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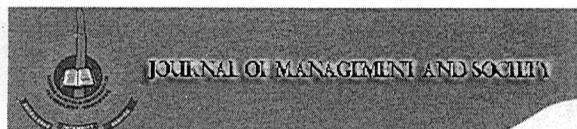
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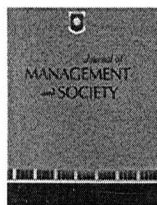
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Full Length Research Paper

**AN EMPIRICAL ANALYSIS OF ASSET REPLACEMENT
DECISIONS AND MAINTENANCE CULTURE IN SOME
GOVERNMENT ORGANIZATIONS LOCATED IN OGBOMOSO
AND ILORIN METROPOLIS AS CASE STUDY**

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The degree of indifference believed to be exhibited by management of most government organizations towards maintenance and replacement of some government assets put in their care is assuming an alarming proportion that it has become a thing of concern. Hence this study, evaluates the attitude of some management of public organizations towards maintenance and replacement decision of assets in their establishments, by measuring the perceptions of workers in these organizations on this issue, via the instrumentality of questionnaire. Questionnaires were randomly distributed to one hundred respondents to seek their views in this regard. The maximum response to each question is 5, using Likert scale. Student t-distribution statistics which is a one-tailed test was also used to analyze the responses at 95% confidence level or 5% degree of freedom. The study revealed that managements attitude towards good asset maintenance culture is unimpressive and that they favour outright replacement of assets. Consequently some policy options like continuous education of workers on the benefits of maintaining assets, provision of asset maintenance and replacement funds account, an effective monitoring device for same among other measures are proposed to help reverse this worrisome trend of asset neglect.

Key Words: Asset, Government, Replacement, Maintenance, Public, Organization

INTRODUCTION

Just like human beings, assets have life cycle. According to Kotler (1980) a typical life pattern of an asset represents the time it was purchased to the time the asset breaks down beyond repairs or up to the time when repairs are no longer economical. During the time of usage of the asset effort should be made to effect repairs or make replacement as and when necessary.

However, replacement decisions must be made at the optimal replacement period. That is, such decisions should be made when cost of repairs arises against the sharp drop of the residual value of the asset, and replacement with new one becomes the beneficial option left for management. It is therefore important that these decisions are taken at the most appropriate time. When timely replacement and maintenance of asset is done, replacement cost

would likely reduce and residual assets may attract more value at disposal.

Nevertheless, the life span of assets can be prolonged and optimal replacement period elongated, if users effect repairs at the proper time. If this trend continuous, a habit is formed which is likened to a culture.

The culture of maintenance is not universal, it is usually acquired or learned through individuals' intrinsic ability to copy or emulate others who are endowed with that attribute. Once the right attitude towards maintenance is imbibed, the likelihood of displaying a high degree of culture of maintenance becomes plausible. Hence, Owolabi (2000) averred that culture is a dominant factor that influences attitudinal behaviour.

For the purpose of this study, the researcher restricts herself to replacement and maintenance of movable assets like cars, trucks, caterpillars, motor cycles etc

employed in the day-to-day business in some government organizations like the Police, NEPA, NIPOST, Ministries, Local Government Councils, Federal Government College and Federal Road Safely Corp (FRSC) in Ogbomosho and Ilorin metropolis.

STATEMENT OF THE PROBLEM

Assets are valuables purchased with scarce funds. These assets for instance motor vehicles, trucks among others abound in government organizations for the day-to-day running of government business.

Ironically, what confronts one in most government premises is a rude shock of catalogue of abandoned, yet fairly new vehicles left to rot on flimsy excuses of lack of funds and so on. Yet officers jump at any opportunity to replace these assets. Ogunmade (2002) captured the scene very aptly when he opined that the quest for money has overridden the demands of maintenance and safety. This is a big drain on the economy as millions of money go down the drain. No wonder Shodehinde (2001) lamented, that Lagos State Government would have lost to decay motor vehicles worth N600m which have apparently been abandoned and parked at Lagos state secretariat, Ikeja alone. The same scenario may be replicated in all government-owned outfits nationwide. Why is it so? What can be collectively done to stymie this ugly trend? What are **people's perceptions about the role of government in all this?**

JUSTIFICATION OF THE STUDY

Pauline and Kort (2002) carried out a study on asset replacement decisions under uncertainty in a government farm with respect to strategic capital budgeting. Other researchers before them also focused their studies in that direction. Consequently, little or no serious effort has been made towards looking into the effects of asset replacement decisions and maintenance culture in government organizations.

