



STUDY PACK

ON

EMPLOYMENT RELATIONS

PROFESSIONAL EXAMINATION II

EMPLOYMENT RELATIONS

PROFESSIONAL EXAMINATION II

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MANAGEMENT OF NIGERIA**

CIPM House, 1 CIPM Avenue, Off Obafemi Awolowo Way,
Opposite Lagos State Secretariat, Alausa, Ikeja, Lagos.

Tel: 07001237555

E-mail: info@cipmnigeria.org, exams@cipmnigeria.org

Website: www.cipmnigeria.org

Facebook/X/Instagram/Youtube: @cipmnigeria

LinkedIn: Chartered Institute of Personnel Management of Nigeria

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FOREWORD

This fourth edition of the CIPM study pack is one of the learning resources recommended to persons preparing for certification through professional examinations. It is uniquely prepared to meet the knowledge standards of HR certification bodies and/or degree-awarding institutions. The study pack is highly recommended to researchers, people managers and organisations responsible for human capital development in its entirety.

Each chapter in the text has been logically arranged to sufficiently cover all the various sections of this subject as itemised in the CIPM examination syllabus. This is to enhance systematic learning and understanding of the users. The document, a product of in-depth study and research, is practical and original. We have ensured that topics and sub-topics are based on the syllabus and on contemporary HR best practices.

Although concerted effort has been made to ensure that the text is up to date in matters relating to theories and practice of contemporary issues in HR, nevertheless, we advise and encourage students to complement the study text with other study materials recommended in the syllabus. This is to ensure total coverage of the elastic scope and dynamics of the HR profession.

Thank you and do have a productive preparation as you navigate the process of becoming a seasoned Human Resources Management professional.

Olusegun Mojeed, FCIPM, fnli
President & Chairman of the Governing Council

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Oluwatoyin Naiwo, FCIPM
Registrar/Chief Executive

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CHAPTER ONE

CHAPTER ONE: OVERVIEW OF CASE STUDIES

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. identify the essence of case studies;
- ii. explain the types of case studies;
- iii. identify issues and analyze cases;
- iv. develop case studies.

1.0 Introduction

Case Study as a subject is credited to the work of Christopher Langdel at the Harvard Business School, U.S.A in late 17th Century. It was created for the purpose of solving managerial problems in the organisation. In other words, case studies are techniques employed in solving organisational problems by managers in various fields of management that include but not restricted to human resource management, employment relations, production, sales, marketing and finance. A case study according to Obisi (2015) is a written or oral summary and explanation of a real, unreal or hypothetical problem. Similarly, Cresswell (2002) views case study as a problem to be examined so as to have a deeper knowledge of an incident, issue or bounded system which involves understanding an event, activity, process, or one or more individuals. Also, Yin (2003) states that a case study is an empirical inquiry into a contemporary phenomenon in its actual context particularly when there are no clear-cut limits between such phenomenon and the context.

Case studies aim to give the readers a sense of being there by providing a highly detailed conceptualized analysis of an instance in action. Case studies involves the availability and use of multiple sources of evidence. This is the major departure from critical incident study which does not give details of a given incident or phenomenon under investigation. Case studies aim at explaining and unravelling real and imaginary life experiences in the classroom. The case study method can be used as both a teaching and a research strategy. As a teaching method, it simulates real life situations for classroom discussions, debates or for case-based learning, assignments or examinations. As a research strategy, case study is used in a scientific sense to give a description and analysis of an individual phenomenon or matter so as to identify the variables, structures,

forms and order of interaction between participants in the situation and to draw inferences or deductions from the event or phenomenon.

Case study answers questions on ‘how’ or ‘why’ and focuses on contemporary events, issues or problems. Case studies encourage critical and independent thinking on the part of those seeking solutions to the presented case. It should be noted that in resolving problems in any given case studies, individuals are likely going to have different solutions to the same problem. The major strength of case study is in its capacity to handle a variety of evidence, documentation, discussions, interviewing, observations and deductions. Hence, readers are encouraged to create solutions from their perspectives as there are no obvious right or wrong answers because solutions to the case could be many.

1.1 Types of Case Study

The typology of case study could be based on the purpose it tends to fulfill such as descriptive, explanatory or exploratory. It should be noted that the value of a case study is measured by the degree to which the incidents discussed can be generalised to other situations and that there is no exclusivity between exploratory, descriptive and explanatory case studies. This is because some of the celebrated case studies have a combination of either exploratory and descriptive or descriptive and explanatory characteristics. Therefore, there could be an example of a case with excellent description and good explanatory qualities.

However, we will discuss the types of case studies as follows:

- i. Descriptive Case Study: This could be typical or selective in which case it may focus on a particular issue or an aspect of behaviour with the objective of refining knowledge in a particular area, to provide a better understanding of causal processes.
- ii. Explanatory Case Study: It is a social factor or process within the real-life context used in providing test for the existing explanations or to throw more light on a phenomenon. Two instances of the explanatory case study could be used to test the ‘how and why’ questions.
- iii. Exploratory Case Study: The essence of this method is to find out more about a phenomenon or to embark on an in-depth investigation about an issue.

1.2 Steps in Case Studies

1. **State the Case:** The student is expected to first of all write out a brief statement of the case in few sentences. In other words, the analyst should first itemise the key issues in the given case.
2. **Identify the problems in the Case:** In this section or step, the problems in the case are identified in clear statements. The analyst is required to state the problems clearly.
3. **Analyse the Case:** This is the analysis section. Each of the identified problems in step two are critically and objectively reviewed to create an explanation of or expose the possible the why, how and what of the problem.
4. **Proffer tentative or likely Solutions:** After the analysis, tentative or likely solutions are clearly stated. The solutions could be identified by investigating the correlation or the inter-connectivity between variables. This gives credence to the fact that each analyst will creatively come up with his/her solution as there is no one solution or an answer to a case. It is from these likely solutions that the final decisions are reached.
5. **Final Solution:** At this point, a further review is conducted to choose the best solutions from the best of proffered solutions identified in step four. The analyst at this point has the task of selecting the solution(s) through coherent, logical or common-sense reasoning from his or her own perspective, vision, thought or opinion on the issue. Whichever option chosen at this stage becomes the final solution.

1.3 Advantages of Case Studies

- i. It creates room for flexibility in thought, as a case can be approached from different perspectives by different people.
- ii. It aids or supports a logical and analytical development of problem-solving skills.
- iii. Based on the real-life context of case studies, the learning value of the technique assists in decision-making on difficult issues.
- iv. The use of case studies to draw inferences or conclusions is more cost-effective when compared to other management decision-making techniques.
- v. It arms the reader with a good knowledge of uncertainties, contradictions, unforeseen contingencies which are common real-life experiences and how to get over them in the world of business.

1.4 Disadvantages of Case Studies

- i. Too many solutions to a problem can create confusion in the mind of analyst.
- ii. The environment in which a case study was drawn, may not suit other environments and, consequently, conclusions reached may be spurious or misleading.
- iii. The extrapolation of cases to other or similar circumstances may be expensive and counterproductive if the case is poorly analysed.
- iv. Although case analysis requires a concise or brief solution or answer, but the analysts are usually presented with lengthy presentation of cases and hence distracted. They therefore experience constraint in time and hence get demotivated.

1.5 Case Studies

Case Study 1: Crude Oil Company Limited

Crude Oil Company Limited is a medium sized logistics company that operates in the oil and gas sector with staff strength of 150 employees made up of 120 agency workers and 30 core staff. Most of the agency workers are drivers. The MD/CEO, Mr. James Oke is known to live a flamboyant life style and this has not changed in spite of the fact that in the last 6 months the company has not been able to pay full salary to its workers due to dwindling financial position which has been described by the financial controller as critical. After a review of the turn-around strategy, the management team recommended that the only option that can be taken in the short term to salvage the precarious financial situation of the company and stay in business is to reduce the staff strength.

The option of staff reduction was approved by the MD/CEO and the Human Resource Manager implemented the management decision citing economic recession and dwindling income as the reason for the disengagement. Most of the disengaged staff were the agency workers and management believe that the agency workers are not employees of Crude Oil Company Limited. In a swift reaction, the union rejected management action and has called for the recall of the disengaged workers for the reason that the union was not properly consulted and that due process was not followed in implementing the disengagement decision. The union leaders have given management 2 weeks ultimatum to meet their demand or face total shut down of the company.

Questions

- a. Identify the employment relations issues in this case.
- b. Examine the case and identify the rights of management under the Nigerian legal system to disengage the workers as they did.
- c. If you are the Human Resource Manager, what would you have done differently in implementing management decision?
- d. What remedies do the union and workers have under the current situation?

Case Study 2: Apama Nigeria Limited

Apama Nigeria Limited, a leading brewery company had problems with their unions over many issues that range from poor working conditions to overtime payment. The Company's Management are of the view that there is no need for upward review of workers' salary and that workers should not be paid for work done beyond normal working hours. This company spends fewer funds in its operations due to poor and gloomy economic condition of the economy.

Mr. Okafor Ibeh upon being elected Union Leader promised his comrades that he would do all within his power to solve the lingering problems. He immediately wrote management on various issues affecting the workers and declared local disputes. Management in their response, asked for more time to look into the problems. Forty-five days later, management invited the union leaders for discussion on various issues they presented.

After series of meetings and negotiations, the management and union agreed on some adjustments and increases and signed the agreement with a review period of three years.

Management however did not fully implement all aspects of the agreement and at the expiration of the agreement, management refused to enter into renegotiation. The union leadership thereupon notified the management of the union's decision to embark on strike if their demands were not met within 30 days. At the end of the 30 days, the union embarked on total and indefinite strike as proposed.

Questions

- a. What are the employment relations implications of this case?
- b. What could the organisation have done to avert the strike action?

- c. How would you describe the attitudes and approaches of Union and Management before the strike action?
- d. What appropriate steps should the management take to resolve the disputes?

Case study 3: Adamaki Nigeria Limited

Adamaki Nigeria Ltd is a foreign owned manufacturing company that has been in operation in Lagos, Nigeria for over 15 years. Most of the management staff are non-Nigerians. Mr. Okafor a senior staff of the company was on and off the workplace for greater part of 2018 due to his wife's prolonged medical challenges. During the period of his wife's sickness, he took some times off work to care for his wife. He exhausted his leave as provided for in company's handbook. Unfortunately, his wife died in November of the that same year and according to the customs of his place, he is meant to mourn his wife for seven days indoors.

To get time to bury his wife and meet the customary obligation of mourning his wife within the prescribed time, Mr. Okafor applied for a ten-day leave. The leave request was not approved and the human resource manager, Mr. Joewhite, who is not a Nigerian, directed Mr. Okafor to resume immediately or face disciplinary actions. Other staff particularly, Nigerians were agitated as the manager's position appears strange to them.

Questions

- a. What are the employment relations issues involved in this case?
- b. What are cultural implications in this case?
- c. What practical implications does this action have on labour-management relations in the organisation?
- d. What could the manager have done differently?

Case 4: Panafina Industries PLC

Mr. Okugbeni is a factory worker in Panafina industries Plc has tendered his notice of resignation from the company and the notice has been accepted by the company. During a routine check at the gate few days to the end of his notice period, the security men stumbled on stolen company's products inside Mr. Okugbeni's car. He denied the theft and claimed that he was framed by his detractors in the company.

The company decided that an investigative panel be set up to look into the matter. When Mr. Okugbeni appeared before the panel, he explained that although he is part of a syndicate that had perfected the act of pilfering the company's products through a hidden booth compartment inside his car, he however denied being responsible for the current act. He however mentioned the names of other staff who are members of the syndicate.

Mr. Okugbeni claimed that his problem started with the group when he refused to sell his car to one of them who wanted to purchase the car which has a pseudo-booth to continue with their nefarious acts. To conclude his defence, Mr. Okugbeni insisted that the stolen products were planted in his car by a member of the group in a bid to dent his employment record.

When members of the so-called syndicate including a top manager in the company were invited to give their testimony to the panel, they denied knowledge of the incident.

Questions

- a. Identify the employment relations issues in this case.
- b. What action should management take against Mr. Okugbeni?
- c. What would you do to the other employees mentioned in the case?

Case Study 5: Soyame Distillery Limited

The branch Senior Staff Association (SSA) of the above company had a disagreement with the company's management for excluding management staff from the membership of the union. In response, the company argued that the staff in question were a "projection of management" hence its decision to exclude them from membership of the union was in order. To counter management's viewpoint, the union cited Article 5(1) of the Memorandum of Agreement between the Employers' Association and the Senior Staff Association (SSA) to justify the perceived illegality of the company's action. The article reads thus: "the following shall not be members of the union:

- i. Members of the Board of Directors;
- ii. General Managers;
- iii. Deputy or Assistant General Managers;
- iv. Senior Staff by virtue of the level of their responsibility to act or relieve positions (i), (ii), (iii) above;
- v. Senior Staff with responsibility for Human Resource Matters including negotiations with the union; and

- vi. Confidential Secretaries attached to (i), (ii), (iii) and (iv)".

The National Union of the Senior Staff Association (SSA) has taken over the matter from the Branch union and has threatened to take the case to the National Industrial Court.

Questions

- a. Explain the term “projection of management” as it relates to this case.
- b. Adduce reason(s) why the Memorandum of Agreement excluded some staffers from union membership?
- c. Briefly highlight the socio-economic implications of excluding management staff from union membership of the branch Senior Staff Association (SSA).
- d. Appraise the union’s agitation in this case.
- e. Suppose you were appointed to arbitrate this case; how would you resolve the disagreement between the parties?

Case Study 6: Boney Rolling Mills (BRM) Limited

BONEY Rolling Mills (BRM) Limited is an Iron and Steel Company based in Enugu. Recently, the appointment of Mr. Yakasai, a technical supervisor who happened to be the Secretary of the Branch Union in the company was terminated for abandoning his job. Yakasai had reportedly been absent from work for 5-working days without permission. Following the company’s action, the National Union which has its Secretariat in Lagos approached the management with a copy of the Secretariat’s letter asking for permission for Mr. Yakasai to be released for the Union Executive meeting within the period of his absence from work. In fact, Mr. Yakasai claimed that he approached the Human Resource Manager who verbally gave him permission on presentation of his own copy of the letter from the Union’s Secretariat. The Union Secretariat, however, pleaded for Mr. Yakasai’s reinstatement on the ground that his absence from duty was in line with the provisions of the Procedural Agreement between the Employers’ Association and the National Union which states that: “The company shall grant leave of absence with pay up to a maximum 4 days for union activities provided at least 14 days’ notice is given”. Management denied either receiving any letter from the Union’s Secretariat or being approached by the Branch Secretary for permission to attend union meeting. Therefore, it maintained that Mr. Yakasai remained sacked. However, and rather strangely, the company received the said letter 2 days later seeking the release

of Mr. Yakasai for the union meeting and it had a postage stamp affixed but no post-mark on it. The National Union continued to maintain its ground; and it seems industrial unrest was imminent.

Questions

- a. Identify the employment relations issues in this case.
- b. What is your view about the state of communication between the Management and the Union?
- c. From your assessment of the case, which of the parties seems to be telling the truth; and why?
- d. What are your views about management decision?

Summary

The chapter focused on the various definitions of case study and approaches. The types and purposes of case studies were highlighted, followed by steps in solving problems associated with case studies. Also, the advantages and disadvantages of case studies were examined. The chapter ended with six case studies for the readers to have a good idea of cases and for their hands -on experience to solve the problems.

Practice Questions For Chapter One

What do you understand by case study?

1. Critique the concept of case study as a technique for solving organisational problems.
2. What steps would you take to analyse a case study?
3. Differentiate the types of case study and determine the most appropriate.

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CHAPTER TWO

CHAPTER TWO: INDUSTRIAL RELATIONS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. discuss the nature and scope of industrial relations;
- ii. describe the parties to industrial relations;
- iii. discuss the factors that influence industrial relations;
- iv. explain industrial relations practices in selected countries.

2.0 Introduction

Industrial Relations as noted by Venkata Ratnam, (2013) is as old as industry and being inherent in industry, it has remained a feature of industrial life. This may explain why Otober (2005) stated that it would not make sense to talk about industrial relations in a society that is characterised by primitive subsistence agriculture, where roles are allocated by ascription, based on sex and age, and land and other resources of economic values are communally- owned. What this implies is that we cannot meaningfully discourse industrial relations without reference to wage industry because industrial relations emerged as a result of industrial development.

Industrial relations have been greatly influenced by the conditions in the post-industrial revolution era and in the capitalist system of production. The later changes in industrial relations were a consequence of the developments brought about by the information technology revolution. The rapid growth in technology today has brought about changes in the world of work. Iyayi (2010) stated that globalisation has brought about major consequences in the global economy. Labour has become less mobile than capital. Before now, there was high labour mobility as labour could easily move to places where there are job openings but today job losses are manifest everywhere. There is evidence of persistent workers' exploitation by employers in almost all sectors of our work life. There is emergence of new set of knowledge workers and professionals that are competing for career advancement and hence turn themselves to willing slaves ready to work 24/7. Trade unions on their part have become wary of what is regarded as the employers' Greek gift of sharing and caring and sharing behaviour. For the trade unions, these new human resource policies are nothing more than a ploy to weaken trade unions and their bargaining power.

Industrial relations as a field of academic study can be traced to the works of Beatrice and Sydney Webb following the publication in the late 19th century of their works, History of trade unionism

and Industrial democracy. Other writers such as Karl Marx, Engel, Fredrick Taylor have written or made comments about the working conditions and the productivity of workers. It was however not until 1958 that J. T. Dunlop came up with the systems theory in his seminal work, Industrial Relations System, to explain industrial relations and today industrial relations is studied in various universities across the Globe.

This chapter will focus on elements of labour management relations, nature and emergence of employment contract, origin of industrial relations, nature and scope of Industrial Relations, parties in Industrial Relations, factors that influence the practice of Industrial Relations and comparative Industrial Relations.

2.1 Elements of Labour Management Relations

This is a bi-partite relationship that exist between workers and management. It is a complex blend of organisational culture, human resource practices and individual perceptions. Every activity in the human resource department in one way or the other affects employer-employee relations directly or indirectly. Many of these human resource management activities go un-noticed by the employees while other functions affect employees periodically like performance appraisal and salary reviews. Therefore, all HR activities are meant to improve labour-management relations.

2.1.1 Importance of Good Labour-Management Relations

There are four major reasons why good labour-management relations practices are important:

- i. Improved productivity: Two main factors affect the productivity of an employee: ability and attitude. Ability focuses on if an employee is able to perform a job and is influenced by training, the available tools, workplace environment etc. On the other hand, attitude is an employee's willingness to perform the job and is affected by motivation, job satisfaction and commitment to work. Good labour-management relations improve both ability and attitude and hence productivity.
- ii. Implementation of Organisational Strategies: Organisations are able to generate grassroots support for its plans if employees understand their roles and are rewarded for exhibiting the desired behaviour. Good labour-management relations practices ensure that the goals of an organisation and their strategies are well communicated to the employees and therefore receive the workers' commitment.

- iii. **It Reduces Employment Costs:** Employment cost would be reduced when concerns for and the interest in employees become important part of overall organisational culture. This is because there would be cost savings in terms of reduced absenteeism and employee turnover. Also, good labour-management relations give employers a recruiting advantage as applicants prefer to work for an organisation that treats them fairly and justly, offer them opportunities for career growth, among others.
- iv. **Good Labour-management Relations Helps Employees Grow and Develop:** Where there is harmonious labour-management relationship, employees are able to achieve their personal career goals. Good labour-management relations would for example, encourage employees' training and development, improve quality of their working lives, among other things.

2.1.2 Models of Labour Management Relations

- i. **Conflict:** intense hostility of management towards trade unions.
- ii. **Containment:** Running battles between management and union each party working towards containing the other.
- iii. **Power Bargaining:** A party manipulates the economic or social power to the disadvantage of the other.
- iv. **Accommodation:** The parties work out a procedure for recognising their functions and settling their differences.
- v. **Cooperation:** Both parties recognise that their survival is dependent on each other.

2.1.3 Dimensions of Labour-Management Relations

There are five major components of effective labour-management relations according to Schwind, Das and Wagar. These are:

- a. **Employee discipline:** Discipline is an enforced compliance or control; it is systematic method of obtaining obedience.
- b. **Communication:** This is the transmission of messages from one person to the other. It could be formal or informal. Formal communication is carried out via clearly stated channel established by an organisation. Informal communication also referred to as Grapevine is more relational than formal communication.

- c. Employee counselling: Making sure the employees are counselled and informed about workplace issues.
- d. Employee engagement: Employee engagement is a positive, fulfilling, work-related state of mind that is characterised by vigor, dedication, and absorption.
- e. Employee and employer rights and obligations: These involve the rights of employees in an organization.

2.2 Nature and Emergence of Employment Contract

Wage employment originated following the emergence of the industrial revolution in Europe in the 18th century (Otobo, 2005). It was the industrial revolution that brought about a paradigm shift from the agrarian economy which was a characteristic of the pre-industrial revolution society to the factory system. In Nigeria wage employment also arose as a result of the trade relationship between Africa and Europe which also was a consequence of the industrial revolution (Otobo, 2005).

Before industrial revolution, the society was primarily dominated by agriculture and most people lived in small villages (Anyim, 2014). A large percentage of the labour force were engaged in agriculture as farmers while others in few urban centres were artisans and they accomplish their work by domestic system or what could be regarded as cottage industry as goods were produced at home. The artisans were mainly engaged as shoe-makers, black smiths, brick-layers (Masons), etc.

Anyim (2014) stated that England in Great Britain from where industrial revolution emerged had among the many natural resources that include rich flowing waters, coal and iron ore which were major raw materials for the manufacture of iron, steel and machines. While the fertile lands were used for agriculture. Britain is therefore acknowledged as the first industrialised nation.

Industrial revolution was in two phases – first and second industrial revolution which commenced in the late 18th century and later half of 19th century respectively. The first industrial revolution focused on textiles, cotton, iron and steam engine technologies. The steam engine was developed in England by **James Watt**. The steam engine was needed to help industrialisation grow and develop as it improved transportation and eased the movement of people and agricultural produce between rural and urban areas. While the second industrial revolution centred on steel, railroads, electricity, communication technologies such as telegrams and chemicals.

However, with the second industrial revolution, other nations got involved such as United States, Germany, France Belgium etc. The second industrial revolution as noted by Anyim (2014) witnessed technological revolution and was also known as ‘age of synergy’ (Anyim, 2020). It began about the time of the introduction of Bessemer Steel and led to factory electrification, mass production and the growth of production lines.

2.2.1 Contributions of Industrial Revolution to Labour-Management Relations

- i. The industrial revolution led to the emergence of factory system. Machines replaced the cottage industry which led to improved production and creation of contract of employment as the hitherto workers in the home production system were now available for employment in the factories.
- ii. It led to movement of people from the rural areas to the urban centres. There was therefore free mobility of labour.
- iii. It brought about shift in the economy as different urban centres witnessed a shift from the traditional agrarian society to that of industrial economy based on capitalist principles and practices.
- iv. Industrial revolution made the land-owning class (aristocrats) to be replaced by the industrial class or the capitalist. This period witnessed a period of laissez-faire doctrine as the State did not interfere with the contractual relationship between labour and employers.

2.3 Factory System

The emergence of factory system was a major outcome of industrial revolution Otopo (2005). As noted by Anyim (2020), the greatest and the earliest transformation at that time took place in the cotton and textile industry. It is worthy of note that Richard Arkwright, a wigmaker from Preston was a key man behind this change hence could be classified as the father of factory system of manufacturing (Anyim, 2020). Before the creation of the factory system, most of the manufacturing were carried out in cottage industries and what is regarded as the Putting-out system. This system involved contracting out productions, especially weaving of cloths and spinning of thread, to individuals who produce for the merchants.

The factory system replaced the putting-out system. The factory is a production facility where owners assemble power machinery, raw materials and engage the services of wage earners under one roof. The activities in the factory are coordinated by applying human and mechanical energy to convert raw materials into finished goods for consumers.

2.3.1 Characteristics of Factory System

1. Change from craftsman labour: Before the emergence of factory system, products were made by skilled craftsmen who made the entire product. A craftsman could associate a product to himself or herself. Craftsmen were not alienated from their products. The factory system brought about division of labour and alienation of the workman from his product as division of labour was practiced.
2. Economies of scale: Goods were produced at cheaper rate as factories took advantage of economies of scale. More so, goods were produced at much larger scale than in the cottage or the craft system.
3. Location: Factories were located not just close to rivers for energy source and transportation but also along railway lines and stations for ease of movement. Also, in city centres where their markets exist and labour was available.
4. Product uniformity: The use of machines meant that the quality and sizes of products were uniform unlike where the products were made from the putting-out system. Machines ensured precision in designs and production.
5. Emergence of sociotechnical systems: The factory system brought about the interaction between workers and machines. The workers and machines were brought under one roof. Therefore, the buildings were designed in such a way that workers were able to handle the machines and the flow of raw materials.

2.4 Origin of Industrial Relations

As noted by Anyim (2020), much consideration has been given to Industrial Relations as a subject as well as a discipline by both the print and electronic media and it remains a major topic in boardroom meetings as well as among policy makers in policy making gatherings. It is a subject that is as contentious as it is value laden. Writings in industrial relations cuts across a wide range of assumptions about basic issues regarding what is just, right and reasonable.

Some of the basic issues that are handled in industrial relations are about power relations and how this power is shared in the workplace between the employers and the employees. That explains why Anyim (2020) opined that the emergence of industrial relations is not just focused on how to organise the production process but on how to equitably share the returns from the joint efforts of the parties in the workplace. While the employers are focused on profit maximisation from their investment, the interest of the workers is on how to improve their returns in terms of fair wage rates, minimise hazards at the workplace, reduce the hours of work as well as the incidence of unfair treatment, among others. The crux of the relationship is that both parties aim at maximizing their share of the returns without major concern for the challenges faced by the other (Anyim, 2020).

Industrial relations mean different things to different people as individuals have divergent views about the concept. For example, some scholars and lay people associate it with strikes, negotiation between workers represented by their unions and the employers or government. Others see it as actions related to government intervention in industrial disputes. These issues revolve around employment and the regulation of its burden and rewards. Therefore, one can say that it is related to rule making aimed at regulating the activities of the parties in the workplace.

The main concern of industrial relations is with people at work hence employment relationship is its centre point. There are several reasons why people work. Among the reasons is to earn income to sustain their livelihood. The major goals of industrial relations are to bring about fair distribution of the wealth or returns from the organisation, to ensure industrial peace and harmony so as to improve the production capacity thereby aiding the parties meet their objectives. Good industrial relations practice gives the employees the opportunity to take part in the formulation of rules that govern employer employee relationship in the workplaces. Also, workplace actors relate with each other peacefully and that help to improve national economic development. What is of interest is that industrial relations has been and remains an important part of modern life but it does not have a universally agreed definition. The definition and scope of industrial relations varies amongst practitioners because of their different academic background and ideologies. Their definitions may arise from their perspectives, beliefs, lived experiences and other circumstances they face. For instance, some trade unionists in defining industrial relations may place emphasis on the relationship their unions, the management, employers and their associations, the processes and institutions that have been developed to guide them. They may view collective bargaining, strikes

and joint consultations as the focal point or very important elements in industrial relations while the other parties may think otherwise.

According to Fajana (2006), industrial relations is the systematic study of all aspects of employment relationship. This definition focuses on what takes place from the point an employee joins an organisation as an employee up to the time of exit from that organisation. It rests on all activities or relationships that take place between the period an employee takes up a job and when he exits from the job. Dunlop (1958) also defined industrial relations as a sub-system of the society that studies the problems generated by wages, employment and working conditions for which workplace actors and other social partners must create solutions. On his part, Flanders (1965) views industrial relations as a system of rules and the study of the institutions of job regulations. The major connection between Dunlop's and Flanders' idea of industrial relations is that both underscored the element of rule making that governs the relationship and actions of the parties.

According to Yesufu (1982) Industrial Relations is the whole web of human interactions at work which is predicated upon, and arises out of employment contract. Derber (1984) perceives industrial relations as a system of rule making in which the rule makers develop rules to guide the working relationship between the parties. For Hyman (1975), industrial relations is the study of processes of control over work relations. The above definitions of industrial relations according to Anyim (1981) suggests that industrial relations is all about the interaction or the relationship between the workers, employers and the government in such manner that is to bring about peaceful relations in the workplace.

Industrial relations have significant influence on supply and demand of goods and services and equally impacts on human values in the workplace. Besides, the social partners in industrial relations are transmitters of some events that are outside the purview of industrial relations. For instance, population explosion, product markets changes, social structure, war and peace, technology, sectional interest to mention just a few affects industrial relations.

Industrial Relations refer to an organized, developed body of knowledge that is devoted to giving explanation of workplace behaviour. It is also an integral process through which the individual's attitudes and work are combined or integrated. The purpose of industrial relations is to help in working more effectively with other people in the organisation. The concept attempts to improve employees' morale and motivation through an improved three-way communication system:

- i. Employee participation in the decision-making processes;

- ii. Emphasising employee behavioural aspects of work rather than technical or economic aspects; and
- iii). Trying to make employment and working conditions less impersonal or formal.

The employer and employee relationship is of substantial value or importance in all workplaces. Industrial relations address the needs of employees, fostering a workplace culture and resolving conflicts between different employees or between employees and management.

The Objectives of Industrial Relations Study are to:

- a. Promote and develop harmonious labour relations so as to reduce the rate of conflict in the organization.
- b. Improve the level of understanding and respect among the industrial relations parties in the workplace.
- c. Ensure that the terms and conditions of employment are fairly administered to in the work environment.
- d. Guarantee the improvement of compensation of workers and thereby enhance the socio-economic status of the workforce.
- e. Enhance the productivity of workers by adding value to the organisation's human capital and improve the organisation's performance.

2.4.1 Nature and Scope of Industrial Relations

Social relationships are created by industrial life and it regulates the relations among the workers, management and the community and society where the organisation operates. Industrial relations is an integral part of an industrial life. The nature and coverage of problems studied in industrial relations is wide and as such requires tools from other disciplines to solve. Therefore, industrial relations is regarded as a multi-disciplinary subject as most of the theories draw from the wealth of knowledge and tools from other disciplines such as sociology, psychology, economics, political science, law, history, statistics, engineering, among others. The definitions of industrial relations are hence influenced by these disciplines.

2.4.2 Significance of Good Industrial Relations

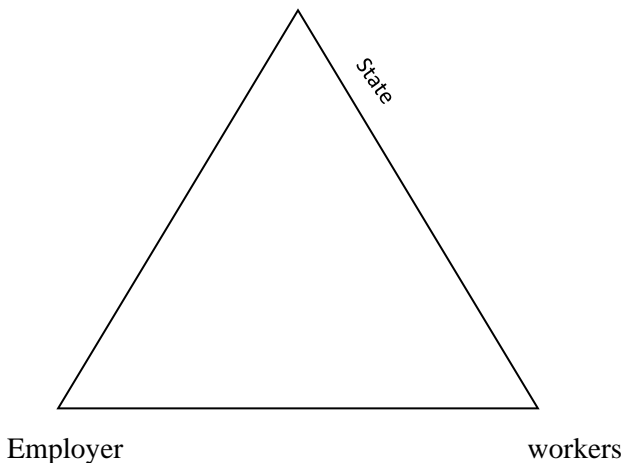
Industrial relations is said to be good when it brings about harmonious relationship between trade unions and management in any given organisation. Good industrial relations connote significant

presence of understanding and cooperation with minimal presence of disputes between the parties. Thus, when industrial relations in an organisation is cordial, it brings about the following benefits:

- i. **Industrial Peace:** Good industrial relations minimises cases of dispute and brings about harmonious relationship. Industrial peace is an ideal situation for organisations to focus on improved productivity and growth.
- ii. **Higher Productivity:** Workers tend to take better interest in their jobs and work efficiently under harmonious industrial relations. The effect of this will manifest in improved productivity and enhanced performance of the organisation. It will also enhance economic growth and development of the society.
- iii. **Industrial Democracy:** Sound industrial relations is based on employee participation in decision making and consultation between the workers and the management. Industrial democracy in an organisation is established through employees' participation in decision making and serves as a great motivator to the employees to contribute to the success of the organisation.
- iv. **Collective Bargaining:** Good industrial relations is extremely helpful for entering into long-term agreements between labour and management in various areas of employment relations. Such collective bargaining agreements will improve the level of understanding and cooperation between labour and management.
- v. **Fair Rewards to Workers:** It is the intention of workers to get sufficient financial and non-financial rewards to live a happy life. This can be achieved when the relations between workers and management are cordial and the performance of the employees is high. That way, employees can be paid higher rewards and benefits by the employer.
- vi. **Higher Morale:** Good industrial relations exists in an atmosphere of confidence, mutual respect and co-operation within the enterprise. Under such circumstance, there are in existence both individual and corporate goals and that motivate all members of the organisation to put in their best.
- vii. **Facilitation of Change:** Sound industrial relations, characterised by a climate of co-operation and confidence, makes change management process easy. Therefore, organisations can take advantage of innovations, inventions and other technological advancements that are available. While the workers can easily adjust to the needed changes introduced for the good of all stakeholders.

2.4.3 Parties in Industrial Relations System

As noted by Dunlop (1958), there are three main parties that are directly involved in industrial relations systems and several other actors indirectly involved (Otobo, 2020).



i. Workers and their Organisations (that is Trade Union and Employees): The personal characteristics of workers, such as their qualifications, skills, attitude towards work, culture, educational attainments etc. play significant role in industrial relations. Workers' organisations, also known as trade unions, are political institutions formed to safeguard the economic and social interests of the workers. To achieve their objectives, trade unions put pressure on management.

ii. Employers and their Organisations: The employers provide work for workers and regulate their behaviour to get high level of productivity from them. In most cases, industrial disputes arise when an employers' demand very high level of performance from the workers and at the same time, offers low benefits to the workers. Employers in several industries have formed associations so as to increase their bargaining power.

iii. State and the Agencies of Government: The Government or State exerts important influence on industrial relations through such measures as provision of employment, intervention in workplace relations, and regulation of wages, bonus and working conditions through various public policies. The Government oversees the activities of the trade unions and employers' organisations in order to regulate their behaviours in the interest of the general public.

2.4.4 Factors that Influence the Practice of Industrial Relations in Nigeria

It is a general belief that an industrial relations system is derived from the environment in which it operates. These contexts influence performs important roles and shape the direction of industrial relations practice. The environment is multifaceted surrounding circumstances, conditions, or influences where a thing is situated or is developed, or in which a person or organism lives; which modifies and determines its life or character (Free Encyclopedia, 2006). With respect to organisations, the environment consists of all the factors that influence their performance. The environment serves as a source of resources and provides market for goods. It also implies that an organisation's survival is a function of its ability to interact with its environment.

The structural-functionalism (propounded by Malinowski and Radcliffe-Brown) and functionalism (postulated by Talcott Parsons and Robert K. Merton) stress the nature of the interdependency among the various parts of a social system. Systems may be closed (e.g. an astronaut's life-support pack) or open. Closed systems are completely self-supporting and do not interact with the environment.

Social systems such as an organisation are always open systems and a key feature of open systems is their interdependence on the environment. Thus, for any organisation (social system) to survive, its needs for information, human resources, finance, markets must be met from the environment where it operates. Further, to ensure the continued existence of a social system, a state of equilibrium, (that is: continual supplies of inputs and an environment to discharge output must be maintained. In the event of disequilibrium, all parts of the system must work together to re-organise and brings things back to normal.

Thus, an organisation must receive feedback to know how it is performing and the impact of its operations on the various parts of the environment. In addition, any organisation that must function as part of an interactive system must meet the needs of several stakeholders which include managers, owners, employees, government, consumers, and society at large. From the foregoing, it can be observed that industrial relations is made up of complex relationship in which organisations, individuals and other elements perform different roles and such roles are affected by the role of other parties. The under listed factors have significant effects on industrial relations and can be classified as internal and external factors.

2.4.4.1 Internal Factors

The internal environment is made up of conditions or forces that operate within the organisation and managers must understand and control them. The internal environment is influenced by the organisation's structure and culture. Also, internal factors are interconnected and when there is decline in one factor, it triggers a chain reaction that brings about deterioration of other internal factors. These include factors such as management and management style, workforce characteristics, organisational structure, job design, etc. These factors impact on the relationship between industrial relations actors in the organisations.

Management and Management Style

Organisations in today's business environment need management that has the capacity to effectively monitor changes in both the external and internal environment of the organisation and make timely response to these changes for it to survive.

Workforce Characteristics

The composition and characteristics of human resource influences the strategic choices that bring about restructuring. To develop strategy, managers should look into the organisation's competitive position that includes employees' strengths and weaknesses. The human resource department provides the organisation with a workplace assessment. That is, a thorough inventory of the employees' knowledge, skills, attitudes and other characteristics. The outcome of the workplace assessment could trigger the need for restructuring.

Organisational Structure

Organisations through its structure determines the scope of jobs, relationships in the workplace and how resources are shared. So, the structure of an organisation has a great impact on how businesses are conducted. When corporate strategy is in the heart of structural decisions, managers are able make the best choices. For example, if a small business desires to focus on customised products, the organisational structure should promote individual accomplishment rather than mass production.

Job Design

It is important that an organisation should assess the tasks and work processes needed to effectively do business and compare them to those of the organisation's existing jobs and processes. When this is done, positions may remain the same, modified or removed. At the same time, new positions may be created for some tasks.

Other Internal Forces

Others are Mission and Vision, Capital and size of the organisation, Ownership structure of the company, Culture, Technology, corporate culture, degree of unionisation, corporate policies, and working conditions.

2.4.4.2 External Factors

The environment of industrial relations in Nigeria has witnessed constant changes as the economy has been in a state of flux. This is reflected in the different activities or dynamics of political, economic, socio-cultural, technology, legal, ethno-religious and environmental factors. The thematic for this analysis will be the acronym PESTLE-E.

