

# ***THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT***

## **Effect of Corruption on Leadership and Productivity in the Local Government System in Nigeria: a Case Study of Benue State, Nigeria**

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### **Abstract:**

*The study investigated the effect of corruption on leadership and productivity in the local government system in Nigeria: a case study of Benue State using a sample size of 363 respondents cut across the three senatorial district of the State. The study made use of the descript survey design and analysed the data using chi-square test. The study found out that corruption has significance effect on leadership and productivity in the study area and therefore recommended the repositioning and strengthening of the agencies involved in the fight against corruption for optimal performance.*

### **1. Introduction**

Leadership is the focal point of the directing function of modern management. This involves other variables such as motivation, communication and coordination. Leadership is the process of stimulating and motivating subordinates to accomplish assigned tasks. The leader, although part of the group, is distinct from it because his concerned with guiding, conducting and directing it (Theirauf, Klekamp, and Geeding, 1977, p.490). I examine leadership inclination in terms of the leaders themselves, the subordinates and the situations. Ocholi (2007, p.17) says that the key to effectiveness is hinged on the ability to lead others successfully through creating positive impacts. It is imperative to know that effective and successful way of leading people enhance productivity. Leadership depends on the ability of the leaders to use their authority, human resources and relationship with people to achieve organizational goals.

Leadership as an influence process is natural to either formal or informal group in the society. It is a field of interest to many people. The word encompasses people who have to direct, guide and preside others to achieve group objectives. Leadership covers all aspects of human endeavours. It could be military, political, religious, cultural and societal leaders. Understanding of the subject is special and important to people as it affect their lives.

Sanders (1967) classifies leadership into two divisions of worldly or traditional and spiritual types. He submits that the worldly or traditional type of leadership derives its roots from man but the spiritual one is directly by God.

- i. Worldly or traditional leadership: this type of leadership takes decisions within the spheres of people. The people are materialistic, selfish and power drunk. According to Tapkida (1994), worldly or traditional leaders take their decisions without the face of God. They have their tall ambitions and expectations. They are arrogant and enjoy giving orders to their subordinates. Most of the leaderships in Nigeria are typical of worldly or traditional types. This is because; personal interest is the overriding objective.
- ii. Spiritual Leadership: this type of leadership may center on selfless service. The essence or pivot point is service to the people rather than to cheat, deceive, dominate and undo the subordinates to your advantage. Tapkida (1994) states that the spiritual leadership is God driven and obeys his will. It is modest and the love of God and people is the major consideration. The engine of spiritual leadership to most people and writers is Faith in God's calling (Mambula, 2006). The reason is that a spiritual leader believes that God has chosen him or her to leadership position because of his credentials but God has the ability to qualify him or her to succeed on the position.

According to Denga (2003, p.45), in Nigeria where the greatest number of population live in the rural areas, where access to state and federal government presence is difficult, the local government takes the responsibility of influencing their (people's) operation and general ways of life. It is important to know that local government is very crucial and indispensable for the people living in the rural areas.

It is worthy to note that, though the local government system has existed in Nigeria since independence, the status of local government was only acknowledged after the 1979 constituent Assembly. It was then that the viability and functions of the local government became well-articulated or spelt out. But again, the major contention of whether the local government should be independent from the state government or not has been an unresolved issue up to date. This lack of independence therefore questions the establishment and viability in terms of its functions to the grassroots and therefore, the state decides on what should be done at the local government and not the people at the local government themselves. This affects the extent to which the local government is supposed to function.

Local government system is made up of seven departments that run the system. These are: Personnel, Health, Works, Revenue, Finance, Agriculture and Education Departments. The administration of the local government has the Director-General, Service and Administration (DGSA) as head of service while the Chairman serves as the Executive Head of the Local government.

According to the Benue State of Nigeria Gazette (2007, p.65), the local government performs many functions. Among them are:

1. To formulate economic plans and development scheme for the local government area.
2. Collection of rates and issuance of radio and television licenses.
3. Establishment, maintenance of cemeteries/burial grounds and homes for the destitute.
4. Construction and maintenance of roads, streets lights, drain parks, gardens, chief's palaces, open spaces or such public facilities as may be prescribed by the House of Assembly of the state.
5. Registration of all births, death and marriages.
6. Provision and maintenance of public conveniences, sewages and refuse disposal.
7. Naming of roads and streets and numbering of houses.
8. Provision and maintenance of primary, adults and vocational education.
9. The provision and maintenance of health services.
10. Licensing, regulation and control of the sales of liquor.
11. Other functions as may be conferred on the local government by the House of Assembly.