Secondly, apart from the billions of naira which has been lost as a result of incessant waste of assets that rot away in the premises of most government establishments, valuable lives have equally been lost in avoidable accidents sequel to poor maintenance of these assets.

The study will come up with recommendations that would bring about reduction in the ugly trend of asset neglect in our government establishments.

OBJECTIVES OF THE STUDY

The study has the prime focus of determining the actual performance of management with respect to overall asset replacement and maintenance decisions taking into cognizance, functional and non-functional assets in government organizations.

In order to achieve this general objective the following specific objectives are pursued, namely to:

- (i) identify the frequency or rate replacement of physical assets in government organizations such as motor cycles;
- (ii) determine the frequency or rate of maintenance of these assets;
- (iii) evaluate the overall performance of government organizations with respect to asset replacement decisions and maintenance culture; and
- (iv) proffer policy options or recommendations based on the findings of the study in order to assist government formulate policies that will enable them to effectively manage these assets.

RESEARCH QUESTIONS

The following research questions were addressed in the study.

- (1) Do management of government organizations believe in timely replacement of bad assets put in their care?
- (2) How often do management maintain or replace there assets?
- (3) What is the position of the law as regards asset maintenance and replacement in government establishments?
- (4) What is the perception of workers on the importance of asset replacement decisions and maintenance culture?
- (5) What benefits would accrue from good asset replacement decision and maintenance culture?

HYPOTHESES OF THE STUDY

In order to answer the research questions and achieve the purpose of the study, the following propositions were tested empirically.

Let H_0 be the null hypothesis.

H_1 be the alternative hypothesis

Hypothesis 1

H_0 : **Managements' attitude towards replacement of public assets is unimpressive.**

H_1 : **Managements' attitude towards replacement of public assets is impressive.**

Hypothesis 2

H_0 : **Managements' attitude towards frequent maintenance of public assets is unimpressive.**

H_1 : **Managements' attitude towards frequent maintenance of public assets is impressive.**

Hypothesis 3

- H₀: Managements' overall performance in replacement and maintenance of public assets is Unimpressive.
- H₁: Managements' overall performance in replacement and maintenance of public assets is impressive. Student-t distribution test is employed to test the hypotheses.

At α level of 5% significance and (n-1) degree of freedom the tabulated t is 1.96. If calculated is greater than tabulated t accept H₁ and do not accept H₀. If lower accept H₀ and do not accept H₁.

SCOPE OF THE STUDY

The study is mainly on asset replacement decisions and culture of maintenance in some selected government organizations located in Ogbomoso and Ilorin metropolis.

SECTION TWO

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

The conceptual framework for asset replacement and asset maintenance decisions emanate from governmental accounting or what is popularly called and known as public sector accounting.

Many accounting models or methods of asset replacement decisions have been proposed by various scholars. Pandey (1979) and Van Home (1990) highlighted three major models namely:

1. **Minimum Average Cost (MAC) Method:**
This involves the determination of the average cost for each of the alternative replacement and it is given as

$$\text{Average Cost (AC)} = \frac{\text{Total Cost (TC)}}{\text{Replacement Period (RP)}}$$
2. **Equivalent Annual Cost Approach (EAC)**
It involves determining the net present value (NPV) for the alternative replacement period and converting the NPV's for each replacement period to equivalent annual cash flow.
3. **Lowest Common Multiple Method (LCM):**
It involves simulation of replacement cycles over a given number of years, thereby facilitating a complete cycle of replacement decisions for alternative periods of replacement.

ASSET REPLACEMENT AND MAINTENANCE DECISIONS

Kester (1933) looked at asset replacement and asset maintenance decisions from the angle of costs. He revaluated repair costs and maintenance costs. However, less emphasis was laid on replacement costs. He defined repair costs as expenses incurred

to restore the operative efficiency of the plant, subsequent to or as a result of a break in the plant. Maintenance costs he explained are expenses incurred for renewals in anticipating, avoiding or preventing a breakdown.

