

An Assessment of the Efficiency of Government Regulatory Agencies in Nigeria. Case of the National Agency for Food and Drugs Administration and Control

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Abstract *This study examines Business, Government and Society interrelationships. It eventually narrowed down to assessing the efficiency of government regulatory agencies, in fulfilling the role of government in protecting consumers from unscrupulous practices of businesses. The National Agency for Food and Drugs Administration and Control (NAFDAC) was chosen for the study. Since the expectations of the consumers are paramount here, the stakeholder approach method was used for assessing the efficiency of NAFDAC. Literature and previous empirical studies on the topic were examined. For representativeness, data was collected utilizing the survey research design through Questionnaire distributed to 200 respondents in some areas of Lagos Mainland in Lagos state, using the convenience sampling method. 187 copies of the questionnaire representing 93.5% were returned and usable. Descriptive statistics was used to analyze the responses to questions regarding the efficiency of NAFDAC and a hypothesis tested using a one-sample T-test. The findings ran contrary to results from some previous studies. Instead, consumer awareness of the existence of NAFDAC as a regulatory agency and its functions were established, along with a high rate of consumer education. The assessment of its efficiency also showed a high rating. Recommendations were made that the study be replicated in other states of Nigeria and further studies carried out to evaluate its efficiency under previous and current directors for improvement purposes.*

Key words Business, Government Regulatory agencies, assessment, efficiency, consumer protection, NAFDAC

JEL Codes: E42

1. Introduction

1.1. Government, Business and Society interrelationships and responsibilities to each other

Various views exist on the relationship that exists between business, government and society and the expectations from each by the other. Post, Lawrence and Weber (1999) posit that businesses exist primarily to provide good standards of service and products

to the society as well as conform to basic societal rules, norms or values. Other responsibilities include obeying the laws laid down by government to guide or regulate their activities as well as, paying taxes to government.

This is to say, Government, business and society exist as a continuous symbiotic interactive system where, each has rights and owes responsibilities to the other two and all are highly dependent on each other for continued existence and relevance. Businesses like all living beings interact with other forces around them and their actions have effects on society and government; just as government actions have on Businesses and society. Both of them in their different ways interact with, affect and are also affected and influenced by the larger Societies in which they exist.

According to Blugh (2010), every legitimate government derives its power from the people (the Society) it governs. He further argues based on the Constitution of the United States of America that, the legitimate grounds for a government's existence hinges on *mutual defense of rights and mutual decision by deliberative assembly*. They in turn therefore, owe the society/public a responsibility to protect them from unethical practices of some businesses by enacting government regulations to that effect; they protect the environment, human rights and other social interests. This they try to do through the different ways or control machineries and government agencies they employ. The government here can either be at the Local, State, or Federal levels.

The government responsibility however does not start and end with the society. It owes businesses also, the responsibility of providing a favourable environment for them to thrive in – peace, security and “fair” laws and taxes. In the words of Olebune (2007), “In any government-business relations, the question is, how can the government create an environment in which businesses are naturally motivated to make the right long-term investment decision choices?” This means the government has to put in place the right regulatory and legal framework to guide growth of all industries in the business area. In essence, the government is responsible for protecting the rights of both businesses and society such that the quest of self-interest by either party would not have adverse effects on the other.

Some businesses in a bid to remain in business and continually make profit, engage in some unscrupulous practices which are detrimental to their host environments, represented by the consumers. These are the main stakeholders in every business. The customers or consumers are the major stakeholders in any business organization, and they represent a very large proportion of the society. Stakeholders are defined in Post *et al.* (1999), as *all the people and groups affected by, or that can affect an organization's decisions, policies and operations*.

Businesses therefore owe them a duty to behave in a communally responsible and approachable manner towards them. When a business organization fails in this respect, the customer has a right to register his or her displeasure through complaints.

Consumer complaints should be recognized by an organization and the government as a part of business, because they have beneficial effects for the organization and its products. It is a kind of control measure by which businesses and organizations are made to realize where they have fallen short of customer expectations and see the need to restore consumer confidence in them and their products (Ayozie, 2013).

This study is aimed at examining how efficiently a government regulatory agency in Nigeria, The National Agency for Food and Drugs Administration and Control (NAFDAC) is fulfilling its purpose of regulating businesses and protecting consumers.

