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Globalization and the Challenges of Human Resource Management in Africa

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This article presents the trend in the operations of the new global Economy with its concomitant challenges on HR management in African. The paper also examines the issues and the fallout of globalisation with a view to fashioning out those market-driven oriented HR policies for accelerating the economic development of African
nations. The paper concludes that irrespective of the views of the different actors in industrial relations, globalization is inevitable; hence HR management in African should embrace it.

INTRODUCTION
The most recent factor that is shaping the world today is globalization. It is primarily a phenomenon premised on a rapid increase in cross-border social, cultural and technological exchange. The phenomenon of globalization is not new. Globalization phase one, was between 1820s and 1920s when, fired by the falling transportation costs following the invention of the railway, the steamship and the automobile, cross borderer capital and labour activities began to change the world for good. There were no currency controls and the daily foreign trading was in $m till 1900. Indeed international passports were not used before 1914. Phase one, was brought to an end by the World War era, beginning with Russian revolution, the Great Depression of the early 1930s, which culminated in the Cold war period between 1945 and 1989. Phase two, was ushered in by the fall of Berlin Wall, and has been powered by falling telecomm cost following the invention of microchips, fibre optics, satellite and the Internet. Daily forex trading in 1992 was $820b while the transaction velocity in 1998 was $1.5tr a day- Oni [2004]. Apart from the fact that phase one was dominated by British power and phase two by American power and that each power imposed its culture and navy on the world, the difference between the two periods lies in the degree and intensity of world integration, speed and coverage of impact, insignificance of borders, and the infinite tradability of goods and services.

Conceptualising Globalisation
There have been various attempts at conceptualizing globalisation. In a most general sense, it is defined as the “increasing integration of regions and nations into the world market, the overcoming borders and the soaring of transaction cost as frontier barriers are eliminated” [Altvater, 1997:37]. The proponents of globalization argue that the world economy has been internationalised in a context that is dominated by uncontrollable market forces where the principal actors are the TNCs, where investment opportunities are no longer geographically constrained and advances in information technology facilities and economic activities across the globe are unlimited [Hirst & Thompson 1999]. Those in support argue that by lowering barriers
and shortening logistics chains, globalization promotes real choices, and the freedoms that go with them—freedom to trade, to choose markets to access required/appropriate technology for production, to realize economic potential thereby empowering the consumer, and ushering in long-term prosperity for all, some ideal of a 'universal civilization'. Some even venture as far as asserting the inevitability of globalization.

- Globalization has been projected by some as 'a key idea by which we understand the transition of human society into the third millennium.'
- The Economist held the view that rapid development envisaged for the Third World meant that globalization would deliver more for all, and that 'it is the world's poor who will benefit most.'

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- You can export your way out of under-development... from 1980-1999 world trade in goods tripped from sterling 1 trillion to 3 trillions sterling. Poor countries have concentrated on clothes, footwear, electronics, and shoes...' Aimiuwu (2004).

- Peter Sutherland's (of the Overseas Development Council, UK) views were also strong—"globalization's effects have been overwhelmingly good. world trade continues to expand faster than overall global economic output. ...creating millions of jobs. Even more impressive is the stunning increase in international investment that is building roads, airports, and factories in poorer countries. In the 1990s alone foreign investors poured $1 trillion into developing economies...raising living standards in some countries faster than many thought possible. Until recently, it took at least two generations for living standards to double, but in China, living standards double every 10 years." (Time.com special report 02/02/98- 'expand the Debate on Globalisation' by Peter Sutherland)

- Gray stressing the inevitability of globalization states 'the world historical moment we call globalization has momentum that is inexorable'. (I. Gray, 'False Dawn' 1998)

Nail FitzGerald of Unilever concludes that globalisation is 'simply the latest phase in the evolution of international business and the integration of the world economy', asserting that companies have no choice but to 'respond to its effects.
In contradiction to the position of globalization theorists, the opponents argue that there is nothing really new about the so-called globalization. The fact is that through its various phases, cabal has always tried to control the world economy (through slave trade, colonialism and neo-colonialism, etc.). The TNCS that are now the driving force for globalisation have long been active across national boarders under one guise or the other and had always been in control of the world economy (Unilever, UAC, CF AO, PZ, etc.) as far back as the middle ages, trading across national borders. As such there is nothing new in what is currently unfolding.

