

# The Nature of Firms, Labour Size and Type in the Lagos Region, Nigeria- What Implication?

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**Abstract**---Availability of labour results from the creation of spatial inequalities in labour demand, a process that itself is multiplicative in effect and that forms an integral part of the processes of spatial agglomeration and location specialization. This paper underscores the firms, labour size and type in Nigeria using the Lagos region, as a case study. Primary data was collected through the administration of one hundred and eighty questionnaires in the twelve industrial estates. The paper reveals gender disparity amongst firms, while the effects of motivation on workers' productivity were averagely satisfactory. The research has found out that effect of labour laws and policy on industrial enterprise was fairly satisfactory. The paper reveals that most of the firms have between 6-10 management staff and less than 51 auxiliaries, clerical and operational/technical staff. The analysis of variance carried out in testing the variation of management and auxiliary/clerical and operational staff across the industry group have an F-cal. Value 197.42 and 295.64 respectively, these values were significant at 5% level ( $0.000 < 0.05$ ). The research reveals that most of the firms were large scale; indigenously and privately owned. The study also reveals that labour was inadequate amongst the firms with adverse effect of low productivity, industrial expansion and limiting of economic performance among others. The workforce structure ranges from administrative to sales and marketing. The labour size, nature and types is a potent determinant and indicator of economic performance of a region, the paper therefore, recommends more investment in the industrial sector by the government and the liberalization of location factors and the fairness of tax policy to industrial enterprise, while the country's labour regulations should be geared towards industrial promotion and survival.

**Key word**--- Firms, Labour size, Labour type, Workforce structure, and Lagos region

## I. INTRODUCTION

The size distribution of enterprise in an economy will depend to some extent on the industrial composition of the economy. Firms, labour size and types are the essential prerequisites to poverty alleviation, economic transformation and performance in regional development. Labour is the aggregate of all human physical and mental effort used in creation of goods and services, being one of the most important factors of production. As societies grew larger and more complex, labour became more specialized; each person became an expert at doing just a few things or even just one thing. This specialization meant that workers became more productive; it often proved a mixed blessing. Every job is different, better said, the function of labour in organizations can be different. This depends on a variety of factor, such as the structure of the company. This structure, in turn, cannot be considered independent of the environment and the service or product provided. This interdependence can be illustrated by the four typical configurations of labor and organization, which are: **Mass production**, Modern production, Mass services, and Knowledge intensive services

Two key dimensions of a firm are strongly associated with the magnitude of its job flows: size and age (see *e.g.* Davis

*et al.*, 1996). The importance of the size dimension has been particularly stressed for entrants and shutdowns: firm entry and exit – and the associated creation and destruction of jobs – are highly concentrated among small businesses, which is reflected in a negative relationship between job turnover (job creation and destruction) and firm size. In developing countries, labour markets play a central role in determining economic and social progress since employment status is one of the key determinants of exiting poverty. Ultimately, having a decent, well-paid and secure job is the most sustainable path to increasing incomes and consumption levels.

One of the most significant industrial structures is the physical elements which can be divided into the spatial/physical aspect which is the distribution of industrial activity to specific location and non-spatial aspect which includes the raw material sourcing, the labour force, sources of labour gross output and value added by manufacture. Based on the two variables of the number of employees and the sum of capital investment, the Nigerian government recognizes large and small scale manufacturing plants. A small scale establishment is the one that employed 50 employees or less and has N750, 000.00 or less capital investment (federal government of Nigeria, 1985). While large scale manufacturing plants are those that employed

more than 50 employees and their capital based (share capital investment) is far greater than N750, 000.00. Size characteristic are most frequently expressed in terms of labour force in Nigeria. This is because labour is the most ascertainable size variable, more so in a region where statistics are still quite difficult to obtain from manufacturing and other economic units, and where proper documentation and data banks are yet to be effectively developed. Although ideally, government role in economic development should be, for the most part, one of help and encouragement to the private sector of the economy, the great shortage of entrepreneurial skills at all levels has forced the Nigerian government not only to assume that role but also be manager and consumer. Therefore, though there is no doubt that public investment can lead to private investment, in Nigeria public investment must not only act as a stimulus but also "lead the way."