However, he posted that whatever decision is reached with respect to either asset replacement or asset maintenance, that depreciation rate should be considered.

Saliers (1943) considered the need to effect urgent repairs to reduce the depreciation rate of a going concern. If this is done, the useful life of the property will increase while the operating cost decreases. He noted that repairs expenditure should be large to keep the property in first-rate conditions. For this, repair policy should be pursued in order to avoid deferred maintenance that will attract large costs.

Edward (1990) was quick to point out that asset maintenance and asset replacement are not only complex an issue but interwoven due to technological advancement. He argued that technology has produced more efficient plants and machinery with longer life span which would make prediction of their replacement period difficult.

CRITERIA FOR ASSET REPLACEMENT DECISIONS

Many criteria and methods are usually employed in the replacement of assets in most organizations by management Ayodele (1988). The first consideration is the operating and maintenance cost. The cost of repairs and maintenance are likely to rise with age of the asset. Also, if replacement decisions are delayed, the cost of maintenance would be high.

Secondly, is the capital cost, which usually involves a substantial outlay of capital. The longer the replacement period the higher is the cost of the asset. The older the asset, the less the realizable value would be. Finally, a delayed decision to replace asset may cause inflation to catch up with the new value of the asset.

CLASSIFICATION OF ASSET REPLACEMENT DECISIONS

Asset replacement decisions are usually classified into two types, namely identical and non-identical replacement decisions. The former has to do with the replacement of an existing asset with an identical one. However, the assets are said to be identical when the cash flows produced by the new asset are the same as those produced by the existing one. The usual problem associated with this type of classification is the determination of when and how frequently; such an asset shall be replaced. The latter involves replacement of the existing asset with a different one which in most cases, is technically superior. They are different since they produce different cash flows, and the usual problem, is the determination of when to replace the existing asset.

The two types of assets are what we are treating in this study that is identical and unidentical assets.

THE PLACE OF CULTURE IN THE MAINTENANCE OF ASSET

As was previously mentioned, there is need to have a culture of maintenance and apply same to these assets. Culture is central to human behavioural pattern, norms and values. Aribisala (1998) opined that culture is also a form of civilization of a certain race or nation, and the customs associated with it. He went further to add that culture relates to the way of life of the people in a place during a time frame. Therefore, if culture is a form of civilization, maintenance culture itself would be one of the vital elements in the civilization concept. Naturally, Africans are endowed with the rich cultural heritage of hospitality, value system and preservation of cherished ideals and works (artifacts) as assets. It, therefore, behooves on all to preserve whatever we hold so therefore our collective existence, be it personal or government property, as admonished by Nellis (1986).

Unfortunately most people apparently treat governance property with levity and even see government business as nobody's business. Hence, Olaopa (2002) corroborated that there is a pressing requirement for cost effective organization and improved quality of service delivery systems. More so, that the development process is also weighed down by low capacity as a result of poor maintenance culture in public service. Contrary to the former belief of cherished value system in African society, Olaopa (2002) pointed out that in Nigeria today, most people have the deleterious perception that the country is a bottomless purse that will not be seriously inconvenienced by waste as such. Olaopa (2002) further stressed that government assets are usually left to rot because of the poor leadership factor which he claimed contributed to the decay in African public service. He added that the bad reward system, the diligent, careful and efficient, hardly get adequate recognition and reward. Hence, the bad, or the indifferent, are treated alike, he sated further that officers are not well motivated to be dutiful, diligent, and efficient, and by the same token, they hardly have any fear of the consequence of their negligence and waste of government assets. Ogunmade (2002) corroborated the consequences of lack of maintenance culture when he sought the view of a practicing Nigerian Pilot, Captain Ufot. U. Ekong with the Nigeria Airways and President of the National Association of Aircraft Pilot and Engineers (NAAPE) FOLLOWING THE RECENT AIR CRASH IN Kano involving the BACI – II aircraft owned by EAS airlines where about 150 people died prematurely. The seasoned pilot succinctly puts in this way:

"Apart from lack of training, the strongest cause of frequent air crash is always linked to the poor maintenance culture pervading nearly every sphere of the Nigerian economy.

