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Examining the Implication of Pension Reform on Retirement Plan of Employees in the Nigerian Civil Service Sector

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Abstract: *Accountability in the Government service sector through appropriate reform is expected to boost efficiency and good governance. However, the possibility of negative consequences of reforms has necessitated fear of retirement among civil service employees in Nigeria. This study examines the implication of civil service reform on the retirement plan of employees in Nigeria. Primary data was collected from 674 respondents using a structured questionnaire. The primary data were collected from sampled employees to gather appropriate information that is directly related to reforms in the Ministry of Education, the Nigerian civil service. The results indicate that the reform carried out in the civil service sector has no positive relationship fear of retirement expressed by the employees. The results confirm the need for Government and regulatory authorities leads to the conclusion that the reform did guarantees job security at the top and middle levels of the service sector.*

KEYWORDS: pension reform, retirement plan, employees, Nigerian civil service, sector

INTRODUCTION

The civil service is a very important part of the government all over the world. Civil servants are those that work in different organs of government, especially the executive arms implementing policies, programs, projects and activities (Englefield, 2004). Civil service also represents the tool that governments use to design, formulate and implement public policy and discharge government functions. To put in place a result-oriented and transformative civil service, nations embark on reforms (Ayeni, 1992). Government responsibility to citizenry can only be accomplished in the public service through the sector's reforms (Kilelo, 2015).

The World Bank (1992) stated that good governance could only be pegged on four basic elements; effective financial and human resources management, accountability in the service, a predictable legal framework and transparency that reduces corruption. These are achievable through effective reforms implementation in the public sector. The goal of reforms is to make government and public institutions serve the citizens more effectively as well as efficiently in resource utilization in its developmental role. The developmental roles are being played by eliminating mal-administration through processes and respect for the rule of law. Democracy can only be well nurtured and sustained through good governance. Good governance is therefore the ability to deliver goods and services to the various stakeholders when the political system works for the betterment of the citizens (Sharma, Sadana and Kaur, 2012). It is in short, the capacity of the political and administrative systems to cope with the emerging challenges of the society and the objective of the government in designing, formulating and implementing policies that are development-oriented (Sharma et al., 2012).

The Nigerian public service has undergone series of reforms to make it more vibrant, result-oriented and focused on national development (African Development Bank, 2005; Anazodo Okoye & Nwachukwu, 2012). Hence, from 1934, when the Hunts Commission was set up, till date no fewer than fifteen (15) commissions/panels have been put in place to undertake reforms of the civil service in Nigeria (Akinbade, 2004; Anyebe, 2011). Despite these well-meaning efforts, the Nigeria civil service still shows sign of undesirable features such as incessant conflicts between cadres and grades, low morale and productivity, high absenteeism, difficulties in attracting and retaining key professionals, poor working environment, over-centralization, lack of meaningful delegation, trust, confidence on subordinate, transparent and inspired leadership, to mention but few (Abdulsalam & Longe, 1998; Anyebe, 2001; Akapama, 2002; Adamolekun, 2006). Ogundiya (2006) noted that these problems hamper “the ability of a service to continue to propel national development”. It is the view of this study that the above malaise were symptoms or consequences caused by a lack of well-articulated, defined and implemented motivational policies in the Nigerian civil service.

Cognizance of the foregoing, President Olusegun Obasanjo, shortly after his second term re-assumption of office in 2003, enunciated several policies towards the civil service reforms that could be said to aim at placing the country on a sound administrative footing after long years of military rule (Bangura & Larbi, 2007). The embarked upon reforms were to remove the negative tendencies and produce a public service whose ultimate focus was to respond to the needs of the citizenry more effectively, efficiently and transparently as well as the issues of motivation squarely (Yaqub and Sulaiman, 2010; Adegoroye & Oladejo, 2012).

According to Yaqub and Sulaiman, (2010), the multidimensional reforms took off with the following objectives, among others:

(a) Strengthen and transform the Nigerian civil service into a professionalized, dependable, performance and result oriented instrument for development.
(b) Become a veritable tool for consolidating democracy and empowering the private sector as the engine of growth and development.
(c) Modernize, to be capable of adequately responding to the challenges of a rapidly globalizing market system and the new information age (Olaopa, 2008).