Also, it must be noted that while several studies on industrialization in sub-Sahara Africa and especially Nigeria, have largely focused on the examination and analysis of single components of industrial activity or the spatial distribution and development of manufacturing industries. Examples of earlier works include Schatzl (1973), Onyemelukwe (1983) and Omuta (1980). Other studies, for instance (Oyebanji, 1978, 1980) have focused on small-scale industries at the regional level. More recent studies among which include Lee and Annas (1989), Lee (1981), and Babarinde (1995), have focused on some behavioral aspects of manufacturing. In some cases, explanations have been offered in terms of factor endowments. This however poses a crucial lacuna in the understanding of firms, labour size and types among industrial enterprise. This is because the labour size and types is a potent indicator of economic performance of a region; which can significantly lead to positive regional socio-economic rejuvenation, overhauling and transformation.

Most manufacturing firms in Nigeria are modest in size, with large scale industrial establishments practically confined to the southern part of the country, especially Lagos state. The number of firms is growing most rapidly, this is not surprising since this is the most densely populated area and the most urbanized.

## **II. CONCEPTUAL ISSUES/ LITERATURE REVIEW**

In spite of the large amount of labour available, Nigeria is greatly handicapped by the paucity of skilled labor. This is probably her greatest obstacle to more rapid development. Managerial skills are also in short supply. Very few Nigerian businessmen are willing to launch a manufacturing

venture at their own risk. This is largely due to limited capital and to the lack of an industrial tradition. Unprecedented growth of physical capital reproduction system's capacity and flexibility caused quality changes in the developed countries' productive factors hierarchy (see, for example Swyngedouw, A. (1996); Edvinsson and Malone, 1997). In particular, skilled labour took the position of factor, which limits production output, long-term growth rate and acts as a scarce in relation to the other resources.

Many studies have shown that the labour size and types is capable of transmitting some impulses that affect productivity levels of local firms and boost the economic performance of a region ( Feser, 2008; Bottazi & Peri, 2016). They tested the degree to which productivity increases with industry size. In addition Wheeler and Mody (2011) and Smith and Florida (1994) found that Firms, labour size and type are positively associated with firms investments and location decisions. It is also argued that the adequacy of labour and types are germane for stimulating innovation and competitiveness of firms ( Fagbohunka, 2014).

New industrial geographers emphasize the nature and the role of innovations, technology, spillovers, knowledge circulation, and workforce, learning from the perspective of a larger innovations system (Storper, 2000). They also pay attention to the concentration of innovations, work force within area-based networks as "learning regions" (Braczyk, Coke and Heidenrich, 1988; Maskell and Malmberg, 2015; Simmie, 2011; Storper, 1993).

In particular, Lucas (1988) shows that the accumulation of human capital can generate positive externalities since new skills acquired by each worker can be shared or spillover to others in the same location eventually making the entire labour pool more productive. Black and Henderson (1999) related knowledge spillovers from human capital to spatial agglomeration by combining models in Lucas (1988), Henderson (2003) and Eaton and Eckstein (2007). It is argued that localized technology spillovers stimulate urban concentration and that consequent human capital accumulation promotes endogenous growth. A country that is unable to develop the skills and knowledge of its people and to utilize them effectively in the national economy is unable to develop. No country can sustain economic development and international competitiveness if its human resources are developed to contribute significantly to the economy.

## **III. THE STUDY AREA AND METHODS**

Lagos region is situated along the south west of Nigeria, approximately between latitudes 6<sup>o</sup>27' and 6<sup>o</sup>37' north of

the equator and longitudes 3<sup>0</sup>15' and 3<sup>0</sup>47' east of Greenwich meridian (see Fig. 1), with a land area of about 1,088km<sup>2</sup>, covers about 32 percent of the land area of Lagos state. About 20 percent of this area is made up of Lagoons and mangrove swamps. Lagos region is the leading, industrial, commercial, financial and maritime nerve-centre of the country. Over 60 percent of all commercial transactions in Nigeria are carried out or finalized in the Lagos region. About 70 percent of the total value of industrial investments in Nigeria is in the Lagos region. Over 65 percent of the country's industrial employment is concentrated in this region, leaving the remaining 35 percent in other parts of the country. It is, in part, the recognition of the marked concentration of industries in the Lagos region that informed its choice as the study area for this work.