Political Factors

The system of government, the nature of political philosophy and institutions, attitudes of government officials and leaders of the opposition parties towards labour matters affect industrial relations. For instance, in the hitherto communist societies before the reforms that led to the adoption of new political systems, the industrial relations practice was largely controlled by the Government. The incursion of military into governance changed the Nigerian political landscape. Political considerations have great influence on those that are hired and fired in the workplace. The Federal Character Principle, Quota system, and ethnic balancing have to a large extent relegated merit and competence to the background in the course of managing human capital particularly in the public sector.

Economic Factors

Economic factors include economic systems and organisations such as capitalism, communism and socialism, type of ownership of economic organisations – whether domestic or MNC,

Government, co-operative, ownership, type and composition of workforce, source of labour supply, nature of labour market, wage differentials across groups, unemployment rate, economic cycle, local and global economic changes and the influence of World Trade Organisation (WTO). The nature of the economy impacts on industrial relations. The Nigerian economy is characterised by high rate of unemployment, underemployment and high poverty level. The economy has witnessed declining businesses due to inadequate infrastructure occasioned by corruption and bad leadership. This has led to the incidence of down-sizing and retrenchments, freeze in employment in both private and public sector establishments.

The conditions of the Labour Market have implications for hiring decisions and the nature of employment adopted by organisations. For example, the conditions in terms of tightness and looseness of labour market affect employees' decision to join or leave employment and an organisation's decision to hire or reduce its workforce. The labour market conditions explain why organisations engage in all forms of subcontracting, casualisation, out-sourcing and other non-standard employment practices.

Socio-Cultural Factors

Social and cultural factors have been given as contributory to the poor performance of the Nigerian economy. Social factors or groups such as caste system, joint family system, creed, social norms, status and values etc. influence industrial relations. For example, the demographics of the Nigerian nation, the size of the population/labour force, age, gender distribution, residence/urbanisation and education affect the outcome of the interaction between employers and employees. The characteristics of the Labour force have changed with increase in the population of younger people. This can be observed from the dynamics of socio-cultural attributes and lifestyle such as changing life styles, dressing patterns, increased dependency burden, sophistication of fraudsters, social networking and the use of social media etc.

Technological Factors

Technological factors include methods adopted, rate of technological change, type of technology used, research and development activities, among others. These factors considerably influence the patterns of industrial relations as they have direct influence on the nature of employment, wage rates, and collective bargaining process and outcomes in an organisation. Information and

telecommunication technology has reduced some organisations to virtual organisations. The brick-and-mortar structures are giving way to virtual organisations such that people now work remotely. We are now in a new normal and the nature of work is changing. For example, the adoption of artificial intelligence in workplaces will bring further changes in the nature of work. Therefore, organisations must employ people with requisite skills and competences to drive the latest technologies, will engage in training and retraining, redeployments, retrenchment of human capital. These have effect on the functioning of the Labour market and industrial relations.

Legal Context

Employment relationship in Nigeria is regulated by the State through public policy. Public policy refers to the action and pronouncement of government in form of laws and these have serious implications for employment relationship. Globalisation, according to Sassen (1997), has brought about the emergence of new legal regimes and practices and the expansion and improvement of some older forms that are outside national legal systems.

Jones, et al. (2000) state that deregulation and privatisation, have led to enhanced emphasis on environmental protection, safety in the workplace. Also, legal constraints against workplace discrimination on the basis of age, gender or race create challenges for organisations and their managers. Therefore, organisations should carefully monitor changes in laws and regulations so that they can take advantage of the opportunities created and counter the threats identified. The state, through the government, makes laws that determine, for instance, the employment age, who should work or not work in certain workplaces, the hours of work and the composition of work arrangement. Some of the industrial relations legislations are the Wages Boards and Industrial Councils Act, 1973; the Labour Act, 1974; the Trade Dispute Act, 1976; the Trade Union Act, 1973 and all the amendments; the Pension Act, 2004 and the 2014 Act, the National Minimum Wage Act, 2011; the Workmen's Compensation Act, 1987, replaced with the Employees' Compensation Act, 2010; the Factories Act, 1987 and other ILO Conventions and Recommendations, ratified by Nigeria.

Ethno-Religious Factor

Nigeria is a secular and multi-religious nation, dominated however, by two major religions – Christian and Islamic. The Christian religion brought western education to the southern part of the country while the practice of Islam in the Muslim dominated north laid more emphasis on Islamic

education which hindered the spread of western education in that part of Nigeria. This has serious effects on developments in many areas of the Nigerian national life. Ethno-religious sentiments have dominated the hiring, posting, promotion and succession planning, particularly in the public sector. For example, in making appointments in the Nigerian Armed Forces and Police Force, ethnic balancing is a major factor that is considered. Every ethnic group and religion take interest in who should be appointed and who should occupy certain positions. Therefore, in planning the succession of the top echelon of these government agencies, care is taken to protect the interest of various ethnic groupings and the two major religions in the country.

Environmental Factors

One of the major issues today across the globe is the challenge of climate change. The damage to the ecosystem, the depletion of ozone layer are major concerns and they affect businesses in different many ways. The survival of business organisations is a function of its environment. The degradation of environment through pollutants, spillages has led to some organisations having disruptions in their operations from their host communities. Apart from the physical environment, a major consideration in terms of environmental factor is the task environment which is made up of specific organisations or groups that will most likely influence organisational stakeholders such as competitors, customers, suppliers, and regulators. Competitors are the other parties that contest for resources; A customers is anyone that pays to get an organisation's product or service. Suppliers are providers of resources for other organisations. Regulators are units in the task environment that have the authority to control, regulate and influence an organisation's policies, procedures and practices.

2.5 Comparative Industrial Relations

The essence of comparative industrial relations is to show the similarities and dissimilarities in the conduct of industrial relations practice in various countries. The factors accountable for the difference are variables such as actors, technology, market, locus of power, ideology amongst others. The study of comparative industrial relations as noted by Fajana (2006) is as important not only for policy formulation but also for assisting in the construction of theory of industrial relations. Such approach can be useful for verifying hypothesis or for producing generalisations derived from research findings in a variety of national context. Applying the Systems theory, Krislov (1987) states that there are two stable models of industrial relations: the developed

capitalist and the communist; and the largely unstable semi-developed capitalist. By implication, there seems to exist three sub-models of industrial relations within the universe.

According to Fajana (2006) the system in Nigeria would be classified within the semi-developed capitalist. Furthermore, he contends that the system theory remains a very influential classic in the analysis of comparative industrial relations. Nevertheless, convergence, partial convergence and collective bargaining approaches are also quite helpful. The concern of the convergence theory is that industrial societies will gradually tend to become more alike and there is a worldwide tendency for technological and market forces associated with industrialism to push national industrial relations systems towards uniformity or 'convergence', even though the process may have divergent patterns in different countries. Industrial relations practices in Advanced and Third World Countries are examined in the sub-headings that follow:

2.5.1 Britain

There is freedom of association for membership of trade unions which creates room and opportunity for workers in both private and public sectors to unionize. The trade union membership is highly concentrated on the type of occupation or industry, and the union density is also high among regular workers other than part time workers particularly for men. The country has only one central body which is known as Trades Union Congress, established in 1868 with 75 union affiliates as at year 2005. The central body has no direct role in collective bargaining functions but diplomatically it lobbies the government to get concessions for workers. The central body played an active part in the formation of the Labour Party in 1906. The unions are found to be weak due to their involvement in politics. Collective bargaining is voluntary as employers are not compelled to bargain with unions (i.e. no right to collective bargaining). Employers make use of other means like joint consultation in their interaction with the workers. Joint consultation is not mandatory on employers and its outcome could be determined unilaterally by the employers. In spite of ILO Convention No.84, the collective agreement is still an unenforceable instrument.

Due to the absence of effective collective bargaining, workers hardly participate in decision-making; rather what is prominent is individual workers' participation which takes the form of direct participation by means of downward communication and upward problem-solving process. The strike process is low because the central body inactive participation in collective bargaining.

Besides, the trade unions seem to have lost the right to embark on collective action rather they have settled for the unitary management ideology.

2.5.2 United States of America

Industrial relations involve the complex interaction among management and their representatives, workers and their trade unions, and the government. The three actors have their distinct needs and goals and that determine how they interact with each other. For example, management's goals focus on reduction labor costs, improved productivity and profit. On the other hand, workers and their trade unions are more interested in getting improved wages and benefits, better working conditions and voice in the workplace. The government on their part has the responsibility to balance the rights of employees and management. Also, the government has a more important obligation to protect the rights of the citizens by ensuring relative peaceful relations between workers and employers. In the U.S. industrial relations in the private sector is governed by the National Labor Relations Act (1935, as Amended). The United States operate a three-tier structure of industrial relations. The local unions deal with the day-to-day interaction with employers at the organisational level. These local unions are affiliated with a national union such as the Service Employees International Union which is one of the largest national unions in the United States. Labor Federations, such as the AFL-CIO, serve as umbrella organisations for national unions and provide overall direction for the labor movement, and render as well as services like labour education or training and government lobbying.

The value that is associated with American culture is that of individualism and low power distance (Hao, 2015). The importance of individualism and low power distance can be observed in organisational systems of authority and conflict resolution. Subordinates are free to question the orders of superiors and attempt are made to resolve differences on one-on-one basis. The expected response to individual ambition and achievement is reward and promotion, and individuals normally turn to collective actions only when frustrated with organisational responses to individual efforts. Employees in unionised environment choose their representatives in collective bargaining session and they vote on the outcome of the agreement by the bargaining committee (Anyim, 2020).

When a contract is ratified, it becomes binding on the parties in the collective bargaining. Three-quarters of private-sector workers and about two-third of public employees have the right to

collective bargaining. This right came to U.S. workers through series of laws. For example, the Railway Labour Act granted collective bargaining right to railroad workers in 1926 and now covers many workers in the transport sector like those in airlines. The National Labour Relations Act (NLRA) of 1935 clarified the bargaining rights of most other private-sector workers and established collective bargaining as the "policy of the United States." The right to collective bargaining also is recognised by International Human Rights Conventions. Conflict resolution is through arbitration, mediation, litigation, adjudication etc.

2.5.3 Canada

Employment relations in Canada cover all relationships among management and workers at both formal and informal levels. These local unions are either excluded from workplace change or forced to co-operate with management, although the actions of industrial unions are noticeable. Unions are highly decentralized; they are also very coordinated with identical bargaining circle and strategic targeting in their demand. According to Anyim (2020), Canada has standard working time of 8 hours per day and 40 hours per week. Workers are entitled to at least 2 weeks annual leave with pay, but after 6 years in service a worker is entitled to 3 weeks with pay leave for complete employment year. Termination of appointment goes with notice of termination and 2 weeks regulated wage rate for an individual but for a group is 16 weeks' notice, a notice to Minister of Labour and Canadian Employment Insurance Commission. Trade unions in Canada use democratic practices to push their demands or demand of a member. The use of collective bargaining by unions is a legitimate means by which they put forward their demands. The largest labour organisation which does this in Canada is the Canadian Labour Congress formed in 1873. In Toronto, other unions include: Labour Union of Canada, Canadian Association of University Teachers, Canadian Union of Public Employees, National Union of Public and General Employees, and Public Servant Alliance of Canada.

In Canada, all member states are bound by the basic principle of freedom of association including the right to collective bargaining. Collective bargaining in Canada follows the following principles:

1. Recognition of representatives of trade unions for bargaining.
2. Prohibition of unfair labour practices.
3. Bargaining in good faith.

4. Mediation and Conciliation procedure as provided in the Canadian Constitution.
5. Voluntary arbitration.
6. The protection of bargaining rights and collective agreement especially where there is a sale or transfer of business. In the event of dispute during collective bargaining process, labour relations statutes provide for conciliation, mediation and arbitration before any party can go on strike or lock-out.

2.5.4 South Africa

Trade unions in South Africa have a history that dates back to the 1880s. From the beginning, unions were viewed as a reflection of the racial disunity of the country with the earliest unions being predominantly for white workers. Throughout the turbulent years that spanned from 1948 to 1991, the trade union movement played prominent part in political resistance and eventually was one of the driving forces that realised democratic governance in that country. The Congress of South African Trade Unions (COSATU) is the largest of the three major trade unions centres, with a membership of more than 1.8 million, and is part of the tripartite alliance with the ruling African National Congress (ANC) and the South African Communist Party (SACP). The Industrial Conciliation Act II of 1924 (the IC Act) stood as the core of South African industrial relations and collective bargaining practice till the present time. At the heart of the IC was the establishment of Industrial Councils (IC). Centralized collective bargaining took place in the ICs. They negotiated wages and working conditions of all employees represented by the unions and employers' associations.

In terms of the role of the State, the Council of Conciliation, Mediation and Arbitration (CCMA) plays a central role in the process of disputes resolution. The CCMA which was established under the Labour Relations Act (LRA) as a juristic person is a State funded but independent body with jurisdiction throughout all the provinces of the country. The CCMA is a tripartite body which consists of Government, organised labour and organised business. The main function of CCMA is to resolve any dispute through the means of conciliation and if the dispute remains unresolved, other means are adopted by invoking the provisions in the Labour Relations Act (LRA). The LRA provides for the formation and registration of Employers' Associations for the purpose of collective bargaining with unions in the bargaining councils. Trade Unions are not only recognised

but possess right to collective bargaining and can embark on strike. There are institutions that are created to resolve industrial conflicts and to eliminate unfair discrimination in the workplace.

2.5.5 India

Trade unionism was started and led by philanthropists and social organisations and not by the workers. A trade union in India is not only an association of the workmen but can also be formed by officers and managers. Trade unionism is a direct product of industrialisation and prior the period of industrialisation, trade unions were confined to individuals and families like craftsmen and artisans. After the industrial revolution, families started losing individual identities and had to join factories to earn their livelihood and participate in mass production of goods.

Collective bargaining machinery is essentially a reflection of a particular social and political order. The trade unions are weak in collective bargaining due to the various political, economic and social factors prevailing in the country. The history of unionism shows that the unions are affiliated to one or the other political parties. Consequently, most of the trade unions are externally influenced and controlled. Besides, Government policies are not conducive to the trade unions and not supportive of effective collective bargaining with the employers. There is also no central body or apex organisation for the unions and this in turn minimizes the chance for proper collective relations. Industrial disputes take various forms such as protest, strikes, demonstrations, lock-outs etc. Some of the causes of the disputes are: demand for higher wages and allowances, social security benefits, improved labour welfare, poor personnel management etc. The Industrial Disputes Act 1947 is the main legislation for investigation and settlement of disputes. The Act stipulates when a strike or lock-out can be lawfully resorted to and when they can be declared illegal or unlawful. The State plays an important role in the regulation and control of industrial relations but the level of its involvement and pattern 'or mode of intervention is determined by the prevailing political system in the country. State intervention is direct as it enacts procedural as well as substantive laws to regulate industrial relations in the country. In a nutshell, the State plays the role of umpire or referee as it is committed to the industrial development and growth of the country.

2.5.6 Ghana

In Ghana, the Trades Union Congress (TUC) was formally inaugurated in 1945. There was collaboration between the TUC and the Convention Peoples Party (CPP) which facilitated the

country gaining independence in 1957. The Industrial Relations Act enacted by government in 1958 was designed to strengthen the trade unions. The Act provided legal backing to the trade unions and recognition to the TUC as a corporate body. The Government provided the TUC with the building that houses its Headquarters as a tribute to the union for its contributions towards the struggle for liberation.

Collective bargaining is recognised as a means of resolving industrial conflicts and disagreements. Collective bargaining was made compulsory and its powers legally bound on employers and employees by the Industrial Relations Act of 1958. In line with the prevailing legislation, provisions are made for circumstances under which a strike can be permitted. When parties fail to resolve their differences, the various steps to take to resolve the dispute amicably are also outlined in the legislation. From the features of the few countries sampled, traces of convergence (similarities) and divergence (dissimilarities) can be seen vividly. This viewpoint is buttressed as stated by Fajana (2006) that dissimilar solutions to problems common to all industrial relations systems are developed by countries. Thus, most industrialised countries demonstrate a tendency to institutionalise their arrangements for rule making in industrial relations, even though their peculiar approaches vary. Also, Fajana (2006) have observed that depending upon time and circumstances, certain aspects of industrial societies tend to converge while others diverge. The alternative according to Piore is to rely on the role of the regulatory bodies in the conduct of industrial relations in different societies.

Summary

Industrial Relations could be regarded as being inherent in industry and has remained a feature of industrial life. Therefore, we cannot meaningfully discourse industrial relations without reference to wage industry because industrial relations emerged as a result of industrial development. We have discussed elements of labour management relations, nature and emergence of employment contract, industrial revolution and its contribution to labour-management relations, factory system, origin of industrial relations, scope and nature of Industrial Relations, actors in Industrial Relations, factors that influence industrial relations practices. The last section of the chapter is Comparative Industrial Relations with focus on Britain, United States, Canada, South Africa, India and Ghana.

Practice Questions

1. What is industrial relations?
2. Justify the need for good labour-management relations in the workplace.
3. The functioning of industrial relations is dependent on its environment. Discuss.
4. Why is the study of comparative industrial relations essential?
5. The factory system brought the putting-out system to its dead end. What characteristics distinguish the factory system from the putting-out system?

Practice Questions: Multiple Choice Questions (MCQs)

1. Which of the following employees' productivity factor describes employees' willingness to perform the job?
 - A. Ability
 - B. Strategy
 - C. Attitude
 - D. knowledge
2. which of the models of labour-management relations is used by parties to work out procedures for recognising their functions in settlement of their differences?
 - A. Containment
 - B. Accommodation
 - C. Cooperation
 - D. Conflict
3. ... could be regarded as the father of factory system of manufacturing.
 - A. Adams Smith
 - B. Richard Arkwright
 - C. John Dunlop
 - D. Karl Marx
4. Which of the following defined industrial relations as the study of the processes of control of work relations?
 - A. John Dunlop
 - B. Allan Flanders
 - C. Richard Hyman
 - D. Hugg Clegg
5. There are ... major actors in industrial relations.
 - A. 5
 - B. 4
 - C. 3
 - D. 2
6. Identify the option which forms one of the external environments of industrial relations in Nigeria.
 - A. Management

- B. Organisational structure
 - C. Economic
 - D. Corporate culture
7. Which of the following is an internal factor that affect industrial relations in Nigeria?
- A. Social
 - B. Characteristics
 - C. Structure
 - D. Management

Key to MCQs: 1. C; 2. B; 3. B; 4. C; 5. C; 6. C; 7. D

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CHAPTER THREE

CHAPTER THREE: EMPLOYMENT RELATIONS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. explain the meaning of employment relations;
- ii. identify the contexts of employment relations;
- iii. justify the transition from industrial relations to employment relations;
- iv. identify the parties to employment relations;
- v. explain the role of the state in employment relations.

3.0 Introduction

There have been raging controversies on the appropriate label for the study of employment relationship. Among these labels include labour-management relations, labour relations, employee relations, industrial relations and employment relations. This confusion has led to scholars using some of these labels interchangeably which however is not appropriate. We will quickly do a short description of each of them to establish their differences and their appropriate usage.

As stated by Ootobo (2020), the contents of the relations between the manager and the workers within an economic organisation fall within the context of industrial relations but more appropriately labelled labour-management relations". Akpala (1982) noted that labour relations or labour-management relations is any relationship between workers in their collective identity and the employer. Labour-management relations is about the internal arrangement between employers and the unions in a bipartite relationship hence it is said to be narrower than in industrial relations in areas of coverage. What this shows is that, the scope of labour-management relations excludes possible direct intervention of the government as an actor in the relationship. Therefore, when intervention by the government as an actor takes place, the relationship becomes what we refer to as industrial relations. Fashoyin (1992) argues that labour relations is distinct from industrial relations as labour relations is about the day to day relationship between union members and organisational management on workplace issues specifically on how to implement and enforce collective bargaining agreements. Fashoyin (1992) assertion also brings to the fore the distinction

between labour relations and employee relations. Although both are bipartite in nature, employee relations unlike labour relations focuses on the employer-employee relationship in a non-unionised work environment. In Employee relations, which usually adopts Human Resource Management model, the workplace is not unionised, employment contract is on individual basis and not collective. Therefore, employee relations focus on individual aspects of the employment relationship, while labour relations is about the collective aspects of the employment relationship within the context of an organisation.

Industrial relations on its part has three parties which are management (employer); unions (workers) and the State (government). As noted by Dunlop (1958), an industrial relations system is made up of three actors. Hence, the interaction among the government, management and workers is termed industrial relations when it deals with labour matters such as terms and conditions of employment. According to Ootobo (2020), the influence of other stakeholders such as foreign partners, multinational companies, civil society organisations and host communities in the industrial relations system has shifted emphasis from tripartism (industrial relations) to tripartism-plus (employment relations). In other words, the outcome of the expansion in the number of actors in the relationship is what we refer to as employment relations. In summary, while labour-management relations (which is used to describe both employee relations and labour relations) emphasises bipartism, and industrial relations emphasises tripartism, the focus of employment relations is tripartism-plus. Employee relations model is based on unitary theory with individualistic ideology while labour relations and industrial relations adopt the pluralistic theory and collectivist ideology.

3.1 Contexts of Employment Relations

The context of employment relations refers to the factors that affect its practice in the society. It should be noted that employment relations is an expanded version of the relationship that exist in the workplace. Therefore, the context of employment relations is not different from that of industrial relations and these have been exhaustively discussed under the previous chapter on industrial relations. To refresh our memory however, we will do a review of the factors by listing them again in this section.

We noted earlier that the factors are in two categories – the internal and the external factors. The internal factors are as follows: Management and management style, workforce characteristics,

organisational structure, job design, mission and vision, capital and size of the organisation, ownership structure of the company, culture, technology, corporate culture, degree of unionisation, corporate policies, and working conditions.

The external contexts are reflected in the different activities or dynamics of political, economic, socio-cultural, technology, legal, ethno-religious and environmental factors. The thematic for this analysis are earlier stated in the previous chapter is the acronym PESTLE-E.

3.2 Transition from Industrial Relations to Employment Relations

Industrial relations is a tripartite relationship in unionised work environment. This makes the discipline restrictive in nature as it excludes the relationship in non-unionised and other organisations in the informal sector. As noted by Chidi (2014), it is based on this that in 2010, the Geneva based International Industrial Relations Association (IIRA) voted and agreed to change its name to International Labour and Employment Relations Association (ILERA) based on their conviction that union and non-union relations exist in both formal and informal economy. Also, in 2011 the Nigerian Industrial Relations Association (NIRA) changed its name, in line with the change by the world body, to Nigerian Industrial and Employment Relations Association (NIERA). The IIRA was established in 1966 as a platform used to encourage and promote the study of industrial relations across the world irrespective of cultural, political or social differences and national boundaries.

At the time IIRA was established, industrial relations study and practice focused on relationship between employers and employees in the workplace with emphasis on unionised companies in the organised private sector and the public sector. It should be noted that with globalisation and advancement in information and communications technology, the labour market and the national economies have experienced significant changes. It is in response to these changes that the scope of industrial relations was expanded to include contemporary workplace issues such as decent work agenda, diversity and workplace discriminations, informal economy, labour market regulation and labour standards, new forms of work arrangements, social dialogue and partnership, transnational labour mobility, among other employment matters. The broadening of the scope of the subject-matter of industrial relations led to the change of its label from industrial relations to employment relations. Also, some local and foreign universities have adopted employment relations as against industrial relations and have made changes to their curricula to reflect

contemporary issues in both the society and workplace. Employment relations therefore encompasses industrial relations, labour-management relations (employee relations and labour relations) as it covers both unionised and non-unionised workplace relations, formal and informal sector or economy. Therefore, employment relations focus on all types of workplace relations and is broader than the practices in industrial or manufacturing sector (ILERA).

3.3 Major Parties in Employment Relations

Although there are three main parties directly involved in industrial relations. For employment relations, the actors are many and include the actors already identified in industrial relations and other that are involved directly or indirectly in employment relationship and these include non-state actors and host communities.

3.3.1 Employees and their Trade Union: The personal characteristics of workers play significant role in industrial relations. Trade unions are formed to safeguard the economic and social interests of the workers. They achieve their goal by putting pressure on management.

3.3.2 Employers and their Organisations: They provide employment to workers and regulate their behaviour so as to get high level of commitment and productivity from them. Industrial disputes generally arise when an employer's expectation from the workers is very high while they offer low benefits and rewards to the workers. In order to improve their bargaining power, employers in several industries have come together to form associations which are regarded as employers' associations.

3.3.3 State and its agencies: The Government or State exerts an important influence on industrial relations by creating employment, intervening in working relationships between employers and employees and regulating wages, bonus and working conditions through the enactment of various labour laws. The government monitors the activities of the trade unions, employers and their organisations to regulate their behaviours in the interest of the public.

3.3.4 Non-State Actors: The non-state actors are mainly civil society organisations, not-for-profit, or other voluntary organisations formed by people in the society that are different from the State. CSOs represent a wide range of interest and affiliations and include both community-based organisations and non-governmental organisations. They provide support and representations to workers especially the vulnerable workers not protected by the trade unions. Also, they provide

advocacy and campaigns for the improvement of the living conditions of workers and the society at large.

3.3.5 Host Communities: Host community are the people that occupy an area where an organisation is physically located and has its administrative headquarters, or where a unit of the business secures raw material for processing elsewhere. The activities of host communities have diverse implications for the employment relations and human resource functions in organisations as their reactions constitute a significant aspect of the business environment. More so, they have in some instances intervened in resolving disputes and bring strikes to a good end.

3.4 Civil Societies Organisations in Employment Relations

Civil Society Organisations (CSOs) are non-State, not-for-profit, or voluntary organisations formed by people in the society that are different from the State and the market. CSOs represent a wide range of interest and affiliations and include both community-based organisations and non-governmental organisations. What this implies is that CSOs are not business or profit-making organisations. The CSOs have become significant actors in employment relations as they seek to directly or indirectly influence the practices of employers and employee-employer relationship, and equally campaign for modifications in public policies. In recent years, the activities and focus of CSOs are on employment and they aim at shaping the workplace relationships

CSOs include advisory, advocacy and campaign organisations that may be concerned with single issues, such as bullying, migration, workplace safety, privacy and protection of whistleblowers. While others are not single issue focused as they campaign on wide range of issues such as bullying in schools and in workplaces, citizenship rights of migrant workers and improvement in living conditions of workers and improved wages working conditions. Employment matters have become issues of great concern for many CSOs in recent years and they are now important actors in Nigerian industrial relations system.

The activities of CSOs in employment relations include the provision of work-related services to individuals and carrying out advocacy and conducting dialogue with government. CSOs provide employees with information that border on their rights, advisory and advocacy services. These are achieved through the social media platforms, websites, presentations, distribution of leaflets, hire

specialists or rely upon volunteers to provide advice, and on some occasions function as advocates, and represent workers in the courts. CSOs also assist workers find or retain work and build their careers, either as employees or as self-employed persons through the provision of labour market services.

CSOs for the following reasons have become more active in the employment sphere in recent years. The decline in trade union membership and coverage by collective bargaining across the labour market owing to shift from manufacturing to service industry and increase in the use of information and communications technology in today's world of work. Many organisations are becoming non-unionised and there is growth in informal economy. Also, the CSOs provide representation to workers where it is observed that there is an urgent need for them to do so. The world is also witnessing the emergence of new social movements and change in patterns of social mobilisation.

Although CSOs perform functions traditionally reserved for trade union in both union environment and where unions are absent, it is however important to state that they would not replace trade unions as institution of workers' voice. The major disadvantage for CSOs is that unlike trade unions, they do not have presence in the workplaces. Therefore, they mainly seek compensation for vulnerable workers after such workers may have lost their jobs or have encountered major challenges in their workplaces. Moreover, CSOs are voluntary organisations and hence may not have all the financial resources to support workers or make representation for them in times of crises. Civil societies in employment relations.

3.5 Host Communities and Corporate Social Responsibilities

According to Otopo (2020), host community are the people that occupy an area where an organisation is physically located and has its administrative headquarters, or where a unit of the business secures raw material for processing elsewhere. This definition may not be sufficient to understand communities' reactions to business and workers' organisations. On the other hand, a socio-political definition of "host communities" include all those who come from the designated area but live and earn a living outside it. In many instances, the community members who live elsewhere but are well placed in society or politically well-connected, do tend to influence events

on the ground by participating in the formulation of “community demands” or what constitutes “development” for their respective communities.

Communities may be formed by:

- i. new settlements of refugees or migrant workers that grow up around sites, projects;**
- ii. village or group of villages or clan;**
- iii. ethnic group(s);**
- iv. local government;**
- v. a State or groups of states such as South-South;**
- vi. a country and a group of countries like the Economic Community of West Africa States (ECOWAS).**

Communities have systems of power, hierarchy, authority and values that define the lives of their members. The activities of host communities have diverse implications for the employment relations and human resource functions in organisations where host communities’ reactions constitute a significant aspect of the business environment. As noted by Otobo (2020), there have been instances where disputes and strikes have been settled at the court of, or by emissaries of, some local chief, *bale, oba* or emir or king. The third parties involved in the dispute settlement always follow the traditional argument that the community must not lose this business or the company.

To maintain good relationships with host communities and avoid the incidences of disputes, organisations embark on corporate social responsibilities as good citizens of the host community. As part of corporate social responsibility (CSR) and in adapting to local situations most companies have become involved in providing certain services and goods to various communities through their community relations initiatives. Otobo (2020) noted that corporate social responsibilities have involved the construction of roads, public buildings, markets, jetties, mini-hospitals; funding of self-employment projects, education (structures and scholarships), arts and culture, housing, sport development, environment conservation, policy /research grants to some NGOs and research institutions; award of contracts to some “sons” and “daughters” of host communities, and subventions to some traditional authorities and youth organisations. Evidently, these corporate social investments have achieved various degree of success in influencing developments in the

host communities and equally helped to strengthen the relationship between the community and the organisations.

3.6 The Role of State in Employment Relations

The state is one of the major actors in employment relations and its intervention or policy could be of either total laissez-faire or state complete or limited intervention or control. For the Laissez-Faire doctrine, the government does not interfere but leave the employer and employee to determine their relationship in the best way possible. That means, the relation between the employer and the government is regarded as private matter that should be handled by direct negotiation between the employer and the employees. the Laissez-Faire doctrine meant that the employer is almost in total control of working conditions and these places the workers in a very weak bargaining position and is also accompanied by high level of exploitation of the workers. It should be noted that employment relations system in Nigeria was ab initio based on the Anglo-Saxon model with emphasis on laissez-faire or voluntarism. However, the laissez-faire doctrine was discredited as it was not a practical policy in the developing countries including Nigeria in the modern time hence during the civil war in Nigeria, the government abandoned the voluntarism doctrine and embrace intervention and control system (Ubeku, 1983).

On the other hand, limited intervention is where the government does not exhibit total intervention but have some element of control in the relationship between the employer and the employee. For instance, during the Nigerian civil war, the government had to create policy which is known as guided democracy and limited intervention to check the activities of employers and employees so that the relationship will not be an impediment to successful execution of the war. Under the system that involves State direct and total control, the government determines the various conditions of employment such as wages, hours of work, length of vacations, among others.

The adoption of the intervention policy came from government's realisation that, it is its duty to regulate the total social system and hence has to play a more active and dominant role in employment relations in the interest of the nation and its citizens. It took the foresight of the defunct military regime in Nigeria to jettison the Laissez-Faire or voluntarism doctrine that Nigeria inherited from the British and established the current policy of State direction and control of employment relations.

The government wields more power than the other actors. The government as the sovereign has more power than the other actors. The State's intervention in employment relations is imperative and extends to the form and extent of the intervention in terms of guiding principles and policies. The state whether in in developed, under-developed or developing countries play significant role in employment relations. The Nigerian state plays the under listed roles in employment relations:

- i. It is the dominant or largest single employer of labour. What this implies is that the state as an entity employs the highest number of workers. However, when aggregated, the private sector particularly the informal economy employs the largest number of workers in Nigeria because when you put together those that work in the private sector, they are much more than workers in the public sector.
- ii. It acts as a Sovereign: It possesses the highest power and authority in the country and it uses it to control both the employers, trade unions and the workers.
- iii. It regulates the national economy: The government through its various agencies regulate the economy. It can achieve this by seeking for or attracting foreign investments in its bid to create employment for the army of unemployed in the country.
- iv. It acts as a moderator or intermediary between other actors: It intervenes and apprehends disputes between parties in order to ensure that peace, stability and harmony prevail within the system. It is the responsibility of the state to ensure that legislations are made to bring about peaceful relationship in the workplace by minimising conflict in the country.
- v. It acts as a pace-setter: Apart from setting the minimum standards for employment relations practices in various Labour Acts and putting up legislations on National Minimum Wage, the State leads the way in implementing these standards so that parties in employment relations can follow.
- vi. It acts as a guardian of social conscience: In addition to its role as pace setter, the government also ensures that working conditions are reasonable, humane and fair.

3.6.1 Methods of State Intervention in Employment Relations

Government intervention in employment relations can take the form of Legislative, Executive and Judicial process.

- i. Legislative: Legislative process means that the state spells out or establishes the minimum terms and conditions of employment to regulate the relationship between trade unions and employers and their associations. There are various legislations to that effect and they include such legislations as the Trade Unions Ordinance of 1938, Trade Unions Decree of 1973 and the subsequent amendments, Labour Act 1974 and its subsequent amendments among other Acts.
- ii. Executive: The executive process has to do with the involvement of the state in carrying out leadership, regulatory, investigatory and advisory role. This is done through the activities of the Federal Ministry of Labour and Employment which impresses it on the employers and employees to comply with the labour regulations, report and advise government on conditions that need further legislation and prosecute parties for breaches of existing legislations. It should be noted that the leadership role of government involves setting the standard for conditions of employment and level of wages which serves as a guideline for other employers of labour. The state also organises educational programmes from time to time and sets up institutions to help train the actors with the aim of improving labour-management relations. One of such educational institutions dedicated to training of labour leaders in Nigeria is the Michael Imoudu National Institute for Labour Studies, Ilorin.
- iii. Judicial: This has to do with jurisprudence which is about disputes settlement processes. The State through its legislations has instituted statutory machineries for settlement of trade disputes in Nigeria. the Labour Act (1974) has the provision that when the internal mechanism fails to settle existing disputes, the parties should resort to the statutory mechanism which include mediation, conciliation, arbitration and adjudication. Conciliation is carried out by conciliators appointed from among the trained experts in the Federal Ministry of Labour and Employment; Arbitration is by the Industrial Arbitration Panel (IAP); and Adjudication by the National Industrial Court. The State, labour and the employers have representatives in the various tripartite bodies such as the National Labour Advisory Council (NLAC) and Industrial Arbitration Panel (IAP) such that each party makes effort to protect the interest of its principal in the conduct of the affairs of these bodies.

Summary

The chapter discussed the controversies on the appropriate label for the study of employment relationship by giving a short description of each of the concepts to establish their differences and their appropriate usage. The context of employment relations was discussed, followed by the transition from industrial relations to employment relations. Other areas discussed in the chapter include the major parties in employment relations, civil society organisations in employment relations, host communities and corporate social responsibilities. The chapter concluded with a discussion on the role of state in employment relations.

Practice Questions

1. Justify the paradigm shift from industrial relations to employment relations.
2. Elucidate on the parties in employment relations.
3. What is the relevance of host communities to employment relations?
4. Analyse the role of the State in employment relations.
5. The State intervenes in employment relations with the use of diverse methods. Explain.

Practice Questions: Multiple Choice Questions (MCQs)

1. International Industrial Relations Association voted to change its name to International Labour and Employment Relations Association in ...
 - A. 2012
 - B. 2011
 - C. 2010
 - D. 2009
2. Which of the following options is correct about parties in employment relations?
 - A. There are three actors
 - B. The actors do not include those in industrial relations
 - C. The actors are many and include actors in industrial relations
 - D. The actors are all directly involved in employment relations
3. Which of the options describes a situation whereby government allows actors in employment relations to determine their relations the best way that suits them?
 - A. Guided democracy
 - B. Limited intervention
 - C. Laissez-faire
 - D. None of the options

4. Which of the following roles does the Nigerian government play when it sets minimum standards for employment relations practices?
 - A. Intermediary
 - B. Pace-setting
 - C. Regulatory
 - D. Sovereign
5. Which of the methods of intervention does the state adopt when it imposes it on the employers and employees to comply with labour regulations?
 - A. Legislative
 - B. Executive
 - C. Judiciary
 - D. Sovereign

Keys to MCQs

- 1. C; 2. C; 3. C; 4. B; 5. B**

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CHAPTER FOUR

CHAPTER FOUR: THEORIES OF INDUSTRIAL/EMPLOYMENT RELATIONS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. identify the theories of industrial and employment relations;
- ii. explain the identified theories;
- iii. apply these theories in solving employment relations issues in the workplace.

4.0 Introduction

A theory is an abstraction of real-life issues and could be seen as a coherent group of propositions or assumptions used to describe a phenomenon. A theory is viewed as synonymous with viewpoint, frame of reference or perspective from which a reality is explained and it is the substructure that holds practice. Theory is very important in all fields of study or life endeavours as it attempts to understand, explain, control, observe, predict and understand events. As noted by (Fajana, 2000), theory aids our understanding of phenomenon and problems in real or practical world. According to Hyman (1975), theoretical perspective provides the basis upon which complex details of the real world can be organised. This explains why Hyman (1975) drew the conclusion that the pragmatists that insist they are immune from theory are not aware of their own presumptions and preconceptions.

