Auditing as a Vital Component to the Financial Management of Local Councils in Cameroon; the Case of Buea Rural Council

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Abstract: The lack of efficient and effective utilization of financial resources could destroy a municipal council. Proper auditing standards could help the city councils avert financial mismanagement from some unscrupulous individuals who are out to damage the reputation of the leaders and make their hard work unnoticed. This qualitative case study was on the premise that proper auditing could help reduce or eradicate financial mismanagement and consequently aid in the improvement of the business portfolio of the municipality for the benefit of all. A qualitative descriptive method was used, and twelve executives interviewed within the four local councils’ financial management structure. This article addressed two specific arguments: The first argument challenges the contention that the council must be managed according to the political party ideology to achieve goals and objectives. The second refutes the assertion that the council’s management, in line with the party’s ideology will enhance efficiency and productivity. The following research questions were addressed: RQ1: Who do you think is responsible for the financial management of councils? RQ2: What are the auditing structures and procedures in place within your council for proper transparency in the usability of finances? RQ3: What do you think; should we change or maintain the current system in place for the financial management within the council? RQ4: How can we address the issues of financial fraud within councils? RQ5: Who should we hold accountable for poor financial performance within the councils? Addressing those concerns and from the data gathered, it suffices to conclude that Georgopoulos pathway theory which is a bad managerial instrument practiced by some council staff should be avoided by management because it sees favoritism as path to success. Eroding dissatisfaction (Hygiene) and replacing it with satisfaction (motivation), Herzberg’s two factor theory will guide the management towards financial success.

Keywords: Auditing Approach, Financial Management, Planning, Budgeting, Financial Fraud

1. Introduction

The country of Cameroon has witnessed major reforms since independence to include competitiveness for success. Competitiveness is a measurable component of the world’s economic system which emphasizes the modification of existing economic development strategies. The local council’s contribution to the economic development of the country of Cameroon should be an unquenchable concern. This article focuses on the management of local boards with Buea Rural Council as a case study. The study challenges the contention made by opinion pools and councilor as to whether the administration of local councils should be geared towards political dispensation or on managerial expertise entrenched in a superb auditing process in pursuit to the organization’s financial objectives. Law No 74/23 of 5th December 1974 to organize councils defines council as a local regional and corporate body. It is a legal entity that enjoys financial autonomy. It manages domestic matters under state supervision is given the economic, social, and cultural development of the population. As such a council has several missions whose fulfillment requires the use of resources. Buea Rural Council, which is one of the oldest councils in the South West Region of Cameroon, and one of the five councils (Limbe Urban Council, Tiko Rural Council, Muyuka Rural Council, and Idenaue Rural Council) that
makes up Fako Division came to existence through decree No 77/203 of 19th June 1977 which set up councils and define their boundaries. Situated at the former West Cameroon Capital, BRC was controlled by the district head for Victoria District from its creation. Situated in the former West Cameroon capital, Buea council shares boundaries with Muyuka sub-division in the North, Tiko sub-division in the East, Limbe sub-division in the South, and Bamboko in Meme Division on the West. This council has practiced both a one-party system of politics as well as a multi-party system of politics. The town was founded in 1922 by Eyieh Njia Tama Lifanjo, a notable from Womboko (Bamboko), who went on a hunting expedition and found out that there were lots of animals at the foot of Mount Cameroon. He spent several days hunting and smoking his prey, on his return, he told the story to others and took several of them to settle in the area calling it “EGBEA EGBEA” meaning wonderfully great. The colonial masters who could not pronounce the word wrote it as Buea. That is how the name Buea originated. The indigents of Buea are known as the Bakwerians. With a vibrant touristic attraction (mountain), market (e.g., Muea, Buea, etc.), good demographic structure (age, population, etc.) which can improve the revenue generated but the council is still underdeveloped.

There are two specific arguments to address:
1. The first argument challenges the contention that the council must be managed according to the political party ideology to achieve goals and objectives
2. The second refutes the assertion that the council’s management, in line with the party’s ideology will enhance efficiency and productivity.