The growth and development of the manufacturing industry in Lagos state has proved to be a challenging area of research, particularly along the broad line of benefits and consequences of industrial development. The industrial landscapes of Lagos state particularly that of metropolitan Lagos is no doubt the most active and buoyant in Nigeria. The benefits, directly and indirectly to the Lagos state regional economy are no doubt, multifarious and staggering. Industrialization in the Lagos region started with two brickworks in Ebute-Metta in 1859 and 1863, and a palm oil mill established in 1865. The printing works of a mission was established in 1905, the government printing press in 1906, and the Daily Times in 1925. All these were located on the Island of Lagos, and the railway printing works Ebute-Metta (Schatzl, 1973; Ajayi, 2015). Other large firms were Lever Brothers Soap factory established in 1925, and a metal container factory established in 1940, both in Apapa. According to the post-independence census in 1963, a population of 1,122,733 was recorded for metropolitan Lagos while a population of 665,246 was recorded for the city of Lagos and 457,487 for the settlements outside Lagos. The population of the Lagos region was 5,525,261 in 1991. The Lagos state population figure for the 2006 national population census is 8,048,430 the provisional result released generated much controversy, Lagos state government believed that the result needs to be authenticated.

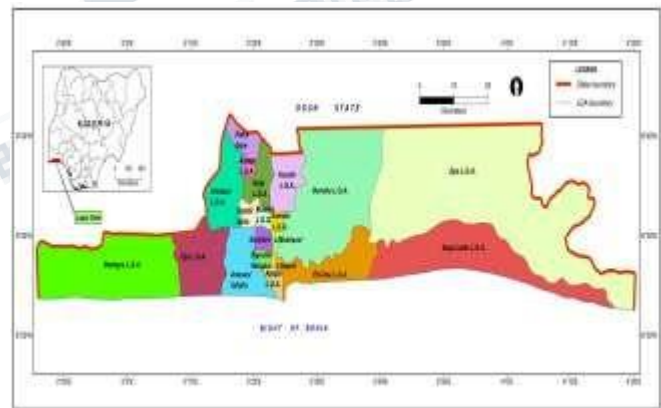
The first stage in the collection of primary data was the reconnaissance survey of the study area; this was followed by the administration of questionnaire. One hundred and Eighty questionnaires were administered in the twelve industrial estates, meaning that all the firms identified during the reconnaissance survey were covered in the questionnaire administration.

**Table 1: Distribution of Firms**

S/No	Industrial Estate/ Area	Number of Firms	Percentage of Total
1	Apapa	20	11
2	Matori	09	5
3	Agbara	10	5.6
4	Ikeja	29	16.1
5	Ilupeju	22	12.2
6	Ijora	08	4.4
7	Iganmu	12	6.7
8	Oshodi/Isolo	14	7.8
9	Ogba	10	5.6
10	Ikorodu	10	5.6
11	Oregun	15	8.3
12	Surulere/Mushin	21	11.7
<b>Total</b>		<b>180</b>	<b>100</b>

Source: Author's analysis, 2018

Table 1 reveals the spatial distribution of the manufacturing industries. The firms were majorly concentrated in Ikeja 29(16.1%), while 22(12.2%) were located in Ilupeju. Also, there are 20(11%) firms in Apapa, whereas 15(8.3%) were found in Oregun. The firms were least concentrated in Ijora 8(4.4%). This has shown a significant variation in the distribution of the manufacturing industries.

