



ISSN 1548-6591 (Print)
ISSN 1935-9691 (Online)
DOI:10.17265/1548-6591

From Knowledge to Wisdom

Journal of US-China Public Administration

Volume 11, Number 8, August 2014

David Publishing Company
www.davidpublishing.com

Publication Information:

Journal of US-China Public Administration is published every month in print (ISSN 1548-6591) and online (ISSN 1935-9691) by David Publishing Company located at 240 Nagle Avenue #15C, New York, NY 10034, USA.

Aims and Scope:

Journal of US-China Public Administration, a professional academic journal, commits itself to promoting the academic communication about analysis of developments in the organizational, administrative and policy sciences, covers all sorts of researches on social security, public management, educational economy and management, national political and economical affairs, social work, management theory and practice etc. and tries to provide a platform for experts and scholars worldwide to exchange their latest researches and findings.

Editorial Board Members:

Andrew Ikeh Emmanuel Ewoh (Kennesaw State University, USA)
Beatriz Junquera (University of Oviedo, Spain)
Lipi Mukhopadhyay (Indian Institute of Public Administration, India)
Ludmila Cobzari (Academy of Economic Studies from Moldova, Republic of Moldova)
Manfred Fredrick Meine (Troy University, USA)
Maria Bordas (Corvinus University of Budapest, Hungary)
Massimo Franco (University of Molise, Italy)
Patrycja Joanna Suwaj (Stanislaw Staszic School of Public Administration, Poland)
Paulo Vicente dos Santos Alves (Fundação Dom Cabral—FDC, Brazil)
Robert Henry Cox (University of Oklahoma, USA)
Sema Kalaycioglu (Istanbul University, Turkey)

Manuscripts and correspondence are invited for publication. You can submit your papers via Web Submission, or E-mail to managers@davidpublishing.com. Submission guidelines and Web Submission system are available at <http://www.davidpublishing.com>

Editorial Office:

240 Nagle Avenue #15C, New York, NY 10034
Tel: 1-323-984-7526; 323-410-1082 Fax: 1-323-984-7374; 323-908-0457
E-mail: managers@davidpublishing.com; public858@hotmail.com

Copyright©2014 by David Publishing Company and individual contributors. All rights reserved. David Publishing Company holds the exclusive copyright of all the contents of this journal. In accordance with the international convention, no part of this journal may be reproduced or transmitted by any media or publishing organs (including various websites) without the written permission of the copyright holder. Otherwise, any conduct would be considered as the violation of the copyright. The contents of this journal are available for any citation, however, all the citations should be clearly indicated with the title of this journal, serial number and the name of the author.

Abstracted / Indexed in:

Chinese Database of CEPS, Airiti Inc. & OCLC
Chinese Scientific Journals Database, VIP Corporation, Chongqing, P.R.China
Database of EBSCO, Massachusetts, USA
Google Scholar
Index Copernicus, Poland
Norwegian Social Science Data Services (NSD), Norway
ProQuest/CSA Social Science Collection, Public Affairs Information Service (PAIS), USA
Summon Serials Solutions

Subscription Information:

Print \$560 Online \$360 Print and Online \$680 (per year)
For past issues, please contact: shelly@davidpublishing.com, order@davidpublishing.com

David Publishing Company
240 Nagle Avenue #15C, New York, NY 10034
Tel: 1-323-984-7526; 323-410-1082. Fax: 1-323-984-7374; 323-908-0457
E-mail: order@davidpublishing.com



David Publishing Company
www.davidpublishing.com

Journal of US-China Public Administration

Volume 11, Number 8, August 2014 (Serial Number 106)

Contents

Governance and Policy Strategy

- The Impact of Corporate Governance in the Financial Performance of Islamic Banks:
Evidence From the GCC Region 633

Chaouki Bourakba

- The Reforms in the Institutional Structure of the European Union in Compliance
With the Lisbon Treaty 642

*Aneta Stojanovska-Stefanova, Drasko Atanasoski, Zoran Temelkov, Snezana Bardarova,
Oliver Filiposki*

- Administrative Innovation and Culture: Pillars of the Competitive Strategies in
Horticultural Companies of Sinaloa 650

Luis Alfredo Vega Osuna, Izaguirre Fridizia Diaz de Leon, Sergio Alvarado Altamirano

Public Service and Social Perfection

- Agencification of Public Service Delivery in Nigeria: An Empirical Study of Selected
Public Agencies in Lagos State 664

Jacob Olufemi Fatile, Omoniyi Victor Ajulor

- What Could Be the "Imaginary Institution" of the City? 679

Olivier Lefebvre

Local Economic Development

- Economics and the Practice of Human Action: The Legacy of the Austrian School 686

Andrzej Janowski, Zofia Wyszowska

- The Impact of Exchange Rate on the Growth of Nigerian Economy From 1960 to 2010 693

I. M. Shuaib, Ogedengbe A. Frank, Ekeria O. Augustine

- Operational Efficiency, Credit Risk, and Profitability in the Banking Intermediation 707

Herry Achmad Buchory

Agencification of Public Service Delivery in Nigeria: An Empirical Study of Selected Public Agencies in Lagos State

Jacob Olufemi Fatile, Omoniyi Victor Ajulor

Lagos State University, Lagos, Nigeria

There have been efforts to establish agencies as part of a strategy to improve service delivery world-wide. In Nigeria, agencies have also been established at both the national and state levels. The Lagos State Government has also established various agencies to fulfill different government functions in the state. After many years, the activities of these agencies have improved the delivery of services to the people in Lagos State, but there is still much to be done. This is why this study examines agencification of public service delivery in Nigeria with reference to Lagos State. The study uses mixed methods and triangulated data to achieve the research objectives. Questionnaire was used to collect data from service users and departmental officials. Face-to-face interviews were conducted with key officials of the selected agencies. Key documents were also reviewed. The findings reveal: lack of human resources capacity, inadequate financial management skills, and poor management of service providers, and the environment of the people of Lagos State are not considered in the conception and the implementation of the service-delivery-driven agencies. The study therefore recommends that agencification of public service in Lagos State as conceived if properly implemented can contribute to effective public service delivery.