A Theory is a perspective from which people see, understand and plan. Hence, it will be difficult for men to act without theory. There is a difference between a theory and a model (Cooper & Schindler, 2001). A model which is also referred to as paradigm, is a representation of reality and is used to give a simple description of real situations. The major difference between a model and a theory is that while models are used for representations and simulations, theories are adopted for explanations. Cooper and Schindler (2001) noted that model is a representation of a system that is created to study the whole system or an aspect of the system. There are various types of models such as analogue, descriptive, graphical, iconic, mathematical, statistical and verbal. There are many models and theories used in Industrial/ employment relations because of the multi-disciplinary nature of the subject-matter.

4.1 The Unitary Theory

Unitary theory was propounded by Fox (1974) and is characterised by a belief that work organisations are unified bodies that share the same goal. The theory assumes that there is basic unity of interest among organisational members. Based on that belief, it is assumed that conflict should neither exist nor logically occur. As Crouch (1982) puts it, conflict is not necessary when viewed from unitary perspective because of the absence of misunderstanding or mischief. The approach has even moved further to view trade union as a historical anachronism which is not relevant in the 21st century (Salamon, 2000).

Unitarism in essence implies the absence of factionalism within the enterprise (Fajana, 2000). Conflict is viewed as not being rational and management would prefer to sack workers rather than engage in negotiation or consultation. Conflict is regarded as pathological or evil or bad. Under this theory, trade unionism is outlawed and suppressed and viewed as an illegitimate intrusion or encroachment on managements' right to manage. The unitary theory has a bias towards authoritarianism, paternalism, pro-management and emphasizes consensus and industrial peace. The assumption that underpins this theory is that an organisation exists in perfect harmony and conflict is an aberration (Rose, 2008).

4.2 The Pluralistic Theory

According to Fox (1974) pluralistic theory is characterised by that organisations are made up of people with different interest and aspirations. This therefore brings to bear the belief that conflict is inevitable because of the divergent goals of organisational members. Pluralist perspective or frame of reference is synonymous with conflict theory of industrial relations which also views the organisation as an amalgamation of sectional group with different values, interests and objectives. Pluralistic theory believes that workers have values and aspirations that are at variance with those of management and which are usually in conflict with those of management. This theory states that conflict aside from being inevitable and rational, is equally functional and normal in organisations and are resolved through compromise and agreement between the parties. The theory views trade unions as legitimate challenge to managerial domination or prerogatives and emphasises competition and collaboration.

4.3 Systems Theories

4.3.1 Dunlop's Systems Theory Alton Craig.

Dunlop (1958) presented and provided tools of analysis to interpret and to gain understanding of the widest possible range of industrial relations facts and practice. In the words of Dunlop (1958),

industrial relations at any one time in its development is regarded as comprising of certain actors, contexts, an ideology which binds the industrial relations system together, and a body of rules created to govern the actors at the workplace and work community. The actors comprise a hierarchy of managers and their representatives; a hierarchy of non-representatives; and specialized third-party agencies whether governmental or private ones. The contexts focus on three environmental contexts that play a decisive part in shaping the rules of an industrial relations system and with which the actors interact. They include technological characteristics, budgetary constraints and the locus and distribution of power in the larger society.

Dunlop (1958) also wrote about rules which the actors establish for the workplace and work community, including those governing the relationship between the actors. He identified two types of rules: one is for resolving conflicts among the actors and this is termed 'procedural rules' while the other termed 'substantive rules' sets the specific terms and conditions of employment. This web of rules is diverse and consists of management prerogatives, state laws, agreements reached between parties, conventions or traditions and the procedures for interpreting such rules. From the foregoing, some of the rules are created within the organisation, while some are external and imposed on the organisation to regulate the conduct of the parties. Dunlop added that some of the rules will be more closely related to the technical aspects of operation while others will be more directly related to the distribution of power in the society. Also, the actual content of these rules varies enormously among systems as a consequence of the technological and market contexts of the systems.

Flanders (1965) is another author who provided further contribution to Dunlop's work on industrial relations systems. According to Flanders, industrial relations system is "a system of rules". He went further to state that the study of industrial relations can be described as the study of institutions of job regulations and emphasised that the authorship of such rules is very important. For instance, if rules are made by the workers, they are likely to obey them whereas if they are made by management or government, they may and may not obey them easily. Flanders in support of Dunlop's viewpoints observed that some of the rules for job regulations are substantive while others are procedural. Procedural rules define the status and relationship between the parties. For example, union recognition, disputes settlement procedure, among others. While the substantive rules are those that relate to the status and rewards for jobs. Examples include wage rates, holiday entitlements, hours of work, and others. Flanders viewed industrial relations system as having

focus on job regulations; consequently, he categorised job regulations into two: internal and external job regulations. Internal job regulation has to do with rules developed by managers and workers whereas the external regulations are those involving the constraints brought about by Employers' Associations, National Trade Unions, Registrar of Trade Unions, National Industrial Court, Industrial Arbitration Panel, Law Enforcement Agents, etc. To examine the systems theory in detail, Dunlop stated that an industrial relations system at any given time in its development has certain actors, contexts and ideology which combine to establish rules to govern the actors at the workplace and in the work community. The dependent variables are the rules while the independent variables are the contexts of the system which can change. On the other hand, the ideology of the system which is the combination of the ideologies of each of the actors may be stable or unstable.

Actors in Industrial Relations

The actors are in three major groupings:

- i. Managers and their representatives;
- ii. Workers (non-managerial) and their spokespersons; and
- iii. Specialized governmental agencies (and specialized private agencies) dealing with managers' or workers' organisations or even individual workers.

Contexts

These actors operate within the contexts of a constrained-environment dictated by variables in the larger society. These also influence and set limits on their activities. The environment plays significant role in shaping the rules established by the actors. The environmental context is made up of three sets of variables:

a. Technological Characteristics of the Workplace

This includes the type of product(s) or service(s) available or created in such environment. This greatly influences the size and skills of the workforce as well as the level or magnitude or managerial control. Dunlop (1958) went further to argue that identical technological environments in every different national society can give rise to similar rules at the workplace.

b. The Market or Budgetary Constraints

This suggests that the nature of the environment influences the operation dimensions of Industrial Relations. In a capitalist environment typical mostly of Western European Countries, there is liberality in the State control of means of production and distribution of resources. For instance,

the State budget has little influence on the operation of industrial unions. They are free to use any means they desire to achieve their objectives. But in the Socialist countries, the State dictates the operational scope through planning, industrial output and remuneration/welfare package that should prevail in the country. There is a set limit to which the parties in industrial relations can go. It is usually difficult to go against the position dictated by the State. It is this context that establishes the limits within which the organisation must operate. Therefore, an industrial system created and administered by the parties is expected to be adaptive to its market and budgetary constraints.

c. The Locus and Distribution of Power

This is the location of the spot of power which influences the direction of socio-political activities in the country. It also influences access to the spot where socio-political decisions are taken. This structural dimension of power also influences the operational dimension of the Industrial Relations. How power is distributed among the parties is a reflection of the position, prestige of the party or the access they have to the socio-political and economic power by the actors. For instance, the capitalist elites such as the Dangotes, Otedolas, Elumulus, among others can reach the President of the Federal Republic or the Presidency at any time but it takes the grace of God for trade union officials to do same. Also, the distribution of power in the larger society is likely to influence the function and power of the party. For example, the power of the State supersedes that of other actors in the industrial system.

Dunlop (1958) states that the actors establish rules for the workplace and work community and that governs the relationship between the actors. These rules can be grouped into procedural and substantive rules. Procedural rules are used by the actors to resolve conflict among themselves while the substantive rules deal with the actual terms and conditions of employment. These rules are diverse and consist of agreements reached between parties, conventions or traditions, management prerogatives, state laws and the procedures for interpreting such rules. Based on the above, it will be observed that while some of the rules are created within the organisation, others are imposed on the actors from outside to regulate their conduct and interactions. Dunlop (1958) advanced his argument by stating that some of the rules are about the technical aspect of the organisation's operations while some others relate directly to the distribution of power in the larger society. It should be noted that the items covered by these rules differ from one system to the other because of the technological and market environment of the systems.

To set the detailed and technical aspects of the rules, it becomes necessary that a special group of experts and professional are created in the society. Such professionals include but not limited to Accountants, Lawyers, Engineers, Architects, Surveyors, among others. Ideology as stated by Dunlop (1958), is another element in the system which helps to bind or integrate the system together as an indivisible entity. This is the set of beliefs held by each actor about its own role and position and those of others in the system. Compatibility of beliefs among the actors are advocated but there can be situations where is no common ideology or where any of the actors does not provide a legitimate role for the other. However, the ideologies must be compatible so that the organisation can survive (Dunlop, 1958).

Some of the criticisms against Dunlop's work by Anyim (2020) are examined as follows:

Criticisms of Dunlop's Systems Theory

The industrial relations systems approach has many supporters as well as those against the provisions of the theory in terms of criticisms leveled against the Dunlop model. First, the systems theory of industrial relations views the art of negotiation between trade unions and management as dependent on rules but neglects the under current actions that go on during real negotiation process. For example, parties in negotiation engage in informal contacts and discussions with the hope of reducing the differences or to solicit for cooperation and understanding from the other party and in some cases, trade-in and off certain items within the bargaining scope in the course of negotiation.

Second, the model assumes that industrial relations process is homeostatic. The theory creates the impression that an industrial relations process maintains stability and equilibrium thereby ignoring the fact that conflict is inevitable in the shop floor and unavoidable occurrence that is inherent in the system. This is because it views industrial relations exclusively as rule-making and job regulating processes. This postulation is too conservative a formulation.

Third, there is the impression held that there must be a balance or some level of compatibility between labour and management through shared ideology. The personality and behaviour composition of individuals focuses on attitudes, motivations and perceptions that determines their position or view in terms of how rules and regulations are interpreted. We should however state that there are other prevailing environmental factors at work beyond personality characteristics that influence decisions and actions.

The Fourth criticism is in relation to the use of concept 'system' by Dunlop (1958) and its applications in different ways. Dunlop (1958) applied system interchangeably to mean individuals, firms, distinct features of industrial relations practice in different countries, local unions, central unions, etc. The main issue here is that a 'system' should be viewed as a whole structure or component parts working harmoniously together as espoused in Talcott Parson's concept of structural functionalism. However, it should be pointed out that the criticism is not a serious defect of in Dunlop's systems model. This position is taken because industrial relations could be practiced at both micro and macro levels. That is by a single employer or by multi-employer at a central level.

The Fifth shortcoming focuses on Dunlop's view that industrial relations systems has the objective to provide statistical testing. However, the model did not generate any testable hypotheses for analytical purpose. It should be noted that the study pointed out the variables such as, technological characteristics, market or budgetary constraint, and locus and distribution of power, that can affect, influence, alter or change the course of industrial relations system. Maybe, Dunlop had the intention to generate testable hypotheses from the above-mentioned variables but surprisingly failed to do so. Similarly, some advocates of Dunlop's model equally trailed the same path when they could have generated and tested some hypotheses from the variables highlighted by Dunlop in his work. This trend may be because Dunlop's supporters may not be aware or lack interest in hypotheses testing as they appear not to have fully explored Dunlop's original intent of industrial relations systems.

By and large, Dunlop's systems theory has served and is still serving as a general framework used to organise and describe the interaction, between the actors in industrial relations, the environmental contexts and the ideologies of the actors, that create rules in industrial relations system but its practical application does not meet the stronger test set by Dunlop on statistical testing of hypotheses and the making of research more additive.

According to Otobo (1988), Dunlop's systems theory remains the dominant frame of reference in the social sciences in Africa. The fact remains that Dunlop's industrial relations model remains alive and awaits to be copiously explored and applied by researchers and scholars. It is advised that students and scholars and practitioners should ensure that the great contributions of Dunlop to Industrial Relations field are continuously refined and made dynamic in line with changes in modern society.

4.3.2 Craig's Systems Theory

Dunlop (1958) systems theory espoused in his seminal work, *Industrial Relations Systems*, has remained the basis for explaining the theory of industrial relations. Craig (1975) however modified Dunlop (1958) systems theory of industrial relations. The theory likens an organisation to a system made up of different parts that make their unique contributions to the efficient workings of the organisation and which depend on others for their own needs and survival. A system may be either open or closed. An open system according to Craig (1975) has the capacity to give and receive as well as share information and other activities with the environment where it operates. On the other hand, a closed system is isolated and does not interact with its environment. The open system comprises large number of parts, carries out its activities within an environment and receives and give information, matters and energy to the environment. In other words, it should be noted that an open system receives its inputs from its environment, processes the inputs through the internal process and transform them into outputs and returns the outputs back to the environmental sub-systems (Craig, 1975; Ootobo, 2005; Sapru, 2009).

The systems theory helps managers, scholars and researchers to know that no single element or phenomenon should be treated in isolation as each element interacts with other elements. This explains why industrial relations actors do not act alone. This theory is applied by actors in conflict and conflict management. For example, when planning or executing a strike action, trade unions consider the effect of the strike on other stakeholders in the society and not just the effect on the employers. Also, in negotiations, the environmental factors are considered in making demands and accepting or rejecting offers made by the other party and sometimes, the interventions by other stakeholders help the actors in reaching amicable resolution of impasse. Organisations that engage in CSR could be said to have an eye Craig's theory in carrying out such deeds. Or when people argue for green human resource management practices, this theory could be their motivation with the understanding that protection of the environment is all about self-protection and preservation.

4.4 Social Action Theory

The Social Action Theory was propounded by a German Sociologist called Max Weber (1864-1920). The emphasis of the theory is on the individual responses rather than collective responses of social partners, such as employees, union officials, managers and employers to any given situation. The social action theory according to Green (1994), sees industrial relations from the

individual's point of view and motivation. In the same vein, Rose (2008) states that the social action theory views organisations from the perspective of individual actors who have their own goals. This perspective regards conflicts of interests as normal behaviour and part of organisational life (Rose, 2008). Social action theory views organisation from the position of individuals members or social partners in industrial relations. The theory attempts to question and seek solution to why actors take different actions even when faced with similar or same challenge. This is contrary to the systems approach that hold the belief that of industrial relations actors' behaviour is based on the structure and processes of the system. Social action arises out of the attitudes, expectations, experiences, norms, values, situation and goals of the individuals working in the system. Thus, according to Green (1994) while the system model adopts the up-down approach, the social action theory is a bottom-up approach. As pointed out by Salamon (2000), a major contribution of the social action theory of industrial relations is that it weakens the position of structural determinism and strengthens the fact that the individual has some level of freedom to act and the ability to change the course of events to the path that is believed to be right and desirable. Social action theorists support the use of interview, focused group discussions, survey and participant observations to determine the reality of the enterprise and the society.

4.5 Interaction Theories

Interaction theories are theoretical frame of reference that focus on the day-to-day interaction that take place between individuals as the basis for societal development. The focus of interactionism is on individuals as social actors and not on the role of the society.

4.5.1 Symbolic Interactionist Perspective

Herbert Blumer coined the term symbolic interactionism in 1937. The symbolic interactionists' perspective is also known as symbolic interactionism, Symbolic interactionists' perspective views society as a product of everyday social interactions of individuals. According to Max Weber, individuals act according to their interpretation of the meaning of their world. Symbolic interactionists also study how people use symbols to create meaning and how people interact with one another. The symbolic interactionists' perspective states that people attach meanings to symbols and then act or react based on their subjective interpretation of these symbols. A symbolic interactionist thinks about to how people act, and based on that thought determines the meanings individuals assign to their own and other people's actions and symbols. In everyday

communication we use signs and symbols which may be interpreted differently by both sender and receiver depending on the meaning attached to the signs /symbols. According to Ritzer (2012), some of the basic principles of symbolic interactionism theory are:

- i. that unlike lower animals, human beings are endowed with the capacity to think;
- ii. social interaction is what shapes the human capacity for thought;
- iii. it is through social interaction that people learn meanings and symbols which allow them to exercise their distinctively human capacity for thought;
- iv. People carry out human action and interaction through the use of symbols and meanings;
- v. People attach meanings based on their understanding of situations and interact with themselves to evaluate possible courses of action by making a choice on the basis of cost - benefit analyses;
- vi. the intertwined patterns of individual actions and interactions make up groups and societies.

4.5.2 George Homan's Interaction Theory

The theory is popularised and propounded by George Homan in his book "*The Human Group*". The theory is based on elements such as activities, interactions and sentiments and these elements are directly associated with each other. Therefore, the more people share activities, the higher the number of interactions they have and the stronger their sentiments (i.e. how much they like or dislike each other). Thus, this theory suggests that people who come together to perform similar activities and interact as often as possible will either tend to like or dislike themselves. Hence, they are prone to forming a group or not.

4.6. Exchange Theory/ Social Exchange Theory

This theory is credited to George Homans (1958). The exchange theory of group formation is hinged on reward-cost outcomes of interaction. The theory states that peoples' willingness to join groups, stay or leave the particular group may be explained based on the reward or benefits they get from the group or the cost they may incur for being members of that group. This means that something is usually exchanged for something. Therefore, a group may disintegrate if the cost of being a group member is more than the benefit that accrues from its membership.

4.7 Bakke Wight Social Exchange Theory of Union Membership

Bakke (1950) investigated the reasons why workers chose to join unions or rejected to join unions. According to Bakke (1950), the role a union plays for its members determines the decision to join or not to join unions. Thus, if workers perceive that joining a union will be a means to attain their goals, they would join. In other words, union membership can be explained in terms of the benefits (rewards) to be derived from belonging to the union or the costs that may be incurred by such membership. Membership of union will increase if benefits exceed the costs and the obverse is also true.

Bakke (1950) in Anyim (2014) gave the following factors as determinants for union membership:

- i. Social status (union membership places workers in a position of respect in the work place and in society especially those holding exalted positions);
- ii. Creature comforts (union membership provides certain privileges to workers such as competitive salaries and benefits);
- iii. Control (unions give workers a formal voice to be heard via negotiation and collective bargaining allowing workers some influence over terms and conditions of employment);
- iv. Information (unions serve as a source of information and embark on programmes to educate workers on labour-related issues); and
- v. Integrity (self-respect and fairness).

4.8 Human Relations Theory

During the peak of the first industrial revolution, productivity was the major focus of many manufacturing organisations. The fore-runners of the human relations theory is George Elton Mayo and his associates. This theory emanated from the Hawthorne experiment of the Western Electric company in Chicago, U.S.A. in the 1930s. The study was aimed at finding the effect of illumination on workers' productivity. The findings revealed the importance of informal groups, humane leadership as major factors that fostered high productivity. This theory recognises the influence of group dynamics in organisations and focused on the human side of enterprise or organisation. The human relations theory spearheaded the merger of industry and the behavioural sciences in their current form.

4.9 Conflict Theory

Conflict theory holds the belief that the two classes in labour-management relations have interests that are conflictual nature and are diametrically opposed to each other. To the proponents of conflict theory, conflict is inherent in the relationship between labour and management. The State is always on the side of the employer in an attempt to protect the interest of the bourgeoisie in any capitalist economy as noted by conflict theorists. In the opinion of Miliband (1969), the State represents a number of institutions that are constantly used to harass and repress the trade unions and that explains why the State is regarded as a coercive instrument of the ruling capitalist class. According to Hyman (1975), the direct confrontation between workers and management is as a result of the struggle for the control of work and that government and its regulatory agencies are considered as mere tools of influential individuals or groups who perpetrate their selfish interests. In the view of Margerison (1969), that because conflict is inherent in any industrial society, such conflicts should be resolved through the rules established by the conflicting parties so as to prevent the use of violence, self-help or other non-legitimate means.

Conflict theory is synonymous with the pluralist frame of reference which is also credited to Fox (1974). Conflict theory states that the values and aspirations held by employees are opposed to those held by management and that the organisation is a combination of groups with different values, interests and objectives. To conflict theorists, conflict is not only inevitable but rational, functional and normal in organisations. It should be noted that because conflict is seen as normal, its resolution should be through compromise and agreement between the parties. According to conflict theory, trade unions as legitimate challenge to management prerogatives hence emphasis should be on competition and collaboration between the parties. Rose (2008), argues that the pluralist frame of reference which is synonymous with conflict theory would be more relevant in the analysis of industrial relations in many large unionized organisations and congruent with developments in contemporary society than the unitary frame of reference.

4.10 The Marxist Theory

Marxist theory is ascribed to the followers of the teachings and philosophy of Karl Marx. The theory focuses its analysis on the assumption that in any capitalist society where production systems are owned, profit is the key influence on company's policy (Hyman, 1975). Hyman (1975) states further that conflict arises out of the differences in economic power among social groups and are rooted in the structure and institution of society itself. Therefore, the activities of industrial relations are only means of achieving a resolution. As noted by the Marxist, the society is divided

into the class of the bourgeoisie and the proletariat. These classes are always opposed to each other hence class conflict permeates the whole society and not just an industrial phenomenon. According to Ogunbameru (2004), conflict that takes place in industrial relations system between the buyers and sellers of labour is seen as a permanent feature of capitalism and is just a reflection of the dominant power base of the bourgeois and the class relations of capitalist society generally. In the same way, trade unionism is a social as well as industrial phenomenon. Wherever trade unions challenge the distribution of the national produce, they are by extension challenging the property relations. In other words, they are challenging the entire prerogative which goes with the ownership of the means of production, not simply the exercise of control over labour power in industry (Allen, 1971). The Marxist perspective in its perception or notion believes that trade unions by their nature cannot meet the objective of protecting the interest of the working class and hence prescribed that the only alternative open to the workers and their unions is to overthrow the capitalist and take over the means of production. This will therefore give rise to a revolutionary rulership of the working class which will gravitate to socialism and later communism.

4.11 Theory of State in Industrial Relations

In analysing the theory of State in industrial relations, we will adopt three perspectives on explanation of the State in employment relations. This is because there has always been different frame of reference from which one explains the State as an institution and a unit of social analysis. This review of the theory of State will be based on the perspectives of Hobbesianism, Marxism and Functionalism. Hobbesianism is a social contract theory propounded by Thomas Hobbes an English historian and philosopher. The theory explained the nature of man and the formation of State to address the existence of man in the state of nature. The legitimation of the State is based on its ability to fulfil the social contract it has with its citizens. The creation of State became necessary as a mechanism used to guide and regulate the behaviours of individuals, their emotions and passion, and to establish a standard for human relationships. Relating this to employment relations, one would observe that the State through the instrument of the government do not only set standards and regulate the system but also manage the relationship among the actors in employment relations.

From the Marxist perspective, the State is an institution that is used to foster the economic interests of the bourgeoisie who are the dominant social class in the society that is split into two major classes. Marxist scholars such as Ralph Miliband views the State as a creation of the ruling class

to protect their selfish interest. As noted by Miliband (1969), the State is made up of a number of institutions which together constitute what the State is and that the ruling class and State elite have some social connections that bring about commonality of interests which makes the protection of such interests necessary. To the Marxist, the agencies of the State such as the government, the judiciary, the armed forces, the para-military institutions, among other statutory organs of the State are instruments of harassment and oppression against the working class and their unions. It is in this regard that Hyman (1989) views the State as a coercive instrument of the bourgeoisie. No wonder the Marxists see the State as a committee that manages the affairs of the capitalist ruling class. Lastly, functionalist perspective views the State from the prism of its role in creating stability in the society. The survival of any society is based on its ability to meet some basic needs. The non-Marxist such as the functionalists have a contrary view because for them, the State is not an instrument of exploitation and oppression because State performs the role of the coordinator of the society for the mutual benefit of the citizens. This can be seen in the role they perform such as being an economic redistributor, provider of new forms of war organisation and making available public and social infrastructure. In employment relations, the State acts as an employer, regulator and an enforcer of the rules in the workplace.

Summary

The chapter started with explanation of theory as a coherent group of assumptions or propositions put forth to explain a phenomenon. Focus of the chapter was also on the relevance of theory as it helps in our understanding of events and problems in the practical world. The chapter focused on the explanations of the following theories of industrial and employment relations: Unitary theory, pluralistic theory, systems theory with concentration on Dunlopian and Alton Craigs systems theory. Other theories discussed include: social action theory, interactional theories such as symbolic interactionist perspective, George Homan interaction theory, exchange theory, human relations theory, conflict theory, Marxists theory and the chapter ended with explanation of the theory of state in industrial relations.

Practice Questions

1. The Dunlop's systems theory of industrial relations can be used to solve real life problems in the organisation and the society. Discuss.

2. With the appropriate theory justify the non-existence of trade unions in some Nigerian organisations.
3. The actions or inactions of union leaders are more determined by the individuals' behaviour than employment relations institutions. Analyse this statement with the relevant theory.
4. What are your views on the Marxists belief that the organs of the State are instruments of oppression against the working class and their union?
5. Analyse the symbolic interaction theory of employment relations.

Practice Questions: Multiple Choice Questions (MCQs)

1. ... theory is characterised by the belief that work organisations are unified and share the same goals
 - A. Pluralistic
 - B. Unitary
 - C. Systems
 - D. Interactionist
2. Which of the theories explains why trade union leaders respond differently to the same conflict situation?
 - A. Unitary
 - B. Social Action
 - C. Systems
 - D. Pluralistic
3. Which of these theories suggest that the State is always on the side of employers in any Capitalist economy?
 - A. Conflict
 - B. Social Action
 - C. Marxist
 - D. Systems
4. According to ... theory, the society is divided into two major classes
 - A. Conflict
 - B. Social Action
 - C. Marxist
 - D. Systems
5. Which of the options views the State from the prism of its role in creating stability in the society?
 - A. Functionalist
 - B. Marxists
 - C. Neo Marxists
 - D. Hobbesianism

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CHAPTER FIVE

CHAPTER FIVE: TRADE UNIONS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. define trade unions;
- ii. explain the features and functions of trade unions;
- iii. identify the theories of trade unions and their applications;
- iv. explain the typology of trade unions;
- v. analyse the structures and internal government of trade unions in Nigeria;
- vi. explain the factors that influence trade union growth;
- vii. analyse the development of trade unions in Nigeria;
- viii. explain the developments of central labour organisations;
- ix. discuss the problems of trade unions in Nigeria;
- x. analyse the provisions of the trade union Act 1978 and subsequent amendments.

5.0 Introduction

The emergence of trade union was to address the many challenges faced by workers such as job insecurity, injustice and inhuman and harsh conditions under which work is done in certain circumstance(s). Trade union is conceived as vehicle for articulation and protection of the shared interest of workers in wage employment. Trade unions are placed at a disadvantage in the workplace or employment relations due to their lack of ownership of the means of production. However, the employers enjoy lots of power which is reinforced by legal instruments limiting the exercise of control by individual worker. Following the fact that workers are the largest single force in the workplace, they can or could challenge employer's dominance through combined strength thereby promoting their economic interest.

Trade union and trade unionism are concepts that are applied interchangeably by some individuals. However, there are differences between the two concepts. While trade union is an organisation formed to bring workers in paid employment together under an umbrella, trade unionism refers to the underlying philosophy and principles upon which unions and unionists conduct their activities. Therefore, there can actually be trade unionism without the existence of trade unions. For example,

there was a strike action in Lagos colony in 1897 while the first trade union in the then Southern Nigeria protectorate was formed in 1912.

The first set of trade unions were formed in Britain and other industrialised nations in the 18th and 19th centuries for the purpose of defending workers against exploitation by employers and also as a platform for workers to seek for better wages and improved working conditions. It is for this development that trade unions and employers' associations dominate the scene of industrial relations. The framework for industrial relations practices is established by the State based on the pace and tempo set by the employers' associations and trade unions. The State sets this framework because it is the most dominant actor in the industrial relations system as well as the single largest employer of labour. So, the study of industrial relations is predominantly focused the interface and dealings between workers and their unions and employers' associations on employment relations matters. It should be noted that trade unions are primarily part and parcel of the society and can therefore be considered to be within it. In Nigeria, trade unions are important part of the society and as such are recognised, respected and consulted by both the employers and the government. The major objective of trade unions is to promote the interest of their members and this objective can only be achieved if the organisation where their members are employed flourishes. The implication of this is that even if there are differences in the ideology of trade unions from those of the employers, the trade unions must still be concerned about the success and sustainability of the organisations and will therefore make great effort by mobilizing their members and collaborate with the employers to promote productivity and efficiency. They also share with management the responsibility for good industrial relations.

5.1 Definition of Trade Union

The earliest authors to give a definition of trade union were the British couple named Sydney and Beatrice Webb in 1897. Trade union according to the Webb's (1897), is "a continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lives". In Nigeria, the Trade Unions Act (1973) defines Trade Union as: "any combination of workers or employers, whether temporary or permanent, the purpose of which is to regulate the terms and the conditions of employment of workers whether the combination in question would or would not apart from this Act be an unlawful combination by reason of any of its purposes being in restraint of trade and whether its purposes do or do not include the provision of benefit for its members". As noted by Okogwu (1990), the simple definition of trade union is "an association of

workers to promote and protect the welfare, interest and rights of its members, primarily by collective bargaining” whilst its specialist or academic meaning is the principal institution of workers in modern capitalist societies. Trade unions are political institutions with elected leaders and possesses political characteristics. They influence governmental agencies for their immediate gains with the use of their acquired political power. The primary objective of trade union is to bargain effectively. Their functions of organising, politics, negotiating, striking, legislation and governance are all harnessed for the purpose of achieving their primary objective. Trade union is an institution that seeks to promote the interest of workers in employment relations as well as in the wider society through their collective power rather than the employers’ individual power resources. Those that belong to the radical school of thought have a contrasting definition of trade union and hence defined trade union as the platform for workers to radically transform the society by taking over the means of production and put an end to wage slavery (Hyman, 1975). This definition sees trade union as a conveyor belt through which the impending working-class revolution which in the Marxian thought is inevitable in every capitalist society would be actualised. The various definitions provided reflect the role of trade unions in the society. Otobo (2005) states that for trade union to emerge, four conditions must be present:

- i. Wide spread wage employment must be available;
- ii. The individuals or potential workers must be both physically and legally free to search for employment;
- iii. Wage earners or workers would predominantly if not solely dependent on their wages or salaries to survive;
- iv. The existence of grievances must be widespread.

5.2 Features of a Trade Union

The following features of trade unions were identified by Anyim (2020):

- i. Trade unions in Nigeria must be registered with the office of the Registrar of Trade unions in the Federal Ministry of Labour and Employment;
- ii. Fifty members must sign the prescribed form for the formation of trade union of workers, while at least two members are required to sign the prescribed form in the case of the formation trade union of employers;
- iii. Employees at management level are recognised as a projection of management hence, shall not be members of trade union of workers;

- iv. Employee in any of the following institutions shall not join the trade unions: the Armed forces, Police, Customs and Excise Department, the Immigration Services, the Prison and other Federal Government establishments authorized to bear arms and others as the Minister of Labour and Employment may specify from time to time;
- v. Nobody shall be restricted from joining any trade on discriminatory grounds such as tribe, religion or political opinion;
- vi. No person shall hold office in any trade union if convicted of certain offences under criminal or penal codes;
- vii. Holding offices in any capacity in more than one trade union at the same time is prohibited;
- viii. Trade union shall not apply their funds for political purposes;
- ix. It is prohibited for any person to apply trade union funds whether directly or through any other Trade Union, Association or body for the purpose of any legal proceedings relating to election or appointment into any office in the trade union;
- x. From time to time, trade unions shall pay dues to be specified to the Central Labour Organisation;
- xi. Actions against a trade union in respect of any tortuous act alleged to have been committed by or on behalf of the trade union in contemplation of or in furtherance of a trade dispute shall not be entertained by any Court in Nigeria;
- xii. Employers are to recognise all registered trade unions.

5.3 Functions of a Trade Union

The functions of trade unions can be classified and discussed under the following subheading: economic, political, social, educational and psychological.

- i. Economic: Trade union as an economic organisation has the primary purpose of improving the wages and enhancing working conditions of its member. To get its members to have acceptable living standards, trade unions work towards making sure that the level or rate of pay is commensurate with the cost of living. The mode and the period of payment of wages are important matters that union pay attention. The state of the economy is a major determinant of how stable employment would be hence job security becomes a major issue for trade unions. It should be noted that the economic

- matters that form part of union's economic functions are entrenched in the role of trade unions in collective bargaining.
- ii. Political: The State plays the role of an arbiter, a regulator and pace-setter in industrial relations. This makes it necessary for the trade unions to actively participate in the politics of the workplace in particular and industrial relations in general. It has been noted that in some instances, trade unions have collaborated with the employers to lobby government for policies that may guarantee organisational survival. Also, from time to time, trade unions speak up on national issues, such as state of the economy, electoral practice, insecurity, unemployment, power failure, corruption, fuel subsidy etc. As part of the political function of trade unions, they join management in decision making process through the institution of collective bargaining and joint consultation. It should be noted that the government and the political class respect and recognise the positions and opinions of labour on national issues mainly because of the mass power in the hands of the trade unions.
 - iii. Social: Trade unions understand the fact that work situation or environment has effect on the workplace and equally has repercussions on the lives of their members' household. This is because the remuneration paid to workers would either give their families decent or poor standard of living. It will also be important to state that stress and discomfort experienced in the workplace may bring about strain and tension at home and that families would suffer if the health of their bread winners are negatively impacted by precarious working conditions. To reduce the aforementioned challenges, trade unions push for improvement in both working conditions and work relations. As an organisation of workers in wage employment, the trade union although heterogeneous in nature does not discriminate based on social differences as religion, language, tribe, ethnicity etc. Despite the heterogenous nature of trade union membership, they are unity in their purpose and it is in this unity that their strength lies hence the concept of "solidarity and comradeship". Similarly, trade unions in today's globalised world have through their collective will remain not only united but also as an indivisible entity that is unshaken and this has manifested in self-actualisation of their corporate existence. Trade unions also engage in other socio-economic activities

- that include co-operative society, printing press, travel agency, canteen/bar, transportation etc.
- iv. Educational: Trade unions have great responsibilities for good industrial relations in efficiently performing their duties to their growing membership. Therefore, they conduct training programmes for their members for the purpose of improving their knowledge, skills and attitudes. The trade unions are required as a necessary condition to present skilled representatives to match the level of expertise and competence in the management side during joint consultation or collective bargaining. It is also worthy of mention that to promote good industrial relations, some managements do assist the trade unions by sponsoring educational programmes for their members.
 - v. Psychological: The union creates a sense of feeling of job security on its members as it defends members from unfair labour practices or anti-union activities by employers. Besides, trade unions create the platform where members could satisfy the needs of belongingness, social esteem, love and comradeship amongst others.

5.4 Trade Union Theories

5.4.1 The Webbs' theory

This theory is attributed to the British couples, Sydney and Beatrice Webb. In their view, workers are primarily bound together into trade unions with the aim of improving their economic positions, hours of work, health and safety of the working environment, benefits and their general comfort. Another reason put forward for the formation of trade unions is that individual workers are relatively powerless against their employers. The power relationship between employers and employees is lopsided in favour the employers because employers have and control so much financial resources that can be used to their own advantage. Therefore, individual bargaining will not yield much positive result hence they rely on collective bargaining. Another reason given for the formation of trade unions is that workers come together to enable them form cooperatives, organise self-help and social security schemes to assist their members that are challenged especially those out of work. On a final note, the theory argues that, workers organise themselves to be able to get the state and its agencies to enact legislations that are favourable to workers since once these laws are made; employers are bound to obey by implementing them. For example, labour laws, minimum wage laws, among others.

5.4.2 Selig Perlman's Theory of Scarcity Consciousness

Perlman is the author of both "A History of Trade Unionism in United States" (1922) and "A Theory of the Labour Movement (1928) where he wrote extensively on the labour movement. This theory focused on three important features that are common to modern day labour structure: The power of capitalism which arose from its historical development; the degree of dominance and the role over the labour movement by the intellectuals; the degree of maturity of a trade union. The theory argues that unions developed out of a need by individual workers to deal with the issue of job security. Perlman adopted the concept of manualist mentality to denote workers' consciousness of the scarcity of job opportunities. He further stated that the theory of labour movement should include a theory of the labourer.

The theory explains that workers banded together to form unions based on their awareness of scarcity of job opportunities. The reason for the formation of the union was for the purpose of protecting their jobs, for equitable distribution of employment among themselves and the subordination of the interests of individual members to the overall interest of entire labour organisation. According to Perlman, it is not class consciousness that led to the formation of trade union, rather it is the job scarcity consciousness or workers control of job opportunities within the confines of the capitalist system. In furtherance of his analysis, he drew a distinction between organic labour and intellectual labour. This distinction is important in explaining the reasons for the formation trade unions. While organic workers are more concerned with the bread-and-butter issues, the intellectual labour are more interested in some level of control of power in the society.

5.4.3 Frank Tannenbaum's Theory of Man versus Machine

This theory states that the emergence of trade unions was a reaction of workers to the feeling of alienation and experience of job insecurity that followed the introduction of machines and the emergence of factory system. In other words, one can argue that the introduction of machines led to the formation of trade unions aimed at protecting the workers and minimising job losses. Also, the workers formed unions in order to create a collectivity in which to relate with the employer, to their co-workers and to their jobs so as to fulfil their needs and have sense of belonging. It is therefore safe to conclude that trade unions were formed in reaction to alienation and individualistic orientation held by workers as a result of the emergence of industrial revolution.

5.4.4 John Common's Theory

The work of Common was based on the situation that prevailed in the United States at his time. He states that the pattern of relationship between workers and management emerges from political, economic and industrial conditions in that country. He therefore outlined that existence of wide expanse of land and granting of universal suffrage were the two main factors that distinguish the development of trade unions in United States from other countries.

The emergence of American Labour Movement was accompanied by expansion of competitive local markets. Trade unions were therefore formed to ensure that competition was based on product quality and not on the wage differentials between unionised and non-unionised labour. Common maintained that trade unions were interested in enlargement of markets to enable management offer them better working conditions. That means, workers will co-operate with management to produce and sell more and hence fight to increase their share. If the market is large and more profit is generated by organisations, workers would have more percentage of the profit passed to them.