Opponents are even more vehement, sometimes violent. To Oshiomahle (2005), 'globalization is the offensive and oppressive march of international capitalism', destroys all the cherished values in its wake, everywhere. It represents cultural subjugation, and ideological conquest. Economic integration, therefore, with all the gains of economies of scale, places 'profit over people', they claim.

In rich countries, protesters accuse globalization of consumer harassment, environmental degradation, promoting unemployment. Regarding poor countries, globalisation is accused of entrenching poverty, and ruthlessly grinding the poor everywhere, not only widening the gap between the rich and the poor between countries and within countries, but actually, like Dracula, thriving on the blood of the poor.

Whilst Foreign Direct Investment (FDI) from rich countries goes to other rich countries, only dumping appears in the receipt book of poor countries. Democracy is compromised in such countries by a dangerous combination of IMF/WB, conditionality', and the insensitivity of multinationals, say critics, who are unimpressed by rosy corporate vision statements, and the 'too-good-to-be-true' Statements of Corporate Responsibility. Governments are powerless against the onslaught.

Fairly, or unfairly, several failures are blamed on globalisation. It is perhaps less unfair to regard these as unfulfilled expectations, where so much (magic) is expected of globalisation: -

- Poverty - Hear Nelson Mandela at the World Economic Forum, Davos, February, 1999, "is globalization only to benefit the powerful and the financiers, speculators, investors, and traders?"
Does it offer nothing to men, women, and children, ravaged by the violence of poverty?" Life has become an increasingly desperate struggle for much of the Third World masses. Over 800 million people do not and cannot feed well, according to UNDP. Over 80% of the all Third World countries are yet to attain the 3% target GDP growth rate prescribed by UN as the minimum condition to reduce poverty.

- Widening Gap -the income ratio of the world's poorest 20% to the richest 20%, has worsened from 1:30 in 1960, to over 1:74 now. In Africa, the average household consumes 25% less today, than it did 30 years ago, not because dieting has caught in, but because of the 'violence of poverty'.

- Staggering Inequalities -the combined assets of the world's top three billionaires, it is claimed, is 'more than the economies of all the least developed countries. ' China and India, with their billions of people, have a combined GDP equivalent to the State of California's!

- Cultural imperialism- even a developed country, France, is uneasy about the fact that 70% of film goers in France watch Hollywood films. They have also recently proscribed the use of the word 'internet' because it is too Anglo-Saxon! A disc jockey in Africa sounds like one in New York. It is the 'in thing'; it is total Americanization whether in Ghana, Nigeria, Tokyo, or Hong Kong. Try to imagine an 'evangelist' or 'Pentecostal' preacher in Nigeria or Gambia without American accent would not attract modern boys and girls in his crusade.

Globalization and African Human Resource Management
The World is gradually shifting from being a global village to a small room of very small dimension.

We're living in a time when a new economic paradigm -characterized by speed, innovation, short cycle time, and quality and customer satisfaction -is highlighting the importance of intangible assets such as brand recognition, knowledge, innovation, and especially human capital. Physical assets as constituting less and less of total company valuation, while intangible elements like goodwill, branch essence, intellectual property and unique competencies are commanding higher premiums, because they are the factors that differentiate one firm from another. The fortunes of people, and the wealth of nations is globalization, in all its ramifications. Work attitudes, work habits, work choices and preferences, work styles, etc., are undergoing
transformation globally and by the day. The fuel firing the engine of globalisation is interconnectivity. An action in one economy creates a chain of reactions in another. For example, Osama Binladi struck in the United States of America and travel and tourism collapsed worldwide: Rediscount rates go down in the U. S. A, and pressure on the Yen goes up in Japan. Oil workers threaten to kidnap foreigners in the Niger Delta Region of Nigeria and crude oil prices shoot up in the World markets. As earlier said, globalisation also permits work to go on anywhere, anytime, and all the time; in our bedrooms, in our cars and at club houses -Aimiuwu (2004). There is no water tight compartmentalization in the activities of the various zones that make up the world. Furthermore, in the light of this, it is most apt for Human Resource Managers in Africa to brace up to the challenges.