Maintenance is the secret of protection and sustenance, for a lot can be done to reduce accidents in the air. This can be done if there is maintenance culture (servicing the plane).

For anything that is maintained will last"

Olaopa's observations and submission may have opened up a vital area that has to do with the dynamism of African culture: which as it seems now, has shifted from preservation of values, norms, etc, to the culture of indifference.

This perhaps explains, Wiredu (1980) position that the scope of culture has gone beyond its traditional spheres of arts, music, literature, cultivation, to include everything that is connected with a people's way of life. However, Aribisala (1998) also noted that African culture is multidimensional and has two main characteristics that is, dynamism, and the concept of cultural hybridity. Robins (1997) has earlier proposed these changes too. The resultant effect is a culture that has conflicting characteristics which Oladipo (1998) termed African cultural crisis, occasioned by the invasion of principally two things, namely, religion (Christianity and Islam), and colonialism. Such a conflict-ridden culture is bound to suffer severe distortion. Moreover, thirty-one years of successive military rule made nonsense of what was left in the already crisis ridden culture. Before now Abraham (1962) had highlighted the four main uses of culture in society as, a means through which social life beyond state control is regulated: as instrument of social integration: as the tool that brings the best out of experience and family as a provider of inertia to change. However, the crisis ridden Africa culture is yet to rise up to meet requirements prescribed by Abraham. Oladipo (1998) averred: anchoring his arguments on the "colonial factor" which according to him, generated African cultural crisis. Furthermore, Oladipo (1998) posited that the confusion in the African mind engineered by the colonialist became more exasperated by the crisis of governance and distorted political life in post-independent African.

THE EFFECTS OF COLONIALISM ON ASSET REPLACEMENT AND ASSET MAINTENANCE DECISIONS

One principal thing that can be deduced from Oladipo's assertion is that colonialism ushered in weak governments that lacked focus, had no mission, nor vision, and therefore never bothered about the fate of our infrastructure and assets left for us to manage our collective use and good. Then, the question that readily comes to mind is, does it mean that Africans never learnt anything good from their colonial overlords who were indeed very meticulous about everything in their care? Of course not. However, some people have argued that the military is to be blamed because their incursion into governance for three decades debased our culture and whatever value left as legacy by our colonialist. Moreover, little or no improvement in our attitude towards the maintenance of public assets has been

noticed because the present democratic experiment is too young to take firm root.

SOLVING THE PROBLEMS OF ASSET REPLACEMENT AND ASSET MAINTENANCE DECISIONS

To put things right, Oladapo (1998) prescribed cultural renaissance towards self-esteem which would redefine and help us regain our focus. In addition, we feel that the re introduction of "War against indiscipline" (WAI), repositioning of government organizations to be market-driven, more customer-friendly and putting in place adequate mechanisms to monitor performance by a way of feedback mechanism, are ways of reversing this ugly trend. Pauline and Kort (2002) advocate for the creation of an asset replacement reserve fund specifically for the purpose of funding the cost of replacing the existing fixed assets. The idea here is that a provision should be made in the annual budget to accommodate repairs and replacement. However, they discovered that past approach to determining reserves were found to be lacking in discipline and based on consideration other than annual replacement cost estimates. Secondly, they opined that assets for which reserves were maintained were found to be under-funded. Federal Government of Nigeria (FGN) was very quick to embrace privatization exercise of state-owned Parastatals. This is because investing in them was no longer profitable due to a high degree of apathy and apparently extreme indifference exhibited by workers with regards to the day to day running of such enterprises. The apparent huge rot and loss pushed government to divest from the public parastatals in order to;

1. Stimulate the spirit of competition
2. Reposition them into a status of self-sufficiency etc. (FGN Privatization Handbook 2000).

Poor leadership quality has earlier been adduced by Olaopa (2002) as one of the causes of poor maintenance culture.

Finally, Odozi (2002) sums it up by submitting, that all hopes are not lost because waste is not particular to state owned outfits. This is because privately owned organizations equally encounter the same problem of asset maintenance. He suggested that all we need is a form of re-arrangement, for there are multiple paths to growth and development and that there is no ideal model that could be replicated, since there are differences in economic conditions and cultural orientation.