As part of the implementation of the reforms, the administration also introduced the process of rationalization and downsizing of the staff in various ministries, departments, and agencies (MDAs). The implementation of the reforms has both advantages and disadvantages. For example, many civil servants lost their placement in the federal service (Bureau for Public Service Reforms-BPSR, 2010). This is because the government believed that the success of the program depended on the overall implementation of the goals and the objectives of the program.

Education is one of the most important ingredients of human capital development. It is no gainsaying that the state of the educational level of a country or society is its real state of development. This has recently been proven by the achievement of accelerated growth and development in the Asian continent where Newly Industrialized Countries (NICs) had emerged because of significant investment in education amongst other socio-economic factors (Meir *et al.*, 2004). But educational level will only play a significant role if proper investment, policies and above all right personnel working in the sector are well motivated to deliver on the expected outcome (Obanya, 2008). The personnel or workforce in the ministry of education is the engine for the formulation, execution and evaluation of the policies as well as the utilization of the resources been provided for the attainment of the educational objectives of the nation. Thus, if the workforce is well-motivated there is no doubt it would be committed to the assignment, jobs and responsibilities. The level of staff motivation and job satisfaction in an organization, private or public, like the federal ministry of education is fundamentally tantamount to the motivational effects of the organization (McGregor, 1968).

Consequent to the pension reforms to boost the performance of civil service employees, several issues emerged. The most important among these issues is whether the pension reform would positively or negatively affect the retirement age of the employees or not. Hence, this study seeks to provide an answer to the question of the relationship between civil service reform and retirement outcome for civil service employees using Nigeria as a case study. The study tests the hypothesis that the new contributory pension scheme has not allayed the fear of retirement among employees in the Nigerian civil service.

LITERATURE REVIEW

New Pension Reforms in Nigeria

The public service operated an unfunded defined benefits scheme and the payment of retirement benefits were budgeted annually. In the light of resource constraints, the annual budgetary allocation for pension is often one of the budgetary items most vulnerable to cuts. Even where budgetary provisions are made, inadequate and untimely releases of funds result in delays in payment and the accumulation of arrears. The accumulation of pension arrears was only a symptom of a much deeper crisis. Because the old pension scheme was not funded, there was no opportunity for the accumulation of investible funds. Even in rare cases where funds were accumulated under some parastatal schemes, restrictive investment policies and practices sometimes limited the capacity of such funds to grow. Political instability and unstable labour policies in the past had engendered massive premature retirements, thus creating an unstable pensioner-to-active worker ratio. In addition, poor administrative systems, inadequate delivery structures for payment, lack of a database of pensioners, and adverse publicity in the media had portrayed the government as uncaring to the plight of 'senior citizens' which gave rise to insecurity and encouraged corruption in the active workforce.

By 2003, it was estimated that the outstanding pension liabilities nationwide was N2 trillion, and it became obvious that the Defined Benefits Pension scheme could not be sustained. The Nigerian Railway Corporation was a classic example of the unsustainable relationship between the income-generating and non-income generating salary earners. The corporation generates N30 million every month but paid N250 million to pensioners and N200 million to its regular workers. The pension situation in the country was unsustainable and had been described by some as a 'ticking time-bomb'. It was, therefore, necessary to rethink pension administration in Nigeria.

To address and eliminate the problems associated with the pension scheme in the country, the government undertook an exhaustive review of all the existing laws relating to pension in Nigeria. It found that the applicable laws were inadequate and inconsistent with modern pension administration arrangements in other countries. On 25 June 2004, the federal government enacted the Pension Reform Act and it came into effect on 1 July 2007. The objectives of the Pension Reform Act are to 1. Ensure that every person who has worked in either the public or private sector receives his or her retirement benefits as and when due. 2. Assist to improve individuals by ensuring that they save to cater for their livelihood during old age and thereby reducing old-age poverty. 3. Ensure that pensioners are not subjected to untold suffering due to the inefficient and cumbersome process of pension payment. 4. Establish a set of standard rules and regulations for the administration payment of retirement benefits in the public and private sectors, and 5. Stem the growth of outstanding pension liabilities. The reform introduced by the Act is governed by the key principles of sustainability safe and security of benefits, transparency, accountability, equity, flexibility and uniformity are predictability.