Benue State which is located in the Middle Belt of Nigeria was created on the 3<sup>rd</sup> February, 1976 by the military administration headed by Late General Murtala Muhammed. It was created out of the former Benue Plateau and Kwara States with Makurdi as its capital. The state derived its name from River Benue which is also second largest River in Nigeria. At the time of its creation, the state had seven local government areas that comprised it and these were: Gboko, Katsina-Ala, Makurdi, from Tiv speaking area. Others were: Otukpo from Idoma area, Ankpa, Dekina and Idah from Igala area. This shows that the seven local governments represented the three major languages in the state namely: Tiv, Idoma and Igala.

Over the years, the problem of bad leadership in the local government system has been the basic obstacle that has militated against effective and efficient utilization of resources to attain goals which the system is supposed to achieve. This assertion has been encapsulated in Oloko (1997) who articulates that:

- The problem of leadership is one of the basic problems which all social systems, irrespective of their size, structure and primary functions must solve in order to survive, p.33.

The importance of quality leadership in the success of every organization be it formal or informal cannot be over-emphasized. This is manifested in the fact that for productivity to be achieved in any public sector in this regard, the local government system has to be determined by good leadership.

It is not in doubt that focus leadership enhances productivity. Leadership disposition towards certain behaviours like corruption, training and development, rewards and employee involvement affects productivity. However, the issue of corruption as it affects leadership and productivity has provided impetus to this study. Corruption seems to constitute serious impediment to productivity. This is because it likely leads to bad decisions, high cost of production and serious frustration in the system. This study therefore seeks to investigate the effect of corruption on leaders and productivity in the Local Government System in Benue State of Nigeria.

## 2. Literature Review

### 2.1. Leadership

Leadership may be considered as the process (act) of influencing the activities of an organized group in its efforts toward goal setting and goal achievement (Stogdil, 1950, p.3). Leadership involves joint efforts of people toward a shared goal.

Leadership is the behavior of an individual when he is directing the activities of a group toward a shared goal (Yukl, 2006, p.27). Leaders have the responsibility of guiding and influencing team members to achieve their conceived objectives.

Leadership is the accomplishment of a goal through the direction of human assistants. A leader is one who successfully Marshals his human collaborators to achieve particular ends (Humphrey, 2002, p.493). It is the ability of leaders to willingly convince followers to contribute meaningfully to actualize organizational objectives.

Leadership is interpersonal influence, exercised in a situation, and directed through the communication process, toward the attainment of specified goal or goals (Tannenbaum, 1966, p.24). The display of human skills to guide and influence group members toward a shared goal. Leadership is a very critical element of management. As a component of management, leadership features very prominently in every aspect of human endeavor. It provides the compass that drives the attainment of set goals and objectives. In a very simplistic sense, leadership encompasses determination personality and innate ability at the right time for a given competitive situation. Different leaders have their peculiar and individual leadership styles; but fundamentally, leadership has remained at the core of driving the mechanics of organizational objectives.

There are various perspectives to the explanation of the concept of leadership. For instance, it may be conceived to mean the process of getting others to follow or getting people to willingly do things. Put in another way, leadership connotes the use of authority relationship in decision-making. Mullins (2007) corroborates this notion when he notes that leadership can

- ... be exercised by as an attribute of position or because of personal knowledge or wisdom. Leadership might be based on a function of personality or it can be seen as a behavioural category. It may also be viewed in terms of the role of the leaders and their ability to achieve effective performance from others (p.363).

It is usually difficult to generalize about leadership; but the indisputable reality is that it is a relationship through which one person (leader) influences the behavior and actions of others (followers) toward a targeted outcome. Deriving from this logic, it is obvious that there is an inseparable nexus between the process of leadership and the behavior and activities of groups in the context of team building.

Useem (2001, p.297) argues that leadership is a matter of making a difference through changing an organization and making active choices among viable alternatives; depending upon others and mobilizing them to get the appropriate job done at the appropriate time. Useem further submits that:

- Leadership is at its best when the vision is strategic, the voice persuasive and the results tangible. In the study of leadership, an exact definition is not essential but guiding concepts are needed. The concepts should be general enough to apply to many situations, but specific enough to have tangible implications for what we do.