SECTION THREE

RESEARCH METHODOLOGY

The research questions and the consequential hypothesis have been stated in section one. The design entails the collection of primary data to test the stated hypotheses. For this study, survey method

was used for the selection of the sample because of the inherent advantages that the survey method has over historical and experimental method. Owolabi (2002) stated that the survey method appears more relevant because

1. It focuses on people, the vital facts of people, their beliefs, opinions, attitudes and behaviour. And this study is aimed at getting the opinion of civil servants in different government organizations on their **establishments' assets' replacement attitude and maintenance culture.**
2. Survey research method is a current method of investigation. Thus it is helpful in identifying present needs, conditions and also serves as a tool to sound scientific decision making.
3. Measurement of opinion is an investigation of a phenomenon. This is better done in a natural setting, and obtaining information through survey does it well.

Therefore, data generated from the survey, through the instrument of questionnaires were subjected to student-t statistical tests (with an alpha of 5% set at a degree of freedom of (n-1) for the validation of the research hypotheses.

However, the method has a major drawback in that it may give respondents the latitude to deliberating give wrong opinions.

The sample size for this study is one hundred respondents from the study area and the sample units are selected members of top management cadre, totaling fifty (50) which represents about 26% of the entire staff strength of the selected government establishments located in Ogbomoso and Ilorin metropolis. The other fifty respondents are members of staff which cut across different strata, mainly staff in the maintenance and works departments.

Systematic random sampling was used to pick the one hundred respondents in our study area. A table of random numbers, which is a non-biased method of selecting sample numbers, was also employed to pick the respondents.

METHOD OF DATA ANALYSIS

A summary of responses from the research instruments was done using descriptive statistics of mean, standard deviation and coefficient of variation of findings of the study.

The hypotheses of study were tested with the aid of student's t-statistics as the inferential statistic, because the researcher wants to find out whether there are significant differences between the calculated mean and the expected mean of response student-t statistical test was employed to analyze our data for the following reasons:

1. The observations or responses from the sample population were independent. That is, the opinion of one respondent did not apparently affect the opinion of any other respondent.

2. The sample was drawn from a normally distributed population.
3. Apart from the population having equal chances of variances, the measurement scale is interval, which allowed the use of arithmetic operations, that student- t test is known for.
4. Finally, since it is a one tail sample parametric test, student – t statistical test appears more robust for analyzing such data averred Agbadudu (2002).

Therefore, data generated from the survey through the instrumentality of questionnaire were subjected to student – t statistical tests with an alpha of 5% set at a degree of freedom (n-1) for the validation of the research hypotheses. The student-t-test is given as:

$$t = \frac{\mu - \bar{x}}{SE}$$

Where μ = The population mean

$\bar{x}$ = The expected mean

SE = Standard error and standard error SE is expressed as $\frac{\delta}{\sqrt{n}}$

Where: δ = Standard deviation
n = Number of respondents

The research questions were addressed by obtaining the views of respondents through five (5) levels of rating (1, 2, 3, 4, 5) which indicates their degree of agreement/disagreement with each of the statements administered in the questionnaire. The respondents indicated their ratings by circling the number that agrees with their opinions.

The maximum response rating for each question is 5 and this gives an expected mean score of 2.5. The students' t-statistics were computed around this expected mean and the result compared with tabulated t at an alpha level of 5%, and (n-1) degree of freedom which is 99 to test for significance.

If calculated $t_0 \geq$ tabulated t_1 Accept H_1 and do not accept H_0 . If calculated $t_0 <$ tabulated t_1 Accept H_0 and do not accept H_1 . All questionnaires (100) were properly filled and returned and were used for the analysis.

SECTION FOUR

PRESENTATION AND ANALYSIS OF DATA

Responses from the sampled area to the questions are presented in table 1.

