



ASSESSMENT OF PRIVATISATION AND COMMERCIALISATION OF PUBLIC ENTERPRISES IN NIGERIAN ABUJA ELECTRICITY DISTRIBUTION COMPANY (AEDC)

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ABSTRACT

Privatization and commercialization of Public Enterprises is believed to be a vital tool for the upliftment of a country's telecommunication sector, more especially the developing countries like Nigeria. Regrettably, the problems facing this commercialization program of the power sector are too numerous to mention: corruption, lack of transparency, inconsistency and incredibility to mention just a few. The incessant erratic power supply and its antecedent problems evoke this research work. This study therefore investigated effect of privatization and commercialization on the performance of Abuja Electricity Distribution Company. Four hundred community indigenes were sampled from Federal Capital Territory (FCT), Abuja. The study adopted survey research design. A self-constructed questionnaire was used for the study Data collected were analyzed using SPSS 26 for the descriptive and inferential statistics. Findings revealed that privatization and commercialization influence the performance of Abuja Electricity Distribution Company. Also, since privatization of the services of AEDC have improved quality of service delivery to customers, people now enjoy regular supply of electricity and other services such as effective regulation of tariffs and quality service, prompt response to faults and customers' complaint by AEDC staff now than before, low shading of power supply/distribution has drastically been minimized in FCT. It was recommended among others that government should endeavor to win over labour's acceptance of privatization by giving them ownership of shares in the enterprises, interaction with the unions as stakeholders is often a good strategy, strategic administrative re-engineering to enable electrical authority staff members interacts extensively with stakeholders in the exercise especially the staff and consultants of bidding firms, transparency and

accountability by the government and enabled credibility in consistency and communication among AEDC officials.

Key Words: *Privatization, Commercialization, Electricity, Distribution, Abuja.*

INTRODUCTION

To be able to transform national economy, enterprises has to be privately and commercially developed. The importance of establishing public enterprises or corporation began during the 19th century with the British telecom in 1884 under the telecommunication act and gained a worldwide support in Britain thereafter. Several nations particularly those in Africa, have come to embrace the principle as a way of eliminating low performance and inefficiency in the public enterprise sector (Obadan, 2000). An effective and steady power supply is critical to the sustainability of Nigeria's development path. According to FGN statistics, power outages cost Nigeria about 3% of its GDP annually. It is anticipated that the IPPs eligible for coverage under the Program could generate an additional 1,380 MW of power by 2016, thereby contributing to increasing the population's access to more reliable and affordable electricity (from 41% currently to 50% by 2016). The Nigerian economy has come to embrace commercialization as a cardinal principle of the state's economic policy. Over the years, the Nigerian government has encouraged the development of the public sector, since independence in 1960 and particularly 1970s, but has not been successful because of government attitude towards public enterprises business management. In Nigeria, most government owned industries and establishments remain citadels of corruption, marked by inefficient and constitute a heavy drain on the economy. As a means of combating this menace, the (IMF) and (World Bank) advocated for the policies of privatization and commercialization. This policies have been adopted by Nigerians and is embarking on it with frenzy. For example, Nigerian breweries changed from the most inefficient and loss-making company before privatization to one of the most profitable business in Nigeria (Igbuzor, 2005). Nigeria has more than 1,800 public enterprises at federal and state levels which can be categorized as: i. Public utility providing infrastructural services ii. Strategic industries such as petroleum and petrochemical, fertilizer plants, iron steel. iii. Economic/commercial enterprises such as manufacturing of consumer goods insurance, banks and hotel, and iv. Departmental/stationary boards designed to serve specific socials or development roles as university and research institutes (Ake, 1981). However, according to Otenuga (2005) government's desire to