1.2. Statement of the Problem

Blugh (2010) posits that every legitimate government derives its power from the people, therefore its existence centres on mutual defense of rights and mutual decision by purposeful association. This means, since they were put in place by the people, they in turn owe the society/public responsibilities which includes, protecting them from unethical practices of some businesses by enacting government regulations to that effect.

Olebune (2007) agrees with this position when he argued that the government has to put in place the right regulatory and legal framework to guide growth of all industries in the business area. In essence, the government is responsible for protecting the rights of both businesses and society such that the quest of self-interest by either party would not have adverse effects on the other, through regulations.

The Organization for Economic Cooperation and Development (OECD, 2010) defined Regulation as *any instrument by which governments, their subsidiary bodies, and supranational bodies (such as the European Union or the World Trade Organization) set requirements on citizens and businesses that have legal force*. The main aim of regulatory policies is to guarantee that the regulatory control works efficiently, so that regulations and regulatory structures are in the public interest. The organization also believes that these regulations and structures should address happenings in the private sector, as well as the public establishments and government agencies. This is because they are important in determining what happens in the economy and the society at large. To achieve this, structures must be put in place by the government to assess conformity or adherence to laid-down regulations. Also, attention should be paid to consumers' needs and complaints to protect them from unethical practices of business organizations (OECD, 2010).

In Nigeria however, according to Ekanem (2011), the prevalence of fake, substandard, defective and adulterated products is alarming. The quality of services and goods rendered or available to the consumer *leaves much to be desired* as they are below the regulated standards. In addition, a report by NAFDAC in 2003 stated that the problem of adulterated and fake drugs was so bad that, neighboring countries such as Ghana

and Sierra Leone officially banned the sale of drugs, foods and beverages products made in Nigeria (NAFDAC, 2003).

Nwaizugbo and Ogbunankwor (2013), posit that it is doubtful if regulatory agencies set up by government are achieving the mandate for which they were set up. They argue that records in Nigeria show that, consumers do not still know their rights and some who do are unaware of the particular agency to complain to. In addition, it is believed that some of these agencies are ill-equipped to provide adequate surveillance in eradicating fake and substandard products from Nigerian markets. As a result, studies by Alabi, 1996; UNODCCP, 1999; Mambula, 2002; Daily Independent, 2010 (in Nwaizugbo and Ogbunankwor, 2013) concluded that Nigerian consumers are the most abused in Africa.

1.3. Objectives of the Study

This study is aimed at determining how efficiently the government in Nigeria is fulfilling its responsibility to the society (here represented by the consumers), in protecting them from the unscrupulous activities of businesses, through a government regulatory agency. The government agency chosen for this study is the National Agency for Food and Drug Administration and Control (NAFDAC). To achieve or address the objectives of this study, the following questions would need to be answered.

- i. Do the consumers know or feel that it is a responsibility of the government of a nation to protect them from unethical business practices through regulations?
- ii. To what extent has NAFADC made itself known or educated the Public on their existence and functions?
- iii. Do consumers derive any benefit from the existence and activities of NAFADC?
- iv. To what extent do the consumers feel that NAFADC has fulfilled the purpose of its existence?

This study is needed because though there have been various studies on consumerism, studies on government regulations for consumer protection are few. Also, it is justified considering the fact that, the main aim of a regulatory policy is to guarantee that the regulatory control (agencies or tools) works effectively and that they are in the interest of the public (OECD, 2010). Studies to ascertain if this is the case with government regulatory agencies in Nigeria are almost non-existent.

This study is significant as it would attempt to ascertain if the government is fulfilling its duty of providing protection for the consumer, by assessing the efficiency (from the viewpoint of the external stakeholders, mainly represented by the consumers) of NAFADC, one of its regulatory agencies set up for that purpose. Where the result is negative, the government would see the need to put control measures in place, to address the anomaly.

1.3.1. Hypothesis

H₀₁: NAFDAC has not efficiently fulfilled its mandate of effective administration and control of quality of foods, drugs, cosmetics, medical devices, chemicals and packaged water.