Despite governmental interventions to improve local governance, there are still major constraints hampering good governance, namely political posturing, and factionalism; corruption; lawlessness and poor service delivery, symptomatic of virtually all post conflict states. Reddy (2018) said that good local governance is an integral part of post conflict reconstruction and development and is key to building a new local government dispensation [12]. The assertions in this study were refuted on condition that they represent weak analysis as managerial tools as encapsulated by Georgopoulos pathway theory which is a wrong administrative instrument. This study will establish some managerial techniques used in managing local councils using empirical and historical evidence to delineate the following points:
1. When, Why, How, and Who should management councils’ affairs?
2. What are the responsibilities of council managers to their municipalities?

2. Problem Statement

The government of Cameroon created Urban and Rural councils to serve as decentralized agents of development at their various municipalities. Buea, the provincial headquarters of the South West Region with one of the oldest councils is still underdeveloped. The absence of sound financial management within the local council administrations resulted in lousy business decision making. Despite the income taxes collected and state subvention granted to councils yearly, Buea Rural Council has not been able to construct good farm to market roads, provide the public with streetlights, portable drinking water, payment of staff arrears, etc. The council is empowered by the law to impose direct and indirect taxes (income tax, market fees, parking taxes, liquor taxes, slaughter fees, etc.) on the inhabitants. The revenue collected from taxes could help in developmental projects such as providing refuse disposal tanks, water supply systems, electricity, health centers, the building of bridges, etc. There are other potentials for income generation within the municipality such as:
1. Fertile lands which favor the production of cash and food crops by individual and corporations
2. Green forest which can serve as touristic sites

Despite all these available physical, natural, and human potentials, the management team of the council has not been able to organize and take care of their financial obligations and responsibilities. This lack of development potentials could be studied by evaluating the management of the council’s finances looking at the income statement and the auditing techniques put in place to erode fraud. Hinke et al. (2020) summarized that the distinctive main roles of external audit (to increase the reliability of financial statements published by the company management) and internal audit (to ensure the effective functioning of the company based on good organization of work), is conditional on functional internal organizational structure, economy of operation, property protection, and effective use of funding sources [5]. Fiscal distress has been plaguing municipalities for decades and financial mismanagement has been identified as one of the primary causes of this distress. Swisher (2016) demonstrated that auditors have cited repeatedly the lack of oversight by the city council, a lack of proper accounting records, and poor cash handling practices which are measure concerns [15].

3. Literature Review

Ojo (2018) explained that finance is immensely talented in the running of organizations or governments. Local governments need financial resources to carry out their constitutional responsibilities about providing social services as well as mobilizing available resources for active rural development and good governance at the grass root level. However, the investigation revealed that the local government has performed below expectations because of poor fund management [9]. He concluded that there are three separate standards to local autonomy; the amount of responsibility devolved, the size and elasticity of resources assigned, and the degree of the discretion conferred. Local councils functioned through revenue generation, budgeting, development planning, provision of services and community mobilization. However, three primary texts define the
function, organization, and autonomy of local councils in the nation and supervision of the chambers with subsequent modifications as shown below:

1. Decree No. 77/91 of 5th March 1972 determining the powers of supervisory authorities over councils, council unions, and council institutions
2. Decree No. 90/1464 of 9th November 1990 to amend certain provision of Decree No. 77/91 of 25th March 1977
3. Decree No. 77/85 of 22nd March 1977
4. Decree No. 77/91 of 25th March 1977 to determine the supervisory powers over councils, council unions, and council establishment.

From opinion pool (primary data collected) there are all indications that productivity is eroding towards zero points since a wrong managerial instrument defined under Georgopoulos pathway theory was adopted. Managers can talk about the thrill of leaving the silver bullet overcoming tough odds and difficult opponents to save the day. There is a need for administrative control to ensure that local councils achieve their objectives. Świrska (2016) exemplified that search for optimal solutions in the sphere of local governments’ financial management and the implementation of new tools causes an increase in the efficiency of financial management at local and central levels, an increase in the rational use of public resources’ management, a transparency of expenditures, and above all, an improvement in the efficiency of public tasks that the state and local governments carry out for their citizens [14].