Keywords: agencification, citizens, service delivery, policies

Agencification of public service delivery is in fashion. It is certainly not a new thing, but it seems to have increased in recent years (Wettenhall, 2005). Two decades of new public management has placed agencification high on the agenda of administrative policy-makers. However, agencification has been one of the enduring themes of public administration. The use of agencies has become an increasingly common feature of public management in a wide range of political settings, and the establishment of agencies is seen as an important aspect of "the regulatory state" (Egeberg & Trondal, 2010, p. 2).

Sulle (2011) explains that agencification has become fashionable and every country has implemented it in its own way. He cited the examples of Canada (1993), Japan (1998), and Sweden. However, Larbi (1998) argues that agencification was promoted in Sub-Saharan African countries through programmes that were sponsored by the international financial institutions like the World Bank, the International Monetary Fund (IMF), and other Western donors, and in forms of technical and financial support.

Agencification has signified a transfer of government activities to agency type organization vertically

Corresponding author: Jacob Olufemi Fatile, Ph.D., senior lecturer, Department of Public Administration, Faculty of Management Sciences, Lagos State University; research fields: public administration, intergovernmental relations, comparative development studies and governance. E-mail: jacofem@yahoo.com.

Omoniyi Victor Ajulor, Ph.D., lecturer Grade I, Department of Public Administration, Faculty of Management Sciences, Lagos State University; research fields: public administration, public policy, and local government. E-mail: ajulorvictor@yahoo.com.

specialized outside ministerial departments. Related to the new public management movement, governments across continents have established agencies at arm's length from ministerial departments in order to take care of certain regulatory and administrative tasks (Pollitt, Talbot, Caulfield, & Smullen, 2004; Verhoest, Peters, Bouckaert, & Verschuere, 2004). Agencies are popular organizational forms in contemporary administrative reforms and have expanded in number and importance over the past decades. Agencies are organizational forms that ensure better usage of expertise than ordinary public administration organizations. They serve as promoters of technocratic decision-making and functioning. However, there are certain unintentional effects of agency model. Coordination and policy coherence gaps may raise the questions of political accountability and provoke robust political interventions.

Agencification is based on a quite simple idea. Just like other modern public management reforms, i.e., decentralization, contracting-out arrangements, and management by results, it rests on the classical distinction between policy formation and policy implementation. The idea is that policy formation should be handled by slimmed and trimmed "core executives", while policy implementation should be carried out by professional executive agencies with considerable managerial freedom, and it has extensive duty to report to the executive core of the results of their performances.

Agencification of public service delivery aims at increased efficiency, strengthened and clarified responsibility and accountability lines, enhanced professional administration, and a more service oriented administration placed closer to citizens as well as strengthening the politicians' ability to steer the administration (Organization for Economic Co-operation and Development [OECD], 2005). Recently, there has been an attempt to revitalize service delivery and employ innovative organizations to deliver services to citizens. The reform has introduced agencies as a new public organization. These agencies have been put in charge of creating and managing organizations responsible for providing high-quality public services to citizens.

In Nigeria, agencification as part of new public management reforms gathered momentum in 1999 during the regimes of former president Olusegun Obasanjo. There was critical review of practices and procedures in every Ministry and Department of Government, with the aim of introducing and inculcating modern management techniques and procedures so as to rapidly increase their productivity and service delivery to the public (Federal Republic of Nigeria, 2001). The 1999 Constitution of the Federal Republic of Nigeria had provided for a service oriented public sector at federal and state levels (Federal Republic of Nigeria, 1999). Agencies have also been established at both the national and state levels. Many of these agencies now implement the key function of the ministries and departments. The effort of the governments among others is to find new and creative ways to deliver services to the citizens at a faster pace by ensuring the separation of policy-making and implementation functions. Such separation enables government departments to focus on developing policies and providing strategic direction while the agencies are tasked with the implementation of such policies and the direct provision of the services to citizens.

Lagos State is one of the 36 states in Nigeria. The introduction of the new public management techniques in the state public service led to the establishment and proliferation of agencies in the state. There have been agencies before the public management reforms, but these agencies were not proactive enough to meet the needs of the people like the agencies we have today. The new agencies were established with the new public management orientations which necessitate that customer or the clients should be made king in the process of

service delivery in the state. This was emphasized in the Lagos State Government Public Service Management Guidelines for Implementing Service Charters provided by the state government in 2010. The charter states that,

A Service Charter is a public document that informs clients about the Ministries, Departments and Agencies (MDA)'s services, outlines citizens' rights and responsibilities as well as relevant avenues for communication. It specifies standards of service delivery in the form of a series of commitments, entitlements, or promises upon which customers can expect and demand quality service as a right; and to which they can have recourse when service fails.

After many years, the activities of these agencies have improved the delivery of services to the people in Lagos State, but there is still much to be done. This is why this study examines agencification of public service delivery in Nigeria with specific reference to some selected public agencies in Lagos State.