2. Literature Review

2.1. Govt., Biz and Society interrelationships and responsibilities to each other

According to Peery (1995), Business is seen as an important social institution in the economic environment, whose core responsibility is providing goods and services to satisfy the known needs and requirements of the society. These goods and services are then exchanged between business and society on mutually beneficial conditions. Some people believe businesses exist solely for the purpose of making profits while some others argue that, they can only make profits when they satisfy societal needs. The term business is used to refer to all establishments (no matter the size), who involved in providing goods and services to the society at a profit. They are a part of the society also, because they are set up by people within the society. They however interact in a broader sense than the ordinary individual in the society because they have to deal with the external environment made up of the stakeholders in the business. These are the employees, suppliers, investors; the government, customers, and *all the people and groups affected by, or that can affect an organization's decisions, policies and operations* (Post *et al.*, 1999). Stakeholders are all those who affect, or are affected by, the actions of the firm. Business is part of society, and society penetrates far and often into business decisions. To be effective, corporations must meet the reasonable expectations of stakeholders and society in general. A successful business must meet all of its economic, social, and environmental objectives and methods to attend to the needs of the consumers at lower costs (Post *et al.*, 1999).

Systems theory explains how business and society need each other and how each is influenced and affected by the other. Governments employ political power in controlling businesses in fulfilling their responsibility of protecting the consumers, through legislation and regulations. This they do by establishing various regulatory bodies or agencies to enforce these laws and regulations.

2.2. Empirical Framework

From a review of literature, it was established that a limited number of studies have been carried out by few researchers on consumers' feelings and experiences. Some others sought to measure the level of consumer awareness of their rights, their readiness in seeking redress where injured and their knowledge of information and warning labels on products. Other studies still tried to justify the necessity for protecting the interest of consumers and also attempted measuring the level of consumer

protection provided by the government. In conclusion, they all expressed varying views as to the level of performance or achievements by the government.

Older studies by Aire (1974) and Onah (1979) in Nwaizugbo and Ogbunankwor (2013) reported that a high percentage of consumers interviewed felt that the quality of locally produced goods they purchased was lower than expected. This gave rise to the recommendation of the necessity for regulations in consumer protection to safeguard the interest of consumers from unscrupulous business activities in Nigeria.

Agbonifoh and Edoreh (1993) and Monye (2006) argue from their own studies that consumer awareness level of their rights in Nigeria is somewhat low. Also, that though a lot of them have experienced disappointment or dissatisfaction in one way or the other, a dismally low percentage of them has sought redress. This they attributed to low levels of formal education, knowledge of their rights, the cumbersome judicial system in Nigeria and a dearth of consumer groups.

Omotosho (2008) in Nwaizugbo and Ogbunankwor (2013) in his own study of consumers in Ado Ekiti in Southwestern Nigeria posited that their knowledge about information and warning labels on products was average.

Al-Ghamdi *et al.* (2007) affirms that in Nigeria, the consumers depend on the government for protection and as a result, the government has promulgated various regulations and created various agencies like The National Agency for Food and Drug Administration and Control (NAFDAC), among so many others. The position of Odumodu (2012) is that, though the government has laws or a policy in place to prevent the Nigerian market from being a dumping ground for all kinds of useless products from foreign countries, especially in Asia, there is no institution to enforce this policy. Consequently, the consumer remains exposed to such products. The study by Ekanem (2011) agrees with the position of Odumodu (2012) on the high incidence of *fake, substandard, defective and adulterated products* and consumers having to pay for *sloppy services*, but disagrees with the position that there are no regulatory agencies. His take is that though there are several of such agencies, with seemingly overlapping functions, their presence is hardly felt by or known to the consumers. He further argues that these agencies are not fulfilling the purposes for which they were established as they are laden with lapses. Some of these are that consumers do not know which agency is for what purpose; complaint avenues are inaccessible; processes of obtaining redress are cumbersome; they are so understaffed, they are unable to effectively monitor the markets to curtail influx of fake and inferior products in the markets. These are the reasons adduced for Nigerian consumers being described as *the most abused in Africa* by Alabi, 1996; UNODCCP, 1999; Mambula, 2002; Daily Independent, 2010 in Nwaizugbo and Ogbunankwor (2013); instead of being *the King* like their counterparts in the developed economies of the world.