Overview of the Finance Division of Local Councils

Davies (1992) has been able to bluntly express his conviction that only by introducing more private company practices into public services will councils become responsive to their customers and avidly pursue efficiency and quality [1]. While a party publication on local government (1991) argues that one of the fundamental principles for local government change is that: internal and external mechanisms must be put in place to ensure councils provide services efficiently and cost-effective [7]. Financial profitability requires proper management and to be able to operate well; it needs revenue. Thus, the business division of the local council is an important concept to be analyzed.

Management System

The public administrator, being the supervisory authority of the council and at the same time, the Government representative at various levels of jurisdiction acts as the Chief in command or overseer of all Government units under his area of leadership. The organization and control of council finances are central to the management of an authority. Notwithstanding various other aspects of the planning and decision-making process, the budget represents the most concrete and explicit statement of what the organization hopes to do and achieve in current and future years. It is a quantitative expression of the plans of the organization. Managers should make use of counseling techniques by observing the following points: Develop relationships, Define the problem(s), Determine goals, Decide plan of actions, Do follow up and listen to the employee's viewpoint, experiences, sentiments, etc.

From the five D’s, a proper channel of communication put in place will help facilitate the financial management of good stewardship.

Definition of Terms

1. Finance: The practice of manipulating and managing money. The capital involved in a project, especially the capital that must be raised to start a new business.
2. Management: it is a social process entailing responsibility for the effective and economic planning regulating the operation of an exercise in the fulfillment of a given purpose.
3. Budget: a financial or quantitative statement prepared before a specified accounting period, containing the plans and policies to execute during the period.
4. Administrative account: a report showing clearly to what extent the mayor must perform the previous budget. Thus, it is inspired by the budget.
5. Management accounting: the techniques used to collect, process, and present financial and quantitative data within an organization to enable effective scorekeeping, cost control, planning, pricing, and decision making to take place.
6. Subsidies: a grant made by a government to an ally in a time of war or to an industry that needs financial help.
7. Revenue: Law No 74/23 of 5th December 1974 to organize councils defines revenue as the income generating activities of the council such as market tolls, park fees etc.

Council’s Mobilized Funds

Decree No 77/20 of 23/3/77 gave councils the authority to collect direct taxes such as:

1. Liquor license: this tax is levied in areas where councils control liquor taxes.
2. Garbage collection service tax: this tax is levied in areas where councils bear the cost of providing garbage tanks to the population.
3. Water tax: which may be levied in areas where there are public and common water taps in points and in areas where the councils bear the cost of the water supply system.
4. Municipal ambulance tax: This is levied in areas where the council bears the cost of the ambulance.

Other direct taxes are the income tax and turnover tax. The 1995/96 finance law out lined some indirect taxes as council mobilized funds, which is also defined and regulated by the 1974 council law (Art 98-108):

1. Market fee: shall be charged on traders and casual vendors occupying places in municipal markets and along the streets in the municipality.
2. Motor park fee: The said fee shall be payable quarterly in advance in the council in which the carrier is domiciled.
3. Parking tax: Payable by operators of Urban public
transports vehicles. As counterparts the council shall provide suitable parking places at assembly points such as stations, offices, factories, and markets.

4. Slaughterhouse tax: It is payable by butchers on cattle slaughtered on the slaughterhouses provided by the council.

The council may charge the fees for occupation of the highway displays or deposits of materials such as sand, stones, and timbers.

1. Advertising tax: shall be levied on advertising posters, banners, vehicles with loudspeakers placed on the premises for gain.
2. Entertainment tax: Relates to film shows, concerts, sporting events, dance hall, theatres etc.
3. Highway dilapidation tax: Payable by the users of machinery with weight that their movement damages the highway when such machinery has a proper traffic authorization.