5.4.5 Karl Marx's Theory

Karl Marx drew his analysis from the classical theory of Adams Smith on labour value. To the Marxists, trade unions were formed as a result of a class struggle between owners of means of production (the Capitalist) and those that sell their labour (Proletariats). Workers form trade unions in order to protect themselves from the exploitation of the capitalists. An individual worker does not have power on his/her own except when they come together in a group. According to Marx, trade unions in their present state cannot achieve their objectives because the State will always use their power to support the capitalist. Remember that government is nothing but a committee set up to manage the affairs of the bourgeoisie. Marx therefore recommended that to improve the condition of their working lives, workers should use their union as a base to organise a revolution that will overthrow the capitalist and take over the means of production, create wealth for workers and increase their share of the fruits of their labour.

5.4.6 Robert Hoxie's Theory

Robert Hoxie developed this in the early 20th century. According to Hoxie, workers form trade unions based on the group psychological feelings. The theory focuses on both the structure and

functional types of unions. According to Hoxie, workers that are in similar economic and social situation and are closely related and share some level of similarity in temperament and training will most likely create a common solution to their life problems. In other word, the emergence of trade unions is as a result of the group consciousness held by workers as a result of the common problems they faced. This group consciousness led to the development of blue- and white-collar workers. Unions were classified by Hoxie into five functional types: Business Unionism, Friendly or uplift Unionism, Revolutionary Unionism, Predatory Unionism and Dependent Unionism. No single union can possibly have exclusive feature of any one of the five types of unions, rather, each union shares a combination of the features of all types of the union.

5.5 Types of Trade Unions

The nature of industrial relations is influenced by the diversity of the structure of trade unions. To have an understanding of the structure, it is imperative to analyse the union based on workers' category and other individuals enlisted into the union, their size and industrial and geographical spread. Additionally, the traditional analytical tool used to understand the structure of trade unions are divided into four types that are derived from their historical antecedents. These include:

- i. **Craft Unions:** Membership of this union was traditionally reserved for craft workers who had gone through the prescribed apprenticeship scheme, shown vocational interest and organised in single or related occupations e.g., mechanics, electricians, plumbers, tailors, etc. Based on the definition of trade union, the craft unions are in strict sense not trade unions but rather trade associations as their members are not wholly in wage employment;
- ii. **House/Company/Enterprise Unions** These are unions organised on one-company-one-union basis irrespective of the company's size and geographical spread. It was the most prevalent type in Nigeria until the mid-1970s;
- iii. **General Unions:** General unions are formed through the combination of existing trade unions. These unions enroll all types of employees regardless of their occupation or industry;
- iv. **Industrial Unions:** The industrial unions are unions organised along industry lines following the 1978 restructure of trade unions. For example, most employees in the formal oil and gas sector in Nigeria are unionised by either NUPENG or PENGASSAN. Industrial unions were formed mainly in coal mining, docks, railways

- and gas. They have a spirit of common employment or occupation both skilled and unskilled in a particular industry. This is the union structure currently operating in Nigeria;
- v. Professional Unions: There are also a number of associations that cater for the interest of professional employees, but in a strict sense they are not trade unions even though they tend to behave as such. Nigeria Medical Association (NMA), Nigeria Bar Association (NBA) and Nigeria Society of Engineers (NSE) are notable examples of this type.

5.6 Trade Union Classification

- a. Junior Staff Union: This union takes care of employees at the lower cadre in the organisation (e.g. clerks, security men, cleaners, drivers, etc.).
- b. Senior Staff Union: This covers employees in supervisory and foreman cadres. Senior staff in this category are not regarded as a projection of management.
- c. Employers' Unions: Just as there are unions of junior and senior staff, there exist as well unions of employers but called "Employers Associations". These associations cater for the general interests of their members and, in particular, represent them in their dealings with the employees' unions.

5.6.1 Classification of Unions by Functional Types

Unions are classified by Hoxie into five functional types: Business Unionism, Friendly or uplift Unionism, Revolutionary Unionism, Predatory Unionism and Dependent Unionism.

- i. Business Unionism: This was developed mainly among the Craftsmen and their focus is on trade consciousness rather than class consciousness. Their main focus is to improve members' terms and conditions of work such as wages, reduced hours of work, improved work environment, among others. They focus on bread-and-butter issues;
- ii. Friendly or Uplift Unionism: These unions are class conscious focused and are interested on matters of broad social interest to the society. The union works towards promoting the moral, intellectual and social life of its members and their standard of living. They operate more like professional or trade associations;

- iii. Revolutionary Unionism: This can be likened to the Marxist union perspective. Their aim is to alter the existing social order with the hope of creating a new one. For example, the Marxists prescribed to unions to overthrow capitalism and entrench socialism;
- iv. Predatory Unionism: These unions are non-ideological in nature and hence concern itself with the immediate gains of its members. The predatory unionism is of two variants – Hold-up unionism and Guerrilla Unionism. The holdup unionism is like the business unionism, the difference is that it has monopolistic tendency, boss-ridden and corrupt. They can adopt sweet-heart collective bargaining tactics where members of union negotiating team accept bribe and sell-out the workers. Guerrilla Unionism on the other hand, lacks definite principle and tactics but uses violent methods in its operations. These unions direct their violence at the employers and cannot be bought over by the sweetheart treaty;
- v. Dependent Unions: A dependent union relies on the support of the employers and other labour unions hence they are said to be parasitic in nature. Most of the unions under this category depend solely on the management for its survival hence do not truly represent the workers’ interest. In other words, they do not oppose the position of management as he that pays the piper dictates the tune.

5.7 Trade Union Structures and Internal Government in Nigeria

5.7.1 Governance Structure of the Unions:

There are three formal organs in most unions. These include branch or local union, national union and craft unions.

- i. Branch or Local Union: Branch union is an arm of the main union at the grassroots level. It is the closest organ of the Union to the general membership; and is responsible for mobilizing the members for the effective implementation of the Union’s policies and programmes;
- ii. National Union: This is a nationwide organisation for workers with full responsibility to secure for its members higher pay and better conditions of service;
- iii. Central Unions: Central unions are the umbrella bodies that cover the national unions of both the junior and senior employees’ national unions. Currently, the Nigeria Labour Congress (NLC) represents junior staff as well as some senior staff unions; while the Trade Union Congress (TUC) represents senior staff unions affiliated to it. Note that

under the Trade Union Amendment Act, 2005, no central union has exclusive jurisdiction over any national union as it was with the provisions of the earlier Act.

5.7.2 Internal Government of the Union

Industrial unions in Nigeria are administered based on the constitutions which is the supreme law that guide the establishment and operations of the unions. The government of the union is under the following organs: National Delegate Conference, the National Executive Council, the Central working Committee, Zonal Councils, and Branch executive Committee.

i. National Delegates' Conference (NDC)

The NDC possesses the supreme authority of the union. The delegates that attend the conference are nominated by the branch unions on representational basis. The number of delegates depends on the membership strength of the branch union. This however is spelt out in the constitution of the union.

ii. National Executive Council (NEC)

The NEC has the responsibility to administer the union in between National Delegate Conference. Therefore, it is the NEC that carries out policies decisions of NDC. Their responsibilities include to safeguard the union's finances, give guideline and directives on proper governance and administration of the union. NEC usually hold their meetings at interval specified by the union's constitution. NEC meetings could be quarterly, bi-annually or yearly and NEC can only be dissolved at the NDC.

iii. Central Working Committee (CWC)

The day-to-day affairs of the union is conducted by the CWC and also performs activities of the union in between NEC. Meetings of the CWC are held monthly and based on other circumstances as may be prescribed by the constitution. CWC reports to NEC and also deal with issues of appointments, discipline, finance and other matters that border on the administration of the union.

iv. Zonal Councils

This is created by NEC or the NDC based on geographical locations. It could be collection of unions within a state or a collection of States. The Zonal Councils coordinate the activities of the branch unions within its jurisdiction.

v. The Branch Executives

The branch executives oversee the activities of union in their respective organisations. It represents the hub of the union activities or could be seen as the grassroots of the union. It has the responsibility to carry out the decisions of the higher organs of the union and acts as the mobilization point for all union actions. Therefore, for any union action to be effective, the branch executives must necessarily take charge in making sure the directives of NDC, NEC, CWC or the Zonal Council are implemented.

5.8 Factors that influence Trade Union growth.

- a. The nature of economy and business cycle.
- b. The dynamics in the labour market with regards to unemployment situation.
- c. The connection that exist between wages and changes in prices of goods and services.
- d. Employers and government's attitudes and policies to collective bargaining, union recognition and trade unionism generally.

Structural economic movement is a major long term external factor that influence basic changes in trade union growth and organisation. The structural economic movement causes decline in some occupations and industries and brings about growth and emergence of other unions. Although unions embrace the effects of the factors in the long-term, but however make effort to resist the consequences of the forces in the short term. For instance, a union that has a large membership base in a declining industry would not do much but to take a rear-guard action. The implication of this is that no matter how strong a union or its leadership might be, it will be difficult for any union to stop a steady leakage of membership and bargaining power. On the other hand, while deteriorating occupation or industry will bring about declining union membership, the industry and occupation that is expanding will most likely create opportunity for other unions in terms of membership recruitment, employers' recognition and collective bargaining.

5.9 Development of Trade Union in Nigeria.

Modern trade unions came into being in Nigeria with the formation of Southern Nigeria Civil Service Union (SNCSU) in 1912 which later transformed to Nigeria Civil Service Union following the amalgamation of Southern and Northern Nigeria Protectorates in 1914. It should be noted that before the formation of SNCSU in 1912, there were in existence such social institutions as guilds, carpenters' union, mutual aid societies that regulated entries into and exit from their trade, set levies and code of conduct for members in that trade (Fajana, 2006). Although these organisations exhibited similar characteristics with those professional unions, members of these institutions were

however not in wage employment hence could not be classified as modern trade unions. Ideh, Ekwoaba and Olusanya (2020) prescribed five phases of trade union development in Nigeria and this prescription would be followed in this concise discussion.

The first period: The pre-1938 era is regarded as the first period and that marked the introduction of wage employment in Nigeria. This phase had no legal regulation for trade unions. Therefore, workers and their unions were largely at the mercy of the employers who were predominantly the colonial government and a few European merchants. Apart from the Nigeria Civil Service Union formed in 1912, two other unions were formed in 1931. These were the Railway Workers Union and the Nigerian Union of Teachers (NUT). The colonial government at that time did little to encourage the formation of trade unions. The unions formed had recognition and legitimacy challenge as there were no laws to back their existence.

The period between 1938 and 1966 marked the second phase. This could be regarded as the period of recognition and voluntarism. The colonial government at this period developed interest in the formation of trade unions in Nigeria. this interest is as a result of the pressure from the United Kingdom based trade unions and the subsequent dispatch sent by the Secretary of colonies, Lord Passfield. The dispatch made it mandatory for colonial government to allow the formation of trade unions in line with the practice and tradition in United Kingdom. (Otobo, 1988). In 1938, the Trade Union Ordinance was enacted. The Ordinance however came into effect in 1939. A significant provision of the Ordinance is that recognition of trade unions was granted and that meant that trade unionists and their unions could operate without open intimidation or molestation by the colonial authorities and employers.

The third phase could be regarded as the stage of development and intervention (1967 -1975). A significant matter at this time was the introduction of the policy of limited intervention and guided democracy in Nigeria industrial relations system. This was the period of the Nigerian Civil War (1967 to 1970) and could be regarded as a dark but eventful period in Nigerian history. Government intervention in industrial relations system at that period was due to the civil war effort. The military government promulgated some Decrees with the objective of creating a peaceful atmosphere and a regulated industrial relations system. The decrees enacted during this period included the Trade Dispute (Emergency Provision Decree) No. 21, 1968 and the Trade Dispute (Emergency Provision Amendment) Decree No. 53 of 1969. A significant characteristic of this period is the emergence of many trade unions that numbered over 1000 by 1975 with four labour

centres. These labour centres fought and struggled for different ideological leaning and international affiliation. To solve the challenges that emanated from the ideological struggles among trade unions and their unionist, the Federal Military Government created the National labour policy of 1975 which banned Nigerian unions from having any form of affiliation with foreign trade unions. The national labour policy banned relationship with international organisations that were known for ideological conflicts such as International Confederation of Free Trade Unions (ICFTU) and the World Federation of Trade Unions (WFTU). However, the policy permitted the labour centres and Nigerian unions to continue with their affiliation with International Labour Organisations (ILO) and Organisations of African Trade Union Unity (OATUU).

The fourth phase (1976 -1998): This phase of trade union development witnessed series of proscription, ban and forced restructuring of trade unions. During this period, the government enacted the Trade Union (Disqualification of certain Persons) Act No. 15 of 1977 which banned eleven trade unionists from participating in trade union activities for life. Among the unionists was the labour leader number one, Michael Imoudu. More so, the Decree banned the four existing labour centres and replaced them with a labour centre, the Nigeria Labour Congress (NLC). This singular act gave NLC dominance in industrial relations space in Nigeria with a kind of ‘monopoly’ power. This period also was the time industrial unionism officially came into effect with the restructure of the over 1000 trade unions into 70 unions made up of 42 industrial unions, 15 Senior staff associations, 4 professional unions and 9 employers’ associations. The restructuring of trade unions did not end with the 1978 exercise as the industrial unions were further restructured into 29 unions. There were also instances of proscriptions of trade unions at that period as the National Union of Bank Employees was proscribed on 27 May 1976 after they engaged in a strike action (Otofo, 1987) and again in 1988 the Immigration, Customs and Excise Workers Union was proscribed by the Military government.

The fifth and the current phase (1999 to date): This phase started in 1999 with the emergence of the fourth republic. It is in this era that trade unions and industrial relations system was democratised and liberalised. The main legislation that set the pace for the democratisation and liberalisation of the trade unions in Nigeria according to ILO standards is the Trade Union (Amendment) Act of 2005.

5.10 Central Labour (Trade Union) Organisation

Following the restructure of trade unions along industrial lines by the Nigerian government in 1978, the Nigeria Labour Congress was established as the sole Central Labour Organisation to that represent and work for the protection of the interests of the Nigerian workers nationally and internationally. This move gave the Nigeria trade union movement both respect and a new sense of direction as the rivalry and disunity which had been the bane of the Nigerian Trade Union Movement for over three decades were eliminated. The Nigeria Labour Congress was recognised as one and only Central Labour Organisation in Nigeria by the Trade Unions (Amendment) Decree No. 22 of 1978. It should be noted however, that the Senior Staff Unions had earlier established a central body known as Senior Staff Consultative Association of Nigeria (SESCAN) but was not registered and was registered by the Registrar of Trade Unions but under the Land Perpetual Act. The 29 industrial unions were mandatorily affiliated to NLC and 10 percent of their check-off dues was remitted to NLC. Election of new officials of NLC holds every four years from the leadership of the affiliate unions. Although the industrial unions are autonomous and independent bodies, the NLC however has disciplinary powers over them. In order to avoid disagreement and rancor between it and its affiliates, the NLC hardly enforces this disciplinary power over the industrial unions. The relationship between the NLC and its affiliates appears to raise questions about loyalty because based on experience, the leaders and members of individual unions seem to demonstrate a greater deal of loyalty to their individual unions and this in some cases have negative impact on NLC especially where such unions ought to show active solidarity to actions being pursued by the NLC. The main function of the central labour organisations or the federation of trade unions focuses on political bargaining with the federal government on labour matters and other national issues that may affect workers and the citizens. It is worthy to note that the central labour organisations, the NLC and Trade Union Congress (TUC) still negotiate with government on national minimum wage and other economic and social policies that affect workers and the common man in the society. In principle or procedurally, NLC can only involve itself informally or unofficially in bargaining between parties in labour or employment relations at the industrial or plant level. The Trade Unions (Amendment) Act (2005) however made provision for the establishment of additional central labour bodies. The TUC took advantage of the provisions of the Trade Union Amendment Act to get registered and recognised as the second central labour body in Nigeria.

5.11 Problems of Trade Unions in Nigeria

The economic downturn in the country has brought additional strain on the problems of union administration in Nigeria. Some of the problems are highlighted hereunder:

- i. Trade unions have witnessed reduction in their finances due to manpower contraction and this has tremendous effect on the unions' ability to discharge their legitimate obligations to their rank-and-file membership;
- ii. The bargaining power of the unions in the course of collective bargaining is being impacted upon due to economic recession;
- iii. Due to the financial challenges, trade unions lack the capacity to attract and retain qualified professionals as employees in their service;
- iv. Most unions are dominated by active minorities due to high level of apathy to the affairs of the unions by the members;
- v. For different reasons and in some instances, some unions allow their rank-and-file members to be divided by recalcitrant employers;
- vi. Trade unions also experience the problem of inadequate fund to organise educational and training programmes to help improve the skills of their members and officials so as to match the erudition of the management side especially during negotiations;
- vii. There is need to review some of the legislations enacted by government especially the fines imposed for breaches. These fines to a great extent are now obviously ridiculous and not in tune with modern day realities;
- viii. Disputes settlement institutions such as Industrial Arbitration Panel are not up to speed with time and emerging trends in employment relations;
- ix. In many instances, employers resist the formation of trade unions in the organisations even where the workers show willingness to form or join a union;
- x. The emergent forms of employment such as casualisation of labour and outsourcing of functions by some employers is a major challenge for labour administration.

Summary

The chapter discussed the trade unions and started by defining the trade union. The definition of trade unions was followed by the identification of the features of trade union, discussion of the functions of trade union. The theories of trade union were also explained. Also, the chapter discussed the types and classifications of trade union, the structure and internal governance of

trade union. Other areas discussed in the chapter include the factors that influence trade union growth, the development of trade unions in Nigeria. the concluding part of the chapter focused on central labour organisations and the problem of trade unions in Nigeria.

Practice Questions

1. Trade unions are socio-economic as well as political institutions. Explain.
2. Analyse the functions of trade unions to its members.
3. Do a classification of trade unions by functions.
4. The growth of trade unions in Nigeria is a function of certain factors. Discuss.
5. Trace the development of trade unions in Nigeria from 1912 to 1978.
6. What are the major challenges faced by trade unions in Nigeria?

Practice Questions: Multiple Choice Questions (MCQs)

1. ... were the earliest authors to define trade union.
 - A. Dunlop and Flanders
 - B. Sydney and Beatrice Webb
 - C. Karl Marx and Fredrick Engels
 - D. Karl Marx and the Webbs
2. The reorganisations of trade unions along industry lines came into being in Nigeria in ...
 - A. 1938
 - B. 1958
 - C. 1978
 - D. 1988
3. Which of the following options are class conscious focused unions that are interested in matters of broad social interest to the society?
 - A. Business unions
 - B. Uplift unions
 - C. Revolutionary unions
 - D. Predatory unions
4. Which of the following is the highest internal organ of industrial unions in Nigeria?
 - A. National Executive Council
 - B. Central working Committee
 - C. National Delegate Conference
 - D. National Secretariat

5. In which of the following years did trade unions become legal organisations in Nigeria?
- A. 1912
 - B. 1931
 - C. 1938
 - D. 1945

Keys: 1. B; 2. C; 3. B; 4. C; 5. C

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CHAPTER SIX

CHAPTER SIX: INTERNATIONAL ORGANISATIONS OF LABOUR

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. describe Organisation of African Trade Union Unity;
- ii. explain the relevance of ILO to the study of employment relations;
- iii. explain the importance of CTUG to employment relations stakeholders.

6.1 Introduction

The international organisations of labour such as the International Labour Organisation (ILO), Commonwealth Trade Union Group (CTUG) and Organisation of African Trade Union Unity (OATUU) are specialised institutions designed to propagate social justice in the world of work. As stated by Sengenberger (2013), one of the greatest challenges before these important bodies is how to ensure that the tripartite stakeholders, (the governments, employers' associations and organised labour), in the world of work co-exist harmoniously in the face of a globalised world. The government creates the legal frameworks that guide the actions and activities of social partners within employment relations systems, the employers' associations represent the interests of capital and the unions fight for continuous upliftment in working conditions in line with best practices and international labour standards. However, the international organisations of labour are increasingly confronted with increased expectations as working conditions in many countries have not always developed for the better in view of the fact that 8-hours workday, the right to unionization, and right to strike have become scarce commodities. Similarly, child labour, forced labour, unequal pay for equal work between women and men and same sex employees in organisations are regular occurrences in many regions of the world while trade union rights are being eroded on every continent by employers as well as governments (Sengenberger, 2013). There is also the issue of continued commoditisation of labour by employers in a bid to remain competitive.

6.1 Organisation of African Trade Union Unity (OATUU)

The headquarters of OATUU is in Accra, Ghana. The Organisation of African Trade Union Unity (OATUU) or Organisation de L'Unite' Syndicale Africaine (OUSA) in French was founded in 1973 at Addis Ababa, the Ethiopian capital. The birth of the organisation was the brain child of

the Organisation of African Unity (OAU) now the African Union (AU). The emergence of OATUU was as a result of the ideological differences between the two African based international organisations of labour namely All-African Trade Union Federation (AATUF) which was founded in 1961 and the African Trade Union Confederation (ATUC) founded in 1962. In particular, while the ATUC favoured close ties with international union organisations, the more militant AATUF saw the move as a ploy to continue imperialism in Africa. Hence, African Union leaders felt that there was the need for a common voice representing the interests of the African working class. Today, the OATUU has developed into a Pan African Labour Federation whose membership cuts across several affiliate national trade union organisations from many parts of Africa (Encyclopedia Britannica, 2017). Presently, the Organisation of African Trade Union Unity (OATUU) remains the only African Trade Union Organisation that represents all the trade union tendencies in Africa. OATUU has 73 affiliates in 55 African countries including the Saharawi Arab Democratic Republic (SADR), with a total membership of more than 25 million (OATUU, 2013). The focus or concern of the OATUU include:

- a. building trade union unity on the African continent;
- b. coordinating the action of the national union organisations under its sphere; and
- c. supporting African workers and representing their interests against all forms of oppression (Encyclopedia Britannica, 2017).

In a bid to ensure that its services are delivered to its constituents, the OATUU has the following sub-regional organisations: the Organisation of Trade Unions of West Africa (OTUWA), Southern African Trade Union Coordinating Council (SATUCC), the Organisation of Trade Unions of Central Africa (OTUCA), the Union of Arab Maghreb Trade Unions (UAMTU) and the East African Trade Union Council (EATUC).

6.1.1 Aim and Objectives of OATUU

According to OATUU (2013), in one of its presentations during the Capacity Building for Organising and Managing Trade Unions held in Turin Italy, its aim and objectives are to:

- a. organise the activities and actions of its affiliates throughout Africa;
- b. establish trade union unity both at the continental and national levels;
- c. to stand up for and defend in all ramifications, the interest of African workers and their trade unions at both regional and international fora;

- d. harmonise the principles of collective bargaining and labour legislation in Africa;
- e. affirm and protect the independence and identity of the African trade unions at all the levels;
- f. work towards the promotion, reinforcement and defence of trade union and other human rights;
- g. pursue the quest for African unity and economic integration;
- h. support the attainment and consolidation of world peace;
- i. collaborate with trade union organisations of the host countries in defence of moral and material interest of migrant African workers;
- j. render assistance in solidarity to workers and trade union organisations;
- k. work against colonialism, neo-colonialism, imperialism, racism, apartheid and their agents, feudalism and any other forms of oppression and exploitation for the economic independence of Africa countries and full emancipation of African people; and
- l. pursue social and economic justice, protect the health and safety at workplaces, secure education and training for Africans and ensure the guarantee of full employment through industrialisation and economic integration, equality for all without distinction of sex, race, colour, creed or religion and a just distribution of national wealth (OATUU, 2013).

6.1.2 Structure of the OATUU

The structure of the OATUU comprises:

- i. The Congress of OATUU: This is the highest organ of the organisation. The Congress meets once every four (4) years. Delegates to the Congress are composed of four (4) members from each national center (OATUU, 2013).
- ii. The General Council of the OATUU: This is the second highest organ of OATUU. The council's meeting holds once in a year with one (1) representative from each affiliate of OATUU and all the members of the Executive Committee. Between two Congresses the powers of the Congress devolve on the General Council with the exception of the power to amend the Constitution (OATUU, 2013).
- iii. The Executive Committee of the OATUU: The executive committee is made up of 13 members elected at the organisation's Congress. It is the responsibility of the Committee to carry out the decisions of the Congress and the General Council. The Executive Committee which meets at least twice a year also oversees the work of the OATUU Secretariat.

- iv. The Secretary-General as the Chief Executive oversees the activities in the Secretariat that is based in headquarters of OATUU in Accra, Ghana. The Secretary-General is assisted by two Assistant Secretaries General and a Treasurer-General. The officials are elected by Congress and they hold office for a period of four years at the first instance as they are eligible for re-election. The employees that work in the Secretariat are recruited by the Secretary-General in consultation with the Executive Committee (OATUU, 2013).

6.2 International Labour Organisation (ILO)

The International Labour Organisation (ILO) was founded in 1919 as part of the Treaty of Versailles. The Treaty also saw to the emergence of the League of Nations. ILO became the first specialized agency of the United Nations in 1946. In ILO's estimation, the surest route to achieve social justice and peace among nations is through humane working conditions for labour, hence, this vision has been encapsulated in ILO's Decent Work Agenda which was flagged off in 1999 (Sengenberger, 2013). The unique feature of ILO is that it is a tripartite body consisting of representations of employers, labour and government. The ILO is reputed for the development, promotion, and monitoring of international labour standards which includes but not limited to eight-hour working day, maternity protection, child-labour laws, and a host of other policies and programmes geared towards workplace safety and peaceful industrial relations. In this direction, Sengenberger (2013) reported that the ILO has been able to create 189 globally applicable, legally binding Conventions and 202 legally nonbinding Recommendations for the regulation of work practices (a Convention is a treaty, which when ratified by a member state of the ILO, creates binding international obligations on that state while recommendation creates no such obligation). The fulcrum of the international labour standards includes the fundamental rights at work, which are contained in the eight (8) core labour standards of the ILO which include:

- a. Freedom of association and the right to organise - Convention, 1948, No. 87;
- b. The right to collective bargaining - Convention, 1949, No. 98;
- c. The abolition of forced labour; - Convention, 1930, No.29;
- d. A minimum age for employment - Convention, 1973, No. 138;
- e. The effective abolition of child labour - Convention, 1999, No. 182;
- f. The prohibition of workplace discrimination- Convention, 1958, No. 111;

- g. The effective abolition of forced labour - Convention, 1957, No. 105; and
- h. The mandate for equal pay for women and men for work of equal value - Convention, 1951, No.100.

6.2.1 Strategic Objectives of the ILO

In order to ensure that the various aims and objectives of the ILO are realizable, ILO has strategically split its mandate into four points which includes to:

- a. Promote and realize standards and fundamental principles and rights at work.
- b. Create greater opportunities for men and women to secure decent employment.
- c. Enhance the coverage and effectiveness of social protection for all.
- d. Strengthen tripartism and social dialogue.

6.2.2 Membership of the ILO

According to the Constitution of ILO, all the states that were members of ILO on 1st November, 1945 and any original member of UN can join membership of ILO by accepting the obligations of its Constitution. The ILO entered into arrangement with the UN and its Constitution was amended in 1945. The new rules states as follows:

1. Membership of the UN does not mean automatic membership of ILO. However, any original member of the UN and any State subsequently admitted to the membership of UN may become member of ILO by communicating to the Director General, its formal acceptance of the rules and obligations of the ILO
2. If a State is not a member of the UN, the ILO confers on the International Labour Conference which is the Parliamentary wing of the ILO, the right to admit such state to membership.

6.2.3 The Structure of ILO

The ILO consists of three principal organs namely:

- i. The International Labour Conference (the supreme policy making and legislative body);
- ii. The Governing Body (the executive arm of the ILO);
- iii. The International Labour Office (the secretarial, operational headquarters and information centre of the ILO).

The International Labour Conference (ILC): This is the policy making organ of the ILO. It comprises four groups representing governments, employers and workers in the ratio of 2:1:1. ILC holds its sessions once in a year. Delegates to this session may be accompanied by advisors not exceeding two for each item on the agenda. This means that if there are five items on the agenda, delegates are allowed to bring a maximum number of ten advisors. In most cases, the government delegates are made up of Ministers, Diplomats or Government officials. One of the primary powers of the conference is to appoint committees to deal with different matters during each session. These committees except finance committee are tripartite in nature. The functions of the ILO's International Labour Conference (ILC) include to:

- a. formulate International Labour Standards;
- b. fix amount of contribution by the member states;
- c. decide the expenditure budgeted estimate proposed by the Director General and submitted to the Governing Body;
- d. make amendments to the constitution subject to subsequent ratification of the amendments by 2/3 member States including 5 of the 10 States of industrial importance. Consider the report of the Director General on labour problems and assist in their resolution;
- e. appoint committees to deal with different matters during each session;
- f. select once in 3 years members of the Governing Body;
- g. elect its President;
- h. Seek advisory opinion from the International Committee of Justice; and
- i. confirm the powers, functions and procedure of the ILO's Regional Conference.

The Governing Body of the ILC

The Governing Body of the ILC is a non-political, non-legislative tripartite body. It implements decisions of the ILC with the help of the International Labour Office. Out of the 56 members in it, 28 represent the governments, 14 employers and 14 labour. The tenure of office of this body is 3 years. It meets several times a year to take decisions on the programmes of the ILC. The functions of the Governing Body of the ILC include to:

- a. coordinate work of the organization;
- b. prepare agenda for each session and subject to the decision of the ILC to decide what subject should be included in the agenda of the ILC;
- c. appoint the Director General;

- d. scrutinise the budget;
- e. follow up the implementation of the conventions and recommendations adopted by the ILC by member states;
- f. fix the date, duration and agenda of the Regional conference; and
- g. seek advisory opinion from the International Court of Justice with the consent of ILC.

The International Labour Office

The International Labour Office is the third major and important organ of the ILO. The International Labour Office which is situated in Geneva, Switzerland serves as the secretariat of the ILO. The Director General of the ILO is the Chief Executive of the Secretariat. The Director General of the ILO also acts as the Secretary General of the ILO Conference. The tenure of his office is 10 years and this term may be extended by the governing body. The functions of the International Labour Office include to:

- a. prepare documents on the terms of the agency for the conference;
- b. assist governments in forming legislations on the basis of the decisions of the ILC;
- c. carry out its functions related to the observance of the conventions;
- d. bring out publications dealing with industrial labour problems of international interest; and
- e. collect and distribute information on international labour and social problems.

6.2.4 Directors General of the International Labour Organisation (1919 till Date)

Since its inception in 1919, the ILO has had eleven Directors General. They are as follows:

- i. Albert Thomas of France (1919-1932),
- ii. Harold Butler of the United Kingdom (1932-1938),
- iii. John Winant of the United States (1939-1941),
- iv. Edward Phelan of Ireland (1941-1948),
- v. David Morse of the United States (1948-1970),
- vi. Wilfred Jenks of the United Kingdom (1970-1973),
- vii. Francis Blanchard of France (1973-1989),
- viii. Michel Hansenne of Belgium (1989-1999),
- ix. Juan Somavia of Chile (1999-2012),
- x. Guy Ryder of Britain (2012 till date), and

- xi. Gilbert Fossoun Hounbo of Togo (2022 till date). The first African to occupy the position

6.2.5 Finance of the ILO

The budget is prepared and fixed on the recommendation of the Governing Body and Member States make contributions to it. Financial contributions are fixed on an ad-hoc basis from year to year.

6.3 Commonwealth Trade Union Group (CTUG)

Formerly known as the Commonwealth Trade Union Council (CTUC), the Commonwealth Trade Union Group (CTUG) is the umbrella body of trade union organisations in the former British Government colonies or what is today known as Commonwealth countries. Founded on December 31, 2004, the Commonwealth Trade Union Group (CTUG) in liaison with the International Trade Union Confederation (ITUC) brings together the various trade union organisations of countries under the British Commonwealth. The activities of the Commonwealth Trade Union Group (CTUG) include various programmes aimed at enthrone trade union rights, democracy, human rights, good governance and rule of law within the erstwhile British colonies. The Commonwealth Trade Union Group (CTUG)'s accreditation with the Commonwealth Foundation ensures that the body maintains an official channel with the Commonwealth Secretariat.

In concert with the International Trade Union Confederation (ITUC), the Commonwealth Trade Union Group (CTUG) employs campaign, advocacy and international cooperation to promote workers' rights and interests within the British Commonwealth. The Commonwealth Trade Union Group (CTUG)'s specific interests and activities include:

- a. the enthronement of international labour standards through the recognition of trade union and other human rights;
- b. implementation of the decent work agenda;
- c. making multinational corporations to be socially responsible;
- d. emancipation of the poor working class;
- e. ensuring that the policy of equality and non-discrimination is practiced in workplaces under the Commonwealth; and
- f. working for the cohesion of Commonwealth workers for the achievement of common interests.

Summary

The chapter discussed some of the international organisations of labour that are relevant to the practice of employment relations in Nigeria. The chapter discussed the Organisation of Africa Trade Union Unity, the International Labour Organisation and the Commonwealth Trade Union Group

Practice Questions

1. What are the aim and objectives of the Organisation of Africa Trade Union Unity?
2. What are the implications of the core labour standards of the International Labour Organisation to the practice of employment relations in Nigeria?
3. Discuss the roles of the International Labour Office.
4. Justify the continuous membership of Nigeria trade unions in the Commonwealth Trade Union Group.

Practice Questions: Multiple Choice Questions (MCQs)

1. The organisation of African Trade Union Unity was founded in ... at ...
 - A. 1973, Accra
 - B. 1973, Addis Ababa
 - C. 1978, Accra
 - D. 1978, Addis Ababa
2. Calculate the number of delegates that would be in congress of OTTUU if 30 national congresses are in attendance.
 - A. 30
 - B. 60
 - C. 120
 - D. 240
3. The fundamental rights to work are contained in ... International Labour organisation core conventions.
 - A. 189
 - B. 202
 - C. 10
 - D. 8
4. How many of the 56 members of the governing body of the International Labour Conference represent employers?
 - A. 28
 - B. 24
 - C. 14
 - D. 12

5. Which of the following is the current Director General of International Labour Organisation?
- A. Albert Thomas
 - B. Guy Ryder
 - C. Gilbert Houngbo
 - D. Juan Somavia

Keys: 1. B; 2. C; 3. D; 4. C; 5 C

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CHAPTER SEVEN

CHAPTER SEVEN: EMPLOYERS' ASSOCIATION

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. define who is an employer;
- ii. distinguish between an employer and management;
- iii. explain the factors that were responsible for late formation of employers' Associations in Nigeria;
- iv. identify the types of Employers' Association;
- v. explain the functions of Employers' Associations;
- vi. describe the structure and activities of Employers' Associations;
- vii. analyse the various central organisations of Employers' Associations.

7.0 Introduction

Employers' organisations are entities that promote the collective interests of employers in their business across sectors irrespective of the size of the enterprise. The range and content of the collective interests vary from one country to another, the structure, membership basis and functions of the employer's organisations differ from country to country. The main concern or responsibility of the employers' organisations is to advocate on behalf of the business community policy and regulatory framework that will create and ensure an economic environment conducive for enterprise development. To lay credence to this viewpoint, former United Nation Secretary-General, Mr. Kofi Annan emphasized that the enablement of domestic environment is important for the mobilization of local resources, increase in productivity, reduction of capital flight, encouragement of the private sector, attraction and effective use of international investment and assistance. It is important that the international community supports the efforts by countries to create such environment. (United Nations 2008, para, 41).

Employers' organisations in a bid to create healthy businesses continuously seek to improve in their operations through assessing competitive forces, market positioning and the relevance of customers and clients' needs. Furthermore, employers' organisations must move with time and modernity. As workers are organised into trade unions for the purpose of improving the conditions of their working lives through the process of collective bargaining, in like manner, employers

(represented by management) are also organised into employers' associations for the purposes of collective bargaining. The difference between trade unions and employers' associations is that the trade unions have individuals as members while the employers' associations have corporate bodies or companies represented by members of their management as members.

7.1 Factors Responsible for late formation of Employers' Associations in Nigeria

The following are the factors responsible for late formation of employers' associations in Nigeria as noted by Anyim (2020).

- i. The dualism between the big and small companies with the big ones seeing no need for unionization;
- ii. The small companies were too weak to organise themselves until recently;
- iii. Most of the companies have multi-national links;
- iv. The early companies were dominated by expatriates who had been exposed to advanced industrial relations, hence no encouragement to form unions;
- v. The proliferation of house unions up to 1970s encouraged domestic bargaining hence needless for a centralised body;
- vi. The colonial labour market was largely undeveloped and wage employment was not fashionable until the 1940s.

7.2 Functions of Employers' Associations

Functions of Employers' Associations are:

- i. Industrial employers' associations focus majorly on industrial relations matters (i.e. negotiating on behalf of their members);
- ii. They serve the interest of its members in the regulation of the labour market;
- iii. They protect its members against the demands of powerful trade unions;
- iv. They engage in multi-employer collective bargaining on behalf of their members;
- v. They provide advisory and managerial assistance to their members;
- vi. They prevent some individual employers operating informally from cutting wage rates or agreeing on maximum rates;
- vii. In the course of industry-wide bargaining, the interest of less well-off employers are protected to avoid competing them out of the industry by the stronger ones;
- viii. They allow employers a strong representative voice for lobbying to get favourable labour and economic policies/terms from governments;

- ix. The bodies have promoted professionalism as persons with requisite qualifications now man personnel/human resource departments in many companies; and
- x. They shape the level and content of issues for negotiations with the unions and protect jealously the vital element of “managerial prerogative” at the workplace.

7.3 Roles of Employers Association

According to the Webbs (1897), to cope with the challenges of the time, specific roles that employers’ associations should assume are as follows:

1. Provide employers with platform of representation and active participation in social dialogue as a collective entity.
2. Confer legitimate democratic rights on employers in addition to their property and economic rights.
3. Ensure a balance of power especially at industrially-wide bargaining.
4. Enhance the influence of public/private partnership for tackling of specific societal problems.
5. Promote industrialisation through sharing of ideas and other resources.
6. Check excessive rise in cost of production from personnel related cost.
7. Check inflationary pressures that could be created through wage spiraling as a result of non-uniform concessions.
8. Promotion of democratic culture in society.

