

MANCHESTER UNITED, JOSE MOURINHO AND OLE GUNNAR SOLSKJAER – LEADERSHIP LESSONS FOR THE NIGERIAN ELECTRICITY SUPPLY INDUSTRY

Proem

The writer is a die-hard fan of one of the World's best football clubs, Manchester United and what he seeks to do in this paper is to assess the leadership of the electric power sector in Nigeria. This paper also seeks to highlight lessons to be learnt from the change of coaches from Jose Mourinho, who is a World-renowned coach, to a much less successful coach, Ole Gunnar Solskjaer who, however, appears to have made a much better impression on the minds of players, fans and owners of Manchester United.

Whilst Jose Mourinho struggled, a much less successful Ole Gunnar Solskjaer appears to be getting things done and nearly excellently. In fact, as at the time of writing this piece, the team is yet to lose any of the nine (9) matches played since he became the coach.

In this paper, the writer shall do a comparison of the leadership styles of Jose Mourinho and Ole Gunnar Solskjaer, highlighting the differences in leadership styles of both coaches. The writer shall also highlight the leadership in the Nigerian Electricity Supply Industry and end with lessons that can be transplanted in the leadership of electric power sector in Nigeria.

Ole Gunnar Solskjaer Versus Mourinho- A Lesson in Knowing the Limits of Technical Skills Alone

In every football club or indeed any endeavor, leadership is so fundamental to achieving the goals of the club or endeavor. Where there is bad leadership a team or group suffers and is unable to achieve the desired goals as the aim of leadership is to achieve group or what is referred to as corporate goals. For a group of footballers, their primary goal as a team, is to win matches.

Thus, for a team like Manchester United (aka Man Utd), it cannot be different. In Manchester United's case, winning is germane as that affects the value of its shares since winning determines a part of its revenue. It is far less lucrative to fall outside the top 4 spots as falling outside the top 4 spots means Man Utd will not play in the next year's Champions' League.

Being listed on the New York Stock Exchange, Man Utd, had its share price peak at US\$27.20 (GB£21.47) per share on August 27, 2018 – valuing the club at US\$3.1 billion and falling 22 percent to 21.12 (GB£16.67) by October 1, 2018 after having the worst start to a Premiership season in the recent history of the club. By the time Mourinho was getting sacked, the share price had declined to a low of US\$17.25 (GB£13.64).

Research has shown that as things stand and for the foreseeable future, technical skills, alone, as a leader can only take one, so far. If one, as a leader, cannot inspire, encourage and motivate followers to achieve success then corporate success will be limited. To achieve more success as a team than each individual can achieve requires humble, empathetic and inspirational leadership. It is, in fact, suggested that a great leader's most pertinent features are the abilities to inspire, motivate and influence the people he or she leads to achieve desired goals. When a team's failures are entirely blamed on team members with the leader or leadership exculpating itself and successes completely attributed to the leader or leadership, team members are likely to very quickly lose confidence in that leadership. Pride, lack of genuine care, failure to share successes with team members or to genuinely praise such team members for their role in any successful mission all form the recipe for the failure of any leader. Team leaders simply lose respect for such leaders and are no longer motivated by same.



They may leave, sulk or take any such other steps they believe suits them and those who are stuck or cannot leave, perform far below their capability. Conflicts become a constant feature of such teams.

The foregoing which were features of Mourinho's reign, clearly show why Mourinho, despite his renowned excellent technical skills, failed and lesser recognized Gunnar Solskjaer is succeeding at Manchester United. Thus, whilst Mourinho was only result oriented without showing empathy, encouraging cordiality and exercising sufficient emotional intelligence, the baby-faced assassin, as Ole Gunnar Solskjaer is called, has turned things around by doing the exact opposite of the things Mourinho did.

An Assessment of the Leadership of the Electric Power Sector in Nigeria

The leadership of the Nigerian electric power sector consists of the Ministry of Power, Works and Housing (the "Ministry"), headed by the Minister of Power. The Ministry drives power policy and generally determines the policy thrust of the Nigerian Electricity Supply Industry (the "NESI"). It is the policy decisions and thrust that guide the deputy leader, the Nigerian Electricity Regulatory Commission ("NERC") in its issuance of regulations. The Minister of Power is thus, the primary leader of the NESI.

It will indeed not be fair, and this paper will not be a balanced piece, if one does not state that the Minister of Power has, taken a number of laudable steps in the sector, including the energizing economies initiative, being implemented by the Rural Electrification Agency (REA), one of the parastatals under the Ministry. There is a lot of encouragement for mini-grids and solar homes systems to support smaller businesses and homes and take them off the national grid. A number of markets and smaller commercial consumers of power now seem better off in terms of power supply although, at a much higher price than grid supply.

There has also been an improvement in the capacity of the national grid compared to what it was two to three years ago. There have been a number of projects completed to improve the capacity of the national grid for example, the national grid wheeled around 4,000mw two to three years ago, now it wheels up to 7,000mw. There is clearly some improvement in electricity output. Whether that has translated substantially to the average person having more electricity is a different conversation altogether. There have also been a number of policies from the eligible consumer regulations, to the Meter Asset Providers policy and regulations made pursuant thereto and a number of other very interesting policies and rules.