Useem's articulation is suggestive of the fact that vision and strategy have been joined by new critical capabilities – leading out and leading up – particularly in the business environment where the increasing use of outsourcing compels managers to acquire the skills to lead out and not just to assign tasks to subordinates but to also have the necessary talent for lateral leadership in arranging work with colleagues.

## 2.2. Productivity

Generally speaking, productivity is defined as the relation of output to input. Productivity is therefore, on the one hand, closely connected to the use and availability of resources. This means in short that productivity is reduced if an organization's resources are not properly used or if there is a lack of them. On the other hand, productivity is strongly linked to the creation of value. It is argued that productivity is one of the basic variables governing economic production activities, perhaps the most important one (Singh, Motwani & Kumavi, 2000). Elimination of waste give rise to improve productivity.

Productivity is a relative concept, which cannot be said to increase or decrease unless a comparison is made, either of variations from competitors or other standards at a certain point in time, or of changes over time. Misterek, Dooley and Anderson (1992) agree that improvements in productivity can be caused by five different relationships:

- (1) Output and input increases, but the increase in input is proportionally less than the increase in output.
- (2) Output increases while input stays the same.
- (3) Output increases while input is reduced.
- (4) Output stays the same while input decreases.
- (5) Output decreases while input decreases even more.

Productivity is an economic measure of efficiency that summarizes and reflects the value of the output created by an individual, organization, industry or economic system relative to the value of the inputs used to create them (Denisi and Griffin, 2005). They agree that organizations around the world have come to recognize the importance of productivity for its ability not only to compete but also to survive, furthermore, an organization that is serious about productivity will need to lead workers by given them direction and focus to create high quality products and services. Effective leadership in an organization results to enhance productivity (Ene, 2008). Hartzell (2011) views productivity as a measured relationship between the quality and quantity of results produced and the quantity of resources required for production. Productivity is in essence a measure of the work efficiency of an individual, work unit or entire organization. He further stressed that productivity can be measured in two ways, one way relates the output of an enterprise, industry or economic sector to a single input, such as labour or capital. The other relates output to a composite of input combined so as to account for their relative importance. The choice of a particular productivity measure depends on the purpose for which it is to be used. He further defined productivity as a war against waste. Even if the technical and economic concept of productivity is taken into consideration i.e. productivity is the ratio of output and input. This could be favourable only when planned efforts are made to utilize the scarce resources as economically as possible to achieve the best result. He concludes that among several factors affecting productivity, safety in industry, one of the most important factor to be kept in view for promoting productivity is the rate of output of a worker or machine.

Nwachukwu (2002, p.56) argues that productivity is the measure of how well, resources are brought together in an organization and utilized for accomplishing of set result produced in reaching the highest level of performance with the least expenditure of resources. It can be seen as the amount of production in relations to labour put in.

Explaining productivity, Kerlinger (1980, p.208) states that public managers have worked under the uneasy assumption that a good, smoothly functioning programme was an effective one. He went further to explain how a manager used to think that if he or she spent the entire budget allocation and did not hear complaints from clients or the public, he or she was running an effective programme. From that perspective, productivity is equated to the quantity of public complaints. Nevertheless, several more precise measures of the public sector have emerged in recent years where productivity is measured in terms of cost efficiency, cost effectiveness, and programme worthiness.

### 2.3. Corruption and Leadership and Productivity

Keeping an average Nigerian from being corrupt, according to Chinua Achebe as captures by Ekei (2011, p.136) is like keeping a goat from eating yam. To him, a timely bold observation like this can hardly be an overstatement in a country where corruption has become widely recognized as a way of life for both in the public and private sectors of the society. Opinion is however, divided as to the exact effect of corruption on the general life and progress of Nigerian nascent democracy.

In Nigeria presently, there are steady breakdown of basic infrastructure, often tagged infrastructure decays. This implies that, the amenities meant to serve a teeming over one hundred and a seventy million (170 million) population is hardly sufficient due to deplete administrative and managerial system. Reasons have been provided for this ugly scenario.

Corruption goes with many meanings and perspectives. In its general sense, it implies misusing one's office for a private gain or for unofficial end (Ekei, 2011, p.138). It also means taking advantage of one's public office to favour one's personal goal or gain. Corruption means a diversion of a collective good in favour of the individual gain.