Also identified as the role of employers’ associations to members by the ILO are:

1. Help members understand emerging business environment.
2. Respond to growing expectations for wider range of services.
3. Promote and diffuse sound human resource management and employment relations practices.
4. Share insights on successful restructuring.
5. Help members improve on public profile.
6. Forge business networks.
7. Contribute to policy formulation on social security, education, trade and environment.
8. Help members improve on competitiveness and productivity, IT, training and consultancy.
9. Advise members on Corporate Social Responsibility.
10. Help members link with the international community on the above issues (Webbs, 1897).

Fashoyin (1992), categorised roles of employers’ associations into four broad headings covering areas already referred to above, and these include:

1. Consultation and Assistance: Bordering on industrial relations and personnel management issues in the specific areas of compensation, recruitment, grievance handling, discipline, job analyses, interpretation of collective agreements, labour legislations as per impacts on member companies' interests.

2. Information and Guidance: They generate informed analyses trends in industrial relations to guide members. Public policy documents are studied and analyzed for consumption of their members. Similarly, awards by NIC having fundamental and practical labour management implications are analysed and distributed to their members. They conduct surveys on IR issues like wages and make available their findings to members.

3. Training/Education: Through organizing seminars, lectures, conferences and workshops for members, they impart knowledge and skills on relevant personnel of members to enrich personnel and IR practices. They encourage members to provide training and education opportunities for members to benefit/acquire relevant skills and capacity for work performance. They make available information on assailable training facilities to members.

4. Negotiation: The COPE (Committee of Personnel Experts) of industrial associations provides representation for members in bargaining with employees. It is by adequately achieving results in the above responsibility areas that employers would be gauged to be actively concerned with the promotion of social and economic progress. In other words, employers cannot meaningfully be involved in the process of shaping society by acting at cross purposes within their association or in the broader sense. In a sense therefore, employers are better off if they engage in healthy competition as a measure of trust and confidence building, through a rationalisation that the market place where national resources should be channeled competitively is at the international level.

7.4 Structure and Activities of Employers' Association.

a. Employers' Associations representing management do engage in the following activities:

i. Labour management relations;

ii. Policy formulation and lobbying of government to keep industry running;

iii. Rendering labour advisory services;

iv. Employers' associations represent their affiliating members before labour courts;

v. Assist in and participate in labour disputes settlement;

vi. Employers' Associations take part in collective bargaining and negotiations on behalf of their affiliating members;

- vii. Concern themselves with matters of interest to citizens and the poor in the society.
- b. All the Employers Organisations are also interested in the following:
 - i. Engaging in consultancy services Learning;
 - ii. Training and Development programmes for members;
 - iii. Carrying out/research and information dissemination to members;
 - iv. Publish bulletins or journals to enlighten its members or keep them abreast of latest development in the industry if not globally;
 - v. Members do engage in small enterprise development to promote entrepreneurship to check the soaring unemployment level or rate.

7.5 Central Organisation of Employers' Associations

7.5.1 Nigeria Employers Consultative Association (NECA)

Nigeria Employers Consultative Association (NECA) was founded in February 1957 and provides national platform for all employers both public and private to participate in the formulation of National Labour Policy (Fashoyin, 1992). NECA is a Federation of employers' associations and is concerned with the broad field of industrial relations, industry and commerce. NECA gives the private sector employers a platform to interact with the government, labour, communities and other relevant institutions within and outside Nigeria for the with the aim to promote harmonious business environment that will engender productivity and prosperity for the greater good of the nation and its citizens. Although NECA is not a trade union, it is however a highly respected and dynamic professional organisation that is registered under the Company and Allied Matters Act, 1990. NECA does not make laws that must be constitutionally obeyed by its members or enforced accordingly because it acts purely as a consultative body. However, it enjoys the singular privilege of consulting and negotiating with Government in matters affecting employers in the country.

7.5.1.1 Membership

(a) Ordinary Member: This category of membership is populated by individual companies or organisations engaged in business or economic activities (manufacturing, distribution, retailing, agriculture, mining, finance, transport, services, consultancy, etc) that employ a minimum of 5 workers. They are mainly, but not exclusively in the private sector, but at present, they form the bulk of NECA members.

(b) Affiliate Members: This membership category includes the industrial employers' associations, industrial groups or trade associations. In order to provide flexibility and effectiveness, members have been grouped on the basis of common interest along industrial lines. The sectoral groups are formal industrial employers' associations.

7.5.1.2 Objectives of NECA

- a. To promote and influence policies and laws that will enhance the competitiveness and survival of enterprise.
- b. To defend the rights of enterprise and employers with the use of all legal and legitimate means.
- c. Promotion of sustainable enterprise and economic development through capacity building and empowerment programmes.
- d. To establish business and investment models for the long-term financial sustainability of the association, without losing focus of it being a Business Membership Organisation (BMO).

7.5.1.3 Functions of NECA

The primary function of NECA is to protect employers' interest and enthrone the private sector as a dependable engine of development. This it does through the following:

- a. Influence economic agenda and policies through public advocacy and group representation to Government on issues of interest to employers;
- b. Create the forum for employers to consult and dialogue amongst themselves on issues of interest to them;
- c. Provide the opportunity for employers to share information and create linkages that will enhance the growth of their businesses;
- d. Defend and promote at all times and in all places the legitimate rights of member companies;
- e. Provide on-hand assistance to small and medium scale enterprises (SMEs);
- f. Perform other consultancy services to meet members' specific needs.

7.5.1.4 Governing Council and Committees

NECA is managed by a Governing Council. The Council is the highest organ of the Association. It formulates policies, sets subscriptions, appoints senior staff of the secretariat and has power to discharge them. In these key functional roles, the Council is served by four Committees which provide supportive services to it. They are:

- a. Human Resource Experts which deals with personnel and labour/industrial relations matters;
- b. Finance Experts which handles financial matters;
- c. Company Secretary/Legal Advisers which handles secretarial and legal matters; and

d. Learning and Development Experts that handles education and training matters.

7.5.2 Manufacturers Association of Nigeria (MAN)

The Manufacturers Association of Nigeria (MAN) was established in May, 1971 as a company limited by guarantee (Anyim 2020). The main motivation for the establishment of the Association was the desire to have a meeting point for communication and consultation between organisations on the one hand, and the government and general public on the other. Before the formation of MAN, there was no institutional organ whose main focus was to protect the interests, solve the problems and project the aspirations of the manufacturing sector. The establishment of the Manufacturers Association of Nigeria created a platform for the private sector to formulate and articulate policy that would be complementary to government efforts at policy formulation. MAN is in business to create a favourable opportunity and climate in Nigeria so that manufacturers can operate efficiently and profitably for the benefit of all. MAN was established to promote and protect manufacturers collective interests and to act as the collective voice of its members.

The Manufacturers Association of Nigeria was established as a forum for the private sector to formulate and articulate policy suggestions that would complement government's efforts at policy formulation. MAN is in business to generate opinion and create a positive climate in the country where manufacturers can operate efficiently and profitably for the benefit of all. As the collective voice of its members, MAN was established to promote and protect manufacturers' collective interests.

7.5.2.1 Objectives of MAN

- i. Provide for manufacturers all over Nigeria the platform for formulating, making known and influencing general policy with regard to industrial, labour, social, legal, training, and technical matters;
- ii. To develop and promote the contribution of manufacturers to the national economy through government and others whose activities may directly or indirectly affect the interests of manufacturers;
- iii. To encourage production of high standard of quality products by members through the collection and circulation of useful information and the provision of advice;

- iv. To encourage the patronage of members' products by Nigerians and consumers in foreign countries;
- v. To communicate and liaise with kindred and other bodies, in the accomplishment of the objectives of the Association and on subjects of common interest.

By pursuing these objectives, the Association hopes that members would be assisted to play their part in creating wealth on which national economic prosperity and social progress depend. Overall, the task of MAN is to help to promote policies for a more stable and buoyant economy without which industry cannot be efficient and financially healthy. In order to do this, the Association endeavors to put across its viewpoints at national, state and local levels. Such opinions are research outputs and the collective experience of member companies. The basic philosophy of the Association is to ensure the well-being of its members on which the livelihood of their management, workers, customers and suppliers depends.

7.5.3 Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA)

The Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA) was established in 1960 and is the umbrella organisation for the various affiliate member chambers within the country. It champions the course of business through its advocacy role and the influence of public policies that promote free enterprise. The perspective of NACCIMA is in accordance with contemporary ideas of the Chambers of Commerce Movement in a relatively free enterprise economy the world over.

NACCIMA is a foundation member of the Federation of the West African Chambers of Commerce which provides the common platform for economic operators in the West African sub-region and which is under the coverage of the Economic Community of West African States. The Association is also a member of both the International Chamber of Commerce (ICC) with headquarters in Paris and the African Chambers of Commerce based in Cairo, Egypt.

The Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA) collaborates with the Centre for International Private Enterprise (CIPE), Washington D.C. to implement a number of programmes to support the emerging market economy in Nigeria since the late eighties. Such programmes include public policy Advocacy, capacity building for Chamber of Commerce and Business Associations, business participation in the legislative

process, training for journalists on business and economic reporting and watch-dog function on economic policies.

NACCIMA publishes and circulates widely its newsletters, business agenda, legislative alert, which have over the years proved to be veritable sources of information and ideas for government officials, local and foreign business operators, including the media.

7.5.3.1 Functions of NACCIMA

NACCIMA performs four primary functions to its members as follows:

1. NACCIMA acts as a spokesperson for the business and professional community and translates the group thinking of members into action.
2. NACCIMA renders special products and services to members which are effectively beneficial to business, Nigeria and members as a whole.
3. NACCIMA creates a conducive environment for business to prosper and also promote investors' interest in local business possibilities.
4. NACCIMA works to accomplish these goals by championing different functions as economic developer and planner, tourist information centre, economic counsellor and teacher, government relations specialist, human resource adviser and public relations experts.

7.5.3.2 Membership and Membership Benefits

Membership

Membership of the association is voluntary and it encompasses city, state and bilateral chambers, business/professional association and corporate bodies. NACCIMA is made up of 69 member chambers, 11 bilateral members, and other corporate members, business associations and several sectoral groups.

Membership Benefits

The Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA) offers programmes and services to meet the business needs of its members. They are committed to the success of the businesses of all the companies owned by their member chambers, and association, corporate members, etc. By investing in the Association, members will join an Association actively working to impact on the success of their organisation. Some of NACCIMA benefits to members are as follows:

- a. Educational Activities of the Association: Educates, informs and exposes members to the available investment opportunities through seminars, workshops and training programmes;
- b. Governmental-Association Relations: engages in policy advocacy by making members aware of legislative developments, encourage and equip members to present informed views on legislative issues and government regulations;
- c. Research and Statistics: The association conducts research on economic and social issues affecting business and the society and present inputs on annual budgets to the government. They also assist in designing projects to help in improving members' products and services;
- d. Publications: They engage in publication of newsletters and business directories etc;
- e. Standardisation and Accreditations: The association ensures that members adhere to business codes and ethics and acts as clearing house for businesses. They also issue attestation letters and referrals to members;
- f. Publicity and Public Relations: They maintain cordial relationship between the association and the media and provide members with information needed to grow their businesses, Associations and Chambers. They also conduct working visits to City/State Chambers, Corporate Organisations and Business or Professional Associations to meet and discuss issues of common interest.

7.5.4 Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established by the SMEDAN Act of 2003 to coordinate, promote and facilitate the development of the Micro, Small and Medium Enterprises (MSMEs) in Nigeria. the establishment of SMEDAN was meant to facilitate the access of micro, small and medium enterprises and investors to resources needed for their development. Its focus is to support the development of Nigeria's MSMEs in such an effective way and efficient manner so that their development and growth would be consistent and sustainable. The development and growth of MSMEs would bring about value addition to the economy and impact on other benefits to the society. It should be noted that in the real sense of the word, SMEDAN is not an association of employers but rather a coordinating government agency for the development of MSMEs sub-sector of the economy.

The activities of SMEDAN are based on the following principles: Outreach, sustainability and impact.

Outreach: SMEDAN aims to reach as many MSMEs as that is important and necessary to achieve its goal of creating an MSME led economic growth, industrialisation and employment creation.

Sustainability: This is a major principle of SMEDAN. SMEDAN works towards ensuring creating MSMEs that are enduring and it creates exit strategies whenever it becomes necessary to avoid over-dependence on subsidy and subvention from government and other sources.

Impact creation: SMEDAN works to create impact by delivering measurable results.

Efficiency: efficiency entails achieving result with the usage of least resources. SMEDAN and the MSMEs maintain high quality service delivery in the most cost-efficient manner.

SMEDAN mandate is to establish a coordinated and efficient Micro, Small and Medium Enterprises ecosystem that will bring about the needed sustainable socio-economic development of Nigeria. The general mandate of SMEDAN can be presented as follows:

- i. Stimulate, monitor and coordinate the development of the SME sub-sector;
- ii. Initiation and articulation of policy ideas for the growth and development of small and medium enterprises in Nigeria;
- iii. Promote and facilitate development programmes, provide instruments and support services to enhance the development and modernisation of SME operations;
- iv. Promote rural industrialisation, create wealth, generate employment, and improves the living standard of the peoples;
- v. Connect SMEs with major financiers that are within and external and to large enterprises, advise them on the use of appropriate technology, improve their technical skills.as well as to large enterprises;
- vi. SMEDAN interfaces with other institutions in the public and private sector to create and maintain an enabling operating environment for businesses in Nigeria and MSMEs in particular;
- vii. It has the mandate to Promote and provide access to such industrial infrastructure as incubators and industrial parks;
- viii. SMEDAN intermediates between MSMEs and Government. What this implies is that although SMEDAN cannot be said to be a central association of employer but it however acts as the voice of the MSMEs in Nigeria.

Summary

The chapter started with introduction of the concept of employers' organisations as entities that promote the collective interests of employers in their business across sectors irrespective of the size of the enterprise. The range of topics discussed in the chapter include the factors that were responsible for late formation of employers' association in Nigeria, types of employers' association, functions of employers' association, roles of employers' association. Others areas discussed are: structure and activities of employers' association. The chapter concluded with the discussion on the central organisations of employers' association with focus on Nigeria Employers' Consultative Association, Manufacturers Association of Nigeria, Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture and Small and Medium Enterprises Development Agency of Nigeria.

Practice Questions

1. It took about four decades after the formation of the first trade union in Nigeria before the emergence of employers' association. What reasons accounted for such development?
2. Follow the prescription of Fashoyin (1992) to explain the role of employers' association.
3. Justify the existence of NECA as a player in employment relations.
4. What are the functions of NACCIMA?

Practice Questions: Multiple Choice Questions (MCQs)

1. Which of the following roles of employers' association focus on issues such as compensation or recruitment?
 - A. Guidance
 - B. Information
 - C. Negotiation
 - D. Assistance
2. Nigeria Employers' Consultative Association was established in ...
 - A. 1938
 - B. 1945
 - C. 1957
 - D. 1961
3. Which of the following describes the individual companies' membership of NECA?
 - A. Ordinary members
 - B. Corporate members
 - C. Affiliate members
 - D. All the options

4. Membership of the National Association of Chambers of Commerce, Industry, Mines and Agriculture is made up of the following EXCEPT ...
 - A. bilateral members
 - B. corporate members
 - C. affiliate members
 - D. professional association
5. the Small and Medium Enterprises Development Agency of Nigeria was established in ...
 - A. 1960
 - B. 1973
 - C. 2003
 - D. 2013

Keys: 1. D; 2. C; 3. A; 4. C; 5. C

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CHAPTER EIGHT

CHAPTER EIGHT: INTERNATIONAL ORGANISATIONS OF EMPLOYERS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. analyse the structure and organisation of International Organisation of Employers (IOE);
- ii. discuss the functions of IOE;
- iii. evaluate the relationship with other international organisations.

8.0 Introduction

The Geneva Based-International Organisation of Employers (IOE) came into being in 1920 as the vehicle for businesses all over the world to present a common front on global issues on labour and social policy. With a pool of membership spanning across more than 150 businesses and employer organisations, the International Organisation of Employers (IOE) is arguably the largest network of the private sector organisations in the world. Acting as the voice of the Employers' Group and tripartite partner, the International Organisation of Employers (IOE) is actively involved in various deliberations at the international level on labour matters. The body also ensures that employers' voice is heard at international forums such as the G20 intergovernmental process on issues concerning labour and social policy (IOE, 2023).

8.1 Aim and Objectives of the International Organisation of Employers (IOE)

The aims of the International Organisation of Employers (IOE) include to:

- a. establish socio-economic environment that is favourable to free enterprise and a stable market economy;
- b. set up international platform to cater for the interests of national employers' organisations on social and labour policy;
- c. give advice and provide information to members, set up permanent communications between national bodies and IOE, and co-ordinate the interest of employers at international level;
- d. give support for autonomous employers' organisations;
- e. give public opinion and create understanding of employers' arguments.
- f. create opportunity for employers' organisation to share information, experience and best practice.

8.2 Membership of the International Organisation of Employers

According to IOE (2023), their membership is global in character as they are spread across nations. Members' voices are important and are listened to accordingly. Such voices are brought together as a balanced and powerful voice. Membership also encompasses a comprehensive representation of business. Member organisations represent different business with varying sizes and in different sectors of the economy, hence they represent all businesses irrespective of industry, legal structure, location or size. IOE is a body that fights and advocates for the interests of employers and business in international social and employment policy debates.

The IOE is a free and voluntary body open to central employers' organisations from every part of the globe provided:

- a. Such intending member holds compatible values as that of the IOE; and
- b. That the intending member's country of origin is a member of the ILO.

8.3 Structure and Organisation of the International Organisation of Employers

In terms of structure, the International Organisation of Employers (IOE) has the General Council as its supreme decision-making body, while the Management Board formulates the general policy direction of the organisation. The Secretariat is saddled with the responsibility of running the day-to-day activities of the organisation. The Secretariat is based in Geneva and is accountable to the Management Board and the General Council.

8.4 Functions of the International Organisation of Employers

The USCIB (2016) itemised the major functions of the IOE as follows:

- a. Represents business interests in social and labour matters at the global level, especially in the ILO which sets international workplace standards and where employers are represented alongside trade unions and governments in a unique tripartite structure;
- b. Communicates business views on the ILO's work, including education and training, termination of employment, social security, health and safety, and labour standards, and represents employers within the ILO's complaints and supervisory mechanisms;
- c. Represents the views of business in the G20 process, the International Standardization Organisation, the World Health Organisation, the UN Human Rights Councils etc.

8.5 Services to Members

IOE offers three types of services to members that aim to advance the global business agenda: advocating, convening and capacity building.

1. Advocating: driving and shaping policy in international forums

- i. On its members' behalf, IOE is a powerful and balanced voice for business worldwide;
- ii. its primary job is to be agent of change and representative at institutional debates on the most pressing issues for business;
- iii. IOE advocates for the interests of its members and those of its affiliates by influencing international policies for the best outcomes for business;
- iv. It coordinates employers' views, provide advice and guidance to the employers' group in ILO activities and strive to promote awareness and implement the UN global compact, the UN guiding principles on business and human rights, and the 2030 Sustainable Development Agenda, among others;
- v. it also develops policy recommendations to be used at national level and collaborate with partners to build strength and expertise, and to achieve maximum impact in a growing number of international forums.

2. Convening: facilitating networking among members and partners

- i. it facilitates and coordinates meetings and organises conferences, workshops, seminars and training on national, regional and international levels;
- ii. In this way, it can best determine members' most pressing issues and needs, identify key trends that affect members and respond in a timely and relevant manner;
- iii. By providing venues and platforms for networking and collaboration, it empowers members to exchange their questions, experiences and ideas with each other.

3. Capacity building: strengthening the voice of employers' organisations

IOE provides opportunities for direct access to the ILO supervisory mechanism and speaking at ILO meetings and other international organisations, and to co-host and organise meetings and training sessions with the IOE on topics of most relevance to its affiliates.

- i. it provides a platform for business interaction with the ILO;
- ii. supply direct technical assistance on social and employment issues that specifically affect member organisations and affiliates;

- iii. communicate with members, to inform, advise, influence and provide guidance on all relevant policy areas;
- iv. IOE's knowledge-sharing and capacity-building webinars, presentations, publications and training are designed to synthesise global trends and provide analysis with helpful and actionable insights;
- v. members garner international recognition and consolidate their reputation as the go-to business organisation for the range of national influencers and thought leaders.

8.6 Relationship of IOE with Counterpart Organisations

The International Organisation of Employers maintains a cordial relationship with its sister organisations such as the International Labour Office, International Trade Union Congress (ITUC). The relationship includes the following:

1. The International Organisation of Employers (IOE) as one of the tripartite members of the ILO's International Labour Conference relates with other stakeholders to ensure that the policy interests of employers are represented at the level of the ILO.
2. In conjunction with the International Trade Union Confederation (ITUC), International Organisation of Employers (IOE) works to ensure that global scourges such as child labour, forced labour and human trafficking are addressed. Furthermore, in collaboration with the Business and Industry Advisory Committee (BIAC) and the International Trade Union Confederation (ITUC). It has presented a common message for innovation, growth, jobs and decent work.
3. The International Organisation of Employers (IOE), Business and Industry Advisory Committee (BIAC), International Trade Union Confederation (ITUC) and Trade Union Advisory Committee (TUAC) have also conducted joint surveys in the area of labour and social policy.

Summary

The chapter started with the introduction of the Geneva Based-International Organisation of Employers (IOE) that came into being in 1920 as the vehicle for businesses all over the world and to present a common front on global issues on labour and social policy. The aim and objectives of the organisation were enumerated. The remaining part of the chapter discussed the structure and organisation of IOE, the functions and its relationship with counterpart organisations. The chapter concluded with membership of the International Organisation of Employers.

Practice Questions

1. Evaluate the structure of the International Organisation of Employers.
2. What services does IOEs render to its members?
3. How does IOE relate with counterpart organisations?

Practice Questions: Multiple Choice Questions (MCQs)

1. Which of the options is the means businesses across the world present a common front on issues on labour or social policy?
 - A. Employers' Association
 - B. International Organisational of Employers
 - C. International Labour Organisation
 - D. All the options
2. Which of the following is the supreme decision-making body of International Organisation of Employers?
 - A. General Council
 - B. Management Board
 - C. Governing Body
 - D. General Conference
3. Which of the IOE's services to members focuses on driving and shaping policy in international forum?
 - A. Advocating
 - B. Convening
 - C. Capacity building
 - D. Facilitating
4. Which of the following IOE services to members focuses on facilitating networking among their members and partners?
 - A. Advocating
 - B. Convening
 - C. Capacity building
 - D. Facilitating

Keys: 1. B; 2. A; 3. A; 4. B

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CHAPTER NINE

CHAPTER NINE: LABOUR DISPUTES AND RESOLUTIONS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. define trade dispute;
- ii. identify the types of trade dispute;
- iii. analyse the causes of workplace disputes;
- iv. evaluate the good and bad sides of trade disputes;
- v. explain conflict management strategies;
- vi. define strike;
- vii. categories strike;
- viii. discuss and analyse the statutory disputes settlement mechanisms in Nigeria;
- ix. evaluate Alternative Dispute Resolution machinery.

9.0 Introduction

In the workplace, disagreements often occur between the workers and the employers on the one hand and among the workers themselves on the other hand. Within the trade unions, there are also cases of disagreement on internal management and running of the affairs of the union. Sometimes, disputes do occur between two or more trade unions on jurisdiction to organise workers in a particular trade or industry. Unless these disputes are resolved promptly and amicably, industrial peace may not be guaranteed coupled with its attendant effect on productivity. Let us take the concept “compromise” as the act of dividing a cake in such a way that everyone believes that he has got the biggest piece, but let us take another scenario where someone wants the whole cake with least consideration for others. These two scenarios take us to the difference between dispute and conflict which are terms often used interchangeably. According to Burton (1990), a dispute is a short-term disagreement that can result in the disputants reaching some sort of resolution; it involves issues that are negotiable. Based on the nature of conflict, each party acts in such a way as to oppose the success of the other and will not compromise their own values or beliefs at the risk of allowing the other party (their opponents) to achieve even the slightest advantage or victory as the case may be. It should be noted that when a large number of disputes and arguments are left to fester, it could result to conflict (Burton, 1990). When an industrial dispute arises, the parties

will normally try to pressurize each other to agree to their terms (Klumer & Nauta, 2006). Verma (2005) cautions that it is advantageous to parties to maintain good or cordial relationship because if disputes arise or remain unresolved, there bring about negative consequences for all.

9.1 Definition of a Trade Dispute

Section 47 of the Trade Disputes Act defines a trade dispute “as any dispute between employers and workers or between workers and workers, which is connected with the employment or nonemployment or terms of employment and physical conditions of work of any person”. Going by this definition, it is clear that for a dispute to qualify as Trade Dispute, it must be a dispute between employers and workers. Fashoyin (1992) defines labour dispute as “the dissatisfaction of any employee or group of employees over a denial of a perceived right or interest to which the individual or a group feels entitled. Industrial conflict is defined by Kornhauser, Dubin and Ross (1954, p.13) as ‘the total range of behaviour and attitudes that express opposition and divergent orientations between individual owners and managers on the one hand, and working people and their organization on the other’. In Nigeria, the following elements must be present before a dispute can qualify as a trade disputes:

- i. The dispute must be between employers and workers or workers and workers;
- ii. The dispute must be connected with the employment or nonemployment of any person;
or
- iii. The dispute must be connected with the terms of employment or physical conditions of work of any person.

9.2 Types of Industrial Disputes

According to Ootobo (2005), there are two main types of disputes which cut across other forms of disputes in the workplace. These are interest disputes and rights disputes:

a. Interest Disputes: This relates to determination of new issues such as wages/salaries and other terms and conditions of employment. In other words, interest disputes are about novel issue that is brought to the table. For example, any dispute that arises from a request for an item that has not been agreed upon before brought by any of the parties in industrial relations, such dispute is classified as interest dispute.

b. Right Disputes: Rights disputes on the other hand, relate to interpretation and application of existing standards or collective agreement and usually involves a worker or a group of workers. Right disputes arise as a result of non-implementation of already signed collective agreement or

approved policies and rules. The focus of the rights dispute is on whether the worker or workers have been treated in accordance with the rules, individual contracts of employment, laws and regulations and the provisions of the collective agreements. In terms of grievances, the issue may centre on retrenchment, dismissal, wage payment, working time, demotion, promotion, transfer, seniority, job classification, safety and health, amongst others.

9.3 Forms of Disputes

- i. Dispute between Union and Management: This erupts following disagreement between the parties on terms and conditions of employment. It extends to management's refusal to implement provisions of the collective agreement, problem of misinterpretation of the agreement between the parties and anti-labour practices by management.
- ii. Dispute between Union and Government: This occurs on some occasions when union disagrees with government over national issues that affect the welfare of its members and the populace at large. Example include the removal of fuel subsidy, hike in price of petroleum products, minimum wage etc.
- iii. Inter-Personal Dispute: It usually manifests between two individuals in the workplace. It could arise as a result of rivalry, jealousy, hatred between the individuals over work related issues or variables.
- iv. Intra-Personal Dispute: This is regarded a dispute that occurs within an individual. Everyone encounters this dispute in our effort to take personal decisions about our daily actions.
- v. Intra-Union Dispute: This centers on disagreement between members and leadership of the union on the issues concerning the organisation and running of the union affairs. Example of such issues include, election into union offices, or embezzlement of union fund and this can lead to creation of factions in the union.
- vi. Inter-Union Dispute: This is a dispute between one union and the other over disagreement on issues of divergent interests. These can occur between unions in a group of companies or conglomerate having different occupational groups under a central management such as Dangote Group of Companies in Nigeria.
- vii. Jurisdictional Dispute: This dispute arises when there is a disagreement between two unions over organisation of members. For example, the dispute between Maritime Workers Union (MWU). and National Union of Petroleum and Natural Gas Workers

over which union should organise the stevedoring workers in Chevron dockyard in Escravos in Delta State.

- viii. Inter-Departmental Dispute: This is a dispute between departments within an organisation over overlapping jurisdiction, delay in assignments, sharing of responsibilities. For instance, human resource department's attitude to disciplinary issues or finance department delaying salary payment.

9.4 Causes and Manifestations of Workplace Disputes

9.4.1 Causes of Conflicts (Disputes) in the Workplace

Dispute in the workplace in Nigeria may be between employees and other employees, employees and their management, employees' local union and employer (management of the firm) or between National Union and Employers' Association. The following issues do generate conflict:

- i. Wages, salaries and fringe benefits
- ii. Hours of work and conditions of service
- iii. Medical scheme facilities, sick benefit, death benefits.
- iv. Annual leave, maternity leave
- v. Disciplinary procedure
- vi. Violation of agreement
- vii. Physical work environment
- viii. Union recognition
- ix. Appointment, promotion, demotion grading/re-grading, termination, dismissal and redundancy
- x. State of the National economy and political trends.
- xi. Declining productivity
- xii. Technological change
- xiii. Shift in attitude towards employees.
- xiv. Methods of supervision, perceived victimization or unfair treatment by superior officer(s).

Apart from the foregoing, there are other underlying causes of conflict at societal and industrial level.

On the industrial side, wage-related issues have been identified as the most pre-dominant source of conflict. However, conflict cannot be easily traced to a particular issue, hence the need to

examine the underlying causes in all its ramifications. If this is not done, there is the possibility of conflict being diverted to other forms of disagreement with its attendant consequences.

9.5 The Benefits and the Detrimental Consequences of Trade Disputes

Dispute is a source of stress. It can have both positive and negative consequences to both individual and the organisation. If it is handled constructively or properly, moderate doses of conflict can be beneficial as outlined below:

9.5.1 Benefits

- i. The level of creativity of individuals is enhanced more when faced with conflict than when in stable condition. This means that there may be emergence of talents and abilities in response to conflict.
- ii. Conflict satisfies a number of psychological needs hence it could make some individuals feel better. It should be noted that some individuals derive satisfaction from 'good fights' hence serves as a socially acceptable substitute for attacking others.
- iii. People are satisfied when they argue over a dispute on any matter, anytime and anywhere particularly when one has the facts and is sure of the truth.
- iv. Conflict can lead to innovation and change. The history of labour movement is characterised by struggles for improvement in labour standards and conditions of work. A typical example is that the 8-working hour we enjoy today was the outcome of an 1886 protest in faraway factory in Chicago, United States.
- v. Conflict brings about healthy organisational growth. improved performance and effectiveness when the right buttons are activated by users or parties in conflict.
- vi. A conflict well resolved could help build a healthy relationship in which parties become united as they understand themselves better.

9.5.2 Detrimental Consequences of Trade Disputes

In spite of the glowing picture presented about conflict, it could also have negative effects on individuals, organisations and the society at large. The negative consequences of conflict as explained below make it imperative for parties to strive to resolve conflict at the very early stage. These negative consequences are:

- i. Prolonged conflict can affect people's emotional and physical well-being. Since conflict is in most cases, a stressful phenomenon, it could result to sicknesses such as chronic intestinal disorders and heart diseases.
- ii. When people are in conflict, they often waste time and energy that could have been put to useful purposes such as coming up with ideas on how to do their work better and less expensive.
- iii. The outcome of extreme or serious conflict may have high financial and emotional costs e.g. sabotage, homicide, suicide, lack of trust and confidence.
- iv. Too many conflicts are sources of fatigue and can lead to emotional illness. Those that work in conflict prone jobs are worn out when they return home from work while others in less conflict prone jobs have energy left over for family attention and other responsibilities.
- v. Parties in conflict are likely to be more concerned with their personal interest than with the good of the organisation, family and society. In the absence of visible or open conflict within organisational setting, other latent forms of conflict could occur on daily basis such as absenteeism, lateness to work, output restriction, overtime ban, pilfering, poor quality of work, rumour peddling and sick leave abuse, etc. These conflict situations may however remain latent but are quite volatile, awaiting to be ignited at the slightest further provocation (Otobo, 1987).

9.6 Conflict Management Strategies

Conflict management and resolution in organisations follow different approaches. It is imperative for conflict managers to be aware and understand the various alternatives strategies that could be used to manage conflicts in organisations. Anyim (2020) classified these strategies into five categories as follows: Avoidance, diffusion, neutralization, confrontation and negotiation.

Avoidance

In organisations, parties to conflict sometimes tend to avoid conflict situation or certain forms of conflict. What this entails is that in situation of conflict, people tend to look the other way or pretend the conflict does not exist. Anyim (2020) argued that people adopt this strategy when they believe they cannot effectively deal with the matter or do not have the requisite skills and knowledge to hand such situation. In this case, the evil date is postponed because the conflict will remain there unresolved.

Diffusion

The use of this strategy is just to delay the actions as it works towards keeping the situation at bay albeit temporary or to make the substance of the matter unclear to make resolution difficult or impossible. This may also entail resolving minor problems while leaving out discussion on the main issue or postponing a confrontation until much opportune time. This strategy may work when it is possible to set-aside or delay a matter.

Neutralisation

It is noted that if a conflict cannot be avoided or defused, it can be neutralised. A conflict is neutralised by preventing it from having strong effect or from working as planned by the offensive party. The objective of this strategy is to create a temporary measure to frustrate the efforts of the party and buy time for proper resolution of the conflict at a later date.

Confrontation

This strategy involves actual confrontation of the issues or the parties involved in the conflict. It actually involves the use of power tactics which could include physical attack, bribery or punishment. To the successful party, the strategy is very effective but to the loser, it marks the beginning of real conflict. A good example is the 2022 strike by Academic Staff Union of Universities (ASUU) where government stopped the salaries of the academic staff in Nigerian university as punishment for embarking on strike. The strike was suspended but the conflict still lingers. It is a win-lose situation and the costliest of all the strategies. It is recommended that the strategy should be avoided at all cost by the parties.

Negotiation

This is the fifth strategy. It involves the coming together of the parties in conflict to discuss and find solution to the matters in conflict. It aims to resolve the conflict with a solution to the satisfaction of the parties to the conflict. This appears to be the most acceptable strategy as it is a win-win for the parties. The use of this strategy requires the possession of necessary skills and determination to succeed.

9.7 Definition, Categories and Types of Strikes

9.7.1 Definition of Strike

Strike is a temporal cessation of work. According to Knowles (1952) strike is an extreme form of industrial dispute. Momodu, Gambo and Momodu (2014) describe strikes as the cessation of work

by a body of employees or a labour union representing the interest of the employees in an organisation due to a stalemate in collective bargaining between this group of employees and their management or employer. According to Emi (2000) strike indicates a breakdown of cordial relationship and it is one aspect of industrial relations that creates room for negative comments from the public. Ootobo (2005) posits that non-occurrence of strike action at a given period does not mean that other forms of industrial conflicts are not occurring. Strike is only one manifestation of industrial or trade dispute. An industrial dispute which results in strike usually attracts more attention and comments.

9.7.2 Categories and Types of Strikes

Fajana (1990) identifies strikes to be of many varieties principally because various tactics and strategies are used in their execution. The commonest forms of strike are as follows:

- i. **Wild-Cat Strike:** this strike is called wild-cat because strikers do not give any reason or notice to the employer before embarking on the action. For example, in 1988, the Senior Staff Association of the then National Electricity Power Authority (NEPA) went on strike (which led to the imprisonment of the strike leaders) without informing the employer or their national body or Secretariat. This is taken to be tantamount to the violation of contract and is not usually tolerated by the union leadership and the employers.
- ii. **Sympathy Strike:** It is also called solidarity strike and it is an action embarked upon by workers that are not direct parties in the dispute. Sympathy strikes only demonstrates moral and fraternal support that is meant to bring pressure on the employer involved in the trade dispute to accede to the demand(s) of the workers.
- iii. **Constitutional Strike:** The actions taken conform to the due process establish in the collective agreement between parties. For instance, the collective bargaining agreement can state the time strike may be called by the workers. However, by the provisions of the Trade Disputes Act in Nigeria strikes are supposed to be illegal, hence it cannot lay claim to constitutionality.
- iv. **Official or Unofficial Strike:** Official strikes are usually embarked upon with the backing of the union's leadership while the unofficial ones are usually without the authority of the union. Due to its nature, an unofficial strike could be likened to a wild-cat strike since, for

example, union members who have lost confidence in their leaders are out to demonstrate their feelings by suddenly embarking on such an unauthorized action.

9.8 Statutory Machinery for Settlement of Trade Disputes in Nigeria

In Nigeria, there are two levels at which disputes settlement takes place. These levels are the internal machinery which follows the processes established within the organisation and the external machinery which involves third party intervention as prescribed by the State through the various Acts. The external machinery is invoked when the internal machinery fails to resolve the matter at hand.

9.8.1 Internal or Voluntary Disputes Settlement Mechanism

The internal disputes settlement mechanism involves the adoption of the grievance procedure provided in the company's manual such as staff handbook and the use of collective bargaining in a union environment. The principles of collective bargaining and voluntary settlement of trade disputes are recognised by the Trade Dispute Act 1976 and the provisions of the Conventions of International Labour Organisation (Agomo, 2011). Collective bargaining is a form of collective dialogue or negotiation between employers represented by their management and the workers represented by their trade unions with the aim of reaching an agreement. In Section 3 of the Trade Dispute Act, it is provided that three copies of the collective bargaining agreement should be deposited with the Minister of Labour and Employment by the parties.

- i. It is further provided that any collective agreement signed on or after the date of commencement of this Act should be deposited within thirty days of entering the agreement;
- ii. Also, that any collective agreement that is signed or entered into on or after the date the Act comes into effect should be deposited with the Minister within fourteen days of entering into the agreement.