At this juncture one is tempted to ask why Human Resources Managers and not other managers within the work environment? Globalisation touches people. It does so in different ways, for better or for worse. It means different things to different people, evokes different emotions, and invokes different reactions from different people. Need this be so? Why is it so? Much too often, managers seem to forget that markets, organizations and societies, are made up, not of abstract geographies, demographics, or even psychographics elements, but of REAL PEOPLE. The human resource (in the resource mix) has unique characteristics;

· The human resource drives all other resources
· The human resource is the only resource that is resourceful
· HR is the only resource capable of conceptualizing being, and that can distinguish between what is, what can be, and what should be. People dreams, and have hopes and aspirations; they have fears and worries.
· it is the only resource that is capable of feeling pain and pleasure, and can weep and laugh - Annstrong (2004).

They are PEOPLE, not statistics; and on their management depends the success or failure of all human endeavor. Structures, systems, processes, plus other resources, are driven by the Human Resource (HR). Globalization itself is a product of human processes. Perhaps a better understanding of the HR issues and Proceedings of the 9th Annual Conference Simon Sigué (Ed.)
the challenge they pose will better illuminate the discourse on globalisation. All work is driven by people, and shaped by people - Adeyeye (2002).

THE ISSUES AND FALL OUT OF GLOBALIZATION

Developments across the globe are causing new pressures, posing new challenges, and creating new opportunities. The triggers include:

- Increasingly aggressive export drive by producers in the developed markets, confronted by local maturation, and the need to optimize capacity utilization.
- More private capital flows arising from increased 'westernizing' of Eastern and Central European economies. (a Russian billionaire recently acquired London's Chelsea Football Club).
- Telecommunication explosion and dotcom revolution, which have promoted the emergence of global and more lethal information networks, heightening competition within and among countries. More viewers watch 'Big Brother' relayed from South Africa, at certain periods, than Nigerian Television Authority (NTA), 'first in Africa'. Holywood films are everywhere in Africa. An average African perhaps owns a GSM set, a service just about seven years old in Nigeria and many African countries. We used to say the world was 'a global village'? Today's world is a tiny room.
- The increasing impact of WTO- fewer and lower tariffs- is reshaping the goods flows, although often compromised by the 'big flies', USA, Europe and Asia-
- Increased intervention by IMF and the World Bank, with their proverbial conditionalities', which quite often consign the patient from the surgeon's table to the morgue.

Bigger and more complex markets, fewer and lower barriers, faster and better communications and transportation, freer, easier, and more global capital flows; all point to one direction- a fiercer rat race for market share, locally, nationally, regionally, internationally, and GLOBALLY. More pressure on people. Whether we like it or not, globalization is here with us in Africa. If as some claim, globalization is good, and it is 'inevitable' why is there so much vehement opposition? Let us try to understand the arguments on both sides to appreciate the HR issues involved. The misgivings about globalization notwithstanding, awareness of its offerings is high, and appetite for quality, convenience, and low import prices is insatiable. Copycat
syndrome is also high, as people struggle to keep up with the American and European standards.

We can only ignore globalisation at our peril. It is more prudent to be deliberate in addressing the issues raised, and professionally responding to the challenge posed, by globalization. Excellence is key to the rat race of globalization, where even the fittest are not guaranteed survival, because no advantage is permanent. Advantages erode over time! That is why progressive organisations are continually repositioning for (new) advantage. Today's best may no longer be good enough. Yesterday's corporate models are today's corporate muddle. Economic models have also become economic muddle, empires (eg Mongolia), have become 'colonies'; superpowers have become paper tigers, etc. Fewer than 2% of businesses ever established exist today!

Excellence, which is so crucial to creating the desired advantages, is itself a product of human processes.

Excellent brands are produced by excellent people. Ultimately, competition is not just between African products and American products, but also between African logistics and foreign, our factory efficiencies and theirs, our managers and theirs, our Board and theirs, our government policies and theirs, our political leaders and theirs.