The Act provided for a contributory and mandatory pension scheme with contributions from both employees and employers. It has 100% asset backing and is privately managed by Pension Fund

Administrators (PFAs) and Pension Fund Custodians (PFCs). The scheme contains life assurance cover and is strictly regulated and supervised. The Pension Reform Act 2004 established the National Pension Commission (PENCOM) as the body to regulate, supervise, and ensure the effective administration of pension matters in Nigeria. The functions of the Commission include: 1. Regulating and supervising the Scheme established under the Act. 2. Issuing guidelines for the investment of pension funds. 3. Approving, licensing, regulating, and supervising pension fund administrators, custodians and other institutions relating to pension matters as the Commission may, from time to time, determine. 4. Establishing standards, rules, and guidelines for the management of the pension funds under the Act. 5. Ensuring the maintenance of a National Data Bank on all pension matters. The new Pension Scheme is implemented side by side with the old Pension Scheme, i.e. the 'Pay-As-Go' Scheme that covers employees who retired on or before 30 June 2007, and the new scheme, i.e. the Contributory Pension Scheme for those who retired from the public service after 1 July 2007. While the Pay-As-Go Scheme is a defined benefit scheme fully funded by the government, the present scheme is based on contributions between employers and employees.

The Act made transitional provisions for the establishment of Pension Departments under the scheme to administer the affairs of existing pensioners. The National Pension Commission supervises these departments. The responsibilities, funds, and assets of relevant existing pension boards or offices were transferred and vested in the respective departments. It is anticipated that these departments shall cease to exist after the death of the last pensioner under the former dispensation.

Also, the Act provides for retirement benefit bond. Because the schemes were unfunded for the public service of the Federation and the Federal Capital Territory, this bond is issued to those current staff who worked for a specified number of years but are exempted from the new scheme. In acknowledgement of their accrued rights under the defunct pension scheme, this bond addresses government indebtedness to them. However, this bond is only due and payable when they retire.
The Retirement Benefits Bond Redemption Fund was also established and is maintained by the Central Bank of Nigeria. The Federal Government pays 5% of the total monthly wage bill payable to employees in the public service of the Federation and Federal Capital Territory into this fund. Payments for retirement benefit bonds issued are made from this fund. Payment into this fund will cease when all retirement benefit bonds have been redeemed. Pension Department (PTAD), The Pension Reform Act (PRA), 2004, Section 30 subsection (2) (a) provides for the establishment of a Pension Transitional Arrangement Department (PTAD), which consists of the following departments: 1. The Civil Service Pension Department 2. The Military Pension Department 3. The Police Pension Department 4. The Customs, Immigration and Prison Pension and 5. The Security Agencies Pension Department.

However, separate Acts of the National Assembly have exempted the Military Pension Department and Security Agency Pension Department from this arrangement. PTAD is therefore only responsible for the management of three of the offices presently running the old pension scheme: The Civil Service Pension Department, the Police Pension Office, and the Customs, Immigration and Prisons Pension Office (CIPPO). In line with the relevant provision of section 173(3) of the 1999 Constitution as amended the Pension Scheme should be reviewed every five years, the Pension Reform Act 2014 repeals the Pension Reform Act 2004 (as amended). The highlights of the Act are that: 1. The scheme will apply to employers with three or more employees (currently five or more required); and
2. The total rate of contribution will increase from the current 15% of monthly emolument to 20% with a minimum of 12% by the employer and a minimum of 8% by the employee. The main achievements of the pension reforms are 1. The introduction of PTAD has weeded out 15,000 'ghost pensioners' and saved the government N2 billion in less than 2 years.
2. The contributory pension scheme has drastically reduced the cost of pensions to the government. 3. Delays in the payment of pensions have reduced. 4. Everyone who works in the public service, no matter how briefly, is now entitled to a pension, compared to the previous scheme that required working for 10 years. 5. So far, nine (9) million employees have been registered as of 2014. 6. Under the scheme, 24 Pension Fund Administrators, 4 Pension Fund Custodians, and 7 Closed Pensions Fund Administrators (CPFA) have been licensed. 7. The scheme has been adopted by 18 state governments, out of which seven are in full compliance, while 11 others are at various stages of compliance. 8. The Pension Transitional Arrangement Department (PTAD) was established by the provisions of the Pension Reform Act to continue to administer the affairs of existing pensioners who are under the Pay-As-You-Go Scheme.
9. There is the effective provision of policy guidelines on pension and administration of retirement benefit of pensioners. 10. There is the consistent payment of monthly pension to federal civil service pensioners.