commercialize tele- communication sector in Nigeria is not new. Nigeria's Public Enterprises are generally corporate entities other than ministerial departments; they derive their existence from special statutory instruments and engage in business type of activities to provide goods and services for the cultural, social and economic upliftment of the citizen. These include corporation, authorities, boards, companies and enterprises so owned and operated (Jerome, 1999). The major objectives of privatization is giving more space to the private sector to function as the main engine of growth and at the same time, by downsizing and divesting inefficient public enterprises, save costs and generate more revenue, which are the cardinal arguments of privatization and commercialization. Nevertheless, the divestments and dismantling of Public Enterprises, have continued to play significant roles in many countries, both developed as well as developing especially in the Sub- Sahara Africa, the principal suppliers of social services, some relevant to the attainment of the Millennium Development Goals (MDGs), especially in the areas of employment generation due to the slow growth of the private sector, the main sources of employment in many countries such as Nigeria (Abubakar, 2011). These developments have necessitated painstaking and meticulous review of the role of the Public Enterprises in socio-economic development of countries. Several scholars (Abubakar, 2011; Nwoye, 2011) have argued that the current debate on public enterprises is no longer whether public enterprises have a role to play in national development, but on what that role should be and how it should be played. The reform agenda of Public Enterprises include, inter alia, the issues of management, structures, and performance monitoring and feedback arrangements including exploring options of private/public partnerships etc, encapsulated in privatization.

However, increased corruption, management inefficiencies, overstaffing (without due regard to their economic viability, many government treated Public Enterprises as easy conduits for job creation and a convenient vehicle for patronage distribution), inflation and rising current account deficits of the 1980s, exposed serious government failures and the limits of public enterprises as major players in economic development. In addition to management deficits, many Public Enterprises also suffered from technological shortcomings. Imported through either foreign aid or soft loans from abroad, many of the Public Enterprises were either equipped with low or second grade machineries contributing to low capital/output ratio, or were established without due regard to their economic and financial sustainability, (Okoli, 2004). As a result of these failures, large-

scale privatization of public enterprises were undertaken in the 1980s and 1990s, with the vital support (if not inducement) of multilateral financial institutions as the possible way out of the shambles. The collapse of the Soviet Union also removed ideological and political barriers that hindered capitalist/market-oriented reforms, triggering a movement towards marketization and privatization. Available evidence shows that the performance of the public service in virtually all tiers of government in Nigeria has remained very dismal, hence the present state of underdevelopment (Abubakar, 2011). The dismal performance of parastatals and agencies of government, like the Nigerian Power Hold Company of Nigeria (PHCN) is very obvious in this regard (Adewale, 2011).

STATEMENT OF THE PROBLEM

Nigeria, like many African countries on attaining independence, embarked on establishment of public enterprises. The oil boom of the 70's further accelerated the growth of the public enterprises. Government presence was felt in virtually every aspect of the economy such that it became the largest producer, the largest consumer, the biggest employer, the biggest owner of property, the biggest investor, the biggest insurer and the biggest debtor'. However, by the 1980s, it was clear that a big mistake was done indicated by the common features of the public enterprises, which are huge annual losses, gross inefficiencies, low returns, mismanagement etc. All these necessitated a move towards competitive market system by the use of economic tools of domestic deregulation, privatization and commercialization. It is believed that privatization and commercialization of public enterprises is a vital tool for the upliftment of a country's power sector, more especially the developing countries like Nigeria. Regrettably, the problems facing this commercialization program of the power sector are too numerous to mention: corruption, lack of transparency, inconsistency and incredibility to mention just a few. The incessant erratic power supply and its antecedent problems evoke this work; especially the challenges posed to industrial productivity and the country's broader economic goals through the activities of AEDC over the years have been a great concern to the populace. The Nigerian populace consistent complaint of acute shortage in power supply and the attendant poor supply on account of increase in the vandalisation of electric power installations led to the government policies and yearning for reform. Nigeria power sector is underperforming and there is an urgent need for proper policy towards achieving a quality and continuous well-functioning electricity market in the

country. The increased of vandalism is beyond the control of the regulator and the industry operators. This has worsened power plants in the country. AEDC is unable to generate electricity due to shortage of gas supply to the thermal plants with one of the hydro stations faced with water management issue. The overall performance of the Nigeria Power (electricity) sector led to the privatization policy guidelines for achieving a world standard power market and sustainable development. This study therefore seeks to assess privatization and commercialization of public enterprises in with emphasis on Abuja Electricity Distribution Company at the Federal Capital Territory Abuja. The study was limited to consumers of electricity in Federal Capital Territory. Abuja and the period of study is from 2009-2022; it looked into the plausible policies and hiccups that hinders effective performance of the organization.

RESEARCH QUESTIONS: The following questions was addressed in this study: i. what is the effect of privatization on the performance of Abuja Electricity Distribution Company (AEDC)? ii. Why has the privatization/commercialization of AEDC not improved the service delivery to customers? iii. Has privatization been able to reduce wastage in the system and improve the efficient utilization of resources?