Factors Responsible for the Establishment of Agencies in Lagos State

Different factors led to the establishment of agencies from the various ministries under study in Lagos State. Many agencies were developed in the Ministries of Transport, Works and Infrastructure, Environment and Finance. These agencies were created for effective and efficient service delivery. Prior to the creation of agencies in Lagos State, there were challenges ranging from lack of human capacity and financial management skills. There were fragmentation and duplication of institutional responsibilities among various agencies at three levels of government and lack of inter agency coordination among these various bodies as well as absence of documented standard procedures for the technical and economic evaluation of programmes and projects among others.

The Ministry of Transport was unable to rise up to the challenge of inadequate transportation system in the mega city. The transport system being operated by the state government was characterized by high level of fragmentation, inadequate regulation, and indiscipline among the operators of the city transportation service. In general, there was absence of well articulated government policies as well as legal and strategic framework for the transport sector.

Also, before the establishment of these agencies, Lagos was adjudged as one of the dirtiest capital cities in the world. It faced a broad range of environmental issues for its rapidly growing population. The rate of migration in the city is faster than the city can cope with, leading to the problems of solid waste management, water portability, sewage system management, and drainage issues. Food, soil, air, and water contamination thus became serious environmental concerns in Lagos State.

In the area of finance, the incessant review of revenue capacity of all revenue units is a major challenge which has negatively impacted on efficient tax collection. Most of the tax authorities in Lagos State local government areas lack the desired institutional capacity to administer tax system effectively. The bulk of tax was paid by only the employees and less privileged individuals in the state. Enahoro and Olabisi (2012) argue that politicians, the rich, the professionals, and the privileged individuals were not equitably taxed. Another problem of tax administration is centered on inadequate personnel in terms of quantity and quality. The shortage of qualified tax personnel is partly responsible for poor enforcement. The sharp and dishonest practices by some tax officials, especially at the local government level, pose a serious threat to tax administration in Lagos State.

The Ministry of Works equally faced with problem of bad roads network, poor housing scheme, collapsed buildings, and unregulated procurement (Enahoro & Olabisi, 2012). It is in the light of these overwhelmed

challenges, that agencification of delivery of public services became necessary. Consequently, Lagos State adopted a methodological policy reform to improve the efficiency and effectiveness in the delivery of public services to the people by creating agencies from the existing government ministries and departments. In 2010, a charter was put in place in form of guidelines for implementing the changes in service delivery. The document sets out broad guidelines for developing, monitoring, and implementing Service Charters. It is designed primarily to assist management of MDAs, staff of Service Delivery Units, staff of Management Services and Reforms Directorate, members of Ministerial Service Charter Committees, and frontline staff to gain deeper understanding and to be conversant with the dynamics of customer-centred service through setting and monitoring service standards and commitments contained in MDA Service Charters.

In the new arrangement under agencification, planning and consultation with the stakeholders are the bedrock. The reasons for this are to do the following: improving a specific service, developing a new product or service, general policy development, and future plans, setting up an ongoing, consultative forum, resolving conflicts, educating and informing stakeholders, identifying their views, needs, values, or concerns; obtaining feedback about propositions, contemplated or intended actions/decisions or situations before, during or after implementation. The expected outcomes are new services, improved services, or service standards, remediation or recovery, an agreed plan, information on services, organizational policy, and organizational strategy.

In creating effective organizational, legal, and institutional capacities for the planning and management of the various agencies, the state made policies based on critical appraisal of several sectors policy documents. These documents set the tone and direction for the societal impact and results aimed at being achieved by the government through its strategic development of the various agencies. These documents were also reviewed with a background objective of creating a conducive environment that would encourage private sector involvement and invest in public agencies thereby ensuring affordable public services. For example, the high policy documents reviewed with focus on sections that deal with the transport sector are:

- (1) Lagos State Economic Empowerment Development Strategy (LASEEDS);
- (2) Lagos State Economic Advancement Programme—Ten Point Agenda;
- (3) Ehingbeti Economic Forum;
- (4) Existing legal frame work as it relates to the transport sector;
- (5) Others include Ministry of Transport with Ministerial Responsibilities and Lagos Urban Project Report.

These policies led to strengthening of existing and the creation of additional agencies with the relevant legal framework to provide institutional support for enhancing effective discharge of the various programmes and operating the transport sector properly in the state. These policy documents and legal instrument guide the goals, programmes, projects, and activities of the ministries and its agencies since 1999. It is pertinent to point out that the creation of the legal regime to regulate institution was deliberate in order to build institutional capacities for the planning and management of the various agencies of the state transport system. In order to implement these policies, goals, and objectives, many agencies were created with different degree of autonomy in the state (Lagos State Public Service Management Charter, 2010).

Objectives of the Study

The central aim of the study is to examine agencification and public service delivery in Lagos State. Other specific objectives include:

- (1) To evaluate the performance of public sector organizations in Lagos State since the agencification of public service delivery;
- (2) To examine the influence of agencification of public service delivery on transparency and accountability in Lagos state's public sector;
- (3) To determine the extent to which agencification has encouraged the participation of professional in enhancing productivity in public service delivery in Lagos State.

Research Questions

The study is based on the following research questions:

- (1) Has the performance of public sector in Lagos State changed since the agencification of public service delivery?
- (2) Could agencification of public service delivery influence transparency and accountability in Lagos State public sector?
- (3) To what extent has agencification encouraged the participation of professionals in enhancing productivity in public service delivery in Lagos State?

Research Hypotheses

The study is based on the following research hypotheses:

- (1) The agencification of public service delivery has not improved the performance of public sector organizations in Lagos State;
- (2) Agencification of public service delivery has no influence on transparency and accountability in Lagos State public sector;
- (3) The participation of professionals in the agencification of public service delivery does not enhance productivity in Lagos State public sector.