President Bush is the Chief Marketing Officer for Genetically Modified Foods in the current US Agric war with EU! Everything and everyone is involved in the race, directly or indirectly!

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THE CHANGING ROLE OF HR IN THE GLOBALISED WORLD

The emergent of globalisation and its concomitants certainly pose a potent challenge to organized labour - Matantmi (2007). The globalised world is, in sum, a market-driven one. African HR management has to be market-driven, both by the external market and by its internal market forces. It has to adapt or perish, swallowed up by a more market-sensitive function. With the quantum and rapidity of corporate collapse renting the air the World over, when even US giants, hitherto regarded as corporate models have degenerated to muddle, new African Board demands on HR contribution, in the light of the above challenge, have become more exacting and specific. Gone forever are the days of armchair, spectator HR.
HR is no longer expected to be a dumping ground for expired managers, or dead wood, nor is anyone going to allow the function escape unscathed and unstained by non-performance -Aimiwu (2004).

Increasingly, HR, the appraiser, is being appraised on core parameter that directly impact company performance and measurements must be found for each area of HR activity. It contributions are measured at three levels- as
- a member of the corporate team,
- a function
- Individual HR functionaries

As a necessity, HR competence (quality) is being redefined in terms of how it supports the market-driven organisation to; adapt to change, improve operational efficiency, achieve business targets, take care of employees' needs -Oni (2004).

The criticality of HR's contribution to effectiveness in managing the new needs of the market-driven workforce is underlined by new corporate insistence that HR up-scale and up-rate its involvement in-
- defining business strategies
- shaping culture change for organisation transformation
- delivering HR process

African HR, in the new scenario, must put its own house in order, enhancing organizational process and harmony by ensuring that-
- HR strategies support business strategy
- HR policies and processes enhance the organization's ability to change, as well as responding to the changing personal needs of the employee.

AFRICAN HR POLICIES |
PRATICES IN THE NEW DISPENSATION

HR, in the new scenario, will be adjudged to have succeeded and met the challenges of socialization if her policies are perceived by its stakeholders as that capable of making from HR practice:
- a good business partner
- a change agent
- an administrative expert
- a champion for employees
Additionally, HR must be perceived as the driver of:
- universal best proven practices
- company standards and must itself exhibit appropriate skills and competencies in managing these. They must be captured and integrated within the company’s performance and reward processes using the following HR components for her relevance in the rate race engender by Globalisation.

Manpower Planning and Development in The new Scenario
A market-driven organisation leaves very little to chance. Recruitment, movements, career planning, etc must be based on a well-defined and professionally managed manpower planning process, which draws heavily from forecasts, skill and competency profiling, and gap analysis, all keyed in to the strategic wavelength of the company.

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Recruitment Management
Talent is the predominant asset of the globalized era organisation.
One wrong staff in, and everyone suffers! This is the stage where HR contribution can make a real difference. Recruitment must be based only on standard-based, merit-driven, well-structured and articulated plans that secure the strategic and operational needs of the business. No 'in-Law' factor, 'hometown' factor, 'childhood friend' factor, or 'pressure from above'. It is cost effective to be efficient at this stage. Every cent well spent at this stage saves you a dollar later.

Training and Development of Human Resource
Globalisation and market place competition is not limited to brands and products but also between our strategies and those of the rest of the world. There will be marked market-place difference if managements devote just a few more time and resources to the management of trainings. Human beings are not raw materials; however, because of lower quality assurance at the supply source, treatment and processing should require much more investment than that accorded the (product) supply chain, but in reality it attracts just a fraction. When we then factor in the inherent complexities of the human resource, it should become more than a balance sheet item. As society
graduates from agrarian to industrial, and the difference narrows between rural and urban, emphasis shifts from the more menial, physical skills to the more professional skills. Intellect and knowledge, replace brawn and muscle as the core resource. Intellect requires continuous lubrication, knowledge, continuous updating. The market-driven worker requires continuous knowledge empowerment, only possible through deliberate, sustained and continuous training.