OBJECTIVES OF THE STUDY: The purpose of this study is to critically assess privatization and commercialization on the performance of Abuja Electricity Distribution Company (AEDC). Specifically, the study is to: i. Examine the effect of privatization on the performance of Abuja Electricity Distribution Company (AEDC). ii. To find out whether privatization/commercialization of AEDC has improved the services delivery to customers. iii. To determine whether privatization has been able to reduce wastage in the system and improve the efficient utilization of resources.

SIGNIFICANCE OF THE STUDY

This research work will help the government and readers to understand the benefits and implications of commercialization on Abuja Electricity Distribution Company. In understanding this on the side of the government, it will allow government to return and work towards real implementation of it and thereby creating a room for the rapid growth and development of this country. On the other hand, it will go a long way to create an avenue for more academic research. This study will be essential to the AEDC operators in order to curb the acute shortage in power supply,

to check acts of indiscipline among operators and consumers, as well as proactively improve the inability to generate electricity due shortage of gas supply to the thermal plants with one of the hydro stations faced with water management issue. The observation inspired this research and the study is therefore significant because it seeks to look into effect of privatization policy on Nigeria economy. The study promises, in its findings to be relevant for socio-political policy in Nigeria.

LITERATURE REVIEW

Concept of Privatization

Privatization in both developing and developed countries and in some cases, commercialization has grown in popularity and acceptability. It has also become an important instrument that the government can use to promote economic development, improve the production and distribution of goods and services, streamline government structure and reinvigorate industries controlled or managed by the state (Laxono and Rondenelli 1996). Privatization as Ugoji (1995) posits has become an acceptable paradigm in political economy of state. It is a strategy for reducing the size of government and transferring assets and services, functions from public to private ownership and control. He further explicates that privatization is based on the following core beliefs:

i. Government is into more things than it should be. It is intruding into private enterprise and lives; ii. Government is unable to provide services effectively or efficiently; iii. Public officials and public agencies are not adequately responsive to public; and iv. Government consumes too many resources and thereby threatens economic growth.

Nigeria government like many other countries of the world has been seen over the years, as having gone beyond the effective and efficient provision of public goods to the provision of private goods. It has not failed in both scores, but it has also over extended/stressed itself in its public sector commitments through the establishment of too much state enterprise and through continued financial support of those enterprises that have continue to lose money. The scenario has created unprecedented high level of public sector deficits financial mostly through heavy external borrowing, high inflation rate and balance of trade deficit. The result of this tendency is that privatization would enable government to cut public expenditures and reduce its involvement in activities of the private sectors can undertake. The success story of privatization reform were also recorded in western Industrial countries such as United Kingdom, France, Italy, Spain,

Australia, Sweden, Portugal, Netherlands, Germany, Japan, Canada and the United State. These countries have reformed their state owned enterprises to achieve administrative and economic objective. Countries from the developing world are not left out of this crusade of privatization. Quite a number of public sector enterprises are operated without respect to financial cost or returns. Okigbo (1998) opines some services field benefits to the community generally as well as citizens but investments in such services do not yield immediate financial results. He posits that it is easy to determine and justify the outlay or virtue of the financial returns of such investment. It suggests therefore, that the production method must be efficient and that price change should at least cover cost of operations.

Privatization has been viewed in by four distinctive schools of thought. Each tried to expound various policies applicable to privatization. First, there is free-market ideology of the laissez-faire classical economic theory, which favors the unleashing of competitive profit by anticipating free market pricing from interfering hands of state regulation (Samuelson, 1980). It argues that the character of the traders and that of the sovereign are consistent, that public administration was negligent and wasteful because public employees have no direct interest in the outcome of their actions. Another school of thought is the public choice approach to policy and political analysis. This approach explains the behavior and provides sets of standard about what the government does. The theory assumes that people want are rational, utility-maximizing individuals and economic system. Consequently, (Ostrum and Ostrum: 1991) argued all the government does is judged in terms of the impact on individual choice and economic efficiency in some theory posited that where public goods provide separable benefits. Populist approach, on the other hands, argues for allowing citizens more choice in terms of sources of services they purchase. This position is geared towards community enterprises that could be more responsive to the needs of the people they serve. As privatization compels government to embrace the efficiency and effectiveness of the market, it must also embrace the community.