Conceptual and Theoretical Framework

The term "agency" received a multitude of meanings depending on the organizational culture, legal system, and political system. There is lack of a uniform definition which complicates research into agencification, both within and between countries (Bouckaert & Peters, 2004). By "agency", we mean an administrative body which is formally separated from a ministerial or cabinet-level department, and which carries out public tasks at a national level on a permanent basis, is staffed by public servants, is financed mainly by the state budget, and is subject to public legal procedures. Agencies are supposed to enjoy some autonomy from their respective ministerial departments as regards decision-making. However, the respective ministers normally keep the political responsibility for agencies' activities (Pollitt & Talbot, 2004). Agencies are an organizational form that ensures better usage of expertise than ordinary public administration organizations. They serve as promoters of technocratic decision-making and functioning.

An agency is an organization that is at an arm's length from the hierarchy of the central ministry. It is involved in service provision, regulatory function, or adjudication. Employees of the agency are public servants, and might not necessarily be bureaucrats. The government finances this body legally. However, some agencies might generate their own revenue. In either case, it is answerable to the ministry for its financial situation. Such bodies are also legally bound to some legislative body of government (Pollitt & Talbot, 2004).

Agencification is a process which new agencies are created or which existing agencies are given more autonomy. Generally, the term “agencification” means the process of recreating a ministry or government department into a more purposeful result oriented public organization. It is a specific and output focus task (Verschuere, 2007). Agencification thus signifies a transfer of government activities to bodies vertically specialized outside ministerial departments (Pollitt et al., 2004; Verhoest et al., 2004). Agencification in transition countries usually means the creation of new autonomous bodies for new functions or a significant increase in the autonomy of existing legally separate bodies on either an individual or a collective basis.

Agencification is further considered as being aimed at strengthening the politicians’ ability to steer the administration. It is seen as a way of hiving off smaller, recurrent, and technical matters into executive agencies while politicians have more time for steering “big” and “important” matters. According to James (2005), autonomous public organizations are more efficient than the normal department units. Sulle (2011) argues that agencification of the public service delivery frees the public sector from unnecessary rigid bureaucratic rules which are seen as the source of inefficiency in public service delivery. It is generally expected that agencification of public service will bring innovation, flexibility, and effective use of resources to achieve the expected result. Thynne (2006) quoted in Sulle (2011) explains that the agencies creation takes different forms: (1) it may be by splitting up ministries or major department into separate and task-specific units; (2) it may be a creation or the merging of different units in the department; and (3) it may also be as a result of establishing a new agency within the ministry. Whatever the case may be, it must be backed with necessary laws that are applicable to such type of agency created. The laws range from constitution, legislation, executive order, decrees, edicts, etc.

The process of agency formation has been justified by some theories. However, there cannot be one best theory to explain the phenomenon (Pollitt et al., 2004). Agency theory has influenced many academic disciplines: economics, management, political science, and sociology. According to Pollitt et al. (2004), there are three central elements which make up the core of the agency programme:

- (1) Structural separation and/or the creation of task specific organizations;
- (2) Managerial autonomy in making decisions concerning personnel and financial management through target setting, monitoring, and reporting;
- (3) Managerial accountability over personnel, finance, and other management matters.

These three elements—structure, autonomy, and accountability, capture the essence of the agency model as it has surrounded the globe. Structural separation involves splitting up public organizations through horizontal and vertical specialization whether inter- or intra-organizational. By structural separation, we mean the splitting up of larger bodies into a parent body and various subordinate agencies. This has mostly been applied to splitting up ministries into a core central body and several agencies carrying out specific tasks (Bouckaert & Peters, 2001).

The agency model introduces a horizontal and vertical structural separation within or across organizations. Structural separation involves the splitting up of larger bodies into a “parent” body and various subordinate agencies. The vertical changes tend to create more autonomous agencies while horizontal specialization based on the principle of single purpose organization makes less independent organizational unit to deal with only such functions as ownership, regulation, purchasing, and provision (Christensen & Lægreid, 2001; Bouckaert & Peters, 2001).

The second element of agency model is the managerial autonomy in making decisions. This pattern of managerial autonomy is assigned to the actors of these executive agencies, for them to make decisions independently (wholly or partially) related to personnel, administrative, and financial resource allocations. Autonomy is also granted at the policy framing level. Boston, Martin, Pallot, and Walsh (1996) see the inclusion of managerial models as related to the ideas to further devolution and delegation of authority and autonomy. The idea of letting the managers manage free from the bureaucratic and political constraints is believed to improve the efficiency and effectiveness of executive agencies. This means having the freedom to manage their budgets, make their own decisions, operate on commercial accounting principles, and reinvest their surpluses (Bouckaert & Peters, 2001). The problem of controlling agencies and leaving them a significant degree of autonomy for the performance of their tasks is a key issue of the agency model.

The third element of the agency model is the idea of steering and control system which means any system of setting targets for and reporting on the activities of an agency and involves performance management, cost-cutting, and budgetary discipline. The increased use of performance indicators represents an attempt to quantify the activities of public organizations more extensively, while ex post scrutiny and auditing are mechanisms of connecting and comparing goals and actual results. The main idea is that good results should be rewarded and poor results should be punished (Bennett, 1997). The agencies are not independent in any absolute sense, but are quasi-autonomous entities and the ministries which will normally use different forms for control and steering to constrain the agencies' autonomy.

Research Method

This study adopts qualitative and quantitative method. First, it reviews the literature on public and public service reforms. As the time frame available for this study, it would not allow for in-depth study of the establishment of all agencies in Lagos State. The selection of some selected agencies was primarily guided by the functions that the agencies are set up to perform.

