these that responded have worked for 10 years and above which also represented 24%

TABLE 4.1.4 ABILITY OF MANAGERS

	Senior staff		Junior staff		total	
Responses	No	%	NO	%	No	%
All qualified	5	20	6	24	11	44
Few qualified	5	20	9	39	14	56
Not qualified						
Total	10	40	15	60	25	100

Source: the researcher

From the analysis of table 4.1.4, it made clear that both junior and senior staff responded that there are few qualified and able managers to carry out their responsibilities in various departments. When 11 staff represented 44% which claimed that all managers are qualified while 14 staff including junior and senior staff with 56% agreed that few managers are qualified.

TABLE 4.1.5 DEDICATION TO WORK

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Very dedicated	4	16	7	28	11	44
Dedicated	-	-	-	-	-	-
Fairly dedicated	6	24	5	20	11	44
Not dedicated			3	12	3	12
Total	10	40	15	60	25	100

Source: the researcher

From the analysis of table 4.1.5 it revealed that the 40 senior staff which represented 16% responded junior workers are very dedicated to their duties, 7 junior workers also represented 28% responded that workers are dedicated, 6 senior staff with 24% claimed that workers are fairly dedicated, 5 junior staff which represented dedicated to their duties, while 3 junior staff responded that workers are not dedicated to their duties which also represented 12%.

TABLE 4.1.6 PARTICIPATION OF WORKERS IN DECISION-MAKING

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Always	10	40	-	-	10	40
Occasionally	-	-	12	48	12	48
Not at all			3	12	3	12
Total	10	40	15	60	25	100

Source: the researcher

The analysis of table 4.1.6 showed that 10(40%) senior staff claimed always, 12(48%) or junior staff claimed occasionally while 3 junior staff which represented 12% claimed that workers are not allowed to participate in the decision-making of the company.

TABLE 4.1.7 RECRUITMENT OF STAFF

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Very sufficient	3	12	5	20	8	32
Fairly	7	28	8	32	15	60
Sufficient						-
Not sufficient	-	-	2	8	2	8
Total	10	40	15	60	25	100

Source: the researcher

From 4.1.7 revealed that 3 senior staff which represented 12% claimed that workers recruited are very sufficient, 5 (20%) of the junior staff also claimed very sufficient, 7 senior staff which represented 28% responded that staff recruited are fairly sufficient, 8 of junior staff which also represented 32% claimed fairly sufficient staff are recruited while 2 Junior staff with 80% claimed that staff recruited are nor sufficient.

**TABLE 4.1.8 EXISTENCE OF GOOD RELATIONSHIP TOWARDS
GREATER OUTPUT**

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Yes	8	32	11	44	19	76
No	-	-	-	-	-	-
It depends	2	8	4	16	6	24
Total	10	40	15	60	25	100

Source: the researcher

From the table above, responses of the number of senior staff were 8 with 32% who claimed yes, 11 junior staff which represented 44% also claimed yes, while 2 (8%) senior staff responded that it depends also 4 junior staff which represented 16% also claimed that it depend for good relationship between managers and workers lead to greater output.

TABLE 4.1.9 EFFECTIVENESS OF MANAGEMENT IN PROBLEM SOLVING

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Very effective	7	28	9	36	16	64
Fairly	3	12	6	24	9	36
Effective						
Not effective	-	-	-	-	-	-
Total	10	40	15	60	25	100

Source: the researcher

Table 4.1.9 showed that 7 senior which represented 28% claimed that management has been very effective in solving problems of the company a junior staff which represented 36% also claimed very effective, while 3 senior staff which represented 12% claimed fairly effective and also 6 junior staff which represented 24% on the table claimed fairly effective.

There is the clear indication that the management has been very effective in solving the problem of the company.