Notwithstanding the foregoing, there are several challenges in the NESI. For example, in 2018, the national grid collapsed twelve times and eleven out of those times, the collapse was total which resulted in national blackouts. It was, however, reported in the dailies that the Minister of Power had on Wednesday, December 12, 2018, stated that if Nigerians do not have electricity, the government should not be held responsible. He was reported to have stated that his role was that of providing regulations, oversight and policy. What in my view he omitted to mention is that he is also to show leadership. Leadership is in understanding that there are problems and taking a corporate and collaborative approach to resolving such problems. It is pertinent to note that every private sector led industry will succeed if regulations, oversight and policy are conducive to the private sector. There will be substantial improvement, if there is good government leadership in the form of having the best policies to make private enterprise conducive. It is, in fact, the case that the government holds 40% equity in many of the previously government wholly-owned electricity utilities.

The federal government of Nigeria also owns the transmission company of Nigeria, completely which means that the government does have roles (and leadership roles for that matter) to play in the sector. The transmission company of Nigeria owned national grid is regarded as the weakest link in the electricity value chain. Thus, it cannot be completely true, that the government has no other role to play apart from regulatory, oversight and policy.

Beyond the foregoing, there have been several complaints about high-handedness on the part of the Minister and several electricity distribution companies ("Discos") have complained that the prices now being paid by consumers under the energizing economies initiative was what the Discos initially sought to charge these consumers and the Regulator, NERC working in tandem with the Ministry did not allow them charge same. Thus, not making such a venture, profitable. Nonetheless, the Ministry via the REA went ahead with same under the same pricing regime which has not been approved for the electricity distribution companies.

There have also been accusations and counter-accusations between the electricity distribution companies and the Minister. This just reminds one of Jose Mourinho's reign at Manchester United. There have been suggestions that the government has not allowed the market to determine the prices that electricity utilities sell power to consumers. The effect of this then, is that no one wants to invest further in many aspects of the sector beyond mini-grids which cannot truly guarantee energy security or actually support true industrialization, especially where this would include heavy equipment and heavy use of electricity beyond what small traders, market women and artisans use.

The Way Forward - Collaboration, Empathetic Leadership and Other Lessons from Ole Gunnar Solskjaer

For the NESI to truly improve and substantially too, it is pertinent that policy formulation and implementation are not only for the short term but should be and be seen to be for the long term whilst also attempting to solve the immediate problems. Thus, mini-grids, solar home systems and small-scale renewable energy solutions should complement the grid from which large-scale bulk power is transmitted rather than such being a substitute for the national grid. In taking steps for the long-term, it is germane that all stakeholders are carried along such that the current off-grid policy is not just considered as some form of cherry-picking which gives a sense of the expropriation (indirect or economic) of the franchises of the electricity distribution companies.

It is the writer's view that the Ministry of Power (as embodied by the Minister of Power) needs to keep the dialogue open so that there are more stakeholder engagements such that the current gains from a mini-grid/off-grid perspective are not only temporary. There is nowhere in the World that people live solely or almost solely on mini or micro grids or largely on off-grid solutions. That simply isn't sustainable, so we do need a mix of off-grid and large on-grid to achieve much success. Thus, it is important to have an integrated development strategy, that details both on-grid, off-grids, mini-grids and other technologies.

It is particularly germane that the Minister of Power is empathetic to the cause of the electricity distribution companies who feel that the Minister only seeks to give them a bad name, whilst also preventing them from being able to profit from their investment in the electric power sector. It is crucial that their position and complaints are given the due attention they deserve without being dismissive or defensive. If tariffs are not cost-reflective, the distribution companies, like



Manchester United players during the era of Mourinho, cannot be at their best and will continue to take steps that are detrimental to the power sector.

Furthermore, in order to reach an adequate resolution of the key issues adversely affecting the sector, there is a need for all stakeholders to work together and come up with viable solutions that address the non-alignment of interests of the Ministry, NERC, the operators, investors and very importantly, the consumers. This is the only way to facilitate the concessions required to attract the needed capital to the grossly underfunded sector and to ensure liquidity thereof.

Conclusion

It is, thus, very important that the Minister does all within his power, to ensure consistent policies, whilst also balancing the interest of investors, financiers and the consumers. No one should be made to feel left out or uncared for. The primary law in the power sector is the Electric Power Sector Reform Act and that law does make provision for ensuring that no investor is left in the cold or any business rendered unprofitable. One of such provisions is the allowance for competition transition charges amongst other sweeteners, in the NESI.

As mentioned above, a key solution to the illiquidity and main challenges in the sector, that have kept the sector underdeveloped is to ensure that all stakeholders work together and come up with viable solutions that address the non-alignment of interests of the Ministry, NERC, the operators, investors and the consumers.

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