The study is limited to four ministries in Lagos State (environment, transport, works and infrastructural development, and finance). The choice of the four ministries is instructive for two reasons. Firstly, they show the symptoms of trends, processes, dynamics, major innovations, and best practices in terms of service delivery. Secondly, time and funding did not allow the authors to expand the study to other ministries and agencies in Lagos State.

Population and Sample

The population here refers to the component of the Lagos State Civil Service or called "staff strength". The study covers the whole civil service of Lagos State, and it was restricted to four ministries which are Ministry of Works and Infrastructure, Ministry of Environment, Ministry of Transport, and Ministry of Finance. A total of 10 agencies were selected. These include: (1) Ministry of Transport—Lagos Motor Vehicle Administration Agency (MVAA), Lagos State Transport Management Agency (LASTMA), and Lagos Metropolitan Area Transport Authority (LAMATA); (2) Ministry of Works and Infrastructures—Lagos Building Investment Company (LBIC) and Lagos State Public Works Bureau (LSPWB); (3) Ministry of Environment—Lagos State Waste Management Agency (LAWMA), Lagos State Garden and Parks (LSGP), and Lagos State Signage and Advertisement Agency (LASAA); and (4) Ministry of Finance—Lagos Internal Revenue Service (LIRS) and Lagos State Land Bureau (LSLB).

The estimated population of workers in the sampled population stood at 9,950 and a simple random sampling technique was used in selecting respondents from each of the selected agencies with a simple fraction of 7.17% bringing the sample size to 713 (see Table 1).

Table 1

Selected Ministries/Agencies in Lagos State With Estimated Study Population and Sample Size

Ministries	Agencies	Estimated population	Sample size
Transport	Lagos State Motor Vehicle Administration Agency (MVAA)	600	43
	Lagos State Transport Management Agency (LASTMA)	1,500	108
	Lagos Metropolitan Area Transport Authority (LAMATA)	1,250	90
Works and infrastructure	Lagos Building Investment Company (LBIC)	300	21
	Lagos State Public Works Bureau (LSPWB)	1,400	100
	Lagos State Waste Management Agency (LAWMA)	1,950	140
Environment	Lagos State Garden and Parks (LSGP)	300	21
	Lagos State Signage and Advertisement Agency (LASAA)	1,050	76
Finance	Lagos Internal Revenue Service (LIRS)	1,300	93
	Lagos State Land Bureau (LSLB)	300	21
Total		9,950	713

Participants and Procedure

The study employed the survey method of research. The survey instruments are questionnaire and in-depth interview. The questionnaire has 29 items which were administered to a sample of 713 respondents obtained using stratified sampling technique. The stratified sampling was used to ensure that different groups in the population are adequately represented in the sample. The population was divided into senior and junior staff categories. Purposive sampling was employed to select specific functionaries that are critical for the study across the various agencies.

All the respondents involved in the study are employees working in the various agencies in Lagos which play a vital role in the socio-economic development of the country. A list of all the agencies was compiled from Lagos State Ministry of Information.

A pilot study was conducted to test the reliability of the research instrument. The research instrument was administered to five respondents drawn from Lagos State Environmental Protection Agency (LASEPA), the result of the pilot test was subjected to Statistical Package for Social Science (SPSS) computation and the Cronbach alpha value of 0.864 was obtained (see Appendix I). The reliability co-efficient of 0.70 or higher is considered to be appropriate in most social science research situation.

Questionnaire was administered to the 713 respondents, as stated as follows: 43 respondents drawn from Lagos State Vehicle Administration Agency (MVAA), 108 respondents from Lagos State Transport Management Agency (LASTMA), 90 respondents from Lagos State Metropolitan Area Transport Authority (LAMATA), 21 respondents from Lagos Building Investment Company (LBIC), 100 respondents from Lagos State Public Works Bureau (LSPWB), 140 respondents from Lagos State Waste Management Agency (LAWMA), 21 respondents from Lagos State Garden and Parks (LSGP), 76 respondents from Lagos State Signage and Advertisement Agency (LASAA), 93 respondents from Lagos Internal Revenue Service (LIRS), and 21 respondents from Lagos State Land Bureau (LSLB).

The questionnaire was attitudinal in nature and developed by the researchers. It is divided into two parts. The first part seeks demographic information such as sex, age, educational qualification, marital status, and service age. The second part was measured on a five-point Likert-type scale, measuring two concepts: agencification and public service delivery.

In-depth interview was conducted with general managers, deputy general managers, managing directors, deputy managing directors, directors, and deputy directors in each of the selected agencies as well as some randomly selected citizens who are customers of these agencies.

Secondary data were sourced from relevant textbooks, academic journals, newspaper cuttings, official documents, and publications of the agencies which are published periodically as well as office records.

Analysis of Data

The responses to the questions in the questionnaire provided the basis for the following analysis. To analyse the data, descriptive statistical technique (including adjusting descriptive tables, frequency and simple percentage), factor analysis, regression analysis, and correlation coefficient were used. All the statistical analysis was conducted by using SPSS 18.0 for Windows. Content analysis of responses from interview was done.

Hypothesis 1: The introduction of agencification has not improved the performance of public sector organizations in Lagos State.

Factor Analysis

A factor analysis was performed to identify the introduction of agencification as it will improve the performance of public sector organizations in Lagos State. The table shows KMO (Kaiser-Meyer-Olkin) measure of sampling adequacy. The rule of the thumb is that the KMO coefficient must be greater than 0.5 for samples selected to be deemed adequate. The value in table is 0.720 which confirms the suitability of the data from this measure for factor analysis. The authors also use the Bartlett's test of sphericity to determine the test of independence to know if the introduction of agencification has improved the performance of public sector organizations in Lagos State. The Bartlett's test gave a value of 0.000 which is less than 0.05, this means that the authors reject the hypothesis and accept that the introduction of agencification has improved the performance of public sector organizations in Lagos State (see Table 2).