It is stated that failure to deposit copies of the said agreement by the concerned parties within the stated time frame as prescribed in the provisions of the Act, such party shall be guilty of an offence under this Act and on conviction shall be liable to a fine of ₦100.

Section (3) (1) provides that if there is an agreed means by which disputes are to be settled apart from the Act, based on the provisions of any collective agreement or any other agreement between an organisation of employers that represents the interest of employers and the organisation of

workers, attempt must be made by the parties to the dispute to first use the means to settle the dispute.

9.8.2 External Disputes Settlement Mechanisms

The Trade Disputes Act 1976 and the subsequent amendments provides for the use of the external dispute settlement procedure in settlement of any dispute. Workers and their employers are encouraged by the Act to make effort to use the voluntary procedures to settle their disputes as specified in their procedural agreement. According to Fajana (2006), the use of collective bargaining as an internal settlement mechanism most times fails as a result of lack of sufficient trust, sincerity and goodwill between management, and union leaders. However, the failure of the internal mechanism was envisaged by the Trade Dispute Act 1976 and hence made a provision in section 3(2), that if the attempt to settle the dispute in line with the provisions in section (1) fails, the parties shall as an alternative, adopt the under listed formal statutory institutions of external dispute settlement procedures:

- i. Mediation
- ii. Conciliation
- iii. Arbitration (Industrial Arbitration Panel)
- iv. Industrial Court (National Industrial Court)
- v. Board of Inquiry

9.8.2.1 Mediation

Mediation is the first of the external dispute settlement mechanisms provided in the Trade Disputes Act. The Act provides that if the use of internal mechanism is unable to resolve any dispute, the parties involved should make use of Mediation. Fashoyin (1992) noted that private sector employers sparingly use mediation especially when attempt is made to resolve interpersonal, procedural and substantive disputes.

Section 3 (2) of the Trade Disputes Act 1976 provides that in a situation where the internal machinery for settlement of trade dispute fails or where there is non-existence of internal machinery, the parties in dispute shall within seven days of the breakdown of negotiation or seven days of the existence of the dispute in the absence of established machinery, come together either by their representatives or themselves, under the lead of a mediator that is mutually agreed upon and appointed by the parties or on behalf of the parties to resolve the dispute amicably.

In the event of failure to settle the dispute amicably and any of the parties decides to pursue the matter further, such party should within fourteen days of the failure to settle the dispute declare a trade dispute by writing to and informing the Ministry of Labour and employment.

According to Fashoyin (1992), the use of mediation is not common in Nigeria but it has the prospect to assist parties reach agreement if it is used to explore common areas of likely agreement.

The following reasons account for why the use of mediation is not common in Nigeria:

- i. The Ministry of Labour and Employment does not enforce its use as provided in the Trade Dispute Act. Also, the Ministry does not have a pool of Mediators from where parties can draw;
- ii. Parties are meant to pay for the services of the Mediator so they try to avoid that cost attached to its use;
- iii. Parties in dispute have difficulty in arriving at a choice of Mediator;
- iv. It is not advisable to use a mediator to handle matters that may result in colossal damage or cost if a solution is not found quickly.

9.8.2.2 Conciliation

The Act prescribed that if a dispute is not settled within seven days of the appointment of the mediator, any of the parties in the dispute shall report in writing to the Minister within 3 days of the end of seven days. The Minister has the obligation to appoint someone considered fit as a Conciliator. It should be noted that although, the Act prescribes the appointment of a fit person by the Minister of Labour and Employment, the Minister usually appoint any of his officers to serve as a Conciliator irrespective of the officer's fitness as prescribed by the Act (Anyim, 2009; Fashoyin, 1992).

Otobo (2005), describes conciliation as a practice that uses the services of a neutral third party in a dispute to help the disputants narrow their differences with the objective of arriving at an amicable settlement or resolving the dispute.

To help narrow their differences and reduce tension so as to secure settlement, a conciliator works under prescribed guidelines, such that he or she does not apportion faults to parties in the presence of the other party and demonstrates high level of impartiality, (Fashoyin, 1992). However, because of either or both inexperience or out of impatience to get result, some of the conciliators usually go against the guidelines during conciliatory meetings (Ubeku, 1983). A conciliator has the responsibility to inquire into the causes and circumstances of the dispute and also work in

collaboration with the disputing parties to bring about solution to the matter under dispute. Conciliation is seen as a process of negotiation and according to Otopo (2005) some observers describe it as an extension of collective bargaining with third party assistance. This is because its viability is based on the principle of effective communication and negotiation.

It is provided in Section 7(3) of the Trade Disputes Act that if the person appointed as a conciliator is able to reach settlement within seven days of the appointment, the Conciliator shall send a report of the fact to the Minister and shall also forward to the Minister a memorandum of the terms of the settlement duly signed by the parties' representatives. The terms recorded in the memorandum shall be binding on the employers and workers to whom those terms relate from the date the parties signed the memorandum or such earlier or later date as may be specified in the memorandum.

However, it is also provided in section 7 (5) that the conciliator shall send a report to the Minister to inform him of the position of things if the conciliator is unable to settle the dispute within seven days of his appointment or if, he is convinced of his inability to resolve the matter after attempting negotiation with the parties. Fashoyin (1992), stated that in Nigeria, after collective bargaining, conciliation is the next most commonly used form of third-party intervention in dispute settlement. This is in line with the views of Anyim (2009) that conciliation has higher level of usage than other external disputes settlement machineries in Nigeria.

9.8.2.3 Arbitration

The Industrial Arbitration Panel (IAP) is saddled with the responsibility of conducting arbitration into industrial disputes in Nigeria. The Trade Dispute Decree of 1969 set up the Industrial Arbitration Panel (IAP) as a tripartite agency. Arbitration as noted by Otopo (2005) means 'to give judgment' or 'to make a decision' and is derived from the Latin word *arbitrari*. Within fourteen days of the receipt of report from a Conciliator, the Minister usually refers trade disputes to the Industrial Arbitration Panel.

The composition of IAP is made up of not less than ten members appointed by the Minister, a vice chairman and a chairman. Two each of the ten members are nominated by the employers and trade unions. IAP does not handle individual disputes or disputes that bother on human rights as its jurisdiction is for only trade disputes.

On receipt of a referral from the Minister by the panel, the chairman shall constitute an arbitration tribunal made up of the following;

- i. An Arbitrator;

- ii. A single Arbitrator assisted by two or more assessors that are nominated on equal basis from the panel of employers and workers representatives;
- iii. One or more Arbitrators nominated on equal basis by or on behalf of the employers and by the workers concerned with the chairman or vice chairman presiding.

The tribunal has within twenty-one days or such longer period, as may be permitted by the Minister on case-by-case basis make its award which is communicated directly to the Minister and not to the parties in dispute. It is the responsibility of the Minister to release the award of the tribunal to the parties or their representatives. A notice of objection to the Minister may be raised by either of the parties to the dispute within seven days of release of the award them. however, if within the specified days and no notice is given, the Minister shall publish in the Federal gazette a notice that confirms the award. The award once published shall be binding on the parties to whom it relates with effect from the date of the award or such earlier or later date as may be specified in the award. However, in some circumstances and if the Minister so desires, he may refer the award back to the arbitration tribunal for review or reconsideration. The Act did not clearly state the circumstances under which the Minister may reject an award or what constitutes the desirability of the Minister to refer the award back to the tribunal. However, Fashoyin (1992) and Anyim (2009) stated that if the Minister observes a contravention of any public policies or interests by the award, he may refer it back to the arbitration tribunal for reconsideration.

Fashoyin (1992) observes that workers and their trade unions prefer arbitration to conciliation particularly when the dispute is an interest disputes or involves economic issues and that arbitration process has gained improved popularity since it was introduced in the late 1960s. one of the challenges faced by IAP is the delay in dispensing with the cases referred to it by the Minister. As noted by Anyim (2009), that although, Section 12 of the Trade Disputes Act requires IAP to give its award within 21 days with opportunity for extension for 42 days with Minister's approval, the time frame is hardly complied with.

Despite these challenges or criticisms, it should be noted that IAP has given some awards that contain landmark decisions. An example is interpretation given to section 12 (4) of the Trade Unions Act, as amended by Trade Unions (Amendment) Act of 2005 to re-affirm the provision of the section that membership of trade unions shall be voluntary and that no employee shall be compelled to join any trade union or be victimised for not joining or for refusing to remain a member of any trade union.

9.8.2.4 The National Industrial Court (NIC)

The NIC was first inaugurated on 5 June, 1978 even though it was established by the Trade Disputes Act 1976. Under the Trade Disputes Act 1976 membership of the court is comprised of the President of the court and four other members. These shall be persons of good standing, well knowledgeable on employment conditions in Nigeria and at least one of the members must have sound knowledge of economics, industry or trade. For the purpose of dealing with any matter, the President shall constitute the court by either all five members or the President and two ordinary members.

The jurisdiction of the court under the 1976 Act as amended include having exclusive jurisdiction over the following matters; making awards for the purpose of settling trade disputes, determining questions as to the interpretation of any collective agreement, interpreting an award made by an arbitration tribunal or by the court itself and the terms of settlement of any trade dispute by a Conciliator. The court is meant to make its award within thirty working days from the commencement date of hearing.

The enactment of the National Industrial Court Act, 2006 and the Constitution of the Federal Republic of Nigeria (Third Alteration) Act, 2010 brought about changes in the functioning of NIC. There are three main issues that necessitated enactment of the NIC Act, 2006:

1. The constitutionality of the jurisdiction and power. According to Agomo (2011), the Trade Disputes (Amendment Act) 1992 created some elements of confusion as it enlarged the jurisdiction of the NIC by including inter- and intra-union disputes without amending the definition of trade dispute in the main Act.
2. Another issue was the challenge of composition of the court. This is because the president was required to preside over all sittings of the court. What this meant was that the court cannot sit if the President was absent for any reason.
3. There was the issue of challenge of acceptance by the judiciary as it was believed that the appointment of other members of the court and of non-lawyers as members of the court by the Minister of Labour and Employment runs against the principles of separation of powers.

There has been an increase in the number of cases handled by NIC from 2006. For example, judgments and rulings in 2014 alone surpassed the number of cases handled from 1978 to 2005 (Ideh, 2017). This positive development could be the outcome of the changes made by both the

NIC Act 2006 and the constitution of Federal Republic of Nigeria (Third Alteration) Act 2010 on both the expansion of the jurisdiction and the composition of the judges of the NIC. The expansion of the jurisdiction of the NIC by the Constitution involved; the inclusion of a wide range of areas that were not earlier covered such as the provision that individuals can now approach the Court rather than cases being referred to it from IAP or by the Minister of Labour and Employment; the establishment of divisions of the court in different parts of the country; that the Court can be properly constituted without the President of the Court presiding and; that a single judge or not more than three judges as the President of the NIC may duly constitute the Court.

9.8.2.5 Board of Inquiry

When government desires to look into the causes and circumstances of the disputes, it is referred Board of Inquiry. Board of inquiry is a fact-finding mission and it is a means by which government and the general public are informed about the immediate and remote causes of a dispute especially where the facts and the underlying causes of the dispute are not very obvious and applying other or appropriate machinery becomes challenging. The Minister of Labour and Employment has the power to constitute a Board of Inquiry to investigate disputes and other employment problems as enshrined in Section 32 of the Trade Dispute Act. Board of inquiry is used mainly in situation where the Minister apprehends a dispute or when he notices that there is a dispute. The Minister does not require the consent of parties in a dispute to set up a Board of Inquiry. The responsibility of the Board of Inquiry is to investigate a dispute, state the findings and make appropriate recommendations in a report to the Minister.

9.9 Alternative Dispute Resolution Machinery (ADR)

Employment relations system in Nigeria before colonialism was characterised by paternalism. This feature of employment relations was mainly in agrarian societies where the father more or less represents the employer while the family both immediate and extended members represent the employees.

The political and administrative activities of the British government during colonialism brought about the introduction of a more official, voluntary employment relations practices derived from the Anglo-Saxon model of industrial relations. Under this model, situational factors such as conflict that tend to arise within the workplace were believed to be better handled by workers and employers. This model does not prescribe a direct State intervention in dispute settlement process.

Rather it expects the State to set up the legal framework that will guide the workers and employers in negotiation and collective bargaining.

We can rightly point out that there are several options available to parties in dispute settlement. For example, a party to a dispute may decide to go the way of self-help by taking unilateral actions to settle a dispute or may go to court to seek redress. On the other hand, both parties may collaborate to seek for a solution to their common problem. A critical review of the above options will reveal that unilateral actions are illegal and the results may not be palatable or satisfactory. Therefore, litigation and Alternative Dispute Resolution appear to present better and acceptable options for dispute settlement.

Most of the alternative methods were part of customary jurisprudence and enforcement in pre-colonial time and was easy with dictates of customs and tradition of community. With the advent of English legal system in Nigeria, regulation of disputes in Court became the legally recognised mode. However, Nigeria Constitution currently neither provides for ADR nor prohibits it.

The International Labour Organisation (ILO) refers to Alternative Dispute Resolution (ADR) as a substitute for the court system. It comprises a set of processes that comprise negotiation, conciliation, mediation and arbitration (ILO, 1997). This description encompasses a group of approaches used to settle disputes which in practice differ in terms of their nature and use from one institutional context to another.

For example, under certain context, ADR refers to everything from assisted settlement discussions, which is situation where disputants are encouraged to consider issues directly with each other as a first step, to later legal procedures which include arbitration system or mini-trials that has some semblance with court processes. In another context, ADR may be seen as a vehicle used to bring workplace justice to a larger number of people at a lower cost and faster than conventional government channels.

As noted by some scholars, ADR may be a means through which gaps or weaknesses in statutory dispute resolution institutions are overcome and acts as support for government agencies to meet their societal responsibilities more efficiently.

9.9.1 Nature of ADR Mechanisms in Nigeria

When compared to legal proceedings in Nigeria context, ADR is said to be a quick, relatively non-adversarial and objective process for resolving disputes. Again, within the Nigeria context, emphasis is placed on how to sustain the mutual relationships that exists between the disputing parties while ADR is used to resolve a dispute. ADR is a dispute resolution process and technique that fall outside the Government judicial process of courtroom litigation. ADR is used to complement and not a substitute for litigation. ADR is therefore a procedure that is adopted to settle disputes as alternatives to the dispute settlement mechanism of the court.

In recent years, ADR has become generally acceptable by both the general public and legal profession. In some countries, courts normally advise parties to disputes to resort to ADR before permitting the case(s) to be tried by the courts. The rising popularity of the process can be explained by the increasing caseload of courts, the perception that ADR imposes fewer costs than litigation, a preference for confidentiality and the desire of some parties to have greater control over the individual or individuals who will decide their dispute.

9.9.2 Factors to Consider in the Choice of Dispute Resolution Mechanism

The factors to consider as noted by Anyim (2020) when deciding on the appropriate process for a particular dispute include:

- i. The relationship between parties;
- ii. Confidentiality/privacy especially in case involving trade secrets;
- iii. The extent to which the parties need to be involved in both the process and the outcome;
- iv. Time and costs: Time may be of the essence and any delays may escalate the costs. The value of the claim may affect the willingness of the parties to take risk;
- v. What are the structural features of this dispute (such as time-constraints or resource allocation)?
- vi. What is the intended goal in striving to resolve this dispute?

In Nigeria presently, there is no law regulating the practice of ADR aside from arbitration and to a limited extent conciliation where the Arbitration and Conciliation Act Cap A18 Laws of the Federation of Nigeria 2004 makes provisions for the settlement of commercial disputes by arbitration and conciliation. By implication, there is no statutory provision of substance, practice and procedure for other ADR processes.

9.9.3 Major Characteristics of ADR

- i. Allows a custom-made win-win outcome on all or parts of the matter;
- ii. Focuses on consensus building and is future oriented;
- iii. Aims to establish the parties' interests;
- iv. Involves the participation of a neutral and impartial alternative dispute resolution practitioner, selected or agreed upon by the parties to facilitate participants' negotiations and discussions;
- v. Voluntary participation except where it is court ordered. Participants can withdraw from the process at any stage;
- vi. It is usually informal, less structured and flexible;
- vii. Emphasis is on mutual over self-interest and reconciliation over termination.

9.9.4 Advantages

- i. Parties define the scope of issues, control of the process and retain control of the outcome. This means that the final say is retained by them and not with the ADR practitioner they have the final say;
- ii. Discussions, negotiations and documentations are confidential and are not part of public records except where the law states otherwise;
- iii. It creates opportunities for direct communication between participants so as to establish the main issues and source of the dispute in a setting that is non-confrontational;
- iv. It affords the parties the chance to explain the matter in dispute from his/her point of view, needs and interests without the restrictions of the civil rules;
- v. The outcomes require commitment and good-faith participation by all participants because the absence of intention to collaborate by participants may result in waste of resources;
- vi. ADR process can be scheduled at the convenience of parties and practitioners;
- vii. Parties reserve the right to litigate if they are not satisfied with the process or when agreement is not reached;
- viii. If a mutually acceptable resolution is reached, the agreement can result in a legally binding settlement agreement;

- ix. Outcomes depend on settlement authority of the participants and it allows for the preservation of business relationships.

9.9.5 Classification of ADR

ADR is generally classified into at least four types:

a. Negotiation: Participation is voluntary and there is no third party who facilitates the resolution process or imposes a resolution. To the extent that ADR processes are essentially voluntary, its principles are congruent with the internal grievance settlement mechanism as provided in the Trade Disputes Act, 1976.

b. Mediation: Under this process, there is a third party called Mediator who facilitates the resolution of dispute but does not impose resolution on the parties. In line with the provisions of the Trade Disputes Act, 1976 and in practice mediation is not prominently used in Nigeria. However, ADR has been successful in resolving some commercial disputes in private organisations.

c. Collaborative Law or Divorce: Here, each party has an Attorney who facilitates the resolution process within specifically contracted terms. In effect, the parties reach agreement with support of the Attorneys who are trained in the process and are mutually agreed experts. The Attorney does not impose a resolution on the parties. However, the process is a formalized process and part of the litigation and court system. This ADR process is akin to the role played by a conciliator under the Trade disputes Act, 1976 which centres on facilitating or to midwife settlement between parties to dispute. As a rule, the conciliator does not impose settlement on the parties but negotiates with them to bring about settlement.

d. Arbitration: In this process, participation is typically voluntary but there is a third party who as a private judge imposes a resolution. The decision of arbitral body (award) may be enforced like a court judgement. The award is binding on the parties and may be set aside by the court only on statutorily prescribed grounds. This ADR process is synonymous with the Industrial Arbitration Panel (IAP) procedures save the disputants under the ADR appoint the arbitrator(s) themselves while IAP Arbitrators are appointed by the State and imposed on the parties.

9.9.6 Binding Effect and Enforcement of Alternative Dispute Resolution (ADR) Settlements

The binding effect and enforceability of ADR resolution is a function of whether the decision is a product of adversarial process of arbitration or non-adversarial process (negotiation, conciliation etc.). In adversarial process of arbitration where one of the parties fails to comply, decision can be enforced through judicial process. In non-adversarial process, parties usually enter into settlement terms and such settlements are duly signed by them. The terms would not be binding or enforceable as they remain offer to settle.

To make ADR binding, parties must apply, seek and obtain leave of court to enter the terms of settlement. That is, the court has to make the terms of settlement a consent judgment. In line with a Supreme Court judgment and quoting their Lordships: “where parties to a suit agree to settle their differences out of court, the terms of settlement would be drawn up and signed by the parties”. The agreed term can only become a final and conclusive judgment when the court makes those terms of settlement a judgment of the court.

Summary

The chapter commenced with introduction to workplace disputes and the definition as disagreements that often occur between the workers and the employers on the one hand and among the workers themselves on the other hand. Other areas discussed include the types and forms of dispute, the causes and manifestation of disputes, the benefits and detrimental consequences of trade disputes. Also discussed are conflict management strategies and strikes. The chapter concluded with discussions on the statutory machinery for settlement of disputes in Nigeria including alternative dispute resolution.

Practice Questions

1. What is industrial dispute?
2. Identify and explain any five forms of industrial dispute.
3. Industrial dispute is inherently dysfunctional. Discuss.
4. What are the different approaches to conflict management?
5. Statutory machinery for settlement of trade dispute in Nigeria is invoked when the internal machinery fails. Discuss.
6. What factors would you consider in the choice of dispute resolution mechanism?

Practice Questions: Multiple Choice Questions (MCQs)

1. Which of the following may arise out of the determination of new issues in employment conditions?
 - A. Rights disputes
 - B. Interest disputes
 - C. Jurisdictional disputes
 - D. Inter-personal disputes
2. Which of the following describes the strike embarked upon without any reason or notice issued to the employer?
 - A. Wild-cat
 - B. Sympathy
 - C. Constitutional
 - D. Rights
3. The National Industrial Court was inaugurated in ...
 - A. 1975
 - B. 1976
 - C. 1977
 - D. 1978
4. Which of the following options would make ADR decision binding?
 - A. Obtain the leave of court
 - B. Get the parties to sign
 - C. The third party should sign
 - D. The parties and witness must sign
5. ... represents the first step of the external disputes settlement mechanism as prescribed by the Trade Disputes Act, 1976
 - A. Conciliation
 - B. Arbitration
 - C. Mediation
 - D. Adjudication

Keys: 1. B; 2. A; 3. D; 4. A; 5. C

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CHAPTER TEN

CHAPTER TEN: COLLECTIVE BARGAINING

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. define Collective Bargaining;
- ii. evaluate the theories of Collective Bargaining;
- iii. discuss the conditions for effective Collective Bargaining;
- iv. describe the legal framework for Collective Bargaining in Nigeria;
- v. explain the structure of Collective Bargaining;
- vi. identify the gains of Collective Bargaining to the parties;
- vii. discuss public sector Collective Bargaining;
- viii. apply negotiation skills in collective bargaining.

10.0 Introduction

According to Rose (2008) the term collective bargaining was originated by Sydney and Beatrice Webb (the Webbs). The Webbs (1897) describe collective bargaining as the process of agreeing terms and conditions of employment through representatives of employers (and possibly their associations) and representatives of employees (and probably their unions). Rose (2008) posits that collective bargaining is a process whereby representatives of employers and employees jointly determine and regulate decisions pertaining to both substantive and procedural matters within the employment relationship. The outcome of the process is the collective agreement reached between the parties. Collective bargaining is therefore considered as negotiation plus agreement.

Collective bargaining as one of the processes of industrial relations performs a variety of function in work relations. It could be viewed as a means of industrial jurisprudence as well as a form of industrial democracy. It is a means for resolving workplace conflict between labour and management as well as a “continuing institutional relationship between an employer as an entity (government or private organisation) and labour organisation (Union or Association) representing exclusively a defined group of employees of a particular employer (appropriate bargaining unit) concerned with the negotiation, administration, interpretation and enforcement of written agreements covering joint understanding as to wages/salaries, rate of pay, hours of work and other conditions of employment. International Labour Organisation (ILO) (1960) views collective

bargaining as “negotiations about working conditions and terms of employment between an employer, a group of employers or one or more employers’ organisation on the one hand and one or more representative of workers’ organisation on the other with a view to reaching agreement”.

10.1 Definitions of the Concept of Collective Bargaining

There is no statutory definition of the term “Collective Bargaining” in Nigeria but it is conceded that the right to collective bargaining by employers and workers is a fall-out from the right to Freedom of Association as contained in ILO Convention No.87. as noted by Aturu (2005), collective bargaining is a process whereby workers and employers either go into discussions and consultations with a view to arriving at collective agreements aimed at regulating terms and conditions of work. Lemey (2002) sees collective bargaining as the mechanism that furthers basic union purpose on behalf of workers also projecting workers as opposed to an individual worker representing himself or herself. Collective Bargaining is an important medium for attaining a harmonious relationship between employers and workers in the workplace (Okene, 2011). Collective bargaining takes place when representatives of labour union meet with management representatives to determine employees’ wages, benefits and other working conditions (Bernadin, 2003). According to Appah and Emeh (2012) collective bargaining is a mechanism used to set the rules that guide the relationship between employers and employees during the life span of the collective agreement and extends to procedures for resolving grievance and disputes when they arise. Collective bargaining is a process of negotiations between workers’ group and employers as against individual bargaining (Otobo, 2005). Anyim (2014) states that the significance of collective bargaining rests on the principle that workers have right to contract with their employers as to wages and working conditions and that the employers recognise that right. Therefore, from the democratic point of view, collective bargaining is essentially a system in which employers share some administrative or management decision-making process with the trade unions. The alternative to collective bargaining is undemocratic in the sense that if it is left to the employer alone, the negotiation will produce in reality terms imposed by the employer which the workers must accept. Furthermore, the other alternative is for the State as the chief regulator of the national economy to fix all terms and conditions of employment. In similar vein, the right to strike is an integral component of the right to collective bargaining. It follows that by both local laws and international conventions, the right of workers to collectively bargain with their employers also means the recognition of the right of workers to strike in appropriate cases.

10.2 Theories of Collective Bargaining

Theoretical framework serves as vehicle that assists in the understanding of events and problems in a practical sense. It helps to explain how the actors behave in the course of collective bargaining process and gives the readers fore knowledge and insight about the subject-matter. There is a strong connection between theory and practice as there cannot be practice without theory. Among the theories to be discussed in this chapter include:

10.2.1 Chamberlain and Kuhn Trichotomy Theory

Chamberlain and Kuhn grouped the theories into three categories and that explains why it is called trichotomy theory. These sub-theories are Marketing Theory, Industrial Governance or Governmental Theory and Industrial Management or Managerial Theory.

Marketing Theory

Marketing theory views collective bargaining as a process in which labour is sold and bought in the marketplace by employers. Through the process of drawing labour contract with individual worker, the terms and conditions of employment are agreed upon between workers and employers. Collective bargaining is thus seen as a process by which terms and conditions that govern the supply and demand for labour in the workplace are established.

Industrial Governance or Governmental Theory

Industrial governance or governmental theory views collective bargaining as a rule making process. That is the process by which rules that govern the relationship between management and trade unions are made. Collective bargaining is therefore viewed as a political process performed within an industrial setting by organisations, agencies and institutions which help to make and interpret laws for the industry. It also extends to agencies and institutions for enforcing laws within the ambit of collective bargaining.

Industrial Management or Managerial Theory

Under the industrial management or managerial theory, collective bargaining is conceptualised as a process that gives the workers through their trade unions the opportunity to share managerial functions with the employers. Under this platform, both parties discuss matters of interests and reach decisions rather than leaving decision-making process exclusively to management. There are some issues that statutorily fall under the exclusive jurisdiction of management which are

regarded as management prerogative while other matters that can be jointly discussed by both parties are known as negotiable items.

10.2.2 The Webbs' Theory Collective Bargaining

The Webbs' theory of collective bargaining sees collective bargaining as an alternative to individual bargaining with focus on improving the working conditions of the employees. As noted by the Webbs, collective bargaining can be determined through four means: unilateral determination by employer, workers, State as well as joint determination by the three social partners or actors (State, Employer and Trade Union). According to the Webbs, unilateral determination of terms and conditions of employment by each actor could be conflictual while joint determination by the social partners would be congenial to industrial peace and harmony. In economic terms, collective bargaining allows those who supply labour and those who demand for labour to meet and determine the equilibrium point to purchase labour within the context of a given labour market. Furthermore, the Webbs stated that collective bargaining being a contract does not commit either party even where the contract has legal status and then concluded that what collective bargaining does is to ensure that the rate and terms of employment are in accordance with the terms of the collective agreement negotiated by parties.

10.2.3 Dunlop's Theory

J.T. Dunlop as highlighted in his Systems Theory sees collective bargaining as the making of rule to regulate and govern the workplace. Collective bargaining as an institution has three actors which comprise managers and their representatives, a hierarchy of non-managerial employees and their spokespersons and specialized agencies operating within a contextual environment that play a decisive role in shaping the rules of an industrial relations system and within which the actors interact. The environment also includes technological characteristics, budgetary constraints and the locus and distribution of power in the larger society. Dunlop however, holds the view that collective bargaining as an institution can only be effective to the extent that the environment can allow.

10.2.4 Allan Flanders' Theory

Flanders views collective bargaining more political than economic process involving rule making and power relationship. He assumed that collective bargaining is basically an institution for job regulation and the key to the process requires the acceptance of Freedom of Association entrenched in statutes and other State policies. The rule can also appear in the form of collective agreement and it can also emerge through management decisions. He contended that the approaches to rule making are inexhaustive but the only commonality is that all rules eventually constitute an instrument for regulating employment relationship. Flanders sees individual bargaining as a process concluded between an employer and employee under the framework of a labour contract while collective bargaining extends not only to present employees but also those who are employed long after the agreement has been signed provided, they were employed during the tenure of the agreement. Flanders emphasised the importance of power relationship between the parties and opined that success or failure of bargaining depends on the strength of the parties to the collective bargaining and joint authorship at the rules in the collective bargaining process. The greatest advantage of collective bargaining as advanced by Flanders is that it has become an institution for the promotion of lawful employment relations and that both procedural and substantive rules are derived from the rule making process.

10.2.5 Hugg Clegg's Theory

Cleggs views collective bargaining as a form of industrial democracy. This implies the participation of those who work in organisations in the determination of the conditions of their working lives. The concept of industrial democracy may imply workers' participation in the form of joint consultation, co-ownership and codetermination. According to Clegg, collective bargaining as a form of industrial democracy is analogous to parliamentary democracy except that the trade unions are opposition that could never replace or become Government which is termed management in industry. However, Clegg's theory attracted some criticisms as it was perceived that if indeed collective bargaining can be taken as industrial democracy, then the plight of workers in industry may have improved since the 19th Century industrialism. Besides, if trade unions can be taken as opposition that can never become Government, then one should not liken collective bargaining to parliamentary democracy in the first place. According to Otopo (1987) one cannot

speak of a parliamentary democracy if there is no possibility of the opposition becoming Government.

10.2.6 Behavioural Theory of Collective Bargaining

Richard Walton and Robert Mckersie (1965) identified four models of bargaining behaviour. These models are also called the sub processes of collective bargaining as contained in their book, entitled. "*A Behavioural Theory of Labour Negotiations.*" These are distributive bargaining posture or strategy, integrative bargaining posture of strategy, intra-organisational bargaining posture or strategy and attitudinal structuring posture or strategy. The theoretical framework presented by Walton and Mckersie (1965) helps us to understand the importance of the influences on the negotiation process and the complex behavioural issues in union/management relations.

Distributive Bargaining Strategy

Whenever the parties in a collective bargaining face a conflict situation, neither of the parties would easily concede since such a concession will represent a loss for one party and a gain to the other. Walton and Mckersie (1965) suggested that the best bargaining strategy to use under conflictual situation is distributive bargaining. It is important to note that most of the substantive issues fall into this category in real-life negotiations. The supply of the resources under bargain is always fixed and since none of the parties will desire to lose out completely, the best strategy is to bargain to distribute the resource in a manner that is consistent with the bargaining power of the parties. Therefore, distributive bargaining strategy is used to resolve pure collective bargaining issue where both parties have divergent interests. This is a classic example of 'win-lose' negotiations or a zero-sum game or fixed-sum game because one party's gain represents a loss to the other. Distributive bargaining is similar to conjunctive bargaining as proposed by Chamberlain & Kuhn (1965).

Integrative Bargaining Strategy

Under integrative bargaining strategy, both parties offer solutions that could increase the size of the pie (Fashoyin, 1992). In this situation, the objectives of the parties need not be in conflict as in the case of distributive bargaining. Safety and security issues, which protect the health and security of workers and at the same time help management in many ways, are a typical example. Thus,

integrative bargaining strategy is deployed on collective bargaining issues where both parties have mutuality or commonality of interests. What happens here is the feelings and suggestions of both parties are integrated into a common solution to the problem. The essence of integrative bargaining is cooperative bargaining towards solving a common problem in a mutually beneficial manner. Unlike the distributive bargaining strategy, this is the classic type of “win-win” negotiation or can be described as a non-zero-sum game or variable-sum game. Integrative bargaining is similar to Cooperative bargaining as proposed by Chamberlain and Kuhn.

Attitudinal Structuring Strategy

The outcome of attitudinal structuring can be likened to what Obisi (2005) described as that you get what you give out, that is, it is what you sow, that is what you reap. The implication of this is that the outcome of collective bargaining is often a reflection of the general atmosphere created by the parties and their behaviour towards each other before and during negotiations. If a party creates an atmosphere of cooperation, trust and confidence, the other party’s attitude and response will most likely be cooperative and friendly. Attitudinal structuring, hence means to influencing the parties’ interpersonal relationships particularly those of the negotiating team. Therefore, parties are to cultivate attitudes that are friendly and conducive to reaching agreement because the nature of relationship whether based on friendliness or hostility between both parties will to a great extent affect the negotiation process. The success or failure of negotiation can be predicted depending on how the attitude of the parties had been structured prior to the negotiation. Key elements include cooperation, accommodation, trust and mutual respect.

Intra-Organisational Bargaining Strategy

Intra-organisational bargaining strategy refers to the internal bargaining within each side of the bargaining unit. In other words, it is bargaining within one’s own group or constituency. This means that Management team may meet among themselves to determine and agree on the reasonable level of concession that can be profitably made. Also, the trade unions will meet to help minimise dissatisfaction which may occur when demands made on management do not reflect the interests of all interest groups within the union. Intra-organisational bargaining is very important particularly for the unions as failure to ensure that popular demands are made may lead to breaking up of the unions in factions. The major thrust here is that both parties should be able to achieve a consensus at the end of the negotiation that is appealing to all stakeholders.

10.3 Conditions for Effective Collective Bargaining

These relate to conditions or pre-requisite factors that should be present to promote healthy and effective collective bargaining. ILO (1960) listed the following as conditions for effective bargaining:

- i. Freedom of Association: Union and employers need to be organised in line with the provisions of ILO conventions and constitution of the Federal republic of Nigeria.
- ii. Favourable Political and Economic Climate: This is essential as it determines the orientations of the employer, employees and Government to the institution of collective bargaining. For example, democratic and autocratic systems of Government have impact on collective bargaining institution. Also, economic conditions affect collective bargaining process.
- iii. Power Relationship: There should be balance of power between the parties and not for power to be concentrated on one side. It is the influence of power that causes mutual respect for each side of the industry in the course of bargaining. However, it should be noted that employers are always have better power bargain because the instrument of the State is always at their disposal.
- iv. Joint Authorship of Rules: A bargaining relationship in which parties jointly authored the collective agreement shows that the bargaining is effective and parties work co-operatively and have mutual respect for each other. Besides, implementation will be hitch-free.
- v. Stability of Workers' Organisation: This implies the need for the union to be stable in terms of its membership strength and finance. Added to this is the need for the union to be in a position to meet the legitimate need(s) of its members.
- vi. Avoidance of Unfair Labour Practices: Unfair labour practices are conducted either on the part of the union or management which violates the provisions of the Labour Act. For good Collective bargaining process, unfair labour practices in all its ramifications need to be forestalled by the parties.
- vii. Willingness of Parties to Give and Take: Each party in negotiation should be prepared to make concession(s) during bargaining to avoid undermining the institution of collective bargaining. It is the spirit of negotiation to give and accept concessions.

- viii. Ability of Parties to Negotiate Skillfully: Both sides must possess the right skills in the art of collective bargaining. The implication of this is that every party should present their best hands in the area of negotiation when going to the negotiation table.
- ix. Willingness to Negotiate in Good Faith and Reach Agreement: Parties must have open mind in the course of the negotiation and be realistic in their offer(s) and counter offer(s) bearing in mind that the essence of the exercise is to reach an agreement acceptable to both parties.
- x. Willingness to implement collective agreement: It is not good enough to reach an agreement in the course of negotiation but its hitch-free implementation is very germane. Where agreements reached are not implemented to the letter, the offending party may not take future negotiation engagements seriously. This may further lead to erosion of confidence and conflict. A good example can be seen in the Nigeria University system where most of the strike actions by the university unions can be traced to non-implementation of collective agreement.

10.4 Legal Framework for Collective Bargaining in Nigeria

The legal framework of collective bargaining in Nigeria comprises the various legislations made by the State to guide and regulate the art of collective bargaining. The Constitution of the Federal Republic of Nigeria guarantees inter-alia that ‘every person shall be entitled to assemble freely and associate with other persons and in particular may form or belong to any trade union or any other association for the protection of his interests. This guarantee is not however, absolute as it is subject to the restrictions imposed by the Constitution. One such restriction in Trade Union Act prohibits named categories of persons from forming or joining trade unions. Others are that “no trade union shall be registered to represent workers or employers in a place where there already exists a trade union’. Furthermore, the right of a worker to join or hold office in a trade union shall be determined only on the basis of a possible conflict of that person’s loyalties to either the trade union or the management as a result of such membership. Apart from the foregoing restrictions, provisions exist in various labour legislations in aid of the institution of collective bargaining. Provision of legal immunities against actions in tort for trade unions and for certain acts undertaken in contemplation or furtherance of a trade dispute. (Trade Union Act, S23). Provision that an employer shall not make it a condition of employment that a worker shall or shall not relinquish membership of a trade union or cause the dismissal of or otherwise prejudice a worker by reason

of his trade union membership or because of his trade union activities outside working hours, or with the consent of the employer, within working hours, or by reason of the fact that he has lost or been deprived of membership of a trade union or has refused or been unable to become or for any other reason is not a member of a trade union (Labour Act, S6). It is obligatory for employers upon registration and recognition of a trade union to operate the check-off system to cover all employees who are eligible to be members of the union except those who contract out of the system in writing (Labour Act, S3). There is statutory provision on the disclosure of information by employers to trade unions or workers' representatives for the purposes of collective bargaining in the event of redundancy. Employers are obliged to inform the trade unions or workers' representatives concerned of the "reason for and the extent of the anticipated redundancy". Employers are also obliged to use their best endeavours to negotiate redundancy payment to any discharged staff. The Trade Disputes Act makes it obligatory for the parties to any collective agreement for the settlement of a trade dispute to deposit three copies of the agreement with the Minister of Labour and Employment. It also makes it obligatory for the parties to first attempt to settle dispute by means of any existing negotiating machinery established by agreement between the parties. Provision is also made for compulsory mediation, conciliation, arbitration and adjudication, all of which are extension of collective bargaining. Indeed, it is increasingly the practice for the parties to trade disputes referred to the Industrial Arbitration Panel (IAP) to end up with consent agreement(s) which are then adopted as award(s) of the IAP (Trade Disputes Act. S3 to 16). The status of collective agreements remains generally unenforceable but binding in honour only if there is an express provision to the contrary either in the agreement or in the provision of statute or regulation or by order of the Minister of Labour and Employment. This position has also been reflected in Nigeria Government's policy since 1938 when the first Trade Unions Ordinance was enacted. However, the general rule has statutory support in the Trade Unions Act which prohibits the Court from entertaining any legal proceedings instituted for the purpose of directly enforcing any collective agreement or recovering damages for any breach of such agreement. However, the provision of Section 2(3) of the Trade Disputes Act provides that the Minister may upon receipt of copies of a collective agreement deposited make an order that the terms of which may in respect of the agreement specify that the provisions of the agreement or any parts thereof as may be stated in the order shall be binding on the employers and workers to whom they relate. That makes the terms of a collective agreement automatically and legally binding on the parties. The enforcement

of collective agreements by civil action seems possible but rarely used. This may probably be due to the awareness of jurisdiction of the National Industrial Court under the Trade Disputes Act to determine inter alia, questions as to the interpretation of any collective agreement and any award made by an arbitration panel or by the National Industrial Court itself.