QUESTIONS	RATINGS AND PERCENTAGE RESPONSE				
	Strongly agree % 5	Agree % 4	Strongly Disagree % 3	Disagree % 2	Don't know 1
1. The main objective of a good management is to always replace all assets put in their organization.	70	15	10	5	0
2. Government expects management to always replace bad assets	80	15	0	0	5
3. The law makes the provision for management to always replace asset	15	20	50	10	5
4. The asset replacement attitude of your establishment is commendable	50	20	15	20	5
5. Your management is responsible for maintaining the vehicles, cars etc in your organization.	80	20	0	0	0
6. Vehicles are often serviced in your organization regularly or as at when due	10	5	80	15	10
7. Replacement of worn out spare parts of the vehicles car etc in your organization are quickly effected on time	5	15	70	5	5
8. All vehicles in your establishment are in good working conditions	30	5	55	7	3
9. Your establishment practices to replace assets then maintain a assets	70	10	5	55	0
10. Most vehicles in your organization are in a state of neglect and abandoned	55	15	25	5	0
11. The overall assessment of your management's performance with respect to asset replacement and maintenance labor is commendable	10	10	75	0	5

Source: Field Survey.

Respondent's answers to questions that have direct bearing with the hypotheses were analyzed as follows:

Table 1 show a comprehensive profile of respondent's views on asset maintenance and replacement exercise at it is carried out in their various organizations. 70% of respondents are favourably disposed to the style being adopted by their various managements, towards asset replacement decisions 25% did not commend their managements' efforts in this regard, while 5% remained indifferent (see question 4).

Also in question 6, 15% of respondents agreed that the management of the various organizations, service their vehicles put in their care regularity or as at when due. 75% respondents disagreed that their various organizations service their vehicles as at when due. 10% of respondents remained non-committal. Similarly 75% disagreed that the management of their organizations replace worn out spare parts of vehicles and other assets used, on time or quickly (see questions 7). 20% of respondents agreed that worn out spare parts are timely replaced. While 5% of respondents were undecided. This may explain why in questions 9 and 10, 80% of respondents admitted that the assets in their various establishments are not indeed in good working conditions and 75% of respondents agreed that most assets (vehicles) in their establishment are in sorry states of neglect too. Only 20% of respondents (question 9) and 20% of respondents (question 10) held opposing views.

Finally, 80% of respondents disagreed with the notion that the overall performance of their

organizations asset maintenance and replacement habit is commendable. Only 20% of respondents commended their organizations asset maintenance and replacement habits.

The responses listed in table 1, were further subjected to statistical analysis using student-t distribution test in order to test for significance.

Questions	PERCENTAGES OF RESPONSES					STATISTICS OF RESPONSES			
	5%	4%	3%	2%	1%	Mean	Standard Deviation	Coeff of variation (%)	Inferential statistics
1 The main objective of a good management is to always replace ad assets put in their organization.	70	15	10	5	0	3.50	0.78	22.30	12.50
2 Government expects management to always replace bad assets	80	15	0	0	5	4.40	1.06	24.00	17.25
3 The law makes the provision for management to always replace asset.	15	20	50	10	5	1.85	0.80	28.00	4.38
4 The asset replacement attitude of your establishment is commendable	50	20	15	10	5	3.36	1.06	31.55	8.65

Source: Author's calculation

Note 5 = Strongly agree, 4 = Agree, 3 = Strongly disagree, 2 = Disagree and 1 = Do not know.

In Table 2, respondents' views were statistically computed to show the individual mean, standard deviation, coefficient of variation and the consequential inferential t-test to each question.

Here, 85% of the respondents agree that a good management should have a main objective of replacing assets in their organization. Also 95% of respondents were of view that government expects management of organization to always replace assets. These gave a mean score of 3.5, t-test of 12.50 and a mean score of 4.40 and a t-test of 17.27 respectively. At alpha level of 5% significance, both t-tests computed were statistically significant.

Finally, hypothesis 1 was tested using respondent's views in questions 4. Here, 70% of respondents agree that the attitude of their various managements, towards asset replacement decisions are commendable with a mean score of 3.36, standard deviation of 1.06 coefficient of variation of 31.55% and a calculated student t-test of 8.65. That the populations mean score of respondents is greater than the expected mean score of 2.5 shows that respondents were satisfied with their management's attitude toward asset replacement policy.

Since the calculated t_0 , that is 8.65 is greater than the tabulated t_1 of 1.96 at alpha level of 5% significance in hypothesis 1, we accept H_1 and we do not accept H_0 . Therefore, we uphold hypotheses H which states that managements' attitude towards replacement of public asset is impressive.