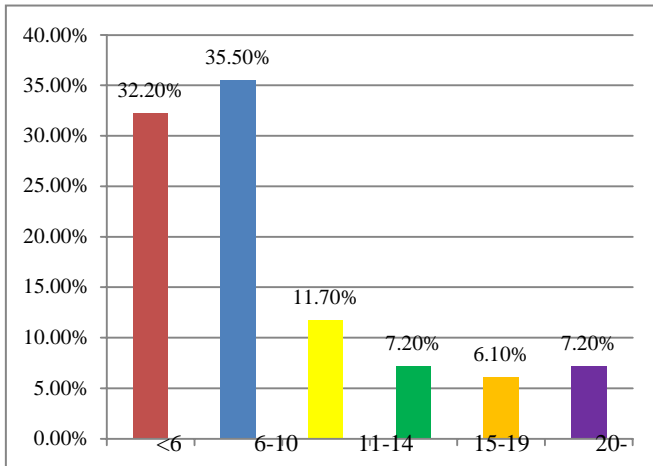


**Fig. 1. Lagos Region**

Source: Lagos State Ministry of Land and Housing

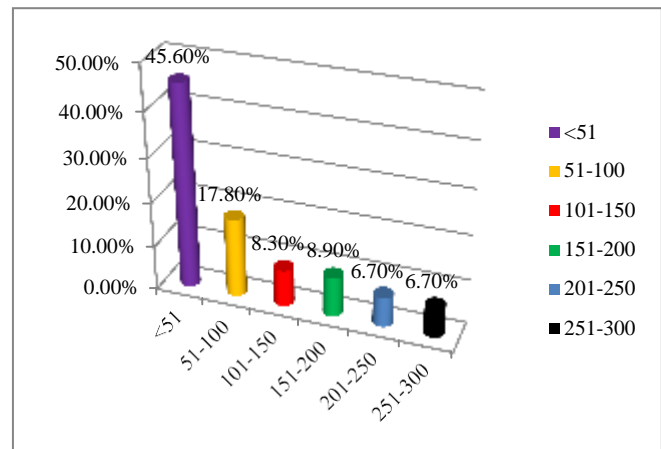
#### IV. FINDINGS

Spatially, labour requirements vary considerably because of the tendency for human activity to agglomerate at certain locations that have of sometimes possessed an initial advantage with respect to other locations.



**Fig. 2 Management Size of Firms**  
 Source: Author's analysis, 2020

Fig. 2 reveals that 58 (32.2%) firms have less than six management staff, 64 (35.5%) have between 6-10 management staff, whereas 21 (11.7%) have between 11 and 14. Also, 13 (7.2%) have between 15 and 19 management staff, while 11 (6.1%) have between 20 and 24. Another, 13 (7.2%) have between 25 and 29 management staff.



**Fig. 3: The Firms Auxiliary/ Clerical and Operational Staff**  
 Source: Author's analysis, 2020

Fig. 3 depicts the auxiliary, clerical and operational/technical staff, 82 (45.6%) firms have less than 51, while 32 (17.8%) firms have between 51 and 100. Also, 15 (8.3%) firms have between 101 and 150, whereas 16 firms (8.9%) have between 151 and 200. Twelve (0.97%) firms each have between 201 and 250; and 251 and 300 respectively, while 11 (6%) had above 300.

**Table 2: The Management Staff on the Basis of the Industry Group**

Industry Group	< 6		6 -10		11 -14		15 - 19		20 - 24		> 25		Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Food beverage and Tobacco	7	4.9	12	4.9	2	1.9							21	11.6
Chemical and pharmaceutical	7	4.9	15	7.8	2	1.9	6	3.33					30	16.7
Domestic and Industrial Plastic rubber	8	5.8	8	0.97			7	3.78					23	12.8
Basic metallic iron & steel Fabrication metal	7	4.9	12	4.9	2	1.9	3	1.67					24	13
Pulp ,paper, & paper product, Printing and publishing	5	2.9	16	8.7	3	2.9			1	0.97			25	13.9
Textile, wearing apparel & Leather product	6	3.9	9	11.7	3	2.9			1	0.97	1	0.97	20	10
Wood & wood product including furniture.	4	1.9	7	3.9									11	6
Non-metallic mineral product	4	1.9	9	1.9									13	7

Motor, vehicle & miscellaneous	2	1.9	11	3.9									13	7
Electrical/ Electronic	4	3.9											4	2
Total	58	36.9	98	54.4	11	11.7	10	3.9	2	1.9	1	0.97	180	100

Source: Author’s analysis, 2020

Table 2 shows the Management Staff on the basis of the Industry group. Out of the 58(36.9%) firms that employed <six workers, 7 (4.9%) each are in the food beverages and Tobacco group; chemical and pharmaceutical; and basic metallic, iron and steel fabrication metal. Six (3.9%) firms each are in the textile wearing apparel and leather product group; and electrical/electronic, whereas three (2.9%) firms are in Pulp, Paper and Paper product, printing and publishing. Also, out of 46(44.7%) firms that employed between 6 and 10 workers, nine (8.7%) firms are in pulp, paper and paper product, printing and publishing, whereas eight (7.8%) firms are in the chemical and pharmaceutical group. Another, five (4.9%) firms each are in the food beverages and tobacco; basic metallic iron and steel fabrication metal, while two (1.9%) firms each are in the textile, wearing apparel and leather product and nonmetallic mineral product. Furthermore, out of the 12 (11.7%) firms that employed between 11 and 14, there are three (2.9%) firms each in pulp, paper and paper product, printing and publishing; textile, wearing apparel and leather products, whereas there are two (1.9%) firms each in food, beverages and tobacco; chemical and pharmaceutical; basic metallic iron and steel fabrication metal. Also, out of the four (3.9%) firms that employed between 15 and 19 workers, 2 (1.9%) firms are in domestic and industrial plastic rubber, while one (0.97%) each are in the chemical and pharmaceutical; and basic metallic iron and steel fabrication metal.