The pragmatic school of thought advocates alternative approaches to enable the government provide services with the highest possible efficiency. They believed that private sector may operate efficiency in resources allocation and services provision. They also held that some functions are essential to the public purposes. Such functions are; the provision of public transportation, education and health should be retained by the government and operated on the basis of advantages that characterized market

operation. The Nigeria commercialization policy is in consonance with this school of thought. Privatization involves the partial or total transfer of ownership of public enterprises to the private sector. Fully privatized public enterprises are those in which the government surrenders its ownership entirely. The partially privatized public enterprises are those the government considers strategic and wants to keep under its supervision through minority shareholding. There are at least five forms of privatization (Ideye, 2002). Conceptually, privatization regarded a complementary measure for promoting effective competition between public and private firms in manner would be beneficial to both consumers economy the medium to long term, an important element promoting economic efficiency curbing the monopoly of government over the ownership and control public enterprises. Despite the different interpretations of the concept of privatization, basic fact still remains that,

Concept of Commercialization

The Federal Government in 1988 through. Decree No. 25 set up the Technical Committee on Privatization and Commercialization (TCPC). The TCPC was charged with the responsibility of privatization and commercializing some selected government enterprises for greater efficiency and highest productivity in the public enterprises by granting both and management autonomy. The contained schedules enterprises. The schedule contained those be fully partially privatized which means divestment by Federal Government all ordinary holdings designated enterprises divestment by Federal Government of part of ordinary share holdings designated enterprises. The second schedule contained enterprises were slated for full partial commercialization. This means that enterprise will expected operate profitably on commercial basis and be able to funds from capital market without government guarantee. In both full partial commercialization, divestment of Federal Government's shareholding will involve and subject to general regulatory powers Federal Government, enterprises shall:

DATA PRESENTATION AND ANALYSIS

The results of the analysis and discussion were presented based on the general research questions that guided the study. The data collected were analyzed using simple percentage and charts. The findings of the study are hereby presented; From table 1, 1.0% of the respondents are between 18-22 years of age, 4.3% of the respondents are between of 23-27 years of age, 29.3% of the respondents are between of 28-32 years of age, while 65.4%

of the respondents are 33 years and above. This implied that majority of the respondents are 33 years and above.

Table 1: Distribution of Respondents According to Age

Age	Frequency	Percent
18-22vrs	12	1.0
23-27vrs	53	4.3
28-32vrs	100	29.3
above 33 vrs	235	65.4
Total	400	100.0

Source: Field Survey, 2019

From table 2, 22.2% of the respondents have Junior Educational qualification, 27.0% have senior secondary educational qualification, while 50.8% have tertiary educational qualification. This implied that majority of the respondents have tertiary educational qualification.

Table 2: Distribution of Respondents According to Educational Qualification

Qualification	Frequency	Percent
Junior Secondary	88	22.2
Senior Secondary	98	27.0
Tertiary	214	50.8
Total	400	100.0

Source: Field Survey, 2019

Data Analysis and Results Answer to Research Questions

Research Question 1: What is the effect of privatization on the performance of Abuja Electricity Distribution Company?

From table 3, 54.8% of the respondents affirmed that privatization and commercialization enhance efficiency in the Nigeria Economy, 31.3% agreed, 8.4% disagreed, while 5.4% strongly disagreed. This implied that the privatization and commercialization has enhanced the efficiency of AEDC in the Nigeria Economy. However, 35.2% strongly agreed that privatization is designed to share any national asserts to a few rich people, 43.7% agreed, 112.5% disagreed, while 8.7% strongly disagreed. This implied that privatizations designed to share any national assets to a few rich people. 46.2% of the respondents strongly agreed that the new owners of a privatized

enterprise will surely prune down the workforce to ensure that at the end of the year more profits will be declared. 34.0% agreed. 11.7% disagreed, while 8.2% strongly disagreed. This implied that the new owners of a privatized enterprise will surely prune down the workforce to ensure that at the end of the year more profits will be declared. 42.2% of the respondents strongly agreed that profits made by foreign investors do not accrue to the domestic economy but repatriated home, 41.0% agreed, 9.0% disagreed, while 7.8% strongly disagreed. This implied that profits made by foreign investors do not accrue to the domestic economy but repatriated home. Also, 44.3% strongly agreed that privatization will cause more harm than good to the welfare of the Nigerian masses, 38.1% agreed, 10.8% disagreed, while 6.8% strongly disagreed. This implied that Privatization cause much harm than good to the welfare of the Nigerian masses.