TABLE 3

RESPONDENTS VIEW ON THE MANAGEMENT OF GOVERNMENT PARASTATALS ATTITUDE TOWARDS MAINTENANCE OF ASSETS PUT IN THEIR CARE

Questions	RATING AND PERCENTAGE RESPONSE					STATISTICS OF RESPONSES			
	5%	4%	3%	2%	1%	Mean	Standard Deviation	Coeff of variation (%)	t-stat
5 Your management is responsible for maintaining the vehicles, cars etc in your organization.	85	8	0	1	6	4.45	1.13	25	17
6 Vehicles are often serviced in your organization regularly or as or when due	9.00	13	49	23	6	2.53	0.25	10	1.2
7 Replacement of worn out spare parts of the vehicles car etc in your organization are quickly effected on time	11.00	19	41	26	3	2.61	0.80	31	1.4
8 All vehicles in your establishment are in good working conditions	18.00	5	37	33	7	2.54	0.30	12	1.3

Source: Author's calculation

Note 5 = Strongly agree, 4 = Agree, 3 = strongly disagree, 2 = Disagree, and 1 = Do not know.

Almost all respondents in question 5 (93%) agree to managements' responsibility to asset maintenance, with a mean score of 4.54 which far above the expected mean of 2.5. Similarly, the calculated t-statistics which is 17 is also above the tabulated t of 1.96. This is very significant.

Furthermore, the asset maintenance attitude of management of government organizations were analyzed in question 6, 7 and 8. The mean scores of responses are 2.53, 2.61 and 2.54 respectively with a corresponding t-test inferential statistical 1.2, 1.4 and 1.3 respectively. While, the mean scores were marginally different from the expected mean score of 2.5, their corresponding t-statistics were below the tabulated t_1 of 1.96. Hence in hypothesis 2, the null hypothesis H_0 was accepted, that is managements attitude towards frequent maintenance of public assets is unimpressive. H_1 was not accepted.

TABLE 4

RESPONDENTS ASSESSMENT OF MANAGEMENT OF PERFORMANCE WITH RESPECT TO REPLACEMENT AND MAINTENANCE OF ASSETS IN GOVERNMENT ORGANISATIONS

RATING AND PERCENTAGE RESPONSE						STATISTICS OF RESPONSES			
Questions	5%	4%	3%	2%	1%	Mean	Standard Deviation	Coeff of variation	t-stat
9. Most establishment prefer to replace assets than maintain assets.	40	33	10.00	4.00	4.00	4.18	1.04	25	16
10. Almost all the vehicles in your establishment are in a state of neglect and therefore abandoned.	33	40	9.00	12.00	5.00	2.63	1.02	39	1.26
11. The overall performance of your management's performance with respect to asset replacement and maintenance is satisfactory.	7.0	18.00	47	21	7	2.71	1.18	41	1.75

Source: Author's calculation

5 = strongly agree, 4 = Agree, 3 = strongly disagree, 2 = Disagree, and 1 = Do not know.

82% of respondents hold the view that management of their organization prefer replacing assets with new ones than maintaining old assets. The t-test obtained was 16 which is significant at alpha level of 5% in normal distribution table, when compared with the tabulated t of 1.96.

Hypothesis 3 was validated using responses to questions 10 and 11. The responses to questions 10 showed that 73% of respondents affirmed that most assets in their organization are in a state of neglect. The mean of response is 2.63 though higher than the expected mean of 2.5, gave a statistical inference t-test value of 1.26 which is less than the critical-t, of 1.96. Also 69% of respondents to question 11, did not agree that the overall performance of their management in asset replacement and asset maintenance is satisfactory. The calculated t-test value was 1.75. This is of no significance since it is below the tabulated of 1.96. Hence, H_0 (the null hypothesis) was accepted and the alternative hypothesis H_1 was not accepted.

SECTION FIVE

SUMMARY OF FINDINGS

The result obtained show that management of government owned organization gave an impressive performance in the replacement of assets than maintaining the assets because 70% of respondents attested to this view, with a calculated t-test of 17.27 against the tabulated t-test value of 1.96 set at alpha level of 5% significance. Hence, the alternative hypothesis H_1 was upheld (See Table 2).