Table 2

KMO and Bartlett's Test of Introduction of Agencification and Performance of Public Sector Organizations in Lagos State Variables

KMO and Bartlett's test		
KMO measure of sampling adequacy		0.720
	Approx. chi-square	2,011.998
Bartlett's test of sphericity	Df	36
	Sig.	0.000

Note. Source: SPSS Output (2014).

Hypothesis 2: Agencification of public service delivery has no influence on transparency and accountability in Lagos State.

A factor analysis was performed to identify agencification of public service delivery as it will influence on transparency and accountability in Lagos State. The table shows KMO measure of sampling adequacy. The rule of the thumb is that the KMO coefficient must be greater than 0.5 for samples selected to be deemed adequate. The value in table is 0.843 which confirms the suitability of the data from this measure for factor analysis. The authors also use the Bartlett's test of sphericity to determine the test of independence to know whether the agencification of public service delivery has influenced on transparency and accountability in Lagos State or not. The Bartlett's test gave a value of 0.000 which is less than 0.05, this means that the authors reject the hypothesis and accept that agencification of public service delivery has influenced on transparency and accountability in Lagos State (see Table 3).

Table 3

KMO and Bartlett's Test of Agencification of Public Service Delivery on the Effect of Transparency and Accountability in Lagos State

KMO and Bartlett's test		
KMO measure of sampling adequacy		0.843
	Approx. chi-square	1,764.337
Bartlett's test of sphericity	Df	28
	Sig.	0.000

Note. Source: SPSS Output (2014).

Hypothesis 3: The participation of professionals in public service delivery does not enhance productivity in the public sector.

The table depicts that a positive relationship between the participation of professionals in public service delivery enhances productivity in the public sector. The coefficient of determination (R^2) is 0.315. This indicates that the participation of professionals in public service delivery only accounts for 31.5% of the variation in productivity in the public sector, while the remaining 69.5% in the productivity in the public sector is explained by other factors mentioned above. Also, a brief look at the adjusted R^2 value of 31.4% indicates that after removing the effect of insignificant regressor (participation of professionals in public service delivery), about 69.6% variation in the productivity in the public sector is still not accounted for by participation of professionals in public service delivery. This value is low indicating that the participation of professionals in public service delivery inconsequentially contributes to the productivity in the public sector. This means that the style of leadership among agencies in Lagos State is not participatory enough. Since the productivity of the public sector is not attributed to the directors but also the low level managers and employees (see Table 4).

Table 4

KMO and Bartlett's Test of the Participation of Professionals in Public Service Delivery

Model summary				
Model	R	R square	Adjusted R square	Std. error of the estimate
Dimen 1 Sion 0	0.561 ^a	0.315	0.314	0.56247

Notes. ^apredictors: (constant), participation of professionals in public service delivery. Source: SPSS Output (2014).

The table depicts the results of the statistical of significance of the regression analysis. This tests the null

hypothesis that correlation coefficient R in the population equals 0 (Pallant, 2007). The larger the F -ratio, the more the variance in the dependent variable is explained by the independent variable. In this study, the F -ratio (ANOVA) is 327.211, thereby indicating that the model is highly significant at the 0.000 level as compared with the level of significance of 5%. This implies that the participation of professionals in public service delivery enhances productivity in the public sector (see Table 5).

Table 5

Statistical Significance of Regression Analysis on Participation of Professional in Public Service Delivery

ANOVA ^b						
Model		Sum of squares	Df	Mean square	F	Sig.
1	Regression	103.520	1	103.520	327.211	0.000 ^a
	Residual	224.939	711	0.316		
	Total	328.459	712			

Notes. ^a predictors: (constant), participation of professionals in public service delivery; ^b dependent variable: productivity in the public sector. Source: SPSS Output (2014).

As revealed in the table, the regression coefficient of the participation of professionals in public service delivery is 0.545 while that of the constant is 1.671. These coefficients are statistically significant at 5% level. This means that the participation of professionals in public service delivery enhances productivity in the public sector. This assertion is correct as the t -value of participation of professionals in public service delivery and the constant are well above ± 2 (see Table 6).

Table 6

T-Values of Participation of Professionals in Public Service Delivery

Coefficients ^a						
Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	(Constant)	1.671	0.108		15.450	0.000
	Participation of professionals in public service delivery	0.545	0.030	0.561	18.089	0.000

Notes. ^a dependent variable: productivity in the public sector. Source: SPSS Output (2014).

Discussion of Findings

The purpose of this study is to examine agencification and public service delivery in Nigeria: an empirical study of selected public agencies in Lagos State. The findings from Hypothesis 1 revealed that agencification of public service delivery has improved the performance of public sector organizations in Lagos State. The finding corroborated with the findings of studies carried out by Sulle (2008) and Batley (2004) shows that agencification was an attempt to overhaul civil service management systems, practice, and performance culture so as to have a meritocratic and a well performing public service. After all, the government may not have that capacity to develop the most relevant performance objectives. Agencies are more trusted to play this role because they have been in the fields in which they operate. They therefore know better what works in the ground.

The result of Hypothesis 2 confirmed that agencification of public service delivery has influenced on transparency and accountability in Lagos State public sector. In line with this finding, OECD (2005, p. 108) stated that agencification increased efficiency, strengthened and clarified responsibility and accountability lines,

which brings about a more service oriented administration placed closer to citizens. Miroslav (2002) in his study explains that the major problem of core ministries is that accountability frameworks/mechanisms for executives within the civil service are not strictly monitored or followed and this has resulted in inefficiency in service delivery. He also noted that accountability framework is often taken over by the political heads.

