Editorial

Management, welfare and organizational development in Africa

It is a general knowledge that Sub-Saharan African (SSA) countries have not been able to build sustainable economies in spite of the fact that trillions of dollars of development assistance have been poured into the sub-continent during the past half a century. Recent studies have therefore invited scholars to shift the searchlight for viable approaches to Africa's development to a reflection on internal circumstances that hamper growth and development (Kuada, 2014). The underlying thinking is that it may be useful to focus attention on the human and managerial aspects of economic growth since such considerations have so far been downplayed or ignored in contemporary discourses. This issue of AJEMS brings together papers that have partly responded to this call. They discuss the impacts of such factors as culture, capabilities, leadership, organizational efficiency, behavioral intentions and work group norms on the performance of specific organizations and economies in Africa.

Taking the issues of culture first, previous studies have identified cultural values, along with economic and institutional characteristics, as important factors in understanding the economic development opportunities and challenges in any society (Kuada, 2015). According to Smelser (1963, p. 7) cultural values are "beliefs that legitimize the existence and importance of specific social structures and the kind of behavior that transpires in social structures". It has been noted that strong and progress-prone cultures tend to help expand the circle of opportunity and promote an inclusive developmental and welfare-oriented economic growth processes; societies with weak institutions may experience the opposite (Harrison and Huntington, 2000). Cultural values also define networks of relationships within societies and help contain the socially undesirable consequences of unguarded market systems. In this sense, culture can be seen as part of the intangible resources that shape the dynamic capabilities of these institutions and organizations. Management scholars use the concept of dynamic capabilities to define an organization's ability to engage in an unceasing process of transformation that allows it to remain valuable to its stakeholders and at the same time maintain the capacity to purposefully create, extend or modify its resource base (Eisenhardt and Martin, 2000).

Moses Jumbe and Cecile Naomi Gerwel Proches draw on these perspectives to guide their study of the impact of institutional culture on change initiatives in an electric utility company in Africa. Their case company (which currently generates about 60 percent of the total electricity consumed on the African continent), has been driven by an ambitious vision of becoming one of the top five power utilities in the world. It therefore decided to initiate a "transformational change process". The study examined how the company's culture was impacting the change initiatives in one of its operating units. The authors conducted semi-structured in-depth interviews with key managers, supervisory and non-supervisory staff in the operating unit and used thematic approach to analyze the data. The results show that organizational culture significantly impacted the operating unit's change efforts. Participants in the study maintained that their leaders were unable to engage the employees and to communicate the vision of change effectively to them. There were limited feedbacks and consultations – factors that negatively impacted the change efforts.

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Leadership was also the focus of the study conducted by Selomon and his colleagues into the effects of organizational capabilities on the performance of Eritrean wood and metal manufacturing firms. The study draws on the argument in the dynamic capability literature that companies do not automatically adapt to changes within their operational environment. Adaptation requires leaders' ability to keep the organization agile enough for it to be able to sense and shape opportunities and threats and to maintain high levels of competitiveness through enhancing, combining, and reconfiguring the business enterprise's intangible and tangible assets (Teece, 2007). Building on this understanding the authors argue that relational capabilities of leaders enhance employees' innovation and co-creation of value within and between organizations. They also consider these relationships to be particularly important in countries characterized by economic instability. The empirical investigations examined the manner in which owner-managers' innovativeness, personal relations and employees' technical skills influenced the firms' success. The results showed that owner-managers' innovativeness and personal relations significantly impact the performance of the firms.

Kwasi Dartey-Baah and Emmanuel Ampofo also examine the extent to which "carrot and stick" leadership style can predict employees' job satisfaction in Ghana. Job satisfaction is generally conceived in the management literature as an emotional attribute of employees resulting from the overall appraisal of their job situations (Bushra Usman and Naveed, 2011). It motivates employees to be committed to their organizations and to show a willingness to go beyond their basic job descriptions to improve organizational performance (Maxham *et al.*, 2008). Previous research has also shown that when jobs are designed with contents that allow employees to experience the psychological states of meaningfulness in their work, and if they have sufficient knowledge and skills to undertake the assignments, they tend to have strong positive feelings that will result in high levels of internal work motivation and job satisfaction (Bhuidan and Menguc, 2002). Thus, the most viable approach to securing talented employees would be to develop strategies that attract and retain the best employees within a country – i.e. reduce the level of employee attrition.

The authors argue that high rates of unemployment in African countries discourage managers from designing jobs that motivate employees to go beyond their normal call of duty. Most employees are often compelled to cling on to their work no matter how dissatisfying the working conditions turn to be. The results of the study indicate that this operational context has made Ghanaian employees willing to accept close supervision from their immediate bosses. They tend to be a lot more satisfied with managers that "monitored and corrected them before they deviated from their assigned tasks". Once expectations and tasks are clearly defined, employees are likely to do their utmost to complete them. The authors therefore concluded that "transactional leadership style is the most suitable leadership approach that potentially gets more out of employees" in Ghana.

Josue Mbonigaba and Saidou Oumar have studied the relative efficiency of South African municipalities in providing public health care to their communities. In specific terms, their study sought to determine whether a set of municipalities would serve as a benchmark for "best practice" for others – i.e. whether municipalities can improve efficiency by learning from each other's practice. The term efficiency is used in management to refer to the measurement of relationship between inputs and outputs or how successfully inputs have been transformed into outputs in an organization. Productively efficient organizations tend to use the least cost input mix required to produce a given output of any good or service. The term "productive efficiency" incorporates "technical efficiency", which refers to the extent to which it is technically feasible to reduce any input without decreasing the output, and without increasing any other input in the input mix.