Ayozie (2013) in his study clearly stated that there is neither a “consumer law” nor a comprehensive code of consumer protection, in Nigeria. He however agreed that in the

last 30 years, some measure of legislative mechanisms or control has been introduced to protect consumers. He also observed that in recent times, the government has demonstrated some commitment to consumer protection through not only promulgating laws and regulations, but also enforcing them. There have been instances of banning of consumer goods from Nigerian markets; production companies shut down; companies and individuals prosecuted for consumer rights' violations and products (especially drugs and foods) publicly destroyed in different parts of the country. Also, consumers are being enlightened about their rights and encouraged to claim them by scholars, researchers, several newspapers and magazines. In addition, he posits that with increasing rate of education and awareness by consumers, their demand for their rights and power is on the increase.

2.3. Theoretical Framework

According to Chong (2008), hypothetical structures for assessing performance and efficiency of organizations or establishments exist. These can be measured using structures like the goal approach, system resource approach, stakeholder approach and competitive value approach. The goal approach and the system approach measure the degree to which an organization realizes its objectives and its ability of to obtain needed resources respectively (Yuchtman and Seashore, 1967). On the other hand, the stakeholder approach and the competitive value approach use the ability of an organization in meeting the needs and expectations of its external stakeholders like the customers and suppliers, as the yardstick for measuring its efficiency (Daft 1995). The former two approaches are used in measuring organizational efficiency based on objectives set internally, while the latter two are for assessing the efficiency in satisfying the expectations of the external *stakeholders*. In this study, since it is the expectations of the external stakeholders (consumers) that are paramount here, the stakeholder approach which is more challenging will be used. This is a non-financial method of assessment.

The legislative decree supporting the establishment of NAFDAC as a Nigerian government agency under the Federal Ministry of Health was enacted in 1993. It was to replace the Directorate of Food and Drug Administration and Control, which was considered a failure. The agency was then charged with the duty of regulating and controlling the manufacture, importation, exportation, advertisement, distribution, sale and use of food, drugs, cosmetics, medical devices, chemicals and packaged water. This is aimed at protecting the consumers from being injured by the adulterated, banned and counterfeit drugs, foods, among other consumables in the first place, rather than punishing unethical business practices. The agency was established to carry out the following functions:

- Regulate and control the importation, exportation, manufacture, advertisement, distribution, sale and use of drugs, cosmetics, medical devices, bottled water and chemicals.
- Conduct appropriate tests and ensure compliance with standard specifications designated and approved by the council for the effective control of quality of food, drugs, cosmetics, medical devices, bottled water, and chemicals.
- Undertake appropriate investigation into the production premises and raw materials for food, drugs, cosmetics, medical devices, bottled water and chemicals and establish a relevant quality assurance system, including certification of the production sites and of the regulated products.
- Undertake inspection of imported foods, drugs, cosmetics, medical devices, bottled water, and chemicals and establish a relevant quality assurance system, including certification of the production sites and of the regulated products.
- Compile standard specifications, regulations, and guidelines for the production, importation, exportation, sale and distribution of food, drugs, cosmetics, medical devices, bottled water, and chemicals.
- Undertake the registration of food, drugs, medical devices, bottled water and chemicals.
- Control the exportation and issue quality certification of food, drugs, medical devices, bottled water and chemicals intended for export.
- Establish and maintain relevant laboratories or other institutions in strategic areas of Nigeria as may be necessary for the performance of its functions (About NAFDAC, 2005). The functions also included impounding and arresting those caught contravening provisions of laid down rules and regulations for the protection of the consumers (Ayozie, 2013).

These functions were made known to the general public at its inception but records showed that the agency for a long time was unable to perform these functions effectively. The prevalence of the sale and use of fake drugs was still high. This led to a re-organization in 2001 by President Olusegun Obasanjo. Three new policies were then put in place to help improve efficiency and they were reported to have had positive results. These were:

- The absolute ban on the importation of drugs and other controlled products through land borders.
- The choice of Calabar and Apapa Sea ports, Murtala Muhammed and Mallam Aminu Kano International Airports as special ports of entry for the import of drugs and pharmaceutical raw materials.
- Release of shipping and cargo manifests by the Nigerian Ports Authority, shipping lines and airlines to NAFDAC inspectors (NAFDAC: Battle against fake drugs. 2003).