On average it can be deduced that 44.54% of the respondents strongly agreed that privatization influence the performance of Abuja Electricity Distribution Company, 37.62% agreed. 10.48% disagreed, while 7.38% strongly disagreed. This implied that privatization and commercialization influence the performance of Power Holding Company of Nigeria.

Table 3 Respondents views showing the effect of privatization on the performance of AEDC

Items	Response					
		SA	A	D	SD	Total
Privatization and commercialization enhance efficiency in the Nigeria Economy	F	232	78	54	36	400
	%	54.8	31.3	8.4	5.4	100.0
Privatization is designed to share an national asserts to a few rich people.	F	132	144	80	44	400
	%	35.2	43.7	12.5	8.7	100.0
The new owners of a privatized enterprise will surely prune down the workforce to ensure that at the end of the year more profits will be declared.	F	194	108	68	30	400
	%	46.2	34.0	11.7	8.2	100.0
Profits made by foreign investors do not accrue to the domestic economy but repatriated home	F	186	162	38	14	400
	%	42.2	41.0	9.0	7.8	100.0
Privatization will cause more harm than good to the welfare of the Nigerian masses	F	192	157	31	20	400
	%	44.3	38.1	10.8	6.8	100.0

Averaged Total	F	184	172	36	8	400
	%	44.54	37.62	10.48	7.38	100.0

Source: Field Survey, 2019

Research Question 2: Why has the privatization/commercialization of AEDC not improved the service delivery to customers?

From Table 4, 41.8% of the respondents strongly agreed that there is effective service delivery of electricity since privatization 29.8% agreed. 20.0% disagreed, while 8.4% strongly disagreed. This implied that since privatization of AEDC sector there is effective service delivery of electricity since privatization. 28.3% of the respondents strongly agreed that power sector reform has brought about relatively stable power supply in FCT. 45.8% agreed, 17.0% disagree 1 while 9.0% strongly disagreed. This implied that the Power sector reform has brought about relatively stable power supply in FCT. Also. 35.2% strongly agreed that since privatization there is effective management of AEDC, 37.1% agreed, 17.9% disagreed, while 9.0% strongly disagreed. This implied that since privatization there is effective management of AEDC. 37.3% strongly agreed that since privatization there is quality A service delivery to customers, 41.2% agreed, 12.3% disagreed, while 9.3% strongly disagreed. This implied that since privatization there is quality of service delivery to customers. Also, 36.0% strongly agreed that unjust disconnection are adequately checked in recent times than before in FCT, 38.8% agreed, 3.3% disagreed, while 1 1.9% strongly disagreed. This implied that unjust disconnection are adequately checked in recent times than before in FCT. On average, 33.72% strongly affirmed that people receive their bills and other service promptly. 38.54 agreed, 14.1% disagreed, while 9.68 strongly disagreed. This implied that people receive their bills and other service promptly. Thus, since privatization the services of AEDC have improved quality of service delivery to customers.

Table 4: Respondents Views on if people receive their bills and other service promptly

Items Response	SA	A	D	SD	Total
There is effective service delivery of electricity since privatization	F 188 % 41.8	158 29.8	40 20.0	14 8.4	400 100.0
Power sector reform has brought about relatively stable power supply in FCT	F 145 % 28.3	153 45.8	64 17.0	38 9.0	400 100.0

Assessment of Privatisation and Commercialisation of Public Enterprises in
Nigerian Abuja Electricity Distribution Company (AEDC)

There is effective management of AEDC	F	140	175	47	38	400
	%	35.2	37.1	17.9	9.8	100.0
Since privatization there is quality of service delivery to customers	F	147	194	48	11	400
	%	37.3	41.2	12.3	9.3	100.0
Unjust disconnection are adequate checked in recent times than before in FCT	F	132	166	59	43	400
	%	36.0	38.8	3.3	11.9	100.0
Averaged Total	F	129	162	93	16	400
	%	35.72	38.54	14.1	9.68	100.0

Source: Field Survey, 2019

Research Question 3: Have privatization been able to reduce wastage in the system and improve the efficient utilization of resources?