Mbonigaba and Oumar draw a distinction between primary health care and hospital health care and provide evidence to suggest that the municipalities are not equally efficient across the two types of health care. That is, the most efficient municipalities in primary health care are not necessarily the most efficient in hospital health care. They conclude (not surprisingly) that municipalities can learn from each other's practices.

Maitama Kabiru Kura has studied the relationship between perceived work group norms, self-regulatory efficacy and deviant workplace behavior (DWB). The dominant view forwarded in the social learning theory is that perceptions of others' behaviors in groups or social networks may motivate decisions to engage in self-regulatory or deviant behaviors. Building on this theory, the author argues that when individuals find themselves influenced by referent others, self-regulatory efficacy will help them achieve compliance with organizational norms, and this will keep them from engaging in DWBs. Findings confirm the theoretical predictions and suggest a positive relationship between perceived descriptive norms and DWBs.

Peter Quartey and his colleagues have examined sources of retirement income among formal sector workers in Ghana. Pensions or social security benefits serve as the primary source of post-retirement income for formal sector employees in Africa. Different arrangements exist in the different African countries. These include universal pension schemes in countries such as Botswana and Mauritius, social pensions in Lesotho, and occupational pension schemes in Nigeria and Kenya. The authors argue that these pension schemes are not effective in the SSA countries because a larger percentage of the active labor force operate in the informal sectors which are not covered by these pension and social security schemes. Furthermore, even for the formal sector employees, the pension incomes they receive are far below the standard poverty line of $1.25 a day. They, therefore, have to find alternative sources of retirement income in order to avoid the poverty of pension life. The expectations of post-pension misery can demotivate some senior employees who would otherwise use their experiences and tacit knowledge to help improve the performance of their organizations and contribute to the capacity development of the younger employees.

The authors based their empirical investigations on household survey data from the Social Security and National Insurance Trust (SSNIT) in Ghana. Their aim was to identify the amount of retirement income they received, sources of supplementary income (if any), and the relative importance of such incomes in financing their expenditures during retirement. The results showed that although the SSNIT pension scheme is the most comprehensive pension scheme in Ghana in terms of the number of contributors and pensioners, most of those benefiting from the scheme could not cover their basic expenditures from the pension benefits. The alternative sources of retirement income identified in the survey were: provident funds, personal savings with banks and financial institutions, investments in treasury bills and fixed deposits, remittances from family and friends, income from post-retirement jobs and incomes from other ancillary sources such as income from renting properties they owned.

John Bosco Nnyanzi's study seeks to find answers to the question "what drives international remittances to Africa: altruism, self-interest or the institutional environment?" The relevance of this question to economic development in Africa must be seen in the light of the growing importance of remittances in the overall financial resource inflow into the continent. Conservative estimates put annual remittances to Africa at $40 billion in the destination countries (Bodomo, 2013). It has also been argued that under the right conditions, a significant proportion of this amount could be invested in Diaspora bonds (Kayode-Anglade and Spio-Garbrah, 2012), thereby expanding investment resources available in individual countries. But, in the interim, remittances are believed to contribute significantly to boosting the service sector in the high-growth African countries, including retail, real estate, telecommunications and transportation.

Nnyanzi's study seeks to examine the link between remittances and how institutions and other macro-economic variables could play a role in determining the flow of migrant transfers. In this endeavor the author focussed attention on three issues: the role of altruism, self-interest (or investment motive) and the institutional environment in international remittances. The results show that both altruism and self-interest are important motives for the "remitters" to Africa. He also finds that the institutional quality (e.g. absence corruption and reliability of transfer mechanisms) plays a positive role in attracting migrant transfers. Furthermore, the remittances play a key role in the improvement of the welfare of households particularly at the time of great need.

Felix Amoah, Laetitia Radder and Marle van Eyk have studied the perceived experience value, satisfaction and behavioral intentions of guesthouse customers. The premise of their study is the awareness that customers tend to express diverse satisfaction or dissatisfaction based on their perceptions of service quality. If the service quality matches with their needs and expectations, they will be satisfied. On the other hand, if the service quality does not fufil their needs and expectations, they will be dissatisfied and thereby exhibit negative emotions such as regret, anger, and complaints. This means that service quality is an emotional attribute and does not depend only on the service characteristics (objectively defined), but also on customers' relational experiences. Positive emotions such as happiness, pleasure, elation and a sense of warm-heartedness that customers experience during their interactions with service providers contribute immensely to their overall satisfaction. Thus, managers' awareness of how their guests perceive their experiences is important for marketing strategy formulation aimed at improving the degree of guesthouse customers' satisfaction.

Data for the empirical investigation were collected from 541 respondents drawn from 51 conveniently selected guesthouses in Ghana. The results of the study indicated a strong positive relationship between experience value, satisfaction and behavioral intention. Customers' service quality perception was significantly influenced by such variables as atmospherics, enjoyment, entertainment, escape, efficiency, excellence and economic value. The study also revealed that hospitality managers tend to focus more on profits than offering customer value and their employees are not sufficiently skilled to provide warmhearted services to their visitors.

Together, the studies reported in this issue of the journal provide useful insights into some of the internal challenges that businesses, institutions and communities face in Africa as they grapple with the multiple tasks of resource leveraging, employee satisfaction, post-employment welfare, organizational performance and overall community development. Managers appear not to be fully equipped to handle these challenges efficiently and effectively. The studies also draw attention to gaps that remain in our knowledge about the issues studied and invite future research into these and other related challenges.

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