Oburota (2011, p.124) submits that corruption means to destroy – corruplus, to be utterly destroyed. Olisaemeka (2011, p.110), defines corruption as an attempt to get what does not belong to you, what you do not deserve, qualify or have the right for. Akintola (2011) sees corruption to imply abuse of office, abuse of privilege, undue advantage, underserved favour obtained through manipulation of the law, rules and regulations, untoward conduct premised on graft or a promise of same, performance of services in exchange for gratification of non-performance of duties or services in order to confer some advantages or benefit, advance fee payments, kickbacks, upfront gratifications, pecuniary or immoral benefits from illegal conduct, sexual harassment of subordinates or the weak, political corruption, nepotism, tribalism, etc. Udebunu (2011, p.155) defines corruption as a negation of ethical behavior or social ethics.

In Nigeria, these corrupt practices include among others ascendancy to political leadership through election rigging, nepotism, son of the soil philosophy, politics of expediency, doctrine of ten-percent, giving and receiving kickbacks for government contracts, police extortion as precondition for performing their duties, falsification of accounts, false declaration of age, falsification and forgery of certificates, perjurious inclination, violation of oaths of office, payment of money for government jobs not done, manipulation of foreign exchange, import license frauds, pen robbery or looting of public treasury, creation of ghost-workers, awarding of complex and bogus contracts as means to defraud and so on.

The damages of corruption could do to any economy or polity are astronomical. It can slow the economy to its barest minimum as seen in slow movement of files in offices, police stations and slow traffics on the highways, pats congestions, queues at passport offices and gas stations and host of others.

Udebunu (2011, p.161) further submits that, it limits access to basic social services as well as increases the cost of their delivery. It is one of the factors for poverty, and undermines the legitimacy of the state. It is anti-poor, anti-development, anti-growth, anti-investment and anti-productivity. Ekei (2011, p.143) submits that, corruption breeds basic social and political distrust and creates anarchy in the society. It tends to promote the basic and artificial insufficiency in the distribution of resources. In the midst of plenty, there exists a great level of insufficiency and inadequate amenities for the over 140 million Nigerians.

Corrupt practices therefore wreck every national institution, with regard to its plans and its implementation of its noble ideals. Whether realized or not, every material corruption worsens the already limited situation of human predicament in Nigeria. Corruption thus constitute itself as second underlying problem of Nigeria today. In a timely communiqué issued by the Catholic Bishops Conference of Nigeria in 1999, there was an urgent call to reflect on the fact that:

... corruption has eaten deep into the very fabric of the Nigerian society. It has become so pervasive that many now accept it as the Nigerian way of life or the Nigerian way of doing things. People now speak about so called Nigerian factor” when they mean corruption... The magnitude of corruption in Nigeria is such that, it requires divine intervention to conquer it.

Ibenta (2011, p.80) submits that, the effects and consequences of corruption on a nation's development are many. The negative effects impact economic growth as it reduces public spending on education among other things. The effect of corruption on education, for instance, is the fact that the government relatively spends more on items that make room for fraud easy. Development projects as unnecessarily complex to justify the corrupt and the huge expenses on them. An example in this case is always the huge national stadium in Abuja which gulped billions of naira. Corruption wastes skills as precious time is often wasted to set up unending committees to fight corruption and monitor public projects. It also leads to aids forgone.

Corruption causes a reduction in the quality of goods and services available to the public as some companies could cut corners to increase profit margin. Corruption affects investments, economic growth and government expenditure. Corruption discourages honest effort and valuable economic activities and it breeds inefficiency and nepotism. It leads to possible information distortion, and also makes public policies ineffective. Corruption can tarnish the image of a country. Corruption may also alienate modern oriented civil servants and may cause them to reduce or withdraw their services or leave the country. Corruption thus diverts scarce public resources into private pockets, undermines effective governance, endangers democracy and erodes the social and moral fabrics of nations.

Longe (2014) argues that Socio-Cultural and systemic factors encourage corruption in Nigeria. He views corruption as a multifaceted social ill which undermines the capacity of authorities to improve the living conditions of the people (P.67). Corruption is one of the most contentious issues in our country. The timeliness of this research is important because the global world is concerned with the problem of corruption in high places. The research is relevant to my study because the work contains similar study variables such as leadership and corruption (p.71) but differs in methodological approaches (p.116). The study adopted theoretical approach which lacks design, methods and procedures, population, sampling techniques (p.67). Method of data collection and analyses were not stated. This is inappropriate and lack of originality of scientific research. Qualitative data were collected through participant observation and interview rather than quantitative data (p.65). The findings were not compared with previous researches. The research did not provide

basis for measurement of corruption nor proffer the way forward for public accountability in Nigeria. The research concludes that corruption is a fraudulent, dishonest and illegal behavior particularly of those in position of authority (p.71). The study contributed to knowledge by shading more light on the relationship between leadership, corruption and public accountability in Nigeria.