From table 5 below. 33.4% of the respondents strongly agreed that there are grid energy sufficiency and stability, 32.7% agreed, 16.2% disagreed, while 17.8% strongly disagreed. This implied that there are grid energy sufficiency and stability. 35.3% strongly agreed that there is effective regulation of tariffs and quality service, 36.4% agreed, 15.6% disagreed. 12.8 disagree. This implied that there is effective regulation of tariffs and quality service. 38.2% of the respondents strongly agreed that there is prompt response to faults and customers' complaint by AEDC staff now than before, 38.9% agreed, 12.4% disagreed, while 0.5% strongly disagreed. This implied that there is prompt response to faults and customers' complaint by AEDC staff now than before. 39.0% strongly agreed that low shading of power supply/distribution has drastically been minimized in FCT, 33.6% agreed. 16.6% disagreed, while 14.4% strongly disagreed. This implied that low shading of power supply/distribution has drastically been minimized in FCT. Also, 34.1% strongly agreed that customers are now charged or billed on accurate consumption as lead the metre, 34.9% agreed, 16.6% disagreed, while 14.4% strongly disagreed. This mile that Customers are now charged or billed on accurate consumption as read the metre. Based on the average, 69.0% of the respondents strongly affirmed that people now enjoy regular supply of electricity.

Table 5: Respondents Views showing the militating factors against privatization and commercialization

Items	Response
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		SA	A	D	SD	Total
Corruption and Nepotism	F	142	179	27	12	400
	%	36.8	31.6	18.6	12.7	100.0
Poor operation and financial the AEDC	F	65	92	170	173	400
	%	22.1	16.0	30.8	31.1	100.0
Heavy dependency on treasury funding	F	63	82	180	175	400
	%	13.6	23.5	40.0	22.9	100.0
Rigid bureaucratic structures and	F	141	162	26	17	400
	%	28.4	38.5	18.8	14.3	100.0
Mismanagement of funds and	F	115	117	42	16	400
	%	24.6	34.8	26.0	14.7	100.0
Averaged Total	F	101	147	23	29	400
	%	25.1	28.9	26.8	19.2	100.0

Source: Field Survey, 2019

DISCUSSION

The result in research question one revealed that privatization and commercialization influence the performance of Power Holding Company of Nigeria. The result supports the findings of Salawu and Akinlo (2015); Abdullahi, Abdullahi and Mohammed (2012). Salawu and Akinlo (2005) indicated a positive impact in the operating financial performance of the company as reflect in its consistent growth rate of returns. Abdullahi, Abdullahi and Mohammed (2012), in spite the mixed results, the overall picture shows improvement in profitability for privatized firms in Nigeria. However, the result contradicts the findings of Daniel (2014) who indicated that most public enterprises either do not contribute strongly to national development or do not perform their public service functions effectively and efficiently, leading to policymakers engaging in continuing debates over when her or not state-owned corporations are viable to economic and social development. The result in research question two revealed that since privatization the services of AEDC have improved quality of service delivery to customers. The results contradicts the findings of Omoleke, Salawu, and Hassan. (2011); Agabi and Orokpo (2014). They revealed that the grass root (the poor) are likely to suffer as they will no longer enjoy subsidized products and services of the SOEs slated for privatization while conversely it will further enhance socio-economic condition/hegemony of the bourgeoisie. Omoleke, Salawu and Hassan, (2011) revealed that: privatization have improved the service delivery to citizens in Nigeria. The result in research question three reveled that people now enjoy regular supply of electricity and other services such as effective regulation of tariffs and quality service, prompt response to faults and customers complaint by