10.5 Structure of Collective Bargaining

This is a framework in which negotiations between employers and trade unions take place and this revolves around what is regarded as four distinct but related features: bargaining levels, bargaining units, bargaining scope and bargaining forms.

Bargaining Levels

This is the region within which bargaining takes place or is conducted in an organisation. It can be national, industrial or enterprise level bargaining.

Bargaining Units

Bargaining units refer to specific group of employees and employers covered by a particular agreement or a set of agreements. In other words, it is the composition of the parties involved in the negotiation process. According to Fashoyin (1992), the bargaining unit means any configuration, including workers and employers that is involved or covered by a collective agreement.

Bargaining Scope

This refers to the range of subjects or issues covered within a particular bargaining unit which may include substantive and non-substantive issues.

Bargaining Forms

This is in two parts, formal and informal bargaining. This explains the form in which the collective agreement is documented. Bargaining form is formal when agreement reached from an official negotiation between representatives of workers and employers is recorded and signed for implementation. On the other hand, informal bargaining form refers to where the collective agreement is not written. In Nigeria, we operate the formal form of recording as can be noticed that after each bargaining process, parties take time to sign the collective agreement.

10.6 The Gains of Collective Bargaining to the Parties.

Collective bargaining performs a lot of roles/functions to the three social partners in Industrial Relations viz the workers, the employers and the State.

Workers

Collective bargaining is used as a method of furthering the basic union purpose which is to maintain and improve terms and working conditions.

- a. Collective Bargaining determines terms and conditions which are encoded in a collective agreement the provisions of which present and future employees abide by unless otherwise reviewed.
- b. Collective Bargaining affords employees the opportunity to participate in management functions of their organisations. The absence of Collective Bargaining implies that managerial prerogatives would dominate most labour matters. In other words, it gives room for industrial democracy.
- c. Collective Bargaining is a process of making rules that govern the workplace. Such rules: substantive and procedural are jointly determined by both union, management and sometimes with the State or Government. Substantive rules include financial issues, whereas procedural rules refer to the process for the review of collective agreement, periodicity of meetings and methods of disputes settlement etc. It gives workers opportunity to be part of the decision-making process.
- d. Collective Bargaining is a method of resolving industrial conflicts in the workplace. For instance, some collective agreements specify the time at which impasses during negotiations can lead to strike actions. It therefore creates time span for disputes settlement.

Employers

To the Employers, Collective Bargaining is valuable in the following ways:

- a. It saves the cost and time of negotiating with each worker or individual worker.
- b. Jointly authored rules tend to be strictly complied with easily.
- c. Avoidance of comparability issues which may be raised by workers if individual bargaining had been used.
- d. It tends to generate industrial harmony and thus reduces the cost of strikes.
- e. It simplifies the salary administration system or process.

State/Government

The functional values of collective bargaining to the State/Government are itemized below:

- a. The avoidance of the negative effects of visible or open expression of conflict.
- b. The checking of political instability which overt expression of unresolved conflict can bring about or generate.

c. Less efforts and resources of the Government/State would be expended in attempting to help labour and management resolve their differences.

d. To the State, collective bargaining enables the creation of a relatively peaceful industrial atmosphere which is expected to generate improvement in the economy by way of increasing the Gross National Product (GNP) as the inflow of foreign investment will be enabled as well as a higher international credit rating among other positive values such as reputation, increased productivity and encouragement of investors to invest in the country.

10.7 Public Sector Collective Bargaining

Public sector covers all government owned institutions. These include the government at the Federal, State and Local Government levels and agencies, parastatals, educational institutions, among others. The Nigeria industrial relations started in the public sector with the formation of the Southern Nigeria Civil Service Union (later Nigeria Civil Service Union) in 1912. Despite the pioneering role of the public sector in formation of trade unions in Nigeria, collective bargaining in that sector has not been effectively utilised by the government who represent the single largest employer of labour in Nigeria. The determination of wages and conditions of service in the public sector has not followed the traditional pattern of collective bargaining. As noted by Otobo (2020), that although appropriate machineries exist, there is however not much bargaining in the public sector unlike the private sector where negotiation takes place on regular basis. What obtains is the practice by government is unilateral fixation of wages and other conditions of work through wage commissions, tribunals or the use of tripartite committees whose decisions would be subjected to official ratification.

The framework for negotiation within the Nigerian public service is institutionally through Councils. According to Anyim (2020), the Whitley Councils were established in the late 1940s to handle collective bargaining in the Nigerian public sector. While Whitley Council A was for clerical workers, Council B was for manual workers. It was noted by Otobo (2020) that after series of reforms, the Udoji Public Service Review Commission (1972-74) recommended the National Public Service Negotiating Councils I-III. to cater for the following groups of workers:

- i. Council I- Association of Senior Civil Servants of Nigeria.
- ii. Council II

(a) Nigeria Civil Service Union (which caters for intermediate and junior non-technical grades, except in Customs and Excise and Immigration Department).

(b) Nigeria Union of Civil Service Typists, Stenographic and Allied Staff.

iii. Council III

(a) Civil Service Technical Workers Union of Nigeria

(b) Medical and Health Workers Union of Nigeria

(c) National Association of Nigerian Nurses and Midwives

(d) Printing and publishing Workers Union.

(e) Customs and Excise and Immigration Staff Union.

With further reforms in the Nigeria employment relations system and the response to the merger of trade unions in 1996 by the then Military government, the bargaining structure of the National Public Service Negotiating Councils I-III was altered as follows:

Council I

Association of Senior Civil Servants of Nigeria. These are civil service employees in administrative and allied cadres on grade levels 8 and above

Council II

(a) Nigeria Union of Civil Service Secretarial and Allied Workers (NUCSSAW) that represents Typists, stenographers and Confidential secretaries on grade levels 03 to 14

(b) Nigeria Civil Service Union (NSCU) that organises Messengers, Clerical Staff, Executive Officers and related cadres on grade levels 01 to 14

Council III

i. National Association of Nigerian Nurses and Midwives (NANNM) represents civil servants on para-medical cadres from grade levels 01 to 14;

ii. Printing, Publishing and Paper Products Workers Union of Nigeria (PPPWUN) for civil service workers in government press on grade levels 01 to 17;

iii. Amalgamated Union of Public Corporation, Civil Service Technical and Recreational Services Employees (AUPCTRE) that organises Civil servants in Sub-Technical, technical and allied cadres on grade levels 03 to 14;

- iv. Agricultural and Allied Workers Union of Nigeria (AAWUN) that represents civil service employees in agricultural and related cadres on grade levels 01 to 14.

A critical look at these councils will show that while councils I and II white collar workers, Council III deals with industrial workers in the Civil Service. Also, even though the name of the Council is the National Public Service Negotiating Council, its jurisdiction is restricted to those employees whose conditions of service are guided by the Civil Service Commission and the Office of the Head of Service of the Federation and hence, does not cover Federal parastatals, State and Local government employees.

In spite of the creation of these Councils, it is regrettably true that they are hardly used for negotiation of wage increases or reviews and this has brought about strain and stress upon collective bargaining in the public sector. The government would rather set up wage tribunal as a mechanism for fixing wages and reviewing salaries than adopt collective bargaining. It can therefore be said that collective bargaining has been relegated to the background in the Nigeria public sector.

10.8 Negotiation

10.8.1 The Art of Negotiation

Negotiation in employment relations could be likened to the normal day-to-day haggling that takes place in the market place between a buyer and a seller of given product or services. While the item for negotiation in the market is goods and services, in employment relations, it is about the terms and conditions of the relationship between the employer and the employees under collective bargaining. This explains why collective bargaining is seen as negotiation plus agreement. That is to say that collective bargaining is said to be complete when the trade unions and employers reach an agreement. During the negotiation between the parties in employment relations, parties usually make demands and offers. In most cases, it is the union that normally present a charter of demands to the employers. These initial offers are always over inflated because unions have the belief and rightly so that the employers would make a counter offer that would be far less than the unions initial demands. It should be noted that in some cases. the initial demands and counter-proposal may approximate the realistic position held by both parties.

The art of negotiation is not usually a straight forward process because as noted by Anyim (2020), the parties in negotiation have different levels of knowledge, expertise and perception on issues because of their level of training, education, experience, personality, concept and standard of equity and labour relations philosophy.

In making arrangement to embark on any negotiation, parties adopt what Walton and Mckersie (1965) regard as intra-organisational strategy to be able to set the negotiation objectives that will cover the needs and aspirations of all the parties concerned. In setting these objectives, Anyim (2020) states that parties should set their proposals with the following in mind: pessimistic range which is the demand they are not likely to extract from the other party, realistic range which is what they consider to be reasonable and optimistic range which is that demand they are sure to get or which they may not be willing to go below. Each party usually assign roles to members of the negotiation team such as who should act as the lobbyist, observer, facilitator, peace-maker, devil's advocate, among other roles. Parties must prior to main negotiation, agree on how to reach a decision at the various stages of negotiation. To achieve a successful negotiation the parties usually try to reach out to each other informally to 'water the ground' and have a feeling of what the other party has in mind.

Parties must take advantage of their bargaining power which may shift during the period of negotiation and bargaining power is determined by factors imposed by the environment. For example, changes in the economy, public opinion, labour and employment market, government body language and pronouncements, the season of negotiation, the posture and competencies of the negotiators and other socio-economic factors.

10.8.2 Principles of Negotiation

As noted by Anyim (2020), the under listed principles of negotiation are necessary and should be adopted by parties:

- i. Parties should understand each other's perspective about issues and make effort to see it from that prism;
- ii. No party should antagonize the other by making them defensive;
- iii. It is against the ethics of negotiation to adopt dogmatic attitude of refusing to shift position or alter demands;

- iv. Negotiation should be conducted in a conducive atmosphere where respect is shown for the other party and their views. The use of derogatory or abusive languages should be avoided. Parties should be sincere and consistent in their approach. Also, they should be patient and demonstrate their interest in points raised by other party;
- v. There should be overt appreciation of good and objective point of views expressed by other party;
- vi. Parties should ensure that realistic demands are made and that clear points are made to defend such proposals;
- vii. The principle of flexibility should be adopted and parties should be will to offer or accept alternative view-points or solutions to particular matters having in mind that actual settlement may not be what they expected;
- viii. Thorny and difficult issues may be stepped down to be discussed later. These issues could be used for “Trade -off” or “Trade-in” as the negotiation progresses. This implies that issues that are mostly likely to get management approval should be discussed first;
- ix. Deadlocks should be expected and where such occurs, parties could set up a caucus to review each other’s position or invite a third party to act as a conciliator to narrow the areas of differences. If parties are unable to break the deadlock, adjournment becomes the most appropriate action to take so that parties can engage in further consultations with their members for possible reconsideration of their earlier positions or to seek new mandates;
- x. Adjournment could be sought when new facts or arguments are advanced by the opponent. The adjournment needed is to enable the opponent do adequate consultation to appropriate respond to the new facts.

10.8.3 Ground Rules for Negotiation

Negotiation like every other activity should have its rules of engagement. Therefore, as parties prepare to embark on negotiation, the ground rules must be set so as to achieve smooth process of reaching settlement. Egungwu (1992) cited in Anyim (2020) proposed the following as ground rules for a successful negotiation:

- i. Both parties have the hope of reaching mutually accepted agreement irrespective of what happens during the negotiation;

- ii. Each party should be willing to adjust their original proposal and counter-offers as negotiations will go through offers and counter-offers to reach a settlement that is valuable to the parties;
- iii. Firm offers must not be withdrawn once they have been made. However, provisional or temporary offers could be withdrawn;
- iv. Also, concessions must not be withdrawn once they have been made;
- v. Private off-the-record discussions are allowed for clarification of points and probe of other party's position. Such discussions should however not be referred to in the official negotiation without the consent of both parties;
- vi. Third parties should be allowed into the discussion with the consent of both parties if that will make further progress possible;
- vii. The use of strong words, attacks and apparent loss of temper are allowed as part of legitimate negotiation tactics;
- viii. The terms used in the final agreement should be clear and unambiguous to the parties and the agreement should be implemented as written;
- ix. The final agreement should be seen to be valuable to the parties despite what they may have conceded in the course of the negotiation.

10.8.4 Tactics of Negotiation

During negotiation, the parties should adopt or explore some of the following tactics which are however not exhaustive. It should be emphasised that modern negotiation tends towards social dialogue as the old antagonistic ways are becoming obsolete.

- i. Parties could emphasise the cost of maintaining their position to the other parties in order to forestall deadlock;
- ii. Inaccurate information could be presented with the hope that the other party will be jittery and come up with the correct information;
- iii. Use of strong words, attacks and apparent loss of temper are allowed as part of legitimate negotiation tactics;
- iv. Strikes or lockouts can be invoked in the event of deadlocks. These actions have some positive and negative consequences that should be considered before taken such steps;

- v. The attitude of either party could be re-set by making certain rattling moves such as deliberate time wasting or irrelevant arguments to provoke some level of disagreement or possible breakdown so as to unravel some hidden information;
- vi. To gain further acceptance to the proposals, an appeal could be made to the least experienced member(s) of the opposing negotiating team;
- vii. Parties could use counter offers or proposals as something to think about not necessarily the final words.

Summary

The chapter commenced with an introduction. This was followed with giving the classic definition of collective bargaining by the Webbs (1897) as the process of agreeing terms and conditions of employment through representatives of employers (and possibly their associations) and representatives of employees (and probably their unions). The definition was followed with the various theories of collective bargaining. Other sub-topics discussed include the conditions for effective collective bargaining, legal framework of collective bargaining in Nigeria, the structure and gains of collective bargaining. The chapter concluded with the discussions on public sector collective bargaining and negotiation.

Practice Questions

1. Discuss Chamberlain and Kuhn trichotomy theory of collective bargaining.
2. What do you understand by the structure of collective bargaining?
3. Critique the use of collective bargaining in the Nigeria public sector.
4. What is negotiation?
5. Identify and discuss the best collective bargaining strategy to adopt to negotiate salary related issues.

Practice Questions: Multiple Choice Questions (MCQs)

1. Which of the following views collective bargaining as a rule making process?
 - A. Marketing theory
 - B. Industrial governance theory
 - C. Industrial management theory
 - D. Managerial theory
2. Which theory sees collective bargaining as an alternative to individual bargaining?
 - A. The Webbs' theory
 - B. Allan Flanders theory
 - C. Chamberlain and Kuhn theory

- D. Dunlop's theory
3. Identify the bargaining behaviour that could be adopted when faced with a conflictual situation?
 - A. Distributive
 - B. Integrative
 - C. Concession
 - D. Attitudinal
 4. Which of the following describes the range of issues covered within a bargaining unit? Bargaining ...
 - A. scope
 - B. form
 - C. level
 - D. structure
 5. Which of the following is NOT a model of bargaining behaviour espoused by Walton and McKersie (1965)?
 - A. Distributive
 - B. Integrative
 - C. Attitudinal
 - D. Conjunctive

Keys: 1. B; 2. A; 3. A; 4. A; 5. D

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CHAPTER ELEVEN

CHAPTER ELEVEN: EMPLOYERS'/EMPLOYEES' RIGHTS AND OBLIGATIONS

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. Identify the rights and responsibilities of employers and employees;
- ii. analyse the duties and obligations of employers and employees;
- iii. explain management prerogatives;
- iv. discuss communication at the workplace;
- v. evaluate the roles of management and trade unions in socio-economic development;
- vi. explain the concept of Industrial democracy.

11.0 Introduction

A peaceful relationship between workers and their employer hinges on the obligation each party owes the other. The nature of relationship between employers and employees makes each party to have certain obligation for the other. In Nigeria, these obligations are contained in the Labour Act and provisions detail the terms and conditions of the employment contract. These obligations include such things as wages and payment of wages, terms and conditions of work, occupational health and safety. Every organisation requires harmonious relationship because it is a necessary condition for organisational success. According to Agomo (2011), the common law principles is the basis for the contract which forms the legal relationship between employers and employees. Employment contract exists when an employer and employee settle or agree on the terms and conditions of such employment contract. This is often shown by the employees taking up appointment on terms offered by the employer. In practice, both parties are bound by the agreed terms. When the terms of the contract of employment are not adhered to, either the employee or the employer may have grounds to make complaint of breach of the contract. Once there is an employment contract between an employee and his or employer, each party is expected to execute certain duties and obligation based on the provisions of the contract (Agomo, 2011). In most cases, the contract of employment explicitly details the duties and responsibilities of the parties to the contract but in some other instances, the obligations are implied based on the provisions of the law. The relationship between employees and employers were hitherto referred to as 'master-servant relationship but today, the attitude of employees to employment relationship has changed

positively hence has rendered the term master and servant obsolete in the description of employer-employee relationship. Again because of changes and advancement in human development, the laws, such the Employees' Compensation Act, 2010, that govern labour management relations has imposed duties of care on the parties in employment contract. While the employers lay claim to property rights in industrial setting, the workers and their trade unions claim civil rights. With these claims and concepts, the employers and employees are able to establish their mutual rights and responsibility in the workplace.

11.1 Employers' Rights and Responsibilities

The following are some of the rights and responsibilities of employers as noted by Agomo (2011):

- a. It is the responsibility of the employer manage the organisation so as to achieve workplace to achieve best results for the benefit of the stakeholders;
- b. To attract and retain the right number and quality of employees that can contribute optimally for the achievement of the corporate goals;
- c. To ensure there is order and that discipline is maintained in the organization;
- d. To create job schedule for the workers, determine job description and specification for job positions;
- e. To enlarge or enrich jobs according to prevailing business trend;
- f. To determine organisational culture and set the corporate policies that will guide the activities and actions of employees;
- g. The employer has the right to determine the location of firm, office, plant or machinery layout, and the relocation same as it is deemed suitable;
- h. To determine fair compensation and reward for work done and services rendered by the employees;
- i. To wind down its business operations based on economic condition and business trend;
- j. To determine the employees that can be promoted, demoted and those that may be discharged and set the amount of severance pay with the cooperation of the trade union;
- k. It is the responsibility of the employer to determine the nature and type of training, location of training and frequency of training for employees;

1. To choose the type of technology to adopt so as to optimize the performance of the organisation.

11.2 Duties/Obligations of Employers

In labour-management relations, parties in employment contract are expected to fulfil some duties and obligations. Some of the duties of an employer are as follows:

- a. Employers are to pay employees' wages and salaries for services rendered or for work done.
- b. The employer must provide work for the workers and where this duty is not fulfilled, the employer shall pay such workers at the same rate as would be payable if the worker had performed a day's work.
- c. To avoid endangering the lives of the workers, it is the obligation of the employer to provide safe workplace. This also includes the duty of care for the safety and security of the workers.
- d. It is the duty of the employer to hire competent and responsible workers. Aside from this, it is the duty of the employer to ensure that duties are arranged in such a way as to avoid conflict in the workplace.
- e. It is an obligation on the part of the employer to give reference for any worker irrespective of how the said employee exited the organisation. It is advised that the reference provided must contain correct facts about the employee being referenced. A defamed individual could seek redress in the court of law.
- f. To provide adequate and safe working tools.
- g. To listen to complaints and grievances of employees in line with the grievance processing machinery of the company.
- h. To indemnify the employee against expenses and liabilities incurred in the proper course of carrying out the employer's job.
- i. To comply with statutory provisions which affect the terms and conditions of employment.
- j. To provide the employee written employment contract not later than three (3) months after the commencement of employment relationship.

11.3 Employees' Rights and Responsibilities

- a. It is the right of an employee to receive appointment letter that contains terms and condition of employment within three months of engagement by the employer.
- b. Right to work in conducive and safe workplace.
- c. A worker should be paid the agreed wages or salary at the right time for job done or for services provided.
- d. Right not to be discriminated against and right to have to equal access to resources and opportunities for growth in the workplace.
- e. Right to have break time as specified in the Company Handbook.
- f. Workers have the right take holiday (annual leave) with pay and appropriate leave allowance.
- g. Right to express grievances and to be heard through the appropriate channels of communication.
- h. Employees are entitled to be paid overtime as stated in the condition of service or Collective Agreement.
- i. With adequate notice or payment in-lieu of notice as contained in the staff handbook or collective agreement, an employee has the right to exit from the organisation.
- j. Workers can join a trade union and can contract out of the trade union as they so wish.
- k. Workers have the right to be granted sick leave with pay subject to maximum period contained in the staff handbook or Collective Agreement.
- l. Female workers are entitled to maternity leave with pay. This right has been extended to male employees in some jurisdiction in form of paternity leave.
- m. Right to have access to appropriate and adequate working tools.

11.4 Duties/Obligations of Employees

- a. Duty of faithful service to the employer which includes avoidance of any act that would have negative consequences on the employers' business.
- b. Obedient to lawful and reasonable orders given by the employer.
- c. Duty to pay indemnity to the employer if the employee's action causes harm, injury or damage to anyone or property.

- d. Duty to avoid acceptance of bribes or unauthorized commissions in the course of their duty.
- e. Employees should not utilise their time or energy to engage in activities or competition that will harm the employer's interest.
- f. Any benefit from invention made by the employee using the employer's time and/or his materials while in his employment must be accounted to the employer.
- g. The employee cannot delegate his duty without the consent of the employer because it is his duty to render personal service in line with the terms of the contract.
- h. The employee must not divulge the confidential information of the employer, even after he has left the service of the company.
- i. There is a general duty of fidelity imposed on the employee and this duty could be extended by the Courts to meet the circumstance of any case.
- j. The Employee has the duty to obey all rules and regulations and the laws of the land.
- k. The employer is responsible or liable for the acts of commission or omission of the employee or worker, in the course of his normal employment which causes loss or injury to a third party or stranger. This is termed "vicarious liability"; and the employee will also be vicariously liable.

11.5 Concept of Management Rights/Prerogatives

Those matters in the organisation that management is in total control when making decisions in the workplace are referred to as management prerogatives. These are also called managerial issues. In most collective agreements, the exclusive rights of management on certain issues are recognised. Such issues include but not limited to: appointments, demotion, discipline, promotion, termination, transfers, introduction of technology, relocation of factories, among others. For example, as noted by Fashoyin (1992), it could be stated in a collective agreement that the union should not interfere in management function. This provision will give employers and their management the sole right and responsibility to carry out their business in ways they think fit and proper and to carry out promotion, demotion, transfer and termination of the service of any employee.

11.6 Communication at the Workplace.

Communication is the process through which information reaches the chosen recipient. In other words, communication is the process of transmitting information from an individual or group of individuals to another person or group of persons and a receipt of response from the receivers. According to Armstrong (2012), workplace communication is a two-way process that enables management send information to organisational members on matters of interest to them also provide for upward communication by the employees. Therefore, communication is concerned with the exchange of information and ideas within an organisation. To be effective, communication should follow certain strategy and should be clear, concise and easily understood.

The strategy for effective communication according to Armstrong (2012) bothers on information an organisation intends to give to employees, the means and manner of providing the information and should provide for upward communication. The strategy on information should be based on an analysis of what management desires to say and what employees also want to hear. Organisations should develop strategy for communicating any proposed changes such as working conditions, organisational restructuring or introduction of new pay structure. In providing information, the strategy provides for upward communication and should cover the different methods that should be adopted to relay the information to the intended audience.

11.6.1 Functions of Communication in an Organisation

1. Communication brings about information processing. In organisations, data are collected and such data are turned into information with which decisions and planning are undertaken.
2. Communication enhances good co-ordination because it allows the integration of activities in the organisation. For example, if there is a drop in profit, departments and units may be alerted and actions could be taken in areas of cost cutting, improved marketing and revenue drive among others.
3. With the exchange of ideas and information, organisations are able to develop and share their vision, mission and strategy to employees in the organisation.
4. Everyone in the organisation has his/her views about the work and the organisations. Through personal expressions, employees are able to make contribution in the operation of the organisation.

5. Communication is a vital part of change management programme. An organisation that proposes any change in its processes will have to inform the employees on the proposals and how it will affect the workers.
6. Effective communication will enhance employees' commitment to the organisation. This is because through communication, employees get to know what the organisation has achieved or is planning to achieve and the benefits therein.
7. Effective communication helps foster mutual trust, respect and understanding as organisation is able to explain what they are doing and the reasons behind such actions or inactions. It is an important element in conflict management and good labour-management relations.

11.6.2 Modes of Communication

There are varieties of approaches or modes of communication that could be adopted in passing information in an organisation and these include: written, oral, non-verbal and electronics.

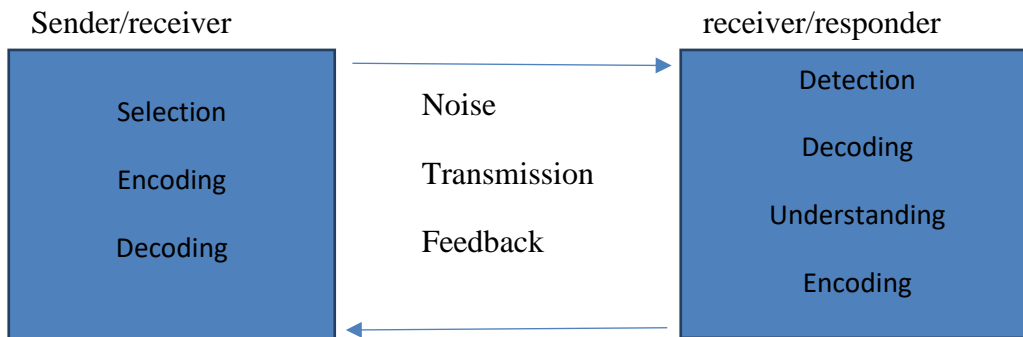
- a. **Written:** The use of memos, letters and reports are the major means of communicating through this medium. As noted by Armstrong (2012), written communication is most effective when information is important, the topic requires detailed and accurate explanation, the audience is large and there is need for a permanent record.
- b. **Oral:** This involves individuals' interaction with each other in a variety of ways within the organisation. For example, discussions in meetings, face to face interaction, telephone conversation etc. Oral communication is direct and swift and provides an opportunity to gauge the reaction of people, for people to give on the spot response and ask questions.
- c. **Non-verbal:** There are many forms of non-verbal communication signals that accompany interaction and which provide interpretive information between the individuals involved. For example, body language, tone of voice etc.
- d. **Electronic:** This method of communication is on the increase with the advancement in information technology, many electronic devices are now in use. For example, e-mail, teleconferencing, Fax machines, SMS, Twitter, WhatsApp, etc.

11.6.3 Methods of Communication in an Organisation

1. **Face-to-face communication:** This is the most common method of communication but should not be relied upon when the subject-matter is very important. It should be emphasised that the quality, accuracy and acceptability of the information depend on the skill of the communicator and his commitment to act according to the information disseminated.
2. **Internet and Intranet:** Organisations rely on both internet and intranet e-mail system to pass information to its stakeholders. These methods of communication have the advantage of transmitting information quickly to all concerned recipients and can be used for a two-way communication. There are other modern methods of communication that rely on different applications in smart devices and the use of social media handles like Instagram, Telegram, Twitter, WhatsApp, and so on.
3. **Meetings:** This involves everyone in the organisation in a face-to-face meeting to present, receive and discuss matters of interest. The level of communication and interpersonal skills of the meeting conveners would determine how successful this method of communication would be. The views expressed at the meeting are sent as feedback to management thereby providing for a two-way communication.
4. **Notice Boards:** These are common and most obvious means of communication in organisations. The disadvantage of this method is that the board may be cluttered with obsolete information. To make the board efficient, there should be total control and strict monitoring over what is posted at the notice board to ensure that only useful and current information are seen at the board.
5. **Magazines/Journals/Newsletters/Bulletins:** The use of magazines or house journals are ways to keep employees informed about the activities and performance of the organisation. Publication of newsletters are more frequent than magazines and journals and their contents are tailored towards the employees' matters. While bulletins are best used to give employees urgent and important information that may not wait for the next issue of newsletter.

11.6.4 Communication Process

Communication process is as depicted below:



Model of Communication Process

Selection: The sender selects only those items that will make meaning to a specific audience for specific purpose. The selection is necessary because people receive a large number of ideas but cannot process all at the same time.

Encoding: After selecting the message to transmit, the sender chooses codes and forms in which the selected message or idea will be sent or released. For example, the choice of language or symbols to is determined. Whatever language or symbol that the sender chooses, it should be what the receiver should be able to decode.

Detection: This is the receiver's first action. The receiver first notices the signal or symbol that is being transmitted and once the signal is received, will start looking for the meaning of the received signal.

Decoding: Ones the signal is received, the next phase is to decode the received signal. It is only when the signal is correctly decoded that the sender's purpose is meet otherwise, there would be communication breakdown.

Understanding: After decoding the signal, the receiver will establish his understanding of the received message and will expect a confirmation that the perceived meaning is truly the correct meaning of what the sender sent.

Transmission: The transmission could be written or verbal as well as other media such as drumming, music, arts, body language, sign language, radio and other electronic devices.

Feedback: Feedback indicates an understanding of the message and will encourage the continuation of the communication process. It is the reversal process where the receiver sends back a confirmation of his/her understanding of the message received.

Noise: This refers to the contamination of the signal as a result of interference surrounding the process. Noise can be in the form of background noise while you are talking, network interference, and large number of e-mails in your in-box that may lead to one missing some important messages.

11.6.5 The Role of Management in Socio-Economic Development

Trade unions want the best for their members in terms of good wages, conducive work environment, favourable conditions of work, more holidays because they believe that the employers can afford to provide those for the workers. Although, unions may have ideologies that are different from those of management, unions however do not have the intention of grounding the organisation as doing so would negatively impact on their members' well-being. It is believed that the better the condition of work, the more workers would put in their best to meet organisational goals and objectives. Therefore, it will be in the interest of management to seek the collaboration of trade unions in various aspects of the organisation's business with the hope of meeting the socio-economic demand of the society. Management should again effectively manage their productive resources and take more interest in the welfare of their employees.

Effective communication is very essential for good labour-management relations as ineffective communication may lead to a state of confusion among the parties. When communication is effective and clear, the commitment of workers can be enhanced as management cannot achieve labour commitment when organisational goals are not only ambiguous but also not understandable. It is important for management to know that when labour issues are not properly dealt with, it can have negative effect on the production capacity of the organisation and the overall performance of such organisation. Again, in cases where management takes decisions or actions that are not in the interest of workers, it is advisable for management to consult and dialogue with workers so as avert any form of impasse or hostility that may be a consequence of such action or decision. Some writers hold the view that the world of work is a "management world" as it is believed that

management solely determines the direction of our socio-economic affairs. However, in as much as one would share the sentiments that management enjoys high level of prestige, it should be noted that the society, workers, the labour and product market and the political, economic and social environment determine management actions. This is because it would be impossible for management to operate successfully without consideration of the above variables.

11.6.6 The Role of Trade Unions in Socio-Economic Development

Apart from the direct economic functions rendered by trade unions to their members, there are still some other desirable functions to be performed by trade unions. It is for this reason that one argues that trade unions should be fair, just and equitable in all their activities including strike actions. Trade unions should be strategic in the use of strike as a weapon in employment relations because strike has serious effects on workers with regards to loss of wage income, on management due to loss of production and sales and the society in terms of reduction in GDP, decrease in economic growth and loss of revenue. That is why Anyim (2014) states that strike actions are bound to negatively impact on the society and any strike action that impacts the society and negatively affect the nation's socio-economic growth would not have the support of the public but rather would be emersed in condemnation. The use of threat by trade unions to achieve their interest is becoming old fashioned but the reality is that in Nigeria, the only language the government understands is threat. Trade unions in Nigeria still rely on threat to draw the attention of employers to their plight especially the government despite their high level of enlightenment. It is to reduce the constant use of threat that led to the establishment of collective bargaining and other institutional framework that could be used to effectively solve employees' problems. Anyim (2014) has argued strongly that trade unions have other issues to contend with beyond seeking redress for workplace grievances. In other words, trade unions should not only focus on protest and protection of workers' interest but should also mobilise and motivate their members to be more committed to the organisation where they work. Also, they should through union education, equip the workers with appropriate skill sets and values with which to take actions that are required by socially approved norms. For instance, it would be appropriate for the trade unions to enlighten their members on the positive outcome of assisting the Government to propagate good values and engage in value re-orientation in the society, demonstrate understanding and collaborate with the employers during recession and other tough business cycles. It is therefore suggested that trade

unions and management should embrace social dialogue and social partnership and embrace each other as partners in progress who see each other's role as complementary. No party should view itself as all-knowing because trade unions could offer ideas that positively change the course of the organisation. Therefore, management should quickly take advantage of such ideas when presented by trade unions. Trade unions should endeavour to seek out areas where joint action by trade union and management would help the organisation. If for example, a collective agreement has been signed, both parties should be willing to see that the agreement is implemented. In a situation where the workers are compelled to embark on strike action, the trade union should endeavour to apply all constitutional means and follow the laid down procedures that are provided before embarking on the strike action and even while on strike, workers must not engage in unwholesome behaviours and unfair labour practices. Industrial peace and harmony is a necessary condition for socio-economic development and every good industrial relations system should aim at promoting it. Achieving a harmonious industrial relations system would largely depend on the extent to which labour and management effectively play the roles assigned to them by the system. If management and workers demonstrate the right attitude and properly to relate with each other, their desired goals would be achieved. One would therefore recommend that both management and labour should adopt a positive attitude because the whole essence and purpose of employment relations is to promote industrial peace and harmony which is a necessary condition needed for growth and development to take place.

11.6.7 Industrial Democracy/Workers' Participation in Management

The major objective of the National Policy on labour in Nigeria was to ensure there is industrial democracy in the workplace (Fashoyin, 1992). The major institutions of democracy in employment relations system are joint consultation and collective bargaining. This is because through these institutions both the employers and employees' representatives come together under one umbrella to discuss, agree or disagree on issues that border on terms and conditions of employment. Traditionally, the issues that are brought forward for discussion during collective bargaining and joint consultation are hours of work, wages, levels and methods of output, safety, workers welfare schemes, among others. As noted by Anyim (2014), achievement of this feat by employees to get recognition and partake in such discussion with employers was not easy as the road was long, stormy and filled with bitter experiences. In the beginning, the focus of the issues was how to make

the workplace more humane, reduce or eliminate physical threats and dangers and minimise workers' exploitation. As time passed and development advanced, labour extended their struggle from improving working conditions to the pursuit of the right of employees to take part in decision-making process in the organisation or what could be viewed as fundamental right of workers to determine or influence the course of events that affect them in the workplace.

11.9.1 The Concept and Logic of Industrial Democracy

According to Fajana (2006), industrial democracy includes any process through which employees, as individuals, workers' representative, through a union or other workers' organisations, take part in reaching management decisions in an organisation. The question of the ownership of capital and means of production when we discuss industrial democracy or workers' participation in management is minimised because workers take part in the work process as they also supply their labour power and effort which constitute their own means of production. It is on this basis that it becomes a justifiable argument that both employers and employees should take part in taking decision to determine the quantum of employees' or contribution from the outcome of joint use of labour and capital. Although industrial democracy may be seen as a wide range of ideas but the central variable is the inclusion of the labour in the decision-making process in the organisation rather than the monopoly of the decision-making process by just employer represented by the management. The process of industrial democracy could be accomplished through the appointment of employees to serve on the Board of an enterprise, autonomous workgroup, collective bargaining, joint consultation, among others.

11.9.2 Forms of Workers' Participation in Management in Nigeria

In Nigeria, the under-listed are the forms of workers' participation in management:

- a. Appointment of employees to serve on the Board of some public organisations such as the Nigeria Railway Corporation, Nigeria Ports Authority and National Social Insurance Trust Fund (NSITF), among other corporations.
- b. Another form of workers' participation is through shareholding by employees in their firms which is a major justification for workers to be represented on the Boards of their companies such as some privatised public enterprises in Nigeria.

- c. Government in the 1970s used the Indigenisation Decree to relieve the foreign shareholders of 10% of their total equity and allotted such shares to employees and other Nigerians.
- d. The institutions of Collective Bargaining and Joint Consultation used to negotiate terms and conditions of employment.
- e. The appointment of trade union officials or executives to serve on the Boards of public enterprises.