It is important to note that NAFDAC does not work in isolation but interacts closely with many national and international organizations whose activities relate to its functions; for

example, the Consumer Protection Council of Nigeria (CPC), the Standard Organizations of Nigeria (SON), the National Drug Law Enforcement Agency (NDLEA), the Pharmacists Council of Nigeria (PCN), the Pharmaceutical Manufacturers Group of Manufactures Association of Nigeria (PMG-MAN), Association of Food, Beverage and Tobacco Employees of Nigeria (AFBTE), National Association of Government Approved Freight Forwarders (NAGAFF), and Patent and Proprietary Medicine Dealers Association (PPMDA), (Stakeholders, 2005), to ensure performance and efficiency.

In addition, the agency created 6 Zonal and 36 state offices to ensure stress-free availability to stakeholders; organized workshops to educate different stakeholders; raised awareness of its functions and existence in Nigeria, India, China and other countries. It is also known to hold meetings with Ambassadors of countries known to be involved in exporting fake drugs into Nigeria, soliciting their support in checking the trend. Apart from this, the agency has recorded considerable success in the battle against fake drugs, as demonstrated by the public destruction of such, either recovered from repentant traders, or from underground warehouses based on information from drug sellers and the public, and those seized by the drug sellers' internal task forces and NAFDAC task forces.

Furthermore, structures have been put in place by NAFDAC to ensure speedy registration and inspection of facilities and products and assistance elicited from national and international stakeholders/bodies in staff training, equipment donations, project financing and information sharing through consultations. New guidelines and standard operating procedures (SOP) have been adopted for all regulatory procedures and proposals are regularly sent to the National Assembly for updating outdated laws (Achievements, 2005).

With all the above, NAFDAC believes it is efficiently fulfilling the objective of its establishment.

3. Methodology of research

3.1. Research Design

The population of this study is the entire people in the society who are engaged in the consumption of foods, drugs, cosmetics, medical devices, chemicals and packaged water in Nigeria.

To ensure representativeness, this study utilized the survey research design. The survey instruments (Questionnaire) were distributed to 200 respondents in Yaba, Shomolu, Pedro and Okota areas of Lagos Mainland in Lagos state. The respondents were made up of different categories of people including lecturers, students at various levels, administrative personnel of institutions, artisans, traders, security personnel among others. These were drawn using convenience sampling method. Overall, 187 copies of the questionnaire distributed representing 93.5% were returned and usable.

This made up the sample size of the study. The respondents are seen as illustrative of other members of the population of study, as they all in one way or the other are affected by the activities of businesses and NAFDAC as a regulatory body. The study design is suitable because survey is the best way to find out respondents' opinion on issues without necessarily manipulating or swaying the results of the study.

Descriptive statistics will be used to answer the following questions from the responses generated through the survey instrument, which is the questionnaire:

- Do consumers know that the government owes them the responsibility of protecting them from unethical business practices?
- To what extent are consumers aware of the existence and functions of NAFDAC?
- What is the level of efficiency of NAFDAC?
- Have consumers benefitted in any way from the activities of NAFDAC?

4. Results

4.1. Respondents' Profile

Table 1 show that 52.9% of the respondents are males and 47.1% female, while the greatest percentage of the respondents, representing 34.8% falls within the age bracket of 31-40 years. Also, a higher percentage of them are married as reflected by 56.7%.

Table 1. Respondents' profile

Characteristics	Frequency	Percentage
Sex		
Male	99	52.9
Female	88	47.1
Total	187	100
Age		
18-20	13	7.0
21-30	52	27.8
31-40	65	34.8
41-50	39	20.9
Above 50	18	9.7
Total	187	100
Marital Status		
Single	81	43.3
Married	106	56.7
Total	187	100
Education		
SSCE/GCE	31	16.6
NCE/OND	23	12.3
HND/B. Sc/M. Sc/MBA/MA	123	65.8
Others	10	5.3
Total	187	100

Source: Field Survey 2015

Majority of the respondents depicted by 65.8% have a first degree, its equivalent and above, showing a high level of formal education and its attendant benefits of reliability of their responses to survey questions. This is because it is expected with this level of formal education; they have a comprehensive understanding of the subject of discussion.