The result of Hypothesis 3 shows that the participation of professionals in the agencification of public service delivery enhances productivity in Lagos State public sector. This finding adds to the testament of Pollitt et al. (2004) that creation of autonomous agencies led by professional managers is an idea antithetical to bureaucratic system. In the same vein, OECD (2005) noted that agencification increases efficiency through a more encouraged and professional administration, and a more service oriented administration which placed closer attention to the citizens. This is also in agreement with the idea of Aisha and Muhammad (2010) that policy formation should be handled by slimmed and trimmed "core executives", while policy implementation should be carried out by professional executive agencies with considerable managerial freedom and an extensive duty to report to the core of the results of their performances.

The findings of the study reveal that there is lack of human resources capacity, inadequate financial management skills, and poor management of service providers, and the environment of the people of Lagos State is not considered in the conception and the implementation of the service-delivery-driven agencies.

It is further discovered through personal interviews conducted with senior officials of these agencies that the level of corruption among the agencies officials is still very high. Many officials were said to have been summarily dismissed as a result of allegation of bribery and corruption against them. For instance, the LASTMA officials often indulge in extortion to free the committal from traffic offences. It has also been alleged that the officials of Kick Against Indiscipline (KAI) in the Ministry of Environment are highly corrupt. Moreover, the findings of the study reveal that many people could not benefit from some of the services being provided by these agencies, because the cost of such services is highly prohibitive.

Finally, due to scarcity of resources, many areas in the state are not adequately covered in the area of provision of service delivery by the agencies. Respondents interviewed claimed that there is over-concentration of service delivery on the Lagos Island against the mainland areas.

Concluding Remarks

Agencification can be considered as a good move intended to address the inadequacies of urban local governance and to tap the advantages of new public management doctrines. The current mode of operations indeed has traces of elements such as a more "hands-on" management where more active control is visible from top managers wielding discretionary power to affect decisions, there are some explicit performance indicators in terms of city cleanliness, road maintenance, and law enforcement which may suggest a focus on value for money when technically evaluated (Gerald & Kyohairwe, 2012).

Creation of the autonomous bodies studied, revolved around two main reasons: One is the international trend and policies of international financial institutions; the other is to provide a professional goal-oriented environment to the agencies, thus rendering insulated regulation and monopoly control and to enhance efficiency of the service delivery organizations in various policy sectors.

The study therefore recommends that the styles of leadership adopted in each of these agencies should be more participatory so as to engender efficient service delivery to the citizens of the state. In addition, based on the findings of this study, it is recommended that more agencies should be created from some core ministries in

the state that are still highly inefficient in the provision of service delivery to the populace. This will encourage the participation of more professionals with considerable managerial freedom, and consequently improve productivity in the public sector. Government should reduce urban and rural unemployment by creating additional agencies which can improve service delivery system in the state.

Cases of corruption have maligned the image of most of these agencies. Widespread malpractice and corruption have often been reported among the officials of these agencies. This is one of the reasons why Nigeria is adjudged as one of the most corrupt nations of the world. Therefore, more anti-corruption institutions should be established to prosecute all cases of corruption and bribery among the officials of these agencies.

References

- Aisha, R., & Muhammad, Z. I. J. (2010). Agencification in Pakistan: A comparative study of regulatory and service delivery agencies. Proceedings from *the EGPA Conference*, September 7-10, Toulouse, France.
- Araújo, J. F. F. (2000). Improving public service delivery: The crossroads between agencification and traditional bureaucracy. Proceedings from *the International Research Symposium on Public Management IV*, September 3-6, IRSPM, Barcelona.
- Batley, R. (2004). The politics of service delivery reform. *Development and Change*, 35(1), 31-56.
- Bennett, C. J. (1997). Understanding ripple effects: The cross-national adoption of policy instruments for bureaucratic accountability. *Governance (An International Journal of Policy and Administration)*, 10(3), 213-233.
- Boston, J., Martin, J., Pallot, J., & Walsh, P. (1996). *Public management: The New Zealand model*. Auckland: OUP.
- Bouckaert, G., & Peters, G. (2004). Ministries, agencies and other structures: Alternative models of linkage and performance. Proceedings from *the International Research Symposium on Public Management IV*, IRSPM, Barcelona.
- Brodsgaard, K. E. (2011). *Globalization and public sector reform in China*. China: Routledge.
- Christensen, T., & Lægreid, P. (2001). New public management: The effects of contractualism and devolution on political control. *Public Management Review*, 3(1), 73-94.
- Christensen, T., & Lægreid, P. (2004). Governmental autonomisation and control: The Norwegian way. *Public Administration and Development*, 24(2), 129-135.
- Egeberg, M., & Trondal, J. (2010). Agencification and location: Does agency site matter? *Public Organization Review*, 11(2), 97-108.
- Eisenhardt, M. K. (1989). Agency theory: An assessment and review. *Academy of Management Review*, 14(1), 57.
- Enahoro, J. A., & Olabisi, J. (2012). Tax administration and revenue generation of Lagos State government, Nigeria. *Research Journal of Finance and Accounting*, 5(3), 155.
- Federal Republic of Nigeria. (1999). *The 1999 Constitution of Federal Republic of Nigeria*. Lagos: Federal Government Press.
- Federal Republic of Nigeria. (2001). *Guidelines on public service reforms*. Lagos: Federal Government Press.
- Gerald, K. K., & Kyohairwe, S. B. (2012). Organizational puzzles of agencification: A Kampala city council authority case, Uganda. *The Journal of African & Asian Local Government Studies*, 12(3), 18-34.
- Holmes, M., & Shand, D. (1995). Management reform: Some practitioner perspectives on the past ten years. *Governance (An International Journal of Policy and Administration)*, 8(4), 551-578.
- Hood, C. (1995). The new public management in the 1980s: Variations on a theme. *Accounting, Organizations and Society*, 20(2-3), 93-109.
- James, O. (2005). Performance target for executive agencies and public sector externalities in the UK. In G. Drewry (Ed.), *Contracts, performance measurement and accountability in the public sector*. Amsterdam: IOS Press.
- Lagos State Government. (2010). *Lagos State public service management charter*. Lagos: Government Printers.
- Larbi, A. (1998). The new public management approach and crisis state. UNRISD discussion paper No. 112. Geneva: United Nations Research Institute for Social Development.
- Majone, G. (1994). The rise of regulatory state in Europe. *West European Politics*, 17(3), 139-167.
- Miroslav, B. (2002). Understanding the waves of agencification and the governance problems they have raised in central and eastern European countries. *OECD Journal on Budgeting*, 2(1), 121-139.
- OECD (Organization for Economic Co-operation and Development). (2005). *Modernizing government: The way forward*. Paris: OECD Publishing.