Individual retirement saving accounts (RSAs) are privately held by the employees and managed by Pension Fund Administration (PFAs) with the pension fund assets held by Pension Assets Custodians (PACs). This whole scheme is being regulated and supervised by the National Pension Commission (PENCOM). This arrangement meets the classification of public policy propounded by Theordore J. Lowi (1914) four arenas of power; redistributive, distributive, constituent and regulative. The commission ensures that the payment and remittance of contributions were made, and beneficiaries of retirement savings are paid promptly. It also promotes a vibrant and sustainable pension industry that impact positively on the economy. The number of registered RSA holders increased by 8.4% in 2011 from 4,542,250 registered in 2010 (PENCOM 2011).

The public sector recorded the highest proportion of total RSA registration in 2011 at 2,702,899 which represents 54.86%. Though the RSA registration in the public sector was larger than in the private sector, the rate of increase in RSA holders from the private sector was however higher at

12.46% than that of the public sector which was at 5.40% (PENCOM 2011). The total value of pension fund assets, based on the unaudited valuation report of 2011 was 2.45 trillion. The average monthly contributions by RSA holders were N19.08 billion in 2011 against the monthly average of N10.79 billion in 2010, representing an increase of 76.83% (PENCOM, 2011).

Governments war against corruption was launched in 1999, in what culminated in the enactment of the corrupt practices and other related offences act of 2000 and the subsequent establishment of the independent corrupt practices commission (ICPC) and other measures by the government to plug loopholes in the public service and expose the penalize corruption officials and other citizens. The second phase of the programme was the enactment of the commission of the economic and financial crime (EFCC) act and the establishment of the EFCC in 2002. The EFCC, with its enforcement and prosecution powers, has added teeth to the anti-corruption efforts of government which is changing international perception of Nigeria as a viable investment environment. Recently the “war against corruption” has taken a new dimension and vigour under President Muhammadu Buhari’s Administration. Many top officials of government have been caught in the anti-corruption dragnet, included ministers, and members of the national assembly, officers both serving and retired from the Armed Forces and other security agencies, as well as permanent secretaries and directors. Members of the judiciary have also been appropriately sanctioned as there are no longer sacred cows.

According to Nworgu (1991), a research design is a plan or blueprint, which specifies how data, relating to a given problem, should be collected and analyzed. It involves a set of decisions regarding the topic meant to be studied, among a particular population, with what research methods and purpose. Asika (2006:28) “classified three main categories of research design as follows: Survey; Experimental and Ex-post-facto”. Meanwhile, in consonance with the objectives of this study, a mixed research method was adopted involving the use of interview (qualitative) and quantitative (questionnaires) research design. Both primary and secondary data were collected. The secondary data was sourced from the documentary, textual and library sources. The latter enabled us to generate baseline information (from secondary sources) about the research whereas the former offered us the opportunity of weighing the documented evidence against the views, opinions, and perceptions of the chosen sample of the study selected from the FME. Thus, by analyzing the content of relevant documents and manifest claims of the top officials of the FME together with the responses of the study sample in the research instrument, we are better disposed to come up with a fair and balanced conclusion on the impact of civil service reforms on staff motivation in the Federal Ministry of Education. It is worth noting that the idea behind the adoption of a mixed-method approach in the design of this study draws strength from the urge to enhance the validity of the findings of the study (Creswell, 2006).

METHODOLOGY

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The target population of this study is made up of the entire civil servants in the Federal Ministry of Education in the Nigerian civil service. The population of the study refers to the group or the total of all the units possessing the characteristics which define the study. In this study, the population of this study is confined to all the confirmed staff of the Nigerian Federal Ministry of Education. The staff population of the Federal Ministry of Education (excluding agencies/parastatals) headquarters, Abuja was 1,883 at the time of this study. Thus, the population of this study is 1,883 comprising the junior staff such as the clerical officers, typists, drivers, and the senior staff which includes the administrative officers, account officers, secretaries) and the management personnel. Table 1 shows the distribution of staff in the Ministry into management, senior and junior personnel.