Objective One: to examine consumers knowledge on the responsibility of government to protect them from unethical business practices.

To achieve this objective, descriptive statistics was used for the analysis.

Table 2 addresses the question of how knowledgeable the consumers are, of the responsibility of the government to protect them from unethical business practices. From the table, it shows that almost all the respondents represented by over 95% in each case know that, they need protection from unethical business behaviour and it is the responsibility of the government to provide such through regulations.

Table 2. Consumers knowledge on government responsibility

Statement	YES		NO	
	F	%	F	%
One of the responsibilities of government is to control business activities through regulations.	182	97.3	5	2.7
Consumers need protection against unethical practices of businesses.	180	96.3	7	3.7
It is the responsibility of government to provide such protection?	180	96.3	2	1.1

F= Frequency

Source: Field Survey 2015

Objective Two: To examine consumers' awareness of the existence and functions/activities of NAFDAC

The second objective of this study is to ascertain the level of consumers' awareness of the existence and functions of NAFDAC. In addition to this, the level of patronage by respondents or other persons known to them and awareness of NAFDAC activities in enhancing efficiency is rated by the respondents. Also, the medium through which the consumers became aware of the existence and functions is ascertained.

Table 3 shows that 99.5% of the respondents are aware of the existence of NAFDAC and a further 97.9% actually know what functions they exist to fulfill. 78.6% of the respondents are of the opinion that NAFDAC is fulfilling the purpose of its existence, while 20.9% of them disagree with this opinion. The percentage of respondents who

have, or know those who have had direct dealings with NAFDAC in terms of patronage is only a little above the average with 55.1%. The same applies to the percentage of the respondents who are aware of existence of the new guidelines and standard of practice for all regulatory processes put in place by NAFDAC to improve on their level of efficiency. This is represented by 55.6%.

Table 3. Consumers' awareness of NAFDAC's existence/functions/activities

Statement	YES		NO	
	F	%	F	%
I am aware of the existence of NAFDAC	186	99.5	1	0.5
I am aware of the functions of NAFDAC	183	97.9	4	2.1
I have or know of someone who has patronized NAFDAC	103	55.1	77	41.2
I am aware that NAFDAC has new guidelines and standard of practice in place for all regulatory processes	104	55.6	82	43.9
I am aware NAFDAC is fulfilling the purpose of its existence	147	78.6	39	20.9

Source: Field Survey 2015

The results on Table 4 reveal that NAFDAC succeeded in their strategy of creating consumer awareness of their existence through awareness campaigns on various media, particularly the Radio and Television. 72.7% of the respondents traced their awareness to this source. The other sources of awareness were campaigns in the markets and at shopping centres, Newspapers and magazines, and through friends and associates. 4.3% of the respondents became aware through more than one source.

Table 4. Medium of awareness of NAFDAC existence

Medium of awareness	F	%
Awareness campaigns on Radio/TV	136	72.7
Awareness campaigns in public like markets, shopping centres	17	9.1
The Newspapers & Magazines	12	6.4
Through friends & associates	7	3.7
More than one source	8	4.3

Where F = Frequency

Source: Field Survey 2015

Objective three: To determine consumer rating of how efficient NAFDAC has been in the fulfilment of its mandate

With the use of a 5-point Likert scale of "Very high, High, Average, Low and very low, bearing the values 5, 4, 3, 2, and 1 respectively, respondents were asked to indicate

their level of agreement on the statements measuring how efficient NAFDAC has been in the fulfilment of its mandate.

The result showed that most of the respondents were of the opinion that NAFDAC is efficiently fulfilling its objective of preventing the consumer from getting injured by unethical business practices, as well as efficiently conducting appropriate tests in ensuring compliance with approved standard specifications for the effective control of quality of foods, drugs, cosmetics, medical devices, chemicals and packaged water. This is because the mean of each scale used is above 3 and therefore, tends more towards high efficiency, rather than low.

The respondents are also of the opinion that NAFDAC is efficient in the registration of food, drugs, medical devices, bottled water and chemicals and is achieving results in the fight against counterfeit drugs by responding positively and promptly to customer/public reports about violations of their standards by businesses. Three respondents verbally stated that the efficiency of NAFDAC dropped after the exit of Professor Dora Akunyili.