**3. The Theoretical Perspective**

One of the best way to look at corruption is when individuals act negates the moral principle that guides their official obligations. Corruption thus cannot be devoid from breaching of ethnical rules that bind the conduct of official duties. Every official position either in private or public is guided by ethics and these ethics are there to regulate official conduct.

Several factors would make having a consensus on the causes and successful way of combating corruption a bit problematic. Among these factors are according Agubamah (2009) the uniqueness of each society and or country, the dynamic or changing nature of the socio political and economic interactions within the global community and the differences in the perception of corrupt practices by different academic disciplines.

One of the theories of corruption is the modernization theory. In the word of Huntington 1968, one of the theorist of modernization cited by Adefulu (2007) he observed that: the process of economic and political development in modernizing societies tends to breed inequality, political instability and corruption which may be defined simply in terms of the use of public powers to achieve private goals. The theoretical framework for this study is presented in Figure 4.

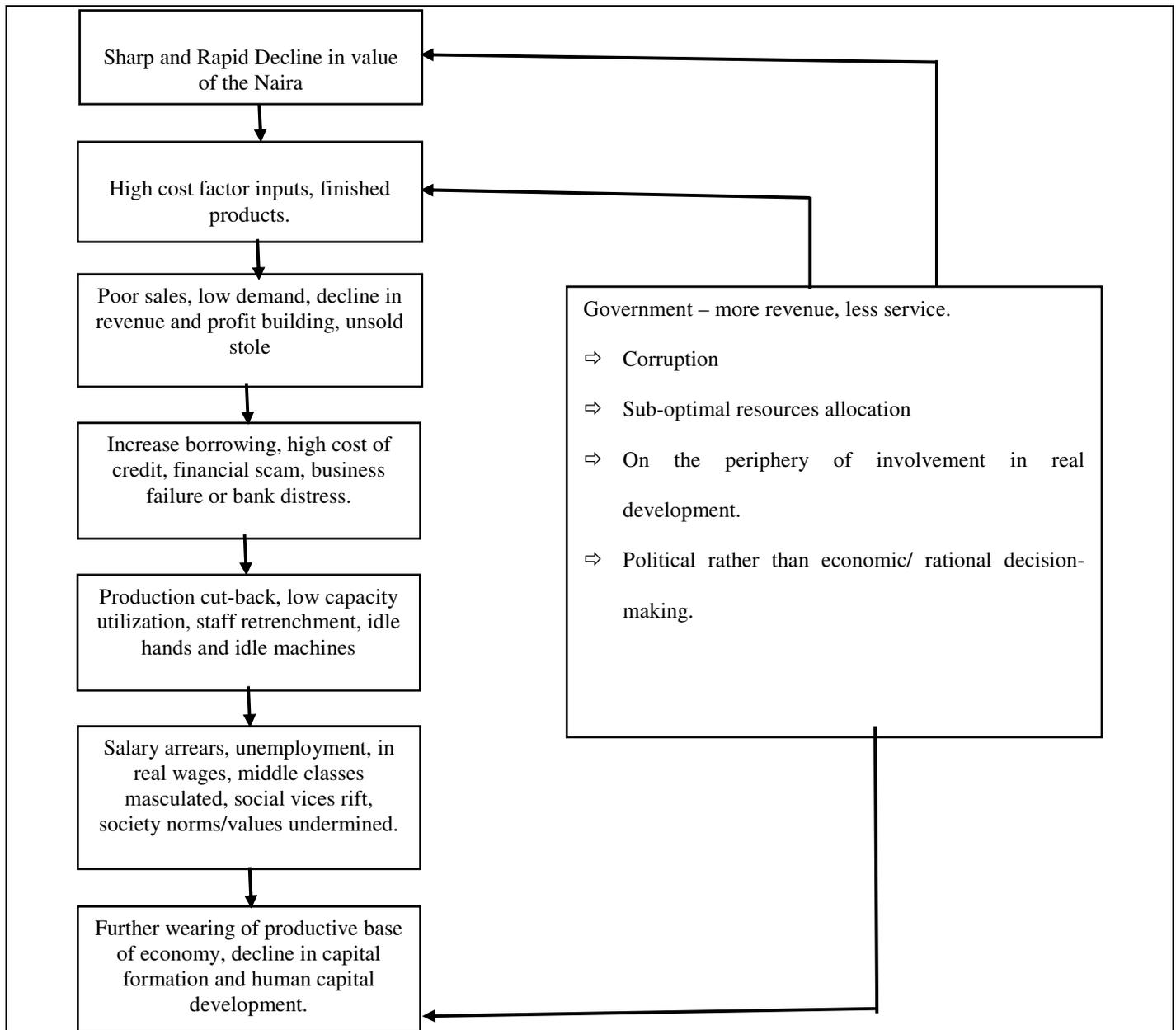


Figure 1: The Vicious Circle of Corruption  
Source: Adopted from B.C. Osisuoma (2006;104)

**4. Research Methodology**

The study adopted the descriptive survey. The justification for the use of the descriptive survey design for this study is based on the fact that, only a representative sample was chosen from the population and studied. It also permitted inferences and generalizations of the findings and no variable was manipulated.

*4.1. Population of the Study*

The population for this study comprised 17,676 senior staff of the 23 local government areas of Benue State. The total number of staff in the 23 local Government Councils of Benue State stand at 25,353, broken down into (a) 17, 676 senior staff and (b) 7, 677 junior staff as at 2015.

*4.2. Sample Size Determination*