Table 1: Population size by service departments

S/N	Departments	Junior staff	Senior staff	Management staff	Total
1.	Human Resource Management	74	122	32	228
2.	Finance &Accts	58	104	38	200
3.	Education Planning, & Development	32	60	21	113
4.	Basic & Secondary Educ.	28	70	17	115
5.	Tertiary Educ. Dept.	19	75	22	116
6.	Tech. & Science. Educ. D.	21	89	26	136
7.	Education Quality Assurance.	16	99	18	133
8.	Procurement Dept.	29	97	19	145
9	Information com. & Tech. Dept	17	85	16	118
10	Internal Audit Dept.	26	70	18	114
11	Federal scholarship Board	25	110	25	160
12	Reforms Coordination Dept.	22	53	14	89
13	Educ. Support services Dept.	30	65	15	110
14	Hon. Ministers' Offices	31	61	14	106
Total		**428**	**1,160**	**295**	**1,883**

Source: FME, Human Resource Management Department

A multi-stage sampling technique was adopted in this study. The technique involves sampling in successive stages such that at each stage selection is made using known probability sampling methods (Biereenu-Nnabugwu, 2006). In the first stage, a stratified sampling technique of disproportional type was adopted to categorize employees into junior, senior and management staff respectively. The use of disproportional sampling was to account for differences in the numerical strength of employees across different stratum.

Since the target population of the study is relatively large, there is a need to estimate an appropriate sample size that will be representative of the population. Osuala (2001) noted that researchers should avoid a sample that is too large as well as one that will be too small not to be truly representative of the study population. Studies by Biereenu and Nnabugwu, (2006), assert that 20% will be appropriate for the population in the bracket of 1000 population. However, based on the scope of this study and the empirical focus needed to achieve the study objectives, Taro-Yamane (1962) formula was considered and consequently applied to determine the appropriate sample size. A total of 674 sample sizes were obtained using the formula specified as:

$$n = \frac{N}{1+N(e)^2}$$

Where:

n = sample size (to be determined), N = population (known), e = level of statistical significance

The sampling operations were calculated, and the sample size extracted from the distribution of staff population in categories – junior, senior and management as follows:

A. Junior staff sample size

Step 1 $n = \frac{N}{1+N(e)^2}$

Step 2 $n = \frac{428}{1+428(0.05)^2}$

Step 3 $n = \frac{428}{1+428(0.0025)}$

Step 4 $n = \frac{428}{1+1.07}$

Step 5 $n = \frac{428}{2.07}$

Step 6 $n = 206.76$ (Approximated to 207)

B. Senior Staff sample size

Step 1= $n = \frac{N}{1+N(e)^2}$

Step2= $n = \frac{1160}{1+1160(0.05)^2}$

Sep 3= $n = \frac{1160}{1+1160(0.0025)}$

Sep 4= $n = \frac{1160}{1+2.9}$

Step 5= $n = \frac{1160}{3.9}$

$Step\ 6$ $n = 297$

C. Management Staff Sample Size

Step 1 $\mathrm{n} = \frac{N}{1+N(e)^2}$

Step 2 $n = \frac{295}{1+295(0.05)^2}$

Step 3 = $n = \frac{295}{1+295(0.0025)}$

Step 4 = $n = \frac{295}{1.736}$

Step 5 = $n = 169.93$

Step 6= (Approximated to 170)

Total = (A+B+C) = 674

Having determined the sample sizes of the three categories of staff, it is important to distribute them across the various departments in the Ministry of Education. This is to ensure that no social and functional unit of the ministry was excluded because of the importance attached to every subject during data collection and analysis. Consequent to the above split and determination of the sample sizes into the three staff categories of junior (207), senior staff (297) and the management staff (170). The initial outcome of 207 represents 48% of junior staff 428. The 297 of senior staff represents 25.60% of 1,160 (approx. 26%), while the management staff 170 represents 57.6% of 295 (approx.58%). A total of 674 respondents were selected from the fourteen (14) departments of the ministry.

Data for this study were collected from primary sources. Primary data were collected from sampled employees to gather appropriate information that is directly related to reforms and staff motivation in the Ministry of Education, the Nigerian civil service. A structured questionnaire was used to collect primary data for this study. The questionnaire, which is the primary instrument used, was structured into main parts: quantitative and qualitative sections. The quantitative section covers were further structured into seven (7) different subsections. The first subsection covers information on the demographic characteristics of the respondents. The second focused on civil service reforms and general staff motivation in the Federal Ministry of Education. The third was structured to provide information on reforms, and job performance and job security. The fourth subsection addressed the issue of staff training and development programs about the competencies of employees. The fifth subsection covered the aspect of new pension (contributory) scheme and retirement benefits among the civil servants. The last subsection was structured on the issue of whether the national health insurance scheme has provided job satisfaction in the civil service.