AEDC staff now than before, low shading of power supply/distribution has drastically been minimized in FCT. The result supports the findings of Afeikhenana (2008). Afeikhenana (2008) revealed that privatization is also associated with an increase in technical efficiency in the affected enterprises. The study further revealed that privatization has led to the reduction of politically motivated resource allocation which has unquestionably been the principal benefit of privatization in Nigeria. The results in research question four revealed that the factors that militate against privatization and commercialization includes corruption, nepotism, poor operation heavy dependency on treasury funding, rigid bureaucratic structures and bottleneck, mismanagement of funds and embezzlement. The result supports the findings of Odeh (2011); Beetseh (2011); Agabi and Orokpo (2014). Odeh (2011) revealed that certain factors such as corruption, lack of transparency, etc, have led to low level of productivity in the goal attainment of the policy. Beetseh (2011) revealed that Privatization of public enterprises is no longer friendly with the labour as it; introduction lead to mass retrenchment of workers in the public sector previously owned by the government. Privatization of public enterprises in Nigeria has brought poverty, unemployment and human misery to the lives of citizens. Agabi and Orokpo (2014) revealed that Nigerian enterprises were compromised in many instances leading to inefficient utilization of resources public enterprises coupled with heavy dependent on the national treasury for financial operations and their activities characterized by mismanagement of funds and operations endemic corruption, misuse of monopoly power and bureaucratic suffocation from supervisory ministries. The result in research question four revealed that government should endeavor to win over labour's acceptance of privatization by giving them ownership of shares in the enterprises, interaction with the unions as stakeholders is often a good strategy, strategic administrative re-engineering to enable electrical authority staff members interacts extensively with stakeholders in the exercise especially the staff and consultants of bidding firms, transparency and Accountability by the government and enabled credibility in consistency and communication among AEDC officials. The result supports the findings of Muogbo (2013) Mohammed, Chapola and Bello (2013). Muogbo (2013) indicated that investment in privatized firms will be more profitable than investment in firms with government presence. Mohammed, Chapola and Bello (2013) revealed that argues that the strategies adopted while privatizing public utilities were inappropriate, unjust and insignificant to the economic life of the deluded Nigerian masses.

CONCLUSION

Based on the findings of this study, the researcher concludes that privatization and commercialization of the power sector have had significant impact on the quality of service delivery by AEDC to its customers in Federal Capital Territory, Abuja. Thus, privatization and commercialization influence the performance of Abuja Electricity Distribution Company. The masses in federal Capital Territory now enjoy regular supply of electricity and other services such as effective regulation of tariffs and quality service, prompt response to faults and customers' complaint by AEDC staff now than before, low shading of power supply/distribution has drastically been minimized in FCT. Privatization has been seen as a mean to government interested in fostering a new division of labour between the public and private sectors in order to increase the effectiveness and contribution to the development of both sectors. Therefore, the success of privatization should be judged not in terms of the sale, the price paid to the government or expansion of enterprises sold but rather, on the basis of wealth creation. As the Federal Government of Nigeria (FGN) 1993 also currently observed the primary agreement for commercialization is of course that the efficiency and profitability of the investment would improve after the exercise. The policy deliverables are therefore not yet well delivered and good enough to match the high hopes raised in the consumers through the rebranding campaign. Despite the benefits of privatization and commercialization, the AEDC sector is still faced with the corruption, nepotism, poor operation heavy dependency on treasury funding, rigid bureaucratic structures and bottleneck, mismanagement of funds, embezzlement, misuse of monopoly power and bureaucratic suffocation from supervisory ministries. Excluding the pre and post government activities in the privatization programme will limit the ability of the exercise to achieve operational efficiency of public enterprises.

RECOMMENDATIONS

In view of the findings arising from this research, it is recommended that;

1. Management must always be sensitive to a wide range of popular orientation and expectation and adopt organizational circumstances accordingly. However, the government could help by ensuring conducive investment and ethical climate for socio-economic development. Government need to be elastic in its thinking and not constrained to its search for alternatives within the western scope or World Bank at the

expense of the developing economy.

2. Attitudinal issues like lateness, absenteeism, truancy, rash treatment of customer, impatience to listen to customers complaints and unhealthy relationship with customers especially by marketers and customer care service staff should be seriously frowned at, and culprits be punished appropriately to serve as deterrent to others. This will go a long way to enhance rapid response to customer-related issues, improve/boost the quality image of AEDC and build confidence/trust on the minds of the customers.

3. More transformers should be procured and deployed to high population density areas to make power distribute more efficient and effective to end users. This will reduce the problem of low-shading and overloading of units, thus minimize irregular power interruption that usually occur when units or lines are over loaded.

4. Consumers of energy should be provided with a good education on the most efficient use of energy in order to maximize the benefits of using a pre-paid meter. This will fasten its acceptability by the energy end users.

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