**Table 3: Summary of the Analysis of Variance (ANOVA) for the Management Staff on the basis of Industry Group**

	Sum of Squares	Df	Mean Square	F-Cal.	F-Tab
Between Groups	596.684	2	298.093	197.420	.000 <sup>a</sup>
Within Groups	2.380	3	1.112		
Total	599.064	5			

Source: Author’s analysis, 2020

The above table 3 shows the analysis of variance carried out in testing the variation of management staff across the industry group. The F-cal. Value 197.42 was significant at 5% level (0.000<0.05). This lends credence to the fact that the firms differ in its goals. The requirements of a large firm are different from those of a small firm, not only in the total number of workers required, but also in certain circumstances, in terms of their types and skills, largely because the bigger firm is better able than it smaller counterpart to derive scale economies through the introduction of specialization and division of labour. Thus management staff varied significantly across the industry group.

**Table 4. The Auxiliary, Clerical and Operational Staff on the Basis of Industry Group**

	Auxiliary, Clerical and Operational Staff															
	<51		51-100		101-150		151-200		201-250		251-300		>300		Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Food beverage and Tobacco	29	16.1	2	1.9	1	0.97									32	17.7
Chemical and Pharmaceutical	21	11.6	3	2.9			1	0.97	1	0.97					26	14.4
Domestic and Industrial Plastic rubber	17	6.8	2	1.9											19	10.6
Basic metallic iron & steel Fabrication metal	9	9.4	4	3.9											13	7.2
Pulp ,paper, & paper product, Printing and publishing	19	10.5	4	3.9			1	0.97							24	13.3

Textile, wearing apparel & Leather product	20	11.1	9	8.7							1	0.97	1	0.97	31	17.2
Wood & wood product including furniture.	12	6.7													12	6.7
Non-metallic product	4	2.2													04	2.2
Motor, vehicle & miscellaneous	6	3.3													06	3.3
Electrical/ Electronic	13	7.2													13	7.2
<b>Total</b>	<b>150</b>	<b>83.3</b>	<b>24</b>	<b>23</b>	<b>1</b>	<b>0.97</b>	<b>2</b>	<b>1.9</b>	<b>1</b>	<b>0.97</b>	<b>1</b>	<b>0.97</b>	<b>1</b>	<b>0.97</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

Table 4 reveals the auxiliary, clerical and operational staff across industry group. Out of 150(83.3%) firms that employed < 51, there are 6 (5.8%) in motor vehicle and miscellaneous industry group, whereas there are 21(10.7%) in chemical and pharmaceutical industry group. Also, out of 24(23%) firms that employed between 51 and 100, food beverage and tobacco; domestic and industrial plastic rubber each employed 2(1.9%) respectively, while textile wearing apparel and leather product employed 9(8.7%). Another 1(0.97%) each in chemical and pharmaceutical; pulp, paper and paper product, printing and publishing employed between 151 and 200, whereas only 1(0.97) in chemical and pharmaceutical industry group employed between 201 and 250. Also, 1 (0.97%) firm each in textile, wearing apparel and leather product employed between 250 and 300; and > 300 staff respectively. This analysis has shown that most of the firms in these industry group employed < 51 auxiliary, clerical and operational staff.

**Table 5: Summary of the Analysis of Variance (ANOVA) for the Auxiliary/Clerical and Operational Staff on the basis of Industry Group**

	Sum of Squares	Df	Mean Square	F-Cal.	F-Tab
Between Groups	695.685		347.843	295.642	.000 <sup>a</sup>
Within Groups	3.530		1.177		
<b>Total</b>	<b>699.215</b>				

Source: Author’s analysis, 2020

Table 5 shows the Anova test for the variation of the auxiliary/clerical and operational staff on the industry group basis. The test carried out revealed, the F-cal value 295.64 which was significant at 5% level (0.000<0.05). This connotes a significant variation of the auxiliary/clerical and operational staff amongst the industry group.