In order to obtain a sample size from the population of 17,676 senior staff of the 23 local governments in Benue State, the scientific formula by Cochran will be used (Cochran,1963, p.75). Cochran developed an equation (equation 1) to obtain a representative sample for proportions of populations that are large.

$$n_o = \frac{Z^2 pq}{e^2} \dots\dots\dots 1 \quad \text{Where}$$

$n_o$  = Sample size,

$Z^2$  = value for selected alpha level of 0.025 in each tail which gives 1.96

$Pq$  = estimate of variance = 0.25, that is (0.5 x 0.5). Where  $p$  is the estimated standard deviation of the scale which Cochran puts as 0.5 and  $q$  is  $1 - p$  which equals 0.5

$e$  = is the acceptable margin of error put at 5% which equals 0.05.

Therefore;

$$n_o = \frac{Z^2 pq}{e^2} = \frac{(1.96)^2 (.5)(.5)}{(0.05)^2} = 384$$

Given a population size of 17,676 and using the Cochran correction formula, the sample size ( $n_o$ ) can be adjusted using the formula in equation 2.

$$n_1 = \frac{n_o}{1 + \frac{n_o - 1}{N}} \dots\dots\dots 2$$

Where  $n_1$  is the sample size and  $N$  is the population size.

$$= \frac{384}{1 + \frac{(384 - 1)}{17,676}} = 375$$

Therefore, the sample size for the study is 375.

**5. Method of Data Analysis**

The descriptive statistics of mean ( $\bar{X}$ ) and standard deviations were used to answer the research questions while the effect of corruption on leadership and productivity was tested using Chi-square ( $\chi^2$ ) test of independence at 0.05 level of significance. The general formula of the Chi-square is stated as;

$$\chi^2 = \frac{(O - E)^2}{E}$$

Where  $\chi^2$  is the value of the calculated chi-square is,  $O$  is the observed value and  $E$  is the expected value.

**6. Analysis and Discussion of Results**

The response rate revealed that out of the 375 questionnaires distributed, 363 questionnaires (representing 97 %) were correctly filled and returned by the respondents while 12 questionnaires (representing 3 %) were not retrieved from the respondents. The percentage of the questionnaires completed and returned is enough for any meaningful research.

In order to test for the effect of corruption on leadership and corruption, two questions were used to generate data.