TABLE 4.1.10 ABILITY OF WORKERS TO COPE AND BENEFIT FROM PROBLEMS AND PROSPECTS

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Very well	-	-	-	-	-	-
Fairly well	10	40	15	60	25	100
Not at all	-	-	-	-	-	-
Total	10	40	15	60	25	100

Source: the researcher

From the analysis, both senior and junior staff responded that workers are coping and benefiting from the problems and prospects of departmentation fairly well with responses of 10 senior staff, which represented 40% and 15 junior staff which represented 60%.

TABLE 4.1.11 INADEQUACY OF MANAGERIAL CAPABILITY

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Agreed	10	40	15	60	25	100
Disagreed	-	-	-	-	-	-
Not sure	-	-	-	-	-	-
Total	10	40	15	60	25	100

Source: the researcher

Table 4.1.1 revealed that all responses recorded from respondents were the same. 10 senior staff which represented 40% agreed that inadequate management capability is a problem of departmentation, likewise 15 junior staff which represented 60% also agreed to the question.

TABLE 4.1.12 EFFECTIVENESS OF MANAGER/WORKERS RELATIONSHIP

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Very effective	6	24	9	376	15	60
Fairly effective	4	16	6	24	10	40
Not effective	-	-	-	-	-	-
Total	10	40	15	60	25	100

Source: the researcher

From the above analysis, 6 senior staff which represented 24% responded that enhancement of overall productivity through managers/workers relationship has been very effective, 4 senior staff which represented 16 also claimed fairly effective, while 9 junior staff which represented 365 claimed very effective and also 6 junior staff which represented 24% also claimed fairly effective.

TABLE 4.1.13 EFFECTIVE COMMUNICATION SYSTEM

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Yes	10	40	15	60	25	100
No	-	-	-	-	-	-
Total	10	40	15	60	25	100

Source: the researcher

From the analysis of table 4.1.13, it was revealed that 10 senior staff which represented 40% claimed yes, while 15 junior staff which represented 60% also claimed yes, that effective communication system could be regarded as a tool to the success of departmentation of any company.

TABLE 4.1.14 ADEQUACY OF SUBORDINATE MOTIVATION

	Senior staff		Junior staff		total	
Responses	No	%	No	%	No	%
Very adequate	10	40	15	60	25	100
Fairly adequate	-	-	-	-	-	-
Not adequate						
Total	10	40	15	60	25	100

Source: the researcher

The analysis of table 4.1.14, showed the total number 25 respondents, with which 10 senior staff which represented 40% and 15 junior staff which represented 60%, both senior and junior staff responded that subordinate motivation could enhance the effectiveness of departmentation very adequately.

TABLE 4.1.15 INABILITY TO SPECIALISE ACTIVITIES

	Senior staff		Junior staff		total	
	No	%	No	%	No	%
Responses						
Disagreed	10	40	7	28	17	68
Not sure			3	12	3	12
Total	10	40	15	60	25	100

Source: the researcher

From the analysis of table 4.1.15, 10 senior staff which 40% responded to the question and agreed that inability to specialise to activities into groups to form departments is a problem of departmentation, 7 junior staff which represented 28% also agreed, 3 junior staff which represented 12% disagreed while 5 junior staff which represented 20% were not sure if actually inability to specialise activities into various groups is a problem of departmentation.

4.2 TESTING OF HYPOTHESES

Testing of hypothesis is with a view to authenticating or nullifying the supposition of the hypothesis highlighted in this project work. In the process, any hypothesis that conforms to the responses of the respondent will be accepted otherwise, it will be rejected accordingly.

HYPOTHESIS (I)

Inadequate managerial capability is a problem of departmentation.

This was tested using percentage analysis as recorded on table 4.1.11 where 100% of the respondent agreed that inadequate managerial capability is a problem of departmentation. Consequently, this hypothesis is accepted.

HYPOTHESIS (II)

Effective managers/workers relationship enhances overall productivity of the company.

The responses as revealed in table 4.1.12 where 60% of the respondents claimed that enhancement of overall productivity through managers/workers relationship has been very effective, while 50% of the respondents claimed fairly effective regarding the enhancement of overall productivity through managers/workers relationship.

The hypothesis therefore proved is valid.