**Table 6: Firms Preferred Nature of appointment of Management Staff**

Nature of Appointment	Frequency	Percentage
Permanent	142	78.9
Temporary	24	13.3
Contract	12	6.7
Secondment	-	-
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

Table 6 depicts firm’s preferred nature of appointment of management staff. Out of 180(100%) firms, 142(78.9%) preferred the permanent appointment of management staff, whereas 24(13.3%) preferred temporary appointment. Another 12(6.7%) preferred contract appointment, while it was nil for secondment appointment. It is apparent that most of the firms preferred permanent appointment of management staff.

**Table 7: Firms Preferred Nature of Appointment of Auxiliary /Clerical and Operational Staff**

Nature of Appointment	Frequency	Percentage
Permanent	46	25.6
Temporary	117	65
Contract	17	9.4
Secondment	-	-
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

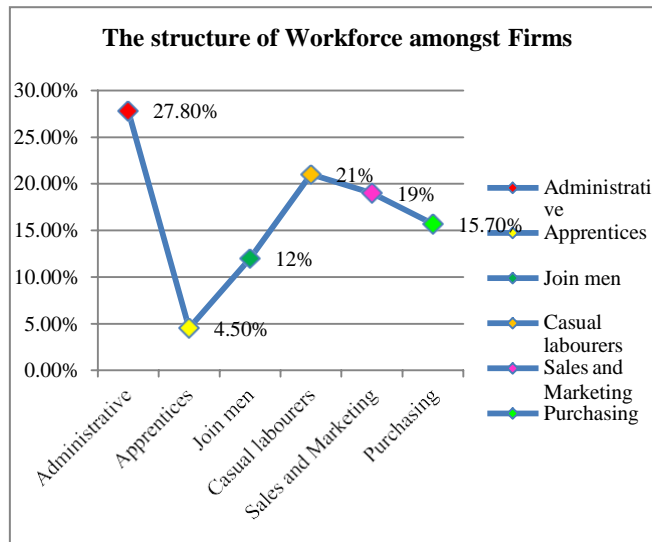
Table 7 shows the firms preferred nature of appointment of auxiliary/clerical and operational staff. Out of 180(100%) firms, 46(25.6%) preferred permanent appointment, whereas 117(65%) preferred temporary appointment. Also, 17(9.4%) firms preferred contract appointment. It is obvious that most of the firms preferred temporary appointment in the category of auxiliary/clerical and operational staff.

**Table 8 Adequacy of Labour amongst firms**

Labour Adequacy	Frequency	Percentage
Grossly Inadequate	43	23.9
Inadequate	52	28.9
Fairly Adequate	25	13.9
Adequate	42	23.3
Very Adequate	18	10
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

Table 8 reveals the adequacy of labour amongst firms, for instance 43 (23.9%) opined grossly inadequate, while 52(28.9%) agreed inadequate. Another, 25(13.9%) believed a fair adequacy of labour, whereas 42(23.3%) opined that labour is adequate. It can be deduced that labour is inadequate amongst the firms.



**Fig. 4: The Structure of Work force amongst Firms**

Source: Author’s analysis, 2020

The total is greater than 180 because of multiple responses Fig. 4 depicts the structure of workforce amongst firms in the Lagos region. The entire firm’s attested to having administrative structure, while 29(4.5%) firms have apprentices structure. Also, 78(12%) have join men structure, whereas 136(21%) have casual labour structure. Furthermore, 123(19%) have sales and marketing structure, while 102(15.7%) purchasing structure.

**Table 9 Gender Disparity amongst Firms in the Lagos Region**

Disparity	Frequency	Percentage
Very Significant	11	6
Significant	149	83

Insignificant	20	11
Nil	-	-
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

Table 9 depicts gender disparity amongst firms in the Lagos region. Out of the 180(100%) firms, 11 (6%) believed that gender disparity is very significant, whereas 149(83%) firms opined significant. Another 20(11%) firms agreed that gender disparity amongst firms is insignificant. It is therefore obvious that gender discrimination in relation to labour force is very pronounced amongst the firms. This further indicates that not all the sexes can favourably compete with each other in the labour market.