The structured items are made up of multiple-choice questions and rank-ordered statements patterned along with the Likert scale method of five points (strongly agree=5, agree=4, undecided=3, not agree=2, strongly not agree=1). The respondents were required to tick/choose only one option from the alternatives. The unstructured items are mostly follow-up questions meant to clarify the responses of the respondents.

The qualitative section was designed to obtain information through an interview guide. The interview is a data-gathering method that involves interaction, or dialogue either in a face-to-face interpersonal setting or through machine-assisted discussion between the interviewer who poses the questions and the interviewee(s) who provides the answers. Heads of departments in the FME, Abuja were interviewed as part of the data-gathering exercise. The interview schedule for this study contains unstructured questions (open-ended) designed to elicit reaction on issues relating to the subject matter of this research work.

The sets of questionnaires were administered to employees- junior, senior and management through self and trained research assistants. The questionnaires were distributed based on the proportion to their population. To ensure maximum return for the questionnaire distributed to the respondents, the researcher ensures one to one distribution and retrieval of the questionnaire on the spot after completion by the respondents where possible and revisit and retrieval of the questionnaire on a later date as agreed with the respondents.

Data collected were analyzed using descriptive and inferential statistics. Descriptive statistics such as mean, frequency counts and percentages were used. Also, cross-tabulation, correlation analysis was used. Analysis was carried out using Statistical Package for Social Sciences (SPSS).

RESULTS AND DISCUSSION

H_{o1}: *The new contributory pension scheme has not allayed the fear of retirement among employees in the Nigerian civil service.*
of contributory pension scheme is all inclusive and retirement tension among all categories The above hypothesis is tested using chi-square statistics and the result is presented in Table 2. The Pearson Chi-square (χ (9) = 21.385, p = 0.011) is significant suggesting rejection of the stated hypothesis. Thus, the new contributory pension scheme has significantly allayed the fear of retirement among the staff of the Federal Ministry of Education. The fear of retirement is allayed among all categories of staff (Junior, senior and management) as presented in Table 3. The results imply that the benefit of contributory pension scheme is all-inclusive and the retirement tension among all categories of staff is addressed by the reforms.

Table 2: Chi-Square Tests of contributory pension and fear of retirement

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	21.385	9	.011
Likelihood Ratio	23.311	9	.006
Linear-by-Linear Association	.725	1	.395
N of Valid Cases	572		

Source: Data Analysis

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Table 3: Contributory pension scheme and fear of retirement by staff categories

	Value	Df	Asymp. Sig. (2-sided)
Junior	31.567	9	.000
Senior	25.211	9	.002
Management	23.911	9	.004

Source: Data Analysis

A very large percentage (499 (87.24%)) responded negatively to fear of retirement with the introduction of a pension scheme (Table 4). Very few (73 (12.76%)) of the employees in the Ministry expressed fear for retirement due to the introduction of the pension scheme as part of the reform. This shows that the pension scheme allays the fear of retirement among the majority of the employees at the Federal Ministry of Education since they are contributors. This result confirmed the success of this reform in reducing the fear of employees from the service in Nigeria (Table 5). The mind of employees needs to be at ease while working to promoting national development. This study revealed the role played by the new pension reforms in allaying the fear of retirement among the employees in the Federal Ministry of Education. It has also reduced the fear of compulsory retirement as earlier envisaged through the introduction of the contributory pension scheme. The scheme has put assurances in the mind of employees on their safety after retirement.

Table 4: New pension (contributory) scheme and fear of retirement

		Fear of retirement		
		Yes	**No**	**Total**
Pension scheme	**Yes**	12	398	410
	No	61	101	162
Total		**73**	**499**	**572**

Source: Data Analysis

Table 5: Correlation between pension reform and fear of retirement

		Value	Asymp. Std Error	Approx. T^b	Approx. Sig.
Interval by interval	Pearson's R	0.802	0.021	17.543	0.000^c
Ordinal by Ordinal	Spearman correlation	0.882	0.021	17.543	0.000^c
N		572			

Source: Data Analysis

CONCLUSION

One of the primary concerns of civil service employees is job security. The finding of the study reveals that staff downsizing or rationalization did take place, especially at the lower spectrum of the service but also leads to the conclusion that the reform did guarantees job security at the top and middle levels of the service. However, it could also be concluded that current job security procedures put the employees on a low-performance level due to the absence of threat to their jobs even in the presence of complacency.

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