Appraisal System
Performance processes must add value to corporate attainment of target market positioning, otherwise HR cannot be said to be truly keyed to business strategy. Critical to success is that the process must be merit driven, based on agreed targets, consistent and predictable, keyed in to the reward system, and employ transparent and fair appraisal.

Employee Relations and Reward Management
A critical HR challenge is to narrow the vision gap between the organisation and the employee. How for instance do we achieve a transformation of attitudes that will erase the subconscious perception by the public servant (of course, not all) of his employer as a continuation of colonial imperialism, unworthy of loyalty, and undeserving of effort and service; yet the same people, in their community projects in the traditional setting, work selflessly in pursuit of a common goal. Also, in the private sector, modem enterprise goes through a lot of stress trying to galvanize and harmonize values in pursuit of a shared, common, and consistent vision, perhaps due to hidden fears and suspicion that companies are instruments of cultural subjugation, designed to grind the poor, for the eternal enrichment of the rich, usually perceived as foreign, even when Africans have majority equity in these companies -Aimiwu (2004).

Generally, Africans are hardworking. No people can be more hardworking. Take a look at an average African market woman who goes from Alagbado (a sorborb of Lagos, commercial capital of Nigeria) dutifully every morning at 5a.m, after preparing children for school and husband for work, to sell her wares at Idumagbo market in Lagos, a distance of about 50 kilometres. She does this from 5a.m to 10p.m every day except Sundays or a market woman who carries her wares from Dodowa to Accra, a distance of about 20 kilometres towards the East of Accra in Ghana to sell
after she had met the daily needs of her family. If this does not amount to hardwork, what does? Obviously the problems are due to unresolved transformation issues, right from the pre-independence days to the present day Africa. HR must evolve systems to address this challenge, in her management of employee relations, and Industrial Relations.

Many years of misrule have so severely dehumanized and impoverished the people, who as workers, increasingly perceive employers as oppressor always willing to maximize profit at their (workers') expense. What can the HR managers do to erase the afore observed impression of an average worker against its employer? What can ever be done to motivate the African worker to be market-driven? Their own remunerations needs are also market-driven. 'If you pay peanuts, you get monkeys.' We should upgrade our remuneration package and acquire the best. Let us also have a transparent, merit-driven, reward system that significantly shows the difference between performers and non-performers.

CONCLUSION AND IMPLICATIONS
The various issues describe the focus of best practice in Human Resource Management in today's globalised world. Each of them provides huge opportunity for practitioners to find a place in the globalized World. Becoming a business partner is no longer a matter for debate if African Human Resource will take its rightful place in the globalised world. The Human Resource also has a platform to support the line manager in delivering on their commitment. And in doing so, I will recommend the following road map to the African HR managers in addition to those suggested earlier:

1. Understand the issues that face the business and what the desired business model is in your specific industry.

2. Develop a familiarity with the overall strategy direction of the company, and what exactly the targets are.

3. Immerse in the needs of the various key line managers to gain an understanding of their issues and how HR might partner with them. This exercise also provides excellent opportunity to study the interaction among the team members in the various functions more closely, and better enable HR to design custom-made training intervention for such teams or individuals within the team. Africans have their
peculiarities and these must be considered in the nature, type and curricular of training for workers

4. Grow the capability within HR to achieve these tasks, and accept that new skills will have to be learned. There is hardly a substitute for reading and study of appropriate literature, and sharing among practitioners.

Obviously, globalisation is a product of human processes, and advantages belong to those with the most resourceful human resources. The era of 'anything goes' is dead with the advent of globalisation. In an increasingly borderless (European Union, African Union, World Trade Organisation, World Bank and IMF, Transnational Companies) and disappearing market barriers, the message is "change" or become totally irrelevant. African Nations cannot operate in isolation particularly now that the entire world has become an open market for all to buy and sell their wares, skills, competences and talents.

The big players in the Global market should play down on inequalities which the new scenario is gathering to avoid tensions and social upheavals capable of threatening industrial peace and harmony in Africa and other parts of the world.

The global market must not be designed to protect the self-serving interest of only the big players in the market. African trade unions must be at the forefront of the struggle to ensure that the rules and regulations governing the activities of the various players within the market, including African countries are people -centered. To be indifferent is courting disaster.
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