<u>Effect of corruption on leadership</u>	<u>Frequency</u>
Yes	100
No	120
Sometimes	<u>143</u>
	<u>363</u>
<u>Effect of corruption on productivity</u>	<u>Frequency</u>
Absolutely	241
To a treat extent	30
To some extent	65
Not at all	<u>27</u>
	<u>363</u>

These data were combined to form the contingency Table (Table 1)

Effect of corruption on productivity	Effect of corruption on leadership			
	Yes	No	Sometimes	Total
Absolutely	100(17.02)	120(20.42)	21(57.59)	241
To a greater extent	0(8.26)	0(9.92)	30(27.96)	30
To some extent	0(17.91)	0(21.49)	65(60.58)	65
Not at all	0(7.44)	0(8.93)	27(4.5)	27
Total	100	120	143	363

Table 1: Contingency Table Based on Responses of Respondents

The expected frequencies are calculated using the formula:

$$E_{ij} = \frac{n_i \times n_j}{N}$$

Where  $E_{ij}$  is the expected frequency for the cell in the  $i$ th row and the  $j$ th column

$n_i$  is the total number of subjects in the  $i$ th row

$n_j$  is the total number of subjects in the  $j$ th column and

$N$  is the total number subjects in the whole table

$$E \text{ (Absolutely and yes)} = \frac{100 \times 241}{363} = 66.39$$

$$E \text{ (Absolutely and No)} = \frac{120 \times 241}{363} = 79.67$$

$$E \text{ (Absolutely and sometimes)} = \frac{143 \times 241}{363} = 94.94$$

$$E \text{ (To a greater extent and yes)} = \frac{100 \times 30}{363} = 8.26$$

$$E \text{ (To a greater extent and No)} = \frac{120 \times 30}{363} = 9.92$$

$$E \text{ (To a greater extent and sometimes)} = \frac{143 \times 30}{363} = 11.82$$

$$E \text{ (To some extent and yes)} = \frac{100 \times 65}{363} = 17.91$$

$$E \text{ (To some extent and No)} = \frac{120 \times 65}{363} = 21.49$$

$$E \text{ (To some extent and sometimes)} = \frac{143 \times 65}{363} = 25.61$$

$$E \text{ (Not at all and yes)} = \frac{100 \times 27}{363} = 7.44$$

$$E \text{ (Not at all and No)} = \frac{120 \times 27}{363} = 8.93$$

$$E \text{ (Not at all and Sometimes)} = \frac{143 \times 27}{363} = 10.64$$

$$\begin{aligned} \text{Thus } \chi^2 &= \sum_{i=1}^n \sum_{j=1}^m \frac{(o_{ij} - e_{ij})^2}{e_{ij}} = \\ &= \frac{(100 - 66.39)^2}{66.39} + \frac{(120 - 79.64)^2}{79.64} + \frac{(21 - 94.94)^2}{94.94} + \frac{(0 - 8.26)^2}{8.26} + \frac{(0 - 9.92)^2}{9.92} + \frac{(30 - 11.82)^2}{11.82} \\ &+ \frac{(0 - 17.91)^2}{17.91} + \frac{(0 - 21.49)^2}{21.49} + \frac{(65 - 25.61)^2}{25.61} + \frac{(0 - 7.44)^2}{7.44} + \frac{(0 - 8.93)^2}{8.93} + \frac{(27 - 10.64)^2}{10.64} \\ &= 283.7 \end{aligned}$$

$$\begin{aligned} \text{Using df} &= (3 - 1)(4 - 1) \\ &= (3 - 1)(4 - 1) \\ &= 2 \times 3 = 6 \end{aligned}$$

$\chi^2$  critical at 5% confidence level and degree of freedom of 6 = 12.59

(See Appendix 'A' for detailed analysis)

Since  $\chi^2$  calculated (283.71) is greater than  $\chi^2$  critical at 5% confidence level (12.59), the null hypothesis of no significant effect is rejected and the conclusion is that, corruption has significant effect leadership and productivity in the local government system in Benue State.

This entails that corruption affects leadership and lowers the productivity of capital due to a variety of channels such as inefficiency, wasteful rent-seeking or distorted public decisions which go a long way in affecting productivity negatively. The findings of this study are in line with the study of Welika and Sohal (2008), Ibenta (2011) and Long (2014) who stated that, corruption destroys and reduces productivity of an organization. This implies that, productivity in the Local Government System will be enhanced in a system with minimal levels of corruption.

## 7. Conclusion and Policy Recommendations

This study investigated the effect of corruption on leadership and productivity in the local government system in Benue State of Nigeria. The study found out that, corruption has a significant effect on leadership and productivity in the study area. This conclusion emanates from the findings that must corrupt organization are unproductive.

The study therefore recommended that, the agencies responsible for fighting corruption in Nigeria and Benue State in particular should be repositioned to fight corruption so to make leaders accountable to the system and ensure that productivity is enhanced.

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