All the responses to the statements measuring the efficiency of NAFDAC were summarised as “NAFDAC EFFICIENCY”. It was treated as a multiple item construct as many items were used to measure the level of efficiency; hence the minimum value is shown in the last row on Table 5 as **1.38** instead of the conventional 1. This value is derived by adding the scores of all the items on the 5-point Likert scale and dividing them by the number of all items for each respondent.

Table 5. Consumer rating of NAFDAC efficiency in fulfilling mandate

	N	Mean	Std. Deviation
The efficiency of NAFDAC in fulfilling its objective of preventing the consumer from getting injured by unethical business practices	187	3.5348	1.13243
NAFDAC efficiency at conducting appropriate tests & ensuring compliance with approved standard specifications for the effective control of quality	187	3.3316	1.07624
The efficiency at which NAFDAC is achieving results in the fight against counterfeit drugs	187	3.1283	1.21576
NAFDAC efficiency in the registration of food, drugs, medical devices, bottled water and chemicals	187	3.2299	1.26812
NAFDAC efficiency at responding positively to customer complaints about violations of their standards by businesses	187	3.2941	.94135
The efficiency of NAFDAC to respond promptly to customer reports or complaints	184	3.1630	.97820

NAFDAC efficiency in enforcing government regulations on erring/unethical businesses and practices	187	3.5722	1.06199
NAFDAC efficiency at penalizing people as a result of unethical business practices	187	3.3904	1.16051
NAFDAC EFFICIENCY	187	3.3242	.74252
Valid N (listwise)	184		

The result with a mean of 3.3242 and a standard deviation of .74252, agrees that NAFDAC is efficiently fulfilling the purpose of its establishment.

4.2. Hypothesis Testing on NAFDAC Efficiency

H₀₁: NAFDAC has not efficiently fulfilled its mandate of effective administration and control of quality of foods, drugs, cosmetics, medical devices, chemicals and packaged water.

ne-Sample Test on NAFDAC efficiency in fulfilling its mandate

	Test Value=3					
	t	df	Sig.(2-tailed)	Mean Difference	95% Confidence interval of the difference	
					Lower	Upper
NAFDAC Efficiency	5.971	186	.000	.32420	.2171	.4313

Source: Field Survey 2015

Using a bench mark of 3, t test calculated =5.971, P value=0.000

As the result on table 3.0 shows, t value computed is 5.971 with P=0.000. Since P<0.05, H₀ of hypothesis 1 is rejected. It is concluded therefore that NAFDAC has efficiently fulfilled its mandate of effective administration and control of quality of foods, drugs, cosmetics, medical devices, chemicals and packaged water; thereby protecting the consumers from being injured by adulterated, banned and counterfeit drugs, foods, among other consumables.

Objective Four: To find out if consumers have benefitted in any way from the activities of NAFDAC

To determine this, respondents were asked to state in one sentence, a function or an activity of NAFDAC they have benefitted from. A summary of the responses in Table 6 shows that out of the 187 respondents, only 150 representing 80.2% responded to this. The missing 37 could be attributed to the naturally “lazy” attitude of respondents to questions requiring written responses. It is pertinent to note that benefits derived by respondents from the activities of NAFDAC centre on their mandate. 61 of them

representing 32.6%, claim to have benefitted from the NAFDAC activity of detecting fake and expired food and drugs; 54 persons benefited from the control of the quality of food and drugs supplied to consumers while a further 6 persons representing 3.2% benefited from the regulation of the use of dangerous substances in food and drugs. The remaining 29 persons who responded to this, claimed to have derived no benefit directly whatsoever, from the activities of NAFDAC.

Table 6. Consumer benefits from the functions/activities of NAFDAC

Responses		Frequency	Percent
Valid	1. Detection of fake and expired food/drugs	61	32.6
	2. Control of supply of food & drugs	54	28.9
	3. Regulation of the use of dangerous substances in food/drugs	6	3.2
	4. No benefit	29	15.5
Total		150	80.2

Source: Field Survey 2015

In conclusion, only 64.7% of the respondents feel they have benefitted from the activities/functions of NAFDAC.