**Table 10 The Effects of Motivation on Workers Productivity**

Effects of Motivation	Frequency	Percentage
Very Satisfactory	28	16
Satisfactory	07	3
Averagely Satisfactory	113	63
Not Satisfactory	32	18
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

Table 10 shows the effects of motivation on workers’ productivity. One hundred and thirteen (63%) firms opined averagely satisfactory, while 7(03%) agreed satisfactory. Also, 28(16%) firms believed that effects of motivation is very satisfactory, whereas 32(18%) opined not satisfactory. It could be deduced that motivation of workers is a potent factor for improved or increased productivity. This lends credence to the fact that in order to get the best from the workers, motivation is a powerful tool.

**Table 11 The Effects of Labour Law and Policy on Industrial Enterprise**

Effects of Motivation	Frequency	Percentage
Very Satisfactory	20	11
Satisfactory	15	08
Averagely Satisfactory	10	06
Fairly Satisfactory	101	56
Not Satisfactory	34	19
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author’s analysis, 2020

Table 11 reveals that 101 (56%) firms believed that the effects of labour law and policy on industrial enterprise is fairly satisfactory, while 10(06%) opined averagely

satisfactory. Another, 34(19%) agreed not satisfactory, whereas 15(8%) opined satisfactory.

**Table 12 The Effects of Inadequate Labour on Industrial Enterprise**

Effects of Inadequate Labour	Frequency	Percentage
Low Productivity	30	17
Limit Industrial Expansion	25	14
Inhibiting Economic Performance	24	13
Adverse Effects on Profit	44	24
Stress on the Employees	57	32
<b>Total</b>	<b>180</b>	<b>100</b>

Source: Author's analysis, 2020

Table 12 shows that 57((32%) firms agreed that the effects of inadequate labour on industrial enterprise is stress on the employees, whereas 25(14%) agreed limitation of industrial expansion. Also, 44(24%) agreed adverse effects on profits, contrary to 24(13%) firms who opined inhibiting economic performance.

## V. SUMMARY AND CONCLUSION

The paper has examined the nature of firms, labour size and type in the Lagos region, Nigeria. Obviously, all forms of human activity require the supply of labour, but the requirements may vary considerably among different firms. The paper has reveals that most of the firms have between 6-10 management staff, and less than 51 auxiliary, clerical and operational/technical staff. The Anova test carried out to test the significance of the management and auxiliary/clerical and operational staff across the industry group reveals an F-cal. Value of 197.42 and 295.64 respectively, which was significant at 5% level ( $0.000 < 0.05$ ). The paper reveals permanent appointment as the most preferred nature of appointment of the management staff compared to the firms' preferred temporary nature of the auxiliary/clerical and operational staff appointment.

The research also reveals the inadequacy of labour, while the structure of the workforce amongst the firms varied from administrative to purchasing. It was noted that casual labourers was the most dominant, this also corroborate the fact that most of the firms preferred temporary staff in the auxiliary/clerical and operational category amongst the industry group. This is ominous to productivity and workers excellence performance. The study reveals averagely satisfactory effects of motivation on workers' productivity. As successfully more firms and industries concentrate in a place, in order to derive economics of scale, their demand for a particular kind of labour becomes localized in that

area. Concentration of manufacturing establishments in the Lagos region attracted all kinds of labour skilled, semi-skilled and unskilled labours. The labour size and types determines to a large extent the regional economic performance, in the sense that adequate labour size and types, especially the availability of the right personnel in the various section of an industrial enterprise will undoubtedly contributes immensely to an economic rejuvenation, survival, buoyancy and advancement. The research reveals that gender discrimination in relation to labour force is very pronounced amongst the firms. This further indicates that not all the sexes can favourably compete with each other in the labour market.

Though large amount of labour exists in Nigeria, yet there is dearth of skilled labour. The dearth of skilled labour is a major clog in the wheel of rapid development. There is also paucity of managerial skills. The research further pointed out that motivation is an important ingredient in improved productivity amongst the firms. Among others, the research reveals the inadequate labour effects.

Considering the tremendous role of labour size and types in the economic performance, especially in relation to productivity, making available wide varieties of commodities, reduction of dependency on foreign goods. The paper therefore, recommends that the government should make the location factors liberal. Also, industrial regulations should be geared towards industrial promotion and survival, for instance the issue of temporary and casual labourers which is counterproductive to productivity should be adequately addressed, while the tax policy should be fair to industrial enterprise.

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