HYPOTHESIS (III)

Lack of good communication system is a problem of departmentation as a control measure.

This was also tested using percentage analysis as recorded in table 4.1.13 where 100% of the responses responded that effective communication system can be regarded as a tool to the success of departmentation.

This hypothesis is consequently accepted because lack of good communication system would result to problem of departmentation as a control measure in the company.

HYPOTHESIS (IV)

Adequate subordinate motivation enhances the effectiveness of departmentation.

The findings as recorded on table 4.1.14s, it revealed that 100% of the respondents responded that very adequate subordinate motivation could enhance the effectiveness of departmentation.

This supposition is therefore accepted.

HYPOTHESIS (V)

The inability to appropriately specialise activities is a problem of departmentation.

This was tested using percentage analysis on table 4.1.15, where 68% of the respondents agreed that inability to appropriately specialise activities is a problem of departmentation, 12% of the respondent disagreed, while 20% of the respondent were not sure whether inability to specialize activities into groups to form departmentation is a problem of departmentation.

This hypothesis therefore proved valid where 68% of the respondents agreed that inability to appropriately specialize activities is a problem of departmentation.

CHAPTER FIVE

5.1 SUMMARY OF FINDINGS

This research work focuses on departmentation as a control measure in multi national companies especially with regard to G.B. Ollivant, Minna Branch as a division of U.A.C.N.

At the beginning of this project some important questions were raised. Finding answers to these questions were very much the reason for going into the research.

Based on the data collected and analysed in chapter four, the findings are hereby presented as follows:

1. It has been revealed that there are few able and qualified managers to carry out their responsibilities in different departments of the company, where majority of respondents claimed that few managers are qualified to carry out their responsibilities.
2. the research revealed that 44% of the workers are very dedicatee to their jobs, 44% are fairly dedicated to their job. This was illustrated on table 4.1.5 where the proportion of respondents that claimed very dedicated and fairly dedicated are equal, this means workers try their best in carrying out their duties according to instruction give to them.

3. The research indicated that majority of the workers are allowed to participate always and occasionally in decision making of the company, especially the senior staff and very few of the junior staff
4. Majority of the respondents revealed that staffs recruited are fairly sufficient to carry out their duties.
5. Also the findings revealed that 76% of the respondents agreed that good relationship between managers and workers led to greater output in the productivity of the company.
6. Over 64% of the respondents claimed that management has been very effective in solving problems encountered by various departments of the company.
7. From the findings it was revealed that 100% of the respondent claimed that they are coping and benefiting fairly well from departments, especially when large profits are been realized due to their cooperation and hardworking.
8. 100% of the respondents claimed that inadequate managerial capability is a problem of departmentation.
9. 100% of the respondents claimed that effective communication system could be regarded as a tool for the success of departmentation.

10. It was revealed that 100% of the respondents claimed that adequate subordination; motivation could enhance the effectiveness of departmentation.
11. Majority of the respondents claimed that inability to appropriately specialize activities into various groups to some departments is also a problem of departmentation.

CONCLUSION

The following are the conclusion drawn from this study by the researcher

One striking revelation of the project work is to identify departmentation as a control measure in multi national companies G. B. Ollivant as a division of U.A.C.N. Minna Branch. We concluded that ability to appropriately specialize activities into various group to form departments assist the organisation to achieve the objectives and goals of that organisation.

Also the researcher was able to departmentation and analyse the advantages and disadvantages of each in its various uses.

The researcher concluded that different departments are faced with several problems, which could only be solved with serious attention, observation and with managerial expertise.

It was also made clear that there is no best pattern of department use and that responsible managers must select patterns that will assist

accomplishing enterprises objectives in the light of the particular situation they face, the jobs to be done and the way they should be done, the people involved and their personalities, the technology employed in the department, the user being served, and other internal and external environmental factors in the situation.

However, by knowing the various patterns their advantages and disadvantages practicing managers should be able to design an organisation structure must suitable for their particular operations.