Sources of funding

State: From the state, the following findings can be made available to the council such as grants, subsidies, and loans on foreign aids (e.g. World Bank, IMF)

Councils: These are revenue collected by the financial services of the state before being passed onto the councils:

1. Income from patent and licenses
2. Tax on firearms
3. Tax on the certification and matriculation of vehicles and motorcycles
4. Direct communal taxes

Grants are aimed at:

1. To relieve the rates especially where a service is imposed on local authorities by Government policy
2. To encourage the provision of new services
3. To equalize the resources of local authorities

The sources of income discussed above are available to meet the revenue expenditure of local authorities that is their current cost and outgoing. Jones and Beattie (2015) explained that given the constraints on funding sources councils need to have in place a range of strategies and policies capable of providing good governance and must appropriately discharge their financial accountability. Accountability is seen as an essential component of good management and practice; particularly as local councils have the responsibility and duty of managing public money [6].

To finance capital expenditure, the council need loans. The general power to loan money by borrowing is given to local councils in their capacity as a legal personality. Council’s loans are essentially contracted with the special council’s fund for mutual assistance that is the special fund for equipment and assistance to council (FEICOM). The fund gives loan to councils for investment and financing of council’s projects. The credit could take the form of a subvention or a loan. Despite all the autonomous powers enjoyed by the local councils in Cameroon, it should be noted that there are certain setbacks that hinders the smooth functioning of the local council freely thus limiting the council’s autonomy. With the several changes of leadership it has been observed that professionalism and departmentalism are a great strength of local government and a great weakness. The challenge of effectively managing a changing council is going to become ever more central for those making careers in local government. Agriculture is the main economic activity in this sub-division.

Many crops can be grown on the land such as yams, cassava, plantains, cocoyam, cocoa, coffee, etc. theses crops are cultivated on an individual small holding as well as organized company such as the Cameroon Development Corporation (C. D. C.). the people of the South West Region, which are the Bakwerians have a culture like that of the Douala people in the Littoral Region. They dress in loin cloth and hats for men and gown (Carba Ngondo) for the women. They have various types of dances that vary from village to village such as Liengu dance, Nganya dance, just to name a few. Since the local authorities are funded through the taxation, their operations must be monitored to keep in line with the budget.

Analyzing a successful council in South Africa, Oosthuizen and Thornhill (2017) Pinpointed that municipalities must take responsibility for adhering to the requirements of the MFMA to manage their budgets. They must address the Auditor-General’s findings to constantly aim at improving their financial performance [10]. Regular monitoring of municipal IDPs must take place to ensure that funding is allocated according to project plans and linked to performance and the budgets of the municipalities. They concluded that a task team initiated by the Minister of Finance in 2013 to review the MIG system states that sustainability of municipalities depends on their capacity to manage grant-funded infrastructure. However, Maclean (2014) noted that not all local governments have effective and operational audit units and committees. As a result, auditing is not used as an essential element of good governance and this leads to bad audit outcomes like disclaimers and adverse opinions. The municipal manager and chief financial officer of a municipality and municipal entity must prepare and submit financial statements for auditing and produce annual reports [8].

4. Objective of the Study

The objective of this study was:

1. To investigate how income generation from Buea Rural Council is managed
2. To look at the sources of revenue and how it is being collected and accounted for
3. To provide the provide practical field research experience in identifying problems of Rural Councils.

This study was carried out within the area of the jurisdiction of Buea Rural Council of the South West Region (State) Cameroon. The study focused specifically on the management of the Buea Council.

Research Questions

1. RQ1: Who do you think is responsible for the financial management of councils?
2. RQ2: What are the auditing structures and procedures in
place within your council for proper transparency in the usability of finances?
3. RQ3: What do you think; should we change or maintain the current system in place for the financial management within the council?
4. RQ4: How can we address the issues of financial fraud within councils?
5. RQ5: Who should we hold accountable for poor financial performance within the councils?

This chapter was devoted to providing historical background and introduction of the local councils. A statement of the problems necessitating the research was presented with the objective of the study exposed.

5. Research Methodology

It will not be possible to carry out any meaningful research within the Buea municipality without understanding the importance of the geographical features and the activities of the population. Osuala (1993) states that the more we understand a problem and how to tackle it, the more adequate the study can be planned and carried to a successful completion. Adequate planning of the study involves research design. Adequate planning of the study involves research design [11].