5. Discussions, Conclusions and Recommendations

Data analysis results show that majority of the respondents represented by 65.8% have a first degree, its equivalent and above. This shows a high level of formal education and its attendant benefits of reliability of responses to survey questions. This is because it is expected with this level of formal education; they have a comprehensive understanding of the subject of discussion. On the question of how knowledgeable the consumers are of the responsibility of the government to protect them from unethical business practices; the results show that almost all the respondents represented by over 95% in each case know that, they need protection from unethical business behaviour and that it is the responsibility of the government to provide such through regulations. This runs contrary to the results of the studies by Agbonifoh and Edoreh (1993) and Monye (2006); which reported that consumer awareness level of their rights in Nigeria is low. Also, that though a lot of them have experienced disappointment or dissatisfaction in one way or the other, a dismally low percentage of them has sought redress. This they attributed to low levels of formal education.

The second objective of this study is to ascertain the level of consumers' awareness of the existence and functions of NAFDAC. In addition to this, the level of patronage by respondents or other persons known to them and awareness of NAFDAC activities in

enhancing efficiency is rated by the respondents. Also, the medium through which the consumers became aware of the existence and functions is ascertained.

The findings on the second objective of this study revealed that the government in Nigeria realizes that it is its responsibility to provide protection for its citizens. As a result, it has not only promulgated laws and decrees but also, has regulatory agencies like NAFDAC in place to ensure compliance. In addition, consumers are made aware of the existence of these agencies and their functions, so they could patronize them. These are reflected in Tables 3 and 4 above showing that the respondents know what functions NAFDAC exists to fulfill. The results on Table 4 reveal that NAFDAC succeeded in their strategy of creating consumer awareness of their existence through awareness campaigns on various media, particularly the Radio and Television. 72.7% of the respondents traced their awareness to this source. The other sources of awareness which accounted for 19.2% were campaigns in the markets and at shopping centres, Newspapers and magazines, and through friends and associates. 4.3% of the respondents became aware through more than one source. This shows that only less than 9% of the respondents were unaware of the agency's existence.

The above results support the assertion by Al-Ghamdi *et al.* (2007), Ekanem (2011) and Ayozie (2013) that there are various government regulations and regulatory agencies in place in Nigeria to protect the consumers, but runs contrary to the submission by Odumodu (2012) which states that, though the government has regulations in place, there is no institution to enforce them.

The effectiveness of these agencies was also brought under scrutiny. Contrary to the conclusion of the studies by Ekanem (2011) and Nwaizugbo and Ogbunankwor (2013), reporting inefficiency of most government regulatory agencies, the results of this study showed that most of the respondents were of the opinion that NAFDAC is efficiently fulfilling all its objectives. These include protecting the consumer from getting injured by unethical business practices; efficiently conducting appropriate tests in ensuring compliance with approved standards and specifications; efficiently managing the registration of food, drugs, medical devices, bottled water and chemicals and is achieving results in the fight against counterfeit drugs by responding positively and promptly to customer/public reports about violations of their standards by businesses.

The results of the open-ended question on whether the respondents have benefited directly from the activities of NAFDAC revealed that, only 64.7% of the respondents were in affirmation. From all the above, it is concluded that NAFDAC as a government regulatory agency is efficiently fulfilling the purpose of its existence, to a large extent. There is however a need for the government to still look into areas where they are deficient, to make room for improvement. This is because the mean ranging from 3.163 to 3.5722 on consumer rating of their efficiency on a 5-point scale, shows NAFDAC has not "arrived" in gaining total consumer recognition of its efficiency. Also, the verbal

comments of a few respondents as to the seeming decline in their rate of efficiency after the exit of Prof. Akunyili, should not be disregarded.

Since this study was limited to only certain areas of Lagos State, it may not truly represent the assessment of the entire sample population, which is Nigeria. "Another limitation of this study is that though a quantitative research design was employed, a non-probability sampling method was used in gathering data. This therefore prevents generalisations about the population of study. It is therefore recommended that the studies be replicated in the other states in Nigeria. Also, studies using a probability sampling method, like random instead of convenience used in this study should be carried out. Further studies could in addition be carried out", to compare the performance of NAFDAC under its previous and current directors, the reasons for the decline (if any) identified, and machinery set in place to correct and improve on the current position.

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