- Pallant, J. (2007). *SPSS survival manual: A step by step guide to data analysis using SPSS for Windows* (3rd ed.). Crows Nest: Open University Press.
- Pinto, R. F. (1998). Innovations in the provision of public goods and services. *Public Administration and Development*, 18, 387-397.
- Pollitt, C., & Talbot, C. (2004). *Unbundled government: A critical analysis of the global trend to agencies, quangos and contractualisation*. London: Routledge.
- Pollitt, C., Bathgate, K., Caulfield, J., Smullen, A., & Talbot, C. (2001). Agency fever? Analysis of an International Policy Fashion. *Journal of Comparative Policy Analysis: Research and Practice*, 3(3), 271-290.
- Pollitt, C., Talbot, C., Caulfield, J., & Smullen, A. (2004). *Agencies: How governments do things through semi-autonomous organizations*. Houndmills: Palgrave Macmillan.
- Rizwan, A., & Jadoon, M. Z. (2010). Agencification in Pakistan: A comparative study of regulatory and service delivery agencies. Proceedings from the *EGPA Conference*. September 7-10, Toulouse, France.
- Sulle, A. S. (2008). Executive agencies in Tanzania: A descriptive analysis. Paper prepared for the cost action: Comparative research into current trends in public sector organizations. June 3-4, (CRIPO) Utrecht University.
- Sulle, A. S. (2011). *Agencification of public service management in Tanzania: The causes and control of executive agencies*. Retrieved from http://soc.kuleuven.be/io/pubpdf/Sulle_2011_PhD_Tanzania.pdf
- Thynne, I. (2003). Making sense of organizations in public management: A back-to-basics approach. *Public Organization Review*, 3(3), 317-332.
- Thynne, I. (2006). Statutory bodies: How distinctive and in what ways? *Public Organization Review*, 6, 171-184.
- Verhoest, K., Peters, B. G., Bouckaert, G., & Verschuere, B. (2004). The study of organizational autonomy: A conceptual review. *Public Administration and Development*, 24(1), 101-118.
- Verschuere, B. (2004). Autonomic and behavioral responding to concealed information: Differentiating defensive and orienting responses. *Psychophysiology*, 41, 461-466.
- Verschuere, B. (2007). The autonomy—Control balance in Flemish arm's length public agencies. *Public Management Review*, 9(1), 107-133.
- Wettenhall, R. (2005). Agencies and non-departmental public bodies: The hard and soft lenses of agencification theory. *Public Management Review*, 7(4), 615-635.

Appendix I

Reliability statistics	
Cronbach's alpha	N of items
0.864	28

Appendix II

Agencies in Lagos State

- (1) Lagos State Residents Registration Agency
- (2) Lagos Metropolitan Dev. & Governance Project
- (3) Lagos State Motor Vehicle Administration Agency
- (4) Lagos State Traffic Management Authority
- (5) Lagos Building Investment Company
- (6) Lagos State Emergency Management Authority
- (7) Lagos State Waterways Authority
- (8) Health Facility Monitoring & Accreditation Agency
- (9) Lagos State Internal Revenue Services
- (10) Lagos State Metropolitan Area Transport Authority
- (11) LAGBUS Asset Management Limited
- (12) Lagos State Number Plate Production Agency
- (13) Lagos State Drivers Institute
- (14) Agricultural Input and Supplies Authority, Ojo
- (15) Agency for Mass Education

- (16) Lagos State HIV/AIDS Control Agency
- (17) Lagos State Urban Renewal Authority
- (18) Lagos State Physical Planning and Dev. Authority
- (19) Lagos State Environmental Protection Agency
- (20) Lagos State Waste Water Management Agency
- (21) Lagos State Accident and Emergency Centre
- (22) Lagos State Task Force on Env. & Special Offences
- (23) Lagos State Infrastructure Maint & Reg. Agency
- (24) Lagos State Signage and Advertisement Agency
- (25) Lagos State Lands Bureau
- (26) Lagos New Towns Development Authority
- (27) Lagos State Planning & Environmental Monitoring Authority (LASPEMA)
- (28) Lagos State Infrastructural Maintenance & Regulatory Agency
- (29) Lagos State Signage and Advertisement Agency (LASAA)
- (30) Lagos State Parks & Gardens
- (31) Lagos State Water Regulatory Agency
- (32) Lagos State Procurement Agency