Research design is a plan that specify how data for the research should be collected and analyzed during the conduct of the research. It provides a plan for the study of the research problems and dictates the boundaries of the research activities. It also enables the researcher to channel his ideas to specific directions and to anticipate potential problems in the implementation of the study. This study adopted a descriptive qualitative case study approach to ensure effective diagnosis of the relevant situations and concise recommendations suggested. Since findings are intrinsically related to the methods used in developing the findings, this chapter focused on the set of methods used in data collection and administration of questionnaires. The geographical features of an area determine its potentials for development. Buea municipality is one of those towns in the South West Regime that enjoys such rare features like good climates, fertile volcanic soils, evergreen tropical rain forest. From pre-colonial era, the Buea indigenes lived a harmonized life, depending on their farming and hunting for living. Their harvest and prey were exchange through a system of trade-by-batter which stabilizes their economy. The colonial era paved the way for the creation of an administrative unit in Victoria, headed by an administrative officer and assisted by a council of six members. It was the German-Douala agreement on 14th July 1884 that gave birth to this. The British colonial master master came with an action based on indirect rule with the management of local councils as its major characteristic. This explain why the British Government set up Native Courts in 1922. The pre-colonial era came with the Government in place after 1960 appointing district officers to supervise affairs of local authority which became local council in 1966. Maps were drawn, and boundaries shown to avoid trespasses. The district head worked according to the plan given to them by their superiors.

Participant Selection

The participants were contacted by phone and email for permission to be part of the research at will. Thirty respondents participated in the research with the least holding a high school diploma and five years of work experience.

Data Collection

To study the data from a micro standpoint I used the case study with Interview, observations, and a document reviewed. A semi-structured interview with questionnaires was administered to the executives. Case study research as a strategy for methodological exploration, according to Flyvbjerg (2011) "has been around as long as recorded history" [2]. Harrison, Birks, Franklin, and Mills (2017) reiterated that researchers who have contributed to the development of case study research come from diverse disciplines and their philosophical underpinnings have created variety and diversity in approaches used [4]. However, the fraud triangle was used to explain the evidence gathering. Frank (2017) explained that the fraud theory approach provides a systematic way of gathering evidence by making assumption of possible financial statement misrepresentations based on facts gathered and developing evidence to prove or disprove the assumption [3]. American criminologist Donald Cressey developed a theory known as the Fraud Triangle that explains the factors that lead to fraud and other unethical behavior. The theory is the fraud triangle as developed by American criminologist Donald Cressey.

6. Data Analysis

The quest of this research was to understand through investigations how the finances of the local councils are being managed, audited, and controlled. Fifty questionnaires were randomly administered amongst the administrative, financial, and accounting staff but only thirty was returned correctly answered. The analysis was based on the thirty properly answered questionnaires, interviews, and observations.

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Council</td>
<td>10</td>
<td>33</td>
</tr>
<tr>
<td>Rural Council</td>
<td>14</td>
<td>47</td>
</tr>
<tr>
<td>Other experts</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data

Table 1 reveals that out of 30 respondents 10 (33%) was from the urban council, 14 (47%) was from the rural council, and 6 (20%) was from other experts (supervisory bodies).
sex with 22 (73%) as males and 8 (27%) being females, which implied that more males are local government administrator/executive/staff etc. than female.

Table 3. Distribution according to longevity of service.

<table>
<thead>
<tr>
<th>Longevity of service</th>
<th>Frequency</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 10 years</td>
<td>20</td>
<td>67</td>
</tr>
<tr>
<td>10-20 years</td>
<td>7</td>
<td>23</td>
</tr>
<tr>
<td>Above 20 years</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data

Table 3 indicated that 20 (67%) of the respondents had served for less than ten years, 7 (23%) of the respondents had served between 10-20 years, while 3 (10%) of the respondents had served above 20 years. It indicated that many of them came up to the rank of administrators because of the longevity of service, promotions, and political appointment/election.

Table 4. Distribution of respondents according to level of education.