It should be noted that workers' participation in management does not start and end with the appointment of workers on Boards of enterprises but concern should be on the form in which the decisions about the activities of the organisation are enterprise are presented to labour through the union or through the joint negotiating bodies such as National Public Service Negotiating Council and National Joint Negotiating Council. Management should endeavour to be sincere in their consultations with labour so that such consultation should be effective and result-oriented. To achieve this therefore, the input and opinions of workers must be considered before reaching final decisions and if such opinions are not accepted, it will be appropriate for management to politely explain the reason or reasons why the opinions or ideas were not accepted so that in future, they will be encouraged to make available their ideas and encourage harmonious and peaceful workplace.

Summary

A harmonious relationship between an employer and an employee is based on the obligations that each has to the other. The chapter discussed the employers' rights and obligations, employers' duties and obligations, employees' right and responsibilities, employees' duties and obligations. Other issues discussed include the concept of management rights and prerogatives, communication in the workplace, role of management in socio-economic development, role of trade unions in socio-economic development and finally, industrial democracy and workers' participation.

Practice Questions

1. Identify at least five employers' rights and responsibilities.
2. What are the duties and obligations of the employee to the employer?
3. Why is communication important in an organisation?

4. Evaluate the role of trade unions in socio-economic development in Nigeria.
5. Discuss the concept of industrial democracy.

Practice Questions: Multiple Choice Questions (MCQs)

1. The Communication process is made up of the following elements:
 - A. Sender, receiver, messages, channels, noise, feedback
 - B. Sender, setting, process, idea
 - C. Feelings, message, information, anger
 - D. None of the options
2. Which one of the following best describes the method of communication that allows individuals' interaction with each other in a variety of ways within the organisation?
 - A. Non-verbal
 - B. Written
 - C. Electronic
 - D. Oral
3. Which of the following describes matters in which management has total control when making decisions?
 - A. Managerial prerogative
 - B. Substantive issues
 - C. Procedural issues
 - D. Managerial functions
4. Which of the following explains the process through which workers take part in decision making in an organisation?
 - A. Managerial prerogative
 - B. Substantive issues
 - C. Procedural issues
 - D. Industrial democracy

5. It is the right of an employee to receive letter of appointment that contains the terms and conditions of work within ...
- A. two weeks
 - B. three weeks
 - C. two months
 - D. three months

Keys: 1. A; 2. D; 3. A; 4. D; 5. D

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CHAPTER TWELVE

CHAPTER TWELVE: OTHER RELEVANT ISSUES

Learning Objectives

At the end of the chapter, the Learner should be able to:

- i. describe unemployment;
- ii. explain the relationship between unemployment and employment relations;
- iii. explain the concept of wage and wage determination;
- iv. distinguish industrial relations under the military and civilian regime;
- v. evaluate some emerging issues in Employment Relations;
- vi. discuss the future of Employment Relations in Nigeria.

12.0 Introduction

This chapter focuses on the study of other relevant issues that impinge on industrial relations practice such as unemployment and the process of wage determination. In addition to the foregoing, other issues to be covered in this chapter include the management of industrial relations under both military and civilian regimes in Nigeria, emerging trends in employment relations and the future of industrial relations in Nigeria.

12.1 Unemployment and Employment Relations

There is no single definition of unemployment as its definition varies across nations because each country adopts definition based on its local importance. Most countries however either adopt the definition by International Labour Organisation's (ILO) or they use a variant of the ILO definition which covers persons aged 15–64 who during the reference period were available for work, actively seeking work, but were unable to find work. However, the Nigerian National Bureau of Statistics (NBS) uses a variant of the ILO definition and states that unemployment is the proportion of those in the labour force who were actively looking for work but could not find work for at least 20 hours during the reference period to the total currently active (labour force) population. It therefore means that an individual is said to be unemployed if that person did no work or did something but for less than 20 hours during the reference period. A Worker is said to be underemployed if such worker's experience, training, and skills are underused. Also, such workers might be receiving salaries that is below what they believe they can earn, may be unsatisfied with their job or work less than 40 hours a week.

The issue of unemployment and underemployment is alarming in Nigeria. As reported by the Nigeria Bureau of Statistics (NBS) (2020), the unemployment rate in the second quarter of 2020 among young people (15-34 years) was 34.9% while the rate of underemployment for the same group was 28.2%. NBS (2020) also stated that unemployment rate among rural dwellers was 28% while urban unemployment rate was reported as 25.4%. Equally, the underemployment rate during the referenced period for rural area was 31.5% while the underemployment rate was 23.2% for urban dwellers. A combination of unemployment and underemployment rates was 55.7% of the total labour force population of 80,291,894.

Unemployment as an unhealthy syndrome has negative impact on industrial relations practice in the following ways:

- i. Unions are denied the opportunity to recruit new members and that has negative effect on their revenue generation capacity;
- ii. Reduction in union density as a result of manpower contraction would lead to loss of needed funds that the unions require to perform its obligations to the members;
- iii. The employees left in the organisations could be over-worked as a result of inadequate manpower. This may pose some negative health challenges to the employees left in the workplace;
- iv. the revenue base of the enterprise could be affected due to low-capacity utilisation that results from inadequate manpower;
- v. Manpower restructuring usually result in conflict between trade unions and management if the process is not properly managed.

12.1.1 Causes of Unemployment

The following factors amongst others are responsible for mass unemployment:

- a. Demographic Factor – This focuses on issues of gender and age. Unemployment could result from the changes in the composition of labour force and explosion in population. In today's world of work, we witness an increase in the number of women seeking for wage employment and high population of youths that make up the total labour force.
- b. Psychological Factor – This has to do with personality challenges that occurs in making preparation and career choices as well as wrong values transmission to our youths.

Notable causes are:

- i. There is a big gap between the number of graduands from educational institutions and the available opportunities for employment in the global south. The educated youths do not have enough opportunities to get jobs;
- ii. unsuitable policies in both private and public sector with regards to educational discrimination, price of educational services, wage structure and wage differentials that make the value of education greater than its social value;
- iii. There is the wrong notion that secondary education is strictly a preparatory ground for advancement into tertiary level. This ignores the desire of many of those students that would have wanted to terminate their education at secondary level with a view to following other career paths;
- iv. Disequilibrium in public revenue and expenditure that bring about high public debts;
- v. Low-capacity utilisation that is a consequence of economic recession;
- vi. Inappropriate training and poor education curriculum that produce job applicants without the necessary skill sets that match the 21st century workplace and the constant technological changes;
- vii. Inadequate infrastructure coupled with shortage of raw materials that lead to closure of factories and consequent discharge of the workforce;
- viii. The negative attitude of some private sector organisations that take advantage of any slight economic crisis to reduce their staff strength even when the organisation is declaring enough profit;
- ix. Some organisations place embargo on recruitment as a reaction to perceived downturn in business;
- x. The use of Youth Corps members and adoption of non-standard work arrangement such as casual working, outsourcing, triangular employment relationship, among others as a way of minimizing the cost of doing business.

12.1.2 Types of Unemployment

According to Fajana (2000), unemployment types can be grouped as follows:

- a. Degree: typology of unemployment by degree can be categorised into two: partial and total. Partial unemployment refers to situation where someone is employed on part-time basis while total unemployment is a situation in which an applicant is unable to secure employment for days, weeks or months.
- b. Volition: An individual can be voluntarily or involuntarily unemployed. Individuals that make a decision not to work or those that discouraged or lost hope of getting jobs can be placed under

voluntary unemployment. On the other hand, applicants that are actively in search of job or those that were disengaged from their jobs recently can be categorised as being involuntarily unemployed.

c. Duration: Unemployment by duration refers to whether it is for a short or long duration. Whether unemployment is short- or long-term is a function of the circumstances and personality of the applicant in question.

12.2 Wage Determination

Wage determination refers to the process through which an organisation appraises the value additions made by employees so that direct and indirect financial and non-financial reward are fairly and equitably distributed among members of the organisation. In making this distribution, it should conform with the country's legal regulations and the organisation's ability to pay (Fashoyin, 1992). Wages and Salaries administration also known as compensation management is an exchange relationship between workers and employers. It is an agreement that provides for payment of wages and salaries to workers in exchange for their effort and results and also viewed as an input-output situation, such that employees give their labour as input and receive the output as a form of financial and non-financial compensation. It should be noted that in the past when trade unions were very strong, wage determination was a product of the collective bargaining process, where negotiation was conducted to reach an agreement on divergent demands of the parties in negotiation. As noted by Anyim (2014), organisations harness wages as motivator and uses its strong force to encourage employees put in their best to achieve organisational goals. Although workers join organisations on individual basis but they get involved in collective relations by contracting into or forming a trade union. Collective bargaining process is by nature collective and at variance with the concept of individualism. Wage is a substantive issue and considered the most important matter in the workplace hence wage determination, whether in a union or non-union environment is always tension prone.

12.2.1 Factors that Influence Wage Determination

There are many factors that affect wage determination or influences the determination of an organisation's wage structure or the general wage levels (Otobo, 2020). The wage structure shows the relationship between wage rates and the range of rates for all the jobs in an organisation or industry. Also, the wage rate refers to the amount an employer pays for a unit of production of

output or for a unit of time. The following are the major factors that affect wage determination or factors that should be considered when changing wage levels:

i. Labour Market Situation: in the global north with relatively competitive labour market, the most important determinant of compensation is the interplay of demand and supply. However, the role of price mechanism is insignificant in the global south such as Nigeria due to some imperfections in the economy triggered by administrative, institutional, political and sociocultural factors. Be that as it may, wage determination is affected by the interplay of demand and supply of skills.

ii. Ability to Pay: In setting the wage rates, it is important for the management of an organisation to think of how they will sustainably pay the agreed wage. The wage determination process in Nigeria recognises affordability as a major factor to consider by organisations because it is not just enough for an organisation to set a wage level. During wage negotiations, a union may demand an increase in pay based on huge profits recorded by the organisation but differences in the capacity of organisations in an industry to pay usually affect negotiations. It is for the reason that employers must necessarily embark on intra-organisational bargaining before the main negotiation. It is the financial position of an organisation that determines if such organisation should pay more than industry average, keep within the average or pay below the prevailing industry average. It should be noted that when unemployment rate is high, employers take advantage of such periods to attract high calibre workers at low wage rates. While periods of full employment with shortage of skills in the labour market will witness upward movement of wages on the condition that price mechanism are allowed to allocate wages and employment.

iii. Cost of Living Index: Labour all over the world has based their demand for and is granted wage increases on this singular factor – cost of living index. Some collective bargaining agreements usually insert clauses that specify pre-set rate of adjustment in case the consumer price index grows beyond certain threshold while some agreements would make provision for re-opening of negotiation when there is upward movement in consumer price index. The aim of this adjustment is to ensure that workers maintain the prevailing purchasing power when the agreement was reached. Within Nigeria context, this factor more than most other factors has played a more prominent role in wage determination especially in the public sector.

iv. The Market-Going Rate: This is used to describe the wages and salaries paid by other organisations in an industry or geographical area for comparable job positions. Salaries and wages paid in one organisation affects what is paid by comparable organisations. For instance, in the

Nigerian banking industry, the National Union of Banks, Insurance and Financial Institutions Employees (NUBIFIE) engages in industry-wide wage bargain for workers in unionised financial institutions. While some of the institutions may decide to be market leaders, others may decide to be followers or choose to remain within the industry average. In most cases however, most organisations prefer to pay the industry average wage rate for profit and liquidity reasons.

v. The Productivity Factor: The higher the levels of productivity, the more encouraged employers are to pay more wages. Although, it is difficult to measure productivity of workers engaged in activities that involve administration and managerial responsibilities but wage increases should be supported with evidence of productivity. However, even where it easier to measure productivity, productivity improvement could be a function of other factors and that explains why individual productivity is less considered when determining pay increases. In all, it is the general increase in labour productivity in different enterprises or in the national economy that is used to determine pay increases.

vi. The Government Legislation: it is the responsibility of government as the regulator of the employment relations system to set the minimum standards for national wage rates so that no organisation can pay below that threshold. For example, in Nigeria, for example, a worker is expected not to receive from an employer any wage below the prevailing minimum wage which in this instance is ₦30,000.00. There have been different Wages and Salaries Review Commissions set up in Nigeria since 1934. It is worthy of note to state that where wages are unreasonably low or where no adequate machinery exists for adjusting wages and conditions of service, government has the obligation to set the wage rates.

vii. Influence of Labour Unions: Trade unions through one or more pressures have been able to influence the increase of wage levels in Nigeria. Basic pay is usually affected by the differences in the ability of the bargainers. Trade unions negotiate wages on behalf of their members and this is a major factor that determines wage levels in an organisation or industry. How successful trade unions are in influencing the wage rate is a function of the level of negotiation skills possessed by union representatives. If the trade union representatives are highly skilled negotiators and are committed and loyal to the union and members, they will achieve high wage rate and the converse is also true. Generally, trade unions perform the following function or roles for their members: economic, social welfare, political, psychological benefits and create opportunity to participate in

managerial functions in the industry. The objectives of trade unions are improvement in terms and conditions of employment, and acquisition of fair shares in national income.

viii. The Demands and Requirements of a Particular Job: More difficult or technical jobs attract higher wages. This follows the fundamental principles of economics which states that the higher the demand for a job the higher the pay rate.

ix. Socio-Psychological Factors Influence: In some cases, certain jobs may be viewed as being more lucrative than others. This view could be as result of the social needs and demand of the job in a particular period. This demand and supply of the jobs may influence whether the direction of wages would be up or down. What should be noted is that for fairness and justice, there should be equal pay for equal job done as prescribed by ILO Convention No.100 and there should not be discrimination on the basis of sex, colour or tribe.

The State intervention in Wage Determination

The Nigerian Government uses various institutional framework to set the minimum standard for wages throughout the country (Anyim, 2014). The minimum standard and the extensive job classification system by organisations provide an inclusive framework for setting wage rates. In this regard, the union becomes an institution that influences government's action rather than a bargaining adversary. Although there is a legal framework for collective bargaining in Nigeria but the motivation for wage adjustments comes mainly from government appointed wage commissions that is why the process of wage setting is always exposed to political considerations and pressures. The system of wage determination in Nigeria is made up of three machineries namely; collective bargaining, regulatory agencies or administrative subsystem within the Ministry and Wages Commissions and Tribunals.

From time to time, government sets up the tribunal and wages commissions to review and recommend appropriate salaries and wages, and other conditions of employment for public sector employees. When this happens, the organisations in the private sector are advised to follow and review their wage rates according to the approved recommendations by Wages Commissions. In order to achieve general political goals, government including colonial government, has used this method to handle industrial relations issues. It should be noted that most of the Wage Commissions (the Mbanefo and Morgan Commissions) were established by the government based on political motivations. Government established these Commissions in response to imminent protest by trade unions knowing fully well that industrial actions could have negative impact on the national

election that was upcoming then. This same scenario played in the 1970s with the establishment of Adebo and Udoji Commissions. The government had set up different kinds of commission after these earlier mentioned ones to handle the issues of salaries and wages, and other conditions of employment in Nigeria. Among them is the National Salaries, Incomes and Wages Commission (NSIWC), that was established by Act 99 of 1993 as a more permanent institution with the responsibilities to handle all matters of wages and salaries of workers and to advise government on appropriate terms and conditions of employment in Nigeria.

The decision on the machinery to use can only be made by government but pressure from trade unions could push government to use any of the three wage determination machineries that best match the circumstances that is at play at that particular time. For example, the Civil Service Technical Workers Union of Nigeria (CSTWUN) in 1980, on several occasions forwarded request to the President of the Federal Republic of Nigeria and other top government functionaries demanding the implementation of the 1980-82 Incomes Policy Guidelines. The union mounted pressure which was later backed by industrial action and that consequently pushed the government to negotiate with the union through the National Public Service Council (NPSNC). It should be noted that only fringe benefits, hours of work and wages are the most elements that could be reviewed with either the collective bargaining or administrative machinery.

The administrative subsystem is used more frequently than the collective bargaining system in the public sector in Nigeria. The use of wage commission is more prominent in wage review of the general public service but less frequently used than both the administrative subsystem and collective bargaining machinery in general terms. It is good for us to state again that the use of any of the subsystem or machinery by the employers is a function of the intensity of unions' demand. Again, the use of a subsystem is also a function of the willingness of the government engage in bipartite negotiation, that is collective bargaining or whether unilateral determination, through administrative pronouncements or bureaucratic process of the administrative subsystem which ever best meets the circumstances at that time. Nigerian government in most cases uses a combination of the two methods but under the military regime, the unilateral determination of wages rates was used more.

Let us also note the negotiations undertaken at the National Public Service Negotiating Council (NPSNC) do not affect the private sector employers and unions. However, they are affected by wage commission awards which cover all workers in the country. The workers in non-unionised

environment are always unable to conclude an effective wage agreement with their employer hence wages may be unduly low in some of those industries particularly the informal economy since they rely solely on awards by wage commissions which in most cases are the minimum benchmarks.

12.2.2 Wage Machinery and Trade Union Influence

Aside from competitive labour market, it should be worthy of note that many labour markets are not competitive. This is due to the fact that there are distortions caused by non-competitive institutions such as trade unions. When workers combine to negotiate the terms and conditions of employment with an employer, the process is referred to as collective bargaining and it is often seen that the workers have more power than an individual worker. Wages can be unilaterally determined by the State but in Nigeria, wage determination consists of three machineries as discussed in the previous section. Due to the complex nature of collective bargaining, labour and management do employ skills and various tactics and strategies in negotiation in order to enhance their bargaining power - in a bid to justify demands, claims and positions. Bargaining power can be perceived as a party's ability to make another party agree to one's terms. It could be an action that brings considerable pressure on an opponent so as to accept condition(s) given by a proponent. Such pressures could be strike, boycotts, work to rule, withholding of salaries, among others. Union's strength rests heavily on the use of strike as a weapon. Strike can lead to loss of production, loss of profits, inability to meet target or customers' order, and others.

12.3 Employment Relations under Military Regime

The military took over government in Nigeria in 1966 and brought to an end the Nigeria first Republic. According to Fashoyin (1992), The military government made the labour policy in recognition of the importance of industrial and labour relations and hence emphasised the need for the employers and the trade unions to work together and collaborate with the Government in the difficult task of nation building. To achieve the objective of the then new labour policy the laissez-faire policy of the civilian regime was abandoned. It will be recalled that a major criticism of the laissez-faire policy of the civilian regime was that it led to the proliferation of small, weak and ineffective unions. The Military Government took advantage of the adopted labour policy to reorganise the over 1000 weak and ineffective unions along industrial lines. Fajana (2006) stated that the outcome of the reorganisation of the mushroom unions saw the emergence of 42 industrial unions for junior employees, 24 senior staff associations and 23 employers' associations. Also, the

Nigeria Labour Congress (NLC) was created as the only central labour organisation for the industrial unions which organise employees at the junior cadre.

In order to make the newly created unions financially stable and self-sufficient, the check-off system was introduced. The introduction of the check-off dues was to help the unions meet their legitimate obligations to their members, make them financially self-sufficient and stop the unions' reliance on foreign trade unions and institutions for funding and support which created major challenge for the Nigerian trade unions before the introduction of the National Labour Policy. The reliance on foreign source of finance and support was not in the best interest of the trade unions in terms of union organisation and administration because as a common adage says that 'who pays the piper dictates the tune'. The then military government ruled at the time of the oil boom which meant that the government had so much funds at its disposal to run and grow the economy. However, the surplus resources were seen to have been mismanaged as the big gap between the class of the rich still existed. This could be as a result of the fact that the available resources were not equitably distributed among the various sectors of the economy. To the trade unions, the military government was extravagant in their spending and lacked what it takes to effectively manage the national economy. As a response to this belief, strikes were frequently organised as a natural reaction by trade union in their effort to have a fair share of the national cake for workers. Looking at the military regime in specific terms, some of its woes amongst others include the issuance of draconian decrees with no respect for the rule of law. Most times, Court orders were not obeyed. Decree 53 of 1969 removed the right to strike and lockout which is very undemocratic. Eleven veteran trade unionists were banned in 1977 and later unbanned. Otobo and Fallah (2007) noted that ten senior employees of erstwhile National Electricity Power Authority (NEPA) which later metamorphosed into Power Holding Company of Nigeria (PHCN) were jailed for putting the whole nation in darkness. The Nigeria Labour Congress was banned on two occasions (1988 and 1994). National Union of Petroleum and Natural Gas (NUPENG) and Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) were also banned in 1994 and Administrators appointed to run the organisations. The military regime has fostered more anti-union policies and anti-labour legislation in the period 1990 to 2000 than the previous decade of 1980-1990. The government enacted all manner of decrees to attack the right to freedom of association to organise collectively and the right of union members to manage their own affairs. In fact, unions could not hold their internal Delegates' Conference nor organise training workshops without express

permission of the military regime. Police and intelligence officers routinely broke up union conferences and other meetings (Otobo & Fallah, 2007). Otobo and Fallah (2007) noted that military regimes are basically authoritarian and because of the chain of command principle of the military organisation, plural centres of power have always seemed anathema to the military mind. Besides, they do encourage opposition and where it rears its head it has to be neutralised or crushed. In a dynamic society, no social policy can remain stagnant; it is on this note that the military administration's effort in reforming Nigeria industrial relations system to cope with the industrial strife occasioned by the civil war deserves commendation. Despite criticisms leveled against some of the labour policies of the military regime, it is obvious that its interventionist role created room for Government's shift from Laissez-faire doctrine to more active participatory industrial relations.

12.4 Employment Relations under Civilian Regime

With the return to democratic governance firstly in 1979 and again in 1999, the principles of industrial democracy were sustained by the government. Industrial democracy gives the workers represented by their trade unions and the employers as social partners in employment relations system the freedom to negotiate terms and conditions of employment through the institution of collective bargaining. The civilian government abolished some of the anti labour legislations enacted by the military that imposed undue restrictions on the proper conduct of industrial relations. The civilian government although not at all times but in most cases followed due process and the tenets of the rule of law by obeying Court orders. As a way of improving the disputes settlement procedures the operational location of both the Industrial Arbitration Panel (IAP) and National Industrial Court (NIC) were decentralised. Although some commentators have argued that the Trade Union (Amendment) Act, 2005 was politically and ill-motivated as it was believed to have been targeted at the reduction of the powers of the trade unionists by the creation of more central labour bodies and liberalizing and democratizing union membership. In the same vein, it is the belief that government has unduly arrogated to itself matters that relate to wage fixation in the public sector and hence prevents the adoption of collective bargaining in wage determination. It should however be noted that government desire was aimed at having good industrial relations system that would bring about and promote sustained industrial peace and harmony. Also, the government aimed at the creation of a social climate where the social partners would contribute meaningfully to national economic development. Be that as it may, it does appear that some of the

actions of government tend to raise doubt about its neutrality in the relationship between labour and employers especially those in the public sector. To have a good employment relations system in Nigeria should not be left in the hands of a single party rather to have a harmonious and peaceful system is the responsibility of all the actors in employment relations system with the government leading by example.

12.5 Emerging Issues in Employment Relations

Globalisation and the advancement in Information and Communications Technology coupled with the emergence of the fourth Industrial Revolution (Industry 4.0), have given birth to contemporary issues and challenges and also led to the advent of perspectives for the Employment Relations practitioners and scholars. Some of these issues are discussed below:

Productivity Improvement

Productivity improvement would most likely create employment and reduce inflation, improve the standard of living of the masses, hence everyone should contribute their quota to ensure that new ways to improve productivity is found and that will strengthen the economy for the betterment of all parties in employment relations. Employment relations practices in the 21st century have created opportunity for organisations to have higher output and improved quality of products and services. This new trend has encouraged ER Managers to play active roles on matters that border on productivity improvement.

Quality of Work Life (QWL)

Quality of work life refers to the extent to which employees through the earnings from their work are able to meet their personal and family needs. Therefore, the QWL of a worker is said to have improved if the returns from his/her work enhances his/her ability to meet more and more of his/her needs. The implication of this is that improvements in QWL will significantly and positively affect the performance of the organisations as workers may be more motivated to put in their best if they expect the outcome of their work effort to meet their needs. Matters that relate to the promotion of workers' Quality of Work Life (QWL) has become a major focus of the Employment Relations Managers in most organisations.

Health and Safety at Work

Health and safety issues focus on creation of work environment that reduces the likelihood of an employee to have an accident or sustain an injury. Related to this is the issue of job stress which can be as hazardous as an unsafe workplace. 21st century managers have recognised the dangers

of potential personal and organisational job stress and are continually look for ways to minimise its effect and reduce the problem through constant medical attention and participation in National Healthcare programmes.

Quota System in Employment

The application of the quota system is prominent in public sector employment that is expected to reflect the Federal Character Principle. The Employment Relations Managers have the responsibility to ensure that employment into government establishments is conducted in such a way as to reflect the principles of federal character without compromising merits and standards.

Labour and Social Legislations

Labour legislations through the various Acts of parliament have given workers more rights in terms of security of employment and entitlements which were perceived as mere expectations of yesteryear. These rights and entitlements (various fringe benefits, medical care for employees and family, Pension, National Housing Fund, and Retrenchment benefits, among others) have added additional strain and costs which the employers must bear in hiring, maintaining and dispensing employees.

Labour Dissatisfaction at Work

This has to do with issues like growing rate of unionization of employees, low morale and alienation from work. Others include labour turnover, brain drain and migration, poor work habits/attitudes, industrial conflicts and strikes which are inevitable phenomena in the workplace.

Changing Values of the Employees

In past decades, work ethics were tenaciously followed by employees in terms of punctuality, honesty, diligence etc. but these days, there is growing evidence of serious decline in work ethics. The syndrome is such that some of the enterprises do not provide the basic guidelines for living rather the individuals are responsible for exploring and determining for themselves what they want to do and become in life. With this philosophy, one needs not wonder why work has become one alternative among many to the workers who want to survive in a turbulent and harsh environment of the modern day. The trend led to erosion of values with the consequent aftermath such as bribery, corruption, lack of transparency, indiscipline, wasteful spending.

Changing Demands of the Employers

Due to competitive pressures, the organisation must embark on changes in its internal environment as well as technological innovations. The foregoing factors no doubt have serious effect or

repercussion for Employment Relations in the organisation as manpower contraction or expansion becomes imminent.

Changing Role of Government or State in Employment Relations

Due to the civil war in Nigeria, the government shifted its non-interference posture for more positive roles in employment relations practice. This is evidenced by its “Interventionist Policy” in industrial relations in what it coined as “Limited Intervention and Guided Democracy” in labour matters. The government enacts legislations from time to time as industrial situations may warrant and implements some ILO standards. The Employment Relations Manager needs to keep himself abreast of labour legislations on a continuous basis in order to be relevant in the industry.

The Clean Wage Option

Clean wage involves the consolidation of the basic pay and all allowances or fringe benefits. What this means is the payment of total package as salary without distinguishing between the basic salary and the fringe benefits components. This practice is common in many countries in the Third world including Ghana which adopted the option in 1988. The option was adopted by some oil companies including Mobil Producing Nigeria in 1997 while the Nigeria government introduced it in the Federal civil service and Ministerial Departments and Agencies (MDAs) under the presidency of Chief Olusegun Obasanjo. The implication of the clean wage option is kind of mixed grill for both the employees and the employers. For example, the option attracts high element of taxation because the total package or clean wage is taxable as well as increases the terminal benefits and holds more prospects for the retirees. It also translates into higher contributions to employees’ Retirement Savings Account as calculation of contributions is based on the clean wage option.

Social Responsibility by the Employers

Organisations are citizens of the community where they operate. Its survival is dependent on the survival of the environment where they are located. The activities of some of these organisations have negative impact on the community and the society at large because of waste pollution and destruction of their ecosystem. The enterprises therefore have social responsibilities to contribute to the well-being and development of these communities. For example, some enterprises in Nigeria provide social amenities for their host communities to improve their standard of living and avert crises. Other organisations contribute in terms of sponsorship of educational activities, sporting activities, giving scholarships to brilliant and needy students, and provision of other amenities as their contributions to the needs of some sectors of the economy.

Economic Recession

Economic recession is a phenomenon that arises as a result of decline in economic activities as a result of decline in industrial production and output with corresponding rise in the rate of unemployment. The phenomenon affects employment relations and is a major factor that affects collective bargaining process. It also leads to increase in the spate of industrial actions due to manpower contraction brought about by low-capacity utilization in industries. The ER managers should modify their responses by collaborating with the workers and their unions to face these challenges realistically so as to keep the enterprise afloat rather than adopting adversarial approach to employment relations.

Public Service Reform by Government

The major objective of public service reform in Nigeria is to demonstrate that government business can be carried out in open, economically and transparent manner devoid of unethical practices and corrupt tendencies. The focus of the reforms is to transform government institutions, implement social charter, value re-orientation, moral decency, respect and due process so as to guarantee effective and transparent system of economic and financial management of government resources. The foregoing underscores the need to launder the image and future of the public service. ER managers in the public sector should act as vanguard in bringing back the service to the good old days or past decades when it enjoyed recognition and respect.

Emergence of Non-Standard Work Arrangements

Non-standard work arrangement is more of employers' reaction to globalisation and trade liberalisation. This refers to a shift from standard work arrangement and it is as a result of employers' orientation to reduce or totally avoid costs associated with the application of the provisions of the labour laws that were designed to protect employees in standard employment and to create flexibility in managing the organisation's human resource. Adoption of non-standard work arrangement makes it flexible for employers to 'hire' and 'fire' non-standard workers at will. The practice has been a source of constant conflict between unions and employers. No legislation in Nigeria is supportive of this practice hence ER managers should be bold enough to guide and advise management accordingly.

Outsourcing of Services

The practice involves employers contracting out some of their noncore or ancillary services. Akin to casualization, this is done to cut costs as it denies employees the right to organise or belong to

trade unions. As experience had shown, permanent employees who have stake in the organisation show more commitment to their jobs than the contract employees supplied by vendors. Human Resource Managers should examine the cost-benefit implications of outsourcing certain services vis-à-vis engaging employees on permanent basis.

New Forms of Work

The advancement in the development of information technology has led to the emergence of new forms of work all over the world. Changes in the nature of work is still emerging with the advancement in the adoption of artificial intelligence (AI) in almost all aspect of our working lives. The implication is that many traditional forms of work are giving way for more technological driven ways of working. Jobs that are traditional performed by humans have been taken over by AI from manufacturing to service industries.

From the foregoing, it is thus obvious that the environment of employment relations has continuously varied and become more complex. The trends have made it more imperative for a new approach to be evolved in ER practices. The approach should integrate human resource policies with the strategic objectives of the enterprise in pursuance of its corporate goals.

12.6 The Future of Employment Relations in Nigeria

Employment/Industrial relations as an academic field of study is dynamic. The relationship between labour and employers starts with the contract of employment. We are in a changing world and the socio-economic and political conditions under which parties in employment relations interact is in a flux. If we flash back at the time in Nigeria trade union development when the colonial government granted recognition to trade unions in 1938 up to the emergence of military regime in 1966, we will see that the period was characterised by the Laissez-faire doctrine fashioned along the Anglo-Saxon model of industrial relations. The Laissez-faire doctrine was however abandoned by the government for greater participation of government in industrial relations with the introduction of limited intervention and guided democracy following the commencement of the civil war in 1967. The government intervention led to ban of strikes and imposition of wage freezes. However, as earlier noted in this study pack, the military regime through the introduction of National Labour Policy, restructured the trade unions, introduced compulsory check-off system to strengthen the unions financially and made it mandatory for employers to recognise trade unions once formed. Irrespective of some of these measures taken to strengthen trade unions and the industrial relations system, some shortcomings can still be

observed and such shortcomings need to be looked into to ensure the promotion of good employment relations practices in Nigeria. Among the issues that require attention at discussed as follows:

- i. It is a fact that the restructuring exercise of 1978 substantially strengthened the administrative and organisational efficiency of Nigerian trade unions the challenge of union apathy still persists. The activities and affairs of the unions are still dominated by active minority;
- ii. The Trade Disputes Act placed stringent measures to forestall strikes and lockouts but the rate and intensity of strikes have escalated or become more prevalent especially in the education and health sectors of the economy. On their part, the employers hardly resort to the use of lockouts hence could be said to act in obedience to the law to a great extent;
- iii. The intention of government on the imposition of sanctions for breach of provisions of labour laws appears defeated because the application of statutory sanctions as available records shows, have not reduced the number of disputes reported;
- iv. Government in most cases does not invoke the statutory sanctions in its establishments when parties breach the law. For example, the no-work-no-pay policy;
- v. The fines and sanctions for breach of statutory provisions in the Labour laws are ridiculously low and not in tune with present economic realities;
- vi. It is observed that government in many occasions breaches the law by not enforcing the award of Industrial Arbitration Panel or Court rulings against itself;
- vii. Government has the responsibility to set standards for other parties in employment relations. However, in most instances it abdicates its responsibilities to lead other employers in its policy implementation. For example, government is always found wanting in implementation of collective agreements and also in remittance of pension deductions to the Pension Fund Administrators;
- viii. The minister is meant to confirm or reject the award of IAP. This confirmation of IAP award is faced with the challenge of credibility due to Ministerial control and interference. The question that comes to mind is if the Minister will willingly confirm an award that is against the government where government is a party in the dispute. A party in such dispute could accuse the government of being a partial umpire or judge under this circumstance;
- ix. The duration of disputes settlement mechanisms from one stage to the other had been seen to be too cumbersome considering the fact that time is usually of the essence;

- x. The referral of disputes of interests which centre on new terms and conditions of employment to conciliation, apart from being knotty to resolve, may drag for too long as consultations have to hold between various stakeholders;
- xi. The Ministry of Labour and Employment seems not to lay much emphasis on the professionalism of its officers and it affects its capacity to cope with the enormous tasks it is saddled with on labour matters;
- xii. Industrial Arbitration Panel (IAP) operates within the ambit of the civil service structure and laced with excessive bureaucracy, inflexibility and delays in making awards within the statutorily stipulated time. To make the IAP more alive to its responsibility, it will be more appropriate for it to be moved to the judiciary;
- xiii. The trade union restructuring exercise grouped some workers into the same industrial union which in many cases are neither industrial nor general. Due to differences in conditions of employment which create pay differentials, disagreements or jurisdictional disputes within some industries do occur;
- xiv. There is need to review obsolete laws that could be an impediment to expeditious settlement of grievances and disputes at agreed intervals to make the laws relevant to the needs of the parties in industrial relations;
- xv. The National Labour Advisory Council (NLAC) consisting of representatives of organised labour and employers should be enlarged to include independent experts and professionals that have wide experience and competent knowledge in labour and industrial relations matters and also to proactively meet as occasion warrant;
- xvi. Collective bargaining is very fundamental to the industrial relations system and government as the single largest employer of labour and sovereign should be seen to practice the art and not to relegate it to the background. The process of collective bargaining can hardly be effective and successful if government as standard bearer or pacesetter fails to implement its pronouncements and policies;
- xvii. In view of the continuing changes in production methods, social values, constraining economic conditions and the objectives which workers and employers look forward to attaining in the work situation are forever changing, continuous training and development in management and labour education to acquire specific skills becomes imperative for the social partners in bipartite relations;

xviii. Nigeria being a former British colony inherited the British model of industrial relations and it is incontestable that the application of the model in foreign countries may pose some difficulties and challenges. Therefore, there is dire need to develop or fashion out an indigenous system of industrial relations which will be tailored to suit our local circumstances, national needs and aspirations.

It is important for government, employers, labour and other social partners in employment relations to critically look into the above highlighted issues and properly address them with a view to improve the employment relations system in Nigeria and make it an integral and essential element in the country's march towards social, economic and political development. It will also make the political, economic and social transformation process efficient, result-oriented and robust for the future. The global economic meltdown and attendant unemployment problems affect both secondary and tertiary school leavers including professional managers. The State has been adopting different measures to tackle the problem which seems to have defied solution as the rate of unemployment has been on the increase. The economic depression, aside from generating massive unemployment and other social problems also has adverse effect on trade unions' revenue, bargaining power and their capacity to meet the legitimate needs of their rank-and-file membership. Industrial relations scene under a democratic dispensation to a great extent is better than under a military regime. The civilian regime follows and abides with the tenets of the rule of law while the military by its operational structure has zero tolerance for opposition hence the regime was characterised with anti-union policies and draconian legislations. Industrial/employment relations as an academic discipline undoubtedly will be influenced by continuous changes as long as the socio-economic and political climates in which the actors operate remain dynamic.

Summary

This chapter focuses on the study of other relevant issues that impinge on industrial relations practice such as unemployment and employment relations, wage determination. Employment relations under the military and civilian regimes in Nigeria. the chapter focused on emerging issues in employment relations such as productivity improvement, quality of work-life, health and safety at work, quota system in employment, among other contemporary issues. The chapter concluded with discussion on the future of employment relations in Nigeria.

Practice Questions

1. What is unemployment and what are the causes?
2. What factors influence wage determination in Nigeria?
3. Evaluate employment relations under both the military and civilian regime in Nigeria.
4. Identify and explain at least five contemporary issues in employment relations.

Practice Questions: Multiple Choice Questions (MCQs)

1. Which of the following explains the consolidation of all salary components into a single element?
 - A. Basic pay
 - B. Clean wage option
 - C. Consolidated option
 - D. Stock option
2. The National Salaries, Incomes and Wages Commission was established in ...
 - A. 1994
 - B. 1993
 - C. 1992
 - D. 1991
3. ... unemployment refers to situation in which an individual is employed on part-time basis.
 - A. Volition
 - B. Partial
 - C. Duration
 - D. Voluntary
4. Which of the following describes the extent employees are able to meet their personal needs?
 - A. Work-life balance
 - B. Quality of work-life
 - C. Labour satisfaction
 - D. Socio-economic satisfaction

5. Which of the following describes the wages and salaries paid by other organisations in an industry?
- A. Productivity wage rate
 - B. Market going rate
 - C. Industry minimum rate
 - D. Labour market rate

Keys: 1. B; 2. B; 3. B; 4. B; 5. B

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