The most widely used pattern of departmentation by G.B. Ollivant Nigeria Limited is by geographical because the companies are spread all over the countries.

RECOMMENDATION

In order to achieve the objectives of the organisation using departmentation as a control measure, the researcher of this project work wishes to point out some recommendations of which would serve as a guide to G.B Ollivant of Minna branch.

They are as follows:

1. The branch manager should be given a high level autonomy and independence. This alone can enable him to manage the affairs of this enterprise to the best of his ability.

2. According to the nature of activities performed in the G. B. Ollivant, Minna objectives measure of work should be used to increase productivity. It provides workers and supervisors with comparable data as regards the quality of job performance and also indicates where rewards are due.
3. The management on whose shoulders the promotion, increment of salaries and wages i.e. should relax its policies to meet with the aspirations and expectation of staff because it could bring about rapid growth of the company.
4. Adequate staff should also be employed to reduce over-load of work in the departments. Effort must be geared towards recruiting more capable workers who could take up specific tasks instead of placing just one employee on different jobs.
5. Staff should be sent on training in order to have more qualified managers and workers to carry out their duties effectively and efficiently.
6. The method of departmentation used mostly should be general because its cost of operating is lower, the knowledge of circumstances helps decision making and aids the customer good will and also provides a good training for managers.

Since any separation of activities creates problems of co-ordination and each of the methods of departmentation has advantages and disadvantages then a rigid structure is not the answer but more than one basis for grouping activities may have to be employed in order to achieve the objectives of the enterprise.

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QUESTIONNAIRE

Departmentation as a control measure in multinational companies.

Resep

U.A.C.N

G.B.O. Minna As A Division.

Introduction: Please tick (x) where appropriate

1. What category of staff are you?

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 - (a) Senior Staff
 - (b) Junior
2. Sex:

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 - (a) Male
 - (b) Female
3. Age Distribution:

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 - (a) 18-29
 - (b) 30-41
 - (c) 42 & above
4. What is the highest level of your education?

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 - (a) First School Leaving Certificate
 - (b) Secondary School Certificate
 - (c) OND/NCE
 - (d) HND/B Sc. & above
5. How long have you have in the company?

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 - (a) Below 5 years
 - (b) Between 5-10 years
 - (c) Above 10 years
6. Which Department do you belong to? -----

7. Are there able and qualified Managers to carry out their responsibilities in different department of the Company?

- a. All qualified ()
- b. Few qualified ()
- c. Not qualified ()

8. Are the workers dedicated to their duties?

- (a) Very dedicated ()
- (b) Fairly dedicated ()
- (c) Not dedicated ()

9. Are the workers allowed to participate in the decision making of the department?

- (a) Always ()
- (b) Occasionally ()
- (c) Not at all ()

10. Are there sufficient staff recruited to really carry out these sectionalized duties?

- (a) Very Sufficient ()
- (b) Fairly sufficient ()
- (c) not Sufficient ()

11. Does it follow that good relationship between Managers and workers lead to greater output?

- (a) Yes ()
- (b) No ()
- (c) It depends ()

12. How effective has the management been able to solve the problems encountered by various departments of the company?

- (a) Very effective ()
- (b) Fairly effective ()
- (c) Not effective ()

13. How is it in your company?

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(c) Not Adequate

20. How easy is it for the management to specialize activities into different departments?

- a) Very Easy ()
- (b) Fairly Easy ()
- (c) Not Easy ()

21. Would you agree that inability to specialize activities into groups to form departments is a problem of departmentation?

- (a) Agreed ()
- (b) Disagreed ()
- (c) Not Sure ()

22. What kind of goods do you distribute?

- (a) Consumer Goods ()
- (b) Industrial goods ()
- (c) All of the above ()

23. What are the methods of departmentation used by your company?

- (a) By Geographical ()
- (b) By Customer ()
- (c) By Product or Service ()

24. How many department do you operate in your company?

- (a) 8 ()
- (b) 5 ()
- (c) 4 ()

25. What are other problems facing your departments?

- (a)
- (b)
- (c)