<table>
<thead>
<tr>
<th>Level</th>
<th>Frequency</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>5</td>
<td>16.7</td>
</tr>
<tr>
<td>Bachelors</td>
<td>15</td>
<td>50</td>
</tr>
<tr>
<td>Masters</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data

Table 4 indicated that 5 (16.7%) of the respondents had a high school, 15 (50%) of the respondents had bachelors, while 10 (33.3%) of the respondents had a master’s degree. It indicated that many of them are well educated to manage the council’s financial affairs.

Table 5. Distribution of respondents as being knowledgeable in financial activities.

<table>
<thead>
<tr>
<th>Financial knowledge</th>
<th>Frequency</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>26</td>
<td>86.7</td>
</tr>
<tr>
<td>No</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data

Table 5 indicated that 26 (86.7%) of the respondents had excellent financial knowledge, while 4 (13.3%) of the respondents had no business knowledge. It indicated that most of them had been financially trained to manage the resources.

Table 6. Suggestions on improving financial management of local council.

<table>
<thead>
<tr>
<th>Option</th>
<th>Frequency</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEFAM training for all</td>
<td>20</td>
<td>66.7</td>
</tr>
<tr>
<td>Sensitization campaign</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>Finance Seminars for all</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data

Table 6 indicated that 20 (66.7%) of the respondents think that CEFAM training for all will help to improve their financial knowledge, 4 (13.3%) of the respondents believes in sensitization campaign, while 6 (20%) of the respondent’s finance seminars for all. It indicated that CEFAM would be the best place to train excellent finance council workers.

Table 7. Responses of relation between income and expenditure.

<table>
<thead>
<tr>
<th>Category for responses</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>4</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Middle Management</td>
<td>7</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Others</td>
<td>12</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>7</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: Field data

Table 7 indicated that 23 (76.7%) of the respondents believed that there is a correlation between the income and expenditure, while 7 (23.3%) of the respondents were not in agreement. It indicated that it is essential to control the income and expense of proper financial management.

6.1. Interpretation of Findings

1. CEFAM school is the best to train all council finance workers.
2. Revenue and expenditure must be given special attention through proper auditing to preclude fraud.
3. There should be periodic sensitization campaign on the dangers of financial fraud and finance seminars organized to refresh the knowledge of the leaders on council financial management.

6.2. Recommendations for Action

1. There should be a quarterly audit on the council’s finances to address any discrepancies.
2. There should be a periodical update of all software, training to those in key finance positions, and hiring of consultants to help if need be to present a clean report that is satisfactory and transparent to the stakeholders.
3. Those in charge of collecting council revenue must take an oath of honesty to preclude themselves from all forms of fraud, bribery, and corruption.
4. After the key officials leave their positions (political or administrative), they should still be held accountable for their actions for at least three years of an ongoing investigation.

6.3. Recommendations for Future Research

1. Further research could be conducted on the various Mayors and their leadership styles and approach to uncover their contribution to the economy of the country and the building of their municipality.
2. Further research could be carried on investigating the council’s leadership skills and management of their income-generating activities to preclude the council from a budgetary deficit.

7. Conclusion

The Buea Rural Council, whose sole aim is to serve the municipality at large can achieve its objectives if the workers
are conversant with the expectancy theory. The management should be able to interpret the equity comparison and seek to understand the reason for negative equity which can reduce productivity to zero level. Georgopoulos pathway theory which is a bad managerial instrument practiced by some council staff should be avoided by management because it sees favoritism as path to success. However, Herzberg’s two factor theory should be used like a road map to a traveler always to be able to differentiate between factors that cause satisfaction (motivation) in the job and factors that cause dissatisfaction (Hygiene) in the job. Reed and Watmough (2015) hygiene factors describe factors that cause dissatisfaction in the workplace. They are usually extrinsic or independent of the work itself, such as politics, quality of leadership, relationships, job security, compensation, etc. [13]

If the above theories are studied and practiced by management of the Buea Rural Council, the council will be the leader in Fako Division.

Disclosure Statement

I have nothing to disclose.

References