The null hypothesis H_0 in hypothesis 2 was accepted because from the study, 72% of respondents agree that their organizations assets were not serviced regularly, 67% of respondents agreed that the necessary spare parts needed were not replaced in time and 70% of respondents certified that most of the assets in their organization are not in good working conditions. These gave t-test values of 1.2, 1.4 and 1.3 respectively. These are statistically insignificant at the chosen level of alpha and 5% significance which is 1.96 (See Table 3). And H_0

states that managements' attitude towards frequent maintenance of public assets is unimpressive.

The overall assessment of management performance on asset replacement and maintenance of assets was revealed from the study to be unimpressive (See Table 4). 73% of respondents agreed that most of the assets in their organizations are in a state of neglect, while 68% of respondents scored the performance of their management in replacing and maintaining assets low, a t-test value of 1.26 and 1/75 respectively were computed. These remain statistically insignificant at alpha level of 55 when compared with the tabulated t of 1.96. Hence in hypothesis 3, the null hypothesis H_0 was accepted.

CONCLUSION

This study revealed the apparent apathy exhibited by civil servants towards the handling of government property. Their penchant to acquire new assets without maintaining old ones, gives an impression of an ulterior motive in that regard. The consequence of this are equally worrisome, hence the following recommendations are made.

RECOMMENDATIONS

1. Continuous education through frequent workshops on the benefits of asset replacement and the need for maintenance culture should be organized for all levels of staff.
2. Adequate provisions for funds impress account and spare parts should be made available in works department to facilitate the attainment of good maintenance goal.
3. A monitoring device in form of a feed back mechanism be adopted to monitor proper implementation of government policy in this regard. An inspection team could be raised to do this.
4. Re-introduction of war against indiscipline (WAI) may be necessary to ginger people from their lethargic state and make them more pro-active and anticipatory in their duty, for maintenance is the antidote to disaster.
5. Tying promotion to quality leadership and good performance would help.
6. Legislation stating clearly sanctions for non-conformers to the policy of good asset replacement and maintenance culture should be enacted by government if we desire a functional culture of maintenance.

LIMITATIONS OF THE STUDY

Computation of time of asset replacement using any of the theoretical accounting models could not be applied in this study due to the following reasons.

1. Vital information like cash flow from assets, cost of purchase and cumulative

- maintenance cost of assets were not obtainable.
- The local branches of these organizations forward their income and expenditure account books (financial statements) to their head offices while the study was carried out in their local branches.
 - The misconception of the intention of this researcher by some of the interviewee especially when questions that border on cost, value of repairs and replacement of assets were asked. This is understandable in view of the recently inaugurated Anti graft Panel by the Federal Government who are presently beaming their search lights on public officers.
 - Finally, the study is limited to seven government organizations in Ilorin and Ogbomoso because longer time is required for a wider coverage and the financial cost of doing so could be high.

SUGGESTIONS FOR FURTHER RESEARCH

This study is limited to Ilorin and Ogbomoso; two big towns in almost the same geographical zone. It would be of interest if similar research is replicated in other parts of the country.

Since the research is basically attitudinal, a functional relationship exists between attitude and social cultural factors. It would be of interest to do comparative studies among different culture divides.

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APPENDIX 1

QUESTIONNAIRE AND RESPONSE RATING

S/N	Questions	Strongly Agree	Agree	Strongly Disagree	Disagree	Indifferent
1	The main objective of a good management is to always replace ad assets put in their organizations.	5	4	3	2	1
2	Government expects management to always replace bad assets.	5	4	3	2	1
3	The law makes the provision for management to always replace asset.	5	4	3	2	1
4	The asset replacement attitude of your establishment is commendable.	5	4	3	2	1
5	Your management is responsible for maintaining the vehicles, cars etc in your organization.	5	4	3	2	1
6	Vehicles are often serviced in your organization regularly or as at when due.	5	4	3	2	1
7	Replacement of worn out spare parts of the vehicles car etc in your organization are quickly effected on time.	5	4	3	2	1
8	All vehicles in your establishment are in good working condition.	5	4	3	2	1
9	Your establishment prefers to replace assets than maintain a system.	5	4	3	2	1
10	Most vehicles in your organization are in a state of neglect and abandoned.	5	4	3	2	1
11	The overall assessment of your management's performance with respect to assets replacement and maintenance habit is commendable.	5	4	3	2	1